

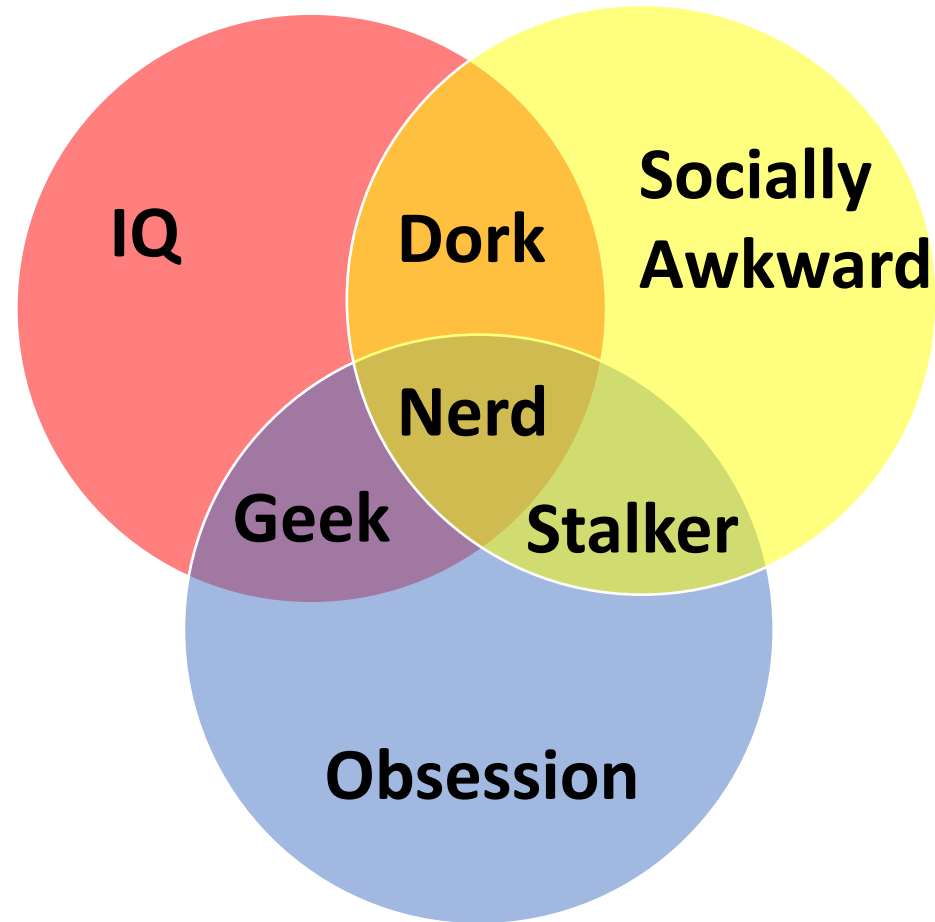


HYVE HEALTH

Payer Scorecard

**Holding Payers Accountable
with Data**

Nerd vs Geek by Don McMillan



Statistics can be misleading by Don McMillan



Statistics shows that teenage pregnancy drops dramatically after 20





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Current Payer Environment

Current environment

Bridging the payer-provider divide

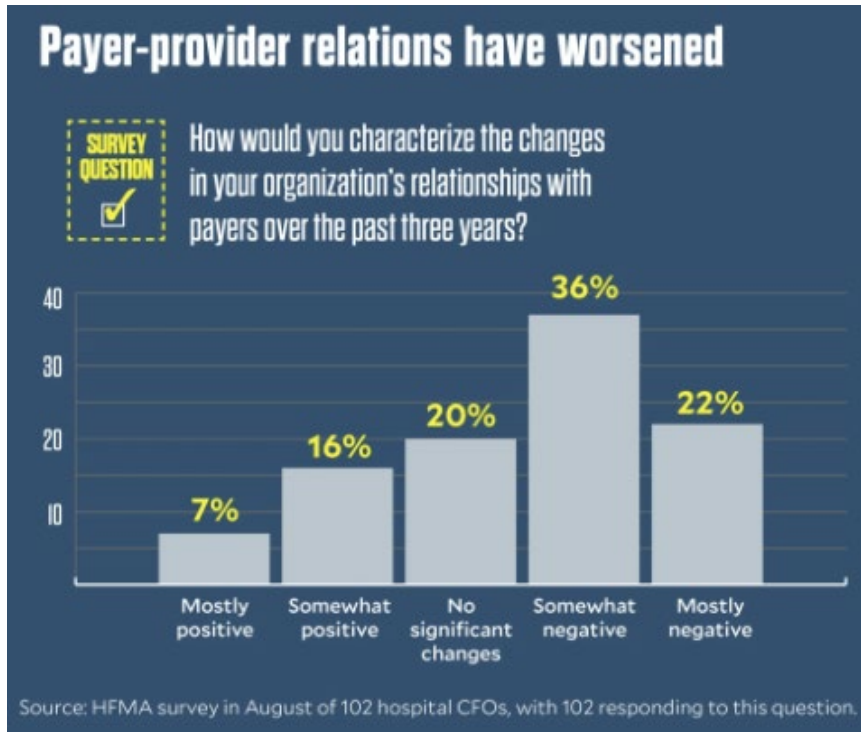
Jeni Williams

Like 8

October 24, 2024 11:19 am



Print



Hospitals face 'unrealistic pressure' from insurers as administrative cost soar

Laura Dyrda (Twitter) - Friday, September 20th, 2024

Hospitals' administrative costs are rapidly increasing as insurers increase prior authorization requirements and denials, according to Rick Pollack, president and CEO of the American Hospital Association.

The extra administrative costs cut into hospitals' ability to reinvest in infrastructure, service lines, talent recruitment and more, according to the report. It's also taking longer for insurance companies to pay claims, according to the Vitality Payer Scorecard. Last year the time insurers took on average to process and pay hospital claims increased 19.7%, and some commercial insurers are using claims audits to reduce reimbursement or clawback payment, according to an AHA [report](#).

Financial Management

'There's something wrong with the system': CommonSpirit CFO

Alan Condon - Tuesday, January 21st, 2025

Mr. Morissette said healthcare has "never been more challenging" for health systems. While CommonSpirit does not issue forward-looking statements and continues to battle payers across multiple markets, he expects FY 2025 "to be better than" FY 2024.

How do we know...?

- ...what are “normal” denials?
- ...that the payer is denying your hospital more than others?
- ...how fast should you get paid?
- ...that the payer is paying you slower than others?
- ...what should a payer pay for a service or procedure?
- ...what are you getting paid compared to your peers?
- ...Do we really want to know??



