



# Simplifying the Complex: NSA & IDR

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# Today's Agenda

- ▶ NSA Overview
- ▶ IDR Challenges
- ▶ IDR Strategies for Success
- ▶ What's Ahead?
- ▶ Q & A

# No Surprises Act (NSA) Overview



## What is a Surprise Bill?

- Any bill a health plan member may incur out-of-network unintentionally
- Emergency services and post-stabilization non-emergency
- Emergency services
  - OON professional at INN facility
  - Ancillary services
  - Other services with no consent
- Air Ambulance



## Which plans are covered?

- Self-insured (ERISA) plans
- Fully insured plans with no state surprise bill law
- Group and individual health insurance coverage offered by health insurance issuers and FEHB plans
- Indemnity plans
- Plans that use reference-based pricing in lieu of a full or partial provider network
  - limited to emergency services for plans with no facility network



## How does the NSA work?

- Aims to protect members from out-of-network (OON) charges when they could not select an in-network (INN) provider
- Prohibits providers from balance billing patients
- Ensures patients are only responsible for in-network cost-sharing amounts
- Establishes an Independent Dispute Resolution (IDR) process for any provider-payor disputes

# The Life of a Surprise Bill

Including Independent Dispute Resolution (IDR) when a settlement cannot be reached



## The Process is Cumbersome and Inefficient

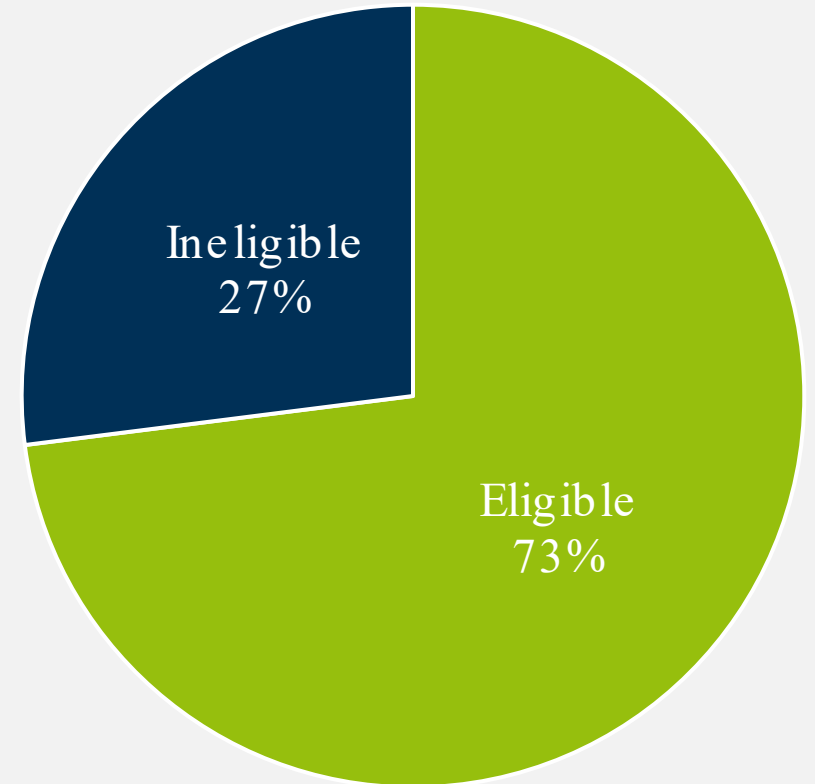
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- It is difficult to identify the claims being disputed based on the information the non-disputing party has access to via the Portal
- It is difficult for providers to know who to identify on the IDR request – meaning claims may be misdirected to other payors or the wrong vendor
- Timelines are extremely tight, leaving little time to vet claims, determine eligibility and create a detailed, persuasive brief
- There are few IDR Entities relative to the volume of cases submitted
- Continued litigation keeps changing the rules – making compliance challenging



