

# Revolutionizing Healthcare Through Transparency



**HST**

*Enabling Payment Technologies*

# Company Overview



## Who We Are

HST is at the forefront of Reference-Based Pricing (RBP). Since 2009, we have helped reduce clients healthcare claims costs.



## What We Do

We provide pricing solutions that reduce healthcare costs for payers and consumers. We bring pricing accountability through transparency.



## Our Goal

We are revolutionizing healthcare through pricing transparency. Through value based payments we are bending the cost curve downward.



## Headquartered

We are headquartered in Irvine, California.

# What is Reference-Based Pricing?

RBP is a reimbursement that uses Medicare and Cost Information to determine the prevailing price for medical services.



## Types of RBP

- Medicare factor equivalent
- RBP Health Plan
- Cost Plus
- Procedure specific
- Consumer driven



## Quality

- Frequency of services as a leading indicator
- Readmission rates – outcomes
- Top hospital evaluation criteria
- High risk procedures and diagnosis

# Healthcare payers are catching on



## Healthcare pricing is growing in importance

TIME Special Report

- \$60,000 for \$74 ultrasound
- \$21,000 for a heartburn pill
- \$62% of household bankruptcies due to medical expenses



## SEIU Fair Healthcare Pricing Act of 2014

SEIU Newsletter

- Reimbursing hospitals at 25% above cost
- Stanford billed \$8.6 billion for \$2.1 billion of expenses



## CalPERS Reference Price – Knees and Hips

CalPERS Communication

- Saved an estimated \$3.1 million
- Expanding to other outpatient procedures

# RBP Claim Savings At a Glance



Inpatient procedure of a patient with a kidney infection with complications

## Sample PPO Profile

Billed Charges	PPO Discount	Plan Paid
\$88,136.64	\$51,172.12	\$36,964.52
(6.89 x MAP*)	(58.06%)	(2.89 x MAP)

## Same Profile Under RBP Health Plan

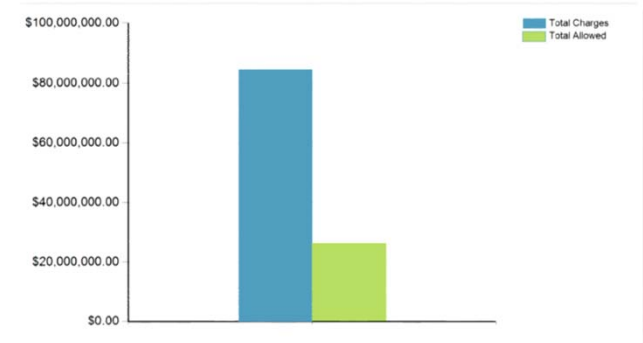
Billed Charges	RBP Recommended Reimbursement	RBP Savings Below the PPO
\$88,136.64	\$17,885.07	\$19,079.45
(6.89 x MAP)	(140% x MAP)	

\* MAP (Medicare Accountable Price)

# RBP Health Plan Impact: Results

	RBP
Billed Charges	\$84,500,748
RBP Allowed	\$26,370,015
Savings	\$58,130,733

69% Savings



## Client Profile & Situation

- 5,500 employees self funded
- 12 months of paid claims
- Utilized a BUCA PPO
- No benchmarking or R&C (UCR) language

## HST Involvement

- Improved reimbursements using reference pricing; Medicare at 140%
- Turnkey solution from pricing databases, plan docs, prepricing, consumer app and stop loss underwriting

## Client Benefits

- Reduced claims cost, stop loss premium and PPO fees
- Enhanced benchmarking to ensure pricing accountability
- Preserved Plan Assets
- Sustainable reimbursement model

