



Austin Resolutionssm



A professional bill negotiation service

General Program Summary
Including
2008 Performance Report

Austin Resolutions
916 South Capital of Texas Highway
Austin, TX 78746
(800) 844-7090



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History:

Austin Resolutions has been negotiating savings on medical bills since 1994. We began negotiating out of network claims as a value-added service on behalf of a single PPO. In February of 1999, after five years of success and working history, Austin Resolutions began independently marketing its services to TPAs, Payor Groups, Self-Funded employers, and Re-Insurance Carriers.

The initial offering from Austin Resolutions consisted of negotiations in the lines of Group Health and Workers' Compensation. While remaining at the core of Austin Resolutions' book of business, our service line has now expanded to also cover Auto Liability, Marine (Jones Act and US L&H), Transplant, Catastrophic Care, and various retirement and Medicare supplemental plan options.

As has been the case since 1994, our focus and the value we represent generally falls into two closely related areas: Negotiated Cost Savings and Elimination of Risk.

Cost Savings:

Austin Resolutions adheres to a very basic principle: "Do what you do best, and be the best at it". Our service line could be considered as being conservative in that we have saved our clients hundreds of millions of dollars using the same up-front approach for the last fourteen years. We have a singular focus, finance within the healthcare market. This having been said, we employ only financial professionals.

Austin Resolutions' negotiations teams are made up of members who have proven track records in the areas of revenue cycle management, finance, or economics. Modern healthcare is a business, and in order to succeed, we bring on individuals with an understanding of money and train them to apply their skill sets in a hospital-based industry. Our negotiations platform has been built on the understanding of local, regional, and national markets, jurisdictional guidelines, and the costs associated with an episode of care.

Deviating from a clinical approach has allowed Austin Resolutions to enter negotiations based on our area of expertise, rather than the hospital's. Approaching cost containment in this manner has yielded historical rate reductions of **39%** across all lines of insurance. On average, we successfully negotiate savings on **68%** of the eligible dollars that flow through our company, again, independent of the type of insurance involved.

Specific to workers compensation, our average savings in areas with State-mandated reimbursement structures in place is **25%** below the State-mandated rate and **38%** when fee schedules do not apply.

Removal of Risk:

Inherent in any cost savings model or methodology should be the ability of the charge reduction to withstand scrutiny and future review. Austin Resolutions achieves this by obtaining a signed contract to close all successful negotiations. This contract is then either returned to the claims payor or electronically archived in-house.

- Austin Resolutions does not function as a technology based bill review firm offering to defend its reductions if necessary.
- Austin Resolutions does not do business with PPO stacking firms in order to shop multiple rates with providers.

The cost containment methodologies listed above *pend* payor risk. Our function is to **remove** risk altogether. Every account that we receive is negotiated, no exceptions. This leads to a work product that is transparent to both the claims payor and the medical services provider, thereby eliminating balance billing and removing ongoing risk.

The value of our service and our approach has not been lost on the insurance industry. Many view Austin Resolutions as the firm to call when faced with extremely involved cases. Often our work involves multiple jurisdictions or trauma care in workers' compensation cases, multi-line adjudication efforts by third party administrators, excess cost containment efforts by re-insurers, multi-national mediation efforts by shipping companies, assignment by judiciary to resolve financial disputes outside of the Federal Court system, or legal defense preparation for attorneys engaged in hospital disputes.

The alternative offered to payors by Austin Resolutions is a negotiated settlement on every account wherein the overall value of an episode of care is evaluated, balance billing to insureds is contractually prohibited, ongoing risk is eliminated, payor reputation is positively branded with each successful negotiation, and every account is closed with a written contract eliminating future appeals.



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2008 Annual Performance Summary

Workers Compensation

State	Audit Reduction	Negotiated Discount	% Exceeding Audit
AK	21%	26%	5%
AL	0%	40%	40%
CA	31%	65%	34%
CT	25%	61%	36%
DE	10%	38%	28%
FL	1%	63%	62%
GA	11%	44%	33%
IA	0%	18%	18%
ID	0%	15%	15%
IL	21%	42%	21%
IN	0%	21%	21%
KY	20%	70%	50%
LA	0%	48%	48%
MA	19%	41%	21%
MD	5%	22%	16%
ME	0%	10%	10%
MI	0%	42%	42%
MN	0%	8%	8%
MO	37%	61%	23%
MS	53%	70%	17%
NC	4%	30%	26%
NE	55%	70%	15%
NJ	8%	47%	40%
NM	0%	43%	43%
*NY	62%	82%	20%
OH	62%	77%	16%
OK	19%	30%	11%
OR	0%	48%	48%
PA	13%	38%	25%
RI	0%	61%	61%
SC	12%	20%	8%
SD	29%	70%	41%
TN	27%	40%	13%
TX	65%	82%	16%
UT	0%	36%	36%
VA	2%	32%	31%
WA	1%	72%	71%
WV	0%	63%	63%
National	32%	57%	25%

* Performance figures for workers compensation are indicative partially of those accounts without fee schedule reductions due to trauma status or jurisdictional conflicts. Nation-wide, the Austin Resolutions average reduction on workers compensation accounts with a fee schedule reduction attached is 25% below State listed MARs.