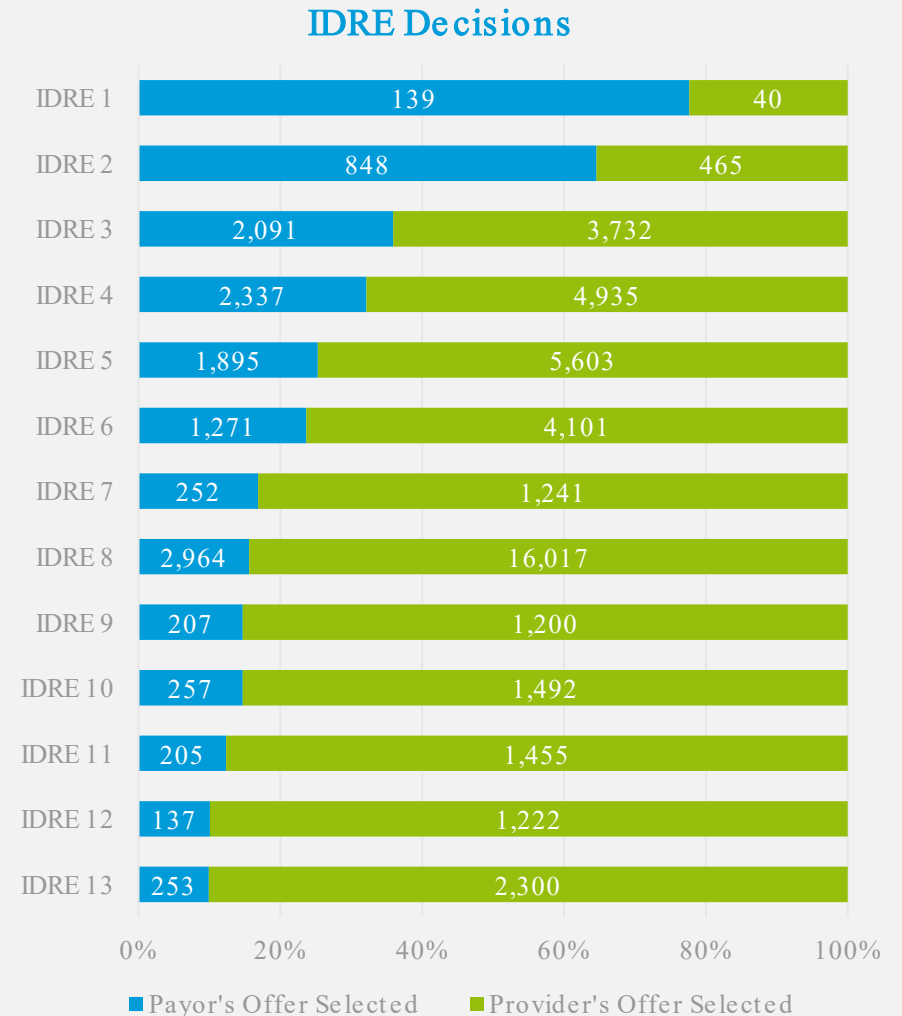
## A Large Number of Cases Submitted for Arbitration are Ineligible

- The IDR submission rules are complicated, creating confusion on both sides around eligible claims, process, etc.
- Determining eligibility is manual and labor intensive – which disadvantages the non-initiating party
- Short IDR timelines mean you may miss the chance to submit an offer, if eligibility challenges are unsuccessful and you do not submit a brief



## Payors are Facing an Uphill Battle

- Though it varies by IDRE, providers have more offers accepted than payors
- Providers have successfully challenged use of QPA in IDR – rendering it less effective as the benchmark of fair reimbursement that the lawmakers intended
- Additionally, IDR Entities often give little to no deference to QPA at all – instead making their own value determinations
- Response documents are vague and do not contain the level of detail that would help providers and payors to collaborate and agree outside of the IDR process moving forward



