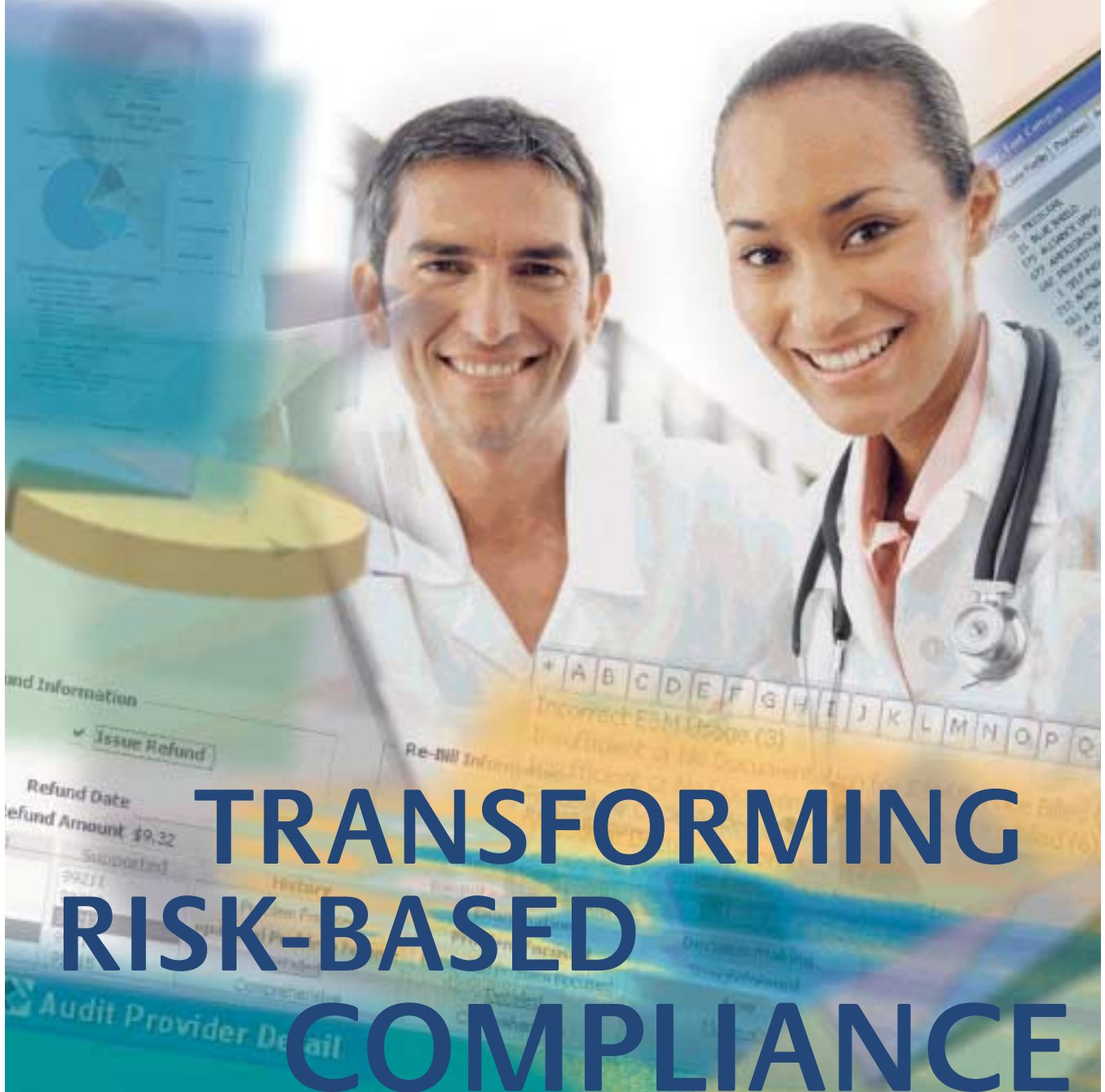


HAYES MANAGEMENT CONSULTING



TRANSFORMING RISK-BASED COMPLIANCE

M **D** audit



The Centers for Medicare and Medicaid Services continue to scrutinize clinical billing practices to prevent fraud and abuse. Health care organizations are paying the price—the Office of Inspector General has collected \$3.9 billion in fines since 2000[‡].

How can your health care organization protect its revenue and reputation in this environment? You can start by focusing your limited compliance resources on the two compliance activities that add the most value: auditing charges and educating providers.