** Austin Resolutions has experience working in every state and internationally, however, only those states listed represent statistically significant sample sizes for reporting purposes during the time frame measured.

Health

State	Negotiated Discount
AK	27%
AL	35%
AR	27%
AZ	30%
CA	28%
CO	23%
CT	26%
FL	23%
GA	24%
HI	30%
IA	18%
ID	56%
IL	25%
IN	24%
KS	19%
KY	16%
LA	22%
MA	13%
MD	33%
MI	39%
MN	27%
MO	30%
MS	25%
MT	13%
NC	25%
ND	25%
NE	23%
NJ	28%
NM	28%
NV	15%
NY	33%
OH	35%
OK	24%
OR	14%
PA	22%
RI	5%
SC	18%
SD	29%
TN	30%
TX	33%
UT	43%
VA	20%
WA	38%
WI	23%
WV	40%
WY	17%
National	28%



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Process Overview

1. Threshold parameters determined by client
2. Transmission methodology defined (paper, EDI, FTP)
3. Claims type determined (work comp, auto, group health, etc.)
4. Claims eligibility verified
5. Claims submitted to Austin Resolutions for negotiations
6. Austin Resolutions verifies claims receipt with a written notice to client
7. Claims assigned to negotiations team leaders per claim type
8. Claims research and write-up performed
9. Financial options / market analyses performed
10. Provider is contacted, negotiations completed
11. Austin Resolutions returns claims re-pricing data, invoice, and copy of provider agreement (if desired)
12. Provider is paid within listed timeframe
13. Client savings realized



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Bill Referral Form

Referring company: _____

Contact person: _____

Address: _____

Company file no.: _____

Telephone no.: _____

Fax: _____

Type of case: WC _____ Auto _____

State: _____

Health _____ **Marine** _____ **Liability** _____

Jurisdiction: _____

Medicare Exhaust _____

Provider/bill information

Patient name: _____

SS#: _____

Hospital/provider: _____

Bill amount: \$ _____

Attached bill: UB-92: _____ **Physician/Provider:** _____ **Other:** _____

Does a fee schedule apply: Yes No **If yes, payable amount:** _____

SPECIAL HANDLING INSTRUCTIONS: Time deadline, prior negotiations, special billing instruction, etc. _____

Mail Completed Form & Bill:

**Austin Resolutions
P.O. Box 163930
Austin, TX 78716-3930**

or

Fax Completed Form & Bill:

**FAX: (512) 347-9282
Contact: Karen Garcia
Telephone no.: (800) 844-7090 x4419
Email: kareng@usamco.com**



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Summary

Secure FTP has long been the established HIPAA compliant tool for exchanging files with Trading Partners. Our quest for the ultimate FTP software now enables Austin Resolutions to offer a powerful integrated FREE solution that includes hosting of your FTP Site. Better than FREE, by following these instructions you can quickly get setup with little-to-no IT expertise!

Download Client

These instructions are for downloading and installing **Core FTP 2.1 LE**, then configuring it to connect to your new FTP site, hosted here at Austin Resolutions. We recommend Core FTP because it delivers Internet file transfer with **OpenSSL (Secure Sockets Layer) encryption** to protect your e-PHI files in transmission.

1. While on your target server/PC, open up your internet browser and go to: <http://www.coreftp.com/download.html> and select CoreFTP 2.1 LE: Free edition
2. Download coreftplite.exe to your Desktop and double-click to begin.
TIP: If your downloaded file will not run (CRC error) repeat Step #1 and try again

Installation

Installation is simple! Just click “Next/Agree” in all dialog box options.

When complete you should see a **Core FTP Lite** shortcut on your Desktop. The downloaded installer file (coreftplite.exe) can now be deleted.

Configuration

1. Click the new **Core FTP Lite** shortcut on your Desktop. If this is the first time Core FTP has been opened, you will be prompted for configuration choices. For both “Browser Integration” and “ASCI editor” answer **“No”**
2. Under “Host/IP/URL”, “username”, “password” type the information provided separately. For security reasons we will provide this FTP address along with your new FTP username and password separately. Once received, store these keys to your FTP site securely!
3. In the “Connection” drop down change the default “FTP” by clicking the dropdown menu and selecting AUTH SSL and click “Connect” to test!
4. “Free for Business Use” ?. Click on “Help” -> “Topics” to verify EULA.

TIP: Remember your login must be entered exactly or the connection will fail. To be sure, cut/paste the username and password from the provided email. Usernames are NOT case-sensitive, but pAsswOrds ARE case-sensitive.

For Assistance:
kareng@usamco.com
800-844-7090 ext 4419