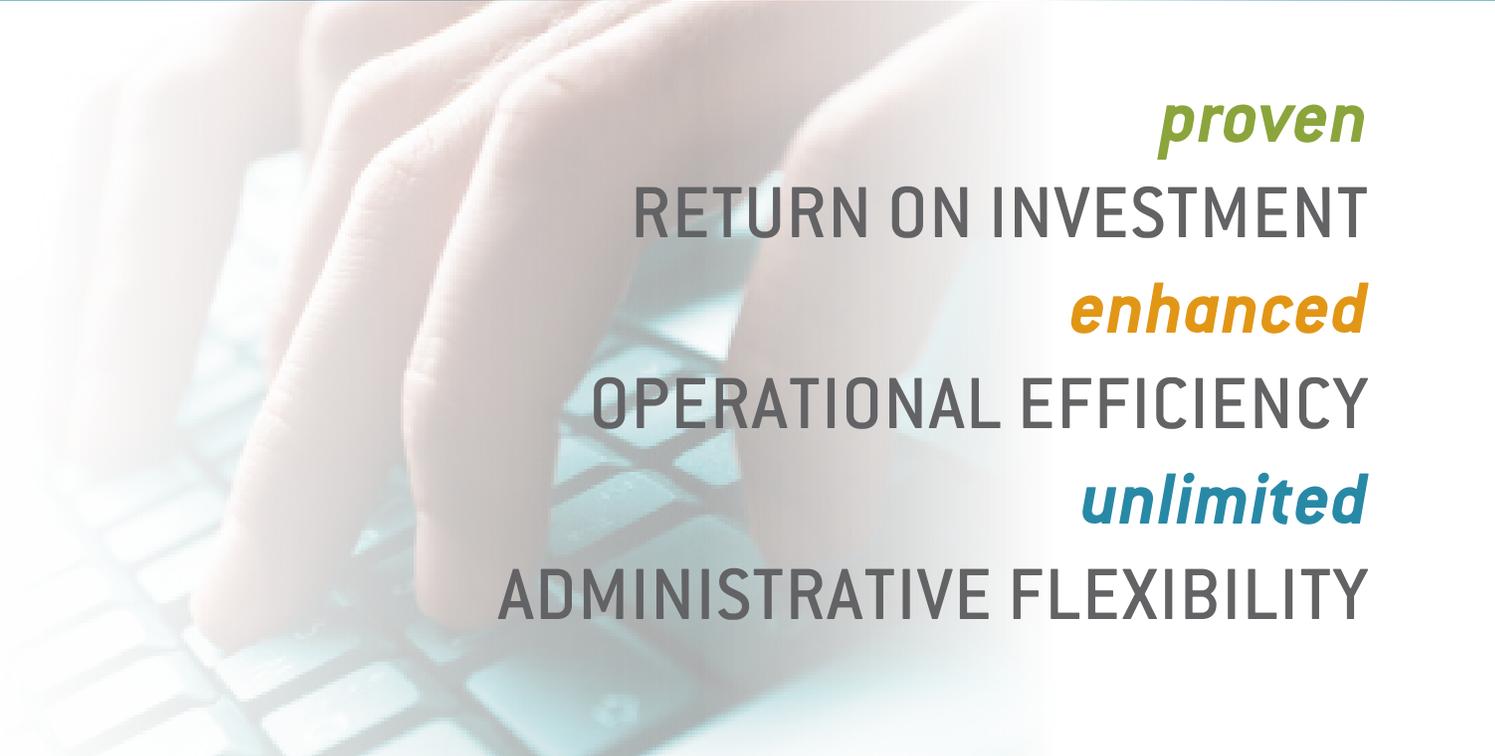




PCG
SOFTWARE



Reducing the Cost of
HEALTHCARE *for Today's Payers*



proven
RETURN ON INVESTMENT
enhanced
OPERATIONAL EFFICIENCY
unlimited
ADMINISTRATIVE FLEXIBILITY



Competing in the evolving healthcare marketplace has always been a challenge. However, as healthcare payers navigate through the industry's journey from fee-for-service to value-based care reimbursement models, it has never been more crucial to conserve those premium dollars. Of the \$3.8 trillion spent on healthcare annually, the National Health Care Anti-Fraud Association (NHCAA) estimates that healthcare organizations lose at least 3 percent or \$60 billion a year to fraud and abuse. Other estimates by government and law enforcement agencies approximate the loss to be as high as 10 percent or \$300 billion of the nation's expenditure. Left unchecked, the resulting increases in healthcare costs can lead to benefit cutbacks, increased premiums, and higher out-of-pocket medical costs.