# HST's Patient Advocacy Center (PAC)

## Member

Protects and Guides



Drafts Member Letters



Inquiries Handled by PAC



Provider Communications



Protecting  
Members

## Provider

Explains Reimbursement



Reviews Plan Language



Negotiates Agreements



Handles Communications



# Member Experience

The RBP Health plan from a members perspective

## Sample ID Card

**PROVIDER CARE Network**  
Hospitals not subject to PPO Network

**MEMBER #**  
PI1234567  
**JOHN DOE**

**EE+CHILD(REN) MEDICAL**

**COPAYS**  
PCP: \$35  
ER: \$300

**PRE-ADMISSION CERTIFICATION REQUIRED**  
To precertify call [REDACTED]  
To verify Provider's Care providers call [REDACTED] or  
or visit [REDACTED]  
Hospitals are reimbursed per the terms of the Plan Document, up to the Maximum Payable Amount and subjected to reference pricing. Physician and Ancillary services only, are subject to PPO Network. Assignment of Benefits is considered payment in full and waiver of provider right to balance bill the patient. Please see the Plan Document or contact [REDACTED] for more info.

**Mail Claims to:**  
[REDACTED] / NEIC Payer [REDACTED]

**Pre-certification**  
A pre-certification is required for non-emergency admissions. All emergency admissions require certification within 48 hours. Failure to call may reduce your benefits. Please call the phone number on the front of the card.

**Eligibility**  
This card is for identification only. It is not a guarantee of eligibility.

**ASSIGNMENT OF BENEFITS IS CONSIDERATION IN FULL:** Payment is based on Reasonable and Allowed for facility claims per the applicable benefit plan document. Please see the applicable Benefit Plan Document for details.

**Benefits, Eligibility & Claim Questions**  
[REDACTED]  
(913) 881-0888 (fax)  
Monday - Friday, 8 AM - 4:30 PM CT  
Website available at [REDACTED]

**Pharmacy Information**  
[REDACTED]

## Sample Explanation of Benefits

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**Explanation of Benefits**  
Please retain for your records.

Forwarding Service Requested

SAN JOAQUIN COMMUNITY HOSPITAL  
PO BOX 846178  
LOS ANGELES CA 90084

**Customer Service**  
Group Name: [REDACTED]  
Group #: 900-RTG  
Date: 01/19/16  
Email: [REDACTED]  
Mail to: [REDACTED]

**Claim Summary**

Claim Number	Patient Name	Total Charge	Ineligible Amount	Provider Discount	Covered By Plan	Deductible Amount	Co-pay / Co-ins	Patient Responsibility	Payment Amount
[REDACTED]	[REDACTED]	\$84,117.20	\$34,117.20	\$0.00	\$50,000.00	\$616.27	\$681.87	\$1,298.14	\$48,701.86
<b>Totals</b>		<b>\$84,117.20</b>	<b>\$34,117.20</b>	<b>\$0.00</b>	<b>\$50,000.00</b>	<b>\$616.27</b>	<b>\$681.87</b>	<b>\$1,298.14</b>	<b>\$48,701.86</b>

Claim: [REDACTED] Employee: [REDACTED] Employee ID: [REDACTED]  
Patient: [REDACTED] Provider: San Joaquin Community Hospital Pat #: [REDACTED]

Dates of Service	Service Code	Total Charge	Ineligible Amount	Reason Code	Provider Discount	Covered By Plan	Deductible Amount	Co-pay / Co-ins	Balance Amount	Paid At	Payment Amount
11/12-11/14/2015	100	\$6,772.50	\$2,746.87	HS	\$0.00	\$4,025.63	\$616.27	\$681.87	\$2,727.49	80%	\$2,727.49
11/12-11/14/2015	105	\$77,344.70	\$31,370.33	HS	\$0.00	\$45,974.37	\$0.00	\$0.00	\$45,974.37	100%	\$45,974.37
<b>Column Totals</b>		<b>\$84,117.20</b>	<b>\$34,117.20</b>		<b>\$0.00</b>	<b>\$50,000.00</b>	<b>\$616.27</b>	<b>\$681.87</b>	<b>\$48,701.86</b>		<b>\$48,701.86</b>

**Patient Responsibility: \$1,298.14**

**Service Code Description:**  
100 INPATIENT ROOM & BOARD  
105 INPATIENT ANCILLARY SERVICES

**Reason Code Description:**  
HS SEE DESCRIPTION BELOW  
Additional Reason Codes may be applicable, for details visit [REDACTED]



