

CITY OF TOLEDO

PPO Proposal Discount Review Summary

Conducted by H&B Consulting Associates, LLC
August 2, 2018

Engagement

The City of Toledo (City) engaged H&B Consulting Associates, LLC (H&B Consulting) to evaluate the Medical Mutual of Ohio (MMO) and FrontPath Health Coalition (FrontPath) provider network discounts by reviewing each vendor's proposed claim repricing documents and provider network discount guarantees.

Recommendations

Taking into consideration the data presented, emails and phone conversations with FrontPath, HealthSCOPE and Medical Mutual of Ohio we recommend the City of Toledo:

- Renew the contractual relationship with FrontPath and HealthSCOPE review contract in one year;
- Conduct an audit of claim payments occurring in 2018 to validate FrontPath's improved provider discounts;
- Perform a repricing including a mix of network and non-network claims. Select the claims to be repriced and require each claim be repriced with a specific, and consistent, pricing methodology;
- Request payee claim report for the top 25 paid providers showing plan covered billed and allowed (contracted) amounts from HealthSCOPE's data warehouse.
- If data obtained from audit of claim audit and repricing of specific claims at top utilized provider doesn't reconcile with FrontPath's 2018 proposal discounts issue an RFP for plan administration and network management in 2019.

Based on the documents provided by both vendors there is no validated financial reason to change PPO networks at this time. We recommend renewing the current FrontPath contract and conducting a claims audit on the top utilized providers to validate FrontPath discounts.