Even with a number of federal initiatives and audits helping to correct and balance the healthcare ecosystem, there are many vulnerabilities that remain for payer organizations and billions of premium dollars continue to be lost each year to wasteful, fraudulent and abusive billing practices.

► HOW WE CAN HELP

For nearly thirty years, PCG Software has been dedicated to creating product solutions that **reduce the cost of healthcare** for national and regional health insurance plans, independent physician associations and third-party administrators. We also partner closely with leading value-added resellers, software developers and other market influencers – integrating our software with other best-in-class solutions to confront healthcare's greatest challenges

Our comprehensive suite of software solutions:

- Increase profitability by enhancing cost containment
- Maximize financial recoveries by improving operational efficiency
- Reduce the amount of internal resources needed for manual claims review
- Provide limitless administrative flexibility and functionality
- Support adherence to complex and ever-changing coding guidelines
- Save employees from having to learn complex and cumbersome software systems



▶ **Virtual Examiner®**

The company's flagship product, Virtual Examiner®, monitors the internal claims process of an organization to trend provider data for wasteful, fraudulent and abusive billing patterns, while maximizing financial recoveries. Virtual Examiner® evaluates the appropriateness of healthcare claims and encounters so health care organizations can reduce payment for improper and erroneous coding claims. It can identify savings in professional costs anywhere from 5 to 15 percent before payment – helping to assure that professional claims are paid appropriately, and retaining thousands in potentially lost revenue.

Maximize Financial Recoveries

- Consistently monitors the internal claims adjudication process of payer organizations
- Enhances claim auditing with the application of more than 30 million date-sensitive edits
- Identifies unclean claims and reduces payment for improper or erroneous coding submitted by outpatient facilities, hospitals and other providers
- Improves the quality of encounter data and reporting by identifying coding errors and deleted codes and missing data elements

Contain Costs

- Flags providers for inappropriate services (unbundling, code creep, etc.)
- Identifies claims that may involve third-party liability/coordination of benefits, case management opportunities, physician billing education and many other cost-recovery reports

Enhance the Relationship with your Provider Network

- Educates your provider network on proper billing practices (False Claim Act prosecutions are on the rise to stop increasing criminal activity)
- Improves physician office staff understanding of coding and claims payment guidelines
- User customization allows for provider edit design to the client's internal contracts and avoids unnecessary denials
- Assists in medical claims training

Process Up to 225,000 Claims per Hour

- Exponentially increases efficiencies over reviewing claims manually
- Reduces the need to maintain massive claims and administrative staffs
- Improves claims examiner productivity through automated edits

Comply with Today's Standards

- Developed using available coding rules from CMS and AMA, as well as the latest coding guidelines and the expertise of clinicians, claims examiners and contract negotiators
- Provides detailed audit explanations
- Ensures data integrity requirements for encounter and regulatory reporting
- Affords greater flexibility to comply with frequent business and legislative changes

