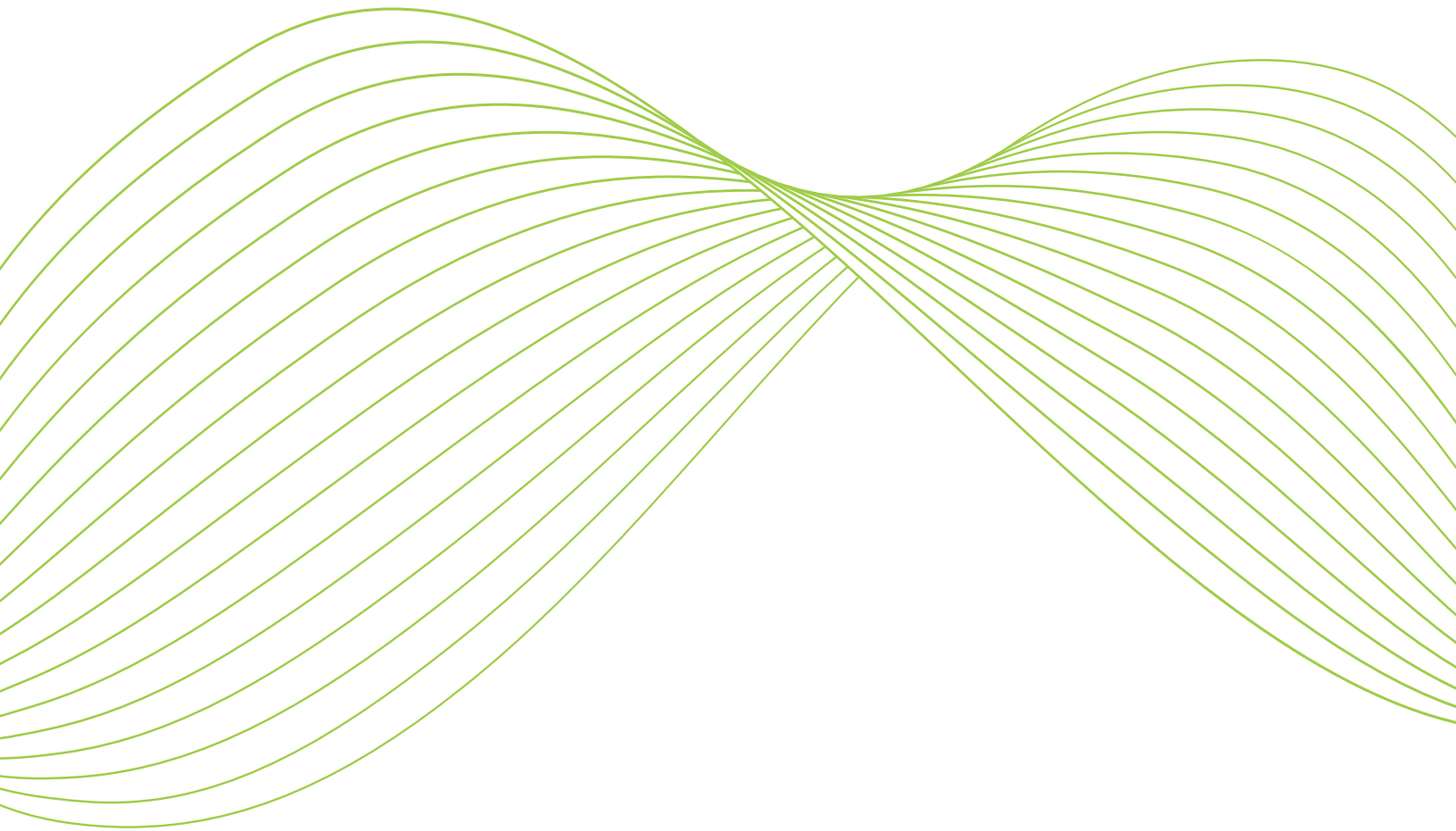


2022

# The Definitive Guide to Genetic Testing for Health Plans

## PART II. The Solution

Unify UM, claims & network management for an end-to-end genetic testing solution



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This whitepaper is Part II of a 2-part series. Part I, which focuses on the challenges in genetic testing and requirements for an effective solution, is available at [concertgenetics.com/definitive-whitepaper-part-1](https://concertgenetics.com/definitive-whitepaper-part-1)