## Not All Process Participants are Playing by the Rules

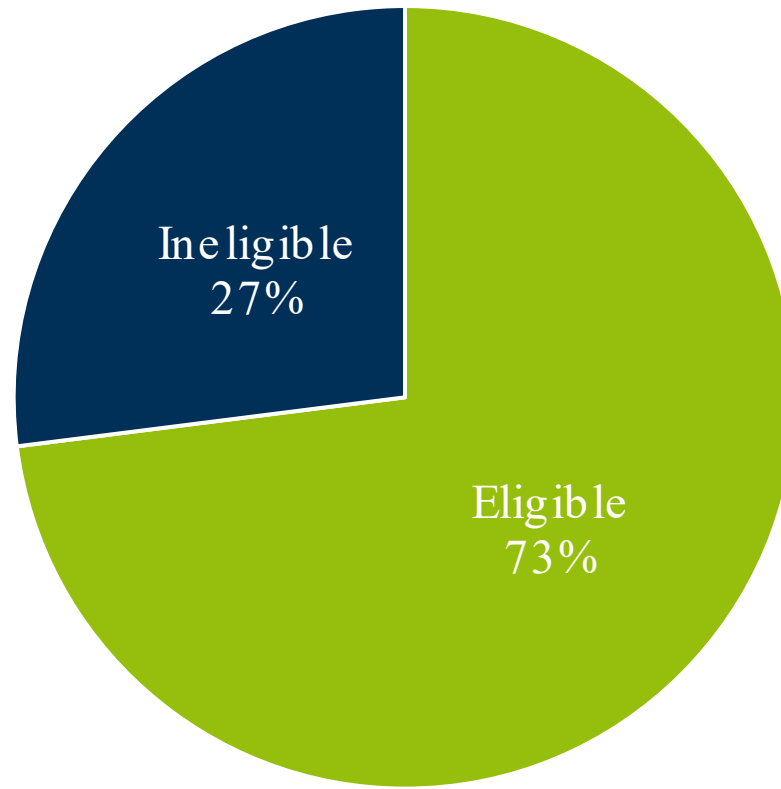
- There is no disincentive to not flood the system leading to significant surges in provider submissions – which curtails your ability to challenge eligibility
- Certain large providers are “gaming the system” and not negotiating in good faith during the pre-IDR period – meaning more cases get to IDR than originally intended





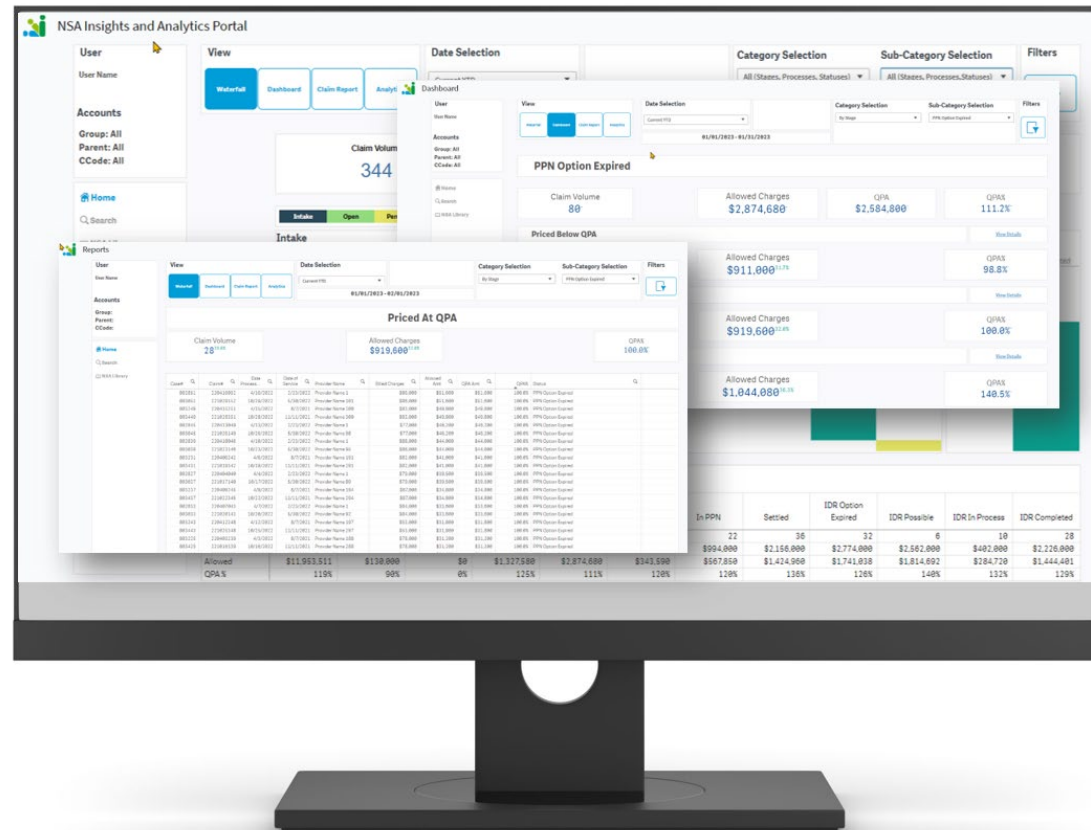
# How Can You Position Yourself for Success?