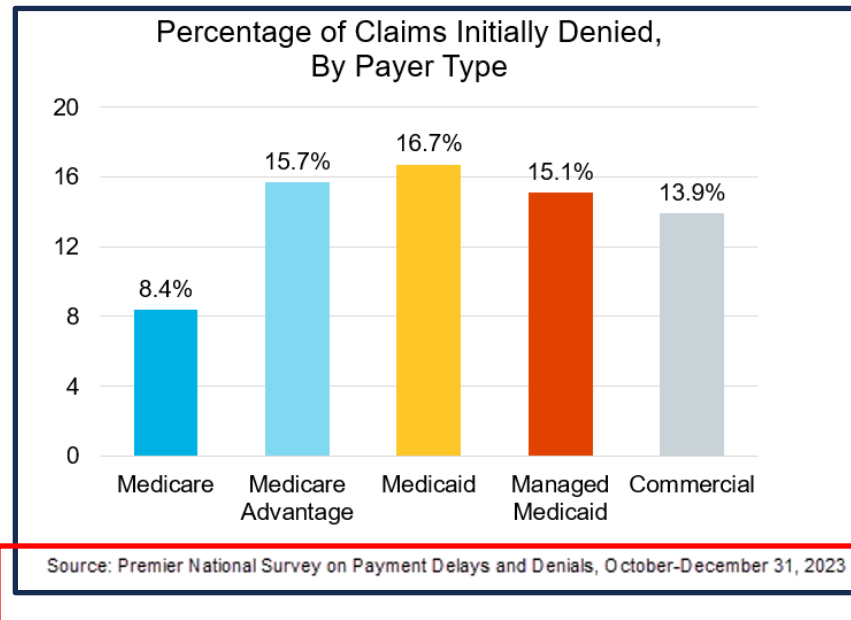
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What is the bar in the industry?

March 21, 2024

Trend Alert: Private Payers Retain Profits by Refusing or Delaying Legitimate Medical Claims

<https://premierinc.com/newsroom/blog/trend-alert-private-payers-retain-profits-by-refusing-or-delaying-legitimate-medical-claims>

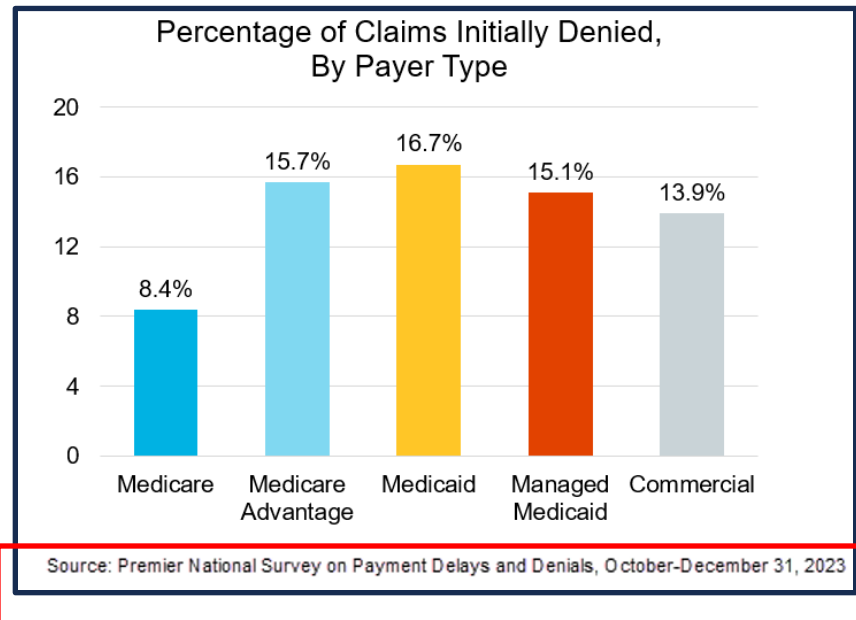


Trend Alert: Private Payers Retain Profits by Refusing or Delaying Legitimate Medical Claims

<https://premierinc.com/newsroom/blog/trend-alert-private-payers-retain-profits-by-refusing-or-delaying-legitimate-medical-claims>

Methodology

Premier conducted a voluntary, national survey of member hospitals and health systems from October 10-December 31, 2023. Respondents represented 516 hospitals across 36 states, accounting for 52,123 acute care beds. Respondents were asked to consider all claims from January 1, 2022 to December 31, 2022. Findings are presented as averages, weighted by acute bed capacity of the respondent. Respondents ranged from a small 12-bed critical access hospital to large, multi-state health systems. A copy of the survey questions can be found [here](#).



Insurance Product	Initial Claim Denial %
Medicare	
Managed Medicare	
Medicaid	
Managed Medicaid	
Managed Care and Other Commercial	
Marketplace Exchanges	



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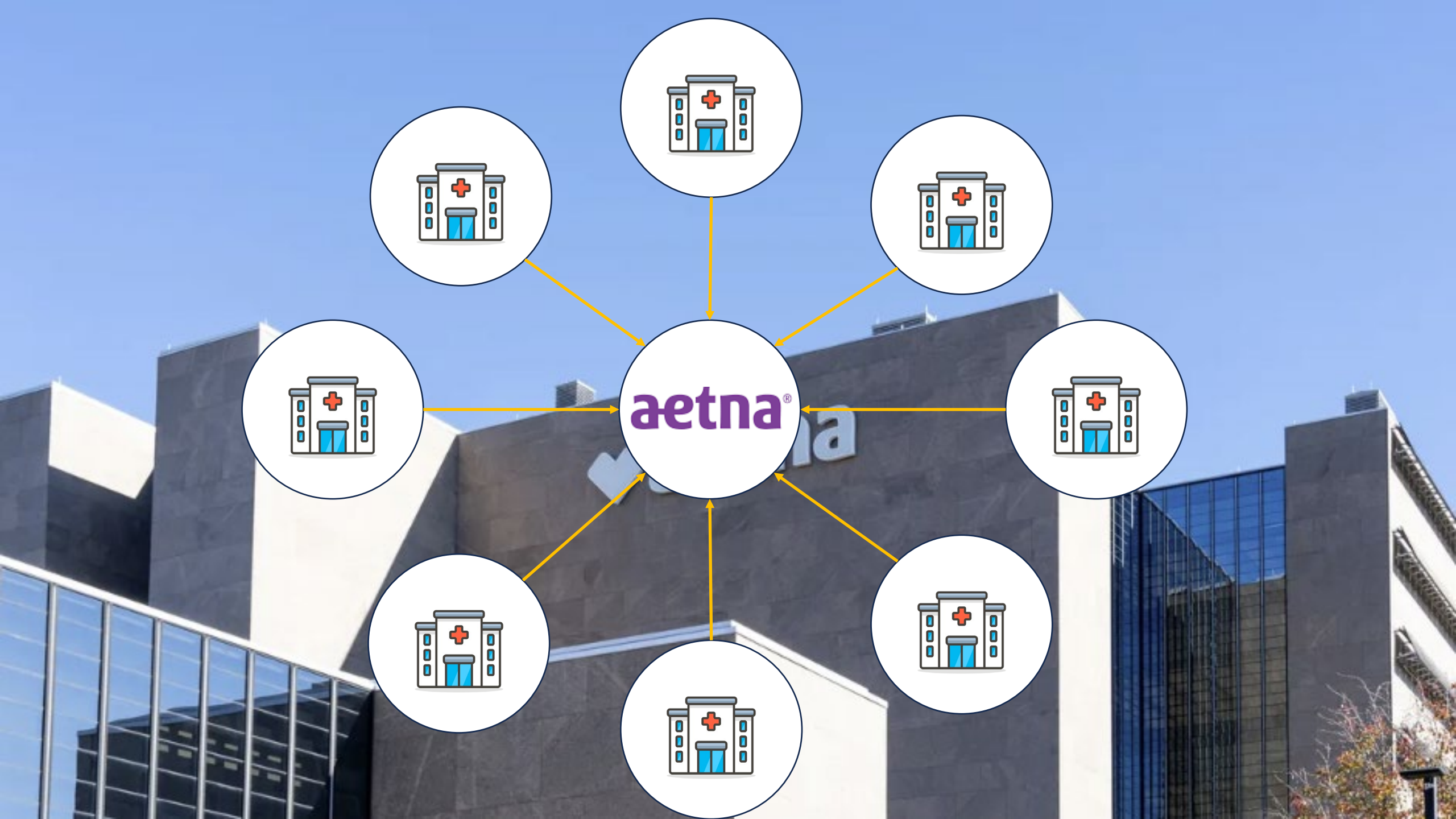
Providers' Perspective





