



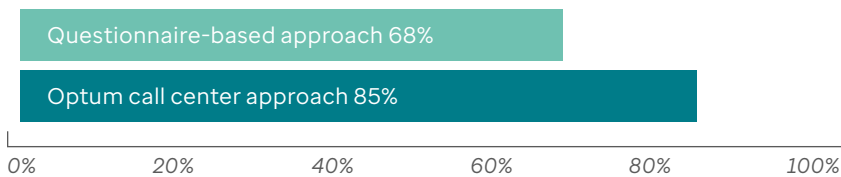
Case study

“Co-source” Subrogation Services

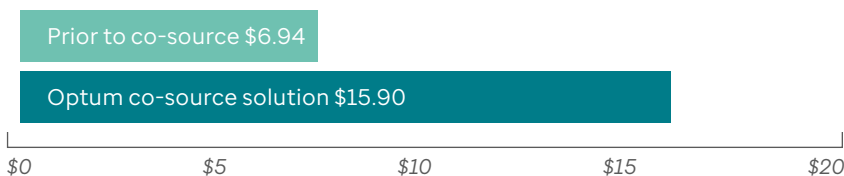
A health plan increases subrogation recoveries by over 200%

A multi-state health plan providing subrogation services to millions of members was searching for an improved subrogation platform. They needed strong analytics to enhance recoveries and improve their member experience.

Response rate comparison



Per member per year (PMPY) gross recoveries



Key insights:

- The internal department’s member response rate through their investigation process was 68%.
- Of the members who responded, 3% of the cases became active subrogation cases, and 97% of the responses came back as negative with no recovery potential.
- The average number of cases handled per negotiator/recovery specialist was high at 854 cases. So it was difficult for staff to adequately assess and maximize the true recovery potential of each case they were assigned.
- Their average per member per year (PMPY) gross recoveries before the co-source solution was \$6.94 PMPY.



“This has been a tremendous partnership.”

- Senior director of health plan

Post implementation

Through the use of Optum® Subrogation services, the health plan was able to leverage our end-to-end SaaS system to find all potential third-party liability opportunities. Optum redefines how analytic rules and criteria are used in selecting potential recoverable claims, which allowed the health plan to greatly reduce the number of false positives. This produced a low-touch, high-impact result with 8% of all investigated cases being opened with recovery potential, compared to the health plan's prior experience of 3%.

In addition, the health plan's questionnaire-based investigation approach was replaced with the Optum analytics-driven member outreach process. This process consists of up to four (4) letters mailed to members asking the member to contact Optum. Each case is scored based on likelihood of recovery, with members having several options to communicate the cause of their medical treatment to include IVR, customer service reps or via secure web portal. In addition, other national databases are electronically searched to supplement the process and verify if certain cases based on proven analytics are actually recoverable despite member feedback to the contrary.

Overall, the Optum process yields an average member response rate of 85%. Through superior identification and improved member response rates, a far larger number of actionable, recoverable cases are identified for the health plan's negotiators to manage and pursue recovery.

All identified open cases are assigned through Optum to the health plan's recovery staff to actively manage the cases through to conclusion. The software's task management features embed best practices for efficient handling and tracking and ensure that no file is ever lost or overlooked. Its deployment to the health plan's staff has brought down the average number of cases handled per negotiator to around 600 cases (compared to 854) and, in the process, greatly improved overall recoveries by focusing on the right cases.

In fact, gross recoveries have soared, more than doubling since the co-source engagement began. Enterprise-wide gross recoveries have now improved to almost \$16 PMPY.

Learn more about how Optum Subrogation Services can help maximize recoveries with a member-sensitive approach.

Email: empower@optum.com

Phone: 1-800-765-6807

Visit: optum.com/pi



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