Continue to prioritize eligibility challenges – they account for a large percentage of payor wins



# How Can You Position Yourself for Success?

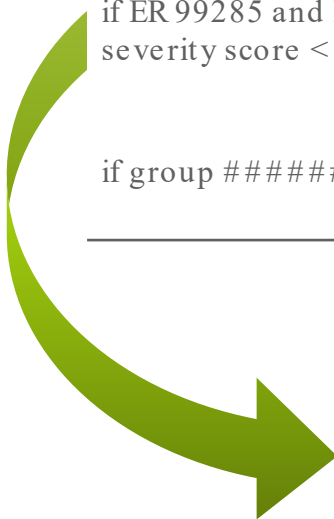
Implement comprehensive reporting to manage your timelines, track outcomes, etc.



# How Can You Position Yourself for Success?

Don't just "stand" on QPA – add sophistication to your offers by varying claim components, specialty, geography, etc.

Rule	Pre-Pay Negotiation	QPA-Based Pricing	Post Pay Negotiation	IDR/ Arbitration
if anesthesia claim in Houston	125%	120%	135%	140%
if ER 99285 and MPI severity score < 3	100%	95%	105%	110%
if group #####	120%	110%	110%	125%



**Patient Acuity**

1 Least Severe    **2 Less Severe**    3 Severe    4 More Severe    5 Most Severe

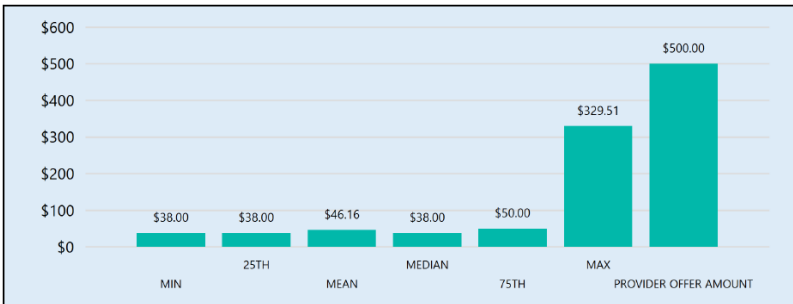
The patient in question has a low Hierarchical Condition Categories (HCCs) severity risk profile based on the information on claim(s) in question. HCCs are a Health and Human Services developed groupings of diagnosis codes whereby conditions are categorized hierarchically. MultiPlan uses a hybrid methodology to derive a complete view of health risk on a particular claim(s) set. The information on the claim in question demonstrates that the patient in this case scores low on the severity scale correlating to the conclusion that the patient does not meet age, gender and diagnosis codes on this claim that would indicate a high severity risk profile.

