

FOR IMMEDIATE RELEASE

3M Partners with McKesson and Executive Health Resources to Provide Advanced RAC Auditing and Consulting Services

Salt Lake City, Utah (October 5, 2009)—3M Health Information Systems, McKesson Health Solutions LLC (McKesson), and Executive Health Resources, Inc. (EHR) have signed a strategic agreement to offer RAC Advanced Services, a program of expert auditing and consulting services to assist hospitals in preparing for increased compliance scrutiny under the federal government's Recovery Audit Contractor (RAC) program.

RAC Advanced Services combine 3M's expertise in coding, billing and DRG assignment with McKesson's application of industry standard InterQual® medical necessity criteria, and EHR's expert teams of specially trained Physician Advisors who provide second-level reviews for medical necessity. The integrated services help hospitals uncover and address the root causes of improper payments from medically unnecessary and incorrectly coded inpatient and outpatient claims.

Mandated by Congress and administered by the Centers for Medicare and Medicaid Services (CMS), the RACs seek to identify improper Medicare payments through in-depth auditing of hospitals, physicians, and suppliers that submit claims to the Medicare Fee-for-Service program.

"Now that CMS has established the RACs as a permanent program, it's critical that hospitals understand areas where they may be at risk and take proactive steps to minimize compliance exposure on an ongoing basis," said Marvin Johnson, senior vice president for 3M Health Information Systems. "This agreement leverages the strengths of three companies to create a timely solution, which can help address compliance and avoid reduced reimbursement due to RAC initiatives."

RAC Advanced Services begin with a baseline review and analysis of current utilization management processes to identify gaps that could make a hospital vulnerable to RACs. A 3M and McKesson consulting team next performs a retrospective inpatient chart audit using McKesson's InterQual criteria to analyze the appropriateness of medical necessity and also reviews the coding and DRG assignment for accuracy.

"Hospitals are recognizing that full preparation for RAC audits is the best way to understand and prepare for areas of financial risk. The best strengths of our three organizations will help providers prepare for RAC audits with the least disruption to their operations. For our part, InterQual helps defend decisions with well-researched evidence-based clinical support for demonstrating the appropriateness of hospitals' admission and level of care decisions," said Tammie Phillips, vice president-InterQual, at McKesson.

RAC Advanced Services are further enhanced with EHR's teams of Physician Advisors who provide expert second-level reviews and offer admission status determination recommendations based upon the medical necessity of the services delivered and the setting in which they were delivered. EHR's Physician Advisors hail from more than 20 medical and surgical specialty areas, are specially trained in Medicare rules and regulations pertaining to inpatient and outpatient status, and leverage EHR's library of more than one million medical necessity determination recommendations to assist in their decision making process.

"While it is imperative for hospitals to audit their inpatient admissions retrospectively in preparation for the national RAC program, it is equally as important for them to mitigate future risk exposure by implementing proactive measures to ensure coding and medical necessity compliance 100 percent of the time," explained Joe Zebrowitz, MD, executive vice president for Executive Health Resources. "This solution will help hospitals in both of these crucial focus areas, and we look forward to

working with 3M and McKesson to assist hospitals in overcoming their coding and medical necessity compliance challenges.”

About 3M Health Information Systems

3M Health Information Systems delivers comprehensive software and consulting services to help organizations worldwide improve documentation, quality, and financial performance across the healthcare continuum. 3M offers integrated solutions for transcription, speech recognition, clinical documentation improvement, documentation management, computer-assisted coding, quality, and revenue cycle management, effectively meeting the industry’s changing needs. With 25 years of healthcare experience and expertise, 3M works as a trusted and stable business partner to provide reliable implementation, training, and support services. For more information about 3M Health Information Systems products and services including RAC Advanced Services, visit www.3Mhis.com or call 800-367-2447.

About Executive Health Resources

Executive Health Resources (EHR), The Physician Advisor Company™, is the leading provider of real-time, point-of-care, expert Physician Advisor solutions to hospitals and health systems across the country. EHR’s comprehensive solutions include Medicare and Medicaid Compliance Management, Medicare and Medicaid Denials and Appeals Management (including RAC, QIO and MAC denials), and Commercial Payor Denials and Appeals Management. To date, EHR’s Physician Advisors have successfully performed more than one million medical necessity reviews, conducted hundreds of audits at client hospital facilities and successfully identified and reversed thousands of inappropriate RAC medical necessity denials at all levels of appeal. EHR is the only company in the country to be both endorsed by the American Hospital Association and have Peer Reviewed designation by the Healthcare Financial Management Association. Learn more about EHR at www.ehrdocs.com and www.theRACcure.com.

McKesson Corporation

McKesson Corporation, currently ranked 15th on the FORTUNE 500, is a healthcare services and healthcare information technology company dedicated to helping its customers deliver high-quality healthcare by reducing costs, streamlining processes, and improving the quality and safety of patient care. McKesson is the longest-operating company in healthcare today, marking its 175th anniversary last year. Over the course of its history, McKesson has grown by providing pharmaceutical and medical-surgical supply management across the spectrum of care; healthcare information technology for hospitals, physicians, homecare and payers; hospital and retail pharmacy automation; and services for manufacturers and payers designed to improve outcomes for patients. For more information about McKesson, visit <http://www.mckesson.com>; for more information about RAC services, visit [InterQual for Hospitals](http://InterQualforHospitals).

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