



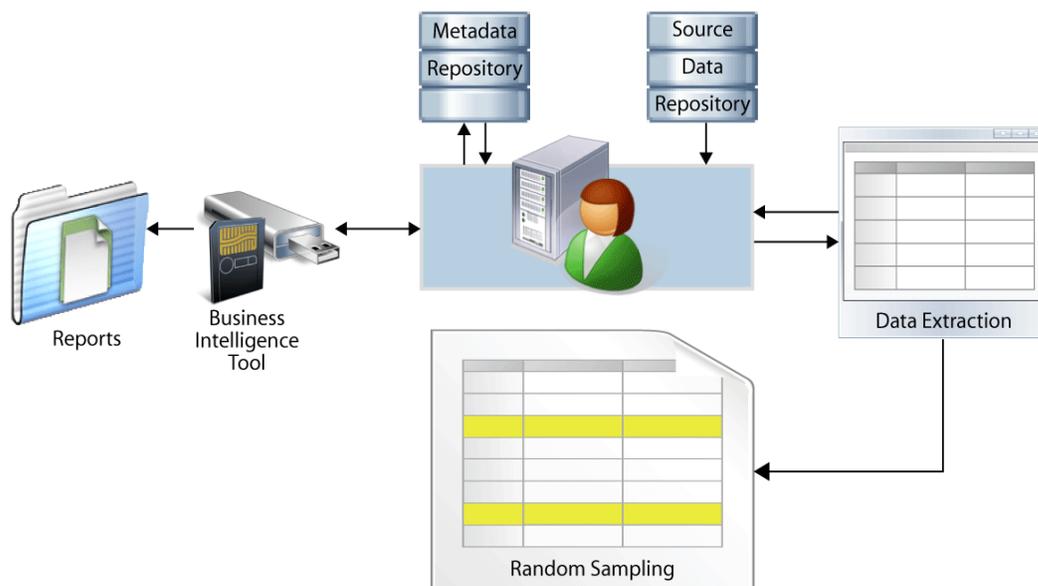
AUDIT STUDIO®

Cost containment at your *desktop*



In the world of medical claim payments, payers struggle to control two primary causes of waste. The first is inaccurate claims payments, primarily in the form of overpayments for services. The other is fraud and abuse, where providers and beneficiaries try to beat the system, i.e., providers collecting inaccurate payments due to inappropriate “up-coding,” providers billing for dead patients and beneficiaries receiving multiple prescriptions.

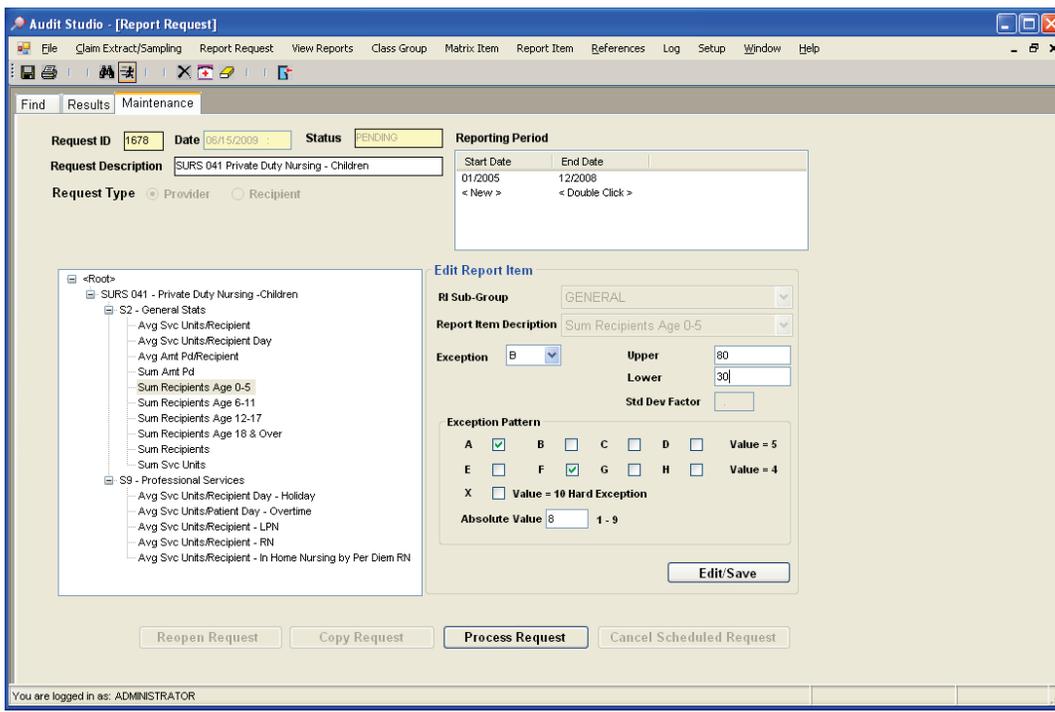
Audit Studio® is a unified cost containment and recovery solution for healthcare payers that brings together elements of profiling, auditing and business intelligence. Audit Studio examines claims data to identify claims payment errors and fraud and abuse. It identifies potential and historical fraud by providing user-configurable profiling to track and manage cases. It facilitates comprehensive audits by incorporating data extraction capability and sophisticated random sampling methodology. These capabilities are available on the user’s desktop, facilitating quick responses to legislative and departmental requests and eliminating dependencies on a centralized data processing unit. Audit Studio leverages Microsoft Visual Basic .NET with an Oracle backend and integrates with Cognos business intelligence tools, providing users with advanced reporting and business intelligence capabilities.



Audit Studio® Conceptual Architecture

Key Features

- User-configurable features to set up population profiling and metric management
- Powerful, interactive data extraction
- Statistically sound random sampling
- Business intelligence capabilities at the user’s desktop
- Advanced reporting



User Configurable Profile Creation

Auditing

A critical success factor for a payer is a solid payment review program. It ensures that payments are made accurately based on policy and legislation. An important function within the payment review program is auditing paid claims data, which is done by extracting a universe of claims data and generating a random sample from the result set (universe) based on a well established statistical technique. Using a combined stratified regression interval estimator, a random claims sample is obtained, which is then manually audited with results extrapolated to the entire universe. Audit Studio supports these data extraction and sampling capabilities through a user defined, interactive interface tool. The universe of claims, as well as the random sample, can be downloaded into standard formats, such as Excel and CSV. Audit Studio also supports simple random sampling for arbitrary domains, thus facilitating quality checks on claims denials, client eligibility and other audits.

Profiling

Audit Studio enables users to monitor the entire program population (both providers and beneficiaries) for quality of care, over and under utilization of services and fraud. It segregates population into meaningful peer groups (e.g., age, gender, provider type) to give users an accurate picture of what is happening within the community. Users can analyze a participant's activity by creating a profile, which can consist of different metrics (e.g., average number of claims per member, average dollars per claim, number of dental surgeries performed, average number of pre-op days) and be compared to the average peer group profile determining whether it falls within statistical norms.

Users can assign weights to the comparative metrics and define exception patterns for enabling outlier identification. Audit Studio performs exception processing based on user defined upper and lower limits for metric values. It allows the users to identify exceptions using standard statistical measures involving the mean and standard deviation of the metric. Once a profile is created, users can generate standard reports (e.g., management summary, detailed profile report, frequency distributions, and exception processing), which are available within the application.

