Workers’ Compensation Case Study

Attachment Workflow Automation

Presented by
Sherry Wilson, Jopari Solutions
Kevin Oswald, Select Medical
Don St Jacques, Jopari Solutions
Dana Garman, Gallagher Bassett
Agenda Topics

• Overview Workers Compensation State Reform Objectives
• Industry Attachment Applications
• Attachment Workflow Automation – Panel
  ➢ Provider, Clearinghouse and Payer Implementation Use Case
• Panel Presentation Use Case Overview
  ➢ Business Reasons for Workflow Automation
  ➢ Implementation Challenges
  ➢ High Level Attachment Workflow
  ➢ Attachment Benchmark Indicators - Realized ROI – Experienced Value
  ➢ Lessons Learned
• Summary of Top 7 Key Industry Lessons Learned
State Workers’ Compensation Reform Objectives

• Modeled reform initiatives on the vision that HIPAA simplification promised

• Leverage existing solutions already in use today by covered entities to facilitate stakeholder adoption
  – same technology platforms
  – same connectivity technology vendors
  – same process workflows
  – same claims transactions and code set

• Adopted 2008 IAIABC National Attachment Standards based on proposed HIPAA Attachment Regulations (2005)

• Adopted X12 Acknowledgments Transactions (TA1 999 277CA 824)
How is the Industry Using Attachments Today?

• Today **36 Million Plus Attachment** processed annually

• Attachment Applications
  - Claim Adjudication and Post Adjudication
  - Referral/Notification
  - Prior Authorization

• Attachment Supported Formats – Clearinghouse
  - 95% Unstructured Attachments
  - 5% Structured Attachments (C-CDA)

• Payer Requested Attachments
  - 5% Solicited: ASCX12 277 Request for Additional Information
  - 95% Unsolicited Model:
    State - Payer Attachment Front-End Rules (80/20)

How the Industry is using Electronic Attachments?

- **Submission Methodologies - Flexible Attachment Solutions**
  - Stakeholder EDI Readiness – low tech to high tech
  - Bar coded coversheets and automated, secure Fax server application
  - Secure email (Direct)
  - Web portal upload of single or batches
  - EDI using ASCX12 275 Envelope
  - EDI using HL7 CDA
  - EDI other application

- **Acknowledgments required at every EDI touch point in workflow process**
Workers’ Compensation Use Case

Provider – Attachment Workflow Automation

Presented by:
Kevin D. Oswald, Senior VP Revenue Cycle
Select Medical, National Provider Organization
Business Reasons to Automate Attachment Workflow

- Stagnant volume of electronic claim submission
- High volume of requests for supporting documentation
- Frequent resubmission of claims
- Extensive resources working manual claims
- Burden on clinics to provide attachments
- Need for cost reduction and improved efficiency
- On the horizon, state regulatory compliance
Challenges During Automation Implementation

• Implementing an effective EMR system
• Reluctance to change
• Payer readiness
• Ensuring claim/EMR match
Select Medical
Claim and Attachment generation/submission workflow

- Patient is seen
- Visit Documented in EMR
- Charges Recorded in Billing System
- Controls
- Attachment File (PDF)
- Forward To Clearinghouse
- Claim File (837)
- Acknowledgments used at every touch point in the workflow process.
- Sent to Payer in their required formats
Workflow Process (Provider)

• Services are provided and documented in EMR
• Claim file is generated in billing system and saved to a shared drive
• Attachment front ends edit rules applied to identify claims requiring attachments based on payer/state requirements.
• Attachments are extracted from our EMR system during an overnight process, matching following criteria:
  • Patient Name
  • Date of Birth
  • Service Date
• Attachments file is provided back to CBO as PDF files
• Checks & balances exist through a ‘mismatch’ report or a ‘missing attachment queue’
• Claim and Attachments are sent in separate files and uploaded to clearinghouse or directly to Payer - 2 different systems
Workflow Process (Vendor)

