

Smarter Claims Attachments:

Attachment Management for Clinical Document Exchanges

Introduction

Care providers have for a long time been dissatisfied with their interactions with health plans. The amount of time they and their staffs spend calling, faxing, and emailing supplemental data to health plans comes with a heavy cost burden. In a national survey, physicians reported spending three hours weekly interacting with plans; nursing and clerical staff spent much larger amounts of time. When time is converted to dollars, it was estimated that the national time cost to practices of interactions with plans is at least \$23 billion to \$31 billion each year and increasing (1).

Smarter Attachment Use Cases

- Claims Adjudication (Medical Necessity)
- Prior Authorization (Determine Eligibility)
- Value-Based Care (Accountable Care, Pop Health)
- Quality Reporting (HEDIS, STARS)
- Chart Pulls (ACA/HIX Programs)

A major part of these costs are high touch processes that require human intervention such as paper-based claim attachments. The solicited and unsolicited claim attachments are an important part of the claim processing but are very error prone. Over 5,000 different medical document types could be requested from providers by health plan to resolve issues related to claim denial appeals, prior authorization, pre-certification, and case management which all require supplemental documentation in the form of an attachment.

Costs and Challenges

Under the affordable care act of 2016 both payers and providers have aggressive operational efficiency targets to meet. Currently, over 20-30% of all claims will require some type of supporting documentation from a provider or hospital system and each claim could cost from \$6-45 to receive, review, prepare and send (using traditional methods like mail and fax).

The challenges and costs currently faced by the industry in attachment adoption are:

 **Provider**

Costs \$5.45 Per Claim

- Lost or misdirected requests
- Manual process for responding
- Insufficient or wrong information
- Cost of mailing documents
- Timeliness
- Lack of acknowledgement mechanisms
- Failures can go undetected for months

 **Payer**

Costs \$0.63 Per Claim

- Lost or misdirected responses
- Cost of mailing documents
- Manual re-association process
- Lack of visibility between original process, request and response

Total Cost of \$6.08 Per Claim

National Survey

On average, physicians reported spending forty-three minutes per workday— equivalent to three hours per week and nearly three weeks per year—on interactions with health plans. When time is converted to dollars, practices spent an average of \$68,274 per physician per year interacting with health plans (1)

Surveys asked respondents to state, on a five-point scale ranging from “decreased a lot” to “increased a lot,” the extent to which they believed their practice’s costs of

interacting with health plans had changed over the prior two years.(1)

- 41% percent of respondents stated that costs had increased a lot

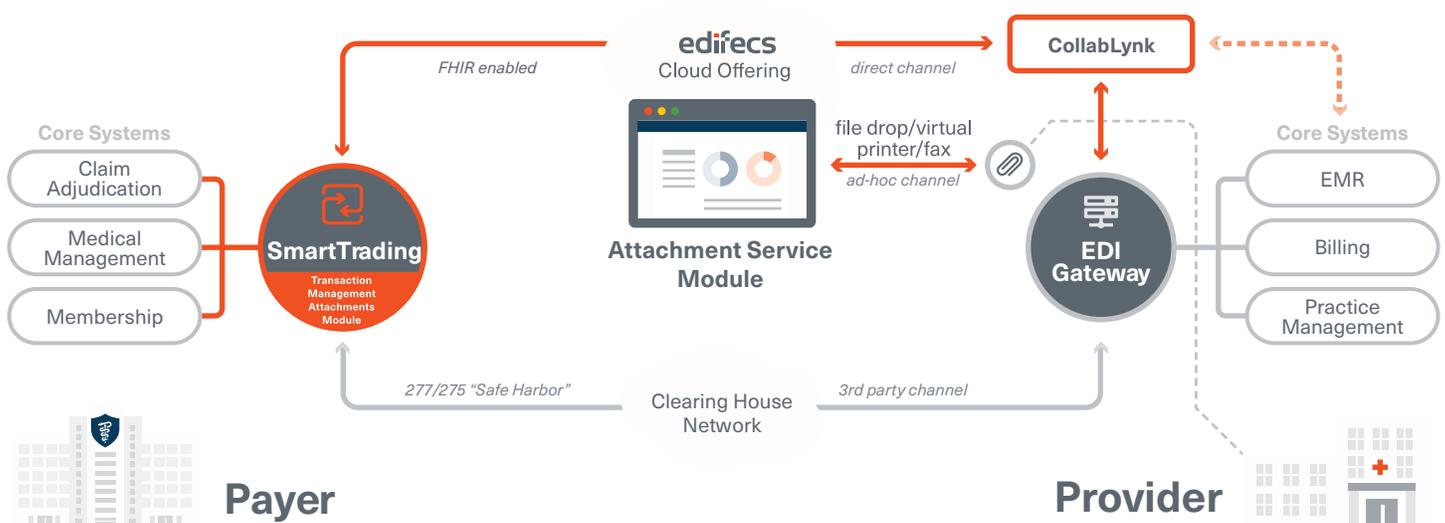
- 36.4 percent, that they had somewhat increased

Health plans claim to have taken steps to reduce the administrative burden they place on physicians; Survey data suggest that physicians continue to be discontented with this burden (3).