# Introduction:

## The Concert Genetics Benefit Program

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### An end-to-end genetic testing management solution that unifies UM, network management, and payment accuracy

Genetic testing has been in clinical use for more than 20 years, yet most health plans continue to experience unnecessary waste and administrative burden associated with it. This is true even for plans that have a vendor (or multiple) engaged to manage it. Why do these problems persist?

Three fundamental challenges of this market have prevented sustainable solutions.

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#### Challenge #1 : Inability to identify the test

There are more than 175,000 unique orderable genetic testing products on the market, but plans have no reliable way to identify them in complex claims and prior authorization requests.

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#### Challenge #2: Rapidly changing market landscape

The genomic revolution has given rise to successive waves of change in genetic testing across multiple dimensions. Technology, evidence, guidelines and the testing market are all changing too rapidly for most plans to manage.

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#### Challenge #3: Fragmented approach across organizational silos

As the above factors manifest in different departments, functional leaders address issues with point solutions—delegated entities for UM, claim editors for payment integrity—that don't solve the problem in a holistic, sustainable way.



These challenges are described in greater detail in Part 1 of this whitepaper, which can be accessed at [concertgenetics.com/definitive-whitepaper-part-1](https://concertgenetics.com/definitive-whitepaper-part-1)

## Fundamental solutions

The Concert Genetic Benefit Program solves the fundamental challenges in genetic testing management, providing test identification, coding standards, evidence-based coverage criteria, pricing data, and payment accuracy capabilities, all integrated on a common data platform for efficient implementation. The program has clinical, operational and financial benefits that improve performance and yield measurable results.

### Clinical, operational, and financial benefits

Program components address key departmental needs across the plan to enable a unified approach to this complex area.

### Network

Network leaders achieve coding consistency and billing integrity through the use of an innovative payment policy that establishes test-specific coding standards and the use of the GTU test ID (see page 6 and 9). Quality and market pricing are accomplished through lab network optimization strategies that include collecting quality information, implementing a market-based fee schedule, and negotiating fair rates with priority labs.

### Clinical and UM

Clinical and UM leaders achieve consistent, evidence-based coverage decisions with medical policy and coverage criteria that clearly align to the tests ordered in the clinical setting. Those who opt to delegate genetic testing management can integrate Concert’s capabilities regardless of their preferred vendor.

### Claims and payment integrity

Claims and payment integrity leaders deliver accurate and timely payment decisions with market-leading pre-pay claim edits and quickly identify and correct errors with unique post-pay insights.

### Measurable results

As a result of this unified approach, the plan achieves measurable results in claims cost management and administrative efficiencies, all while lowering provider abrasion and improving member satisfaction through a program that delivers clear, consistent, evidence-based decisions.

#### Examples of customer experiences

<b>Value Drivers</b>	<b>Codes per test</b>	<b>Unit costs</b>	<b>Manual reviews</b>
	33% ↓ <sup>1</sup>	40% ↓ <sup>2</sup>	50% ↓ <sup>3</sup>
<b>Overall Outcomes</b>	<b>Medical costs</b>		<b>Administrative costs</b>
	10-30% ↓ <sup>4</sup>		10-30% ↓ <sup>5</sup>

***“Concert Genetics has, in a matter of months, eliminated genetic test panel coding problems that have existed for years.”*** – Medical Director

<sup>1</sup>Health Plan A reduced CPT codes per claim by 33% within 12 months of implementation of Concert payment policy.

