



Risk & Insurance | Employee Benefits | Retirement & Private Wealth

UMR Renewal 2024 / 2025

Andrew Weegar – Senior Account Executive

2024 / 2025 UMR Renewal



		1	2
TPA:		UMR	UMR
PBM		KPP	KPP
PPO:		Choice Network	Choice Network
		Current	2024 / 2025 Renewal
Medical Administration		\$45.19	\$46.06
UHC Dental Credit		-\$2.00	-\$2.00
Net Administration Fee		\$43.19	\$44.06
MONTHLY TOTAL		\$15,548	\$15,862
ANNUAL TOTAL		\$186,581	\$190,339
PERCENTAGE Δ FROM CURRENT		n/a	2.0%
DOLLAR CHANGE FROM CURRENT		n/a	\$3,758.40

MEDICAL CALCULATIONS BASED ON:
SUBSCRIBER ENROLLMENT

360

	Current	2024 / 2025 Renewal
TPA	UMR	UMR
TPA Rate Guarantee	1 Year	1 Year
Run In/ Out Limitation	12 Months	12 Months
Large Case Management	Included	Included
Disease Management	Included	Included
Utilization Review	Included	Included
SPD and Amendments	Included	Included
Cost Management Programs	Included	Included
Retiree Billing	\$4.38	\$4.38
Retiree Premium Account. Admin	\$4.22	\$4.22
Out of Network Shared Savings	22% with 50% cap per claim	\$12 PEPM (est. \$76K savings)
Performance Guarantees	None	Included
Allowances / Credits	None	\$15K Premium Credit
Notes / Caveats	n/a	n/a

*Not intended to be a contract

CRS Enhanced Analysis



	<u>OON Strategy</u>	<u>Months</u>	<u>Subs</u>	<u>Billed Amount</u>	<u>Claim Savings</u>	<u>Access Fee</u>	<u>PEPM</u>
<u>Current OON Strategy</u>	CRS Benchmark (22%)	12	360	\$828,741.96	\$582,077.38	\$128,057.02	\$29.64
<u>New OON strategies</u>	CRS Enhanced (\$12 PEPM)	12	360	\$828,741.96	\$582,077.38	\$51,840.00	\$12.00
	Savings Under CRS Enhanced (\$12 PEPM)					\$76,217.02	

- Current program runs through as line items each month on check register. Under new program, the PEPM will be paid through administrative invoice.
- Refer to CRS Enhanced flyer for additional details.

UMR Performance Guarantees (NEW)



I. Financial Accuracy

The TPA agrees that Claim payments, on an aggregated dollar basis, shall be ninety-nine percent (99%) accurate to the plan of benefits. If however, the financial accuracy falls below the agreed upon level, the TPA will give a credit as stated on the table below.

Financial Accuracy will be calculated by dividing the total audited dollars paid correctly by the total audited dollars processed. This will be measured on department results.

The TPA's Performance	Penalty
99% or higher	0%
98.5% to 98.9%	1%
98.0% to 98.4%	2%
Less than 98.0%	3%

II. Turnaround Time

The TPA agrees that ninety percent (90%) of all clean Claims will be processed within 10 business days from the date that the TPA receives all information necessary to adjudicate the Claim. In the event that the TPA's turnaround time falls below the agreed upon level, the TPA will give a credit as stated on the table below.

Claims will be considered "processed" when the TPA has released the Claim for payment, denial or request for additional information. This will be measured on department results.

The TPA's Performance	Penalty
90.0% or higher	0%
85.0% to 89.9%	1%
80.0% to 84.9%	2%
Less than 80.0%	3%

The TPA agrees that on average, calls will be answered in thirty (30) seconds or less. If calls are answered in more than thirty (30) seconds, the TPA will give a credit as stated on the table below.

The TPA's Performance	Penalty
30 seconds or less average	0%
31 to 45 seconds average	1%
46 seconds or higher average	2%

2. Abandonment Rate

The TPA agrees that on average, three percent (3%) or less of calls may be abandoned. If more than the agreed upon level of calls are abandoned, the TPA will give a credit as stated on the table below.

The TPA's Performance	Penalty
3.0% or less average	0%
3.1% to 4.0% average	1%
More than 4.0% average	2%

Aggregate Penalty: The aggregate maximum penalty will not exceed 5% of the annual base medical administration fee and the network access fees.

Performance Guarantee Conditions:

- Performance Guarantees are for medical claims administration.
- Performance Guarantees are measured annually.
- Performance Penalties will be credited on the invoice following the annual measurement.
- Performance Guarantees are not in effect until a signed administrative service contract is received.
- In the event of a pandemic, the TPA reserves the right to revisit or revoke this guarantee.