



Healthcare Payment & Remittance

Medical Banking - Best Practices

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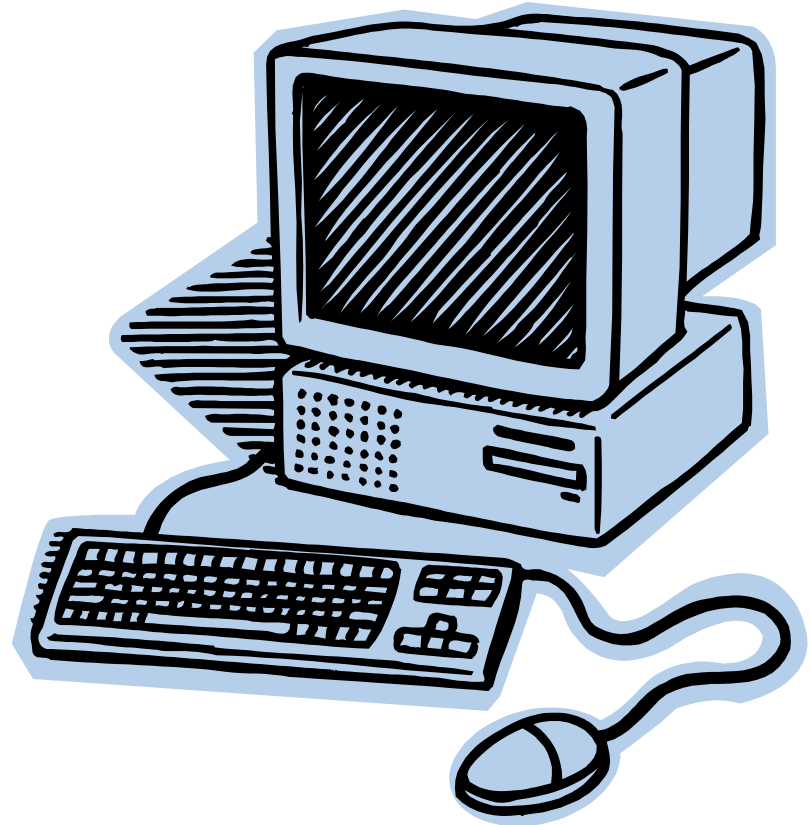
Electronic Healthcare Payment Session Objectives

- **Overview of medical banking models in the healthcare payment and remittance marketplace**
- **Exploring best practices with an eye on:**
 - ROI
 - Inter-operability
 - Auditing
 - Reconciliation
- **Context – emerging marketplace**



The Electronic Healthcare Payment Critical Success Factors

- **Transaction flow controls**
- **Operational efficiencies, savings and profitable revenues.**
- **Reconcile billed to paid.**
- **Reconcile financial to administrative, the ERA to the EFT.**
- **Efficient Customer Support**





The Electronic Healthcare Payment Managing the Critical Control Points

- **Transaction standards**
- **Systematic reconciliation**
- **On-line ERA management tools**
- **Consistent operational practices, such as enrollment**
- **Linking ERA and EFT**
- **Meaningful adjudication codes**
- **Purging the paper and handling**



