



CASE STUDY

Refining the Medicare Advantage/ MSP Reclamation Process

How using CAQH COB data helped a health plan recover millions from CMS

The Challenge

A health plan based in the southwest, with a Medicare Advantage (MA) enrollment of about 28,000 lives, faced a recurring issue when paying claims for their MA members. The plan would pay claims as the primary payer but then would receive monthly payments from CMS as the secondary payer.

The payment integrity team noticed CMS was not tracking when a commercial policy terminated, and as a result the updated information was not being reflected in CMS' Electronic Correspondence Referral System (ECSR). This created an open-ended term date for a policy that was no longer active.

Without a term date on the commercial policy, CMS assumed the other coverage was primary and they continued to receive payments as the secondary payer. This meant that the health plan would receive reduced monthly payments from CMS and the information in ECSR was old, outdated, and inaccurate.

The health plan's payment integrity team was able to identify which members likely had incorrect coverage information by manually tracking members with adjustments and then reaching out to the previous commercial payer to confirm the coverage end date. But verifying and updating this information through phone calls to other health plans was time-consuming, tedious, and not scalable.

The Solution

After building out a manual process to update the coverage statuses, the payer began to leverage the CAQH Coordination of Benefits Solution and the Member Data Portal to streamline and automate the verification process. The CAQH COB Solution is a centralized repository of coverage information for more than 236 million members. The data in the solution is provided by national payers directly and updated on a weekly basis.

Through their weekly file from CAQH and with the Member Data Portal, the payment integrity team now easily verifies the information it receives from other sources through an automated process which significantly reduces the manual effort previously required.

The Results

By automating their research process and accessing more accurate COB primacy information from CAQH, the plan was able to improve the accuracy of CMS' MSP data with a more reliable source of other coverage information directly from national payers. The plan was able to resolve operational inefficiencies and realize substantial financial benefits through retrospective revenue adjustments.

As a result, the plan:



Successfully corrected 40% of the out-of-date data reflected at CMS



Achieved retrospective revenue adjustments totaling millions of dollars from a small subset of their MA membership



Is expanding this process to other lines of business to quickly identify additional savings and revenue from accessing one source of COB data.