Bill Review Health Check:
The Hidden Cost of Complacency

Everything you need to diagnose
your bill review program

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The Hidden Cost of Complacency: Investing in Change vs. Staying in Place

Insurance and claims organizations are striving to leverage innovation in every aspect of their operations. Such a progressive approach has given us good reason to reconsider the concept of excellence in medical bill review—and what it means to provide this service to customers in a way that truly impacts the efficiency of claims handling and the effectiveness of medical management.

By **David Dubrof,**
Vice President,
National Sales

In recent months, we've spoken to many organizations looking to switch bill review vendors and identified some common concerns. Deciding to switch vendors is never easy or simple. There are costs involved; it can be disruptive to operations, and the required effort must be offset with the prospect of quantifiable value and savings down the line.

What we've noticed with organizations considering a switch is many have put off the decision and were "making do" with workarounds and less-than-optimal results. Upon closer inspection, however, these organizations came to realize they were hemorrhaging costs. They may even put their reputation at risk if the vendor fails to keep pace with industry developments around compliance. In this paper, we review some common pain points and introduce our series of insight papers to help assess your program—and the results that it's achieving.

The Risk of Status Quo

It's easy to become complacent and get comfortable with a bill review vendor, especially if the relationship has existed for a number of years, and the service has seemed adequate.

Is your bill review process suffering a "death by a thousand cuts" in terms of inefficiency, compliance penalties or other pain points you've continued to deal with? **If so, now's the time to make a change.**

However, "adequate" service is not good enough for organizations striving to meet aggressive goals. There's a risk in relying on a vendor that's content with the status quo—it can put your company at a competitive disadvantage, especially when compared to others implementing more innovative approaches. You should consider what a lack of competitiveness could mean for your organization over time. What will it truly cost? Perhaps it may result in a reduced ability to retain or bring in new business. Or perhaps your company will gradually become overwhelmed with manual processes, inefficiencies, non-compliance penalties and service issues. In essence, a poor bill review process becomes akin to the proverbial death by a thousand cuts.

The Advantage of a Leadership Mindset

If your organization is striving to achieve a leadership position in the workers' compensation market, your bill review vendor should, likewise, rise to the challenge and help you obtain this objective. To do this, a vendor must be willing to work collaboratively to get to the root of any issues, solve problems as they arise, as well as proactively look for ongoing opportunities to improve results.

Ask yourself this: Am I working with a vendor that's competent or one that I view as a critical advisor and partner? It's an important distinction. A competent vendor will likely give you more of the same service and results, while a progressive partner with a leadership mindset will strive to deliver increased value in every aspect of its service.

An Ability to Adapt to Change

The workers' comp industry experiences ongoing change. Every year, we see new legislative mandates, additional requirements around compliance, as well as emerging technologies. In addition, your insurance and claims customers have evolving needs and increasing demands in terms of convenience, service and savings.

Be sure your vendor's platform is flexible enough to accommodate various levels of change to improve efficiencies and lower costs. For instance, the vendor should have an open, progressive mindset toward new technologies that can provide added benefits. Plus, this type of approach enables a vendor to be well positioned for a future with digital devices, a big-data environment, and advanced analytics.

Bill Review Health Check: Looked Under the Hood Lately?

For some organizations, it's been the default to let their bill review continue in a less-than-optimal manner, rather than expend energy to switch vendors and make their process better. But as we prepare for growth and momentum, it's time to dig in and truly evaluate your bill review service. Is it suffering a "death by a thousand cuts" in terms of inefficiency, compliance penalties or other pain points you've continued to deal with? If so, now's the time to make a change.

In some areas of the bill review process, you may not even know you have a problem, unless you check under the hood and know what to look for. Just as you might obtain a full body scan to proactively detect a health issue early on, your organization can similarly undergo a comprehensive bill review health check.

Using the bill review expertise at Genex Services, we have developed this book that will shine the light on different aspects of your bill review program. This book will help you determine if your vendor is performing optimally.

Each chapter will be accompanied by a diagnostic checklist to help evaluate these respective areas of your bill review program. And Genex bill review experts are here to help you interpret the results in a meaningful way. This health check will help ensure your bill review program is operating optimally. If a vendor is meeting all of the criteria, you can feel confident that it's delivering the value and strategy you need now and into the future. ♦

About the Author

David Dubrof is Vice President of National Sales, Bill Review, at Genex Services. He is responsible for managing the technology and bill review sales team. He has more than 25 years of executive management experience in the workers' compensation, health care and technology industries.

