

Client Profile

Client since:
2009

Current Members:
615,200

Plans Offered:
Medicare Advantage Plan, Part D

TMG Health Services Provided

- Enrollment
- Eligibility & Reconciliation
- Premium Billing
- Member & Provider Call Service
- Ancillary Services
- Surveys

Seizing the Medicare Advantage Opportunity

Medco, the nation's largest Pharmacy Benefit Manager (PBM) is also the country's leading mail order pharmacy. With the implementation of Medicare Advantage Part D in 2006, Medco made the strategic decision to develop a program for its members based on the new market's near perfect alignment with the company's core competence. As a successful PBM, the company entered the market with three key objectives:

- Replicate its successful PBM experience in the Medicare Part D program
- Apply the lessons learned in the Part D program to further refine and enhance its service to PBM clients
- Expand and improve its relationship with CMS

Making the Decision to Outsource

Medco's culture is one that continually seeks to improve its business unit management. Consistent with that approach, the management team conducts an annual review of operational and financial performance with two critical goals:

- Increase operational effectiveness
- Decrease costs

One phase of Medco's Performance Analysis examines whether its operations can be more cost-effectively managed internally or through an outsourcing relationship. Early in the launch of the Part D program Medco conducted a review of its current vendors to determine their viability as outsourcing providers. After considerable operational and financial analysis a decision was made to outsource Part D operations and an RFP was released to both current and new outsourcing vendors.

Medco Health Solutions, Inc. Franklin Lakes, NJ

Case Study – 8/1/09

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Medco's key evaluation criteria included:

- Proven, successful experience in administering Medicare Advantage Part D programs with a focus on enrollment and billing
- Extensive track record of successful experience working with CMS with a focus on operational compliance
- Excellent client references
- Demonstrated cost-effectiveness

After a thorough evaluation Medco selected TMG Health as its BPO provider:

Steve Wogan, Senior Vice President Medicare Finance, commented, “TMG Health was the only company that had proven Medicare Part D experience. Its senior management team has done considerable work in the Medicare field and it had the ability to weather real world challenges and emerge as a stronger organization.”

TMG Health is the leading provider of Business Process Outsourcing (BPO) services to the government health programs market including support for Medicare Advantage, Part D, Medicaid Managed Care, SCHIP and group retirees. TMG Health offers a broad solution set serving dozens of health plans totaling more than 2.8 million members in all 50 states.