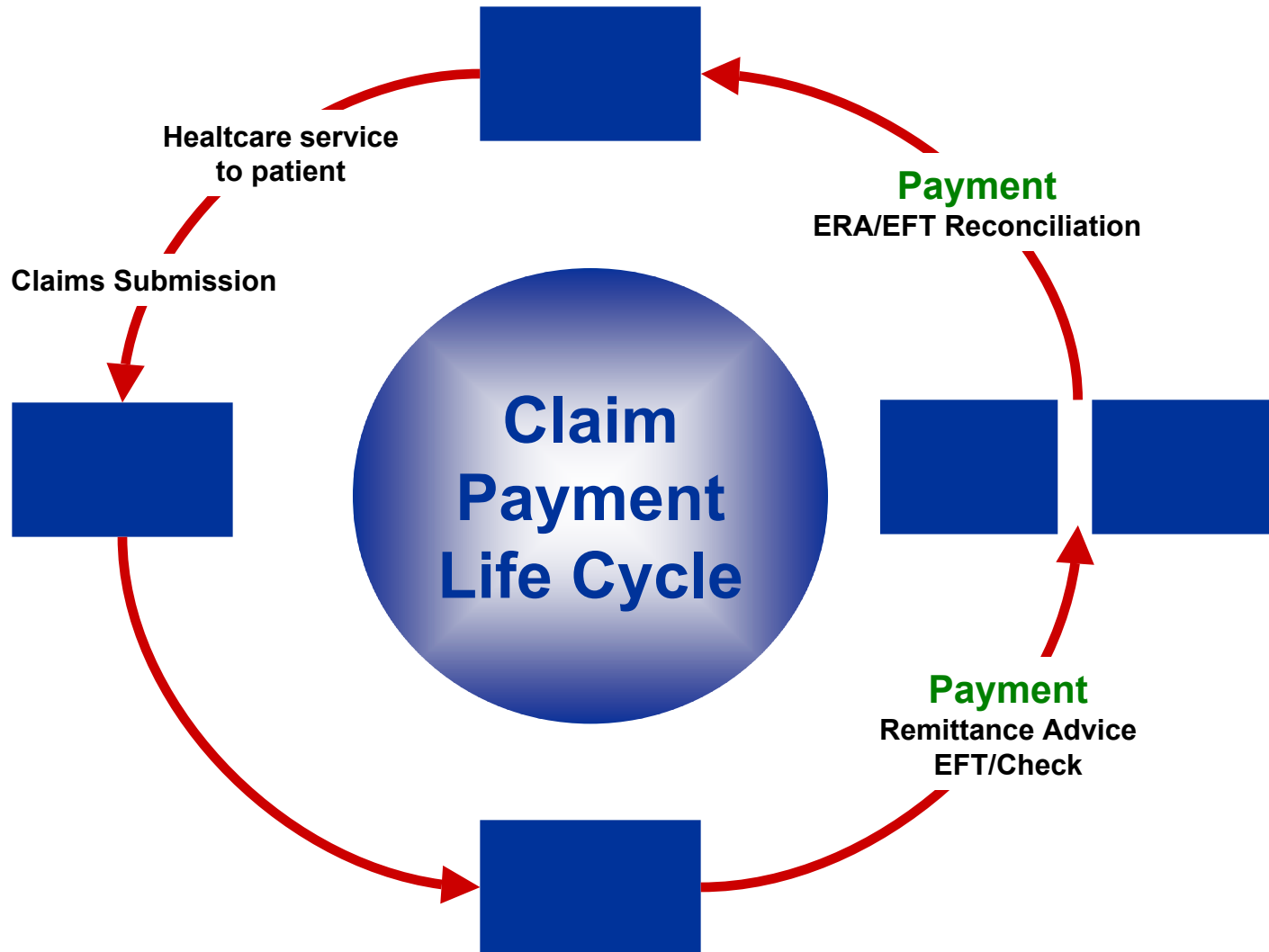


Healthcare Electronic Payment Models

- **Standard healthcare claim and payment**
 - Provider to Plan to Provider
- **Combining the administrative (ERA) and financial payment transactions (EFT)**
 - Outsourcing payment components
- **Consumer driven plans and healthcare funds**
 - Greater member responsibility for selecting services & allocating payment.