Incorporate Seamlessly to Improve the Office

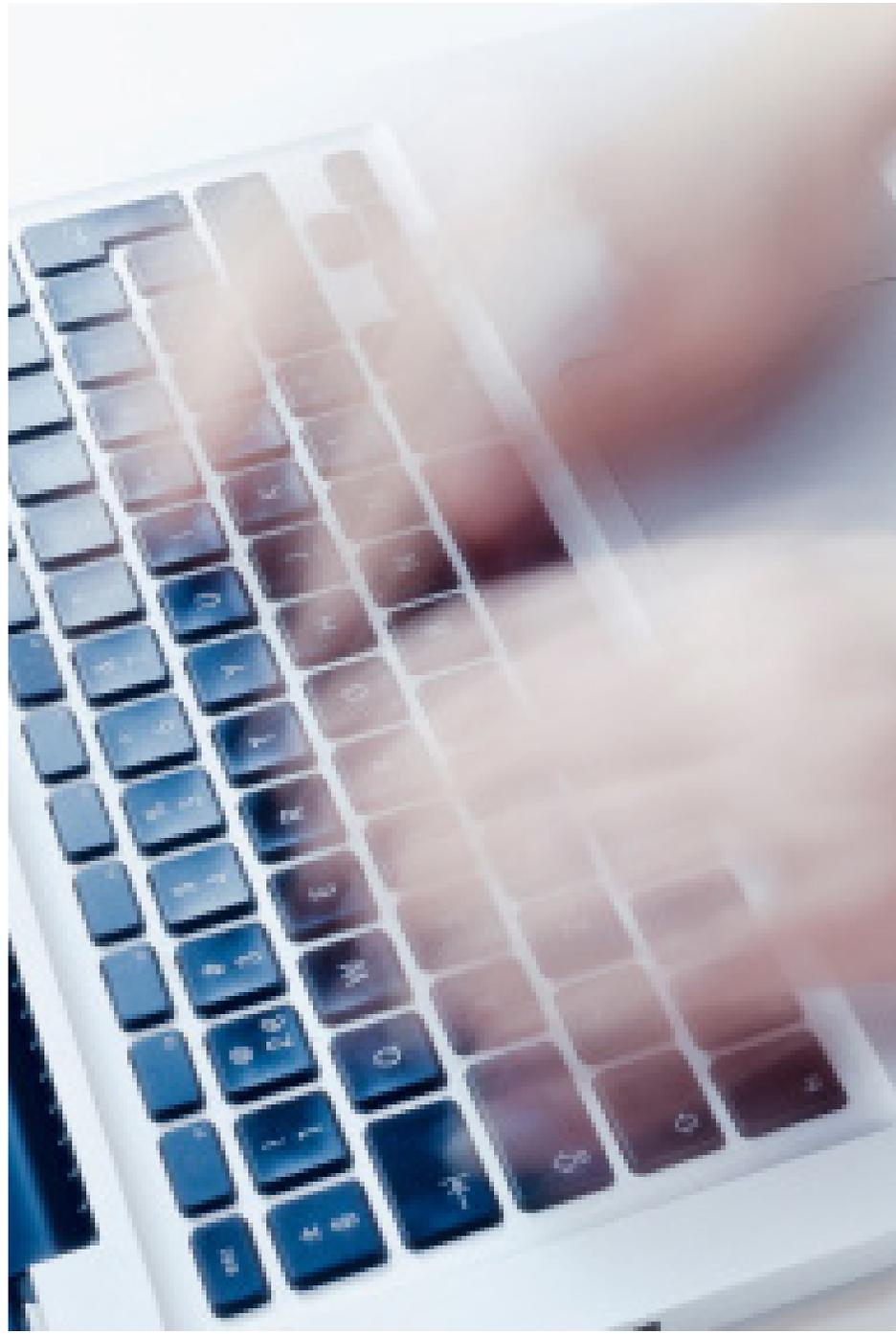
- Installs in one day and fully integrates into existing systems
- Uses a SQL interface so users do not have to change their data input procedures



We were amazed to discover the revenue that our old system had been missing because of inaccurate claims. PCG Software's Virtual Examiner[®] now saves us thousands of dollars per month in otherwise lost premium dollars.



Tracy Harswick, CPC
Vice President, IT Systems
and Payment Operations
South Florida Community Care Network