Solution Overview

The Attachment Management Solution introduces a new approach that enables secure exchange of electronic attachments, automates cross-enterprise workflow, drives provider adoption and cost-effectively integrates with existing payer back-end systems. Payers can tighten reimbursement processes and providers can comply at lower costs.

The solution consists of two components: Transaction Management Attachments Module which is an add-on to payer’s Smart Trading platform, Attachment Service Module which is a provider-facing cloud-based web service and CollabLynk that enables secure data exchange between all parties involved.



Edifecs Transaction Management Attachments Module

Transaction Management Attachments Module enables a “safe harbor” channel for electronic attachments into a payer’s environment. The module will support any claim submissions and member related requests from a provider network and easily integrate with existing back-end systems.



This valuable module provides administrators the ability to setup an internal review process to increase productivity and transparency into the full process life cycle. This module will leverage the Smart Trading platform’s unique front-end position in the data flow to manage both (un)solicited 277/275 RFI EDI transactions. Payers will be enabled to send claim attachment requests and receive responses from their connected provider networks using any current or emerging standard. The over process will be tracked and monitored in a web-based dashboard with drill-down reports at the individual provider level.

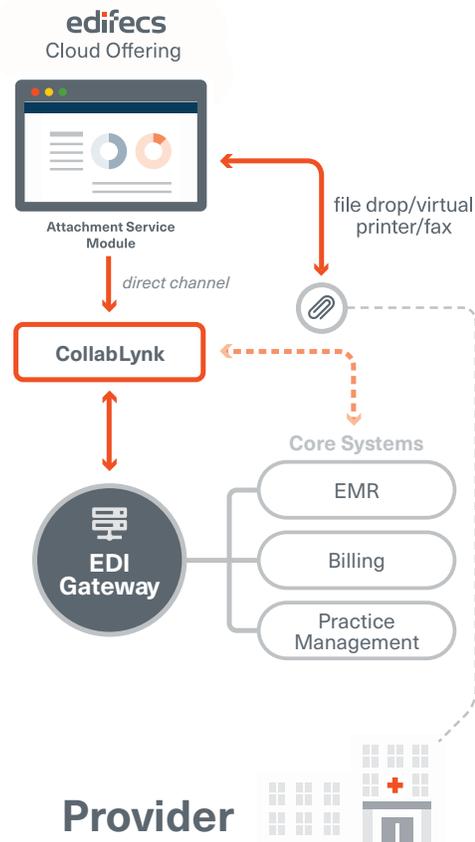
By adding the Transaction Management Attachments Module, payers can now exchange electronic attachments with all providers across multiple channels and facilitate error-free routing of medical documentation.

Edifecs Attachment Service Module

The Edifecs Attachment Management solution includes a cloud-based platform that connects both payers and providers still relying on traditional data exchanges (like email, phone, fax). From the provider’s perspective a single platform would remove administrative barriers by having one place to submit attachments requested from all their payer partners.

Until this point most vendor solutions would still require heavy manual intervention to link to the correct claim. Edifecs is bridging this gap, removing barriers, and making the claim attachment smarter and more cost effective.

The web-based provider portal side of the solution is opened to all providers. The user friendly dashboard provides visibility into the number of attachments that are opened and the response timeliness – for easy work balancing and management. After the 277 RFI requested files are attached and online form submitted, behind the scenes, a 275 is generated adding proper control segments for re-association. Our engine works seamlessly in the background mapping, transforming and linking this supplemental data into consumable, uniform and standard payer formats that can be processed by any payer EDI engine. To ensure automated connectivity from any system to the Attachments Service Module in the cloud a CollabLynk agent is available. This light weight agent acts as a secure file drop-box on any system and provides secure web-service uploads from any medical system.