# How Can You Position Yourself for Success?

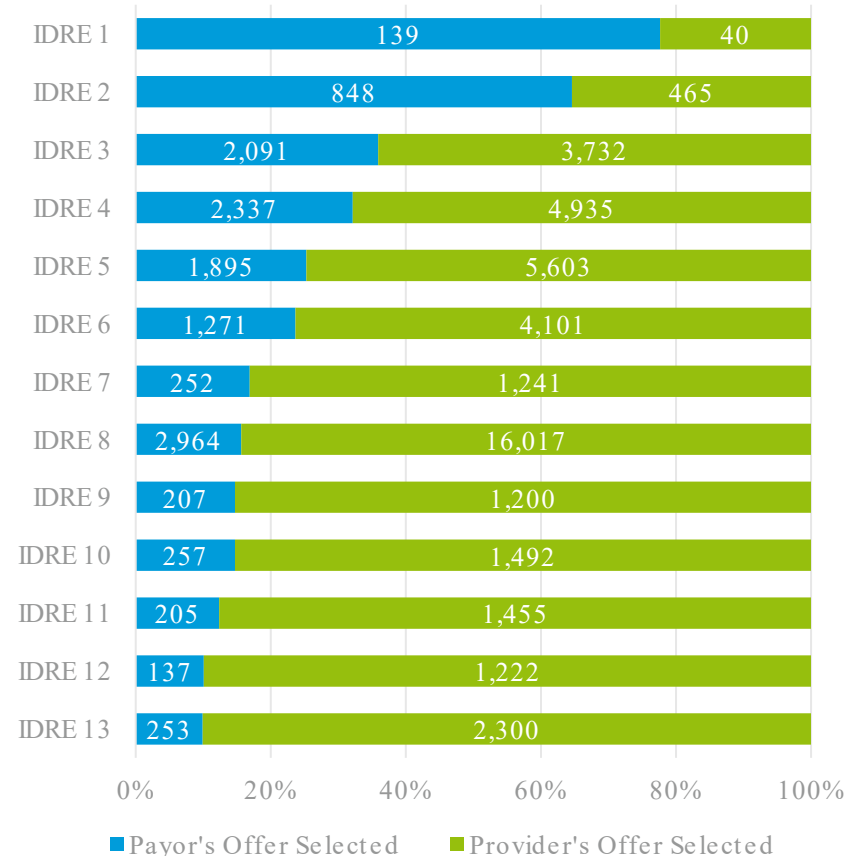
Include visual representation of arguments to aid in IDR Entity review and understanding... and select arbitrators strategically

PARAMETERS	VALUE
STATE CODE	IL
MSA CODE	16980 - Chicago-Naperville-Elgin, IL-IN-WI
PROCEDURE CODE	00160
MODIFIER CODE	00
RATE SOURCE	06. MPI MSA
PROVIDER OFFER AMOUNT	\$500.00

STATISTICS	VALUE
TOTAL CONTRACTED RATES	374
MEDIAN QPA	\$43.57
MEDIAN RATE AMT	\$38.00
MINIMUM RATE AMT	\$38.00
MAXIMUM RATE AMT	\$329.51
MEAN RATE AMT	\$46.16
RANGE RATE AMT	\$291.51



