

# McKesson Total Payment™ Solution Contract Compliance

## Optimize Payment Policies While Improving Auto-Adjudication Rates

Healthcare claim payments are complicated, and incorrect claims payment is a major driver of economic inefficiency and dissatisfaction. In fact, approximately 1-5% of all claims are paid incorrectly. Facility claims are the greatest under-managed expense category in the payor business. Many factors are responsible.

- Contracts are complex and often deliberately vague in order to accommodate legal, contractual and reimbursement policies.
- It is often impossible to configure facility contract terms in claim adjudication systems. As a result, they are left to interpretation, leading to many unique payment terms.
- Contracts and payment systems are independent. Consequently, significant resources are spent on manually adjudicating claims in a retrospective inefficient, inconsistent and error-prone environment.

Payor organizations have well-developed capabilities for managing provider contracts and claim payments. Now you have an opportunity to automate payment of facility claims.

An integral component of McKesson's Total Payment™ Solution Contract Compliance uniquely combines contract management with code auditing to bring you closer to end-to-end management of claims payment. It is

the only solution in the market that provides editing based on contract terms. Contract Compliance is transformational, eliminating significant manual effort while increasing accuracy, consistency and savings.

Contract Compliance allows users to convert provider contract terms into automated rules that can be applied in the adjudication process. The solution links disconnected claims and code auditing systems, logic and content, and applies McKesson clinical content and custom rules to enable consistency across all transactions.

### Benefits

Contract Compliance transforms claim payments and the application of payment policy, eliminating significant manual effort while increasing accuracy, consistency and savings. The solution enables payors to claim:

#### Efficiency

- Replace manual processes
- Improve auto-adjudication
- Consistently pay each transaction

#### Clarity

- Parallel payment terms with how care is delivered
- Employ contracts that envision complete episodes of care
- Align payor and provider expectations

#### Opportunity

- Control medical spend in previously untapped areas
- Create and enforce contracts
- Improve delivery of care with aligned contracts and systems



Payors need to be ready. Gain clarity, efficiency, and opportunities across your enterprise. Only with Contract Compliance. Only with McKesson.

## Features

Contract Compliance combines contract management with code auditing into a solution that includes the following:

### Central Repository

Contract Compliance connects the source of rules with the execution of rules. The central repository stores provider contract terms, maintains provider files, and imports and exports contract terms. A single source of truth helps to eliminate costly miscues and errors.

### Efficient Search and Reporting

By housing contract terms in a single location, Contract Compliance offers the unique ability to look across claim history including members, providers and time, as well as contract status.

### Automated Rule Creation

Contract Compliance's policy editor and the payment rules builder translate complex contract terms and conditions into executable

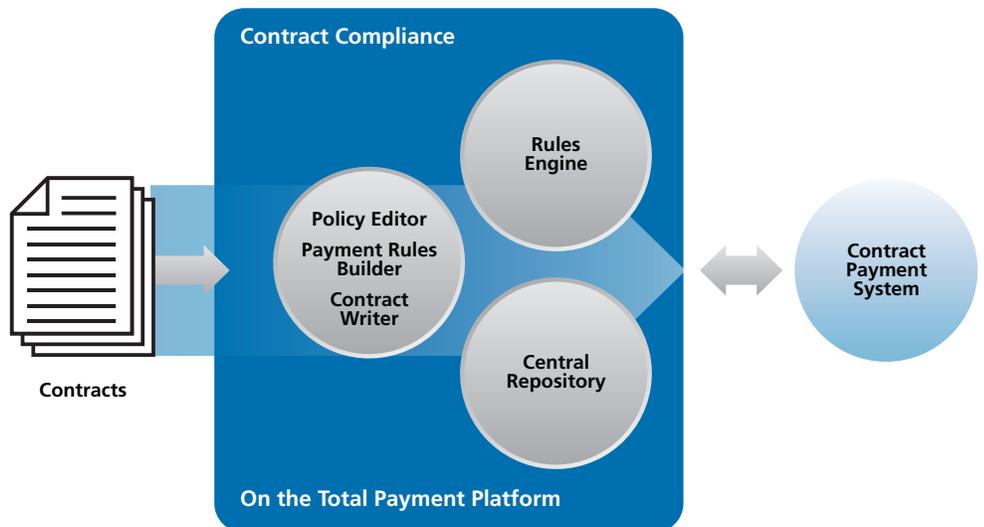
adjudication rules. With automated rules, you can apply standardized, consistent, well-defined payment logic to your claims processing, paying more claims automatically through the consistent application of contract terms rather than by exceptions.

### Rules Engine

The rules engine automates and integrates the application of contract, clinical and payment rules, eliminating the need for manual interpretation. As a result, it reduces and potentially eliminates after the fact auditing. This increased automation drives profitability as well as increases customer and provider satisfaction.

### Contract Modeling

Contract Compliance offers the ability to manage and model multiple contract terms in one repository. Payors can now see the financial impact of new contract terms before they are negotiated.



## McKesson Health Solutions

5 Country View Road  
Malvern, PA 19355  
MHS@McKesson.com  
www.McKesson.com  
800.782.1334

Learn how McKesson's Contract Compliance can help your organization. For more information please contact your McKesson account representative or call 800-782-1334.