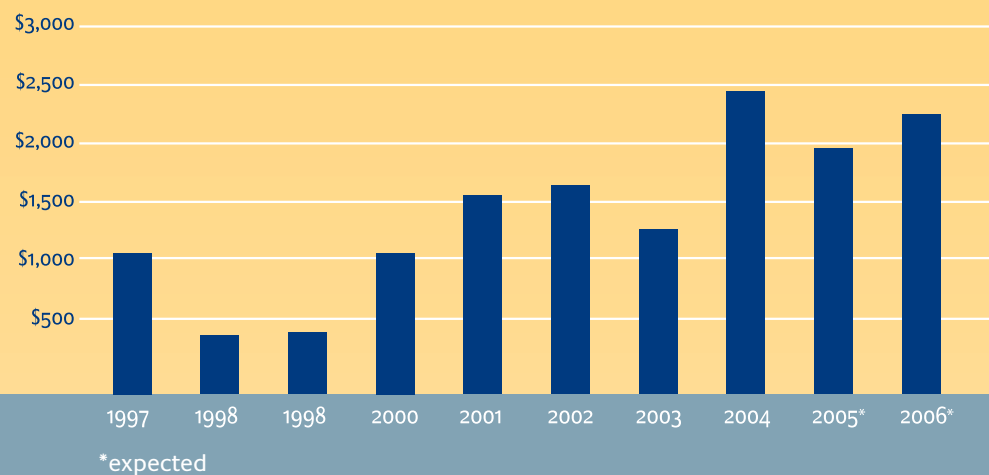
MDaudit™, from Hayes Management Consulting, allows you to do just that. By automating the time-consuming administrative aspects of the compliance audit and by implementing a strategic risk-based audit methodology, this comprehensive product:

- Improves audit productivity
- Increases audit accuracy and quality
- Enhances provider education

With MDaudit, you can maximize revenue by guarding against undercoding and identifying services rendered but not billed.

[‡]Source: Department of Justice

HEALTH CARE FRAUD CONTROL RECOVERIES SINCE 1997 (IN MILLIONS)



ENSURE THE INTEGRITY OF YOUR CLINICAL BILLING PRACTICES

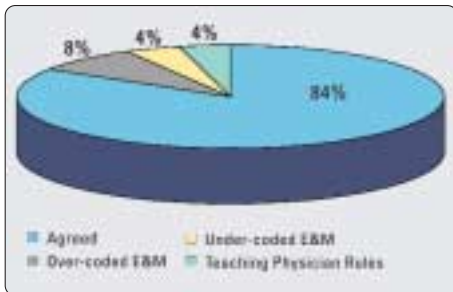


MDaudit was developed in conjunction with the compliance office of a large academic medical center with two key goals:

- Improve risk assessment by increasing productivity and by implementing risk-based audit methodologies.
- Standardize the audit and reporting process so that organizations can monitor the progress of their compliance program over time.

MDaudit automates the typical non-productive administrative activities that are common to most compliance programs. Automation combined with advanced risk-based functionality improves both audit efficiency and audit quality. Meanwhile, flexible case selection options target your most sensitive risk areas and provide detailed reporting and effective causal analysis.

MDaudit also transforms your resource allocation, systematically focusing your compliance resources on the areas of greatest risk (i.e. certain providers or procedures).



Procedure coding summary

TYPICAL AUDIT PROCESS

ACTIVITIES ✓ = Processes Automated by MDaudit

- ✓ Maintain a list of active providers
- ✓ Request charge activity
- ✓ Select random sample
- Perform review
- ✓ Document findings
- ✓ Prepare reports
- Provider education
- ✓ Risk-based audit scheduling





Improve Audit Productivity

MDaudit automates many of the time-consuming tasks involved in compliance monitoring and auditing, including:

- Maintaining a risk-based audit schedule for all providers
- Extracting prospective and retrospective charge data from your billing system
- Selecting a case sample based on a flexible “case profile”
- Generating and tracking refund/re-bill requests and amounts
- Producing standard provider and management reports

The result: Audit more providers in less time and allocate more resources to provider education.

MDaudit Features

- Billing data integration
- Case profiling
- Weighted scoring
- Online E&M worksheets
- Risk-based audit frequency
- Automated reporting
- Historical trend analysis

Increase Audit Quality and Effectiveness

Risk-based audit frequency functionality means that MDaudit systematically devotes more attention to your providers with poor compliance track records. Case selection is driven by flexible “case profile” rules, enabling your organization to focus on the procedures most at risk.

