

EMDEON ePAYMENT



Simplifying the Business of Healthcare





SIMPLIFY PAYMENTS

For over two decades, Emdeon Business Services has been the market leader in converting the healthcare claim submission process from paper-based to electronic.

According to a recent study conducted by America's Health Insurance Plans (AHIP), in just over a decade the electronic claims submission rate has grown from 24 percent to 75 percent. Leveraging our experience in the claim submission market, Emdeon is working to transition the payment and remittance process from a largely paper-based system to electronic. Distributing payments and remittance advice to more than 500,000 providers on behalf of more than 900 payers, Emdeon is uniquely positioned to accelerate provider adoption by offering a multi-payer solution that can result in reduced service issues related to mail delivery and improved levels of provider satisfaction.

Business Environment Today



According to the Centers for Medicare and Medicaid Services, a division of Health and Human Services, in 2005, more than \$2 trillion passed between healthcare payers and providers, with less than ten percent of the transactions completed via an electronic mechanism. Consequently, the healthcare payment process is inefficient and costly, as payers customize provider statements (EOBs) and also have unique implementation requirements associated with their electronic payment implementations. The result is a highly fragmented claim settlement and reconciliation process that typically complicates the provider office workflow and creates little incentive to move from the paper-based processes in place today.

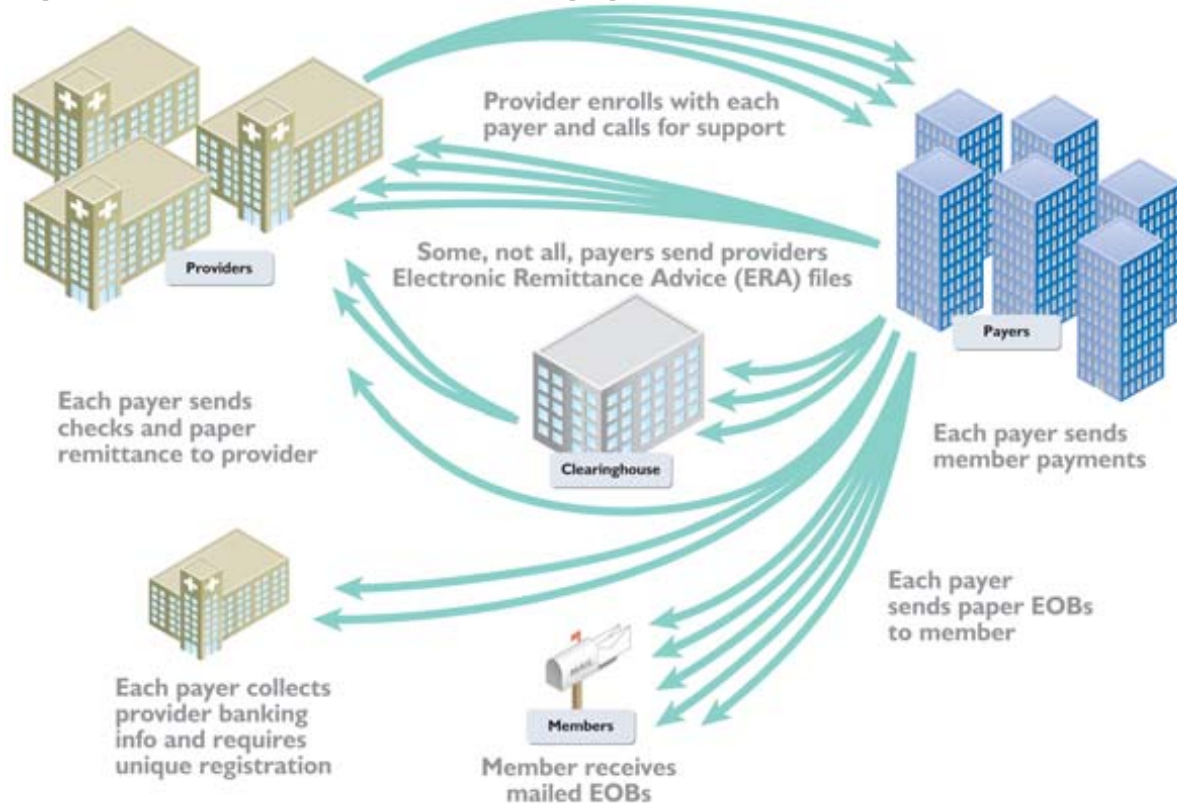
Why do providers need paper in today's environment?

