Exhibit 1

Broward County
Medical Claims Audit
Two Years Ended December 31, 2016

Office of the County Auditor

Audit Report

Robert Melton, CPA, CIA, CFE, CIG
County Auditor

Audit Conducted by:
J. Graham Inc., Healthcare Claims Audits

Report No. 18-18
April 10, 2018

BROWARD COUNTY
FLORIDA
OFFICE OF THE COUNTY AUDITOR
115 S. Andrews Avenue, Room 520 • Fort Lauderdale, Florida 33301 • 954-357-7590 • FAX 954-357-7592

April 10, 2018

Honorable Mayor and Broward County Board of County Commissioners:

Based upon the unique nature of healthcare claims auditing, we engaged the services of a specialized commercial auditor, J. Graham Inc., Healthcare Claims Audits (JGI), to conduct an audit of the County's contracted healthcare services administrator, Humana Health Plan, Inc. (Humana), for claims incurred from January 1, 2015 through December 31, 2016. Over the two-year review period, the County's plan served approximately 10,400 members (active County employees, plus retirees, COBRA, and WorkForce One, and their dependents), with an approximate total of $63,000,000 in claims paid.

The focus of JGI's review was to ensure the accuracy of Humana's claims adjudication services, based upon factors including, but not limited to, verification of amounts charged, application of deductibles, co-pays, coinsurance, coordination of benefits, and plan documents. A copy of JGI's March 13, 2018 report, inclusive of Humana's responses, is enclosed herein.

JGI's Overall Conclusion

In summary, JGI reports that:

- No large systemic errors or high dollar value individual claim errors were identified.
- Overall recovery rate is low, with the total of all recovery items at $114,987.02.

The report also includes additional informational findings that may be of value to the County in considering its ongoing healthcare plan design.

We concur with JGI's assessment of the claim adjudication errors, including all disputed and out-of-sample error applications. We understand County Administration will be working with Humana and JGI to pursue recovery of the questioned costs.

Respectfully submitted,

Bob Melton

Bob Melton, County Auditor

RM/Attachment

cc: Bertha Henry, County Administrator

Monica Cepero, Deputy County Administrator
George Tablack, Chief Financial Officer
Kevin Kelleher, Deputy Chief Financial Officer
Andrew Meyers, County Attorney
Mary McDonald, Acting Director, Human Resources
Lisa Morrison, Human Resources Manager

Broward County
Medical Claims Audit

March 13, 2018

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EXECUTIVE SUMMARY

J. Graham Inc. performed a comprehensive claims audit for Broward County of claims processed by Humana with dates of service from January 2015 to December 2016. This time period included total claims paid of $62,937,418. The audit included a detailed review of the data extract to detect potential payment errors in a variety of categories. A site visit was held at Humana the week of January 22, 2018, to review 300 of these claims in further detail. The sample claims were selected by JGI based on results of the data mining process and our assessment of both the likelihood of error and the overall potential for a given category.

JGI identified $9,742 in total agreed recovery on sample claims as detailed in the chart below. The larger issues related to our findings are currently disputed by Humana, including certain pricing and benefits issues as described herein. Even considering these disputed items and out-of-sample recoveries, the overall recovery rate is well below our typical findings of 0.5% to 1.0% of total paid. JGI did not find large systemic errors nor any high-dollar individual claim errors for the audit period. Given that Broward County is no longer using Humana as its administrator for the plan, our comments on improvements that could be made based on our findings may have to be researched with the current administrator to determine their applicability. Findings by category for the audit are:

Issue	Site Visit Recovery	Site Visit Disputed	Out of Sample	Recovery Potential
Copays	$0.00	$2,080.00	$9,469.20	$11,549.20
Exclusions	$0.00	$18,628.56	$70.88	$18,699.44
Limits	$161.28	$0.00	$0.00	$161.28
COB	$7,599.71	$14,982.09	$57,894.75	$80,476.55
Duplicates	$1,235.32	$2,865.23	$0.00	$4,100.55
Eligibility	$711.79	$0.00	$213.27	$925.06
Pre-admission Testing	$0.00	$207.40	$0.00	$207.40
Pricing	$33.77	$11,053.20	$0.00	$11,086.97
Total	**$9,741.87**	**$49,816.48**	**$67,648.10**	**$114,987.02**

Finally, JGI would like to acknowledge the excellent audit support provided by Humana on this project. We look forward to working with Broward County and Humana on the final stages of this project.

AGREED FINDINGS

Humana agreed to recovery amounts on the following sample claims. Very few of these had out-of-sample impact as only the failure to estimate Part B benefits appears to be a systemic issue.

Audit Item 53: The member on this sampleclaim had a total of 64 visits for Home Health Care Services in 2016. Broward's benefit plan limits these visits to 60 per covered person with one visit per day. Humana agreed the member exceeded the benefit limit, paying a total of $161 for the excess visits, but the error occurred on out-of-sample claims rather than the sample claim. JGI covered all potential cases for this benefit limit in the sample.

Humana Response: *The operational area has been notified of all manual errors and processor training will be provided promptly as appropriate to ensure accurate adjudication for the Broward's membership. Financial Recovery has been initiated on the out-of-sample claim. Follow-up regarding the recoupment dollars will be provided by Broward County Government's account management team.*

Audit Items 68-69, 84-88:

The Broward plan is primary over Medicare for age-eligible members on active segments of employment, but Medicare becomes primary when a member is on a COBRA segment of eligibility. Further, Broward's plans call for Medicare estimation which is a reduction of benefits for members eligible for Medicare primary status if the member does not enroll in Medicare. The plan documents state: "For the purposes of determining benefits payable for any covered person who is eligible to enroll for Medicare Part B, but does not, Humana assumes the amount payable under Medicare Part B to be the amount the covered person would have received if he or she enrolled for it. A covered person is considered to be eligible for Medicare on the earliest date coverage under Medicare could become effective for him or her." Humana agreed to overpayments totaling $7,600 for these seven sample claims due to a failure to estimate Medicare Part B benefits. JGI has identified 62 out-of-sample claims paid at $4,899

and covering nine age-eligible members on COBRA requiring further review to insure an estimate of Medicare Part B benefits was applied during processing.

Humana Response: *Humana does agree to the financial errors associate with sample claims. Financial Recovery has been initiated on the in-sample claims. Follow-up regarding the recoupment dollars will be provided by Broward County Government's account management team. Any additional claims found in this category would require individual review and cannot be assumed to be in error.*

JGI Final Comment: We agree that individual claim review is required to validate the additional claims, and the findings from the sample support the need to do so.

Audit Items 125, 135, 145:

Humana agreed to three duplicate payment errors totaling $1,235 on sample claims. While all three were likely the result of manual processor overrides, Audit Items 125 and 135 were cases where the provider also submitted a paper claim. No systemic issues were identified to prompt a greater concern for these types of potential duplicate payments. The results of the audit indicate that Humana has quality logic built into their claims system for identifying and preventing duplicate claim payments. Many of the claims sampled in the duplicate category were false positives requiring on-site review due to the lack of a provider identifier, provider name, and additional modifier fields in the data set extracted by Humana for this claims audit.