<sup>2</sup>Health Plan B reduced per test price in key domain(s), including hereditary cancer testing and non-invasive prenatal testing, by 40% over 24 months via contracting and code reduction.

<sup>3</sup>Health Plan C reduced scope of prior authorization & post service review by expanding coverage, implementing standard coding & negotiating favorable prices from high volume laboratories. These changes enabled the plan to remove codes from prior auth while still experiencing lower total claims costs.

<sup>4</sup>All Concert customers have experienced at least 10% medical cost reduction (controlling for new test category introduction over life of contract).

<sup>5</sup>Health plan customers experience reduced administrative costs by lowering prior auth, claim review, and other manual work burden.

# Section 1: Program Components & Implementation

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## A deeper look at the Concert program components and implementation

The Concert Genetics Benefit Program is built on a core data platform that addresses the fundamental issues in genetic testing. It is designed with a series of program components that deliver the solution into the core functional areas of the plan. This section provides a deeper dive into the solution.

## Solutions to the fundamental challenges

As discussed in Part 1 of this paper, three fundamental challenges give rise to the confusion, waste, and inefficiency in genetic testing. Concert addresses each with sustainable solutions.

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### Challenge #1 :

Inability to identify the test

### Solution #1:

Comprehensive test registry & data platform

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### Challenge #2:

Rapidly changing market landscape

### Solution #2:

Authoritative evidence & coverage logic

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### Challenge #3:

Fragmented approach across organizational silos

### Solution #3:

Integrated approach to automation

## 1. Comprehensive Test Registry & Data Platform:

### A solution to the test identification problem

Concert maintains a master catalog of 175,000+ genetic testing products from hundreds of US-based clinical genetics laboratories, capturing approximately 25 data variables on each test, including its genes, technique, and pricing information. This data is actively curated by a team of market experts using computer-assisted indexing techniques for maximum accuracy and efficiency.

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#### GTU Test ID:

A 5-digit alphanumeric code uniquely identifies each test. This code has valuable applications in several contexts, including prior auth and claims. (See GTU whitepaper for more<sup>6</sup>)

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#### Taxonomy:

Tests are organized into a multi-level taxonomy structure that groups similar tests together into Categories, which are then grouped into Domains. This organizational structure enables intelligent linking with other data, such as coverage criteria, coding, and pricing.

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#### Coding Engine:

Concert combines its test catalog data with logic based on AMA CPT<sup>®</sup> coding rules to provide coding standards for each test (see Coding Engine whitepaper for more<sup>7</sup>).

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#### Claim Matching:

Concert uses machine learning to match complex, multi-code claims back to the type of test performed. This has valuable applications in pre-pay claim editing and post-pay payment integrity contexts.

These capabilities are further described in Patent [US10,223,501](#).

Anyone can view the test catalog, GTUs, coding engine output by creating a free account at [concertgenetics.com](https://concertgenetics.com).

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<sup>6</sup> More information in the GTU Whitepaper at: [concertgenetics.com/resources/concert-genetic-testing-unit-gtu/](https://concertgenetics.com/resources/concert-genetic-testing-unit-gtu/)

<sup>7</sup> More information in the Coding Engine whitepaper at: [concertgenetics.com/resources/a-coding-solution-for-genetic-testing-v1-1](https://concertgenetics.com/resources/a-coding-solution-for-genetic-testing-v1-1)

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## 2. Authoritative Evidence & Coverage Logic

### A method to keep pace with the changing landscape to deliver evidence-based decisions

Concert's core platform keeps pace with all aspects of this dynamic market, from clinical evidence and guidelines, to coding and market pricing dynamics, to the evolving technology and application of testing products themselves.

Examples include:

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#### Clinical Evidence & Guidelines:

Concert draws on a deep base of clinical evidence and guidelines to deliver the most detailed, objective coverage criteria in genetic testing available on the market.