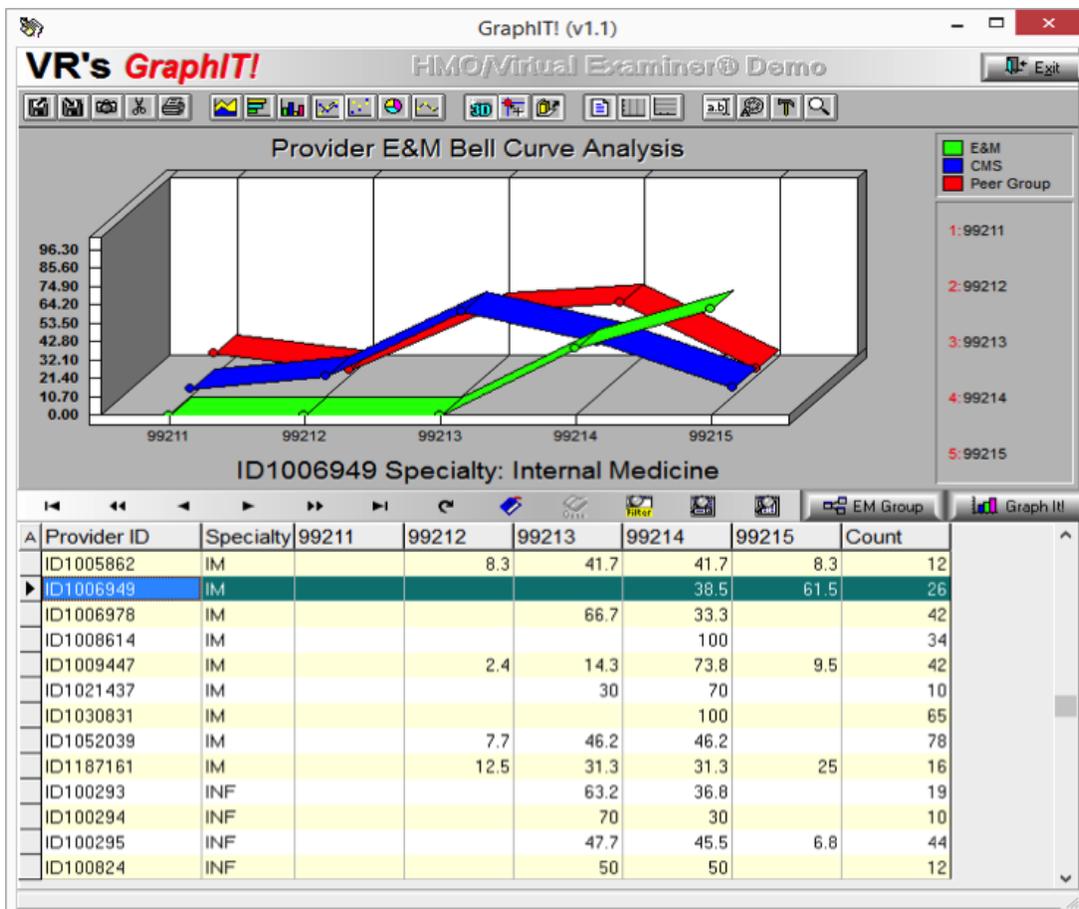


► Graphically Indicate Fraud and Abuse

Virtual Examiner® assists healthcare payer organizations in their efforts to investigate possible fraud and abuse situations. The Virtual Examiner® Graph It! function allows users to create line, bar and pie charts, in conjunction with investigative profiling reports to visually indicate patterns of fraud and abuse. This allows payers to review their providers billing patterns through graphical representations while assisting them in the assessment of aberrant billing trends.

The comprehensive reporting section highlights:

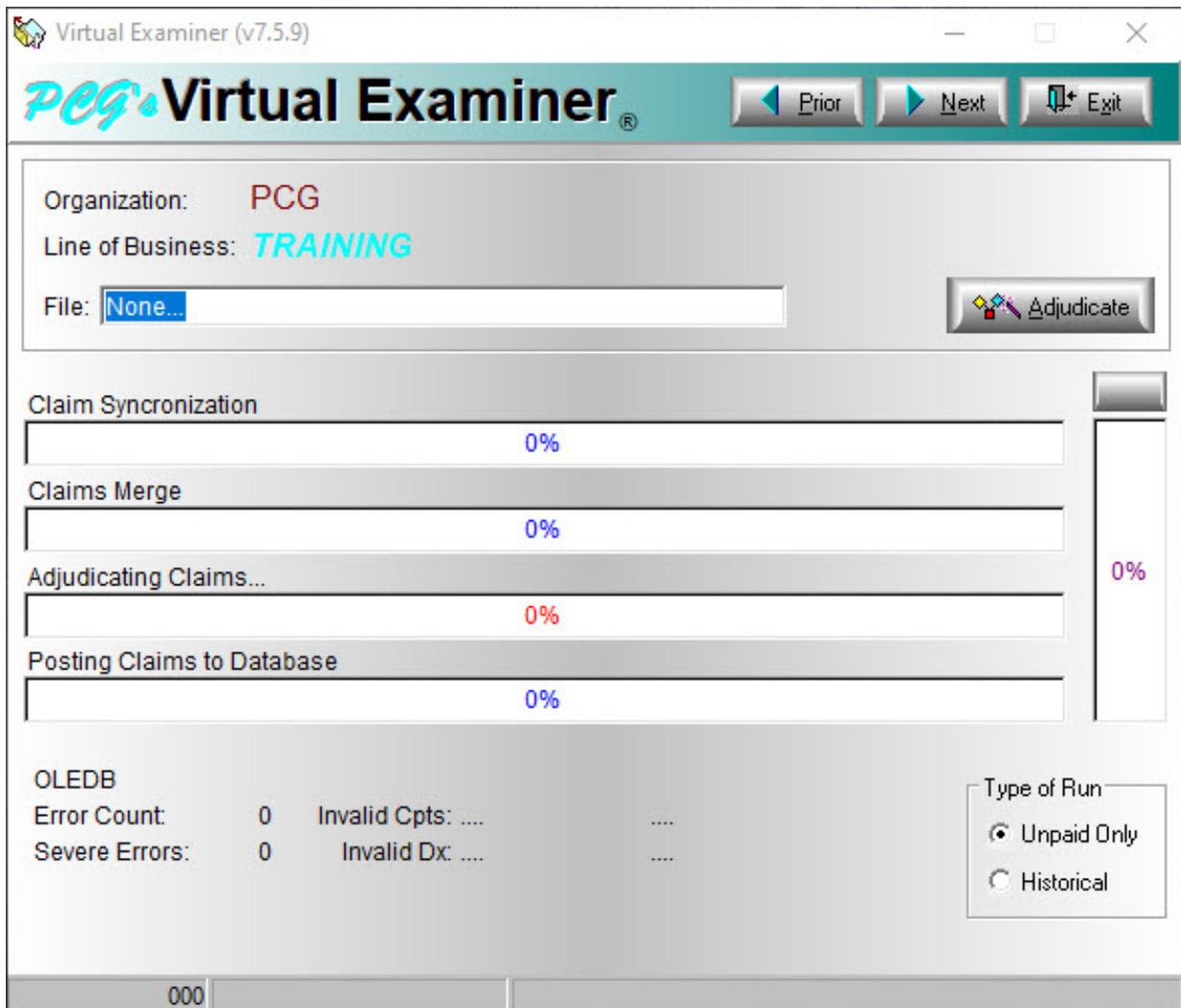
- Top 40 unbundling by group and by provider
- Double bills submitted by group
- Churning: Outlier hours/quantities and overrides
- Spiking: Bill submission frequency by group and provider
- Trending: E&M bell curve analysis by group and provider