- Healthcare lacks an electronic solution for payments and remittances that addresses multiple payers in a consistent manner
- Due to inconsistent use of adjustment and remark codes, providers need paper documents or images of the paper documents for payment posting
- Providers have difficulty reconciling when they receive Electronic Remittance Advice (ERAs) through one source and electronic payments (EFT/ACH) through a different source

Why have payers been reluctant to make electronic payments a priority?

- Lack of provider adoption
- Cost additive if paper and postage are not eliminated
- Creates duplicate workflows for payers, if not tightly integrated with print and mail processes

Today's inefficient flow of healthcare payments and remittance communication



Transforming Payment Processes

Emdeon's mission is to transform the payment process to mirror the success that the industry has experienced with electronic claiming. By offering providers a multi-payer solution with streamlined workflow and reconciliation tools, Emdeon's standardized approach simplifies the enrollment process for providers and accelerates market adoption, eliminating the extraordinary waste associated with paper-based provider payments. Capitalizing on its established provider connectivity network in electronic claim submission, Emdeon is uniquely positioned to assist our payer customers through our ePayment solution to address the historical challenges and redefine the healthcare payment process.



Emdeon's Market Position

While still early in the market evolution, Emdeon's market position provides immediate benefits to payers looking to accelerate the migration from paper-based payment distribution to electronic settlement. Our early market lead is clear in looking at some of Emdeon's key penetration metrics*, which include:

- Distributing payment and payment related information to providers on behalf of 900 payers
- 720 million pages of payments and remits printed each year
- 500,000 providers receiving Healthpayers USA packages
- 28,000 providers receiving ERAs
- 250 million ERAs distributed per year
- \$60 billion worth of payments distributed annually

Emdeon ePayment for Payers

Emdeon ePayment offers a comprehensive program that enables payers to efficiently and cost-effectively enroll providers and distribute payments and remittance information through both electronic and paper methods. The ePayment suite of services includes paper-based and electronic payment distribution, targeted provider marketing, provider enrollment and administration, ongoing maintenance of provider distribution preferences (electronic, paper, images), image hosting (replacing or augmenting paper distribution) and participation in the nation's only postage cooperative, Healthpayers USA.

Key Features and Functionality for Payers:

- Integrated Healthpayers USA Postage Cooperative marketing:
 - Emdeon's Healthpayers USA Postage Cooperative packets reach more than 500,000 providers, representing a highly-effective marketing platform for promoting ePayment to providers
- Accelerated provider adoption, which can result in the elimination of paper and postage, through our multi-payer solution with single, standardized enrollment process
- No need to change banking relationships - solution works with any bank
- For payers not yet offering Electronic Funds Transfer, Emdeon ePayment offers an EFT solution tightly integrated with Emdeon's print and mail platform
- A 360-degree solution for providers, capable of delivering both Electronic Remittance Advice (ERA) and remittance images to assist providers in self-service reconciliation, virtually eliminating the need to call payers' customer service centers
- Targeted provider marketing programs to drive EFT enrollment and paper shutoff
- Payer savings driven by reduction of postage, materials, banking fees and provider support cost

