

Essential Inquiry Framework for ERISA Fiduciaries: Evaluating Carrier Practices Regarding MultiPlan

Please provide answers to the following list of question:

1. Comprehensive Financial Impact Report

- Total Fees Paid to MultiPlan: Breakdown by type (e.g., service fees, administrative fees).
- Savings Achieved Through Reduced Payments: Total amount saved, categorized by type of service (e.g., medical, surgical, diagnostic).
- Additional Administrative Fees: Any other related fees incurred as a result of utilization of MultiPlan.

2. Member Financial Burden Report

- Incidents of Balance Billing When MultiPlan Utilized: Number of instances, average amount billed to members.
- Average Out-of-Pocket Costs: Before and after MultiPlan's involvement, by type of service. (if applicable and comparison available)
- Any Reporting on Member Disputes and Resolutions Where MultiPlan Network Involved: Summary of disputes related to balance billing and their outcomes.

3. Net Savings Reports and Calculations

- **Total Savings Generated (X)** : Total amount of savings generated through the use of MultiPlan by comparing the original billed amounts from providers with the negotiated amounts paid. Include report where amounts are categorized by type of service (e.g., medical, surgical, diagnostic) and provider type (independent vs. hospital-employed).
- **Average Percentage Reduction**: The average percentage reduction in payment amounts achieved through MultiPlan negotiations. Include breakdown by type of service and provider type.
- **Costs Incurred Through Use of MultiPlan (Y)**
 - **MultiPlan Service Fees**: Total fees paid to MultiPlan for their services. Include setup fees, monthly or annual service fees, and any per-claim fees (include all inclusive amounts and individual amounts in each category noted).
 - **Administrative Costs**: Estimated administrative costs associated with managing the MultiPlan relationship and processing claims through MultiPlan. Includes Staff time, software or system adjustments, and any other overhead costs.
 - **Cost Impact of Provider Disputes**: Costs incurred from managing and resolving provider disputes related to MultiPlan-negotiated rates.

Legal fees, additional administrative costs, and any amounts paid to settle disputes (costs incurred by carrier/TPA vendor).

- **Net Savings Calculation**

- **Gross Savings vs. Total Costs:**

- Subtract the total costs incurred from use of MultiPlan from the total savings achieved to calculate the net savings.

$X - Y = \text{Net Savings}$

- **Direction:** Display these figures in a comprehensive report that provides an annual overview and, if useful, monthly, or quarterly breakdowns.

- 4. **Savings-to-Cost Ratio:**

- **Calculation:** Divide the total savings achieved by the total costs incurred to get a ratio indicating how much savings is generated for every dollar spent.
 - **Interpretation:** A ratio greater than 1 indicates a net benefit, whereas a ratio less than 1 indicates a net cost to the plan.

- 5. **Provider Network Impact Report*****

- Changes in Out-of-Network Provider Pool: Number of providers before and after MultiPlan, by specialty.
 - Provider Termination/Withdrawal Rates: Rates of providers ceasing to accept the insurance due to payment disputes.
 - Impact on Provider Availability: Analysis of how changes in the provider pool have affected access to care for members.

- 6. **Provider Impact by Ownership Structure*****

- Provide a breakdown of average payment rates to out-of-network services, comparing independent physicians to providers employed by large hospital systems, categorized by service type and specialty.
 - Provide data on the frequency and nature of payment disputes and appeals, segmented by independent physicians and hospital-employed providers.

- 7. **Impact on Provider Network Composition*****

- Provide data on trends in the participation of independent physicians versus hospital-employed providers within the network over time, including rates of joining, leaving, or switching status.

- 8. **Percentage of MultiPlan Contracted Providers Paid at a Straight "Percentage of Billed Charges"**

- Provide the percentage of MultiPlan contracted providers who are paid based on a straight percentage of billed charges.
 - Monetize the amount of payments made pursuant to such contracts.
 - Compare these payments as a percentage of Medicare rates in a meaningful way.

9. Out-of-Network Reimbursement Rate Structure Interpretation

- Describe how the carrier or TPA is interpreting the SPD (Summary Plan Description) language to account for the OON (Out-of-Network) reimbursement rate structure. Specify if it is U&C (Usual and Customary) or another method.
- Explain how U&C rates are determined when the services do not have a Medicare rate.

****The purpose is to identify disparities in payment practices, revealing if one group is more adversely affected by reduced payment rates, and; to assess if there's a difference in the likelihood or capacity of these groups to challenge or negotiate payments, which may impact their financial stability. The last request's purpose is to track whether MultiPlan's payment practices influence the makeup of the provider network, potentially leading to a shift away from independent practices towards larger hospital systems.*

Please note that the information provided here is for general informational purposes only and should not be considered legal advice. It is always recommended to consult with a qualified legal professional for specific legal advice tailored to your situation.