Facilitate Claims Processing

Virtual Examiner® effectively saves payers time by reducing training downtime, hours in claims processing and research, and by providing claims examiners with language edits and automatically documenting reasons for necessary coding changes. Inserting the Virtual Examiner® reason code message into the adjudication claim note enhances customer service and provider training with a clear, English language narrative.

PCG Software's flagship product increases claims department productivity, turnaround, throughput and provider satisfaction. And because it reduces tedious manual claims review, it allows staff members to focus on other important auditing, eligibility verification, and capitation payment functions. Virtual Examiner® is linked to eligibility, and can be linked with referral authorization information for a more complete understanding of provider claims.



Additional Features

Designed for a variety of payment settings (authorization analysis, current and retro eligibility checks, etc.), Virtual Examiner® comes with Complete Coding with English Language look-up and built with industry recognized Current Procedural Terminology – CPT procedure codes, HCPCS Level II codes, ICD-9-CM and ICD-10-CM diagnoses codes. It also offers complete CCI auditing of procedure code sections including surgery, medicine, radiology, pathology and laboratory.

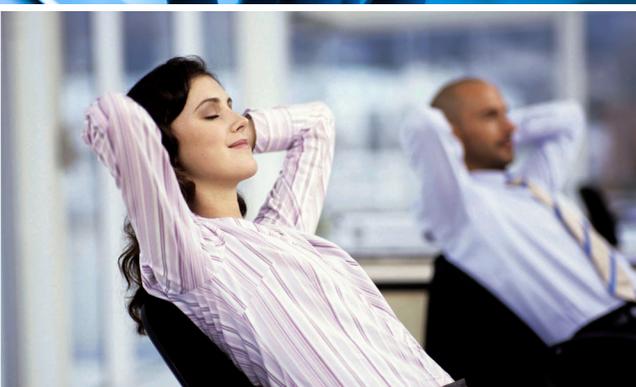
The Comprehensive Reporting Package built in to Virtual Examiner® provides options to monitor the effectiveness of the audit process, throughput, and accuracy of coding. Report examples include but are not limited to:

- Claims Detail Denial Adjustment
- Provider Summary
- Emergency Department Utilization
- Case Management
- Stop-Loss Summary
- Third-Party Liability/COB Summary

Incorporate Seamlessly

Installation of Virtual Examiner® can be accomplished in one to two hours, and fully integrates into existing systems. The software runs seamlessly on Windows formats, including Microsoft operating system, and uses a SQL interface so users do not have to change their data input procedures from other claims-related software.

Training for Virtual Examiner® is scheduled over five days with an additional three-day training scheduled for fraud, abuse and waste reporting. Virtual Examiner® currently interfaces with the following major systems: AMISYS, CSC, DIAMOND®, ENCORE, EZCAP, MC400, MedMC, MedVision, MG400, Monument Systems, Per-Se Technologies, PHYSMARK, PLEXIS, QCSI, TRIZETTO and TXEN. It is also flexible enough to interface with many “in-house” developed systems. If your current system is not listed here, PCG Software’s integration team will be happy to develop an interface to meet your specific needs.



