





# Dependent Audit



## Dependent Audit – Vendor (Who)

HMS – Same vendor who performed the medical claim audit in 2016:

- Typical ROIs exceed 1,000%
- 16 years of experience auditing over 10 million dependents
- Only vendor exclusively endorsed by the American Association of School Administrators (AASA)
- Dedicated call center (recorded and logged claims)

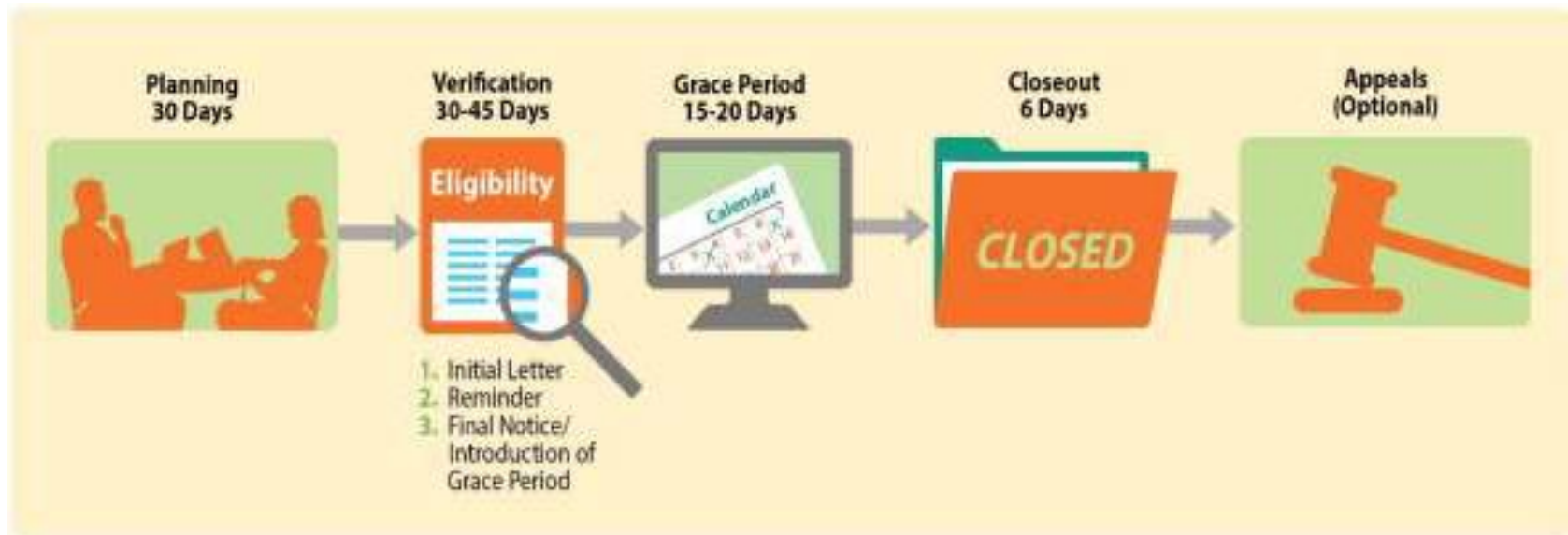


# Dependent Audit – Purpose (Why/What)

To ensure dependents aren't erroneously on the plan:

- Ex-spouse
- Non-dependent children
- Working spousal surcharge

# Dependent Audit – Process (How)





# Dependent Audit – Process (How)

Project Manager dedicated to Blount County will use a proprietary project-planning workbook to define all of the aspects of the project and document them accordingly.

These aspects include, but are not limited to, the following:

- Defining the project timeline
- Determining the required Verification documents for each situation
- Customizing the outbound communications and Frequently Asked Questions (FAQ) documents
- Customizing the website content for members/employees
- Defining and testing the Enrollment File
- Defining and facilitating the ongoing approach



# Dependent Audit – Process (Verification)

Forms of verification:

- Marriage certificates/Domestic Partner paperwork
- Birth Certificate (must match at least one parent)
- Legal guardianship/adoption paperwork
- Affidavits (working spouse provision)

How:

- Secure document upload portal
- Secure toll-free fax number
- Secure Picture upload via smartphone
- Postal Service





# Dependent Audit – Cost

Cost based on approximately 2,046 dependents:

- \$34,604
- \$11.81 per dependent adjustment above or below 2,046

ROI:

- Expected ROI of 314% with the removal of 2% (41) enrolled dependents

Factor	Conservative (2%)	Moderate (5%)	Typical (8%)
Ineligible Dependents	41	102	164
Annual Savings	\$143,220	\$358,050	\$572,880
Return on Investment	314%	935%	1556%







# Dependent Audit – Performance Guarantee

Metric	Measurement	Fee at Risk
Document Processing Accuracy	We will accurately process 99% of inbound documents as measured by an internal quality assurance process of 2%–5% of the documents received.	2%
Document Processing Timeliness	We will process 98% of inbound mail within an average of 5 business days based on the technology time-stamp for each item.	2%
Call Center Responsiveness	We will answer 98% of calls within an average of 55 seconds	2%
ROI Savings Guarantee	2:1 – HMS will guarantee that the projected savings as a result of the audit will be 2X the cost of the audit.	If we do not meet this guarantee, we will adjust the invoice accordingly.