



Magnolia Health Plan (Magnolia) and Payformance are in a partnership to provide an innovative web based solution for Electronic Funds Transfers (EFTs) and Electronic Remittance Advices (ERAs). This service is provided at no cost to providers and allows online enrollment.

PaySpan[®] Health: Healthcare Payment and Remittance Advice

Magnolia and PaySpan Health offer an innovative solution for Electronic Funds Transfers (EFTs) and Electronic Remittance Advices (ERAs). Using this free service, providers can take advantage of EFTs and ERAs to settle claims electronically, without making an investment in expensive EDI software. Following a fast online enrollment, you will be able to receive ERAs and import the information directly into your Practice Management or Patient Accounting System, eliminating the need to key remittance data off of paper advices.

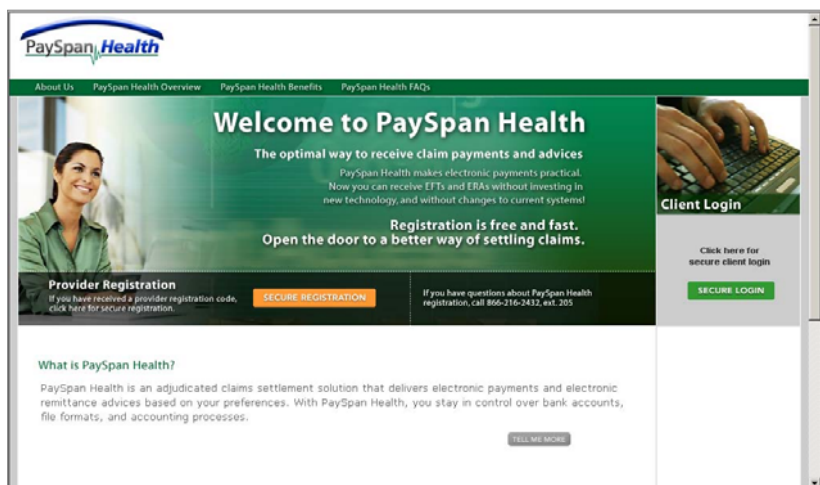
PaySpan Health Offers a Practical Solution to Electronic Settlement



PaySpan Health can rapidly transition you into the world of electronic payments and automated reconciliation, greatly reducing your paper work. PaySpan Health offers providers a complete solution for claim payment management. Using PaySpan Health, you can route EFTs to the bank account(s) of your choice, manage multiple payers, choose how you want to receive remittance details, easily re-associate payments with claims, and take advantage of claim and remittance retrieval and reporting.

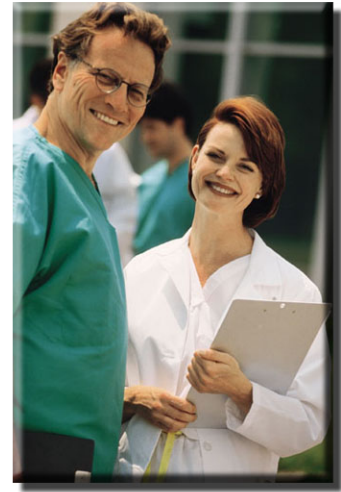
Getting Started is Easy!

The process starts with an invitation from a payer that includes a registration code. Armed with this code, you can pursue an online enrollment process that will only take 5-10 minutes to complete. During this enrollment process, you will set up a profile of your practice, specify bank accounts (multiple accounts if you desire), and specify other preferences for management of checks, EFTs, ERAs, or online presentation of claim payment information.



Magnolia and PaySpan Health Benefits to Providers:

- ✓ **Free service** – Providers are not charged any fees to use the service
- ✓ **Eliminate re-keying of remittance data** – Electronic remittance advices can be imported directly into Practice Management or Patient Accounting Systems, eliminating the need for manual keying off of paper advices
- ✓ **Maintain control over bank accounts** – Providers keep control over the destination of claim payment funds. Multiple practices and accounts are supported.
- ✓ **Match payments to advices quickly** – Providers can associate electronic payments with electronic remittance advices quickly and easily
- ✓ **Pursue secondary billings faster** – Accelerates the revenue life cycle
- ✓ **Improve cash flow** – Electronic payments can mean faster payments, leading to improvements in cash flow
- ✓ **Connect with multiple payers** – Providers can quickly connect with any payers that are using PaySpan Health to settle claims



Providers

Complete Reports are Available

PaySpan Health makes tracking and reconciling payments quick and easy with flexible payment reports. Providers are able to design their own reports and run them at any time. Common examples include ACH summary reports, monthly payment reports, and payment reports sorted by date. PaySpan Health's report capability takes the mystery out of matching claims to payments!

Remittance Viewing and Receipt – You Have Options

With PaySpan Health, you have a number of options for viewing and receiving remittance details. PaySpan Health will match your preference for remittance information, with the following options (potentially constrained by payers):

- ✓ EDI 835 ERA data file that can be downloaded directly to your Practice Management or Patient Accounting System
- ✓ Electronic remittance advice presented online and printed in your location

FABRIKAM INSURANCE COMPANY		225 MAIN ROAD		SOMECITY, MD 12345		PAYMENT REPORT	
NPI: 111111111E TIN: 79357421 Provider PIR: 1234567891		Payment Date: 6/4/2008 Payment Number: 62177178399 Payee Provider: Dr Barbara Smith 800 TEST ROAD SOMECITY AA, 12345		Contact Information 1-800-555-1212 help@providerservices.com		Payment: \$339.99 Payment Type: ACH	
Total number of claims: 3							
Claim							
Patient Name: MARY LOU SMITH		Patient ID: 99008203		Payer claim number: 5656512794			
Provider claim number: 119038		Service provider: HARRY DOGWOOD		Service provider identifier: 99321984			
Date of Claim	Claim Status	Billed Amt	Allowed	Claim Patient Resp	Other/COB other	Contractual	Paid
1		300.00	0.00	25.00	0.00	0.00	81.00
Claim							
Patient Name: SCOT SHIPLEY		Patient ID: MC-123456		Payer claim number: 5656512795			
Provider claim number: 112385		Service provider: HARRY DOGWOOD		Service provider identifier: 99321984			
Date of Claim	Claim Status	Billed Amt	Allowed	Claim Patient Resp	Other/COB other	Contractual	Paid
1		575.00	0.00	25.00	0.00	0.00	180.00
Claim							
Patient Name: ROBERT BROWN		Patient ID: 12345678		Payer claim number: 5656512796			
Provider claim number: 112384		Service provider: HARRY DOGWOOD		Service provider identifier: 99321984			
Date of Claim	Claim Status	Billed Amt	Allowed	Claim Patient Resp	Other/COB other	Contractual	Paid
1		100.00	0.00	30.00	0.00	0.00	78.33
CLAIM TOTAL		TOTAL CLAIM PAYMENT					
3		\$339.99					

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