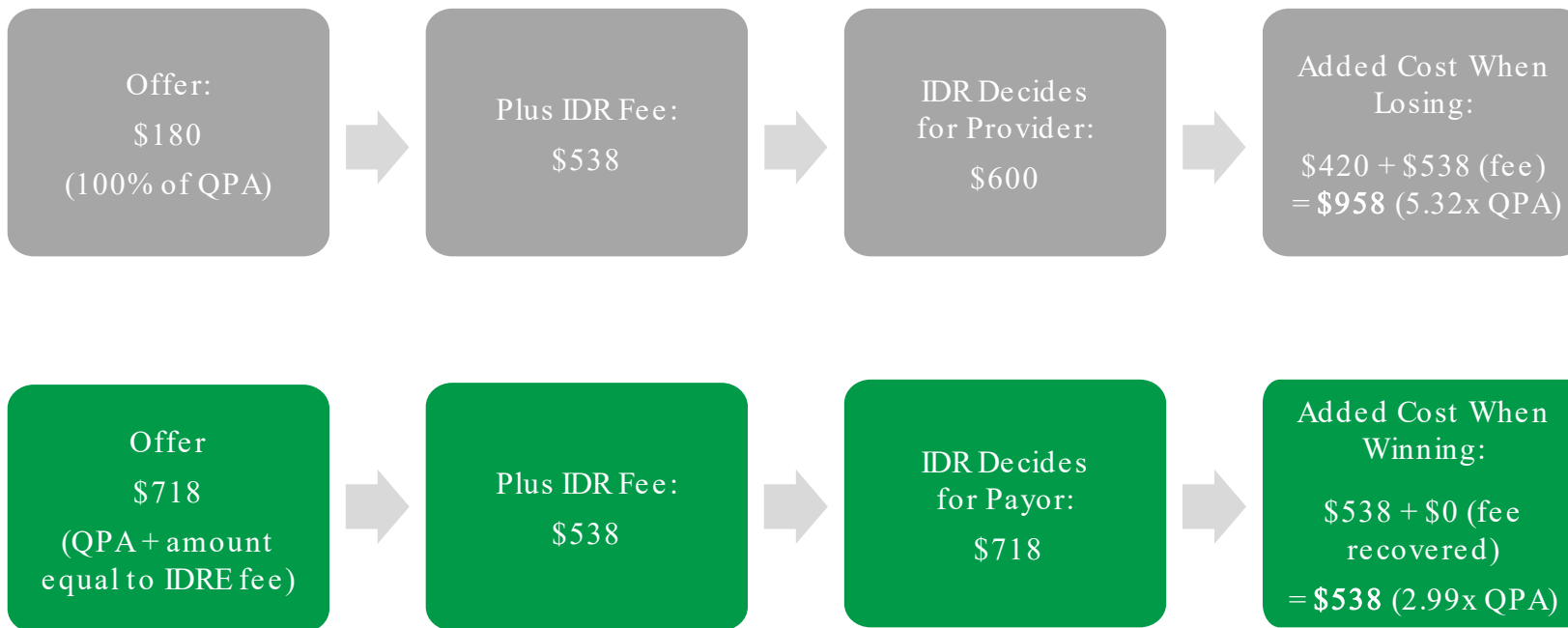
*Provider's demand for \$500 is unreasonable relative to every benchmark including the maximum amount reimbursed*



