

Data Mining for pharmacy payment errors yields high savings

According to the Centers for Medicare & Medicaid Services (CMS), improper payment rates are on the rise from pre-pandemic levels, with Medicare fee-for-service spending \$31 billion in fiscal year 2022 on improper payments. With the U.S. healthcare system spending \$243 billion on specialty drugs annually, this amount undoubtedly includes a large portion from medical pharmacy claims.

Ensuring proper payment for claims for pharmacy services and medications covered under the plan's medical benefit can be challenging for health plans. Cotiviti's Data Mining solution helps eliminate the guesswork in identifying and recovering billing and payment errors in medical pharmacy, using advanced predictive analytics and specialist validation. Our centralized auditing team—an experienced group that includes pharmacy coding specialists, registered nurses, and PharmDs organized by line of business and focus area—constantly monitors industry changes and best practices to develop a unique content library, going beyond automation to perform a thorough review of medical pharmacy claims. Our Data Mining solution delivers tailored recovery support and provider outreach to validate findings.

Read below for recent examples of the results we're providing for our >40 Data Mining clients.

A community health plan realizes \$1.4M in savings identification just 90 days after implementation

- Cotiviti reviewed a community health plan's medical pharmacy data, identifying a large overpayment trend in unclassified drugs affecting 223 claims.
- Cotiviti pharmacy specialists collaborated with the plan to identify contractual language specifics surrounding the unclassified drugs.
- After review, the health plan approved the audit finding, ultimately identifying \$1.4 million in medical pharmacy cost savings.

Large Blue Plan identifies \$20M in potential savings

- Cotiviti identified overpaid claims reimbursing at a stop-loss rate due to incorrect drug pricing configurations, collaborating with the plan to ensure proper interpretation.
- The plan validated the finding, resulting in >600 claims totaling approximately \$20 million in savings.



What results could Data Mining deliver for your organization? To set up a conversation and explore the possibilities, call (866) 292-6971 or email answers@cotiviti.com.