

Accounts Payable Recovery Audit Program

Our Recovery Auditing program utilizes our proprietary software "IntegrityMax" to perform a thorough examination of your past disbursements to verify the accuracy of every transaction. This, in conjunction with the Analysis and Identification phase of the audit allows us to:

- **Analyze your vendor master file.** We check all address fields for completeness and accuracy, and utilize algorithms to address similarities on address fields that would not be captured in a straight duplication search.
- **Identify all vendors having debit balances.** We will assemble a complete documentation package to include relevant source documentation and verification from your vendor in support of the respective debit balances and recover funds owed due to the overpayments or under deductions.
- **Perform a detailed analysis and positive confirmation procedures on invoices aged greater than one hundred twenty (120) days.** The detailed analysis and confirmation procedures will focus on legally reducing these liabilities by proving that they are not owed to the Client's vendors.
- **Assist Clients in identifying procedures to aid in catching duplicate payments before sending a check or processing an EFT.** The creation of a useful management report that focuses on daily and weekly procedures to alleviate identifiable errors.

ProfitDirect's Accounts Payable Recovery Audit Program operates on a "pay-for-performance" basis. We are only paid a percentage of actual documented recoveries.

Medical Claims Recovery Audit Program

ProfitDirect conducts medical claims audits for employers who self-fund their employee healthcare plans. Our primary focus is on cost reduction and accuracy. Unlike the outdated sampling audit methods still used by many other medical claims auditors, ProfitDirect has adopted a 100% Review Process now possible due to technological advancements.

ProfitDirect's state-of-the-art computerized auditing and verification program analyzes *all* medical claims submitted by physicians, hospitals, and pharmacies. This process can be used to quickly, accurately, and methodically focus on a highly detailed analysis of the most common errors made in medical claims processing such as:

- Eligibility Confirmation: Was the patient eligible for plan coverage on the date of service?
- Primary Coverage Confirmation: Should another group carrier, *Workers Comp* or Medicare have been primary coverage on the claim? Was this service covered by the plan?
- Claims Pricing Accuracy: Was the claim re-priced in accordance with network provider contracts? Did the employer get the full provider discount to which they were entitled?
- Claims Payment Accuracy: After re-pricing, was the claim paid in the correct amount? Were in-network / out-of-network benefits properly calculated? Were any duplicate payments made for the same claim?
- Timeliness of Payment: Did the TPA lose any provider discounts due to late claim payment? What is the average time the TPA takes to adjudicate and/or pay a claim after it is received?
- Questionable Coding: Have providers over-coded or unbundled services to be paid at higher rates?

Using the criteria established, ProfitDirect tests the accuracy and integrity of the claim payment process, identifying potential claim payment errors. During Stage I of our engagement, a detailed executive report is provided, identifying specific potential errors and procedural or systemic problems that may require your further attention.

ProfitDirect is paid a nominal non-contingent base fee for the highly detailed and practical Stage I report, which presents findings to the employer that can immediately reduce or eliminate further plan abuse. **However, the Stage I fee will be applied to any Stage II recoveries.**

In Stage II, for each recovery opportunity you deem appropriate for further pursuit, we present and review the details of each specific case with your plan administrator.

After all parties involved sign off on the likely authenticity of each recovery and the method of repayment, ProfitDirect receives a percentage of the recoveries identified for pursuit in Stage II.

We conclude our engagement with an executive report of all our findings and itemization of each recovery's status.