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#### Market Pricing:

Patented claim matching and analytics enable Concert to track market pricing at the test level rather than just the code level for more clear and accurate guidance on fair pricing for tests.

These capabilities are further described in Patent [US10,896,405B1](#).  
Concert's reference policies can also be viewed at [concertgenetics.com](https://concertgenetics.com).

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## 3. Integrated Approach to Automation

### A cohesive approach to align & automate operations across departments

Concert's integrated information platform and cloud-based architecture enable the delivery of solution components from a unified set of information.

Examples include:

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#### Policy-Test Alignment:

Because Concert maintains test and policy information in sync, every test is linked to a specific policy and set of coverage criteria through the GTU test ID.

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#### Real-Time Payment Accuracy:

Concert delivers claim editing linked directly back to the company's up-to-date core data platform.

### Solutions to functional needs

Drawing on these core capabilities, the Concert program delivers transformative solutions into the operations of the health plan. The following program elements are discussed in this section.

Function	Program Element	Description
Network Management	Payment Policy	A standard-setting payment policy that clarifies and enforces test identification, standard coding, and quality reporting
	Market-Based Fee Schedule	Fee schedule that uses in-depth market data to enable the plan to achieve fair market pricing
	Lab Contracting Support	Market intelligence and consultative guidance to achieve fair contracts with specific laboratories
	Preferred Lab Program	Tools and support to guide testing to high-quality, high-value labs
Medical Management	Medical Policy	Evidence-based medical policy with objective coverage criteria aligned to the test performed
	UM/PA Support	Content, tools and experts can automate or streamline many coverage and prior authorization decisions
Claims / Payment Integrity	Post-Pay Analytics	Analytics based on Concert's patented matching capabilities that provide insights about coding, billing, policy adherence, denials and payments
	Pre-Pay Claim Edits	Real-time editing enabled by test matching machine learning, GTU, coding engine, edit library and technology architecture



## Network Management

### Payment Policy

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#### Description:

Focused on laboratory providers, the Concert payment policy is a simple but powerful document that delivers consistent coding and quality information from par and non-par laboratories. The Concert Payment Policy includes the following requirements for genetic testing labs that bill the health plan:

- Register on Concert's online portal
- Provide information regarding laboratory quality standards
- Adhere to Concert's coding standards
- Include the Concert GTU on claims

Concert Payment Policy can be enforced during claims processing with edits, described in later sections of this document.

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#### Implementation:

The health plan simply issues the policy as it does its other administrative policies. Concert provides simple, user-friendly software for labs to access their test catalog, coding standards, and GTUs for all of their tests. Abrasion is low because labs representing the majority of genetic testing volume have already registered with Concert in accordance with plans that have already issued the policy, so the incremental work for most labs is minimal. Concert ensures adherence to these standards (pre-pay claim edits, post-pay analytics, lab communications).

#### Benefits:

- More consistent coding & fewer codes per claim
- Less burdensome prior auth reviews
- More accurate coverage & payment decisions

## Market-Based Fee Schedule

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### Description:

Consistent pricing for genetic tests is impossible without coding standards, but even with them, fair rates are difficult to achieve. Common benchmarks such as the Medicare Clinical Laboratory Fee Schedule differ significantly from fair market value for certain codes, especially for testing not common in the 65+ population. Concert offers health plans a fee schedule that pairs with its coding standards to deliver market rates for tests, even for panel codes and for multi-gene tests for which panel codes do not yet exist. Concert's pricing data is unparalleled because no other company combines the ability to match complex claims back to the type of test performed with a taxonomy/categorization that compares similar tests. Together, these capabilities deliver powerful insight into pricing benchmarks not available elsewhere.

## Lab Contracting Support

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### Description:

Many labs, especially those with large test catalogs or that offer proprietary testing, may not fall under the plan's standard fee schedule. In these cases, more detailed market intelligence and support is needed. Concert provides guidance and expertise in specific lab negotiations drawing on a deep understanding of market dynamics, test comparisons, quality, and pricing data.