Standard Electronic Healthcare Payment Cycle



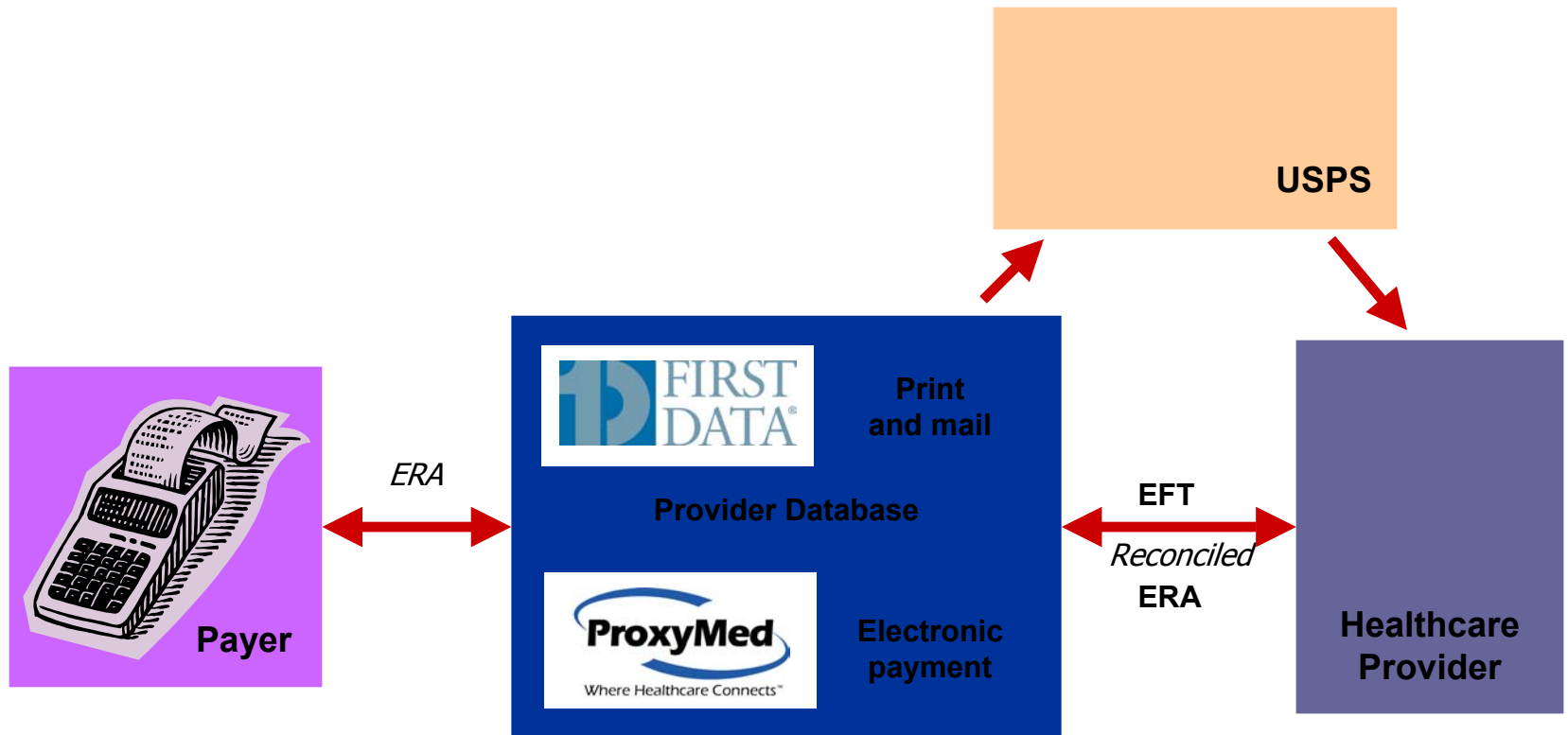


The Standard Electronic Healthcare Payment Model

- **Clearinghouses process 835 from Payer to Provider's**
- **Payer's bank processes EFT to Provider's bank**
- **Support Vendor Intermediaries**
- **On-line management & support tools.**
- **Building partnerships to provide quality, value add products & services.**
- **Priced to produce savings and profitable revenues.**



Combining Administration and Financial Transactions





Combining the Electronic Healthcare Payment's Administration and Financial Transactions

- **EFT capability through ERA.**
- **ERA-EFT reconciliation.**
- **Single management tool for both payment transactions.**
- **Consistent operational workflow**
- **Efficiencies multiplied**
- **Fully outsourced payment functions**

