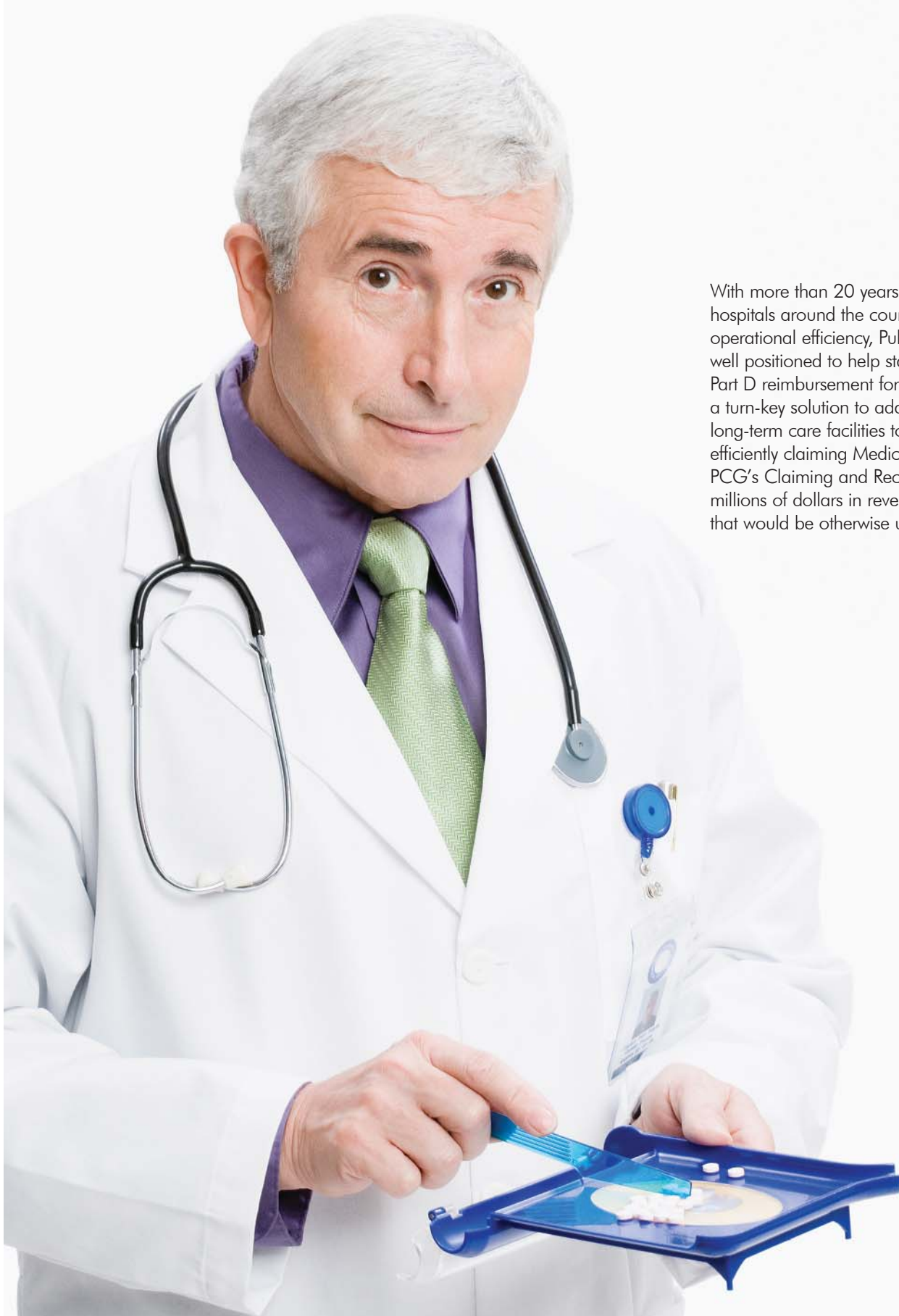


MEDICARE PART D CLAIMING AND RECOVERY SERVICES

A male doctor with grey hair, wearing a white lab coat over a purple shirt and a green tie. He has a stethoscope around his neck and is holding a blue pill tray with several white pills. He is looking directly at the camera with a slight smile.

With more than 20 years of experience helping public hospitals around the country to improve cash-flow and operational efficiency, Public Consulting Group (PCG) is well positioned to help state facilities optimize Medicare Part D reimbursement for prescription drugs. PCG has a turn-key solution to address the growing need for long-term care facilities to maximize their revenue by efficiently claiming Medicare Part D reimbursement. PCG's Claiming and Recovery Services can generate millions of dollars in revenue for public health hospitals that would be otherwise unrealized.