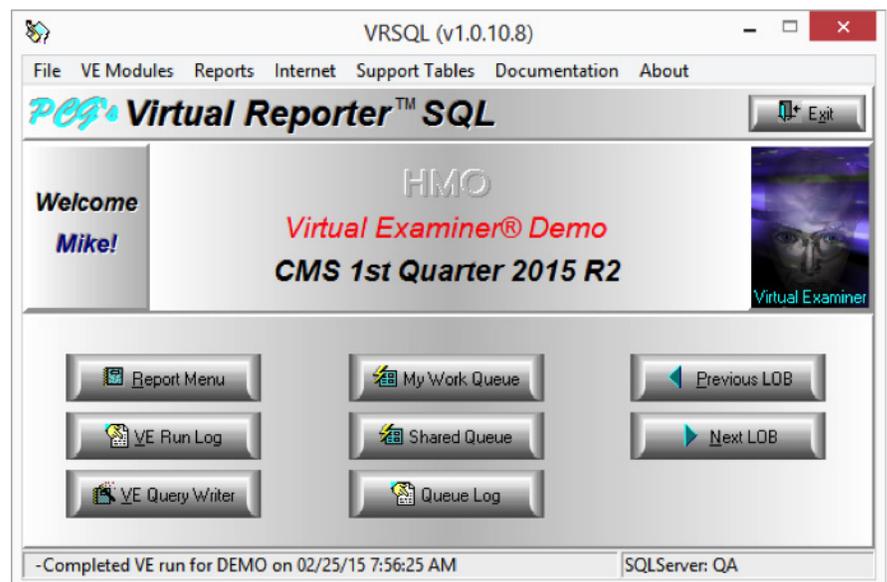
► Virtual Reporter™

Created for its ability to serve as the user interface for the Virtual Examiner® fraud and abuse prevention software, Virtual Reporter™ can automatically update claims, through the auto-post process or real-time engine, on the host system. The module improves workflow efficiency by allowing multiple users to simultaneously write and run reports, in addition to the ability to customize specific account views based on user criteria. The capability to customize views – such as by line of business or client – is designed to serve the needs of healthcare payer organization auditors who are responsible for the claims of multiple clients.

Virtual Reporter™ is a tool used by nearly every payer department. The reports identify and “make you look” for outlier providers and payment issues. PCG encourages training and use of the Virtual Reporter™ suite of reports by claims, finance, compliance, case management, medical directors, contract managers, customer service, and utilization and quality management departments. Behavioral analysis and outlier recognition is a primary focus of a payer’s fraud, abuse and waste identification and corrective actions.

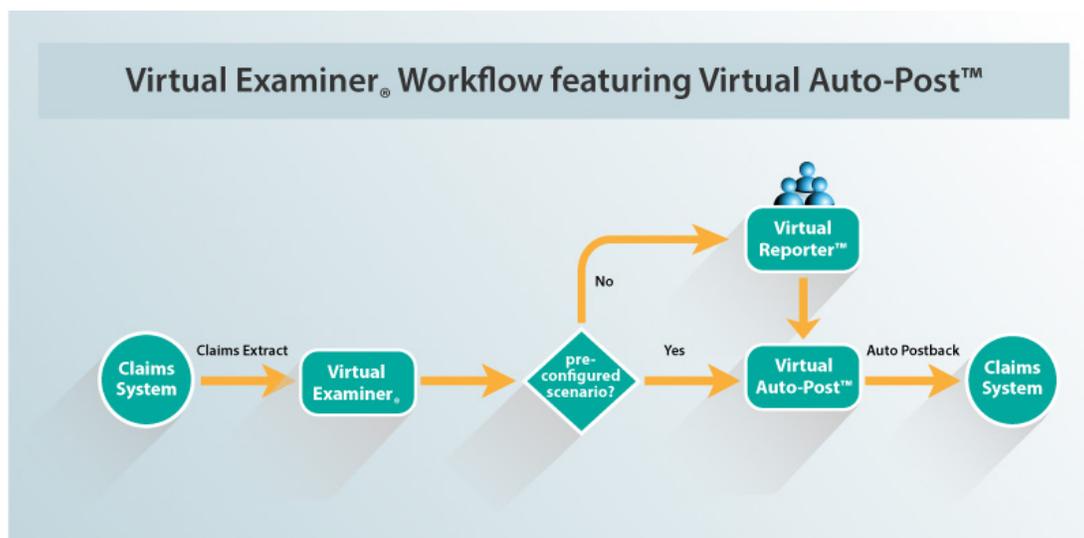
“ PCG Software understands the importance of VISIBILITY in claims management. With Virtual Reporter™ and Virtual Examiner®, we’re able to set up customizable work queues to manage payments and track savings in real-time. In the past year alone, they’ve helped us save an average of \$160,000 every month! ”

Mike Stevenson
Director, Claims Operations
Monarch HealthCare



SymKey® Virtual Auto-Post™

- ▶ Jointly developed between PCG Software and HealthCare Information Management, Inc. (HCIM), SymKey® Virtual Auto-Post™ has the power to further automate the claims process by automatically posting claim results to the host system. In fact, SymKey® Virtual Auto-Post™ now makes it so that no one in the claim department needs to manually touch the claim, accelerating the process even more. A SymKey® installation facilitates items such as retro-rate reconciliation, multi-level fee schedules, eligibility review, and co-pay/co-insurance correction.



