



- providing current information on health care industry issues and legislation

The H.H.C. Group Transplant Solution

H.H.C. Group had excellent success negotiating transplant cases. If we receive a prospective transplant case, we will locate a Center of Excellence and negotiate the cost of the pre-transplant, organ acquisition and transplant surgery, and post-transplant care with the provider.

The negotiation of a transplant will typically achieve a "Case Rate," which will seek to cover:

- Pre-admission testing (pre-transplant evaluation phase includes transplant related medical services including the medical and psychological assessment of the patient's condition, performed in order to confirm or deny candidacy for transplantation. This phase ends upon acceptance or denial into the transplant program).
- Laboratory charges (pathology charges must include modifiers 26/TC, etc.)
- Organ procurement (considers acquisition costs, medical costs for the living donor, if applicable)
- Hospitalization & Transplant surgery
- Recovery phase/post transplant care (includes transplant related medical services rendered to patient after discharge from inpatient facility in order to stabilize or maintain the patient. This phase usually ends (12) months following the discharge of the patient. The level of nursing care is considered, RN vs. LPN, and the costs of renting versus purchasing Durable Medical Equipment (DME) is reviewed.
- Retransplant services (the transplant surgery and recovery phase per case will include retransplants occurring during the initial transplant admission. If a retransplant occurs after discharge from the first admission, a new phased payment cycle will begin for negotiation).
- Supplies & Medications (based on AWP)
- If patient expires, the rate will be adjusted at a pre-determined % of total charges.

H.H.C. Group is successful in negotiating a transplant in 95% of cases. If we cannot negotiate with the provider, we can seek a discount through a Transplant Network partner. The fee is the same percentage of savings fee charged for negotiation services, but network repricing usually also requires payment of a nonrefundable access fee to access the Transplant Network. The access fee varies per network, but most charge between (\$6,000 to \$10,000).

CONTENTS

- 1 H.H.C. Group Transplant Solution
- 2 Industry news briefs
- 3 MRP case examples
- 3 Notable Savings
- 4 New 3 Star Providers
- 4 Contact Information
- 4 Case of the Month

HEALTH CARE REFORM UPDATES FROM THE CAPITOL . . .

Health Care Industry delivers savings proposals to the White House

President Obama asked health care industry leaders for a progress report by June 1st on their promise to trim the rise in health care costs by 1.5 percent a year, and health care industry leaders delivered. Obama's request was called a "homework assignment" by many, but produced solid proposals through a serious collaborative effort among insurers, doctors, drug makers, medical device makers, and a leading health care union. The groups identified three big areas for savings: \$150 billion to \$180 billion through more-efficient use of health care services, \$350 to \$850 billion through better managing chronic diseases, and \$500 billion to \$700 billion through administrative and business improvements such as standardizing claim forms. White House health spokeswoman Linda Douglass said, "it is important that these groups, some of which opposed reform in the past, are now at the table with the president acknowledging that we must reform health care this year. Clearly, they agree with the president that it is possible to significantly reduce the growth rate of health care spending that is crushing families, businesses, governments and is stifling economic growth."



Source: The Associated Press, June 2, 2009

Obama supports the Health Insurance Exchange being Crafted by Congress

President Obama supports a new health insurance exchange that Congress is crafting, which will allow Americans to shop and compare prices from private and public plans. All of the plans should offer a basic affordable package, and no plan would be allowed to deny coverage to people with pre-existing conditions. "I strongly believe that Americans should have the choice of a public health insurance option operating alongside private plans," Obama wrote in a letter to Sens. Edward Kennedy, D. Mass., and Max Baucus, D. Mont., chairmen of the two committees writing health care bills. "This will give them a better range of choices, make the health care market more competitive, and keep insurance companies honest."

Source: The Associated Press, June 4, 2009

The examples below demonstrate recent savings achieved through our **Medical Review Program**. If a claim is unusually high and the provider will not negotiate or does not participate in any of our 220 plus contracted PPOs, the claim may be a good candidate for a **Line Item or Comprehensive Bill Review**. Please contact your sales representative or Linda Frances Loch, General Manager of Medical Review Programs, at 301-963-0762 ext. 163.

Medical Review Program Bill Review Examples

Line item bill review savings examples:

Case A: Lumbar disc replacement

Case B: Treatment of brain swelling

Case C: Coronary artery bypass surgery complicated by pneumonia and pulmonary collapse

Bill amount

Recommended Denial

Case A:	\$23,025.00	\$11,240.88 or 56.70%
Case B:	\$6,087.95	\$3,696.32 or 60.70%
Case C:	\$77,453.81	\$6,488.50 or 8.40%

NEGOTIATION AND REPRICING SAVINGS EXAMPLES

The examples below demonstrate recent savings achieved through our Negotiation and Repricing Services. If you are currently using only one of our many services, contact your sales representative or email j_michaud@hhcgroup.com to find out how to access all of our health care cost containment services.

JUNE 2009 EXAMPLES			
TYPE OF SERVICE	AMOUNT BILLED	% SAVED	SAVINGS
NEGOTIATION	\$862,889.00	6.30%*	\$43,311.20
	\$89,961.90	25.00%	\$22,490.48
	\$104,260.21	18.50%	\$19,260.21
	\$71,833.03	25.00%	\$17,958.27
REPRICING	\$31,619.20	20.00%**	\$6,323.84
	\$24,505.84	25.00%	\$6,126.46
	\$18,455.00	25.00%	\$4,613.75
	\$7,696.00	41.60%**	\$3,201.00

* Additional Savings after in-network PPO discount

** Repricing through **H.H.C. Group** 3 Star Network

3-Star Preferred Provider Program Additions

One of the strengths of **H.H.C. Group** lies in its relationships with providers. We are pleased to announce the following new program members.

AHP of Shreveport Inc., Atlanta, GA	Jesse Kellum/Circadian Sleep Center, Marion, OH
American Diagnostic Medicine, Titusville, FL	Lake Travis Anesthesiology, Dallas, TX
Anders P. Nelson MD, Chincilla, PA	Martin Gallagher, Hagerstown, MD
Bucktail Medical Center, Renovo, PA	Northeast Arkansas Clinic, Jonesboro, AR
Frio Dominic J., Hoboken, NJ	Pacific Cardiovascular Consultants, West Lake Village, CA
Gastroenterology Consultants, Carmel, IN	Physicians Standup MRI Ltd, Hurst, TX
Greenberg Glen, Media, PA	Pioneer Medical Diagnostics Corp, Tarzana, CA
HealthAlliance Pulmonary, Leominster, MA	UP Digestive Assoc PC, Marquette, MI
James Monath, Zanesville, OH	

CONTACT INFORMATION

Additional product/services information: visit
www.hhcgroup.com or 301-963-0762 ext. 110.

Repricing support/assistance: please contact
appeals@hhcgroup.com or 301-963-0762 ext. 212.

Medical Review Program support/information: please contact
mrp@hhcgroup.com or 301-963-0762 ext. 163.

Case of the Month:

H.H.C. Group received an in-network claim of \$862,889.00 with a 20% PPO discount in place, which reduced the claim to \$690,311.20. Our licensed claim adjuster was able to negotiate an additional \$44,311.20 off the charges, reducing the claim to \$647,000.