Humana Response: *Humana does agree to the financial errors associate with sample claims. The operational area has been notified of all manual errors and processor training will be provided promptly as appropriate to ensure accurate adjudication for the Broward's membership. Financial recovery has been initiated on the in-sample claims. Follow-up regarding the recoupment dollars will be provided by Broward County Government's account management team.*

Audit Items 170-171:

These claims totaling $712 were made recoverable by retroactive terminations, a common occurrence in healthcare. Humana acknowledges that it has not pursued recovery on these claims to date but did not offer an explanation. If the timing of recovery efforts was impacted by not pursuing these previously, Humana should consider a direct credit to make the plan whole as Humana should have attempted recovery when the retro termination was received. JGI believes there are ten out-of-sample claims also for the same issue paid a total of $213.

Humana Response: *Humana does agree to the financial errors associated with sample claims due to financial recovery not being initiated within an appropriate amount of time. Enrollment is handled electronically which is out of control of the plan administrator. Therefore, financial recovery has been initiated on the in-sample claims. Follow-up regarding the recoupment dollars will be provided by Broward County Government's account management team. Any additional claims found in this category would require individual review and cannot be assumed to be in error.*

JGI Final Comment: We agree that individual claim review is required to validate the additional claims, and the findings from the sample support the need to do so.

Audit Item 275: Approximately one-quarter of the sample claims were reviewed for accuracy of pricing as they were high dollar, highly utilized providers, or paid without a discount or over billed charge. Humana made available the provider contracts for fifteen of these providers as requested by JGI. This extensive review resulted in only one error - Audit Item 275 overpaid $34 due to an incorrect DRG rate being applied upon adjustment of the claim. JGI was able to verify pricing on all other sample claims reviewed. The number of these claims paid at percent of charge methodology or at a DRG over billed charge would make hospital bill audit and DRG validation audit functions more important if ongoing, but Broward will need to assess this under its current arrangement to determine the applicability and use of these programs.

Humana Response: *The operational area has been notified of all manual errors and processor training will be provided promptly as appropriate to ensure accurate adjudication for the Broward's membership. Financial Recovery has been initiated on the in-sample claim. Follow-up regarding the recoupment dollars will be provided by Broward County Government's account management team.*

DISPUTED FINDINGS

Humana did not process claims for Applied Behavior Analysis (ABA) Therapy to the deductible and coinsurance benefit shown in the plan document but instead only applied these to standard behavioral health copays with no deductible. Audit Items 5-8 represent two members with long-term therapy for autism which we believe should be defined as ABA therapy. There is no direct procedure code to define ABA therapy, but it is most commonly used for cases of autism and with the service codes billed on these claims (H2019 - Therapeutic behavioral services). The first member in this set of claims has 166 visits in 2016 while the second has 76 visits in 2015 for these services. Because Humana processed these at the behavioral health copay benefit, the members in question hit the coinsurance maximum each year but incurred no deductible for the year. Humana's response on these claims was that the behavioral copay benefit was correct based on the diagnosis on the claim, but that fails to acknowledge that ABA Therapy could be applicable to the same diagnosis. JGI disputes the full paid amount for these sample claims totaling $1,875 for failure to apply the deductible and encourages Humana to consider revising its response to fully determine whether or not the ABA therapy benefit would have been appropriate on these claims.

Humana applied behavioral health benefits which call for 20 visits per year with no copayment to standard physician office visits billed with behavioral diagnoses such as anxiety, but the Broward County plan documents state that behavioral health benefits should only apply during a "plan of treatment." JGI would not expect that Primary Care Physician office visits would count as part of a plan of treatment for behavioral issues, so we dispute Audit Items 13-16 and 22-24 for a total of $175 for the lack of office visit copayments. We suspect that the intent of the benefit was to waive copay for up to 20 therapy visits per year or visits to behavioral health specialists. Broward County may want to clarify the interpretation of this benefit moving forward and possibly consider changing the language of the plan document to specify this. JGI believes there is an additional $8,614 in overpayment on out-of-sample claims for this same issue with most of this occurring under Broward's CDH High plan.

Humana seems to have waived copayments for office visits by using all diagnoses beginning with a 'Z' for much of 2016, but this approach is too broad and results in counting visits as preventive which clearly are not. Audit Item 17 did not take a $30 office visit copayment based on the primary diagnosis of *Z09 - Encounter for follow-up examination after completed treatment for conditions other than malignant neoplasm*. This diagnosis is clearly not preventive, nor does any other coding on the claim suggest preventive services. Humana states that the preventive list was updated

in August 2016 to remove this diagnosis, but we consider that a change to correct an error and not just a routine update of coding. JGI identified out-of-sample claims for the same primary diagnosis that failed to take the OV copayment which are overpaid a total of $855.

Humana covered office visits to an acupuncturist even when denying the acupuncture services rendered on the same claim. Audit Items 29 and 30 paid $226 for office visits to an acupuncturist. Broward's plan document specifically excludes acupuncture, and Humana correctly denied those services on these claims. It is unlikely that plan intent is to allow payment to an acupuncturist for other services, including an office visit, when there is no other medical reason to be seen by acupuncturist outside of receiving acupuncture treatment. We recommend that Broward County consider clarifying its intent regarding coverage of these types of services in the future. There are no out-of-sample claims for consideration for this issue.

Humana paid for biofeedback services which are specifically excluded under the Broward County plan. Audit Items 31 and 32 paid $147 for biofeedback services which are not covered per Broward County's plan document. Humana's response to these claims states "Humana members may be eligible under the Plan for PTNS (eg, Urgent PC System) when the following criteria are met: Urge incontinence; OR Overactive bladder; AND at least 12 months of symptoms that have severely impacted the member's ability to participate in social functions; AND failure of pharmacotherapies and other urinary incontinence treatments." While this internal policy may be available at Humana, overriding the plan document would require consent from Broward County on these cases. Four out-of-sample claims totaling $71 also paid for biofeedback services.

Broward County's plans generally offer coverage for in-network services only (with a number of exceptions that were accounted for in our testing), but JGI found limited cases on sample claims for which Humana waived these exclusions without meeting plan criteria for doing so. Audit Item 36 paid $4,287 to an out-of-network family physician for an office visit and oral appliance to treat sleep apnea. Humana stated that this visit was covered as billing for a new patient office visit is allowed for out-of-network providers, but JGI could find no such provision in the plan document and has never seen an exception like this before. We believe this claim should have denied. Audit Items 55, 57, 59-60, 63, 65, and 67 paid a total of $14,289 to non-participating providers on claims for which the Broward County plan was secondary to another insurance. Humana stated that it does not enforce the out-of-network exclusion on secondary claims, but there is no reason to waive plan benefits on these claims. A secondary payment requires coverage to be established under the plan just as it would for a primary payment. A service that was excluded by the Broward County

plan would not be covered whether primary or secondary, and we believe the same should apply to the requirement to use in-network providers. Humana paid $13,085 for out-of-sample claims to non-par providers for which Broward was secondary. Finally, JGI disputes the accuracy of $2,452 paid for Audit Item 157 to an out-of-network co-surgeon. The procedure was planned and not an emergency, so Humana should have enforced the plan's exclusion of out-of-network services on this claim.

