PROVEN RESULTS

WellRithms

Triggering Savings: After a Misfire, WellRithms Reduces Bill by 82% with Sustainable Claims Pricing

SIGNIFICANT FINDINGS

How WellRithms Out-of-Network Review and Repricing reduced a surgery bill by 82% after a firearm discharge.

The initial \$116,225 bill was repriced at \$21,413, saving \$94,812.

BACKGROUND

After an accidental gunshot injury led to surgery and subsequent billing complications, a group health member in Pennsylvania faced a daunting \$116,225 bill. His injury, a damaged fifth metatarsal of the left hand, was serious enough to warrant surgical intervention with an open reduction and internal fixation (ORIF) using plates and screws, complemented by a nerve graft procedure. The hospitalization required for this treatment was brief—a single overnight stay—but the financial implications proved to be anything but simple.

RESULTS

WellRithms first discovered a significant overcharge for the nerve graft used in the surgery, billed at almost \$38,000 when its actual cost was just \$3,000.

After discovering that overcharge and continuing an exhaustive review of the bill, WellRithms' Sustainable Claims Pricing (SCP) System compared the billed amounts to actual costs and standard markups to identify clear overcharges. The SCP system includes rich data to determine the usual and customary rates for implants and services, instead of a simple multiplier of Medicare rates.

Billed Charges	\$116,225
WellRithms Reductions	\$94,812
Final Payment	\$21,413
Without WellRithms	With WellRithms
\$116.225	→ \$21.413

In the case of the implant overcharges, the step-by-step SCP process included:

- Identification of Overcharges: The system flagged the \$55,828 implant charge as a critical issue.
- **Cost Analysis:** The actual cost of the implants was determined to be \$5,175, far below the charged amount.
- Mark-Up Adjustment: WellRithms applied an industry-standard 25% mark-up, revising the fair implant price to \$6,469.

WellRithms' Chief Medical Officer Ira Weintraub, M.D., observed, "We've seen a lot of cases, but this one stood out. That a patient could be charged over ten times the cost of an implant is unconscionable. Our system is designed to catch exactly these kinds of issues, ensuring that patients are billed fairly, based on real costs plus a reasonable profit margin for the providers."

The final review recommended payment of \$21,413 to the hospital, reflecting WellRithms' commitment to accuracy and fairness. This figure not only fell within industry standards but also aligned with the hospital's historical acceptance rates from its con-tracted payors. The SCP System's intervention resulted in a substantial reduction, safeguarding the patient from financial distress, and setting a precedent for future billing accuracy.