Ask About Our FREE Virtual Examiner® Claims Analysis

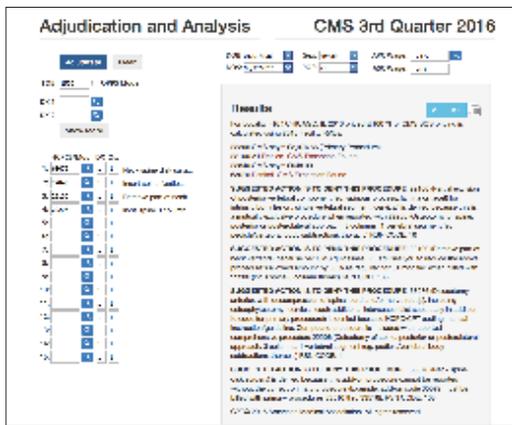
As a courtesy to payer organizations and for a chance to demonstrate the cost effectiveness of Virtual Examiner®, PCG Software offers a free claims analysis. With no obligation, organizations can review the product by evaluating their claims on a one-time retrospective basis to identify the level of code unbundling, TPL, case management and potential savings achieved through claims auditing software. During the claims analysis, PCG Software will generate reports of claims already paid by your organization and identify the 40 worst billers with inappropriate claims by paid dollar volume. In addition, the demonstration allows payers to flag certain providers for future claims payments, and to notify these providers of future review and financial recovery actions should inappropriate billing practices continue.

The Virtual Examiner® data analysis will also provide:

- Claims saving summary report that identifies how many professional claims should/could have been denied and the potential dollar savings or recapture amount
- Professional claims processing and claims dollar statistics
- Claims detail reports that re-adjudicates each questionable claim and, through a self-logic/algorithm process, makes payment adjustments and edits
- Interpretation assistance to review the results with customer's personnel

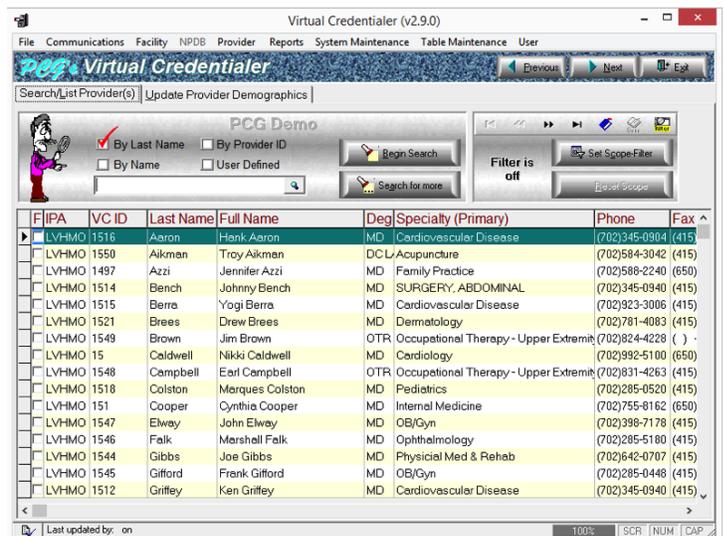
► Virtual AuthTech®

As an interactive coding adjudication tool, Virtual AuthTech® is designed to assist in the evaluation of prior authorizations, claims data entry, contract CMS RVU pricing, and retroactive analysis for the medical director, utilization management, compliance, contracting, and auditing departments. This tool assures proper diagnosis and procedure coding for interactive authorization and claims and is designed for access to instant results as those produced by Virtual Examiner®. This saves time from further research on coding conventions and follow-up with the medical management department. This process also helps improve claims department turnaround for CMS compliance purposes. Finally, once the claim is adjudicated, the encounter data is ready for input into your managed care information system.



