

# Savings Spotlight: Layered approach delivers pre and postpay savings for mid-sized health plan

Payers need robust pre and postpayment integrity programs to reduce the incidence of improper payments, but some plans opt for a step-by-step approach to building their programs due to provider abrasion or other concerns. One mid-sized health plan with nearly 1 million total members across primarily commercial and administrative services only (ASO) lines of business partnered with Cotiviti to help close payment integrity gaps, focusing mostly on correct-coding concepts.


The plan deployed Cotiviti's COB Validation and Payment Data Validation solutions in 2014 to audit and recover overpayments, and soon after implemented Payment Policy Management as a prepay, final filter editor. In 2019, the payer added Clinical Chart Validation to audit and recover improper inpatient DRG payments postpayment. The combination of pre and postpay offerings netted the plan nearly \$20 million in savings in 2020, an exceptionally challenging year due to the COVID-19 pandemic, with a 1.1% prepay net savings rate and 0.2% postpay net savings rate. The plan also recently expanded its relationship with Cotiviti further, added prepay Coding Validation for professional claim review.

 **Key savings in 2020**

**\$19.5M** total 2020 savings

**\$14** PMPY<sup>1</sup> prepay savings

**\$6** PMPY postpay savings

 **Key benefits experienced**

- Increased prepay savings incremental to third-party primary editor
- Increased postpay savings through COB, data mining, and medical record review
- Maintained positive provider relationships

 **Key Cotiviti differentiators**

- Cost savings
- Accuracy
- Subject matter expertise
- Ability to understand business needs
- Time-to-value

<sup>1</sup>Per member per year.



To learn more about how Cotiviti's solutions can increase your organization's savings, call 866.292.6971 or email [answers@cotiviti.com](mailto:answers@cotiviti.com).