Quest Financial Recovery Services

Helping healthcare providers get their fair share.

As a health care provider, if you’re not aware of the hidden PPO market, you are most likely providing more “discounts” than you intended. Discover and eliminate this hidden market from your managed care contracts and insurance payments and you will quickly improve your bottom line.

This hidden market actually began in the 90’s but is still prevalent today because it mostly goes unchallenged by unsuspecting providers. It is commonly known as silent PPO re-pricing of claims. Few health care providers have the time, technology or training to check each insurance reimbursement to see if an unauthorized discount was taken, so the practice of silent PPO has thrived. During these difficult economic hardships insurance companies and third-party payers have been greatly affected, therefore they are utilizing Silent PPO discounts to increase their bottom line. Many large hospital facilities have already become aware of the silent PPOs and have strategies in place to combat it. However, the small providers and groups aren't usually targeted by silent PPO recovery vendors because the really big dollars are with the big hospitals. So the small providers (that need this service the most) go on unsuspectingly losing revenue. Quest FRS was established to help these small providers and physician groups.

To show you how this market works, let’s suppose a patient comes into your office or hospital carrying a card from H.E.P. Corp's self-insured PPO—UnitedPPO. You're not a member of UnitedPPO, so you treat the patient as an out-of-network provider, and send your bill to the address on the card, which is that of the third-party administrator (TPA) that handles PPO administration for H.E.P. Corp.

Since the TPA wants to get H.E.P. the best deal it can get, it forwards your bill electronically to a contracted reprice—essentially a company that maintains an extensive discount database, containing the names and rosters of scores of PPO networks. The reprice submits your provider name and tax ID number to identify which PPO networks you belong to. If your name pops up more than once, it chooses the network with which you've contracted the deepest discount, and arranges a temporary lease. The bill you've submitted can now be repriced, according to the new and discounted rate which it originally was not entitled to. You receive payment of your adjusted bill using the name of a PPO that you ARE contracted with. Not knowing that anything was amiss, you accept the discounted payment.

In effect, you've been forced to give an in-network discount to a PPO you don't even belong to, resulting in less than full payment for your services. And while you've come out the loser, everyone else has benefited—ranging from H.E.P.’s reduced out-of-network healthcare costs to your PPO's fees for leasing out access to your contracted rates.

In the past, network PPOs operated fairly transparently. In return for PPO steering patients your way, you agreed to discount your usual and customary charges, sometimes significantly. In principle, the more contracts you signed, the more access you had to prospective patients, who, over the years, have made PPOs their managed care arrangement of choice.
But as providers have jumped enthusiastically onto the PPO bandwagon, agreeing to work different rates in different contracts, they’ve helped to fuel another PPO market—often referred to as the “secondary discount market.” Here, PPOs lease their provider lists and associated discounts to organizations that may not have networks of their own, or in return for certain financial concessions; it’s to shop around their discounts, often without the providers’ knowledge. Collectively, these are known as “silent PPOs.”

Generally, silent PPOs aren’t assuming risk in the expectation of certain rewards, as traditional PPOs do. They make their money when they lease their networks to clients who do pay their claims—and are looking for a break. These clients may have started off as entities without their own networks. But more and more, major health plans and others in the big leagues are also exercising their lease options, often through a middleman, in order to reduce their out-of-network bills.

The only loser in this arrangement is the provider, who often ends up giving discounts to health plans he/she may never have signed up for, and which may not even steer any patients the provider’s way. The American Medical Association (AMA) estimates that provider losses due to these “silent PPOs” reach as much as $3 billion or more every year. Quest defines a silent PPO as an entity that buys, sells, leases or otherwise transfers provider discounts without regard for steerage of patients to preferred providers. In essence, they are out to make a profit with no concern of contract obligation to the providers.

Today, the practice extends to many forms of networks, including managed care networks, insurance companies, and third-party administrators. Silent PPOs exist because some networks with direct, valid agreements with providers for negotiated rates “lease” or “rent” these rates to third parties or to third-party networks, thereby allowing them to represent to their clients and potential clients that they can save them substantial money. But these “savings” consist of unsuspecting providers’ lost revenue.

Silent PPOs operate under various names. You may have heard of networks called non-directed PPOs, voluntary PPOs, wrap-around PPOs or blind PPOs. The names vary but the concept is always the same, applying in-network discounts to out-of-network claims at the expense of the provider.

Now, it should be obvious that when you join a PPO and accept the scheduled discounts, those discounts should only be applied to claims paid by participating payers—those who direct their members into the network. Non-participants are not entitled to the special PPO rate. Yet for some payers, non-participation is only a “technicality.” And it doesn’t stop them from trying to take what isn’t theirs.

Perhaps it strikes you as just a bit incredible that any payer would be so bold as to claim such discounts. Further, how in the world would these scammers find out you’re on the “XYZ” plan and, further, its contracted rates? Unfortunately, lists of PPO participants and contracted rates are available for a price. Essentially, they’ll sell confidential data that are then appropriated by the purchasers as if they were legitimate PPO participants.

Some PPOs today are not beneficial at all for the providers they contract with. They don’t create any steerage nor increase patient volume, but merely contract with providers for the sole purpose of leasing out their contracted discounts for a profit. And predominantly the scam works because many practices simply are unaware of this scheme or cannot go over every EOB with a fine-toothed comb.