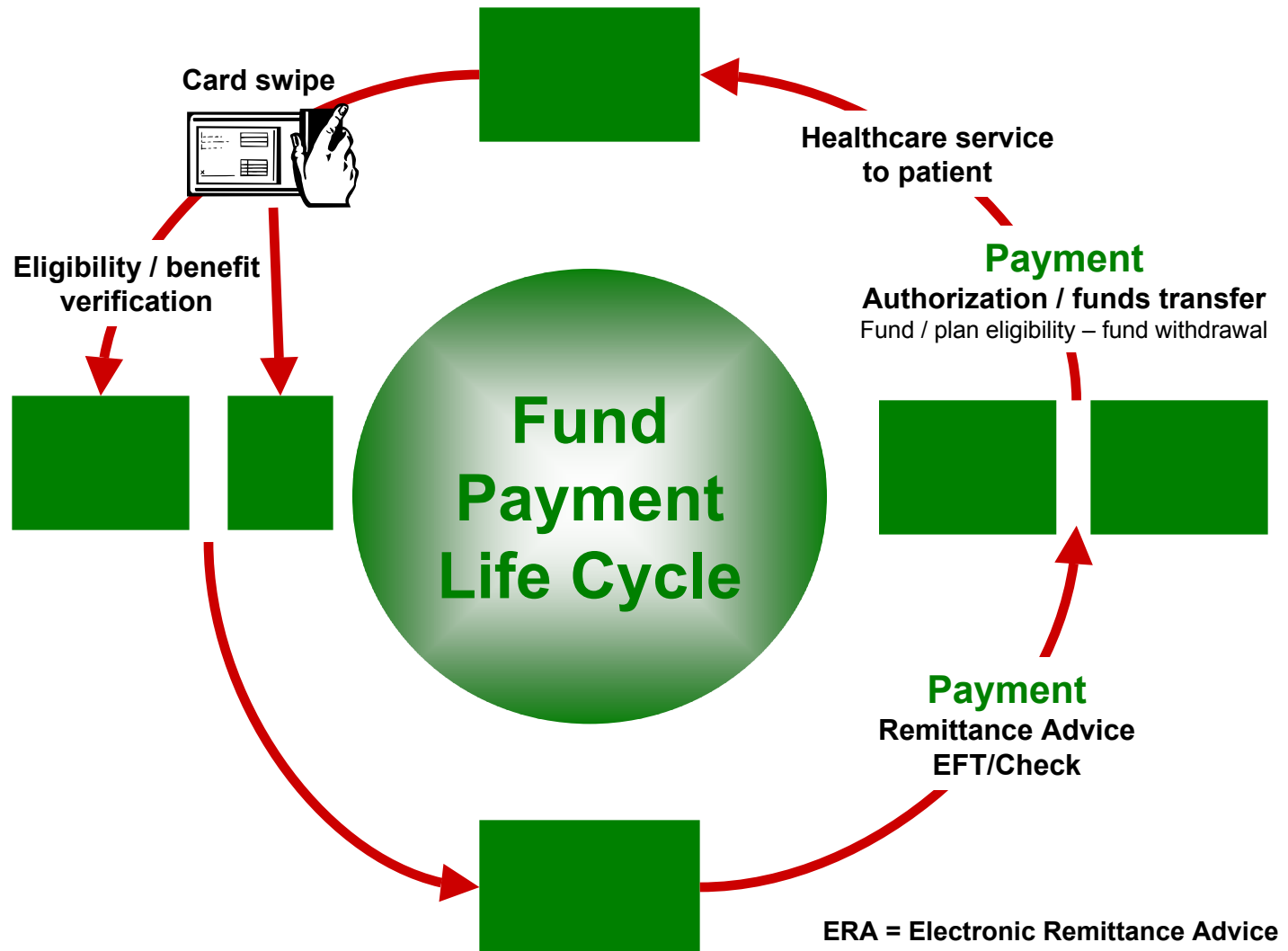


Combining the Electronic Healthcare Payment's Administration and Financial Transactions - Challenges

- **Realignment of traditional partnerships in managing healthcare payments.**
- **Slower than expected market acceptance to outsourcing payment function.**
- **Final completion of Phase 1 of HIPAA Transactions**
- **Recognition of value equation**



Electronic Payments in Consumer Driven Health Plans and Funds





Electronic Payments in Consumer Driven Health Plans and Funds

- **Multi purpose benefit card is emerging to handle member payment responsibilities in consumer driven health plans and funds.**
 - Credit / Debit of accounts
 - Administrative transactions, e.g. eligibility / benefit verification.
- **Fits into provider workflow.**
- **Newer technology for POS devices permits for larger data requirements.**



Electronic Payments in Consumer Driven Health Plans and Funds Value Add Opportunities

- **Credit funds beyond debit accounts.**
- **Claim submission as component.**
- **Integrated eligibility and benefit verification to determine who is responsible for what of the treatment costs.**
- **Advance payment for plan's payment responsibility.**



Electronic Healthcare Payment Summary

- **Electronic payment with value-added services (i.e. Web management tool).**
- **ERA/EFT combination via strategic partnership.**
- **Multi-purpose benefit card support.**
- **Value add products & services where opportunities exist.**
- **Priced according to value.**