Accessing Top-Performing Providers through an Optimized Network Strategy

Are you receiving run-of-mill results from your bill review program? Are dismal outcomes making a switch inevitable to improve performance? It's time to consider your vendor's use of providers and provider networks.

By **Dean Stiles,** Director of Network Management

Bill review has the potential to achieve significant savings through the repricing of bills, according to state fee schedules and usual and customary charges. However, it's important to realize that quality care and cost savings are also impacted by a vendor's ability to establish favorable contracts with best-in-class provider networks.

In this chapter, we help you determine if your vendor is providing access to top-performing doctors, and thereby helping you to optimize your medical costs and outcomes. This is not an area where you want "ade-quate" service or, worse, underperformance. This is a critical managed care function where a vendor can shine by driving increased savings, improving outcomes and fine-tuning results year over year.

Let's review the key factors to consider when evaluating the strength of your access to providers.

Ability to Identify and Highlight Top-Performing Physicians

Bill review vendors should be using benchmarking tools to evaluate physicians and identify those who are top-performers. A vendor must be able to identify those with the best track records in terms of costs and outcomes and ensure an organization's injured workers can be directed to these providers for care. As part of these evaluations, a vendor should follow the provider's performance from the start of treatment to the closure of a claim. In addition, it should look at several layers of data that include:

› Comprehensive managed care data, including information from bill review, case management and utilization management

› The customer's claims data, which would include elements like claims duration, total cost and return-to-work (RTW) results

› Workers' compensation industry data

All of these factors should be accounted for in the vendor's provider analytics tool. It wouldn't be fair to assess a doctor by only looking at only one or two claims. The sample size should be statistically significant for each scored provider. In addition, the vendor should stratify provider performance within geographic areas. For example, a provider in Montana will have different treatment patterns than providers in Los Angeles, but the Montana provider may be one of only a few in that region, so he'd be evaluated and stratified relative to providers in his area.

The vendor should be able to identify potential red flags that could lower a provider's ranking in the evaluation process, including:

› Billing issues, such as regularly overcharging for services or billing for services not rendered

› Provider's treatment patterns, which when benchmarked against treatment guidelines might show a tendency for more services or surgeries compared to other providers

› Pharmacy benefit management data, which might show a provider is over-prescribing opioid painkillers or other irregular prescribing patterns

A vendor's evaluation tools should take all these factors into account and give more weight to the elements that yield a greater impact on outcomes. In addition, the stratification should be dynamic, not only looking at trends from the past but also emerging issues as they occur.

A custom-designed network strategy will not only facilitate quality care, **but also help reduce your overall medical spending.**

Optimizing Your Network Strategy

Network selection is critical to a managed care program. Insurance and claims organizations should demand access to a wide range of physicians to provide comprehensive care to injured workers. Your vendor should be able to assess and partner with a variety of networks, and create a mosaic specifically tailored to your needs—whether it's on a national, regional or local basis—and incorporate various specialty networks. In this model, a custom-designed network strategy will not only facilitate quality care, but also help reduce your overall medical spending.

Some vendors own provider networks and prefer to refer cases to their own doctors. However, these vendors may be focused on driving revenue, rather than having your best interests in mind. To avoid such scenarios, seek a neutral vendor that does not have a vested interest in a particular provider panel. Instead, the vendor would focus solely on aligning your network strategy to your objectives.

Ultimately, a bill review vendor should use a data-driven approach in selecting networks. For example, sophisticated vendors collect performance data and use this information to evaluate coverage and costs. A best-in-class approach will include the following network coverage:

› National networks, offering access to all provider types

› Specialty networks, such as physical therapy and chiropractic, offering additional clinical management—for example, a PT network might review services against a pre-set limit, such as 12 PT visits, and deny services that fall outside this guideline

› State, regional and local network, depending on where the organization's worksites are located

The network strategy should be customized by customer, by region. For example, an airline company might have certain locations with a high concentration of employees.

Their network strategy would be very different from a government agency that has employees scattered throughout the state.

The vendor creates a mosaic of networks, through which the bills pass. According to its analysis, it might identify a network that should be placed in the primary or secondary positions, but a customer can make customizations to this configuration. The vendor must be flexible enough to accommodate such modifications and allow for a mosaic that constantly evolves. For example, a client might hear of a new network and want to assess the network for inclusion in its program; the vendor should have the agility to make this type of change within a short timeframe.