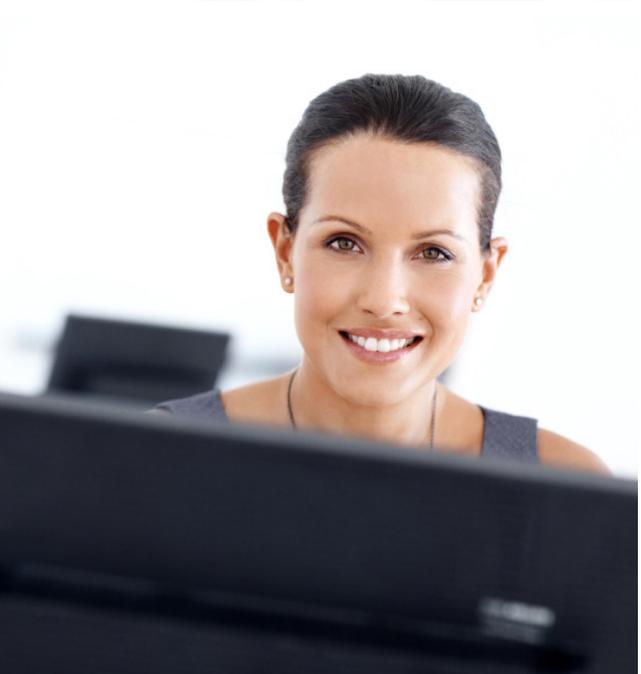
Virtual Credentialer™

A sophisticated, scalable, software package that manages physician credentials and profiles, in addition to the ability to track documents, certificates, office demographics and assessments. The comprehensive software includes powerful scan, fax, and report capabilities to optimize time for administrative staffs.



Our Valued Partnerships

Not only has PCG Software delivered innovative software solutions to healthcare organizations nationwide through our direct channels, an important aspect of our platforms come from the strong relationships we've established with our value-added resellers (VARs), software developers and other market leaders. These partnerships enable us to bring together the necessary technology, software, people and processes to create complete solutions for our healthcare payers and providers – meeting the needs of today's complex and evolving healthcare climate. Visit [our website](#) to learn more.



Efficiency and Cost Containment in ACTION

▶ South Florida Community Care Network



Code auditing work swamped the nine-person claims staff of one of Florida's largest healthcare systems. Virtual Examiner® banished the paperwork and integrated seamlessly with existing processes.

Background

South Florida Community Care Network (SFCCN) has provided healthcare services to South Florida residents for more than 50 years. Its flagship facility, Memorial Regional Hospital, located in Hollywood, Fla., is one of the largest hospitals in the state. With patient volumes rising, the health system found itself challenged to keep up with a high number of changes in coding, coverage, and payer guidelines.

Situation

The health system's nine-person claims department performed code auditing for nearly 35,000 covered lives via a paper-based method. Quality control thus became the responsibility of each claims specialist while entering information into the system. The paper-based process often revealed limitations when a claims history review was requested. There was no easy way for specialists to decide, for example, whether the file they were looking at was a duplicate or whether the patient was eligible or insured. Billing matters were likewise impossible to track accurately, particularly with regard to accidentally overpaid or duplicate bills.

Solution

SFCCN decided to take a proactive approach to ensure that its physicians were being reimbursed fairly, while opening the door to potential cost savings. The health system selected PCG Software's Virtual Examiner® to detect not only improper claims but also coding errors and duplicate payments. As a Medicare-compliant solution, the system interacts seamlessly with the organization's current vendor contracts. "Our claims department was up and comfortable with the system in no time," says Tracy Harswick, vice president, IT systems and payment operations. "The software integrated with our processes far better than we had anticipated, and our claims specialists were immediately freed up from the chore of manual reentry of data fields and claims histories."

▶ THE COMMITMENT TO OUR CUSTOMERS

At PCG Software, we are committed to providing cutting-edge software solutions that not only save our customers a substantial amount of money, but also offer endless administrative pliability and operational stability for our customers through seamless and fully integrated applications. In order to follow through with these commitments, PCG Software is well equipped with an experienced and dedicated management team.



▶ **Michael Lubao** **Chief Executive Officer**

Mr. Lubao brings 30 years of group practice, managed care and information systems experience to the role of Chief Executive Officer for PCG Software, Inc. He uses his extensive knowledge of health plans and other payers, Independent Physician Association (IPA) operations, office billing, medical coding and programming to create customized applications for PCG Software's customers.



▶ **Andria Jacobs,** **RN, MS, CEN, CPHQ** **Chief Operating Officer**

As chief operating officer, Mrs. Jacobs leads corporate operations and customer support for PCG Software customers. She has more than 30 years' experience in the healthcare industry, encompassing both administrative and clinical arenas.

Both Mr. Lubao and Mrs. Jacobs have been featured as healthcare experts in a variety of industry publications, forums and conferences. Visit www.pcgsoftware.com/newsroom to read their latest insights and learn where they'll be presenting next.



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PCG Software, Inc.
7065 W. Ann Road, #130-549
Las Vegas, NV 89130

Tel 877.789.1291
Fax 310.456.6871

info@pcgsoftware.com
www.pcgsoftware.com

