

CASE STUDY

REDUCING EMPLOYER HEALTH CARE COSTS

OVERVIEW

SmartLight Analytics combats fraud, waste, and abuse in healthcare, dental, and pharmaceutical claims through proprietary AI-powered data analysis. Requiring minimal employer involvement, the process works behind the scenes to save money without interrupting employee benefits or requiring employee behavior changes. This case study outlines the reasons why transparency and access to healthcare data are imperative to long-term savings.



CHALLENGE

Employers lose billions of dollars every year due to unchecked and undiscovered fraud, waste, and abuse in employer-funded health plans. According to the National Health Care Anti-Fraud Association (NHCAA), losses due to healthcare fraud are in the tens of billions annually. This means, if you are an employer spending \$150M a year in employee healthcare costs, you are losing \$4.5M to \$7.5M to fraud, waste, and abuse annually.

Most employers aren't equipped to fight against rising healthcare costs – in terms of time, staff, and expertise. And they shouldn't be. Employers should be focused on producing and selling the best products and services, not tracking down and remediating wasteful spending. Assembling the resources to do so is not only cost prohibitive but also inefficient and ineffective.

APPROACH

SmartLight provides a low-touch, high-impact solution directly to Prudential Financial. The partnership allows for regular monitoring of plan payments to reduce Prudential's healthcare costs and adds a much-needed layer of transparency. SmartLight ensures plan payments are solely for the benefit of members, enabling Prudential to uphold its fiduciary obligations.

One of the many examples of recent findings in Prudential's data involved a suspicious relationship between a health and wellness physician and a nearby laboratory. Detailed research and investigation showed the lab and physician were located next to one another. Given the physical proximity, number of shared patients, and the high number of wellness-related tests ordered by the physician (on average 65 tests per day), a questionable referral relationship between the two parties appeared probable. Adding to the suspicion was that patients were diagnosed with issues such as: elevated BMI, fatigue, or abnormal weight gain. In addition, the physician had a relationship with another lab that settled anti-kickback allegations in early 2022. The physician and laboratory were billing Prudential for services not supported by the patients' clinical history. This identification and remediation saved Prudential approximately \$40,000 annually in services either not rendered or not covered by the plan. SmartLight is currently working with Prudential's claims administrator to prevent payments for unsupported services to these providers and recoup dollars already paid in error. SmartLight routinely finds payment errors missed by the carrier's adjudication processes, resulting in significant client savings.

Get in Touch

4965 Preston Park Blvd.,
Suite 350, Plano, TX 75093



www.smartlightanalytics.com



SmartLight Analytics



@SLAnalytics

PRUDENTIAL 2022 Q3 RESULTS



67

Total Referrals in Q3 2022



\$627,077

In Realized Savings to the Plan for Q3 2022 Alone



\$1,198,678

Identified Savings Potential for Q4 2022

CONCLUSION

It is imperative employers have access and insight into their healthcare data to keep employee benefit costs low. Partnering with an independent third-party with both clinical and data expertise provides the knowledge needed to identify and eliminate wasteful billing, which results in lower plan costs.

SmartLight's expertise and commitment to eliminating fraud, waste, and abuse in health plans is why we are the industry's most trusted resource for self-funded employers.