

## A Short Story: An Extra 21.3% in Savings

Consider the example of one of Paladin's clients, a large national staffing company. Initially, they wanted to understand if more savings could be found by adding Clinical Bill Review to the standard bill review service provided by a third-party administrator (TPA).

The company asked the TPA to send over 35 bills for Clinical Bill Review, along with the explanations of review (EORs). Although the normal bill review process had already found about \$64,000 in savings, Paladin doctors uncovered another 21.3 percent, bringing the savings total to \$107,500.

## Increasing Savings through Physician Review

Paladin's Clinical Bill Review (CBR) service is designed to save every possible dollar without compromising patient care. The service supplements our clients' existing bill review processes and takes them a major step further. Whereas typical bill review processes excel at flagging conflicts with state fee schedules and preferred provider discounts, Paladin's Clinical Bill Review service assigns Paladin doctors to review complex medical bills for high-severity claims, including those involving surgery, hospital stays, multiple procedures, and/or multiple providers.

As trained clinicians, Paladin doctors pinpoint treatment and billing errors, such as those caused by unnecessary consults, inappropriate medical procedures, overly long hospital stays, and unauthorized de-coupling of billing codes. Although many experienced claims examiners are medically astute, only a doctor can unearth problems associated with complex medical procedures. From there, the peer-to-peer credibility that Paladin doctors share with treating physicians enables them to work collaboratively to resolve conflicts quickly.

### WHAT PALADIN DOCTORS LOOK FOR

Automated bill review systems are adept at catching basic coding errors and pricing that deviates from fee schedules and PPO discounts. But it usually takes a practicing physician to understand when a procedure or billing code is out of line. Here are a few types of costly errors that Paladin doctors routinely see during Clinical Bill Review:

**Unnecessary procedures**, such as multiple spinal injections for nerves that aren't a trigger point for the pain.

**Unauthorized procedures**, such as those that haven't been FDA-approved for the particular injury.

**Inflated procedures**, such as removing fatty tissue during a hernia repair and billing for both the fat removal and the repair.

**Unrelated procedures**, to treat problems not caused by the injury.

**Incorrect referral**, such as sending a patient to an emergency room for tests that can be handled in a more cost-effective setting.

**Unnecessary use of a co-surgeon**, when a surgical assistant is qualified to assist in the surgery or no assist is necessary.

**Fictional incident**, fabricated by the treating physician so he or she can add a billing code for a seemingly plausible and necessary part of the treatment.

**Unbundling of billing codes** to charge for two procedures that are really part of a single treatment.

**Double-billing** for a procedure that was done — and billed for — earlier in the treatment process.



## How it Works

### Step 1

The bill goes through our client's normal bill review processes and systems to capture savings.

### Step 2

The client's claims examiner or bill review system forwards billing information about specific medical procedures to Paladin based on pre-specified criteria for our clinical review.

### Step 3

A Paladin physician examines every medical procedure and fee to confirm its validity in the context of the patient's injury or illness. The review in no way duplicates the client's own bill review processes.

### Step 4

As needed, the physician contacts the treating physician to discuss concerns and resolve issues. (In our experience, the peer-to-peer credibility of doctors talking to doctors can result in quick resolution and considerable savings.)

### Step 5

If the treating physician is a member of a PPO that Paladin works with, the bill — which now contains corrected and approved CPT codes — goes to the PPO for re-pricing based on its discounts. If the treating physician isn't part of a Paladin-affiliated PPO, when appropriate we'll negotiate the final resolution with the provider's billing office.

## Contact Paladin Managed Care Services today

Paladin is setting the industry standard for managed care services by involving physicians in every service. This unique approach incorporates the medical expertise of physicians at the level where it can do the most good — for our client, the patient, and the policyholder paying the premium. Our full set of physician-guided managed care services covers Clinical and standard Medical Bill Review, Case Management, Physician Guide and Utilization Review.

To learn more, call us at 800.559.5556, email us at [info@paladinmc.com](mailto:info@paladinmc.com) or visit us at [www.paladinmc.com](http://www.paladinmc.com)

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