

Winnebago Industries Uses Claims Administration Review to: 1) Enhance Internal Controls; 2) Confirm TPA Performance; and 3) Evaluate Industry Best Practices



“With the challenges that exist within the health care industry and the significant costs associated with health care benefits, we felt it was important to make sure our benefit plans were being properly adjudicated,” said Robert Gossett, vice president of administration for Winnebago Industries, Inc., of his decision to review the company’s health claims administration processes.

Headquartered in Forest City, IA, Winnebago Industries is the leading U.S. manufacturer of motor homes and employs approximately 3,200 employees. Gossett recently invited RSM McGladrey to perform an audit of Winnebago Industries’ claims review process associated with the company’s self-funded plans.

“It had been a few years since we’d done an audit,” he explained, “and I think it’s important to not go too long without reviewing your processes. We were in a new payor relationship—just six months working together. It seemed like a good time to check and see that our payor was doing what they said they’d do based on the performance guarantees we had in place.

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Winnebago Industries, Inc.***”

“We were quite pleased with the audit process,” Gossett continued. “RSM McGladrey offered a number of suggestions to enhance the overall process and tighten our internal controls and procedures.”

He said the audit also served to validate their payor choice. RSM McGladrey actually spent time at the payor site to confirm that performance guarantees and protocols were in place and operating effectively.

“Since Winnebago Industries’ payor relationship was so new, we did not anticipate, nor did we find, huge savings in the claims area,” said Alicia Faust, who leads RSM McGladrey’s Claims Administration Review Services group. “However, in companies with longer relationships with a single Third Party Administrator (TPA), we often find significant savings. Typical results vary per client, however, the potential savings can range between 2-5% of the organization’s total health care spend. In Winnebago Industries’ case, we focused more on helping them improve their internal processes and controls, while also making suggestions to enhance their payor relationship. Specifically, a few of the processes we reviewed included enrollment and eligibility, quality assurance, claim adjudication rates, medical cost containment programs and TPA performance reporting.”

Gossett was also pleased with some of enhancements RSM McGladrey suggested they consider, such as developing a disease management approach, TPA procedural performance guarantee and providing communication to employees at home regarding specific benefits offerings—a couple of examples include increased use of generic drugs and increased use of the mail-order drug program on the pharmaceutical side.

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About Winnebago Industries:

Winnebago Industries, Inc. is a leading U.S. manufacturer of motor homes, self-contained recreation vehicles used primarily in leisure travel and outdoor recreation activities. The Company builds quality motor homes under the Winnebago and Itasca brand names with state-of-the-art computer-aided design and manufacturing systems on automotive-styled assembly lines. The Company's common stock is listed on the New York and Chicago Stock Exchanges and traded under the symbol WGO. Options for the Company's common stock are traded on the Chicago Board Options Exchange. For access to Winnebago Industries' investor relations material, to add your name to an automatic email list for Company news releases or for information on a dollar-based stock investment service for the Company's stock, visit, <http://www.winnebagoind.com/investor.html>.

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RSM McGladrey's Claims Administration Review consultants work closely with your benefits team and TPA to gather process information through interviews, observations and reviews of existing formal documents along with specific claims re-adjudication and audit. Our approach is customized to each client and may include the five phases outlined below:

- Phase 1 - Planning and review initiation to obtain a mutual understanding of the review plan and agree on scope and key objectives and deliverables
- Phase 2 - Conduct a diagnostic review of your processes to better understand how you and your TPA/PBM currently work together
- Phase 3 - Conduct a claim file review against defined attributes
- Phase 4 - Summarize findings and calculate performance measures for TPA/PBM, including comparison to industry norms
- Phase 5 - Prepare and issue final deliverables, which will include a written report of the scope and engagement findings, along with our observations and recommendations, including a summary of the claim file.

For more information

To learn more about our Claims Administration Review Services, please contact:

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