

COBManager – A COBConnect® Pharmacy Service



We Bring New Sources Of Revenue To Light.SM

Health Management Systems, Inc. is the national leader in revenue recovery and cost containment for government healthcare programs. HMS has recovered more than \$3 billion from third parties and other funding sources on behalf of its clients, and today has active contracts in 25 states. HMS's solutions are risk-free, with no up-front funding or additional resources necessary.

For more information about HMS and our revenue-generating services, please contact:

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A New Model for Containing Government Pharmacy Costs

With the creation of **COBManager**, Health Management Systems has established the most comprehensive and efficient process for recovering government pharmacy costs from other payors. **COBManager** uses the real-time pharmacy claims network – the network thousands of pharmacies use every day – to ensure that third parties pay first. As a result, HMS can bill payors and pharmacy benefit managers that typically do not accept claims from Medicaid or other government-funded programs.

Acting as a billing agent for pharmacy providers, **COBManager** presents pharmacy claims as they should have been presented, and eliminates the need for a PBM or its client to perform special subrogation programming before adjudicating a claim. If the provider is in the payor's network, the claim will be submitted to the payor for adjudication.

COBManager already has demonstrated its value in New Jersey, where HMS and the Department of Human Services use it to help control the state's billion-dollar pharmacy expenditures.

The Unique Value of COBManager

Increased Recoveries. By leveraging the established and wide-reaching pharmacy claims network, **COBManager** ensures that every claim that belongs to a third party is adjudicated by a third party. HMS estimates that **COBManager** can increase recovery of pharmacy costs by at least 5%, a result that means millions of dollars for a Medicaid or state pharmacy program.

Faster = Better. **COBManager** presents a pharmacy claim to the third party in a matter of seconds, by drawing on the real-time pharmacy claims network. No longer are cost recoveries delayed – or lost – because of “timely filing” requirements, clients moving from one PBM to another, or eligibility changes.

No Impact On Pharmacy Providers. While **COBManager** reduces government payment to pharmacy providers, it doesn't impact their bottom line. Once it's determined that a third party will pay the provider, HMS prepares a corresponding provider debit, generally in the same payment cycle. The result: reduced costs for the government program, and timely, accurate third-party payments for the provider.

Increased Efficiency. **COBManager** eliminates the need for government programs to submit separate claims for each pharmacy benefit manager. Instead of sending multiple claims, a program can complete the entire submission process in one step requires. And because **COBManager** is all-electronic, there are no paper claims to handle, provider payments are easily adjusted, and the claims trail is short and easy to manage.

HIPAA-Ready. **COBManager** uses HIPAA-approved transactions. Although comprehensive, the security measures of **COBManager** allow for flexibility regarding interaction with other platforms.

Services for Medicaid Managed Care Plans



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Critical Needs, No-Risk Solutions

Health Management Systems understands the demands facing Medicaid managed care plans. Shrinking capitation rates, the increasing cost of care, a member population and a maze of regulation that both can be difficult to manage ... challenges like these have created unprecedented fiscal pressures for Medicaid plans.

Amid these challenges, few plans have the resources to fully pursue revenue recoveries. That's where HMS helps.

- Our coordination of benefits services add revenue that can represent 5% of Medicaid expenditures.
- And because HMS works on a contingency-fee basis, with no up-front costs, this revenue goes directly to the bottom line.

What does the revenue add up to? Consider this: For one of our managed care clients, HMS recently recovered \$1 million in just 12 months.

We achieve results like these by drawing on the same expertise and resources HMS has used to recover more than \$3 billion for Medicaid programs across the country. The same expertise and resources that enable us to generate an average of \$2.47 PMPM for our current clients.

Our **COBConnect[®]** services are tailored to meet the specific needs of plans, while complementing their internal capabilities. Some of the areas where we assist plans are described below.

Medicaid-Medicare Coordination of Benefits. As America ages, coordination of benefits for the "dual eligible" population is vital. However, no single data resource provides a complete picture of Medicare coverage. HMS draws on a host of files that other vendors rarely use – including the Medicare Adjudicated Claims Files and Enrollment Database – to determine the proper coordination of benefits among Medicaid plans, Medicare, and Medi-gap insurers.

Pharmacy Coordination of Benefits. HMS has developed the relationships, systems, and electronic billing mechanisms to achieve the greatest possible recoveries from pharmacy benefit managers. We work with each PBM to ensure claims are submitted in a format that is processed easily, including those of the National Council for Prescription Drug Programs. HMS has more than 10 years experience billing NCPDP claims, and submits approximately 63% of pharmacy claims in these formats.

Recoveries from Health Insurance Plans. By performing computerized matches with eligibility files from other carriers, HMS identifies third-party coverage for Medicaid plan members. HMS accesses data from a network of 150 health insurance plans, health maintenance organizations, other managed care organizations, and third party administrators nationwide. This network – the largest in the industry – represents nearly 95% of the group health insurance universe in the states we serve.