

Overview

■ Presenter:

Kelly D Webb – CEO

ASC Billing Specialists LLC

10 years of healthcare revenue cycle management experience and is responsible for ASC out of network business management line.

Out of Network Can Increase Your Revenues

Kelly D Webb – CEO

ASC Billing Specialists LLC

Are Out of Network Benefits Dead?

No .. Not yet

■ Many Rumors & Myths

■ Fear /Concern

■ Is it Legal to Bill Out of Network?

■ Unsettled Times

■ Will the Government Run Healthcare?



PPO Industry by Numbers

- Greater access, choice and flexibility.
- 203 Million Americans enrolled in PPOs
- 69% of all Americans have PPO healthcare.
- Health Savings Accounts
 - + 5 million enrolled 97% are in PPO's
- HMO benefit cost average \$8,892 per employee.
- PPO benefit cost average \$8,781 per employee.
- PPOs work collaboratively with providers to improve health care decisions.
- Demand for PPO & out of network Increasing.

Source: American Association Preferred Provider Organizations. April 2011

Out of Network claims are Alive!

- PPO and OON are currently being sold and in High Demand.
- All companies have increased sales of PPO plans.
- Americans want the choices and benefits of PPO.
- Public demand high.
- Insurance doesn't want to pay for it.

Strategic Plans vs.Obama Care 2014



- Insurance Companies Changing strategies.
 - Pressure for contracts
 - Fear sold as Education
 - 30% increase in premiums
 - Denials increase
 - Dictating Medical care by cost

WHY the sudden changes?

Fear & Substantial uncertainty in Health industry regarding Consequences.

2014- Fear-Cause and Effect of the Affordable Care Act.

- Establish a competitive insurance market.
- Prohibit annual/lifetime limits on coverage
- Provide free preventive care.
- Require coverage for Pre-existing conditions
- Regulate cost of Insurance
- Expand Coverage to Uninsured Americans

Medical Insurance potential impacts

- Competitive Market
 - Drives down erode premium
 - Profit margin deteriorate
- Larger Insurers
 - Undercut competitor rates
 - (think Wal-Mart for Healthcare)
 - UHC –buying firms
 - Well-point.
- Smaller firms not able to compete



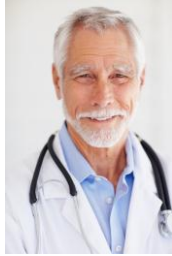
Medical Insurance potential impacts(2)

- Higher regulation to insurers
 - Must spend 85% premium revenue on healthcare service quality
 - Medical Loss ratios
 - Issue rebates if not met.
- How law implemented by Secretary Sebelius may drive many insurers out of business.
- Fear of Changes



Constancy Amid Change

- Do I stay out of network with some payers?
 - Evaluate your ASC
 - Payer Mix?
 - What Specialty?
 - Strong Intelligent / Staff
 - Patient coordinator



Payer Mix – Median Incomes

- What % Blue Cross?
- What % Aetna?
- Medicare / Tricare?

Florida – Not high onn PPOs.



Which Specialty –which surgery?

- Orthopedics
 - Implants Invoice+5%-20%
 - **Bariatric Surgery**
 - Pain Management
 - Reconstruction
 - Breast Reduction
 - Nasal Reconstruction



Strong Staff –Patient Coordinator



- Patient Coordinator
 - Expert in Insurance
 - Explain to Patients
 - Benefits / verification
 - Financial Aspects
 - Follow-up with Patients
 - Makes Out of Network flow.

Employer Plans Still want Best



- Employers buy the medical Insurance
 - Want PPO and out of network
 - Benefits continue until major change in 2014 or Employer changes plan.
 - Premiums paid

Summary- ASC Benefits

- 23 Hour Stay
- Walk in Walk out
- RN Coverage
 - Start to finish
 - Limited Procedures
 - More Sterile Environment
 - Specialized Service



2011 1st Quarter Analysis

Time Period	Total Paid procedures	PPO	Low Pay Commercial	Capped Plans	Medicare	% of Low Pymnts	% of High Pymnts
January							
Dr. #1	108	32	13	30	33	70.37%	29.63%
Revenue	\$283,479.37	\$219,907.97	\$23,088.54	\$7,001.98	\$13,480.88	16.54%	83.46%
Dr. #2	113	26	7	31	49	76.99%	23.01%
Revenue	\$220,907.26	\$181,739.14	\$10,106.40	\$9,935.00	\$19,126.72	17.73%	82.27%
February							
Dr. #1	78	23	19	10	26	70.51%	29.49%
Revenue	\$229,987.31	\$190,619.69	\$24,383.46	\$5,193.41	\$10,010.81	17.16%	82.84%
Dr. #2	103	28	14	24	37	72.82%	27.18%
Revenue	\$287,602.62	\$239,393.72	\$18,506.12	\$11,190.00	\$18,512.70	16.76%	83.24%
March							
Dr. #1	108	42	23	14	29	61.11%	38.89%
Revenue	\$325,287.70	\$267,170.56	\$33,984.57	\$9,596.10	\$14,536.47	17.87%	82.13%
Dr. #2	133	25	23	23	62	81.20%	18.80%
Revenue	\$224,306.43	\$152,295.57	\$36,454.97	\$7,589.42	\$27,966.47	32.10%	67.90%
Total							
Dr. #1	294	97	55	54	88	67.01%	32.99%
Revenue	\$818,754.38	\$677,598.16	\$81,336.57	\$21,791.49	\$38,028.16	17.24%	82.76%
Dr. #2	349	79	44	78	148	77.36%	22.64%
Revenue	\$732,816.31	\$573,428.43	\$65,067.49	\$28,714.42	\$65,605.97	21.78%	78.22%
TOTALS	643	176	99	132	236		
	\$1,551,570.69	\$1,251,026.59	\$146,404.06	\$50,505.91	\$103,634.13		