

Resolving Billing Discrepancies & Maximizing Efficiency

How AdminaHealth's Billing Suite Revolutionized Benefits Billing Administration for a PEO

Executive Summary

A large national broker approached AdminaHealth looking for assistance with managing the benefits plan of a Professional Employer Organization (PEO) in the health services sector with approximately 1,500 plan participants spread across 120 locations. The organization required the ability to allocate benefit premium costs across multiple locations and export invoices in a custom format. AdminaHealth was engaged to address these challenges and provide a solution that ensured accurate billing, location-based cost allocation, and customizable invoicing capabilities. Through the implementation of the AdminaHealth Billing Suite, the organization not only resolved billing discrepancies but also achieved significant cost savings and improved efficiency.

Challenges

The PEO faced several challenges with their benefits plan billing including allocation and formatting obstacles. In addition, during the onboarding process, AdminaHealth discovered several legacy inaccuracies after conducting a rate verification audit and enrollment and invoice reconciliation. These included incorrect premium rates for medical coverages, unbilled voluntary life coverages for spouse and child, and billing that did not account for pro-rated coverage effective dates. These inaccuracies resulted in overpayments of \$39,379 over a two-month period, with a potential \$236,274 annual expense leakage.

Solution

With a built-in capability for multi-group cost allocation, the AdminaHealth Billing Suite was able to easily allocate the member premiums to their specific office. Armed with the billing exceptions data, the broker was able to correct the rates for medical coverages, add the voluntary life coverages for spouse and child to the employee's payroll, and update the amounts for the coverages that needed to be pro-rated. Moreover, the suite's flexible invoicing capabilities allowed the organization to export invoices in a custom format, aligning with their internal billing processes and requirements.

Results

Since implementing the AdminaHealth Billing Suite, the time and effort it takes to administrate shared benefits costs across multiple offices has been drastically reduced. Billing administrators can identify and resolve errors with each billing cycle. Overall, the implementation of the AdminaHealth Billing Suite not only resolved the challenges faced by the PEO in terms of location-based cost allocation and customized invoicing but also delivered significant financial savings, operational efficiency, and improved control over their benefits plan billing.