



MyHealthGuide Newsletter
News for the Self-Funded Community
3/23/2009

Published weekly by MyHealthGuide, LLC (www.MyHealthGuide.com). This Newsletter is for personal, non-commercial use only. This weekly newsletter is FREE OF CHARGE to subscribers. [Subscribe free.](#) Send news, press releases and announcements to <mailto:Info@MyHealthGuide.com>.

General & Company News

SynerMed Provides Affordable Automated Systems That Identify Fraud, Abuse and Waste for TPAs

MyHealthGuide Source: **Andria Jacobs, RN, MS, CEN, CPHQ, CCP**, PCG Software, 3/17/09, www.pcgsoftware.com and www.isynermed.com

As with any industry, the competitive landscape for third-party administrators is always subject to change. A potentially significant challenge for TPAs is the growing importance that self-funded entities place on identifying and denying the significant number of fraudulent, abusive and wasteful claims generated by PPO providers. The benefits to TPA clients are clear: Identifying and denying unnecessary overpayments helps control health-plan expenses while maximizing the plan's value to members.

TPAs that help their clients reduce fraud, abuse and waste (FAW) stand to gain, as well. By providing sophisticated FAW detection as part of the claims-adjudication process, TPAs can offer their clients a value-added service that provides a very real competitive edge when it comes to renewing service contracts.

An effective, efficient claims-adjudication process will always be a cornerstone of a TPA's service offerings, but in an era of rising healthcare costs, "mere" efficiency and effectiveness are no longer enough to differentiate one TPA from another. By enhancing the claims-processing system to effectively identify overpayments, TPAs help their clients continue to provide coverage without cutting benefits, reducing lifetime payments or raising co-payments.

SynerMed FAW Services

One company that exemplifies the increased focus on FAW is SynerMed, a Los Angeles-based technology and services provider for healthcare organizations. SynerMed has deployed a wide range of automated systems to serve its clients, which include union employer groups with self-funded benefits plans.

SynerMed focuses relentlessly on helping its clients control costs. For example, rather than contracting with external PPO-based providers who can drive up the costs of self-funded plans, SynerMed administers health benefits through its own proprietary provider networks. This results in significant savings for self-funded union employers.

SynerMed has integrated Virtual Examiner, which is an automated FAW-detection software system from PCG Software (Malibu, Calif.), into its core management system. SynerMed uses Virtual Examiner to identify improper billing. When a claim hits one of the internal edits in the system, the claims examiner is notified of the discrepancy and can deny the claim.

The company recognized that there are certain categories of improper billing that manual claims processing simply can't recognize, such as when one provider bills for a set of services from one day and then another provider bills for the same services delivered on another day. The system enables SynerMed to auto-adjudicate claims for such discrepancies as well as for certain codes that are a medical impossibility, which can be denied 100% of the time.

SynerMed implemented the FAW-detection software in 2003 for its non-TPA business lines and began using it for its self-funded clients in 2006. The company used the data generated by Virtual Examiner to create reports that identify the providers in its network that have demonstrated a tendency to overbill. SynerMed then uses the data to help providers correct their billing practices, and if the providers do not rectify the issues, SynerMed can use the evidence it gathers in the system to justify removing the provider from the network.

TPAs can now justify the expense of licensing and implementing sophisticated FAW-detection software. Moreover, the costs to upgrade existing systems are minimal. The Virtual Examiner application, for instance, resides on a separate server and is accessed through an Internet-enabled workstation, but it is seamlessly integrated with the TPA's existing claims-adjudication software.

About PCG Software

PCG works with healthcare payer organizations to increase profitability by enhancing cost containment, maximizing financial recoveries, and significantly reducing fraud and abuse. The company's comprehensive suite of software tools automate cost containment through more accurate and efficient claims adjudication and code review

for TPAs, national and regional health insurance plans and independent physician associations. Contact Andria Jacobs, Chief Operating, at 877-789-1291 ext. 203, ajacobs@pcgsoftware.com and visit www.pcgsoftware.com.

About SynerMed

SynerMed is the leading state-of-the-art technology and services provider for health care organizations. We strive to remain at the forefront of innovation in the rapidly changing health care environment, by providing the most comprehensive offering and creative, customized solutions more quickly and cost-effectively than anyone else. Visit www.isynermed.com.

Editorial Notes, Disclaimers & Disclosures

- Articles are edited for length and clarity.
- Articles are selected based on relevance and diversity.
- No content in this Newsletter should be construed as legal advice. All legal questions should be directed to your own personal or corporate legal resource.
- Internet links are tested at the time of publication. However, links change or expire often.
- Articles do not necessarily reflect views held by the Publisher.
- Disclosure: MyHealthGuide is associated with [CareHere, LLC](#)[®] and [LabInsight](#)[®].

[Top](#)

Ernie Clevenger
President & Publisher
MyHealthGuide, LLC
Clevenger@MyHealthGuide.com