HYVE HEALTH

Payers' Perspective



aetna®

A close-up of Hopper, the charismatic leader of the grasshoppers in the animated film A Bug's Life. He is a large, brown grasshopper with a confident, slightly smug expression, looking directly at the viewer. His antennae are prominent, and his legs are spread out in a relaxed, commanding pose. The background is a warm, out-of-focus orange and yellow, suggesting a sunset or sunrise in a field.

“Those puny ants
outnumbers us a hundred
to one.

And if they figure that out,
there goes our way of life.

It is not about food; it’s
about keeping those ants
in line.”

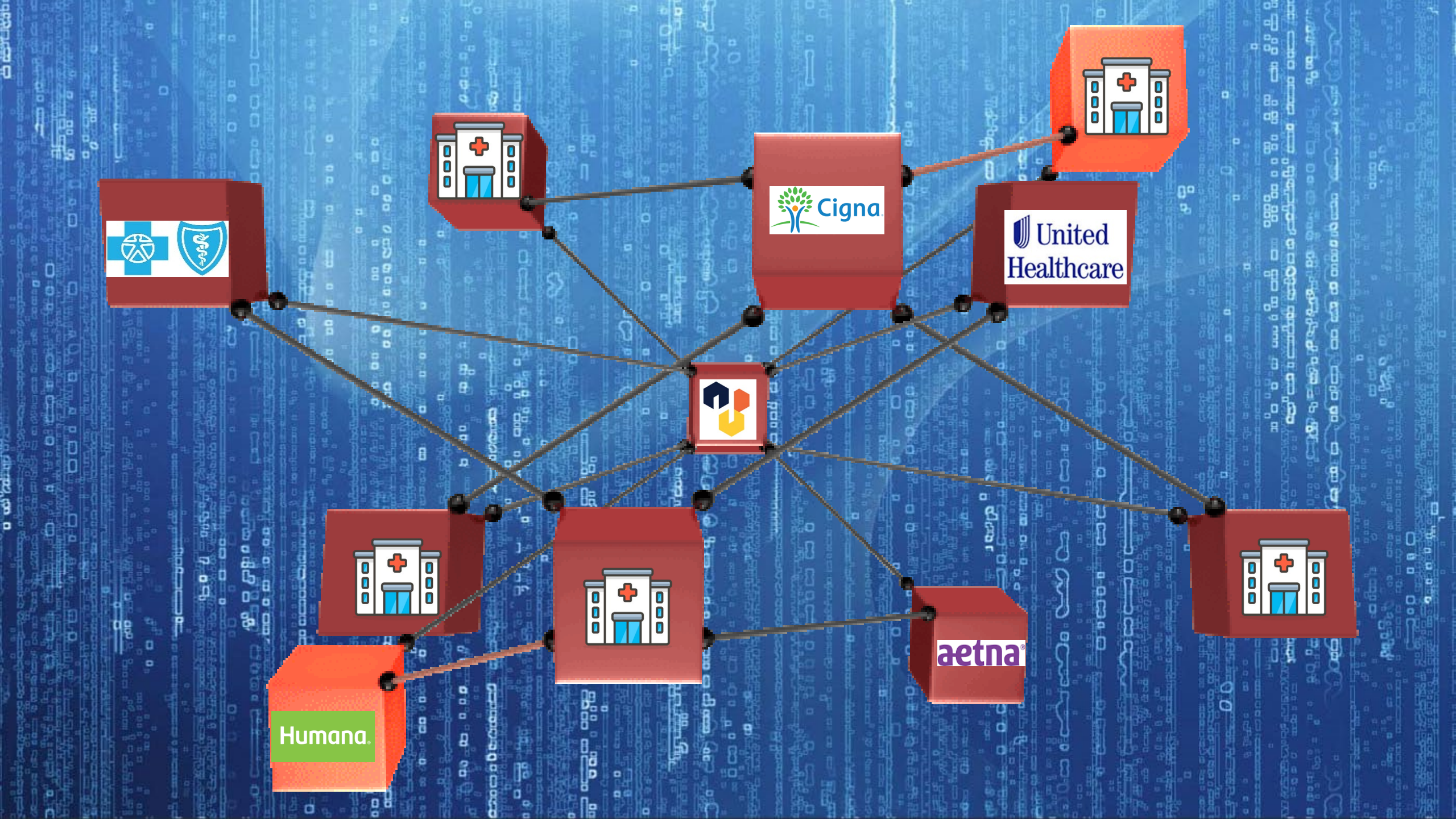
-Hopper



HYVE HEALTH

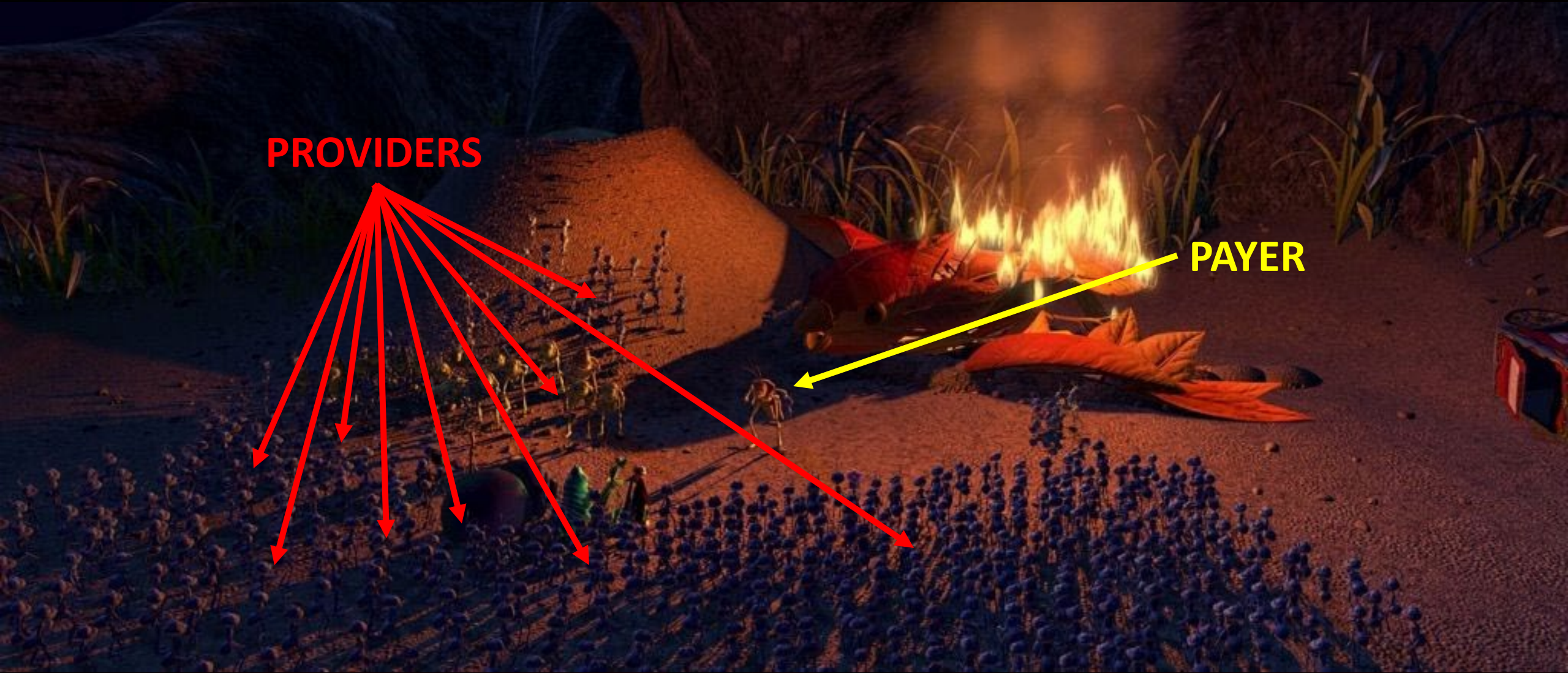
Hyve's Perspective





PROVIDERS

PAYER



Solution: Aggregated, Democratized Data

- **Create the most CREDIBLE data set**

- Harvest raw 837/835 data from the source.
- Hospitals are the source.

- **Create the TIMELIEST data set**

- Refreshed monthly! Timely data is needed to influence change.
- 6-18 month old data is not effective for advocacy.

- **Create the most SECURE data set**

- PHI from 837/835s is removed at the source.
- No BAA needed.

- **Create the SAFEST data set**

- Hospitals cannot see each other's data.
- Anonymous.



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The view from a Unicorn

What can I compare?

- Discharge to claim (how fast do you drop a claim)
- Clean Claims (what percent of my claims are paid first time)?
- Prompt Pay (how fast do your clean claims get paid)?
- Reimbursement
- Downcoding (when are payers changing the level of care)?
- Lessor Rate or Charge (when did my charges fall below contract)?
- 2 Midnight Rule – OBS (Medicare vs MA)
- Denials

How can I compare?

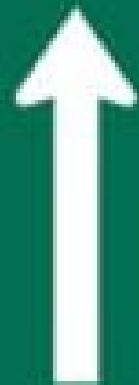
- Payer Type (Comm, Medicare, MA, Medicaid, Managed Medicaid)
- Payer (Aetna, BCBS, UHC, Cigna, Humana, etc)
- Specialty (OB, Cardiac, Ortho, etc)
- Patient Type (IP, OP, ED, OBS)
- IP, Orthopedic, UnitedHealthcare Medicare Advantage
- You vs the state
- You across states
- Not limit to your EHR, Clearinghouse, or other vendors.

EXIT 11



EAST

Medicare



Medicare Advantage

"TAKE"

PRIVATE



ROAD

Hospital vs State Prompt Pay MA vs Medicare FFS

Payer Type	Remits (#)	Payer Paid (\$)	Discharge to Claim (days)	Clean Claim (%)	Prompt Pay (days)	Paid Clean (\$)	Prompt Pay Cured Denials (days)	Paid Cured Denials (\$)
Commercial	3,263,657	5,059,657,975	15.4	83.6%	17.8	3,749,007,825	81.8	1,310,650,150
