

Subrogation Audits Tell the Story



The Issue

Third-party administrators are great allies to their partner organizations when it comes to processing claims. However, performing subrogation services is not an area of core competency and TPAs often outsource this service to another vendor working directly for the TPA.

This disconnect places two degrees of separation between benefit managers and subrogation vendors, making communication difficult and reducing accountability, which results in lackadaisical work and missed cases.

How many dollars are missed?

When a company elects Benefit Recovery Group to serve as its subrogation vendor, we immediately begin an audit process. Our experts review claims made in recent years to uncover subrogation opportunities previous vendors may have missed.

Recently, a well-known Fortune 500 company joined forces with BRG. Within 45 days, we identified **150 missed subrogation cases** from the past two years having a value of more than **\$4.2 million**. These are simple dollars, many of which are still recoverable, that should be returned to the plan.

Is this an anomaly?

No. When we conduct new client audits, we always find missed cases. The scope may differ depending on the size of the company, its industry or the type of plan. But, the numbers from missed cases we identify during our audit process speak for themselves.

What we do works.

Our subrogation identification process is incredibly successful. As a company, we vowed to find the best way to identify subrogation cases, and we have perfected a method of data mining to do so. Because our method is unique and innovative, we can pinpoint subrogation cases that other vendors simply don't see.

Some people ask why we conduct these reviews. Ultimately, it comes down to our core principles. We want to help companies eliminate waste in their health plans and reduce costs, and there is a good chance that there are missed dollars still on the table that should be rightfully returned to the plan. We are fully confident that we can not only find these cases, but recover many of these dollars. Taking action on past cases builds trust at the onset of our partnership and, ultimately, helps your company's plan members by keeping their plans financially solvent.

While recently auditing **five new clients**, we identified a total of **\$7.56 million** in missed subrogation dollars. That's an average of more than **\$25 per plan member**.

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