• Acknowledgement reports are provided by the clearinghouse (999 and 277CA)
  ➢ Fully Accepted / Fully Rejected / Partially Accepted
• Claims and attachments are linked via metadata by the clearinghouse
• If a Claim is missing an attachment, it is pended for a specified time
• An Acknowledgement is sent regarding the claim status of missing attachment to enable provider to upload the missing attachment via a clearinghouse portal and or EDI (solicited request)
• CBO makes necessary corrections to claim without having to resubmit
• Clearinghouse formats Attachments and envelope based on payer/state criteria (e.g. MN 275 5010, 275 6020)
• Edited clean claims and Attachments submitted to payer
• Acknowledgement confirmation of acceptance or rejection is received ( 999- 277CA )
Workflow Process

15 Years Of Progress

- Clinic made copies of manual documentation and mailed to CBO to attach to printed claim
- Clinic began utilizing EMR, allowing CBO to print documentation to attached to printed claim
- CBO began submitting claims electronically, utilizing a Faxback system with clearinghouse. CBO printed documentation and faxed with cover sheet to have attached to claim
- CBO now able to automate extraction of documentation to have electronically uploaded and linked to electronic claim
<table>
<thead>
<tr>
<th>Bench Mark Indicators</th>
<th>Outcomes</th>
</tr>
</thead>
</table>
| Acceptance rate of initial claim submission | Maintain acceptance rate of 95% or better on initial submission  
  • Attachment front end edits impacts % clean claim submissions  
  • Acknowledgements gives immediate status notification  
  • Online claims edit allows issues to be resolved in days’ vs weeks |
| Volume of resubmissions                   | Resubmission decreased 34% to 1%                                                                                                          |
| Percentage of claims closed within 60 days | • Increase cash flow  
  • Claims paid within 60 days increased from 45% to 88%                                                                                   |
| Keys metrics tied to Aged Receivables     | Property and Casualty AR over 90 days was reduced by 20%                                                                                   |
| Staffing and process efficiencies         | • 55% decrease in payer collection calls  
  • 41% reduction in staff related to billing and collection                                                                                 |
Lessons Learned

• Proven ROI was a key driver to expand voluntary adoption nationally, beyond mandated states.
• States aligning with the HIPAA proposed Attachment standards enables leveraging existing IT investment, resources and connectivity to apply to other lines of business

• No additional investment and/or change in workflow process when adding a new payer or state
• Goal is one end-to-end administrative and attachment automated workflow process across all lines of healthcare business
Clearinghouse Workflow

Claims and Attachments

- Attachments (PDF, TIF, CCD-A, JPEG, other formats, 275, Metadata)
- Claim Submission and Acknowledgement (999, 277)

Claim X12 edits Jurisdictional Rules

Attachment edits Jurisdictional Payer Provider

Complete Claim?

Acknowledgments

Claim file in Payer required format

277 Response to submitter

Acknowledgments used at every touch point in the workflow process.

Claim Submission and Acknowledgement (999, 277)
Workers’ Compensation Use Case

Payer – Attachment Workflow Automation

Presented by:
Dana Garman, Director Managed Care Services Operations
Gallagher Bassett
Business Reasons For Attachment Workflow Automation – Mandated And Other Reasons

- Competitive advantage as an early adopter of electronic claims and attachment processing
- Eliminate paper where possible and streamline to reduce costs
- Anticipated provider IT advancements in electronic claims and attachment processing
- Partner with provider and vendor community to expedite Claim processing and attachment workflow automation
Business reasons for attachment workflow automation – mandated and other reasons

- Preparedness for regulatory state reporting and EDI claims and attachment requirements
- Improve claim adjudication workflow process
- Enhance medical care coordination
- Leveraging EDI technology partners and existing connectivity solutions
Business Reasons For Attachment Workflow Automation – Mandated And Other Reasons

• Claim infrastructure is highly integrated enabling potential easy access to attachments

• Attachments required for 90% of claims
  ➢ Decrease decision wait time pending records
  ➢ Access to electronic attachments intended to decrease repeat requests for records

• Mail room efficiencies
  ➢ Decrease time reviewing records, coding and assigning to a claim file (specific event)
  ➢ Expedite routing to clinical teams, eliminate duplicate copies of records
  ➢ Automating information workflow to expedite business processes across the organization
Overcoming Implementation Challenges