# How Can You Position Yourself for Success?

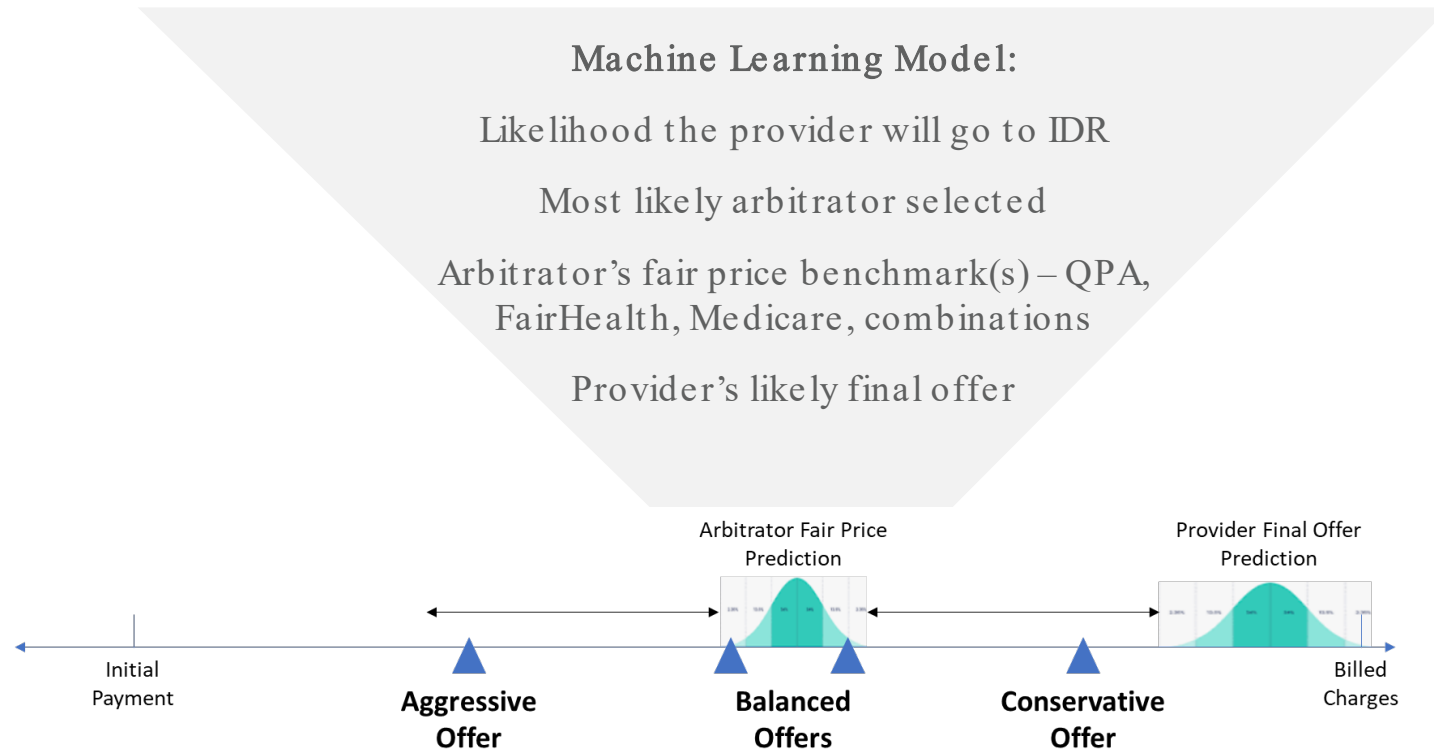
Leverage IDR fees in your pre-IDR negotiation for greater pre-IDR success

Example: Claim Charges = \$1,500; QPA = \$180



# How Can You Position Yourself for Success?

Use predictive analytics regarding pre-IDR and IDR outcomes to enable modeling of optimal offers



# What's Ahead?

Final Rules proposed November 3, 2023 will amplify the burden, mainly for payors

- Addressed
  - The unexpectedly high volume of IDR cases
  - The high proportion of ineligible claims submitted for IDR
  - The inadequate sharing of information between the parties in the early stages of the process
- Not addressed
  - The various QPA-related or air ambulance-related changes required by the Texas Medical Association (TMA 3) decision

## The proposed rules would...

- Increase communication among parties
- Specify codes for digital claims
- Create an IDR Registry
- Limit batching of claims, and allow certain batching
- Increase information sharing at initiation and require response by non-initiator
- Expand the timeline for eligibility determination by IDRE
- Allow the administration to determine eligibility when needed
- Improve Open Negotiation communication
- Identify more circumstances for dispute withdrawal
- Change rules for administrative fees

Thank you

**Q&A**

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[www.multiplan.com](http://www.multiplan.com)