# RBP Pre-pricing Navigator

Our unique, collaborative model integrates pricing into the pre-authorization process. It ensures:



## Quality

Delivers expected reimbursements prior to rendering medical care

Improves turnaround time with the preauthorization process



## Price

Mitigates member balance billing

Provides client portal access for up-to-date claims status



## Transparency

Equips providers with accurate price estimates

Enables transparent, upfront communication with providers

# Healthcare Pricing Trends

## Typical Renewal Inflation

Fully-Insured of **12%** vs. Self-Funded of **8%** vs. RBP tracking Medicare at **1%**.



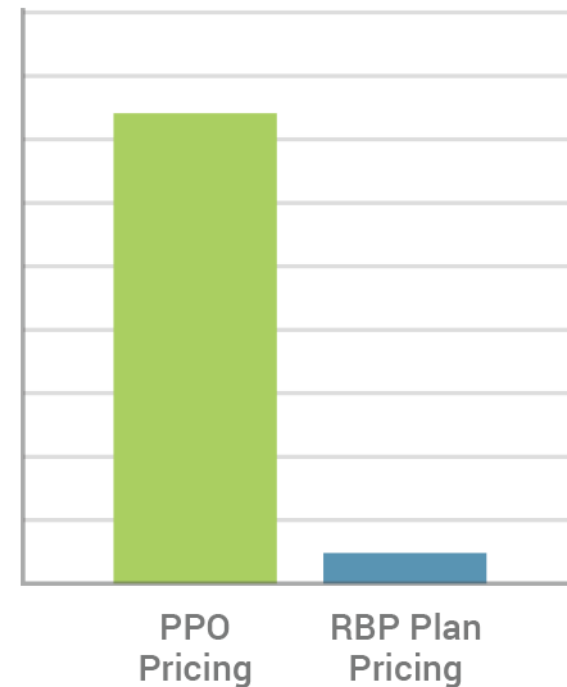
# RBP Fee Comparison Plan

	Percent of Billed Charges	Per Employee Per Month
Billed Charges	\$13,417,794	\$13,417,794
Savings	\$9,602,708	\$9,602,708
Fees	\$1,610,135	\$163,570

## Plus:

- Reduced vendor fees by 90%
- Implemented a PEPM of \$7.50
- Less than 2% of claims with provider pushback
- Decreased Stop Loss premium
- Achieved lowest claims cost

Saved \$1,446,565



# Benefits of RBP



## Transparency

Increase visibility into healthcare expenses



## Accountability

Gain understanding on healthcare costs



## Sustainability

Maximize your budget with our sustainable long term value



## Predictability

Know what your costs will be, today and in the future



## Value

Bend the cost curve downward while increasing value

# The HST Approach



PAYER

## Transparency

- Cost up pricing
- Tied to Medicare
- Geo-specific
- Prompt payment



PROVIDER



## Accountability

- Provider reimbursements
- Network calibration
- Accountable care (P4P)
- Value-based care

## Empower

- Comparison shopping
- Informed buying
- Quality outcomes
- Mobile features

# Choose Exactly What is Right For You



## RBP Negotiations

- Out-of-Network Claims
- Hospital R&C
- Pre-Service
- PPO Claims



RBP

## RBP Health Plan

- Hospital PPO Replacement
- Turnkey RBP Solution
- Patient Advocacy Center
- Outlier Negotiations



HST Services



## RBP Analytics

- RBP Payment Impact Analysis
- RBP Claims Analysis
- Network Comparison



## Consumer App

- Compare Pricing by Procedure
- Find a Provider/Facility
- View Member Info

# Thank You



## Visit Us

Visit our website at  
[www.hstechnology.com](http://www.hstechnology.com)



## Contact Us

You can contact us at  
**800-292-0536**



## Claim Analysis

To receive a claim analysis,  
touch base with us at  
[info@hstechnology.com](mailto:info@hstechnology.com)

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