



When Fools Rush In

The 25 Most Common Dependent Eligibility Audit Mistakes




Do you know what questions to ask before performing a dependent eligibility audit?

Failing to address each of the questions below before selecting your audit solution is a mistake. The criteria for evaluating an internal (manual) audit versus relying on a consulting firm versus using a solution provider that only provides audit solutions is detailed in the tables below.


25 Questions You Should Ask Before the Audit:

	Plan-Smart™
<p>Service Features</p> <ul style="list-style-type: none"> i. Is the audit process supported by a technology platform or spreadsheets? (i.e. does the provider use Excel or Access or SQL DB or is there a web-based SaaS solution) ii. Does the solution insure objective eligibility determinations through an automated rules based, data-driven adjudication platform? iii. Where is the customer support center located? (Internally by non-certified professionals, in the U.S.A. or located offshore?) iv. Are employees provided comprehensive web tools to support their efforts to comply? v. Where is the document processing center located? vi. Is the provider SAS 70 Type II certified? vii. Is management of eligibility risk through a gatekeeper solution a component? (i.e. what steps are in place to insure an audit will not need to be redone in several years?) 	
<p>Service Impediments: Failing to Track Results</p> <ul style="list-style-type: none"> viii. Is real-time reporting delivered from day one? ix. Are Service Level Agreements (SLAs) in place? x. Are audit results aggregated and routinely published by industry and company size/complexity? 	



25 Questions You Should Ask *Continued*

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<p>Undefined Process Administration & Workflow</p> <p>xi. Are critical employee response metrics monitored 24/7?</p>	
<p>Safeguarding Access to Employee Personal Information</p> <p>xii. Are all necessary best practice physical security measures in place at providers' facilities?</p> <p>xiii. What is the Backup & Disaster recovery process, terms and solution?</p> <p>xiv. Does the provider mitigate risk through secured imaging technology?</p> <p>xv. Can employees access communication mailings and obtain status through a secured web portal?</p> <p>xvi. Does the employee web-based portal utilize password encryption and other current security?</p> <p>xvii. Is there a portal or dashboard that tracks required documentation, communication letters and length of audit?</p>	
<p>Services Fit with Your Organization's Needs</p> <p>xiii. What is the scope of the audit? (Are they providing a comprehensive audit or is it a limited scope/random selection audit?) Does your plan need to optimize savings from the audit or will the reduced savings from limited scope projects be adequate?</p> <p>xiv. Are employees required to submit verification documents or simply sign an affidavit or form? Will your employees complete an affidavit program more thoughtfully than they complete carriers' enrollment form?</p>	

25 Questions You Should Ask *Continued*

	Plan-Smart™
<p>Provider Considerations</p> <p>xx. What references exist for your industry, company size, and specific requirements complexity?</p> <ul style="list-style-type: none">○ How many clients have completed projects versus initiated? (i.e. how many any projects been suspended or terminated prior to completion)○ How do the providers' references rate the solution provider's responsiveness and follow-through on employee specific issues and project support requests? How easy or difficult is the process to communicate support issues?○ What are the average results for book of business?○ What is the average audit timeframe to see results? To be completed? <p>xxi. Is Dependent Eligibility the provider's primary business or is eligibility verification simply a new cross-selling opportunity? What best practices and resources does the provider bring with their experiences and expertise?</p> <p>xxii. Will you select as the audit vendor the same health and welfare consulting firm who failed to apprise you of eligibility risks until now?</p>	