Providers need a defense against this fraudulent practice. Preferably one with extensive knowledge into this deceitful practice and that will have the providers’ welfare in mind instead of their own profit. This is the VERY essence of Quest. We care about the providers’ profit above our own and will contend on their behalf.

Here is a true story of how managed care leasing effected a provider’s out-of-network reimbursement.

A provider renders service and the claim is sent to Cigna. Cigna receives claim and finds provider is NOT contracted directly with Cigna so they cannot attach the in-network fee schedule. They do another search and find the provider is linked to Multiplan. Multiplan actually does NOT have a direct contract with the provider but they lease his contract through their affiliation with ‘ABC’ Co. ‘ABC’ Co. actually does NOT have a direct contract with provider but they lease his contract through their affiliation with ‘PLO’ Co. who leased it from ‘SLU’ Co. ‘SLU’ Co. actually does NOT have a direct contract either. They actually acquired ‘XYZ’ Co. and all their contract affiliations. Only ‘XYZ’ Co. was actually directly contracted with the provider. So even though the provider signed a contract with only ‘XYZ’ Co., five other payers were able to discount their claims using his contract through network leasing.
Are you beginning to get a picture of just how much revenue you are losing through PPO abuse? Some common players in the leasing of network contracts are Cigna, Blue Cross, Anthem Blue Cross, Viant, PPONext, Beech Street, Galaxy Health Network, Preferred Health Network, Multiplan, PHCS, Coventry Health Care just to name a few. The list goes on and on. So it’s probably pretty safe to say that if you are contracted with any PPO, then most likely your contracted discount rates have been leased out over and over again to many players and they are all enjoying your discounts without having to steer any patients your way. And to add insult to injury, many times when payers are re-pricing your out-of-network claims with an in-network discount, the out-of-network payable benefits still apply to the member. So you are getting a double whammy……

You ARE NOT always obligated to accept PPO discounted payments. You CAN stop being scammed by silent PPO abuse.

More than a dozen states have some sort of legislation on their books dealing with Silent PPOs and the improper extraction of discounts. However, it has barely made a dent in this activity because regrettably many providers do not have the staff to figure all of this out. Quest's goal is to assist those providers with their dilemma. Quest can identify and recover these unauthorized discounts. We can audit zero-balanced accounts as far back as four years and recover revenue defrauded by the silent PPO scheme. The revenue recovery many times is in the tens to hundreds of thousands of dollars just for a single provider. We will also review PPO contracts and encourage certain language to close the loopholes allowing this activity and increase reimbursements. We will also contact each payer applying unauthorized discounts to your claims and demand an immediate stop to the activity and removal of your contract information from their database.

Our Services.

- Recover significant revenue from closed, aged, or zeroed insurance balance accounts.
- Improve A/R.
- Raise staff’s awareness of insurance contractual underpayments.
- Learn which of your managed care contractual relationships are profitable and which ones are not.
- Correct underpayment contractual issues with payers.
- Improve bottom line.

How we work with your organization.

Our first priority is to stop the silent PPO abuse in its tracks. We will send a letter to all your contracted managed care networks ordering a cease and desist from leasing your contract information and request revised contracts that will disallow secondary discounting of your claims. To do this, we will need a copy of all your managed care contracts. We will review your contracts to identify problematic language that allows this activity and offer solutions to be incorporated in contract renegotiations.

Secondly, we will audit your zeroed out accounts as far back as four years to determine what all unauthorized payers are accessing your contracted fees. We will then send them a cease and desist letter and demand that they delete your contract information from their database. We will also recover as much possible from the unauthorized discounts. This could be anywhere in the tens to hundreds of thousands of dollars for just one provider.

We have several ways we can receive your patient accounts data. However, we will work with your office for what best fits you. Our services are provided with minimal interference to your daily operations and without needing to visit your office.

In investigating silent PPO abuse, there can be numerous entities (discount brokers, re-pricing vendors, lease networks, etc.) as well as the applicable member’s policy to determine whether or not the discount complied with the applicable: a) PPO contract, b) member’s policy/plan, c) state and federal law(s). There are many variables involved with determining the success we have.
We will also monitor your current payments to assure that unauthorized PPO discounts are not being applied. The silent PPO abuse will not completely stop anytime soon. However, with Quest you can substantially put an end to the loss and increase your revenue.

Our only fees are on a recovery contingency basis. If we do not recover any lost revenue for you then there are no fees.

**Our Mission**

Quest understands that PPOs are very beneficial for providers in creating patient steerage. Our goal is to stop silent PPO abuse. In doing this, our mission is to assist providers in holding PPOs accountable in transparency and therefore keeping the PPO market beneficial instead of harmful to providers.

Quest also desires to assist providers in revenue loss recovery and increase reimbursements, allowing them to focus on what is important—the patient.

Quest is faith based and strongly believes that silent PPO repricing is fraudulent and goes against God's Kingdom principles.

*Bread obtained by falsehood is sweet to a man, But afterward his mouth will be filled with gravel.* (Proverbs 20:17)

*The getting of treasures by a lying tongue is a fleeting vapor, the pursuit of death.* (Proverbs 21:6)

*Wealth obtained by fraud dwindles, But the one who gathers by labor increases it.* (Proverbs 13:11)

Quest believes that the right way to gain wealth is in serving others. Therefore we dedicate ourselves in serving providers in a much needed area of their business. *But he who is greatest among you shall be your servant.* (Matthew 23:11)

**Contact Us**

For more information or questions about our services, please feel free to contact us at:

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