### Implementation:

This support is provided as a consultative service to plans. Concert performs claim analytics to identify payments above market pricing to prioritize labs for focus.

### Implementation:

Health plan customers adopt Concert's fee schedule for any lab currently under the plan's standard fee schedule. In addition, plans may use this fee schedule as a requirement for participation in a preferred laboratory network (see page 11).

### Benefits:

- Market pricing for genetic tests
- Tracks year-over-year changes (including reductions) in market pricing
- Simplifies the administration of a preferred lab program

### Benefits:

- Market pricing for labs not under the standard fee schedule
- Smoother and more successful contract negotiation
- Lower total costs for testing

## Preferred Lab Program

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### Description:

Health plans seeking to maximize value for members may seek to establish a preferred lab program that guides volume to high-quality laboratories that agree to rates at or below Concert's market-based fee schedule, which the plan adopts as its standard fee schedule. .

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### Implementation:

Concert provides the data, tools, and support for plans to put a preferred lab network program in place. Ongoing analytics ensure the program achieves the desired results.

### Benefits:

- High-quality testing at or below market rates
- A program to guide members towards high-quality lab providers
- A program to reward lab providers providing exceptional value

## Medical Management

### Medical Policy

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#### Description:

Maintaining medical policy for genetic testing can be burdensome and complex. Many plans' policies span dozens of documents or thousands of pages, but still don't enable consistent, accurate decision-making due to the mismatch between tests and codes. Concert offers a solution to this. Concert provides a complete set of medical policies<sup>8,9</sup> with several key differentiators:

- Organized according to the test performed (not just the billing code)
- Cover all key genetic testing domains
- Evidence-based policies with references aligned to test-level criteria offering clear support for decision making
- Objective coverage criteria for confident decision making, often by first-line reviewers
- Searchable by GTU so reviewers can quickly find the correct criteria for a given test
- Enforceable with claim edits

These policies enable the plan to meet its obligation to maintain current policy, keeping pace with the rapidly changing market, with minimal burden on the plan,

#### Implementation:

Like Concert Payment Policy, health plans or their delegated entities (DEs) adopt Concert Medical Policy instead of developing and maintaining their own medical policies. Updates to Concert Medical Policy are released semi-annually and each plan/DE decides when to adopt the new version.

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#### Benefits:

- More accurate, consistent coverage decisions
- Fewer escalations to MDs

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<sup>8</sup>Read the blog post about Concert's reference policies on the Concert blog at <https://www.concertgenetics.com/blog/concert-genetics-publishes-complete-genetic-testing-reference-policies-integrated-with-open-searchable-test-catalog/>

<sup>9</sup>Concert Medical Policy can be viewed on the Concert Platform at <https://app.concertgenetics.com/apps/policies/#/>

## Utilization Management/Prior Authorization Support

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### Description:

Concert's content, tools and experts can automate many coverage and prior authorization decisions as a result of using Concert's Coverage Outcome Algorithms (COAs). COAs are machine readable data structures that connect the dots between patient clinical criteria, health plan medical policies, health plan authorization requirements and genetic test attributes.

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### Implementation:

As part of implementation, Concert experts provide data-supported guidance on which test categories are covered by medical policies and which of those the health plan or DE may wish to further review via prior authorization. Test coverage and authorization criteria will be configured into Concert's platform and interfaced with health plan systems. Concert's interface will supply machine-readable data structures that streamline coverage and authorization workflows.

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### Benefits:

- Streamlined UM process with less administrative burden
- More consistent coverage decisions

## Claims & Payment Integrity

### Post-pay analytics

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#### Description:

Concert solves the fundamental problem in post-pay payment integrity for genetic testing—identifying the test represented by the claim. This capability unlocks the key insights (identifying inappropriate coding, whether a claim was paid against policy, etc.) that are otherwise inaccessible. Every engagement with a health plan customer begins with post-pay claim analysis to identify opportunities to achieve value for the plan, and to guide implementation work. Many Concert customers identify this as the most valuable and unique aspect of the program.

