

Report Discrepancies Explained

8.6

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The following document defines and explains the main variables that cause numerical report discrepancies.



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Fill Date versus Adjudication Date

An Rx has different date components. The fill date is obvious – there is one fill date for an Rx and this fill date may have been backdated. However, for each plan associated with the Rx, an adjudication date is also available. For real time plans, the adjudication date is returned by the third party. For paper plans, the adjudication date is typically equal to “today”. A single Rx could have two or more real time third party plans whereby the adjudication date fall under different days and each of those can even be different than the actual fill date. This can be especially true with Rx’s that are backdated – the fill date may be set to an earlier day, but the adjudication date is still “today”.

In most but not all cases, the fill date and the adjudication date will match. It is those exceptions that can appear to throw off certain reports.

When attempting to compare one report against another, always look at the report header – it will indicate if the report is based on fill or adjudication date. Never compare a fill date report against an adjudication date report. They might match up, but over a large period, they likely will not. Note that most **Rx-based reports use the fill date** and most **plan-based reports use the adjudication date**.

Kroll’s **Plan Summary Report** is a bad one for dates. Retail clients wanted to be able to count the number of Rx’s filled for each plan. Therefore, this is effectively an Rx-based report but broken down by plan, which is usually based on adjudication date. As a single Rx can contain multiple plans, we can only count the Rx once. Therefore, the Rx is attributed to either the first paying plan or the primary plan (based on a user option). Never use this report to compare against other plan-based reports. It will never appear to balance. Note the disclaimer on the bottom of this report, “...do not use this report to reconcile your third party claims...”

Reversals and Net Totals

All of our reports will include explicit “Reversal” amounts and subtract them from the forward amounts to provide a “Net Totals” value. Typically, if an Rx is filled and reversed within the report date range, it will simply not be included in the totals. When you do see a “Reversal” amount, it will be for an Rx that was reversed during the report period but was originally filled prior to the report period.

A script that was filled in January and reversed in February will appear as a forward claim when printing a report with a January period; will appear as a reversal when printing a report with a February period; but will simply not appear at all if printing a report that encompasses the entire January/February period.

Most reports will designate these prior period reversals as “Reversals” or “Prior Day Reversals”, all of which should be read as “prior period” reversals. Note that the **Adjudication Totals Report** is different in that it separates reversals into “same day” and “prior day” reversals. Even if this report is run for a

monthly period, any Rx reversed on a day other than the day it was filled will be counted in the “Prior Day” column.

This report works this way as it is intended to match exactly with the values returned by real time third party plans when requesting on-line daily summaries. If you run this report and compare it against another adjudication date-based report, the reversals count may appear differently as all other Kroll reports are using the entire report date range to determine if a reversal fell outside of the entire range.

Backdates

Please be aware that if you run a “fill date”-based report immediately at the completion of a period and then, at a later date, rerun that report for the same date range, it may not match the original report, this is caused by backdates. A backdate is the only way that a report run in the past can effectively be changed in the future.

When reconciling one report against another, especially with fill-based reports, always use reports that are printed on the same date and approximately at the same time – never try to balance a fill-based report printed at the end of March with another report for the same period range but printed at the end of April.

If you have specific reporting periods and an Rx is backdated to a previous period, you might want to manually record this Rx on a form so it can be properly reconciled.

The Kroll database records the real date (“today”) when a backdate takes place and this is noted on some reports.

Note that adjudication date-based reports are not affected by backdating. You cannot change “today’s” date. No matter what date you backdate the Rx, “today” is always the adjudication date for this Rx’s plan (unless the real time third party should happen to return a different date such as for a script filled after midnight, Eastern Time.)

Pending Adjudication

On the main Kroll “Start Screen”, there is a tab named “Pending Adjudication”. Prescriptions that have been filled (or cancelled) and either not yet transmitted to the third party or, transmitted but have not yet had their response reviewed will appear in this tab.

The screenshot shows a software interface with a tab labeled "Pending Adjudication (51)". Below the tab is a table with the following data:

#	Status	Rx Num	Fill Date	Qty	Patient	Drug
1	Pending Adj	1101364	27/04/2006	50	Esi Patient	Coumadin 5mg

During the course of a day, it is perfectly legal to have Rx's temporarily appear in this area as they are actively in the process of being adjudicated and reviewed. However, at the end of the day, in theory, there should not be any items left in here unless there is a deliberate reason, such as the third party being down at the end of the day.

When running reports such as **Adjudication Totals** and **Plan Breakdown**, these Rx's will appear at the top of each report in a section titled "Claims Not Transmitted". The potential outstanding amounts of these claims are attributed as "Cash" amounts as the amounts to be paid by those third parties are unknown at this time.

Therefore, claims in this pending adjudication state do not cause imbalances in the reports but once adjudicated, may change where the amounts ultimately appear.

Claims Invoice Report

Net Amount Representation

For retail purposes, when submitting a claim to a third party insurer, some request that the amount billed on the invoice be inclusive of the local patient co-payment amount; others require the amount to exclude the co-payment.

The same two claims are shown below, one with and the other without the co-payment amount included in the Net column.