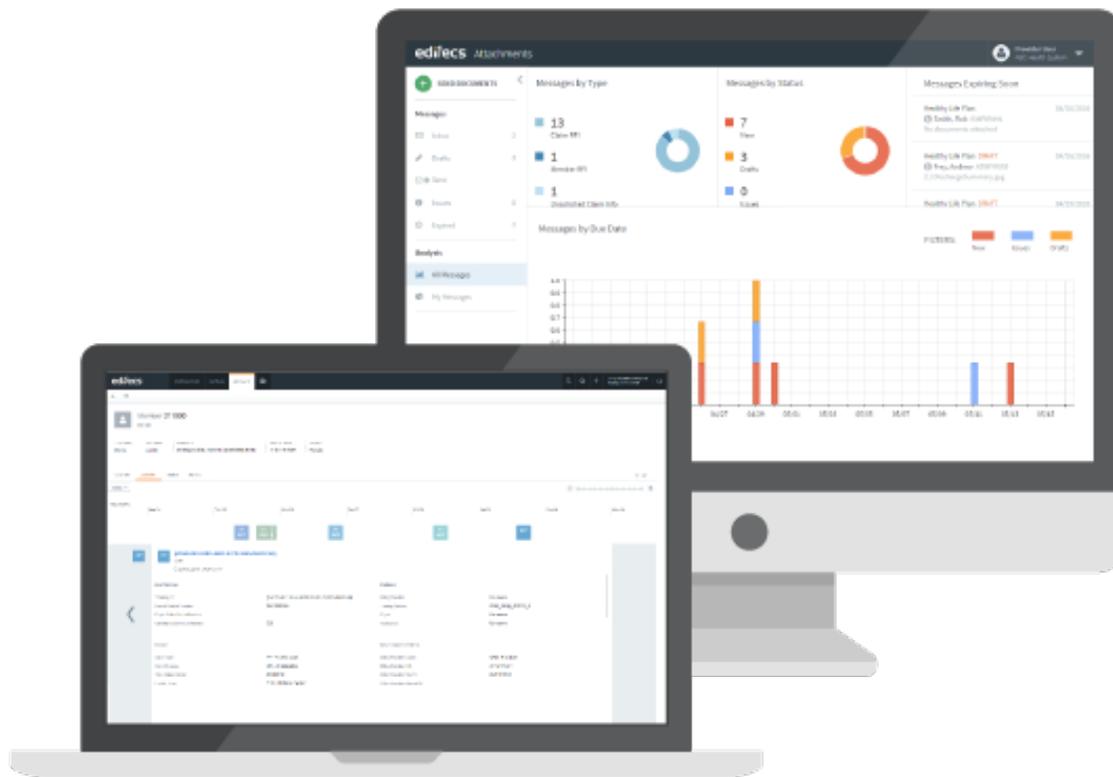
Capabilities

Enables Electronic Attachments

Enables Payers to electronically request, and Provider to electronically respond to claims and member requests for information. With support for “safe harbor” 277/275 EDI transactions facilitates seamless exchange of medical documentation with a true payer and provider solution across a multitude of communication channels.

Cross-Enterprise Workflow

Both Payers and Providers gain total visibility and clarity of next steps in the end-to-end attachment lifecycle. Payers can generate attachment requests, monitor provider responses and spot problem areas to pro-actively take action. Providers can track open requests with clear understanding of requested medical documents, balance internal resources with task assignments and due dates and get insights into submission problems.



Drives Provider Adoption

The solution offers significant cost reduction for providers by offering multiple avenues to electronically receive and respond to payer attachment requests, using the EDI 277/275 transactions, a web-based portal, or directly from the document management systems through integration with CollabLynk Virtual Printer or the emerging FHIR standards.

Deep Payer Integration

By leveraging the unique edge of enterprise position, the solution is able to collect medical documentation across all communication channels and intelligently route them to existing back-end systems. This allows payers to scale the model to new emerging value based care initiatives without disrupting internal processes, whether it is claims adjudication, quality score calculations or risk adjustment.

Solution Benefits

- Securely connect to any provider systems
- Enhanced provider experience and adoption
- Support all workflows (un)solicited Modes
- Track life cycle number requests for Info
- Broker payer - provider medical documentation exchanges to improve operational accuracy
- Support best practices and all standards
- Support all formats (un)structured documents
- Easily link attachments to claims
- Integrate with existing systems and user portals
- Reduce administrative burden and costs

Summary

Are current manual paper-based attachments costing you more administrative dollars? Is this challenge creating tensions within the provider network and limiting the ability to exchange more documentation? We may not be able to remove administrative costs but we sure can streamline, automate and make the process of dealing with multiple plans or providers a little easier.

Although it is expensive for physicians to deal with multiple health plans, each with its own requirements for authorizations, formularies, billing, and so on, it can be argued that having multiple plans generates the benefits that can flow from competition, including innovation and increased patient choice (3).

Edifecs has the right approach to smarter payer-provider collaboration using innovated technology. Contact your representative or request a demo online. Ask to see how Attachment Management can reduce administrative costs within your organization.



Value-Driven: 50% Savings

Total Claims	13,000,000
Automation Opportunity	10%
Number of Claims Requiring Attachments	1,300,000
Savings per Claim using Edifecs	\$3 (50% Savings)
Potential value to Partnership	\$3,900,000

Citations

- (1) Lawrence P. Casalino, Sean Nicholson, David N. Gans, Terry Hammons, Dante Morra, Theodore Karrison and Wendy Levinson What Does It Cost Physician Practices To Interact With Health Insurance Plans? Health Affairs 28, no.4 (2009):w533-w543 doi: 10.1377/hlthaff.28.4.w533 originally published online May 14, 2009
- (2) M. Freudenheim, "Big H.M.O. to Give Decisions on Care Back to Doctors," New York Times, 9 November 1999; and G.P.Mays, G. Claxton, and J. White, "Managed Care Rebound? Recent Changes in Health Plans' Cost Containment Strategies," Health Affairs 23 (2004): w427-w436 (published online 11 August 2004; 10.1377/hlthaff.w4.436).
- (3) Danzon, "Hidden Overhead"; and P.Hussey and G.F. Anderson, "A Comparison of Single and Multi-Payer Health Insurance Systems and Options for Reform," Health Policy 66, no. 3 (2003): 215-228.



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