

# Boosting the Accuracy of Claim Audits



Self-funded benefit plans offer advantages for employers, whether corporate or nonprofit. As healthcare costs continue to rise, the importance of running medical claims and **PBM audits** grows. Since most claim administration is outsourced to third-party vendors, internal teams rely on audit reports to oversee vendors. Even small error rates—just a few percentage points—can translate into substantial costs. While claim processors frequently promise to catch and correct mistakes, only audits can verify that those corrections are being made. Greater auditing accuracy improves oversight and cost control.

Engaging claim auditors who specialize in medical and pharmacy plans brings an added layer of advocacy and expertise. They take the time to understand your plan's features and modify their audit approach to detect even the most nuanced issues in claims processing. While outsourcing claim administration to a reputable carrier with strong provider networks and negotiated rates can be advantageous, it also means yielding control over claim payments. Although processors may perform their own audits, independent external reviews are more likely to uncover variances and opportunities for recovery.

Technological developments have improved claim audits and enabled monitoring capabilities. Since the pandemic, many employers have adopted monitoring services, with audit software running in the background and delivering monthly reports. This proactive method allows organizations to request reimbursements for overpayments soon after they happen—far more effective than waiting months or even years. Early detection also gives valuable insights into cost trends and utilization patterns, empowering employers to make better-informed decisions and control expenses more effectively.

Specialist claim auditors possess the expertise needed to identify irregularities unique to medical, pharmacy, and other benefit plans. Their observations can highlight opportunities for corrections and recoveries. Achieving audit accuracy requires a customized approach for each type of plan—medical, pharmacy, dental, or others. The more precise the audit, the greater its value in pinpointing mistakes and preventing losses. If you are responsible for managing a self-funded plan, prioritizing audits is one of the most efficient strategies for oversight, cost reduction, and protection of your interests.