Medicare Advantage								
DEMO653	62,110	69,737,360	15.7	90.6%	15.8	63,205,676	74.1	6,531,684
DEMO700	33,774	45,925,801	14.6	93.4%	21.0	41,591,034	87.6	4,334,767
State of AL	458,838	638,526,842	16.5	90.6%	18.3	566,421,497	80.5	72,105,345
State of AR	498,322	550,754,101	17.4	88.6%	15.5	446,287,999	75.3	104,466,102
State of KY	609,968	533,265,563	18.2	84.8%	14.5	403,666,498	74.3	129,599,065
State of TN	365,727	447,947,802	15.7	88.4%	15.9	356,968,980	77.4	90,978,822
Medicare FFS								
DEMO653	46,484	67,717,135	17.4	91.8%	14.0	63,196,912	57.7	4,520,223
DEMO700	50,537	127,446,813	18.0	93.5%	15.9	118,262,589	47.3	9,184,224
State of AL	413,964	959,101,983	17.8	87.3%	17.1	869,787,212	52.5	89,314,772

Hospital vs State Prompt Pay MA vs Medicare FFS

- Medicare pays providers quicker with less denials...data proves it!
- Statewide, Alabama's MA pays 7% slower than Medicare.
- Alabama's MA experience is at least 15% worse than some neighboring states.
- My hospitals MA experience is 11% - 32% worse than Medicare.

Hospital vs State Denials

MA vs Medicare FFS

Payer Type	Charges (\$)	Charges by Selected Denial (\$)	Full Denial (\$)	Cured Denial (\$)	Total Remits (#)	Remits by Selected Denial (#)	Full Denial Remits (#)	Full Denial Vol (%)	Full Denial Value (%)
☒ Commercial	19,549,686,978	19,549,686,978	1,511,039,729	509,537,900	3,263,657	3,263,657	183,924	5.6%	7.7%
☐ Medicare Advantage									
DEMO653	229,255,179	229,255,179	7,464,951	3,732,387	62,110	62,110	1,085	1.7%	3.3%
DEMO700	156,175,469	156,175,469	8,587,987	3,210,699	33,774	33,774	610	1.8%	5.5%
State of AL	3,887,303,553	3,887,303,553	247,741,002	83,658,658	458,838	458,838	18,045	3.9%	6.4%
State of AR	2,802,620,053	2,802,620,053	199,363,368	152,528,913	498,322	498,322	18,015	3.6%	7.1%
State of KY	3,640,408,050	3,640,408,050	310,895,607	136,078,429	609,968	609,968	26,786	4.4%	8.5%
State of TN	3,001,541,049	3,001,541,049	165,646,762	69,281,546	365,727	365,727	10,194	2.8%	5.5%
☐ Medicare FFS									
DEMO653	288,283,440	288,283,440	3,843,288	4,192,015	46,484	46,484	827	1.8%	1.3%
DEMO700	484,979,764	484,979,764	8,652,761	21,323,112	50,537	50,537	598	1.2%	1.8%
State of AL	5,761,358,616	5,761,358,616	160,610,146	146,168,493	413,964	413,964	11,590	2.8%	2.8%

Hospital vs State Denials

MA vs Medicare FFS

- Medicare Advantage denials are 128% worse than Medicare in AL
- Some individual MA Payers are deny claims 6x greater than Medicare
- Both of my hospitals are outperforming my peers relative to Medicare, but my MA experience is 205% worse.