A few health plan reports Concert may provide are:

- Claim editing/billing/coding
- Claim denials
- Claim payments/spending
- Claim edit savings
- Lab registrations
- Lab coding

#### Implementation:

At the beginning of the relationship, the health plan provides Concert with several years of retrospective, fully adjudicated claim data. Concert performs its patented matching and analytics on this data and returns a report that identifies opportunities to achieve value, including payment integrity issues with specific labs. Concert partners with the plan to prioritize and pursue these opportunities. Monthly post-pay analytics track performance of the program.

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#### Benefits:

- Insights based on the test performed
- Immediate payment integrity opportunities
- Longitudinal tracking of program performance

## Pre-pay claim edits

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### Description:

Concert enables payment accuracy by providing claim edits that deliver its unique intelligence in real time. Claims are matched to the test performed and analyzed for edit opportunities. Edits draw from a robust library, which includes:

- Concert Payment Policy Edits: A standard set of edits to enforce adherence to the coding standards in the Concert Payment Policy.
- Concert Medical Policy Edits: A standard set of edits to align payments with coverage criteria in the Concert Medical Policies.
- Concert Medicare Edits: A standard set of edits to enforce Medicare NCDs, LCDs, and Billing & Coding guidance.
- Concert Administrative Edits: Administrative edits that can be customized based on project requirements, including missing prior authorization or GTU.

All edits that apply to a claim are flagged and ranked, with the highest-value edit(s) returned as line-level instructions. Remark codes, rationale, and other supporting content enable the plan to explain edit decisions using evidence and language straight from coding and clinical guidelines. As a result, appeal rates are low, and overturns are rare.

### Implementation:

Concert offers real-time edits through an API that may be accessed by the plan or its claim editing vendor(s). Generally, due to the expense of direction integration, plans choose to instruct their first-pass or secondary editor to pass genetic testing claims to Concert via the API, which returns edits that are then passed back through the editor.

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### Benefits:

- Payment accuracy in the complex area of genetics
- Lower claim costs and more consistent adherence to coding rules and clinical policy
- Opportunity to remove codes from PA, lowering administrative burden

# Section 3:

## Case Studies of Success

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Examples of health plans that have succeeded in putting these elements in place to achieve financial, operational, and quality improvement results.

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### Health Plan 1

#### Solving the panel code problem “in a matter of months”

Regional plan with >1m members across Commercial, Medicare Advantage & Medicaid lines of business

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#### Solution & Implementation

Implementation began with payment policy, focusing first on standardizing coding. Concert onboarded 20-30 laboratories, confirming their genetic test catalog and verifying the correct code(s) for each test. Upon go-live, Concert analyzed a monthly feed of post-pay claims and worked closely with network management to identify coding violations. Concert prepared reports and claim examples for plan representatives to communicate with violating laboratories. Ongoing monitoring tracked steady reductions in billed codes per claims and violations. Concert also worked with medical directors to modify the subset of clinical policies which created confusion or conflict with coding policies, further reducing code variation and the medical director time reviewing claims.

In the second phase of the strategy, the plan expanded the utilization of the GTU, both through payment policy (requiring procedure description for miscellaneous codes) and through voluntary lab participation in a preferred laboratory program. In conjunction with the rollout of the preferred program, Concert supported network management with a standard fee schedule, filling gaps where the plan had previously paid a percent of billed charges. Fewer carve out and custom schedules also prepares the plan for simpler and more efficient year-over-year price adjustments. This is important, because in a competitive market for advanced technology, prices tend to decline. However, many plans lack the tools to capture these savings year after year.

