

Wellnecity®

Simplify Complexity, Cut Costs.

NEWSFLASH!

Another Success Story: \$1.5M Stop Loss Error Found and Fixed

Presented by Bill Frack, Co-founder & Chief Development Officer

Shortly after publishing our last newsletter, [Eliminating Costly Health Plan Leakages: Real Losses Recovered](#), I was alerted to another significant underpayment. In 2024, our client experienced an under-reimbursement of \$1.5M from their Stop-Loss provider— a substantial impact for a plan covering approximately 1,800 employees.

Why did this occur? Poor carrier reporting – across multiple members for multiple different reasons.

You might ask “What is NOT in your wallet”!

Schedule of underpayments

Q1 2024

- Carrier omitted member #1 from their Specific Stop-Loss (SSL) report, which resulted in mitigated costs of \$1.3M
- Carrier mis-identified member #9, missing out on \$6K spend
- Wellnecity followed up with Carrier, presenting details to correct both of these issues, which Carrier confirmed and corrected.

Q2 2024

- Carrier did not account for pharmacy spend for member #2 and member #11 in their SSL report
- Wellnecity followed-up with Carrier to have the pharmacy spend included in the eligible stop-loss spend

Q4 2024

- Carrier did not account for the following in their SSL report:
 - Member #13 – \$172K in missed medical spend
 - Member #15 – \$155K in missed spend across medical and pharmacy
 - Member #16 – \$70K in pharmacy spend not accounted for
- Wellnecity coordinated with Carrier to include the missed spend for all the above members by presenting detailed spend information and verifying reports generated by Carrier

Wellnecity worked directly with the carrier to correct these mistakes and reverse the underpayment.

Have comments? Contact me directly at b.frack@wellnecity.com.

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