



## Medicare Like Rate & Reference Based

Under the Medicare Modernization Act, Indian Tribal Entities have been able to take advantage of Medicare Like Rate (MLR) pricing for all hospital and hospital owned entities. Health West has been accurately pricing Medicare Like Rates for Indian Tribal Entities for over 10 years.

Now, Health West offers this cost saving service to all employer groups who are looking for ways to save money. For example:

<b>Major Joint Replacement Average Billed Charge in North Carolina</b>	<b>Average PPO Allowed Amount (30% to 50%)</b>	<b>Medicare Allowed</b>
<b>\$59,622</b>	<b>30% = \$41,735 50% = \$29,811</b>	<b>\$9,264</b>

The PPO allowed amount sounds like a good deal until you compare it to the Medicare allowed amount. Medicare often reimburses at the hospital's cost which leaves no margin for the facility and providers. Reference based pricing addresses this issue by adding on to the Medicare reimbursement amount to account for a small profit margin for the providers.

**If you use this strategy to price your out-of-network claims, your savings could be:**

<b>Total Plan Billed Charges</b>	<b>4% of Claims are Out-of-Network</b>	<b>Reference Based Allowed Medicare Plus 30%</b>
<b>\$5,250,000</b>	<b>\$208,020</b>	<b>\$67,606</b>





# Reference Based Pricing

**August 2017 thru November 2017**

TPA Claim #	Provider Name	Earliest DOS	Billed	Allowed Amt.	Savings
201611161307	MIDTOWN SURGERY CENTER	9/29/2015	\$17,600.00	\$1,219.54	\$16,380.46
201705041359	CLARK REGIONAL MEDICAL	11/7/2016	\$1,334.74	\$204.31	\$1,130.43
201612131697	SURGICAL SPECIALTY CENTER OF WE	11/29/2016	\$17,450.00	\$1,137.28	\$16,312.72
201706081617	GATEWAY FOUNDATION	4/16/2016	\$4,053.00	\$1,343.37	\$2,709.63
201706051389	GATEWAY FOUNDATION	3/29/2016	\$5,949.00	\$1,727.19	\$4,221.81
201706081614	GATEWAY FOUNDATION	4/7/2016	\$1,737.00	\$575.73	\$1,161.27
201706051391	GATEWAY FOUNDATION	4/10/2016	\$4,053.00	\$1,343.37	\$2,709.63
201706081617	GATEWAY FOUNDATION	4/17/2016	\$4,053.00	\$1,343.47	\$2,709.53
201706051393	GATEWAY FOUNDATION	5/4/2016	\$676.00	\$383.82	\$292.18
201706081619	GATEWAY FOUNDATION	5/10/2016	\$338.00	\$191.91	\$146.09
201706051395	GATEWAY FOUNDATION	5/16/2016	\$1,352.00	\$767.64	\$584.36
201706081621	GATEWAY FOUNDATION	5/23/2016	\$338.00	\$191.91	\$146.09
201706051398	GATEWAY FOUNDATION	6/1/2016	\$676.00	\$383.82	\$292.18
201706081624	GATEWAY FOUNDATION	6/6/2016	\$1,352.00	\$767.54	\$584.46
201706051400	GATEWAY FOUNDATION	6/13/2016	\$1,352.00	\$767.64	\$584.36
201706081626	GATEWAY FOUNDATION	6/21/2016	\$676.00	\$383.82	\$292.18
			<b>\$62,989.74</b>	<b>\$12,732.36</b>	<b>\$50,257.38</b>

The Plan Savings is 80% off the billed charges at 100% of Medicare.

**August 2017 thru November 2017**

TPA Claim #	Provider Name	Earliest DOS	Billed	Allowed Amt.	Savings
201611161307	MIDTOWN SURGERY CENTER	9/29/2015	\$17,600.00	\$1,585.40	\$16,014.60
201705041359	CLARK REGIONAL MEDICAL	11/7/2016	\$1,334.74	\$265.60	\$1,069.14
201612131697	SURGICAL SPECIALTY CENTER OF WE	11/29/2016	\$17,450.00	\$1,478.46	\$15,971.54
201706081617	GATEWAY FOUNDATION	4/16/2016	\$4,053.00	\$1,746.38	\$2,306.62
201706051389	GATEWAY FOUNDATION	3/29/2016	\$5,949.00	\$2,245.35	\$3,703.65
201706081614	GATEWAY FOUNDATION	4/7/2016	\$1,737.00	\$748.45	\$988.55
201706051391	GATEWAY FOUNDATION	4/10/2016	\$4,053.00	\$1,746.38	\$2,306.62
201706081617	GATEWAY FOUNDATION	4/17/2016	\$4,053.00	\$1,746.51	\$2,306.49
201706051393	GATEWAY FOUNDATION	5/4/2016	\$676.00	\$498.97	\$177.03
201706081619	GATEWAY FOUNDATION	5/10/2016	\$338.00	\$249.48	\$88.52
201706051395	GATEWAY FOUNDATION	5/16/2016	\$1,352.00	\$997.93	\$354.07
201706081621	GATEWAY FOUNDATION	5/23/2016	\$338.00	\$249.48	\$88.52
201706051398	GATEWAY FOUNDATION	6/1/2016	\$676.00	\$498.97	\$177.03
201706081624	GATEWAY FOUNDATION	6/6/2016	\$1,352.00	\$997.80	\$354.20
201706051400	GATEWAY FOUNDATION	6/13/2016	\$1,352.00	\$997.93	\$354.07
201706081626	GATEWAY FOUNDATION	6/21/2016	\$676.00	\$498.97	\$177.03
			<b>\$62,989.74</b>	<b>\$16,552.07</b>	<b>\$46,437.67</b>

The Plan Savings is 74% off the billed charges at 130% of Medicare.