Hospital vs State Downcoding MA vs Medicare

Payer Type	Remits (#)	Charges (\$)	Payer Paid (\$)	Patient Responsibility (\$)	LOS (days)	Avg Payer Paid (\$)	Avg Patient Resp (\$)	Avg Remit Value (\$)	Avg Remit Value Downcoded (\$)	Downcoded (%)
☒ Commercial	3,263,657	19,549,686,978	5,059,657,975	793,306,382	2.7	4,415	808	5,223	4,512	0.26%
☐ Medicare Advantage										
DEMO653	62,110	229,255,179	69,737,360	4,702,638	3.2	3,802	224	4,027		
DEMO700	33,774	156,175,469	45,925,801	3,190,192	3.2	4,073	196	4,269	466	0.10%
State of AL	458,838	3,887,303,553	638,526,842	44,914,501	3.2	3,957	245	4,202	849	0.59%
State of AR	498,322	2,802,620,053	550,754,101	51,945,368	2.7	3,271	259	3,530	1,276	0.39%
State of KY	609,968	3,640,408,050	533,265,563	54,138,606	3.0	2,553	223	2,775	701	1.14%
State of TN	365,727	3,001,541,049	447,947,802	52,776,403	3.8	3,117	255	3,372	654	2.88%
☒ Medicare FFS	2,235,277	21,192,941,461	3,759,065,448	447,192,104	3.4	3,066	550	3,616	1,309	0.03%

Hospital vs State Downcoding MA vs Medicare in the ED?

Payer Type	Remits (#)	Charges (\$)	Payer Paid (\$)	Patient Responsibility (\$)	LOS (days)	Avg Payer Paid (\$)	.	Avg Patient Resp (\$)	Avg Remit Value (\$)	Avg Remit Value Downcoded (\$)	Downcoded (%)
☒ Commercial	506,529	2,098,089,105	357,209,847	191,097,148	1.2	1,074	▼	525	1,599	1,758	1.58%
☐ Medicare Advantage											
DEMO653	6,141	12,834,968	3,465,621	422,981	1.2	842		65	907		
DEMO700	1,613	5,257,900	910,696	134,164	1.2	614	▼	69	683	466	2.11%
State of AL	53,608	258,925,839	28,541,756	4,359,821	1.3	742		81	824	765	5.01%
State of AR	36,823	172,921,037	20,708,838	3,614,354	1.2	751		99	849	691	5.02%
State of KY	51,608	295,519,556	29,280,071	4,615,578	1.3	741		84	825	604	11.81%
State of TN	47,146	235,332,174	23,870,518	5,114,486	1.3	657		98	754	596	22.24%
☒ Medicare FFS	152,855	749,476,978	76,490,672	21,214,846	1.3	660	▼	208	869	709	0.01%

Hospital vs State Downcoding MA vs Medicare in the ED?

- Majority of downcoding occurs in the ED.
- Alabama's downcoding is better than surrounding states.
- My hospitals are outperforming peers across the state.
- **THE MAJORITY OF DOWNCODING IS NOT BEING REPORTED!**

Hospital vs State Lessor Rate or Charge

Payer Type	Remits (#)	Charges (\$)	Payer Paid (\$)	Patient Responsibility (\$)	LOS (days)	Avg Payer Paid (\$)	Avg Patient Resp (\$)	Avg Remit Value (\$)	Avg Remit Value Downcoded (\$)	Downcoded (%)	Avg Remit Value LRC (\$)	Lessor Rate of Charge (%)
☐ Commercial												
DEMO653	106,532	349,164,034	153,853,755	20,779,293	2.5	4,826 ▼	693	5,518	3,574	0.05%	8,089	0.43%
DEMO700	66,910	342,942,748	135,543,935	12,062,824	3.5	7,641	653	8,294	1,821	0.02%	17,496	0.19%
State of AL	902,804	6,748,370,618	1,771,905,403	180,622,901	2.9	5,792	1,139	6,931	10,119	0.05%	11,593	0.12%
State of AR	763,572	3,856,209,378	921,443,919	160,826,427	2.4	3,701	596	4,296	2,009	0.26%	8,303	0.77%
State of KY	742,767	3,451,682,870	993,528,670	197,347,670	2.4	4,209	669	4,878	4,145	0.57%	9,252	0.44%
State of TN	681,072	4,801,317,330	1,083,382,293	221,667,267	3.1	4,013	967	4,980	5,839	0.27%	10,572	1.30%
☒ Medicare Advantage	2,028,739	13,717,303,353	2,286,157,469	211,667,708	3.1	3,214	242	3,456	793	1.09%	6,232	0.14%
☒ Medicare FFS	2,235,277	21,192,941,461	3,759,065,448	447,192,104	3.4	3,066	550	3,616	1,309	0.03%	1,209	0.00%

Hospital vs State Lessor Rate or Charge by IP Specialty

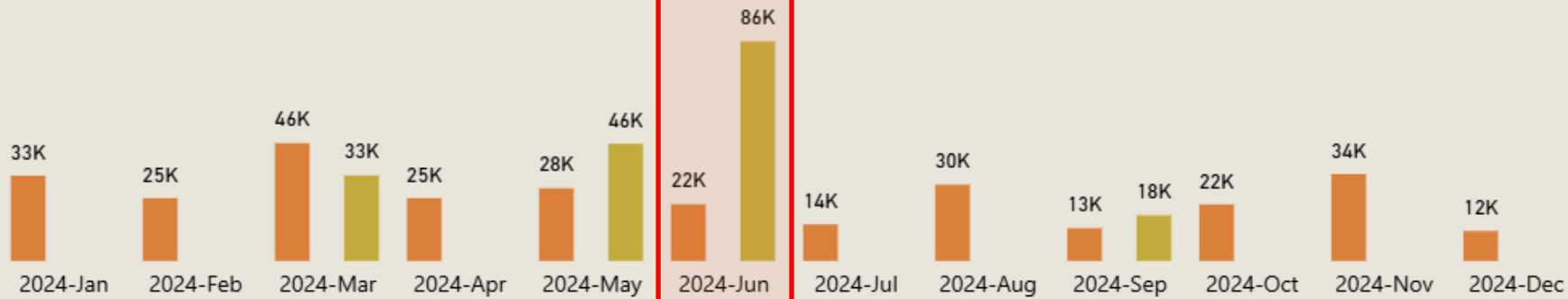
Payer Type	Remits (#)	Charges (\$)	Payer Paid (\$)	Patient Responsibility (\$)	LOS (days)	Avg Payer Paid (\$)	Avg Patient Resp (\$)	Avg Remit Value (\$)	Avg Remit Value Downcoded (\$)	Downcoded (%)	Avg Remit Value LRC (\$)	Lessor Rate of Charge (%)
☐ Commercial												
☒ State of TN	47,583	1,623,542,914	459,695,268	51,818,250	4.9	9,294 ▼	1,483	10,777	19,870	0.13%	20,706	3.64%
☒ State of AR	92,679	1,659,603,826	465,234,528	44,664,545	4.0	8,490 ▼	901	9,392	4,361	0.08%	14,477	2.22%
☒ State of KY	40,865	896,782,168	284,222,102	27,481,930	4.2	8,717 ▼	734	9,451	2,471	0.36%	16,901	1.93%
☐ DEMO653												
☐ IP												
Respiratory	251	8,342,484	3,888,175	341,765	5.7	14,744	1,989	16,733			21,299	3.59%
Digestive	285	10,811,665	7,464,183	318,185	5.5	26,617	1,413	28,030			17,356	2.46%
Cardiovascular	386	17,456,521	9,990,262	455,096	6.0	24,141	1,097	25,237			45,839	2.07%
Pathology	171	8,664,832	4,554,406	191,882	8.1	23,055	1,972	25,027			22,823	1.75%
Endocrine	119	2,441,591	1,175,454	165,606	4.7	8,525 ▼	2,108	10,632			18,990	1.68%
Nervous	346	7,293,900	2,540,334	342,854	6.0	6,691 ▼	1,167	7,858			25,499	1.16%
Medicine	88	2,379,080	1,436,881	30,218	5.2	16,821 ▼	335	17,156			40,885	1.14%