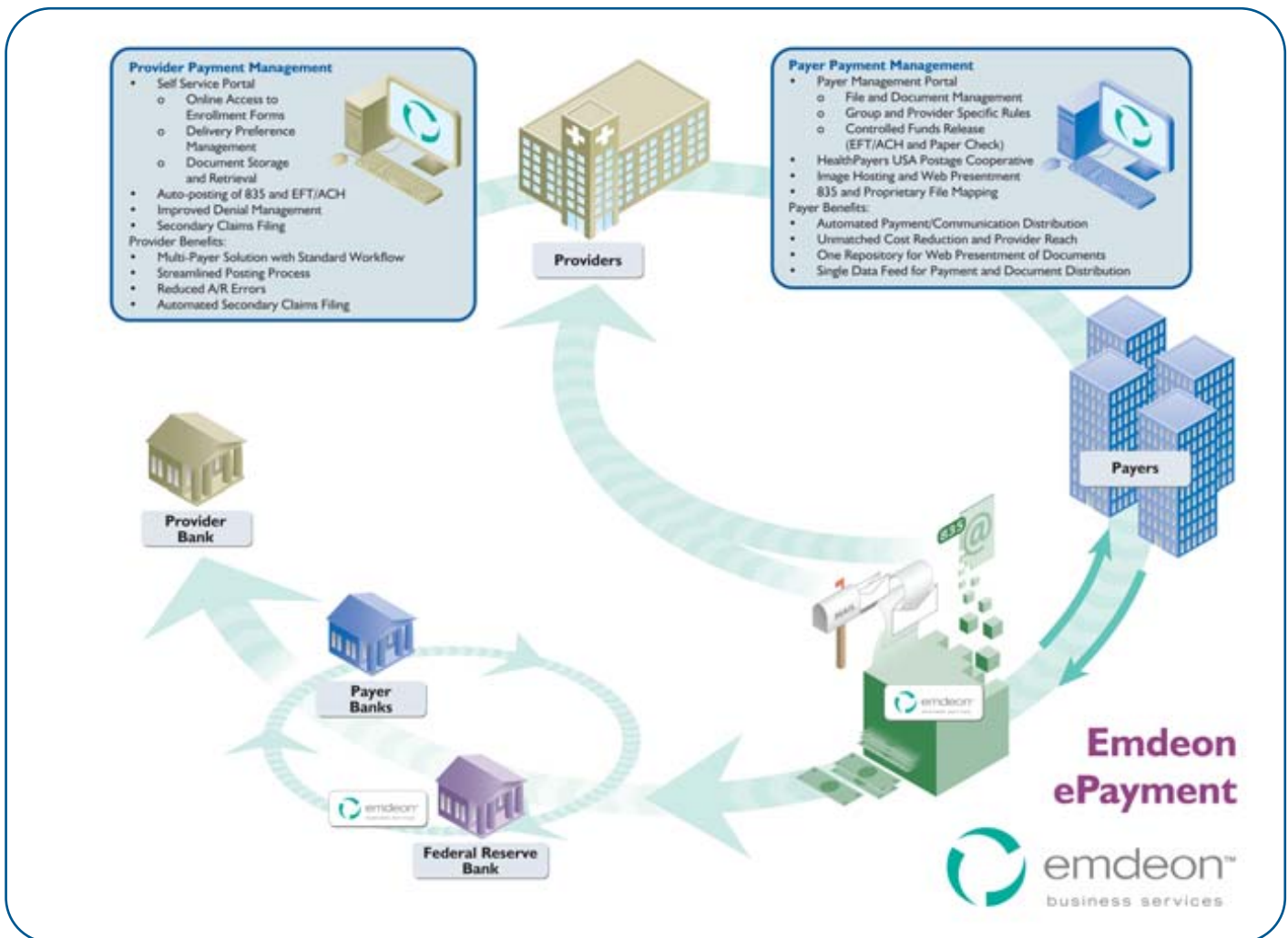
* As of March, 2007



How does Emdeon simplify the electronic payment process with its EFT solution?

Emdeon ePayment:

- Does not require payers or providers to change their preferred banking partner
- Delivers a common solution driven by multi-payer and multi-provider bank connectivity
- Simplifies bank connectivity when multiple banks are required
- Emdeon manages provider enrollment, authentication, and shadow transactions
- Eliminates expensive check clearing fees



Emdeon ePayment for Providers

Emdeon ePayment for providers is an electronic payment and reconciliation solution that standardizes remittance data and automates payments from the largest payer network in the industry. By coupling electronic remittance information with electronic claims payments, Emdeon ePayment can dramatically reduce expenses and streamline workflow.