# Medicare Pricing

August 2017 thru November 2017

TPA Claim #	Provider Name	Earliest DOS	Billed	Allowed Amt.	Savings
201705230724	BLUE MOUNTAIN HOSPITAL	5/18/2017	\$644.13	\$354.28	\$289.85
201705311031	BLUE MOUNTAIN HOSPITAL	5/24/2017	\$1,897.61	\$1,043.69	\$853.92
201705310589	PAGE HOSPITAL	6/6/2017	\$398.30	\$159.32	\$238.98
201705302356	NORTHERN NAVAJO MEDICAL	5/18/2017	\$230.00	\$135.06	\$94.94
201706090606	BLUE MOUNTAIN HOSPITAL	6/6/2017	\$11.93	\$6.56	\$5.37
201706090608	BLUE MOUNTAIN HOSPITAL	5/1/2017	\$2,484.08	\$1,366.24	\$1,117.84
201706022175	SAN JUAN HOSPITAL	5/5/2017	\$299.00	\$179.40	\$119.60
201706021201	BLUE MOUNTAIN HOSPITAL	5/30/2017	\$299.06	\$164.48	\$134.58
201706021202	BLUE MOUNTAIN HOSPITAL	5/30/2017	\$1,897.61	\$1,043.69	\$853.92
201706011834	MERCY MEDICAL CENTER	5/18/2017	\$262.00	\$111.47	\$150.53
201706010492	BLUE MOUNTAIN HOSPITAL	5/18/2017	\$5,897.78	\$3,243.79	\$2,653.99
201708031314	NORTHERN NAVAJO MEDICAL	7/21/2017	\$406.23	\$202.42	\$203.81
201708040187	SOUTH JORDAN HEALTH CENTER	7/27/2017	\$5,338.20	\$2,534.92	\$2,803.28
201704200555	SOUTHWEST MEMORIAL HOSPITAL	4/14/2017	\$17,877.00	\$6,658.56	\$11,218.44
201704240094	BILLINGS CLINIC HOSPITAL	4/13/2017	\$1,132.00	\$445.14	\$686.86
201704250428	SOUTHWEST MEMORIAL HOSPITAL	4/16/2017	\$1,561.00	\$530.74	\$1,030.26
201705110521	BLUE MOUNTAIN HOSPITAL	4/25/2017	\$9,576.69	\$5,171.42	\$4,405.27
201705100166	BLUE MOUNTAIN HOSPITAL	5/4/2017	\$4,163.60	\$2,248.02	\$1,915.58
201705120101	BLUE MOUNTAIN HOSPITAL	5/7/2017	\$669.47	\$361.51	\$307.96
201710060566	BLUE MOUNTAIN HOSPITAL	9/22/2017	\$1,481.40	\$814.77	\$666.63
201710060567	BLUE MOUNTAIN HOSPITAL	10/3/2017	\$4,323.99	\$2,378.21	\$1,945.78
201710050229	BLUE MOUNTAIN HOSPITAL	10/2/2017	\$589.82	\$324.40	\$265.42
201710050280	SAN JUAN REGIONAL MED CTR	8/18/2017	\$524.00	\$191.03	\$332.97
201710031211	MERCY REGIONAL MEDICAL CENTER	8/28/2017	\$959.61	\$220.69	\$738.92
201710100735	BLUE MOUNTAIN HOSPITAL	10/4/2017	\$3,820.79	\$2,101.45	\$1,719.34
201710100846	DIXIE REGIONAL MED CTR	10/1/2017	\$1,808.43	\$483.56	\$1,324.87
201710021628	ST MARYS HOSPITAL & MED	9/16/2017	\$2,974.25	\$617.90	\$2,356.35
201710030770	SAN JUAN REGIONAL MED CTR	9/25/2017	\$2,223.00	\$422.55	\$1,800.45
201710172436	CENTRAL UTAH SURGICAL CENTER	9/21/2017	\$18,628.00	\$8,481.00	\$10,147.00
201710021615	SAN JUAN HOSPITAL	9/21/2017	\$235.00	\$117.50	\$117.50
201710260876	BLUE MOUNTAIN HOSPITAL	10/16/2017	\$12,194.83	\$6,707.17	\$5,487.66
201710260877	BLUE MOUNTAIN HOSPITAL	10/19/2017	\$654.66	\$360.07	\$294.59
201710260879	BLUE MOUNTAIN HOSPITAL	10/15/2017	\$182.78	\$100.53	\$82.25
201710161536	SAN JUAN HOSPITAL	8/19/2017	\$7,759.63	\$3,879.82	\$3,879.81
201710161567	SAN JUAN HOSPITAL	10/4/2017	\$249.00	\$124.50	\$124.50
201710170588	DIXIE REGIONAL MED CTR	10/7/2017	\$4,940.25	\$986.99	\$3,953.26
201710170589	DIXIE REGIONAL MED CTR	10/10/2017	\$1,792.56	\$418.60	\$1,373.96
201710130307	GALLUP MEDICAL CENTER	9/29/2017	\$31.00	\$8.67	\$22.33
201710120660	BLUE MOUNTAIN HOSPITAL	10/9/2017	\$3,024.63	\$1,663.55	\$1,361.08
201710120662	WESTERN REGIONAL MEDICAL CEN	9/25/2017	\$1,457.00	\$112.73	\$1,344.27
201710111614	SOUTHWEST ENDOSCOPY CENTER	10/3/2017	\$1,501.00	\$357.41	\$1,143.59
			<b>\$430,387.37</b>	<b>\$197,048.18</b>	<b>\$233,339.19</b>

The Plan Savings is 54% off the billed charges at 150% of Medicare.