Hospital vs State Lessor Rate or Charge by IP Cardiology

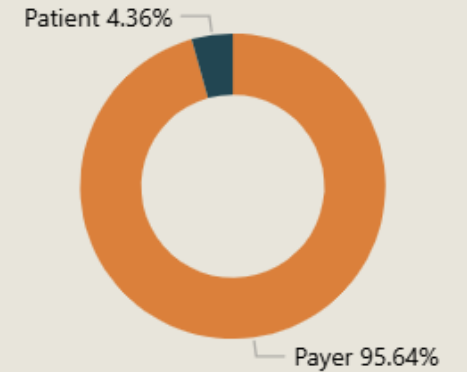
Payer Type	Remits (#)	Charges (\$)	Payer Paid (\$)	Patient Responsibility (\$)	LOS (days)	Avg Payer Paid (\$)	Avg Patient Resp (\$)	Avg Remit Value (\$)	Avg Remit Value Downcoded (\$)	Downcoded (%)	Avg Remit Value LRC (\$)	Lessor Rate of Charge (%)
☐ Commercial												
☒ State of TN	47,583	1,623,542,914	459,695,268	51,818,250	4.9	9,294 ▼	1,483	10,777	19,870	0.13%	20,706	3.64%
☒ State of AR	92,679	1,659,603,826	465,234,528	44,664,545	4.0	8,490 ▼	901	9,392	4,361	0.08%	14,477	2.22%
☒ State of KY	40,865	896,782,168	284,222,102	27,481,930	4.2	8,717 ▼	734	9,451	2,471	0.36%	16,901	1.93%
☐ DEMO653												
☐ IP												
Respiratory	251	8,342,484	3,888,175	341,765	5.7	14,744	1,989	16,733			21,299	3.59%
Digestive	285	10,811,665	7,464,183	318,185	5.5	26,617	1,413	28,030			17,356	2.46%
Cardiovascular	386	17,456,521	9,990,262	455,096	6.0	24,141	1,097	25,237			45,839	2.07%
Pathology	171	8,664,832	4,554,406	191,882	8.1	23,055	1,972	25,027			22,823	1.75%
Endocrine	119	2,441,591	1,175,454	165,606	4.7	8,525 ▼	2,108	10,632			18,990	1.68%
Nervous	346	7,293,900	2,540,334	342,854	6.0	6,691 ▼	1,167	7,858			25,499	1.16%
Medicine	88	2,379,080	1,436,881	30,218	5.2	16,821 ▼	335	17,156			40,885	1.14%

Avg Remit Value (\$)

All Remits Downcoded LRC



Total Payments by Responsibility (%)

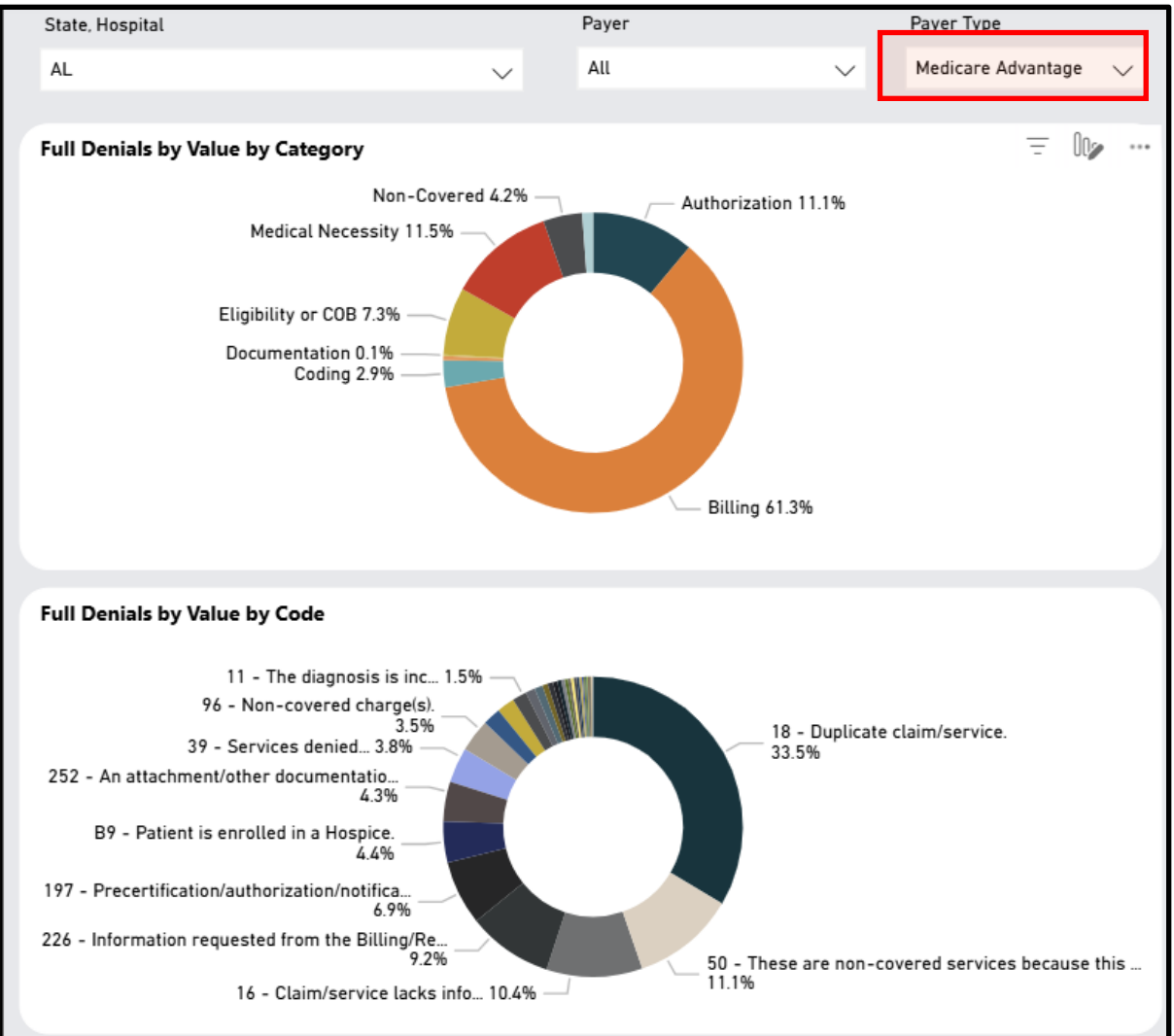
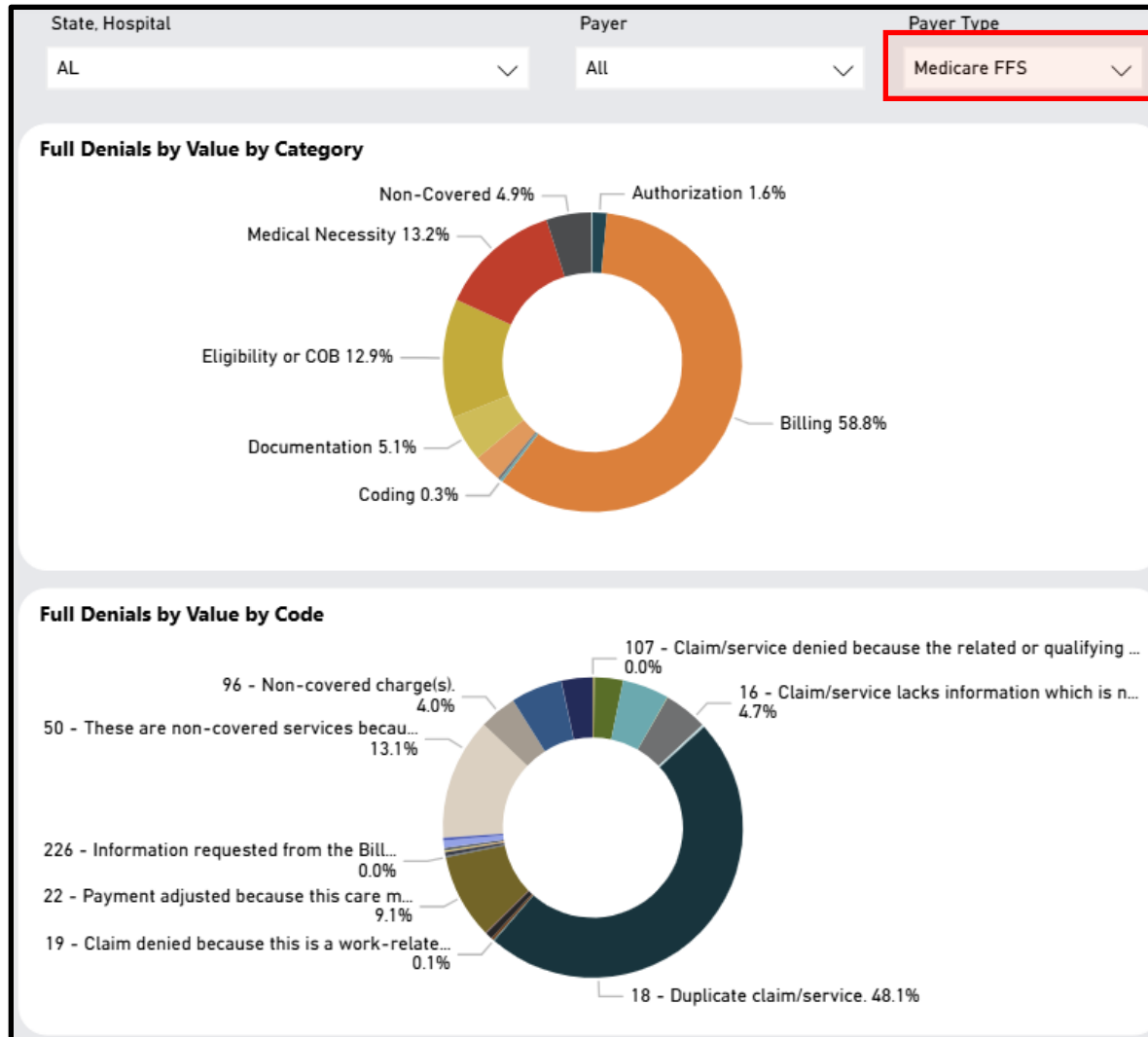