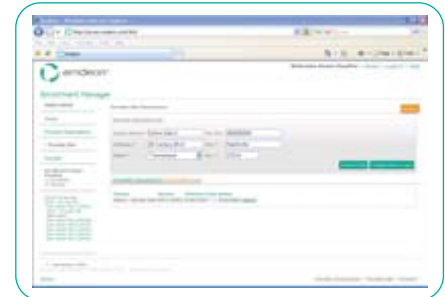
Key Features and Functionality for Providers:

- Self-service enrollment and delivery preference tools for all payers
- Standardized remittance information from payers across the country
- Original PDF of paper-based remittance for all payers outsourcing their check distribution to Emdeon
- Electronic deposit of claim payments from multiple payers to each provider's designated bank
- Centralized location for storage and retrieval of remittances and payment data, including images of the paper documents for complete reconciliation with electronic remittance data

With Emdeon ePayment, providers are equipped with a set of self-service tools to easily manage enrollment, delivery preferences and access to remittance and payment information. Based on provider defined enrollment preferences, our innovative technology gathers remittance data from payers and accurately converts it into a standardized electronic format that is easy for healthcare providers to read and understand. Providers can then store, view and print the remittance information through our web-based Emdeon Payment Manager tool.

Emdeon ePayment also gives providers faster access to claims payments with the electronic funds transfer service while eliminating typical issues with standard mail. With this service, paper checks are replaced with electronic payments that are automatically deposited into each provider's designated bank account. Standard reports within Emdeon's Payment Manager provide a centralized location to obtain details on all payments including the amounts and payer-specific information so that the reconciliation process is simplified. Finally, workflow tools give the provider's offices complete control in tracking payment-related issues to accelerate resolution of denials and adjustments, which can result in improved cash flow for the provider!

LINE	DATE	AMOUNT	TYPE	STATUS	REASON	REMARKS
1	2010-01-01	1000.00	CLAIM	PAID		1000.00
2	2010-01-01	2000.00	CLAIM	PAID		2000.00
3	2010-01-01	3000.00	CLAIM	PAID		3000.00
4	2010-01-01	4000.00	CLAIM	PAID		4000.00
5	2010-01-01	5000.00	CLAIM	PAID		5000.00
6	2010-01-01	6000.00	CLAIM	PAID		6000.00
7	2010-01-01	7000.00	CLAIM	PAID		7000.00
8	2010-01-01	8000.00	CLAIM	PAID		8000.00
9	2010-01-01	9000.00	CLAIM	PAID		9000.00
10	2010-01-01	10000.00	CLAIM	PAID		10000.00



The Emdeon Advantage

Distributing payments and remittance advice to more than 500,000 providers on behalf of more than 900 payers, Emdeon is uniquely positioned to accelerate provider adoption by offering a multi-payer solution, which can result in reduced service issues related to mail delivery and improved levels of provider satisfaction. Through our long-term relationships with payers, existing network of electronically connected providers and unparalleled reach into provider offices through our Healthpayers USA Postage Cooperative, Emdeon's ePayment solution positions our payer customers as market leaders in provider payment automation.

For Payers:

- Reduce costs associated with paper, postage and provider support
- Ease of use
 - Emdeon handles provider bank setup and support
 - Emdeon markets to providers to accelerate adoption
- Accelerate the information flow
 - Improve provider relations
 - Reduce calls from providers

For Providers:

- Fast, easy secure payments
- Simple enrollment
- Reduce paper
- Streamline the reconciliation process
- Detailed online payment visibility
- Process secondary claims faster

Simplify Payments With An Emdeon Partnership

Efficiency. Reliability. Connectivity. Experience. Control.

At Emdeon™, we're committed to helping healthcare payers manage the entire payment process more efficiently. Our unique approach can lower administrative costs and simplify the business of healthcare payments.

Emdeon™ is a leading provider of business, technology and information solutions that transform both the financial and clinical aspects of healthcare delivery.

To learn more about our company, our services and our commitment to improving healthcare, visit our website at www.emdeon.com



26 Century Blvd, Ste. 601
Nashville, TN 37214 USA
877.EMDEON.6 (877.363.3666)
moreinfo@emdeon.com
www.emdeon.com