TransactRx

Bridging the Gap…

between real time pharmacy claims and batch medical claims

Working With State Health Programs: Improving Vaccine Reimbursement

Agenda

- Introduction

- Provider Challenges

- Overcoming the Challenges

- Public Health Success Stories

- Questions and Contact Information

Introduction

- TransactRx is a web based application that provides vaccine and medical service billing solutions for all types of medical providers

- We currently serve
  - 20,000+ physicians
  - 400+ public and community health providers
  - 1000+ pharmacy providers & mobile clinic sites

Public Health Customer Profiles

- Our customers range from very small low volume immunizers to large multi-service providers

- Billing capabilities and experience range from no experience to fully implemented EMR and medical billing systems

- Many come to us
  - Confused
  - Stressed
  - Behind in billing

- Almost all enrolled providers use our Part D application

- Our largest growth area is with public health departments and independent pharmacies
  - Part B Mass Immunization Network and program
  - Medicaid and commercial billing programs

New Challenges for Public Health

- Effective 2013 the CDC disallows 317 program funding to provide vaccines for fully insured individuals

- The demand is increasing
  - Utilization rates fall far below CDC goals
  - Many physicians have discontinued vaccine services
  - Patients do not want to pay out of pocket, so billing and payer contracts are essential

- Billing is new for many public and community health providers

- Establishing a billing program requires
  - Financial investment for software, staff and training
  - Billing and coding expertise
  - Contracting expertise
  - Or, a third party billing partner

- Reimbursement is low and vaccine costs are high

Provider Challenges: Benefit Design

- Vaccine benefit design is complicated
  - Some vaccines are covered by medical benefits, some by pharmacy benefits, some by both
  - Pharmacy benefit claims are processed differently than medical benefit claims

- **Medical billing software cannot process vaccine claims covered by a pharmacy benefit**

- **Pharmacy software cannot process vaccine claims covered by a medical benefit**

Provider Challenges: Reimbursement

- Confirming patient eligibility is essential but often difficult or unavailable
- Payer contracting has not kept pace with shifts in delivery models
- Participation in Medicare's Mass Immunization for flu and pneumonia can be a hassle
  - The 855b process is complicated and must be renewed annually
  - Annual cost of $505

Overcoming the Challenges

- Understand benefit design and reimbursement

- Understand your payer market and what it takes to participate

- Confirm patient eligibility at the time of service

- Implement a program that
  - Addresses the billing requirements for all of the services you provide
    - **If you provide both medical and pharmacy billing services, make sure your system can process both**
  - Is cost effective
    - **Be careful of overkill – if administering vaccines is your only service, most systems offer far more than what is needed**
      - Meaningful use is a great initiative
        - » Does it apply?
        - » If yes, when does it apply?
    - Generates a good return on investment

Payer Review – Vaccine Benefits

Payer Type	Type of Benefit	Type of Claim	Vaccines Covered	Patient Cost
Medicare B	Medical	CMS 1500	Flu Pneumonia Hep B, + acute situation	No cost if Medicare Provider
Medicare C (MA)	Medical	CMS 1500	Flu Pneumonia Hep B, + acute situation	Most at no cost if in network
Medicare D	Pharmacy	NCPDP D.0	All put those covered by Medicare B	Deductibles and Co-pays
Medicare MA/PD	Medical and Pharmacy	CMS 1500 NCPDP D.0	B & D vaccines	B vaccines at no cost if in network D vaccines have co-pays and deductibles
Medicare Supplemental	Medical	CMS 1500	May cover Part D vaccines	Varies by plan
Commercial	Medical	CMS 1500	Most cover all	Varies by plan
HMO	Medical	CMS 1500	Most cover all if in network	Varies by plan
PPO	Medical	CMS 1500	Most cover all	Varies by plan, in and out of network
Tricare	Medical and Pharmacy	CMS 1500 NCPDP D.0	Covers all vaccines	Varies by plan
PBM/PDP	Pharmacy	NDPDP D.0	Med D vaccines, may cover others	Part D deductibles and co-pays, others vary

Claim Processing Options for Public Health Providers

- Medical claims (Part B and Commercial, HMO, PPO, Medicaid)
  - In house
    - Requires a medical management system and expertise in billing and coding
    - Requires an alternative solution for vaccine claims covered by the pharmacy benefit
    - Can be difficult to adjust staffing requirements around seasonal programs
    - Per MGMA average cost/claim = $5 to $7
  - Out source to a third party biller
    - Requires a medical management system
    - Cost is usually based on a percent of collection (Range 5% to 12%)
  - Roster bill if a Part B Mass Immunizer
    - Manual process that lends itself to denials (primarily eligibility and manual entry errors)
  - TransactRx
- Pharmacy claims (Part D)
  - Paper claims
  - Collect from patient
  - TransactRx

