

Leprechaun provides you with comprehensive ASP-based, turn-key HCC management tools and reports — with extensive training and support — so that you can effectively perform HCC management.

- Regularly updated identification of member records which should be retrospectively evaluated along with specific codes that should be looked for in the records
- Regularly updated identification of members with certain diseases who have not been seen during a specified period by their physician but should for the purposes of Quality Assurance
- Medical record reviewer training and management tools
- Proprietary software tools for real-time use by medical record reviewers along with daily results tracking showing the economic value of their activity
- Provider profiling reports, training materials and reporting tools
- Distribution analyses comparing your HCC member distribution to regional and national benchmarks

For Clients wishing to manage their own Leprechaun-powered HCC management program, Leprechaun offers real-time results tracking of retrospective recovery results, with a suite of management reports available to executives at the push of a button. Leprechaun will also train your nurses and certified coders on our system, making them faster, more effective, more accurate, and ready to produce from their first day

HCCs and Quality

For all the industry buzz about the financial implications of raising your risk score, there is another reason for tracking your patients better: quality of care. Ensuring that your claims record accurately reflects your members' medical conditions is a first and vital step for improving care management and overall clinical outcomes. In particular, the risk adjustment program provides an opportunity to engage with providers in pay-for-performance initiatives, aligning incentives based on provider satisfaction and patient care.

Why Leprechaun?

- EASY** We fully accommodate your IT processes to collect and analyze needed data – because we process the data, we do not tie up your IT resources.
- FAST** From the time we receive your data files, we present an initial analysis of your potential opportunity within 6 weeks. This means that you will be in a position to quickly identify gaps in your HCC management, and begin planning around course corrections.
- PROVEN** Leprechaun's services generate rapid and immediate return-on-investment, for far less than it would cost to build your capabilities from scratch. Unlike any other company in the market, we return fees paid when baseline intervention targets are not met.



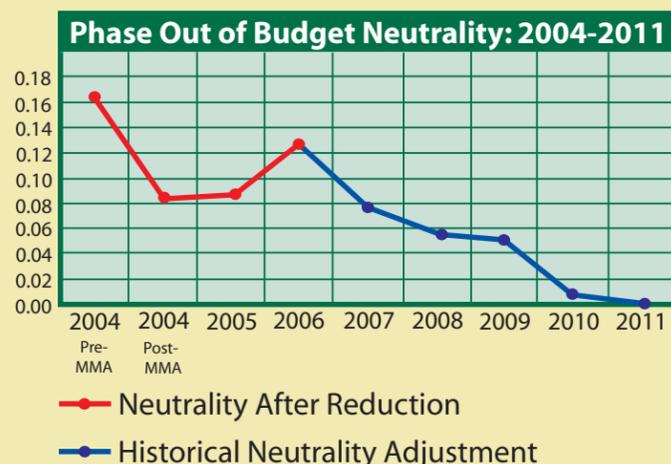
Is your organization prepared to manage the Medicare risk adjusted payment system?



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HCC management is the single most important strategic priority for Medicare Advantage plans today. The elimination of the budget neutrality factor from plan payments means that CMS's 4% payment increase in 2007 has effectively been reduced to zero.

HCC management is the only lever available to plans to hedge against this looming financial challenge. Only by raising your RAF score to accurately reflect the health status of your members will you increase quality and bring your CMS payment to its correct level at a time when medical costs continue to soar. Is your plan ready?



In this new world, especially considering the adverse selection to MA plans resulting from Part D, the effective and proactive management of HCCs will determine who is profitable and who is not.

The Medicare risk adjustment payment system (Hierarchical Condition Category or "HCC") uses clinical coding information to calculate Medicare Managed Care Organizations' risk premiums. With risk adjustments on payments reaching 100% in 2007 after a lengthy phase-in, the HCC system is having a profound impact on plans' revenues and profitability. It also offers a compelling opportunity to positively affect patient outcomes. If an MCO does not have an accurate reflection of its members' health status, how can it ensure their care is of the highest quality?

The single most important action your plan can take to improve both quality of care and payments from CMS is mastery of the HCC system. Success in the environment of complete risk adjustment demands that you work with providers to ensure complete and accurate coding — to find the revenues that are being left on the table by every plan in the program.

That's where Leprechaun comes in. Already in place at numerous plans across the country, Leprechaun is identifying and retrieving between \$60-90 PMPM in incremental revenues.

We are the next generation solution to today's greatest Medicare Advantage plan imperative.