In addition, a weighted scoring and standardized commenting system ensures consistency by pinpointing problems and providing instructions on how to correct the problems.

The result: Identify potential risk areas faster and receive meaningful data for performing historical trend analysis.

Enhance Provider Education

MDaudit reports include specific recommendations on how the provider can improve his or her billing practices. By accelerating the audit cycle, MDaudit helps you detect and address problems sooner.

The result: Armed with actionable and timely information, you can address and resolve problems quickly.



MDaudit maximizes the audit potential of your existing staff without sacrificing audit accuracy or quality. Most customers recoup their investment within six to 12 months.

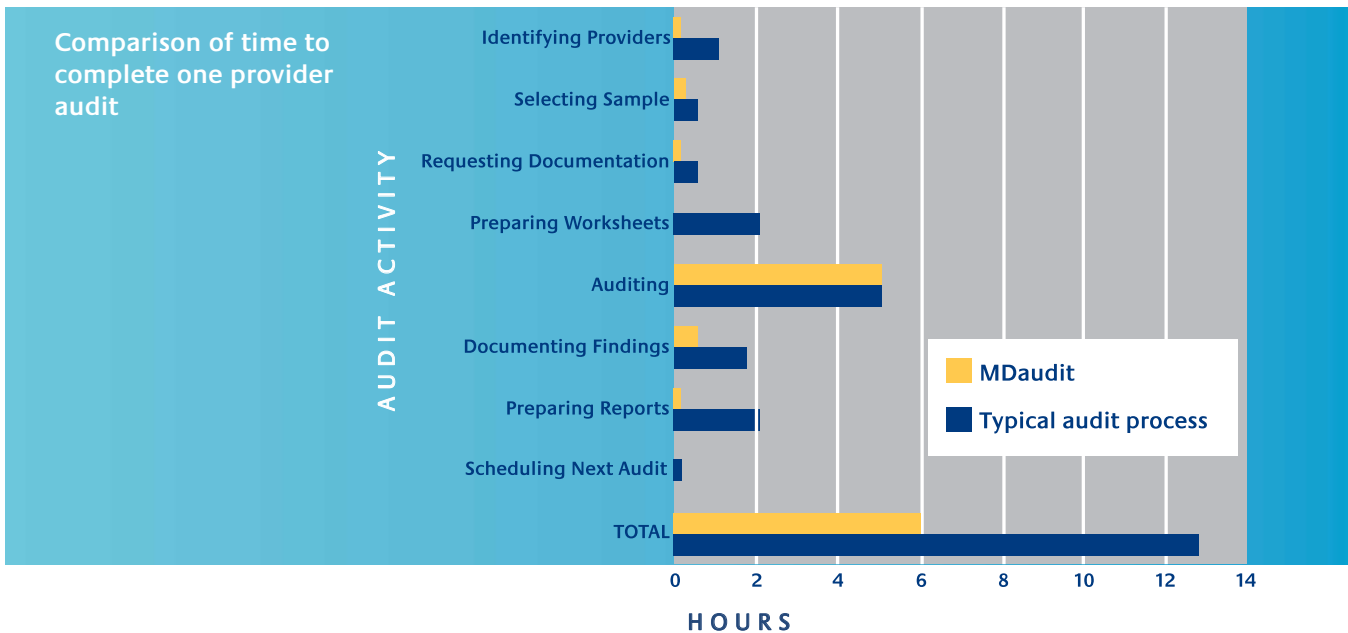
MAKE A SMART LONG-TERM INVESTMENT WITH IMMEDIATE ROI

	Manual	With MDaudit				
		Year 1	Year 2	Year 3	Year 4	Year 5
Maximum Provider Audit Potential with Existing Staff Levels	354	694				
Additional FTE cost to realize maximum audit productivity without MDaudit	\$216,810	\$223,310	\$230,010	\$236,910	\$244,020	
Net present value of MDaudit productivity gain: \$998,000						

Maximize Audit Production with Existing Staff

Hayes Management Consulting performed an ROI analysis for an organization with 500 providers and three auditors. The study found that a one-time investment in MDaudit was equivalent to investing nearly \$1 million in additional staff over a five-year period.

HOW IS YOUR AUDIT STAFF SPENDING ITS TIME?





MDaudit dramatically improves the performance of your compliance team. For more information, including requests for a demonstration or a customized ROI analysis, please contact MDaudit sales at (617) 559-0404 or MDaudit@hayesmanagement.com. You can also visit us at:

www.hayesmanagement.com



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