

A background image showing a medical setting with a stethoscope, a laptop displaying an X-ray, and a heart rate monitor on a grid background.

HOW A HEALTH INSURER STREAMLINED THEIR REPORTING TO CENTERS FOR MEDICAID AND MEDICARE SERVICES (CMS), REDUCING MANPOWER COSTS BY 90%

Health insurance companies are continuously seeking to reduce their administrative costs as part of a much larger effort to control health care costs. In the United States, administrative costs represent 12 to 18% of total health care costs. For one of the largest US private health insurers, with over 11 million insured and 50,000 employees, a ripe area for cost reduction is the administration of its delegation program. Delegation is a formal process by which a health plan contracts with a health care provider to perform certain functions on its behalf, such as doctor and nursing credentialing and claims payment.

Although the insurer is able to delegate the authority to perform a function, it remains responsible to external regulatory agencies and other entities for the performance of the delegated activities. As such, the delegated health care providers are required by the insurer to submit monthly reports detailing its compliance with the insurer's policies and procedures. These reports are consolidated by the insurer for its own reporting to the Centers for Medicare and Medicaid Services (CMS) and various state regulators.

The administrative costs associated with the insurer's delegate reporting program was high. A team of 10 people was required to manually solicit and obtain, via email, monthly reports from 400

delegated providers. The manual process was not just costly. It was based on email, and as such was unable to handle the large files being generated by some of the delegates. And because the email platform used by the insurer lacked an API to automate key parts of the workflow, the process was inherently error prone and inconvenient for all involved.

In considering an alternative approach, several requirements for a new platform were defined by the insurer:

- The new platform needed to be fully branded as being provided and operated by the insurer, including the use of an insurer-owned subdomain for all links used to access the service. The introduction of a 3rd-party branded service (e.g. Dropbox) would have introduced confusion and mis-trust on the part of the delegates. Further, links to cloud file storage systems, including Box, Dropbox, Google Drive and OneDrive, would be blocked by many delegate providers as part of their routine data loss prevention programs.
- With the reports potentially containing PII and HIPAA data, the platform needed to meet a minimum set of security requirements, including encryption of all data in transit and at rest.



RELIABLE



SECURE

E-SHARE

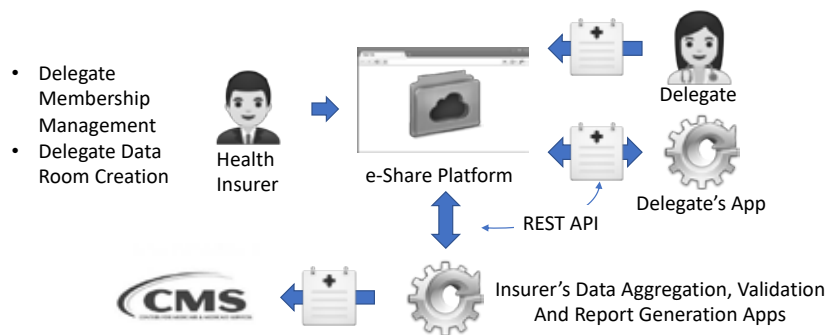
470 ATLANTIC AVE
SUITE 400
BOSTON, MA 02210

WWW.E-SHARE.US

INFO@E-SHARE.US
617-520-4120

- The platform needed to be easily accessed and used by both the insurer and the delegates, preferably through a web-based interface and certainly with no software installation or plug-ins being required of the delegates.
- A REST API was required so that an application the insurer had written to perform data aggregation and validation could be asynchronously notified of new reports submitted by delegates.

The insurer found with e-Share a platform that was capable of meeting all of its requirements, and provided additional benefits. For example, the ability to manually prototype the workflow with a small number of delegates allowed the insurer to validate delegate satisfaction and adoption before coding began. And the availability of both a script interface and a REST API allowed the insurer to quickly refine the implementation and prove out the workflow through scripting before fully automating it via the REST API.



An unexpected benefit arose through the use of the API by a delegate provider who automated its own reporting and submissions to the insurer. A simple cURL script allowed the delegate provider to reap the same benefits as the insurer – reduced administrative costs and improved quality of reporting.

The insurer reports significant operational benefits. It has reduced the workforce required to manage the delegate reporting to 1 administrator...a 90% reduction in manpower costs! And the delegates are pleased with the change, primarily because the use of a virtual data room provides a simple means to input new reports and view historical submissions.

Based on the success of this initial use case, the insurer is canvassing the business to identify other file-based workflows that can be similarly automated to achieve further reductions in it's health care administrative costs.