Payer Type	Remits (#)	Charges (\$)	Payer Paid (\$)	Patient Responsibility (\$)	LOS (days)	Avg Payer Paid (\$)	Avg Patient Resp (\$)	Avg Remit Value (\$)	Avg Remit Value Downcoded (\$)	Downcoded (%)	Avg Remit Value LRC (\$)	Lessor Rate of Charge (%)	Obs Rate (%)	Tw
Commercial														
State of TN	47,583	1,623,542,914	459,695,268	51,818,250	4.9	9,294 ▼	1,483	10,777	19,870	0.13%	20,706	3.64%		
State of AR	92,679	1,659,603,826	465,234,528	44,664,545	4.0	8,490 ▼	901	9,392	4,361	0.08%	14,477	2.22%		
State of KY	40,865	896,782,168	284,222,102	27,481,930	4.2	8,717 ▼	734	9,451	2,471	0.36%	16,901	1.93%		
DEMO653														
IP														
Respiratory	251	8,342,484	3,888,175	341,765	5.7	14,744	1,989	16,733			21,299	3.59%		
Digestive	285	10,811,665	7,464,183	318,185	5.5	26,617	1,413	28,030			17,356	2.46%		
Cardiovascular	386	17,456,521	9,990,262	455,096	6.0	24,141	1,097	25,237			45,839	2.07%		
Pathology	171	8,664,832	4,554,406	191,882	8.1	23,055	1,972	25,027			22,823	1.75%		
Endocrine	119	2,441,591	1,175,454	165,606	4.7	8,525 ▼	2,108	10,632			18,990	1.68%		
Nervous	346	7,293,900	2,540,334	342,854	6.0	6,691 ▼	1,167	7,858			25,499	1.16%		
Medicine	88	2,379,080	1,436,881	30,218	5.2	16,821 ▼	335	17,156			40,885	1.14%		
Reproductive	177	3,694,729	2,270,125	169,203	4.2	12,310 ▼	730	13,041			17,825	1.13%		

