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Coalition America Combats Rising Out-of-Network Medical Costs for Managed Care Organizations

Atlanta, GA, February 26, 2004... Coalition America, Inc. (CAI), the leader in medical claim savings, is working with health maintenance organizations (HMOs) and other managed care companies nationwide to discount covered out-of-area/out-of-network medical bills.

“We have worked with Coalition America for several years and are very pleased with their results,” said Robert F. Kaye, Vice President of Claims Administration for HealthSpring USA, LLC. “Successfully discounting covered out-of-area and out-of-network medical bills is important for us to remain competitive in our marketplace,” continues Kaye.

Traditionally, HMOs focused on impacting utilization, administrative costs, and fees paid to participating network providers to provide competitive pricing. “Today, managed care companies are seeking relationships that can impact the dollars spent on out-of-area/out-of-network costs because they recognize this can result in significant, immediate savings,” said Scott Smith, President, Coalition America, Inc.

Depending on the location and provider coverage available to health plan members there can be as much as 10% of the billed charges from non-participating providers. This leaves potentially millions of dollars undiscounted and impacting the organization’s bottom line.

EXAMPLE: A 100,000 member HMO with 5% of covered billed charges from non-participating providers can experience \$15,000,000 or more in out-of-network charges per year.

However, by working with CAI, this same organization can potentially realize from \$1,000,000 to over \$2,000,000 in savings each year, depending on specific provider utilization.

About CAI

Coalition America, Inc. (CAI) is the leader in medical claim savings utilizing proprietary technology, PPOs (preferred provider organizations) and negotiations to deliver significant discounts on group health and workers’ compensation medical bills. Clients interface with CAI through HIPAA compliant EDI (electronic data interchange) or the Internet to reprice in-network and out-of-network medical claims. CAI has saved its clients over 600 million dollars since its inception in 1995.

For more information about Coalition America please visit www.coalitionamerica.com or contact Libby Roper, Director of Marketing and Public Relations at 404-459-7201, ext. 5265 or libbyroper@coalitionamerica.com