



NEWS RELEASE

MCare Solutions, Inc. Expands Partnership with HSI Financial Services, LLC

April 1, 2010 – Houston, Texas

MCare Solutions, Inc. (MCare), the nation's first provider of Transfer DRG reimbursement recovery services, announces a new marketing agreement with HSI Financial Services, LLC (HSI) for the recovery of Medicare underpayments resulting from erroneously bundled outpatient / inpatient and same-day ER / inpatient admits.

David Jupp, President and Founder of MCare, explains, "Almost every hospital we encounter is bundling outpatient and ER charges that occur within three days of the inpatient admission. However, there are very specific regulations governing which services should be bundled with the inpatient claim. CMS very clearly states that in addition to bundling diagnostic services that occur within 3 days of the inpatient admission, hospitals must distinguish between the related and unrelated services to be included. While CMS states that it is mandatory that hospitals cannot include the non-diagnostic unrelated outpatient charges with the inpatient claim, hospitals do have discretion as to whether to bill Part B for the unrelated non-diagnostic services. Our systems and processes identify and correct those situations on a retroactive and concurrent basis and ensure hospitals receive maximum reimbursement and remain compliant. This is proving to be another opportunity for our clients to significantly improve their bottom line and ensure their Medicare compliance."

This new agreement expands a three-year relationship between MCare and HSI Financial Services for Transfer DRG reimbursement recovery services. "Thus far, our partnership with MCare for Transfer DRG recovery services has resulted in over \$15 million in underpayment recoveries for VHA Georgia hospitals and HSI clients. Given that type of success, we naturally wanted to endorse and help market this new service, and we are expecting even greater results," says Mike White, Vice-President, Business Operations and Development for VHA Georgia.

According to analysis of MedPar data and its clients' processes, MCare estimates an average hospital with 3,400 Medicare IP admissions is due approximately \$400,000 annually. Retrospective reviews are permissible, though governed very strictly by the newly signed *Patient Protection and Affordable Care Act* (PPACA).

About MCare Solutions, Inc.

MCare was founded in 2005 as the first provider of Transfer DRG reimbursement recovery services for acute care providers which now includes acute care discharges related to Medicare Advantage payers. Services also include reimbursement recoveries for IME/GME payments owed to teaching hospitals for Medicare Advantage claims, and resulting from erroneously bundled services related to the CMS 3-Day Payment Window. To date, MCare has analyzed millions of discharges and is responsible for more than \$80 million in underpayment reimbursements to client hospitals. MCare represents more than 300 for-profit and not-for-profit hospitals from Alaska to Florida, individual community hospitals from <100 to 1,000-plus beds and regional and national healthcare systems.

About VHA Georgia

VHA Georgia provides supply chain management, clinical and performance improvement services, and member networking services, helping member hospitals provide high quality, cost effective health care. VHA Georgia is committed to helping members achieve Best Performer status with smart financial strategies and high-impact clinical improvement programs. VHA Georgia includes more than 50 member hospitals in Georgia and is based in Atlanta.

About HSI Financial Services, LLC

HSI Financial Services, LLC (HSI) is a wholly owned subsidiary of Phoenix Healthcare Management Services, Inc. and provides AR management /collection services to members of VHA Georgia as well as other health care organizations. HSI was established in 1984.

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