Audit Item 45 paid $13,968 for a prosthetic device to treat sexual dysfunction without specific approval from the plan, and this service is excluded in plan documents. Broward's plan document does not cover services related to the treatment and/or diagnosis of sexual dysfunction. As such, coverage of this claim would require an exception to be granted by the plan. We believe Humana should credit the cost of this claim back to the plan, but it is the only claim of concern for this exclusion in the audit period.

JGI identified one member with other (presumably Medicare) primary coverage for whom Humana missed coordination on certain claims, but Humana is disputing the fact that this member had other coverage despite the fact that over 300 of the member's claims were coordinated in the audit period. Audit Item 79 paid $693 for this member whose first date of dialysis was in November of 2008. JGI assumes that this member would have qualified for Medicare based on ESRD at that time, and Medicare would have become primary for this member in August 2011 following the 30-month coordination period. Humana states that the member does not have Medicare coverage per a call to Medicare, but this does not explain why the member had over 300 claims coordinated during the audit period. JGI believes an additional $39,911 was paid for claims for this member without coordination and requests a response more specific to the member's other primary coverage from Humana.

JGI confirmed that the high volume of claims processed under generic member identifiers were for arrestees per an agreed-upon arrangement with Broward County, but we believe one of those payments was duplicated and should be refunded to the County. Audit Items 136 and 137 paid $413 each to an emergency room physician for an arrestee, and the backup detail for these claims is an exact match between provider, diagnosis, and patient account number. The arrestee's information is generally masked on these claims, but they are each approved for payment by Broward County. Humana indicates that any duplicate payment would have been caused by Broward County, but we suspect that the County would rely on Humana to identify that a case requested for approval had already been paid. Assuming this arrangement continues currently related to the arrestee division, we recommend establishing clarity with the current administrator regarding the identification of duplicate payments.

Audit Item 204 was a payment of $207 for radiological services covering pre-admission testing that should not have been separately reimbursed. Many facility contracts call for the bundling of preadmission testing into the inpatient reimbursement. JGI was able to confirm on site that this provider contract contained such a policy. Humana's response states that this outpatient claim has a different diagnosis from the inpatient claim and is allowed separately; however, JGI notes the primary diagnosis of 'Z01818 - Encounter for other preprocedural examination' is clearly preadmission testing. Proper coding of preadmission testing usually incudes this diagnosis as primary and therefore would never match the primary diagnosis of the inpatient claim. This claim should not have been paid.

JGI was unable to validate the accuracy of the transplant contract payment for Audit Item 261, and Humana has not properly addressed our contention that the date of service on the claim is within the Stage II pricing date range of the transplant agreement provided in support of the case. This transplant contract had four stages described with different pricing set forth for each stage. Each stage also shows an exact date range to which the stage is applicable for the specific case. Audit Item 261 fell into the date range for Stage II which is supposed to be priced at 60% of billed charge. Humana priced the claim at 100% of charge under Stage III pricing despite the fact that it does not fit into the Stage III date range, causing an overpayment of $11,053. JGI notes that Audit Item 260 was incurred one day prior to Audit Item 261 at the same facility and for the same member and correctly priced at 60%. Humana will need to explain why Stage III pricing would be correct for Audit Item 261.

> *Humana Response: While we can appreciate a different approach to claim administration and welcome suggestions on how we can better serve our members and providers; Humana does utilize its own proprietary system and processes to administer claim payments for Broward County during the audit period. As such, we respect that these systems may not align with most agencies wishing to conduct audits of our processes, but we do focus on meeting or exceed industry standards.*
>
> *We use a collaborative electronic workplace tool – "ShareRoom" – that provides a project-management approach to the employer's account installation. The application is focused on transforming the traditional account-installation process into health-solutions guidance by implementing a consumer-focused approach that better positions our organization to serve the Broward employees and their dependents.*

Within this tool, the New Case Document (NCD) is used to build the Plan administration, including benefits and as a point of reference for benefit clarification. Claim payment is based on the benefits and provisions described and stated in the NCD. A signature to the NCD is required from the client prior to loading the plan in the MetaVance (MTV) platform. The NCD contains more detailed information regarding the benefit structure the client has put in place such as level of appeal authority; pare logic to be implemented; excluded services; etc. As administrator we are also utilizing

JGI Final Comment: Humana's response to these disputed issues is not specific and provides no information that can be used to resolve the findings. Broward County will likely need to ask for a meeting with Humana to force resolution of these items.

INFORMATIONAL FINDINGS

Audit Items 89-93 paid $18,532 for a retired member over age 65 who did not qualify for free Medicare Part A coverage. We confirmed with the County that the plan approved continuing to pay primary for this member without Medicare estimation because the individual did not meet guidelines for free Medicare coverage. However, our understanding is that some individuals like this can still purchase Medicare Part A for monthly premiums in the range of $250-$450. JGI is not able to offer advice on what options may be available or allowed, but it may be worthwhile for the plan to explore options for helping to enroll this member in a paid Medicare plan in the future.

JGI submitted Audit Items 172-181 to assess the triggers in place at Humana for utilization review of potential abusive billing practices or visits than were not medically necessary. These cases involved repeated visits of multiple family members to the same provider on the same date of service. Humana's response to these claims indicate there was nothing billed that would trigger an investigation by the Special Investigations Unit (SIU). Further, Humana states that they follow a pay and pursue process and will route both cases to SIU for review because of the audit. JGI believes that utilization review is necessary for these cases based on the following profile:

- Audit Items 172-175 represent four of 16 same day visits by spouses to the same provider over a 23-month period. The visits cover a variety of conditions, none of which seem to require monthly follow-ups to the provider, and they paid a total of $2,280.

- Audit Items 176-181 are for spouses who had 13 same-day visits over a 12-month period to the same provider for the exact same or similar conditions, paying a total of $1,819.

JGI is not able to state with certainty that any of the payments above are errors and we have not listed any disputed amounts on these sample claims. However, we do believe that multiple family member billing patterns like these should warrant review to confirm the medical necessity of the visits. We recommend that Broward County review these general patterns in its current environment to ensure that some level of frequency of visits and particularly multiple family member visits would trigger a review.

