



A LARGE RELIGIOUS ORGANIZATION

THE PROJECT

Our client, a large religious organization, requested that AIM perform a claims audit of its third party administrator, a commercial insurance carrier administering medical claims on behalf of the client's self-funded health plan. AIM performed a statistically valid, random sample claim audit and a focused audit of large dollar claim payments.

THE FINDINGS

The AIM claims audit revealed that the administrator's performance for financial accuracy was far below both the industry standard and the administrative services agreement performance standard.

In addition, the audit identified numerous serious errors in claims processing, including:

- Over \$400,000 in duplicate payments on large hospital claims
- Almost \$200,000 in overpayments resulting from the administrator's failure to correctly administer the plan's intent with regard to the benefits available when a member selects an out-of-network surgeon
- The incorrect administration of the plan's out-of-pocket maximum

In addition to these obvious claims processing errors, AIM discovered that the administrator was not taking any action to mitigate the financial impact to the plan of uncontrolled out-of-network facility charges, as required by the administrative services agreement.

THE RESULT

As a result of the AIM audit, over \$400,000 was recovered for the plan, and the claims administrator's service recovery activities (instituted as a result of the audit) – including the funding of a follow-up claims audit – led to greatly improved claims processing performance for the client's plan.

CONTACT US

For more information contact your AIM representative at 1-866-284-4995.