International healthcare payment integrity partnership

On 8 April 2024, Kirontech and Synapse Medical were featured in a powerful TV program broadcast by the ABC on its flagship investigative programme, 4 Corners. The programme, "Pain Factory" exposed concerning levels of potential fraud, waste and abuse (FWA) in the Australian Healthcare system. <u>https://www.abc.net.au/news/2024-04-08/price-of-pain-doctors-medical-billing-investigation-four-corners/103675900</u>

Since "Pain Factory" was aired there have been various commentaries on the findings from practitioners, insurers and government, with each taking a legacy stance that was predictable. This is because, unfortunately, out-dated responses to troubling findings about health payment integrity have become deeply entrenched in Australia.

Kirontech and Synapse are excited to formally announce a partnership that will build on the work we did together for the ABC and continue exposing FWA in the Australian health system and around the world, by challenging legacy positions with facts and evidence and by promoting transparency.

This collaboration will provide a global FWA solution that incorporates the best technology, unmatched analytics capability, decades of grassroots medical billing experience in many countries, unrivalled knowledge of healthcare codes and classifications, and providing education and training. No universal health coverage system can survive without a robust, effective, rigorously enforced payment integrity system, and the FWA problems that Synapse and Kirontech will tackle together are remarkably similar the world over.

Synapse CEO, Dr Margaret Faux, said that the partnership made perfect sense. *"Fraud, waste and abuse are rampant in Australia's health system. One study found that 29.6% of GPs billed a longer service than was true "at least once", even when they knew their billing behaviour was being watched. Imagine what that figure would be if you added in all the GPs whose billing behaviour was not being watched. The landscape in this space is slowly shifting in positive ways. For example, we are being asked to conduct more and more medical billing compliance audits, including in the context of acquisitions. I think investors are beginning to realise that investing in an Australian healthcare company whose profits may be derived from fraud is high risk. In the wake of "Pain Factory", Australian payers have become aware that the combination of Synapse and Kirontech's complementary skills and software provides opportunities for health insurers to interrogate their claims data in previously unavailable ways. It also opens huge opportunities to challenge internal processes and governance, network contracting, and the serious impact on claims costs but, more importantly, patient safety. We look forward to our continued work and collaboration with Kirontech."*

Kirontech CEO Omar Chebli said, "Kirontech brings significant years of experience dealing with Medical Fraud, Waste and Abuse (FWA) in many territories. The truth is that FWA is prevalent everywhere – and while it presents differently, depending on how care is delivered and the country's culture, the key drivers and concepts remain the same. We advocate a holistic approach to combating health insurance fraud, blending negotiation, mediation, and technology for effective results. Advanced tools, like Kirontech's Health Insurance Platform, are crucial for proactive detection and efficient case management. We are excited about the opportunities in Australia and further afield and look forward to a long and successful partnership with Synapse."

Data analysis and future reports are already in the works. Watch this space.

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