



# THE RESULTS

**For 10 years, ELAP has delivered unparalleled cost savings for self-funded health plans.**

## Reference-Based Pricing

In addition to capping the provider/hospital charges or fees, Reference-Based Pricing provides complete visibility into those hospital charges.

### Reference-Based Pricing

- All payments are based on an equal and quantified pricing system
- ELAP uses Medicare as the baseline
- The Government is the largest payer of healthcare claims
- The scale is Medicare pricing, we pay at medicare +20% or 120% of medicare pricing
- No undisclosed or incomputable spread

### Parameters

- Administered as a self-funded plan
- No hospital network
- Focus on big ticket hospital claims
- Physician network through PHCS or similar
- Reimbursement- the greater of 120% of medicare pricing or hospital costs as filed with CMS which is paid at hospital cost +15% = 115% of hospital costs
- Detailed line item medical bill review
- No member balance billing
- Full legal support to handle payment disputes and settle claims, paid 100% by ELAP

### Advantages of Reference-Based Pricing

1. Greatly reduced hospital charges
2. No network restrictions
3. Limited to no member liability
4. Fully customizable plan designs
5. 85% + acceptance of reimbursement schedule
6. Creative and progressive approach to healthcare coverage
7. Last option or Obama Care
8. You are currently paying **RETAIL** for you health insurance benefits
9. Under Reference-Based Pricing you will be paying **WHOLESALE** for you health insurance benefits.

### You Don't Have to Treat Healthcare Differently

- The "Prudent Man Rule" guides Reference-Based Pricing
- ERISA Law requires plan fiduciaries to pay only the reasonable expenses of administering the plan- with care, skill, prudence and diligence. State contract law infers a "reasonable" price into any contract without a stated price- something hospital bills never do
- Is it "reasonable" or "prudent" to pay medical bills as a percentage of billed charges?

P.P.O. vs. R.B.P. Savings			
PPO Claim Payment*		R.B.P. Payment*	
Hospital Billed	\$91,000	Hospital Billed	\$91,000
PPO Discount- 45%	\$41,000	Medicare Approved Payment	\$21,800
Insurance Pays	\$50,000	ELAP Pays	\$37,080
<b>Employer Savings with PPO</b>	<b>\$41,000</b>	<b>Employer Savings with R.B.P.</b>	<b>\$53,920</b>
*see attached medicare bill			

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## Claim Details

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### Claim Information

Claim Number:  
21715900898504ILA

Claim Type:  
Inpatient

Start Date:  
06/01/2017

End Date:  
06/04/2017

Date of Admission:  
06/01/2017

Type of Admission:  
3 - Elective

Benefit Days Used:  
3

Operating Physician Name:  
PURI, LALIT

Attending Physician Name:  
PURI, LALIT

Other Physician Name:  
BLUM, STEVEN L

Provider Billing Address:  
9730 EAGLE WAY,  
CHICAGO, IL 60678-1973

Provider Street Address:  
NORTHSHORE UNIVERSITY HEALTHSYS  
2650 RIDGE AVE,  
EVANSTON, IL 60201-1718

Medicare processed the payment of this claim for Inpatient services on 6/9/2017. The payment of \$21,804.99 was for services from 6/1/2017 through 6/4/2017. Please refer to your Medicare Summary Notice for the amount you are responsible for paying. This amount will include \$1,316.00 that was applied to your Medicare deductible.

[Order MSN](#)

### Payment Summary

Total Amount Charged:  
\$91000.71

Total Non-Covered Charges:  
\$0.00

Medicare Approved:  
\$91000.71

Medicare Paid You:  
\$0.00

Medicare Paid Provider:  
\$21804.99

Cash Deductible:  
\$1316.00

Co-Insurance:  
\$0.00