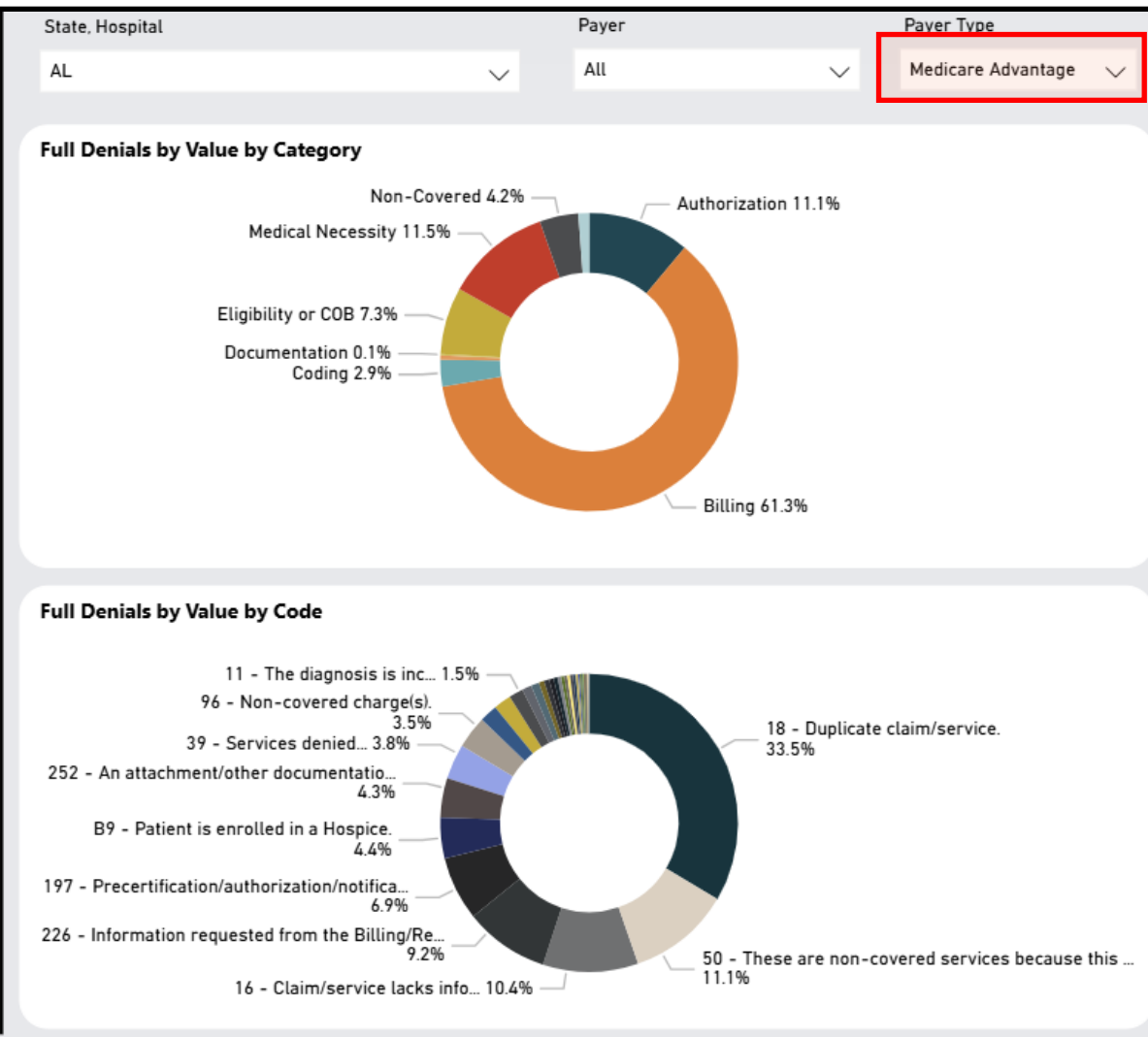
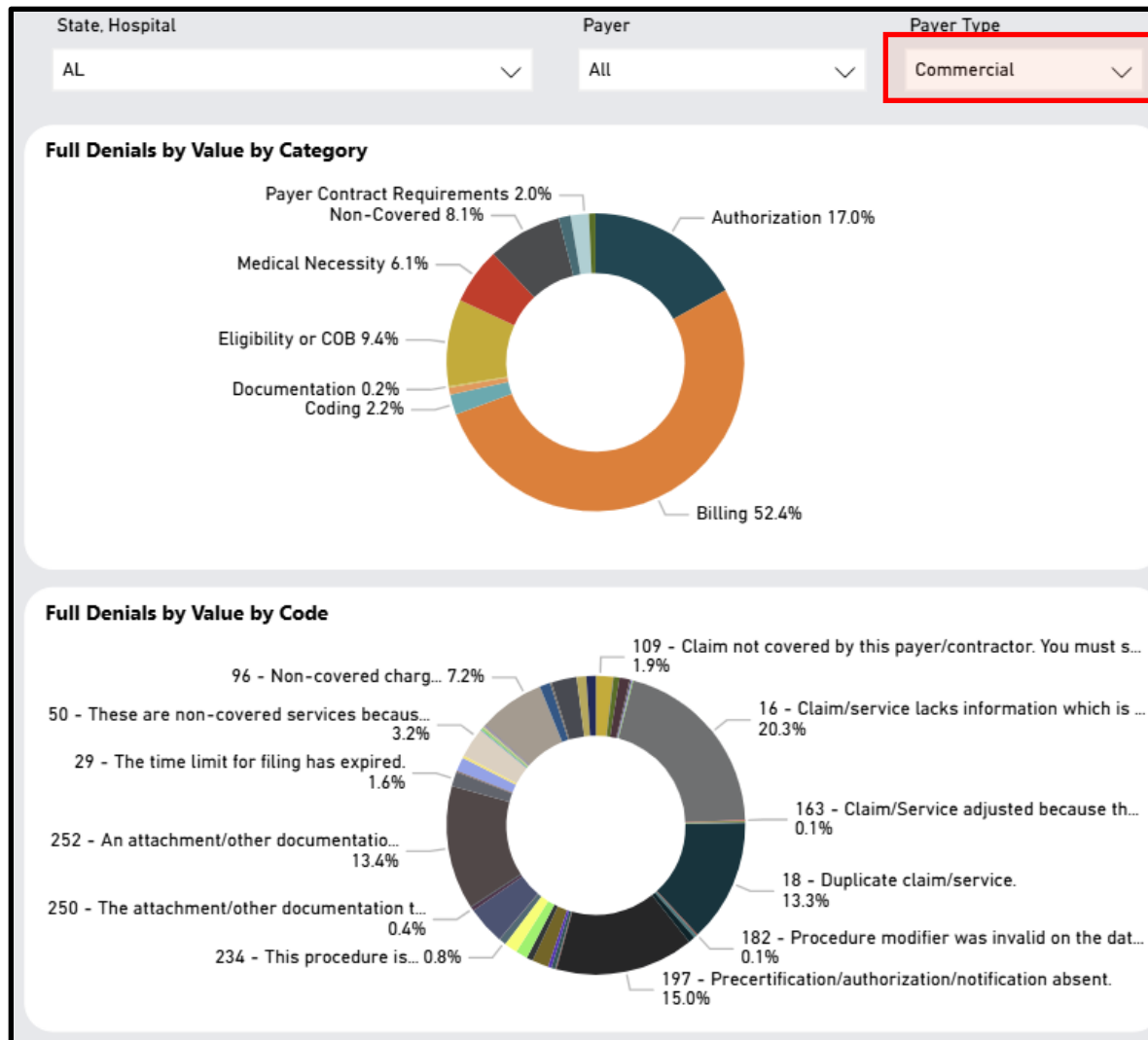
Hospital vs State Lessor Rate or Charge by IP Cardiology

- Most hospitals do not have easy access to Lessor Rare or Charge (LOC) data.
- This is a charge capture or chargemaster issue. Preventable and correctable.
- **Correcting a single claim can yield \$1,000s if not \$10,000+!**

Medicare vs Medicare Advantage



Commercial vs Medicare Advantage



Hospital vs State MA vs Medicare

- Medicare Advantage payers use different strategies and tactics to deny claims than Medicare.
- Medicare Advantage's use "Authorization" denials are distinctly different than Medicare.
- Medicare Advantage denials does appear to be more similar to Commercial denials.

Now is the time to change the narrative

- **Data** is the primary difference between why payers are winning and providers are losing.
- Payers have been leveraging aggregated provider data against them for years. Providers only have their data, their experience to refute.
- Providers need normalized, national, and state data to go on the offense against payers.
- Peter Drucker: “You can’t manage what you can’t measure.”
- **The time has come for hospitals to unite and hold payers accountable with their collective data.**



HYVE HEALTH



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www.HyveHealthcare.com

www.PayerScorecard.com