Total DIN SA #	PrevPaid Co-pay	Net Fill Date Mfr
187.60	150.08	32.54
02246354	4.98	15-Mar-2006 Mfr: AMG
1,838.80	1,471.04	346.94
02246360	20.82	28-Mar-2006 Mfr: AMG
2,026.40 25.80	1,621.12	379.48

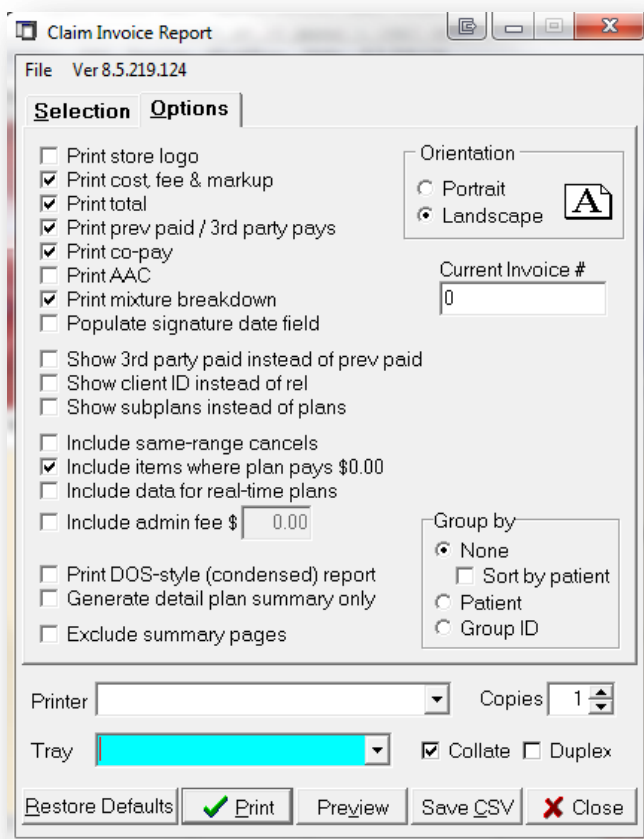
Total DIN SA #	PrevPaid Co-pay	Net Fill Date Mfr
187.60	150.08	37.52
02246354	4.98	15-Mar-2006 Mfr: AMG
1,838.80	1,471.04	367.76
02246360	20.82	28-Mar-2006 Mfr: AMG
2,026.40 25.80	1,621.12	405.28

By default, the Kroll system will include the co-payment amount in the Net column as most third parties request it this way. This Net amount is also shown in the summary sections of this report. However, please note that all other Kroll reports always show the amount being billed to that third party exclusive of the local patient co-payment. If any one of your third parties are set to the default and you attempt to match up the report summary of the **Claims Invoice** report against another report showing the amount billed to the third party, the amounts will not appear to match when co-payments are involved!

If your paper plan(s) require the non-default operation – the net amount should not include the co-payment value – please contact Kroll for assistance to set up each third party to use the “Paper Claim-Net Amount” reporting option for each individual plan affected.

Only if all third party plans are set to the non-default setting will the report’s grand total Net amount balance with other plan-based Kroll reports. As this is unlikely, you will not be able to match the Net amount on this report with that on other reports.

Report Options



Please be aware of the following report options:

If the Group By option is set to “None”, all claims will be printed on the same page ordered by fill date. Grouping by patient is used if you require claims for a single patient to appear on a page by itself. Group ID will order claims by the patient’s “Group ID” entered under their third party plan.

You should ensure the option “include data for real-time plans” is not checked. There are other reports that would be more efficient to report real-time plan totals such as the **Adjudication Totals** report.

Also, by using the above option, the report grand totals should then match with other Kroll reports that break out “paper claims” totals assuming there are no tertiary plans billed as noted in the next section.

Tertiary Plans Imbalances

For each third party claim, we will provide the various dollar values such as Cost, Mark up, Fees and Totals if those items have not been “hidden” via the options on the report form. However, those values are entities of the Rx as a whole. If the same Rx should have another plan that is being billed during the same pass of this report, we will also show that plan the same Rx Cost, Markup, Fee and Total. For each plan, we will subtotal these amounts and then, for the overall report summary, each plan is shown and the grand total for the report is the sum of all these.

If you had only a single Rx for \$100 that was billed to two different plans, both of which are included in this report, then the subtotal for each plan will show the \$100 Rx total, and one claim. However, the report grand total will show each plan’s subtotal and add these together to produce a grand total of \$200 and 2 claims when in fact, the true total Rx cost is only \$100 and involves only a single Rx. This anomaly in this report’s grand totals is unavoidable and will make the grand total of this report to not balance with other reports.

Reconciling

So knowing all of the above, how do you balance one report against another?

For fill date-based reports, you can run the following on the same day for any range and all should balance:

- Daily/Montly Totals
- Rx Breakdown
- Rx Totals
- Profit/Loss

When explicitly broken out, always look at the Net amounts.

For adjudication date-based reports, run the following:

- Plan Breakdown (do not check any of the “Exclude” options)
- Adjudication Totals (do not exclude “zero-amount” claims)
- Claims Invoice (Best to “Exclude items where plan pays 0.00” and NOT “Include data for real-time plans” as this helps to eliminate most tertiary plan billing that will misrepresent the grand totals as noted above)

Plan Breakdown breaks out the online plans versus manually billed plans as well as providing a grand total. **Adjudication Totals** will also provide the same kind of breakdown. **Claims Invoice** report, assuming you have used the options noted above, will show a grand total that should match the “Manual Plans” amount of the two other reports.

Summary

Please be aware of the following key points noted above when attempting to reconcile reports:

- Never compare fill date-based reports with adjudication date-based reports. When in doubt, look at the report header that shows which date is being used.
- Never use the **Plan Summary Report** in comparing with other reports.
- Always compare reports printed on the same date – look at the “Printed On” date on the report header.
- Be aware of how previous-period reversals are reported – always use the “Net” amount columns when comparing reports.

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