

The model and visuals below show how a provider ultimately collects \$124 for a \$200 billed amount when paid via insurance reimbursement. The second slide explains how, with Sesame, providers are able to collect 25% more (or \$156 in the example) per service.

The average practice collects a maximum of 62 cents on the dollar from insurers.

And this doesn't account for the added administrative cost of claims submission and processing!



SESAME

Allowed charges cap -\$40

Conservative estimate of 20% gap between average charged amount and average paid amount under commercially insured contracts for outpatient professional services. In 2017, commercial paid amounts averaged 122% of Medicare [Source: HCCI

(<https://healthcostinstitute.org/hcci-research/comparing-commercial-and-medicare-professional-service-prices>], while charges averaged just over 200% of Medicare [Source: Brookings institution (<https://www.brookings.edu/blog/usc-brookings-schaeffer-on-health-policy/2019/12/05/provider-charges-relative-to-medicare-rates-2012-2017/>)]. Using these figures, one would calculate a 40% gap between average charged amount and average paid amount. As noted, we've chosen to use half that figure for a more conservative estimate.

Administrative denials from insurers: \$-30

In-network claims were denied (with denials upheld) at a rate of 19% in 2019. Source: Kaiser Family Foundation

(<https://www.kff.org/private-insurance/issue-brief/claims-denials-and-appeals-in-aca-marketplace-plans/>)

Patient portion non-payment: \$-6

This is a conservative estimate in our model, held to 5% of total. In 2016, over 68% of patients with bills of \$500 or less did not pay their patient financial responsibility. Source: TransUnion Health

(<https://newsroom.transunion.com/patients-may-be-the-new-payers-but-two-in-three-do-not-pay-their-hospital-bills-in-full/>)

With Sesame, collect 25% more per service.

- Set your own prices (at, below, or above commercial rates)
- Sesame provides up-front financing to patients.



SESAME

Example pre-paid discount: \$-40

Source: Sesame provider data on average cash discount from chargemaster among Sesame practices (20%)

Credit card processing/financing fees: \$-4

Source: Credit card processing fee average (2.5%)