• Implementation of electronic claims with attachments as partners developed to GB’s file specs – few challenges

• Internal adoption as corporative initiative to move towards paperless
  - Socializing within claims – clinical organization
  - System and people “interoperability” challenges

• External adoption
  - Enabling clinical partners to access attachments in claim adjudication system

• Low infrastructure cost to expand beyond mandated states
Gallagher Bassett
Electronic Medical Claims and Attachments Intake

Claim Data File
(837, XML, other)

Workflow routing and claim number matching

Linkage to claim

Adjudication and Payment Processes

Linkage between Claim and Documents

Document Management System

Acknowledgements used at every touch point in the workflow process.
# Realized ROI
Since Attachment Automation

<table>
<thead>
<tr>
<th>Bench Mark Indicators</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduce Paper and Claim Attachments</td>
<td>Increased Electronic Transactions from 15% to over 50%</td>
</tr>
<tr>
<td>Clean Claims First Time Submission Rates</td>
<td>Acknowledgements upfront allows providers to be proactive increasing initial claim submission - 96% Clean Claim Acceptance</td>
</tr>
<tr>
<td>Rejection Rate Due to Missing Attachments</td>
<td>&lt;1% of claims are rejected due to missing attachments based on front end edits</td>
</tr>
<tr>
<td>Appeal/Reconsiderations</td>
<td>Electronic Claims Reconsideration Rates Are lower</td>
</tr>
<tr>
<td>Payment Status Inquiries</td>
<td>Acknowledgement transactions have reduced claim receipt inquiries, payment status phone calls.</td>
</tr>
<tr>
<td>Payment/Remittance Turnaround Time</td>
<td>Claim Payment Turnaround Time: over 90% of original bills are paid within 5 days.</td>
</tr>
</tbody>
</table>
Lessons Learned

• Proven ROI and ease of implementation was a key factor to expand Gallagher Bassett’s voluntary adoption nationally, beyond mandated states
• Attachment Standards enables increase stakeholder adoption

• Strategic partnering with technology solution vendors to accommodate different levels of stakeholder attachment EDI readiness to maximize workflow automation
• Goal is one single administrative and attachment automated workflow process across all lines of healthcare business to achieve administrative simplification
## Summary Top 7 Key Industry Lessons Learned

### 1. Key Highlights Successful Implementation
- IAIABC Attachment Standards - 2005 HIPAA Attachment proposed rules
- IAIABC 2008 created Model Rule – AMA endorsed – States Adopted
- Industry expert guidance every step of the way from WEDI, HL7, X12 and others
- Industry collaboration and ongoing education – WEDI P&C WG
- Stakeholder realized value and ROI

### 2. Adoption requires flexible attachment solutions to help stakeholders leverage existing IT investments, connectivity and resources

### 3. Documentation Type specificity is critical to allow internal routing to expedite business processes
- ASCX12 837 PWK01 Report Type Codes
- LOINC Codes
- If not specific, manual intervention is required adding time and cost
Summary Top 7 Key Industry Lessons Learned

4. Front End Clean Claim Edits – State/Payer Attachment Rules
   – Significant improvement in first time claim submission end-to-end workflow (75%)

5. Acknowledgments - ROI Impact
   – Impact overall administrative costs and time
   – Provider knows immediate status of the claim
   – Eliminates phone calls and ‘black hole’ (duplicate submissions)

6. Attachment workflow automation has proven ROI and value across all stakeholders

7. Evidence – Over 36 Million plus attachments processed annually and growing
What We Need:

- **Ongoing industry collaboration and education** to further industry adoption and stakeholder value across all lines of healthcare business

- Encourage HHS to adopt the July 5, 2016 NCVHS Attachment Letter of Recommendations to address the business needs of the industry to achieve administrative simplification

- States and Stakeholders need direction **ASAP**
Thank you!

Sherry Wilson, sherry_wilson@jopari.com
Don St Jacques, don_stjacques@jopari.com
Kevin Oswald, kowald@selectmedicalcorp.com
Dana Garman, Dana_Garman@gbtpa.com