



SPEND MEND

Mapping Your Process

Explanted Medical Device Warranty Credit Management

Hospitals often rely on manufacturer representatives to manage explanted medical device warranty credits. Most lack a defined policy, and many are unaware of the specific roles each department plays in ensuring compliance (Clinical-CL/EP and Surgery, Pathology, Supply Chain, A/P, and Patient Billing).

Mapping the current state process captures what the hospital is doing currently and identifies gaps and areas of risk. Here's how SpendMend can help:

Initial Consultation

During our in-person consultation, we will investigate and map out your current process for managing explanted medical device warranty credits. This involves speaking with key departments to understand their procedures and identifying areas for improvement.

Steps in the Mapping Process

1. Clinical (Cath/EP Lab and Surgery)

- How are cases involving explants booked? (Call? Fax? Electronic process)
- How are cases confirmed?
- Who contacts the Manufacturer's Rep to inform them of the date, time, and devices/supplies needed for the case?
- How are explants documented?
- How does the staff/leadership determine what has a warranty or recalls?
- Do the reps provide interrogation and implant registration paperwork?
- What other paperwork, spreadsheets, or logbooks are used to record the explants?
- Are explants sent to pathology? (If yes, we will discuss their process)
- Who and how are devices shipped out? (Rep, Department, or Supply Chain)

2. Accounts Payable (A/P)

- How are credits taken and identified as warranty credits?
- How is the 50% threshold determined?
- Who notifies Patient Billing that the UB-04 needs to be updated?
- Do they receive Monthly or Quarterly credit reports? How are they processed?

3. Patient Revenue

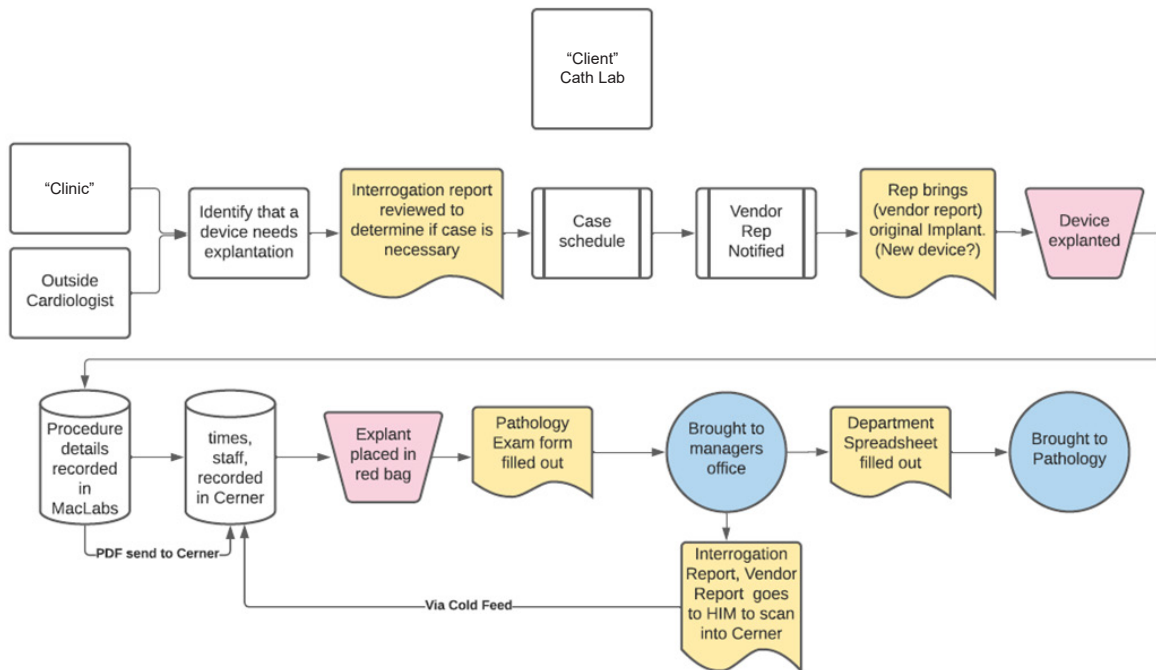
- Who updates the UB-04 forms?
- What condition and value codes are used?
- Do they modify the original UB-04 and include a token charge?

Policy and Procedure Review

We will request and review any current policies and procedures related to the management of explanted devices and warranty credits.

The Output of the Mapping Process

Mapping & Analysis: Once we gather all the necessary information, we map out your entire process. This visual representation, including sample process maps, helps identify gaps, inefficiencies, and areas of risk. (Sample Mapping Below)



- **Assessment of Potential Mismanaged Credits:** Our detailed analysis will assess potential mismanaged credits, highlighting areas where credits may have been overlooked or not pursued adequately. This assessment is crucial as it can reveal significant financial exposure for your organization.
- **Potential Costs to Your Organization:** Mismanaged credits can result in substantial costs to your organization, including fines and penalties for non-compliance. Understanding these potential costs helps prioritize corrective actions.
- **Opportunity for Recouping Overpaid Medicare Amounts:** Our analysis will also identify opportunities where you may have overpaid Medicare. By mapping out your current processes and identifying discrepancies, we provide a path to recoup these losses, ensuring your organization recovers funds that were previously overlooked.

Future State and Change Management

If you decide to move forward, we will use the current state map to create a 'future state' process. This includes a change management flow to show what will change and how these changes will enhance compliance and efficiency. We provide a clear roadmap for implementation, ensuring a smooth transition to the improved process.