How We Help Three integrated elements in the Leprechaun product suite give you the comprehensive toolset that you need to successfully manage under the Medicare HCC system: **1) Correct Coding Identification, 2) Intervention Services, and 3) ASP-Based Management Tools.**

Correct Coding Identification Leprechaun's Correct Coding Identification program uses sophisticated neural network and predictive modeling tools to identify individual members, providers, and HCCs for which provider coding is inaccurate or incomplete. When these are corrected, you maximize the CMS revenues to which you are entitled under law.

This processing is supported and managed entirely by Leprechaun at our highly secure data center, requiring no additional burden on your internal IT systems. We recognize that every plan is different, so we provide a variety of options for plans to manage their HCC program — both retrospective recovery and prospective provider education — ranging from "data-only" to fully outsourced.

Intervention Services It's not enough to identify opportunities. You must then retrieve the dollars to which you're entitled. Leprechaun's Intervention Services help ensure that your plan capitalizes on the retrospective and prospective coding opportunities identified by our technology.

To ensure that retrospective coding inaccuracies are corrected, we field teams of trained nurses and certified coders who use Leprechaun data outputs to engage in highly focused interventions at your provider offices. Throughout this process, our teams work carefully with staff to ensure minimal office disruption and maximum accountability for our efforts.

Year	Health Plan 1		Health Plan 2		Health Plan 2*	
	PMPM	▲ to prior year	PMPM	▲ to prior year	PMPM	▲ to prior year
2006	\$791	N/A	\$722	N/A	\$722	N/A
2007	\$814	3%	\$724	0%	\$761	5%
2008	\$838	3%	\$745	3%	\$823	8%
2009	\$863	3%	\$767	3%	\$887	8%
2010	\$881	2%	\$783	2%	\$947	7%
2011	\$919	4%	\$817	4%	\$1,030	9%

In this chart, Health Plan 1's revenues are trended forward, with no increase to plan RAF score. Health Plan 2 is shown in two scenarios. In the first, its RAF is kept constant. In the second, it is increased 5% per year. The effect on plan revenues is profound.

ASP-Based Management Tools Even more importantly, we help you get coding right prospectively. No MCO wants to go to CMS year after year with retroactive appeals for increased revenue. Not only does it strain the sensitive relationship you have with CMS, but getting to that point is a time consuming effort. To that end, Leprechaun gives you the tools and educational programs you need so that you can prospectively work with your providers to ensure that your members are appropriately evaluated and coded for every time they visit their provider.



Leprechaun HCC Management Outsourcing

Project: Training Material

CHART REVIEW OVERVIEW: Mercy Health Plans is conducting an annual medical record review of our Medicare Advantage members. We are in the process of reviewing medical records to ensure that they accurately reflect the health status of our beneficiaries as we prepare to submit all ICD-9 diagnoses attributed to our members to the Centers for Medicare & Medicaid Services (CMS) for 2006 dates of service.

WHY IS THIS IMPORTANT? Medicare Advantage organizations like Mercy are annually required to submit all documented diagnoses for Medicare Advantage Members to CMS. CMS then determines its capitated payments to health plans based on the health status of plan members. This is identified by ICD-9 codes. It is critical that all relevant ICD-9 codes for our beneficiaries have been accurately identified and submitted to CMS.

HOW CAN YOU HELP? Mercy has contracted with Leprechaun LLC, an HCC data management company to conduct data analysis of Mercy claims, eligibility, pharmacy, and provider files. Leprechaun has compiled a list of member charts that have a high statistical probability of unbilled clinical codes stored in the medical record. In the next few weeks, a Leprechaun representative will be contacting you to schedule a convenient time for an onsite visit to further review these charts.

WHY IS SCANNING NECESSARY? Scanning allows the review to be completed in a faster and less intrusive manner. Also, as charts are reviewed, a reference to supporting documentation is created using collected diagnoses. By storing the documentation electronically, Mercy will have access to data submitted to CMS for auditing purposes. Leprechaun has quality checks in place using peer-to-peer reviews. Storing data onsite allows greater oversight of the data collection process.

WHAT ABOUT HIPAA COMPLIANCE? Compliance with this request is not a HIPAA violation. Privacy regulations under HIPAA permit the disclosure of an enrollee's protected health information (PHI) to the health plan when requested for quality related activities, accreditation and performance measures. All data collected for this review will be stored in an access-controlled location to ensure HIPAA compliance.

In the next few months, you can expect to receive a call from a Leprechaun representative. This representative will share further details about this project with you and arrange a time to review and electronically scan selected charts in your office. Our team of scanners aim to complete this process with as little disruption to your practice as possible.

We appreciate your cooperation and look forward to working with you.

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