



COB: Discover Hidden Revenue

"Improper coordination of benefits ... represented 25% of denied claims..."

■ HFMA Revenue Cycle Strategist
June 2008

Simple COB "To Do's":

1. **Bill all secondary payers** to prevent timely denials – stop the clock!!
2. **Utilize actual COB clauses** from contract to effectively recover complete COB payments.
3. **Train Patient Financial Services staff** to identify and overturn the incorrect COB payments.
4. **Prioritize workflow** by potential payment methodology, such as benefits less benefits clauses over patient liability.
5. **Improve processes** so that all necessary documentation is submitted to secondary

Summary

COB: Maximize Your Secondary Reimbursement

- Quick dollars to your bottom line
- Learn best practices to recover correct COB reimbursement

Sample STAT Results

COB underpayments from closed accounts for 1 hospital:

- **In just 6 weeks, STAT identified \$800,000**
- **In 1 year, STAT identified \$3,860,000**

The Challenge:

What revenue have you lost due to incorrect coordination of benefits (COB) payments?

The complexities involved in correctly coordinating benefits per a hospital's payer contracts will *always* result in lost secondary payer revenue. During STAT's comprehensive managed care review of a hospital's closed accounts, we have found that underpayments from incorrect application of COB terms consistently result in significant lost revenue for our clients.

The Case:

Contract Management systems are not the answer. Whether your hospital is using PCon, TSI-Eclipsis, EPIC, Meditech, or another system, COB is near impossible for contract management systems to price accurately.

STAT's Findings:

The following errors cost various hospitals millions of dollars:

1. Billing for less than contractual COB - \$1.8 million in underpayments

Hospital billed for only the primary payer's patient liability, not the contractual amount due: secondary payer's contracted rate less the primary payment.

2. Not billing secondary payer - \$2 million in underpayments

Secondary payers not being billed for additional payment after the primary payer makes a payment. Hospital is not expecting additional payment since the contract management system is unable to prorate accurately for secondary reimbursement.

3. Incomplete documentation to secondary payer - \$215,000 in underpayments

Claims are not always sent to the secondary payer with primary EOB and supporting documents when requested or required by payers.

To help these hospitals address their COB exposure, STAT implements its comprehensive post-payment managed care reimbursement review service. STAT identifies all accounts with secondary payers and is able to validate and recover the proper contractually allowed amount. This is just one part of how we maximize revenue from commercial payers.

Pursuing correct reimbursement can be challenging, even with robust contract management systems and internal controls in place. With absolutely no risk to you let STAT ensure you're receiving 100% of your commercial and government revenue.

For more information about how STAT can add value to your hospital, please visit us at: www.statrev.com