Humana had internal procedures in place to allow payment to out-of-network providers for a variety of exceptions including radiologists, anesthesiologists, pathologists, and emergency claims. We recommend a detailed review of all such programs with the current administrator to understand exactly when the out-of-network exclusion will be waived and, just as importantly, what limits to reimbursement will be used to prevent the payment of exceptional amounts when

billed charges are high for such cases. Audit Item 224 allowed billed charges for an out-of-network anesthesiologist because of the in-network status of the facility. There is no general provision in Broward's plan document stating that the network status of all providers will follow that of the facility; however, Broward's plan document states the following under the Routine/Preventive Adult Care Services section related to colonoscopies: "…all related services (anesthesiologists, pathologists, etc.) when performed at a participating facility are to be paid at 100% of billed charges even if the anesthesiologist, pathologist etc. is not participating in the network." This hints at the general policy for out-of-network exceptions but does not explicitly state that this is allowed outside of the preventive care section. We frequently find substantial costs for clients whose administrators approach these types of claims with the goal of preventing balance billing of patients without regard to the amount paid by the plan. This results in small numbers of claims that drive exorbitant costs to the plan, often reaching 1-2% of total medical costs for our clients. Usually our clients have no idea that such procedures are in place or that in these cases the plan payment is essentially unlimited. We would be pleased to work with Broward County on clarifying plan intent regarding the approach to out-of-network claims and ensuring that the plan intent is accurately communicated and implemented for the plan.

Charts

CHARTS: SITE VISIT SUMMARY

Item	Issue	Recovery	Disputed	Comment
1	Benefit Copayments	$0.00	$0.00	All behavioral health copayments taken
2	Benefit Copayments	$0.00	$0.00	All behavioral health copayments taken
3	Benefit Copayments	$0.00	$0.00	All behavioral health copayments taken
4	Benefit Copayments	$0.00	$0.00	All behavioral health copayments taken
5	Benefit Copayments	$0.00	$600.00	Should have processed ABA therapy ded/coins
6	Benefit Copayments	$0.00	$475.00	Should have processed ABA therapy ded/coins
7	Benefit Copayments	$0.00	$465.00	Should have processed ABA therapy ded/coins
8	Benefit Copayments	$0.00	$335.00	Should have processed ABA therapy ded/coins
9	Benefit Copayments	$0.00	$0.00	Met family coins max, Humana docs show ded/oop separate
10	Benefit Copayments	$0.00	$0.00	Full copay applied, entered in wrong fields
11	Benefit Copayments	$0.00	$0.00	OOP met prior to claim
12	Benefit Copayments	$0.00	$0.00	OOP met prior to claim
13	Benefit Copayments	$0.00	$25.00	OV to PCP not treatment of behavioral health
14	Benefit Copayments	$0.00	$25.00	OV to PCP not treatment of behavioral health
15	Benefit Copayments	$0.00	$25.00	OV to PCP not treatment of behavioral health
16	Benefit Copayments	$0.00	$25.00	OV to PCP not treatment of behavioral health
17	Benefit Copayments	$0.00	$30.00	Humana had this on preventive until Aug 2016
18	Benefit Copayments	$0.00	$0.00	Copay not applicable to specialist
19	Benefit Copayments	$0.00	$0.00	Preventive OV for expanded conditions covered
20	Benefit Copayments	$0.00	$0.00	Preventive OV for expanded conditions covered
21	Benefit Copayments	$0.00	$0.00	Copay not applicable - 100% up to 20 visits
22	Benefit Copayments	$0.00	$25.00	OV to PCP not treatment of behavioral health
23	Benefit Copayments	$0.00	$25.00	OV to PCP not treatment of behavioral health
24	Benefit Copayments	$0.00	$25.00	OV to PCP not treatment of behavioral health
25	Benefit Copayments	$0.00	$0.00	Copay not applicable to ancillary services
26	Benefit Copayments	$0.00	$0.00	Copay taken correctly for Concentra UC
27	Benefit Copayments	$0.00	$0.00	Copay taken correctly for retail clinic UC
28	Benefit Copayments	$0.00	$0.00	Preventive OV for expanded conditions covered
29	Benefit Exclusions	$0.00	$113.44	OV allowed for acupuncturist
30	Benefit Exclusions	$0.00	$113.04	OV allowed for acupuncturist
31	Benefit Exclusions	$0.00	$73.58	"Plan for PTNS" circumvents biofeedback exclusion
32	Benefit Exclusions	$0.00	$73.58	"Plan for PTNS" circumvents biofeedback exclusion
33	Benefit Exclusions	$0.00	$0.00	Prescription administered during OP visit
34	Benefit Exclusions	$0.00	$0.00	Prescription administered during OP visit
35	Benefit Exclusions	$0.00	$0.00	OON ER allowed
36	Benefit Exclusions	$0.00	$4,287.29	Humana states OON OV coverage for new patient
37	Benefit Exclusions	$0.00	$0.00	Nonpar emergency admit
38	Benefit Exclusions	$0.00	$0.00	Medicaid reclamation
39	Benefit Exclusions	$0.00	$0.00	Authorization for DME rental
40	Benefit Exclusions	$0.00	$0.00	Authorization due to lack of par providers
41	Benefit Exclusions	$0.00	$0.00	Services related to covered diagnosis
42	Benefit Exclusions	$0.00	$0.00	Covered Dx from corrected claim not in dataset
43	Benefit Exclusions	$0.00	$0.00	Covered Dx from corrected claim not in dataset
44	Benefit Exclusions	$0.00	$0.00	Covered Dx from corrected claim not in dataset
45	Benefit Exclusions	$0.00	$13,967.63	Paid prosthetic for sexual dys on appeal without plan approval
46	Benefit Exclusions	$0.00	$0.00	Incorrect line level diagnosis in dataset
47	Benefit Exclusions	$0.00	$0.00	Incorrect line level diagnosis in dataset
48	Benefit Exclusions	$0.00	$0.00	Corrected claim paid secondary Dx after denial
49	Benefit Exclusions	$0.00	$0.00	Covered Dx from corrected claim not in dataset
50	Benefit Exclusions	$0.00	$0.00	Preventive OV for Dx of condition covered
51	Benefit Exclusions	$0.00	$0.00	Secondary Dx considered to allow payment
52	Benefit Exclusions	$0.00	$0.00	Covered Dx from corrected claim not in dataset
53	Benefit Limits	$161.28	$0.00	Humana states recovery is on OOS claims, 64 visits total
54	High Secondary	$0.00	$0.00	Paid member portion due from primary
55	High Secondary	$0.00	$3,381.00	Paid member portion due from primary, but OON
56	High Secondary	$0.00	$0.00	Paid member portion due from primary