Capabilities   & Services

- TransactRx portal application provides
    - Patient Eligibility
    - Real-time Pharmacy claims
    - Medical benefit claims
    - Data Collection and Reporting
    - All Benefit Types
        - Medicare Part D
        - Medicare Part B
        - Commercial Pharmacy
        - Commercial Medical

Pharmacy Claim Management Services

- Patient eligibility is provided in real time
- Vaccine claims are processed in real time
- Providers know at the point of care
  - How much the provider will be reimbursed for the vaccine
  - The patients co-pay/deductible
- Providers do not need to contract with pharmacy plans
  - TransactRx is contracted with 90% of the Part D plans
  - Providers do not need to obtain an NCPDP # required for pharmacy billing
- Providers do not need to purchase/lease pharmacy software
  - No fees billed to providers
  - Payers pay TransactRx processing fees

- Patient eligibility is provided in real time
- Vaccine claims are processed immediately
  - No coding required
  - Pharmacies can use their pharmacy software or ours
- Providers know at the point of care how much the provider will be reimbursed for the vaccine
- Easy enrollment and credentialing process
  - No 855b required
  - Eliminates the annual CMS fee of $505
- Providers do not need to purchase/lease software
  - Fees are $1.50/submitted (paid) claim
  - All training, claims support and updates are included

Medical Claims Management Services

- Billed services include vaccines and medical services
- Patient eligibility is provided in real time
  - Most Medicaid programs
  - Commercial and managed plans as available
- Providers know at the point of care
  - How much the provider will be reimbursed for the vaccine
    - Per fee schedules
  - The patients co-pay/deductible
    - Most Medicaid programs
    - Commercial and managed plans as available
- Providers do not need to purchase/lease pharmacy software
  - Fees are based on paid transactions
    - Average $1.50/submitted (paid) claim
    - As low as 50¢
  - All training, claims support and updates are included
- Expanding our network relationships to include medical benefits
  - Assist TransactRx with payer contracting

Public Health Department Experiences: Example A

- Nevada
  - Provider was a Mass Immunizer with Medicare Part B 2010-2011
    - Submitted bills by roster bills
    - 6 months behind in billing and was experiencing approximately 20% in denials and rebills
  - Enrolled in TransactRx Mass Immunization Program

2010	2011
$15,500 flu claim collections 472 doses Total billing cost $708 (5%)	$17,000 flu claim collections 405 doses Total billing cost $607 (4%)

  - Improvement in collection rates due to
    - Confirmed eligibility
    - Timely, electronic claim submission
  - Compared to industry standards
    - In-house billing at $7/claim 2011 costs = $2,835
    - Third party billing at 10% 2011 costs = $1,700 + system fees
    - Savings of $1100 - $2300

Public Health Department Experiences: Example B

- Illinois
  - Provider provides pediatric and adult vaccines and preventive care services covered by multiple payer types
    - Provider was a Mass Immunizer with Medicare Part B 2010-2011
    - Medicaid discontinued its hybrid roster billing process and the provider needed a new solution
      - Services include: pediatric and adult vaccinations, well baby exams, prenatal services +
  - Enrolled in TransactRx Mass Immunization and Medicaid billing programs

Medicaid Average/Mo	Flu Services Average/Mo
$17,000 collections 1870 transactions $9.21 avg. /transaction Total billing cost $934 (5%)	$4,200 collections 147 transactions $28.69/transaction Total billing cost $220 (5%)

  - Compared to industry averages
    - In-house billing at $7/claim 2011 costs = $6,545
    - Third party billing at 10% collections = $2,100/mo. + system fees
    - Estimated annual savings $36,000

Now What? Where Do I Begin?

- Develop a short term and long term strategic plan
  - Identify the services you need to bill for today
  - Plan for the future but don't let it delay what you need to do today
- Assess your capabilities
  - Staffing capacity
  - Staffing capabilities
  - Determine your focus
- Calculate the ROI for potential options
  - What is the estimated average cost per claim?
  - What is average reimbursement per claim?
  - What is the average net profit per claim?

Questions and Information

- Questions

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