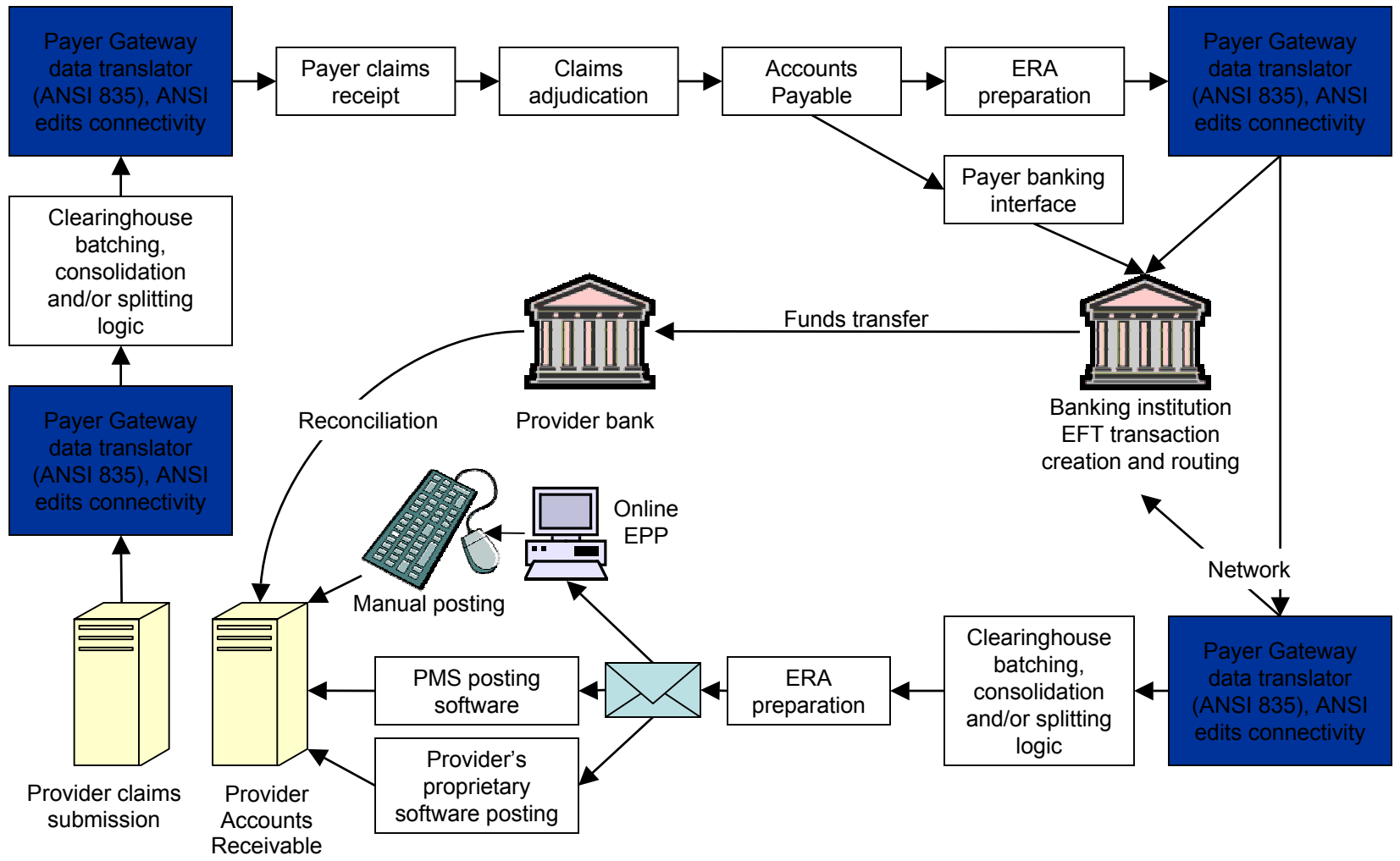


Appendices



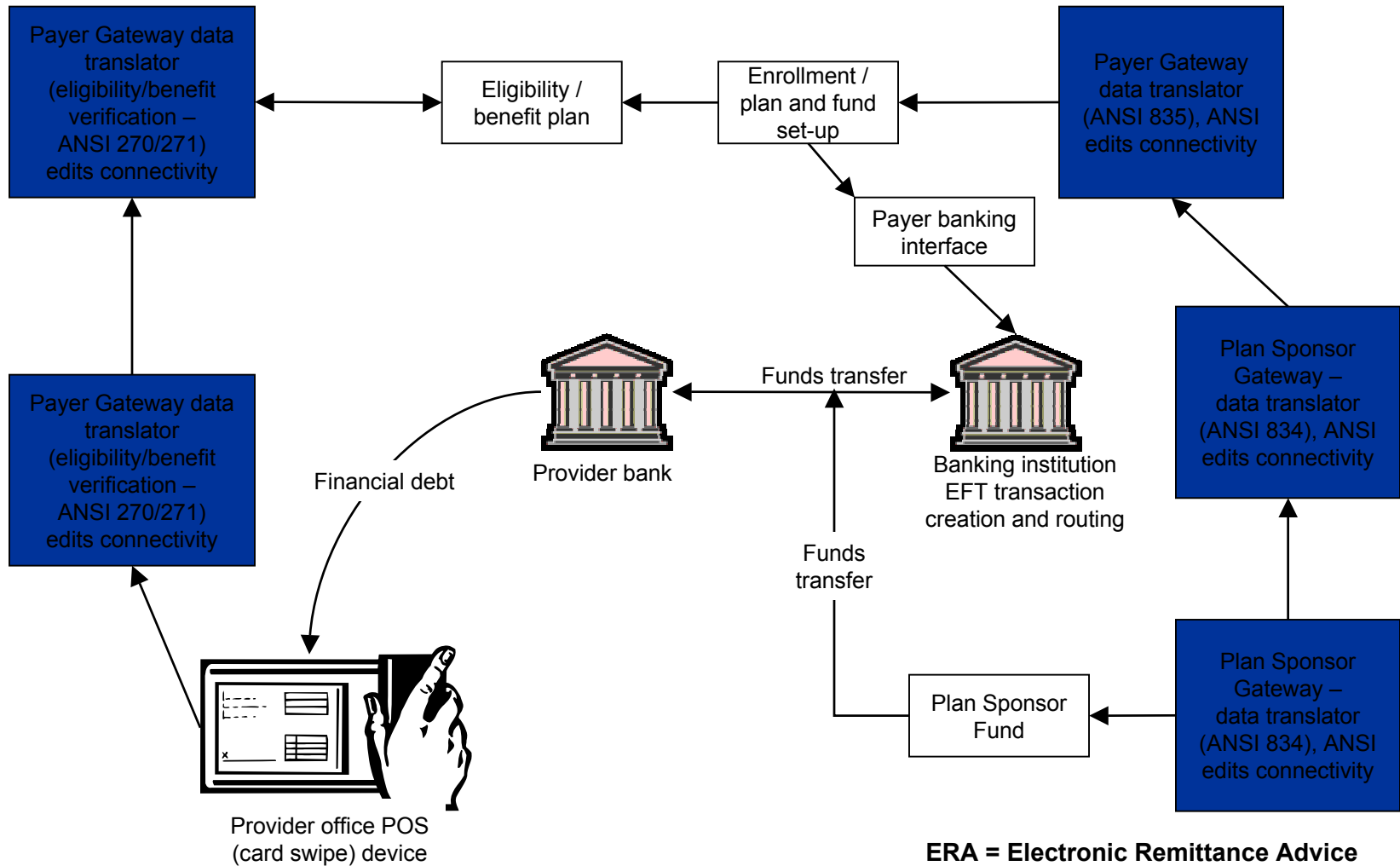


Traditional Electronic Payment Workflow





Healthcare Account Debit Flow





Summary

- **ProxyMed is the nation's ONLY full suite of healthcare business solutions, offering beginning-to-end solutions.**
- **Transform the remittance advice and payment process from paper-based to electronic, resulting in:**
 - Automated healthcare claims payment and settlement processes
 - Improved efficiency
 - Reduced costs
- **Verify eligibility and benefit information prior to administering healthcare services, resulting in:**
 - Improved administrative overhead
 - Better cash management
 - Expedited payment



ProxyMed Can Help You Achieve Success By...

Enabling you to focus on core competencies

Maximizing profits through increased efficiencies

Expediting payment process

Increasing productivity by reallocating resources

Functioning as your single source for all administrative transactions

Enabling you to focus on core competencies



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