25 Questions You Should Ask *Continued*

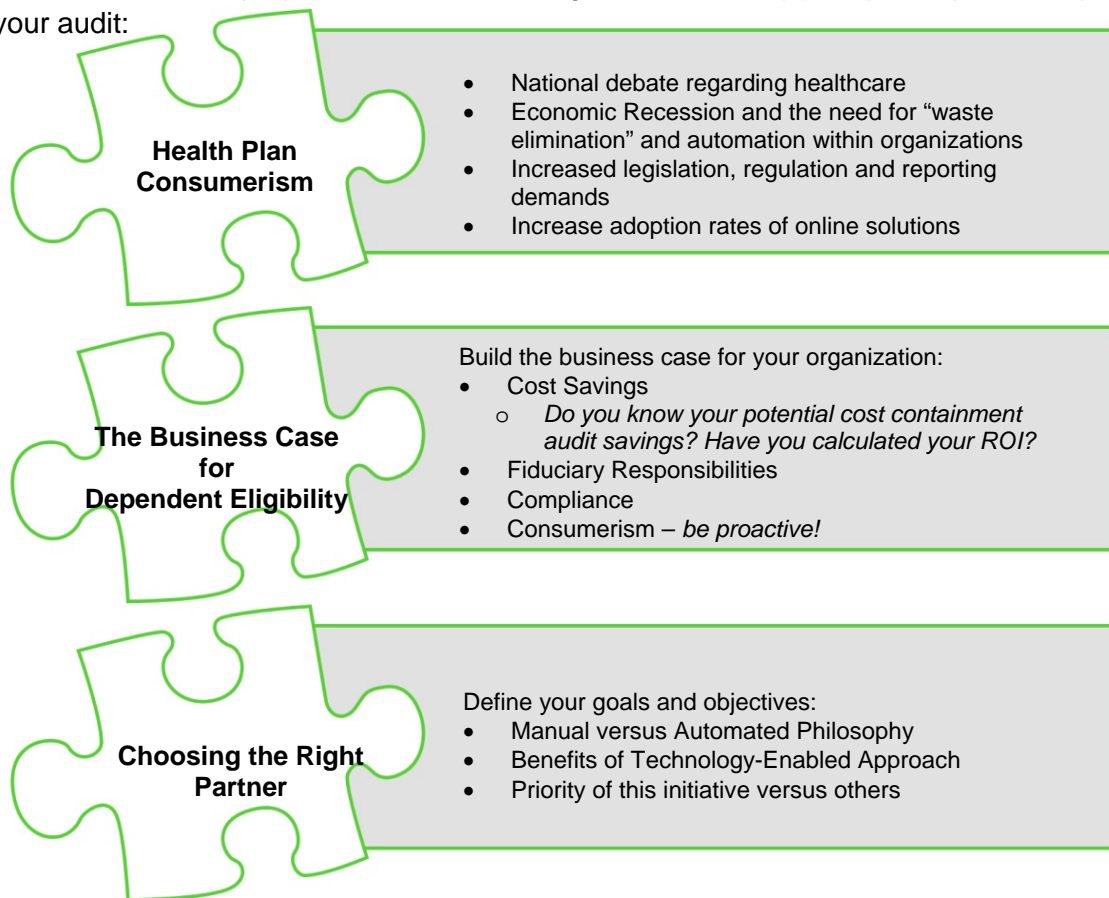
	Plan-Smart™
<p>Technology Features</p> <p>xiii. Is a live demo of the technology platform available today? (not screen shots!!)</p> <ul style="list-style-type: none"> a. During the demonstration can the reporting capabilities be viewed and updated real time? (i.e. is it a manual or automated process and solution) <p>xiv. Will/Can the vendor provide your results in the format you require at no additional cost?</p> <ul style="list-style-type: none"> a. Can you verify the vendors configuration meets the specific requirements of your plan? How easy / difficult was it to customize the application(s)? How satisfied are you with the level of support you received while implementing the customizations and post-implementation? Can the vendor utilize your current data and formats without additional cost? b. How easy or difficult was it to integrate the application(s) with other systems? How satisfied are you with the level of support you received while integrating the applications with your existing environment? 	
<p>Fees, Costs and Hidden Charges</p> <p>xv. Are fees truly “all inclusive” or additional costs incurred for postage, printing, “extra” mailings to households making multiple revivification attempts, amnesty phase or appeals/extension phase, custom data layouts, or final results?</p> <ul style="list-style-type: none"> • Does the vendor offer a smaller upfront ‘project fee’ but ultimately charge significantly higher shared savings fee? 	

Do you have effective quality controls for your health plan(s) dependent eligibility?

Health plan enrollment has lacked any meaningful Internal Controls for decades. This outdated process was designed to facilitate gaining coverage through an employee signature, however both paper and web forms fail to verify the eligibility of dependents. The fact is that most providers are incentivized to maximize your health plan census and have not bothered to establish the infrastructure, systems, or processes to ensure quality control. In order to have effective controls both of the following are required:

1. A comprehensive **evidence based verification process**; and
2. **An ongoing gatekeeper solution** that evaluates ongoing events such as hires, fires, promotions, weddings, divorces, COBRA, etc. into account and controls dependents eligibility.

The mistake of choosing a non-automated solution is that your organization's health plan savings and proactive consumerism will be jeopardized. The following outlines three (3) simple steps to complete before performing your audit:



Be Smart. Calculate your benefits with Plan-Smart™.

Call Braddon White, 214.965.5809, to calculate the total benefits of a Plan-Smart™ solution for your company. *Disclaimer:* The HRAdvance book of business consists of clients that range in size from 500 to 100,000 employees, results for completed projects average 11% ineligible and greater than 600% ROI. You will be directed to speak with the practice leader for your area.