Item	Issue	Recovery	Disputed	Comment
57	High Secondary	$0.00	$2,558.21	Paid member portion plus from primary, OON
58	High Secondary	$0.00	$0.00	Paid member portion due from primary
59	High Secondary	$0.00	$2,205.00	Paid member portion due from primary, but OON
60	High Secondary	$0.00	$1,911.09	Paid member portion due from primary, but OON
61	High Secondary	$0.00	$0.00	Paid member portion due from primary
62	High Secondary	$0.00	$0.00	Paid member portion due from primary
63	High Secondary	$0.00	$1,601.20	Paid member portion due from primary, but OON
64	High Secondary	$0.00	$0.00	Paid less than member portion due from primary
65	High Secondary	$0.00	$1,541.43	Paid member portion less from primary, but OON
66	High Secondary	$0.00	$0.00	Paid less than member portion due from primary
67	High Secondary	$0.00	$1,091.51	Paid member portion due from primary, but OON
68	Medicare COB	$113.25	$0.00	Should have estimated Part B
69	Medicare COB	$102.59	$0.00	Should have estimated Part B
70	Medicare COB	$0.00	$0.00	FDOD 4/25/14 and Medicare primary 1/1/17
71	Medicare COB	$0.00	$0.00	Medicare primary 5/1/18 per call to Medicare
72	Medicare COB	$0.00	$0.00	FDOD 8/24/16
73	Medicare COB	$0.00	$0.00	FDOD 2/25/14 and Medicare primary 11/1/16
74	Medicare COB	$0.00	$0.00	No ESRD or Medicare, patient deceased
75	Medicare COB	$0.00	$0.00	FDOD 8/12/16
76	Medicare COB	$0.00	$0.00	Medicare primary 10/1/15 per call to Medicare
77	Medicare COB	$0.00	$0.00	FDOD 8/24/13 and Medicare primary 5/1/16
78	Medicare COB	$0.00	$0.00	Medicare primary 5/1/17 per call to Medicare
79	Medicare COB	$0.00	$692.65	FDOD 11/3/08, should have OI primary
80	Medicare COB	$0.00	$0.00	FDOD 7/1/15
81	Medicare COB	$0.00	$0.00	FDOD 1/29/16
82	Medicare COB	$0.00	$0.00	FDOD 9/1/16
83	Medicare COB	$0.00	$0.00	FDOS 3/1/14 and Medicare primary 9/1/16
84	Medicare COB	$773.34	$0.00	Should have estimated Part B
85	Medicare COB	$1,193.04	$0.00	Should have estimated Part B
86	Medicare COB	$2,390.29	$0.00	Should have estimated Part B
87	Medicare COB	$1,572.80	$0.00	Should have estimated Part B
88	Medicare COB	$1,454.40	$0.00	Should have estimated Part B
89	Medicare COB	$0.00	$0.00	Client confirmed knowledge of this member, no Part A
90	Medicare COB	$0.00	$0.00	Age 65+, Humana states no Medicare coverage
91	Medicare COB	$0.00	$0.00	Age 65+, Humana states no Medicare coverage
92	Medicare COB	$0.00	$0.00	Age 65+, Humana states no Medicare coverage
93	Medicare COB	$0.00	$0.00	Age 65+, Humana states no Medicare coverage
94	Home Infusion	$0.00	$0.00	Fee schedule pricing correct
95	Home Infusion	$0.00	$0.00	Fee schedule pricing correct
96	Home Infusion	$0.00	$0.00	Fee schedule pricing correct
97	Home Infusion	$0.00	$0.00	Fee schedule pricing correct
98	Home Infusion	$0.00	$0.00	Fee schedule pricing correct
99	Missing COB	$0.00	$0.00	No OI per system
100	Missing COB	$0.00	$0.00	Medicaid reclamation
101	Missing COB	$0.00	$0.00	Medicare primary 10/1/15 (after claim DOS)
102	Missing COB	$0.00	$0.00	Paid member portion due from primary
103	Missing COB	$0.00	$0.00	Medicare primary 11/1/15 (after claim DOS)
104	Missing COB	$0.00	$0.00	No OI per system
105	Missing COB	$0.00	$0.00	No OI per system, auto insurance payment
106	Missing COB	$0.00	$0.00	No OI per system
107	Missing COB	$0.00	$0.00	No OI per system, COB claims from auto ins
108	Missing COB	$0.00	$0.00	No OI per system, COB claims from auto ins
109	Missing COB	$0.00	$0.00	No OI per system, COB claims from auto ins
110	Missing COB	$0.00	$0.00	No OI per system, COB claims from auto ins
111	Missing COB	$0.00	$0.00	Paid less than member portion due from primary
112	Missing COB	$0.00	$0.00	Paid member portion due from primary
113	Missing COB	$0.00	$0.00	Medicare effective 6/1/15 did not pay
114	Missing COB	$0.00	$0.00	Medicare primary 12/1/15 (after claim DOS)

Item	Issue	Recovery	Disputed	Comment
115	Missing COB	$0.00	$0.00	Paid member portion due from primary
116	Duplicate Claims	$0.00	$0.00	116/117 not duplicates
117	Duplicate Claims	$0.00	$0.00	116/117 not duplicates, mod 76 not in dataset
118	Duplicate Claims	$0.00	$0.00	118/119 not duplicates, different providers
119	Duplicate Claims	$0.00	$0.00	118/119 not duplicates, mod 77 not in dataset
120	Duplicate Claims	$0.00	$0.00	120/121 not duplicates, different providers
121	Duplicate Claims	$0.00	$0.00	120/121 not duplicates, mod 77 not in dataset
122	Duplicate Claims	$0.00	$0.00	122/123 not duplicates, different providers
123	Duplicate Claims	$0.00	$0.00	122/123 not duplicates, mod 77 not in dataset
124	Duplicate Claims	$0.00	$0.00	Original claim for 124/125
125	Duplicate Claims	$57.66	$0.00	Agreed error - duplicate of 124
126	Duplicate Claims	$0.00	$0.00	Not duplicates, multiple ER visits
127	Duplicate Claims	$0.00	$0.00	Not duplicates, multiple ER visits
128	Duplicate Claims	$0.00	$0.00	Verified different times upon appeal
129	Duplicate Claims	$0.00	$0.00	Verified different times upon appeal
130	Duplicate Claims	$0.00	$0.00	Arrestee processed under fake member
131	Duplicate Claims	$0.00	$0.00	Arrestee processed under fake member
132	Duplicate Claims	$0.00	$0.00	Arrestee processed under fake member
133	Duplicate Claims	$0.00	$0.00	Arrestee processed under fake member
134	Duplicate Claims	$0.00	$0.00	Original claim for 134/135
135	Duplicate Claims	$439.46	$0.00	Agreed error - duplicate of 134
136	Duplicate Claims	$0.00	$0.00	Arrestee, but same prov, dx, and acct number
137	Duplicate Claims	$0.00	$413.00	Arrestee, but same prov, dx, and acct number
138	Duplicate Claims	$0.00	$0.00	Arrestee processed under fake member
139	Duplicate Claims	$0.00	$0.00	Arrestee processed under fake member
140	Duplicate Claims	$0.00	$0.00	Arrestee processed under fake member
141	Duplicate Claims	$0.00	$0.00	Arrestee processed under fake member
142	Duplicate Claims	$0.00	$0.00	Arrestee processed under fake member
143	Duplicate Claims	$0.00	$0.00	Arrestee processed under fake member
144	Duplicate Claims	$0.00	$0.00	Original claim for 144/145
145	Duplicate Claims	$738.20	$0.00	Agreed error - duplicate of 144
146	Duplicate Claims	$0.00	$0.00	No duplicates to claim, multiple ER visits
147	Duplicate Claims	$0.00	$0.00	Not duplicates, separate tests per prov appeal
148	Duplicate Claims	$0.00	$0.00	Not duplicates, separate tests per prov appeal
149	Duplicate Claims	$0.00	$0.00	Humana validated multiple ER visits w/provider
150	Duplicate Claims	$0.00	$0.00	Humana validated multiple ER visits w/provider
151	Duplicate Claims	$0.00	$0.00	Humana validated multiple ER visits w/provider
152	Duplicate Claims	$0.00	$0.00	Humana validated multiple ER visits w/provider
153	Duplicate Claims	$0.00	$0.00	Humana validated multiple ER visits w/provider
154	Duplicate Claims	$0.00	$0.00	Humana validated multiple ER visits w/provider
155	Duplicate Claims	$0.00	$0.00	155/156 not duplicates, different providers
156	Duplicate Claims	$0.00	$0.00	155/156 not duplicates, different providers
157	Duplicate Claims	$0.00	$2,452.23	OON co-surgeon, planned procedure not emergency
158	Duplicate Claims	$0.00	$0.00	157/158 not duplicates, different providers
159	Duplicate Claims	$0.00	$0.00	159/160 not duplicates, different providers
160	Duplicate Claims	$0.00	$0.00	159/160 not duplicates, different providers
161	Duplicate Claims	$0.00	$0.00	161/162 not duplicates, different providers
162	Duplicate Claims	$0.00	$0.00	161/162 not duplicates, different providers
163	Duplicate Claims	$0.00	$0.00	163/164 not duplicates, different Tx sites
164	Duplicate Claims	$0.00	$0.00	163/164 not duplicates, different Tx sites
165	Duplicate Claims	$0.00	$0.00	Not duplicates, facility does not have MPR
166	Duplicate Claims	$0.00	$0.00	Not duplicates, facility does not have MPR
167	Duplicate Claims	$0.00	$0.00	167/168/169 not duplicates, different DOS
168	Duplicate Claims	$0.00	$0.00	167/168/169 not duplicates, different DOS
169	Duplicate Claims	$0.00	$0.00	167/168/169 not duplicates, different DOS
170	Eligibility	$465.29	$0.00	Did not pursue retro term
171	Eligibility	$246.50	$0.00	Did not pursue retro term
172	Billing Pattern	$0.00	$0.00	16 same day visits but no review triggered