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#### Results

Quantitative

- 33% reduction in codes per claim

Qualitative

- “Concert Genetics has, in a matter of months, eliminated genetic test panel coding problems that have existed for years.”
- 

#### Next Steps

In the next phase, the plan will further streamline medical policy review with the Concert GTU, accelerating the identification of the correct clinical criteria for each test. Furthermore, expanded GTU utilization enables more accurate, automated identification of coding irregularities.

In parallel, network management will benefit from Concert’s fee schedule, enabling the capture of competitive market test decreases, while monitoring the market for new segments served by innovative diagnostic products. The plan is also considering expansion of the preferred laboratory program to provide additional incentives for member adoption and improved reimbursement for qualifying labs.



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## Health Plan 2

### Targeted adjustments drive 30-50% reductions in test costs & administrative burden

Regional plan with >2m members focused on Commercial lines of business

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#### Solution & Implementation

Initial efforts focused on aligning coverage of panel testing with contract negotiations. Through close partnership with Concert, the plan was able to efficiently use internal resources to target contracting, SIU, and policy efforts with the greatest financial and operational impact.

The plan then issued a payment policy leveraging the Concert Genetics coding standards to scale their efforts to ensure panel codes are utilized appropriately. Rather than needing to contractually define coding expectations with each laboratory, they are now asking laboratories to adhere to a consistent methodology.

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#### Results

- >30% reduction in test prices for high-impact categories of testing
  - >50% reduction in volume of codes reviewed for prior authorizations and post service reviews
  - Claims with a dozen or more stacked codes are now rare
- 

#### Next Steps

Going forward, the plan is looking to further simplify the workflow of internal clinical staff, laboratories, and ordering providers by utilizing the GTU to create clear, discrete linkages between individual tests, and medical policy criteria.

## Health Plan 3

### Maintaining policy and contracts that can keep up with the rapidly changing landscape

A regional integrated delivery network with 200k members seeking low abrasion solutions to support evidence-based, cost-effective genetic test use among providers in its health system

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#### Solution & Implementation

Implementation began with medical policy, replacing a small set of existing genetic policies covering less than half of all Commercial claims volume with the Concert Medical Policies, addressing more than 80% of Commercial spend. High satisfaction with the policies was reported by the plan clinical staff, who noted that prior authorization requests were more straightforward and clear, fewer escalations to medical directors were needed and more incoming claims had specific policies in place to provide guidance. The health plan's lead medical director was trained in medical genetics and provided feedback throughout the implementation. Shortly after all policies were implemented, the director left that role, but policy maintenance and updating has been easily managed by the team.

In a second phase of the contract, Concert worked with the provider relations team to identify key areas of contracting opportunity to reduce the unit costs of testing, both by renegotiating contracts with updated fee schedules and identifying out-of-network laboratories that would be good network partners for the plan. In several high-volume areas of testing, including prenatal screening and hereditary cancer, average unit cost dropped 10-30% over the course of 2 years.

Most recently, the plan has implemented a reimbursement policy to standardize coding and require the use of the Concert GTU on both prior authorization requests and when miscellaneous codes are used on claims. The UM staff enthusiastically embraced the GTU as a means of quickly identifying the appropriate coverage criteria for a test without paging through multiple PDFs and detailed medical

records. Additionally, the GTU allows the team to identify instances where labs may be submitting codes other than those they've registered for their tests and ensure that payments for tests are aligned with the terms of the contracts and reimbursement policies.

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#### Results

- More comprehensive, specific medical policies addressing a broader range of tests
  - Faster clinical reviews, fewer escalations to medical directors
  - 10-30% decrease in unit cost for high volume tests
  - Decrease in average number of codes billed per test in both Medicare Advantage and Commercial lines of business (from ~3 to ~1) following implementation of the reimbursement policy.
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#### Next Steps

The plan is exploring strategies to further streamline the prior auth workflow, reduce the burden of prior auth and implement claim edits to promote a more automated management of genetic testing claims.



For more information, contact [connect@concertgenetics.com](mailto:connect@concertgenetics.com)