



NICU Payment Validation & Assurance

Frequently Asked Questions



What is NICU Payment Validation & Assurance?

NICU Care Management requires specialized skills and expertise to manage an episode of care. NICU billing and reimbursement are similarly complex. NICU Payment Validation & Assurance (NICU PVA) helps health plans maximize the financial value provided by ProgenyHealth's NICU Care Management services. Our specialized team reviews and verifies that claims submitted to the health plan accurately reflect the care that was authorized and delivered. ProgenyHealth has unique expertise in clinical oversight, billing, and coding related to NICU reimbursement.

Why do health plans partner with ProgenyHealth for NICU PVA?

Health plans partner with us for our expertise in both the clinical oversight as well as the nuanced billing and coding related to NICU complexities, which can include different birthweights, gestational ages, diagnoses, procedures, and complications. A NICU stay can range from a few days to over a year.

How does NICU PVA work?

We review claims for ProgenyHealth-managed NICU cases to verify that room and board revenue codes and units reflect clinical authorizations. Data collection starts during the inpatient admission to create a detailed record of the stay. We match claims with clinical information directly from Baby Trax®, our proprietary medical management platform. By avoiding the need to request an entire medical record from providers, we reduce their administrative burden.

What items does ProgenyHealth review?

For each claim, ProgenyHealth reconciles claims revenue codes with the level of care and length of stay authorizations, and whether inconsistencies have a billing impact. This reconciliation is conducted across any payment methodology; per diem fees, percent of charges, and DRG case rate (if outlier payment is present).

Who performs the review?

Our NICU PVA team includes NICU-experienced certified medical coders (nurses). They apply NICU expertise to validate whether the diagnoses assigned are supported. Any variances identified are documented, which includes a detailed explanation and rationale for any recommended adjustments.

How are the results communicated with the provider?

Recommendations are provided to the health plan to communicate with the provider. If there is a discrepancy, and with supporting information, ProgenyHealth will perform one reconsideration and update recommendations as appropriate. The end-to-end claim review process, provider communications workflows, contractual and regulatory requirements, and the health plan appeals and grievances process are established during implementation.

How are billing adjustments handled?

The approach differs depending on whether the claim is reviewed before or after payment. If reviewed after payment, the plan can recover audit findings by off-setting the amount against future payments to the provider.

Recovery occurs after notice of an audit finding is sent to the provider and they have been provided the contractually established amount of time to respond (often 60 days).

If the audit was performed prior to claim payment, the plan can deny the claim or pay the claim in an amount consistent with the given ProgenyHealth recommended coding assignment. This process is subject to provider contracting and regulatory guidance.

Who pays for the NICU PVA service?

ProgenyHealth will invoice the health plan for a percentage of shared savings. There is no fee unless savings are identified.

What is the turnaround time?

Because our NICU PVA team has complete access to ProgenyHealth's Utilization Management data and documentation, we can perform a targeted, proactive claims review and validation in as few as 2 days to help maintain a plan's crucial turnaround targets.



Provider Submits a
Facility Claim



ProgenyHealth Team
Reviews & Audits Claim



Health Plan Receives
Variance Report

Why do a post-adjudication claims review?

Post-adjudication indicates that the plan has completed the review and determined a reimbursement amount. We verify that billed room and board charges are consistent with clinical authorizations of level of care.

Additionally, our NICU-specific clinical experience, coding expertise, and access to clinical documentation, provide a unique opportunity to confirm that the DRG assigned to each claim is supported by accurate coding and the conditions coded are supported by documented clinical indicators and care delivered.

What kinds of savings do plans expect to see?

- **Percentage of referred claims**

Approximately 80% of all claims have some degree of inaccuracy. We find that 28% of claims reflect differences that result in savings. Savings result by market.

- **Average savings per claim**

We identify savings of \$7,000 to \$10,000 on average per finding, representing \$1,000 to \$3,000 per member participating in ProgenyHealth's Utilization Management.

- **Optimized savings**

NICU PVA reviews revenue codes for consistency with the level of care authorized. This can impact per diem and percent of charge payments, including the cost outlier component of a DRG payment.

- **Commercial versus Medicaid**

Both lines of business produce similar savings. Reimbursement methodology (per diem, percent of charges, or DRG) plays a major role.

Can a plan use NICU PVA while maintaining an existing payment integrity program?

NICU PVA complements whatever integrity programs that are in place because our specialized NICU focus identifies variances often overlooked. While other payment integrity programs focus on catastrophic NICU claims (over \$100,000), they miss the savings where most NICU findings occur – in the \$10,000 to \$40,000 range. Aggregated savings across a broad range of cases add up. During implementation, we work with plans to prioritize the review process with other vendors.

What makes ProgenyHealth's NICU Payment Validation & Assurance service unique?

1. We match clinical information to the claim directly from Baby Trax®, reducing administrative burdens for the provider and ensuring a faster and more accurate analysis.
2. We conduct a **curated manual review**, a key differentiator, since many other payment integrity vendors use automated logic that may not account for the nuances of NICU clinical care.
3. We review up to **100% of NICU claims** to maximize savings, whether we partner to deliver NICU Payment Validation & Assurance or serve as a secondary expert resource.
4. Our payment is contingent on identified or realized shared savings – **no findings means no cost to the plan.**

Have additional questions about our NICU Payment Validation & Assurance solution?

Call 610-832-2001 (press 5), visit progenyhealth.com, or email contact@progenyhealth.com