Item	Issue	Recovery	Disputed	Comment
173	Billing Pattern	$0.00	$0.00	16 same day visits but no review triggered
174	Billing Pattern	$0.00	$0.00	16 same day visits but no review triggered
175	Billing Pattern	$0.00	$0.00	16 same day visits but no review triggered
176	Billing Pattern	$0.00	$0.00	13 same day visits but no review triggered
177	Billing Pattern	$0.00	$0.00	13 same day visits but no review triggered
178	Billing Pattern	$0.00	$0.00	13 same day visits but no review triggered
179	Billing Pattern	$0.00	$0.00	13 same day visits but no review triggered
180	Billing Pattern	$0.00	$0.00	13 same day visits but no review triggered
181	Billing Pattern	$0.00	$0.00	13 same day visits but no review triggered
182	Member Per Provider	$0.00	$0.00	Arrestee processed under fake member
183	Member Per Provider	$0.00	$0.00	Arrestee processed under fake member
184	Member Per Provider	$0.00	$0.00	Arrestee processed under fake member
185	Member Per Provider	$0.00	$0.00	Arrestee processed under fake member
186	Member Per Provider	$0.00	$0.00	Arrestee processed under fake member
187	Member Per Provider	$0.00	$0.00	Arrestee processed under fake member
188	Member Per Provider	$0.00	$0.00	Arrestee processed under fake member
189	Member Per Provider	$0.00	$0.00	Arrestee processed under fake member
190	Member Per Provider	$0.00	$0.00	Arrestee processed under fake member
191	Member Per Provider	$0.00	$0.00	Arrestee processed under fake member
192	Member Per Provider	$0.00	$0.00	Arrestee processed under fake member
193	Member Per Provider	$0.00	$0.00	Arrestee processed under fake member
194	Member Per Provider	$0.00	$0.00	Arrestee processed under fake member
195	Member Per Provider	$0.00	$0.00	Arrestee processed under fake member
196	Weekend Admission	$0.00	$0.00	Denied for nonpar
197	Weekend Admission	$0.00	$0.00	Substance abuse withdrawal, no convenience admit
198	Weekend Admission	$0.00	$0.00	Substance abuse withdrawal, no convenience admit
199	Weekend Admission	$0.00	$0.00	Substance abuse withdrawal, no convenience admit
200	Weekend Admission	$0.00	$0.00	Substance abuse withdrawal, no convenience admit
201	Weekend Admission	$0.00	$0.00	Info, first claim after admission
202	Medically Unlikely	$0.00	$0.00	Claims Xten handles, no edit on this claim
203	Medically Unlikely	$0.00	$0.00	Claims Xten handles, no edit on this claim
204	Pre-admission Testing	$0.00	$207.40	Humana states diff dx, "preprocedural exam"
205	Pre-admission Testing	$0.00	$0.00	Inpatient claim pid at DRG
206	Inpatient Readmission	$0.00	$0.00	First claim
207	Inpatient Readmission	$0.00	$0.00	Contract provision is for 3 days, this is 4
208	Inpatient Readmission	$0.00	$0.00	First claim
209	Inpatient Readmission	$0.00	$0.00	Contract provision is for 3 days, this is 4
210	CPT Pricing	$0.00	$0.00	Flat fee service billed at allowed amount
211	CPT Pricing	$0.00	$0.00	Flat fee per visit regardless of services
212	CPT Pricing	$0.00	$0.00	Percent of charge all shown on one line
213	CPT Pricing	$0.00	$0.00	Percent of charge all shown on one line
214	CPT Pricing	$0.00	$0.00	Percent of charge all shown on one line
215	Observation	$0.00	$0.00	% of charge, no OBS restriction in contract
216	Outpatient On Admissic	$0.00	$0.00	Different facility, no restriction noted
217	Outpatient On Admissic	$0.00	$0.00	Confirmed DRG
218	Outpatient On Admissic	$0.00	$0.00	No restriction noted in contract system
219	Outpatient On Admissic	$0.00	$0.00	Per diem
220	Outpatient On Admissic	$0.00	$0.00	Percent of charge
221	Outpatient On Admissic	$0.00	$0.00	Percent of charge all shown on one line
222	Non-Par	$0.00	$0.00	Emergency admit
223	Non-Par	$0.00	$0.00	ER admit, surgeon nonpar, paid on appeal
224	Non-Par	$0.00	$0.00	OON anesthesiologists allowed if par facility
225	Pricing	$0.00	$0.00	Stop loss percent of charge
226	Pricing	$0.00	$0.00	Special care unit per diem
227	Pricing	$0.00	$0.00	Stop loss percent of charge
228	Pricing	$0.00	$0.00	Stop loss percent of charge
229	Pricing	$0.00	$0.00	Special care unit per diem, excluded from stop loss
230	Pricing	$0.00	$0.00	Stop loss percent of charge