MEDICARE PART D CLAIMING AND RECOVERY SERVICES

MEDICARE PART D AND STATE FACILITIES

The Medicare Part D program for prescription drugs, launched January 1, 2006, significantly altered the manner in which state-run facilities are reimbursed for prescription drug expenditures. Prior to that date, prescribed drug expenditures made on behalf of dually eligible residents of intermediate care facilities for persons with mental retardation (ICF/MRs) and institutions for mental diseases (IMDs) were reimbursable from Medicaid. Medicare Part D is now the primary payer, and all facilities may only receive reimbursement for prescription drugs through the appropriate Medicare Part D program.

The Medicare Part D system – designed primarily for retail and commercial pharmacies – often poses obstacles to state-operated facilities enrolling and operating in these networks.

PCG's experience in state-run facilities, as well as with the complex Medicare Part D system, allows us to help states successfully navigate the network enrollment process and maximize reimbursement for prescription drugs, efficiently and compliantly.

PCG SERVICES

In many cases, state facilities are simply not equipped to recoup federal Medicare Part D funds. PCG can help by setting up a comprehensive system to address key steps in the process, including:

Contracting and Networking

Medicare Part D involves a complex system of private third party payers that require each pharmacy be enrolled in their network for reimbursement. Establishing contracts with each individual payer can be complicated and time-consuming. PCG is experienced in enrolling state-operated pharmacies in Part D networks for all major plans.

Eligibility Determination and Enrollment

PCG employs multiple methodologies to identify residents eligible for Medicare Part D, as well as the plan in which the resident is enrolled. PCG can also identify residents who are eligible for Medicare Part D, but not enrolled, and can work with facilities to enroll these residents, realizing additional cost savings. In addition to confirming eligibility for reimbursement under Medicare Part D, PCG's automated system checks for other insurance coverage (such as Medicare Part A coverage) and only processes valid Part D claims data.

Data Management and Claim Processing

Most state-operated facilities and pharmacies have limited or no data systems established for billing Medicare Part D plans. PCG is well-versed with current data management systems for many facilities and can extract all of the information necessary for Medicare Part D claiming from virtually any pharmacy and billing system. PCG uses advanced information technology to receive unprocessed pharmacy data to our data warehouse and organize it to meet requirements for industry standard formats and real-time electronic claim submission.

Claim Submission

PCG uses HIPAA-compliant secure software and a claims submission ("switch") service uniquely designed for pharmaceutical claims submission. PCG submits a claim and receives the response within seconds, cataloguing all claims data for further management and reporting.

Rejected Claim Resubmission Management

For all claims initially rejected by Part D plans, PCG operates a robust system by which we receive a rejection, use internal staff to fix the rejection, and resubmit it. PCG also offers a custom-designed web interface by which pharmacy staff can access, update, and resubmit claims for payment.

Accounts Receivable Management

All approved claims are posted to our integrated Accounts Receivable module, allowing the client direct access to record payment information. The Accounts Receivable module allows our clients to maintain thorough and timely financial information related to all processed claims, as well as instant access to the payment status of all Medicare Part D claims.

Analysis and Reporting

PCG conducts thorough analysis of all claims, both paid and unpaid, to ensure that facilities are being reimbursed at optimal levels. PCG provides a customizable suite of reports to better inform oversight agencies of problem areas and opportunities to improve their Medicare Part D claiming process. PCG can determine whether plans are reimbursing at the contracted rate and identify which plans have the best performance in covering and reimbursing for the facilities' most essential medications.

Regulatory Analysis

PCG maintains a high level of regulatory and policy expertise, enabling states to anticipate and adapt to all changes to the Medicare Part D system, ensuring optimal revenue and compliance.

PCG is a recognized leader in Medicare Part D claiming for public hospitals, providing:

- Expertise in establishing the necessary foundational relationships and contracts with Prescription Drug Plans (PDP's).
- An established methodology for accepting various forms of Drug/Prescription and claiming data confirming eligibility.
- An automated process to price claims to ensure optimal reimbursement.
- An automated process to exclude other known insurance (such as Medicare Part A coverage);
- A fully automated system to generate standardized electronic claims for submission to all participating PDP's
- An open architecture allowing flexible reporting and management of rejected claims for resubmission to maximize allowable reimbursements.

PCG presently administers the Claiming and Recovery of Medicare Part D for:

- Florida Department of Children and Families
- Illinois Department of Healthcare and Family Services
- Michigan Department of Community Health
- North Carolina Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services

PCG has been helping public hospitals achieve their performance goals for more than two decades. Contact us to learn more about how our proven Medicare Part D consulting solution can help your facility.