Item	Issue	Recovery	Disputed	Comment
231	Pricing	$0.00	$0.00	Second dollar stop loss less bill audit savings
232	Pricing	$0.00	$0.00	Second dollar stop loss
233	Pricing	$0.00	$0.00	Transplant percent of charge
234	Pricing	$0.00	$0.00	Blended percent of charge pricing
235	Pricing	$0.00	$0.00	Blended percent of charge pricing
236	Pricing	$0.00	$0.00	Case rate plus carve-outs
237	Pricing	$0.00	$0.00	Case rate plus carve-outs
238	Pricing	$0.00	$0.00	Case rate plus carve-outs
239	Pricing	$0.00	$0.00	Blended percent of charge pricing
240	Pricing	$0.00	$0.00	Per diem plus carve-outs
241	Pricing	$0.00	$0.00	Billed at flat fee per unit rate
242	Pricing	$0.00	$0.00	Per diem plus carve-outs
243	Pricing	$0.00	$0.00	Percent of charge pricing
244	Pricing	$0.00	$0.00	Emergency admit, no Viant discount
245	Pricing	$0.00	$0.00	Percent of charge pricing
246	Pricing	$0.00	$0.00	Percent of charge pricing
247	Pricing	$0.00	$0.00	Emergency admit, no Viant discount
248	Pricing	$0.00	$0.00	Stop loss percent of charge, small refund
249	Pricing	$0.00	$0.00	Blended percent of charge pricing
250	Pricing	$0.00	$0.00	Blended percent of charge pricing
251	Pricing	$0.00	$0.00	Per diem plus carve-outs
252	Pricing	$0.00	$0.00	Blended percent of charge pricing
253	Pricing	$0.00	$0.00	Facility termed 9/30/16
254	Pricing	$0.00	$0.00	Emergency admit, Viant discount
255	Pricing	$0.00	$0.00	Emergency admit, no Viant discount
256	Pricing	$0.00	$0.00	Second dollar stop loss
257	Pricing	$0.00	$0.00	Second dollar stop loss
258	Pricing	$0.00	$0.00	OP percent of charge
259	Pricing	$0.00	$0.00	Transplant case rate
260	Pricing	$0.00	$0.00	Transplant percent of charge
261	Pricing	$0.00	$11,053.20	Should price at Stage II 60% like 260
262	Pricing	$0.00	$0.00	Case rate plus carve-outs
263	Pricing	$0.00	$0.00	Stop loss percent of charge
264	Pricing	$0.00	$0.00	Blended percent of charge pricing
265	Pricing	$0.00	$0.00	Blended percent of charge pricing
266	Pricing	$0.00	$0.00	Blended percent of charge pricing
267	Pricing	$0.00	$0.00	Blended percent of charge pricing
268	Pricing	$0.00	$0.00	Blended percent of charge pricing
269	Pricing	$0.00	$0.00	Case rate covers series of radiation therapy
270	Pricing	$0.00	$0.00	Case rate covers series of radiation therapy
271	Pricing	$0.00	$0.00	Case rate covers series of radiation therapy
272	Pricing	$0.00	$0.00	Case rate covers series of radiation therapy
273	Pricing	$0.00	$0.00	Case rate plus carve-outs
274	Pricing	$0.00	$0.00	Second dollar stop loss
275	Pricing	$33.77	$0.00	Used wrong DRG on adjustment
276	Pricing	$0.00	$0.00	Stop loss percent of charge
277	Pricing	$0.00	$0.00	Stop loss with percent of charge carve-outs
278	Pricing	$0.00	$0.00	Stop loss with percent of charge carve-outs
279	Pricing	$0.00	$0.00	Stop loss percent of charge
280	Pricing	$0.00	$0.00	Stop loss percent of charge
281	Pricing	$0.00	$0.00	Cardiac stop loss percent of charge
282	Pricing	$0.00	$0.00	Stop loss with bill audit savings
283	Pricing	$0.00	$0.00	Stop loss with percent of charge carve-outs
284	Pricing	$0.00	$0.00	Stop loss percent of charge
285	Pricing	$0.00	$0.00	Cardiac stop loss percent of charge
286	Pricing	$0.00	$0.00	Stop loss with bill audit savings
287	Pricing	$0.00	$0.00	Stop loss percent of charge
288	Pricing	$0.00	$0.00	Stop loss percent of charge

Item	Issue	Recovery	Disputed	Comment
289	Pricing	$0.00	$0.00	Stop loss percent of charge
290	Pricing	$0.00	$0.00	Stop loss with auto payment recovery
291	Pricing	$0.00	$0.00	Stop loss percent of charge
292	Pricing	$0.00	$0.00	Stop loss percent of charge
293	Pricing	$0.00	$0.00	Emergency admit, Viant discount
294	Pricing	$0.00	$0.00	Transplant case rate
295	Pricing	$0.00	$0.00	Stop loss percent of charge
296	Pricing	$0.00	$0.00	Transplant floor discount, cannot pay less
297	Pricing	$0.00	$0.00	Authed as not transplant related, stop loss %
298	Pricing	$0.00	$0.00	Transplant case rate
299	Pricing	$0.00	$0.00	Lesser of case rate
300	Timely Filling	$0.00	$0.00	Actual receipt date 12/20 within one year
	Total	**$9,741.87**	**$49,816.48**	

CHARTS: OUT-OF-SAMPLE CLAIMS

Audit Items	Issue	Potential Recovery
301 - 641	Copays	$9,469.20
642 - 645	Exclusions	$70.88
646 - 808	COB	$57,894.75
809 - 818	Eligibility	$213.27
Total		**$67,648.10**

Humana Response

Humana.

March 9, 2018

Laura Rogers
Health Care – Broward County Government
115 South Andrews Ave
Ft. Lauderdale, FL 33301

Re: Broward County Government (Broward)

Dear Ms. Rogers,

Humana is committed to Perfect Service, meaning it focuses on doing more than just meet the industry standards. We work to exceed these standards in account implementation, ongoing administration, and employer and member support. Humana acknowledges the importance of understanding its member's needs and leverages exceptional quality business practices to address those needs. Humana appreciates the opportunity to respond to the audit from the J. Graham Inc. Healthcare Claims (JGI) auditors. Audits assist Humana in providing key improvements to overall account management as well as claim processes and procedures.

Humana would like to thank and acknowledge the time and preparation that it took for all parties to participate in this process. The dialogue is very useful and helps direct positive results that will drive improvement strategies and ultimately produce a great customer experience outcome.

It is important to note that the claim results depicted in this audit are only representative of the 300 medical claim samples that were reviewed onsite by JGI. Applying JGI's proprietary logic to 100 percent of Broward claims does not accurately reflect the financial accuracy of claims processed using Humana's proprietary adjudication logic. In order to gain greater credibility in Financial Accuracy reporting, a larger sample size is needed as well as monitoring for several quarters. Humana's current audit sampling methodology has a 99 percent confidence interval with +/- 1 percent margin of error on an annual basis.

Humana performs five primary claim quality assurance reviews during the claims payment cycle that are focused on identifying, preventing and correcting errors. We utilize our quality programs to obtain the knowledge necessary to understand people, process and technology improvement opportunities, so that we can take the necessary corrective action and apply continuous improvement steps to eliminate the reoccurrence of errors. In addition, our quality programs are designed to provide an objective review of our performance as an organization that is utilized as a benchmark for our customers and consumers.

The primary claim quality assurance reviews that occur during the claim cycle are:

- Pre-disbursement
- Peer Review

- Claims Quality Audit
- Performance Management
- Financial Recovery

You can find more detailed explanations of the onsite in JGI's report. Humana will address errors that were agreed to during the onsite as well as other observations presented within the draft report.

JGI Comment Sample # 53:
The member on this sample claim had a total of 64 visits for Home Health Care Services in 2016. Broward's benefit plan limits these visits to 60 per covered person with one visit per day. Humana agreed the member exceeded the benefit limit, paying a total of $161 for the excess visits, but the error occurred on out-of-sample claims rather than the sample claim. JGI covered all potential cases for this benefit limit in the sample.

Humana Response:
The operational area has been notified of all manual errors and processor training will be provided promptly as appropriate to ensure accurate adjudication for the Broward's membership. Financial Recovery has been initiated on the out-of-sample claim. Follow-up regarding the recoupment dollars will be provided by Broward County Government's account management team.

JGI Comment Sample #'s 68-69, 84-88:
The Broward plan is primary over Medicare for age-eligible members on active segments of employment, but Medicare becomes primary when a member is on a COBRA segment of eligibility. Further, Broward's plans call for Medicare estimation which is a reduction of benefits for members eligible for Medicare primary status if the member does not enroll in Medicare. The plan documents state: "For the purposes of determining benefits payable for any covered person who is eligible to enroll for Medicare Part B, but does not, Humana assumes the amount payable under Medicare Part B to be the amount the covered person would have received if he or she enrolled for it. A covered person is considered to be eligible for Medicare on the earliest date coverage under Medicare could become effective for him or her." Humana agreed to overpayments totaling $7,600 for these seven sample claims due to a failure to estimate Medicare Part B benefits. JGI has identified 62 out-of-sample claims paid at $4,899 and covering nine age-eligible members on COBRA requiring further review to insure an estimate of Medicare Part B benefits was applied during processing.

Humana Response:
Humana does agree to the financial errors associate with sample claims. Financial Recovery has been initiated on the in-sample claims. Follow-up regarding the recoupment dollars will be provided by Broward County Government's account management team. Any additional claims found in this category would require individual review and cannot be assumed to be in error.

JGI Comment Sample #'s 125, 135, 145:

Humana agreed to three duplicate payment errors totaling $1,235 on sample claims. While all three were likely the result of manual processor overrides, Audit Items 125 and 135 were cases where the provider also submitted a paper claim. No systemic issues were identified to prompt a greater concern for these types of potential duplicate payments. The results of the audit indicate that Humana has quality logic built into their claims system for identifying and preventing duplicate claim payments. Many of the claims sampled in the duplicate category were false positives requiring on-site review due to the lack of a provider identifier, provider name, and additional modifier fields in the data set extracted by Humana for this claims audit.

Humana Response:

Humana does agree to the financial errors associate with sample claims. The operational area has been notified of all manual errors and processor training will be provided promptly as appropriate to ensure accurate adjudication for the Broward's membership. Financial recovery has been initiated on the in-sample claims. Follow-up regarding the recoupment dollars will be provided by Broward County Government's account management team.

JGI Comment Sample #'s 170-171:

These claims totaling $712 were made recoverable by retroactive terminations, a common occurrence in healthcare. Humana acknowledges that it has not pursued recovery on these claims to date but did not offer an explanation. If the timing of recovery efforts was impacted by not pursuing these previously, Humana should consider a direct credit to make the plan whole as Humana should have attempted recovery when the retro termination was received. JGI believes there are ten out-of-sample claims also for the same issue paid a total of $213.

Humana Response:

Humana does agree to the financial errors associated with sample claims due to financial recovery not being initiated within an appropriate amount of time. Enrollment is handled electronically which is out of control of the plan administrator. Therefore, financial recovery has been initiated on the in-sample claims. Follow-up regarding the recoupment dollars will be provided by Broward County Government's account management team. Any additional claims found in this category would require individual review and cannot be assumed to be in error.

JGI Comment Sample # 275:

Approximately one-quarter of the sample claims were reviewed for accuracy of pricing as they were high dollar, highly utilized providers, or paid without a discount or over billed charge. Humana made available the provider contracts for fifteen of these providers as requested by JGI. This extensive review resulted in only one error - Audit Item 275 overpaid $34 due to an incorrect DRG rate being applied upon adjustment of the claim. JGI was able to verify pricing on all other sample claims reviewed. The number of these claims paid at percent of charge methodology or at a DRG over billed charge would make hospital bill audit and DRG validation audit functions more important if ongoing, but Broward will need to assess this under its current arrangement to determine the applicability and use of these programs.

Humana Response:
The operational area has been notified of all manual errors and processor training will be provided promptly as appropriate to ensure accurate adjudication for the Broward's membership. Financial Recovery has been initiated on the in-sample claim. Follow-up regarding the recoupment dollars will be provided by Broward County Government's account management team.

Disputed Findings
While we can appreciate a different approach to claim administration and welcome suggestions on how we can better serve our members and providers; Humana does utilize its own proprietary system and processes to administer claim payments for Broward County during the audit period. As such, we respect that these systems may not align with most agencies wishing to conduct audits of our processes, but we do focus on meeting or exceed industry standards.

We use a collaborative electronic workplace tool – "ShareRoom" – that provides a project-management approach to the employer's account installation. The application is focused on transforming the traditional account-installation process into health-solutions guidance by implementing a consumer-focused approach that better positions our organization to serve the Broward employees and their dependents.

Within this tool, the New Case Document (NCD) is used to build the Plan administration, including benefits and as a point of reference for benefit clarification. Claim payment is based on the benefits and provisions described and stated in the NCD. A signature to the NCD is required from the client prior to loading the plan in the MetaVance (MTV) platform. The NCD contains more detailed information regarding the benefit structure the client has put in place such as level of appeal authority; pare logic to be implemented; excluded services; etc. As administrator we are also utilizing

Closing

Humana strongly supports the goals of the audit, namely the establishment of the most accurate and efficient services for the many members covered under the Broward medical plan. Our commitment remains high and we will continue to strengthen our relationship to ensure correct practices, policies and procedures are in place throughout our organization for all Broward members.

Respectfully,

Kay Taila
Director
Service Quality Organization
Humana Inc.