Provider Search Tools

Vendors often provide some form of provider directory or look-up tool. Sophisticated vendors are now offering web-based systems designed to help clients more quickly and conveniently locate providers within their designated networks, so they can refer injured workers to the closest top-tier network provider.

When available, a web-based search tool should continually be enhanced to offer more capabilities and accommodate new developments in the industry. For example, today's online search tools are incorporating provider surveys that accumulate subjective information from injured workers, case managers and adjusters. The result would be a Yelp-like review on physicians.

A vendor should offer training on this tool, so customers know how to use it most effectively. The tool should be made available to employers, adjusters, telephonic case managers, and field case managers—anyone who might need to arrange care for injured workers.

Bill Review Savings Reports

Savings from bill review and network management should be demonstrated by the vendor in savings reports. An effective communication plan should include a sit-down with customers on a quarterly basis

Provider and Network Strategy Diagnostic Checklist

Has your bill review vendor helped to optimize access to quality care, as well as optimal outcomes and savings? Are these results documented in reports you trust? Do you understand how the savings were calculated or do you feel the vendor might be inflating these numbers?

Does your vendor have the ability to identify top-performing physicians in the geographic areas where your workers are located?

Does your vendor have a data-driven approach to developing and continually fine-tuning your network strategy?

Does your vendor have the flexibility to accommodate unique modifications to your network strategy, e.g. adding or admitting providers based on your input?

Does your vendor offer an online provider search tool to quickly and conveniently direct injured workers to appropriate network providers?

Is your vendor able to certify a managed care plan in the states that require it?

in stewardship meetings to discuss the level of savings achieved and how it can be improved through greater network penetration, as well as by fine-tuning the network strategy. The plan should also include an interactive dashboard to allow monthly review and discussion.

In a "Bill Review & Analytics: Unleashing Powerful Insights Hidden in Your Bill Review Data," we outlined the various types of medical spending reports that a sophisticated bill review vendor will be able to provide, including medical spending by category, jurisdictional analyses and medical spending by body parts to name just a few. In that paper, we also covered how predictive analytics and machine learning are enabling bill review vendors to analyze millions of bills to identify patterns and predict future outcomes. For example, a vendor using predictive analytics could alert you to a case that might require surgery, so case management could get involved and proactively manage the case for better results.

Today, many organizations look at medical cost savings as a key indicator of success. However, don't be gamed by savings reports. Have a conversation with your vendor to ensure you understand how a savings statistic is calculated, so you can be sure what charges and savings are included in

the calculation. In addition, a sophisticated vendor will offer integrated managed care services to better control complete medical costs across the continuum of care. For example, with integrated case management and utilization review, a vendor could ensure appropriate care and further reduce costs.

Certified Plans

Today, 17 states have legislation allowing certified managed care plans, which enable companies to better control quality of care and costs of care. These plans entail filing provider network information with the states that allow certified plans. The three largest states handling workers' compensation—California, Texas and New York—all allow certified plans. In California and Washington, they're call Medical Provider Networks (MPNs); in Texas, the plan is called a Health Care Network (HCN). By population, more than half of the country's workers have access to treatment for workers' compensation injuries through a certified plan.

Be sure your vendor has the expertise to handle these filings with the relevant states, as well as any re-certifications, on your behalf. The vendor should be able to demonstrate to the state that it understands and has followed the regulations, that it uses sophisticated provider evaluation tools and has a sound methodology for provider selection.

A Best-in-Class Strategy

If you've thought to yourself, my bill review vendor could be doing a better job, then now's the time to take a closer look. We've given you some tangible points to evaluate their performance around access to providers to ensure you're getting optimal outcomes. Be sure your vendor is providing detailed reports and outlining its methodology in selecting providers and networks, so you can line up savings achieved with their best practices.

As you're performing your vendor review, expect the savings achieved through bill review to be substantial. But beyond the numbers, you now have specific criteria outlined in this paper to do a deeper dive. For example, ensure benchmarking tools are integral to a vendor's provider evaluation process, as these tools can identify and stratify top-performing providers specific to your organization and its locations. Vetted physicians can be trusted to reliably and consistently deliver better outcomes compared to their geographic peers. Finally, as outlined in the *Risk & Insurance* article, "Bill Review and the Commodity Myth," your vendor should be perceived as a valued partner, striving to improve and fine-tune your strategy into the future. ◆

About the Author

Dean Stiles is Director of Network Management at Genex Services. He is responsible for managing the products and services that complement bill review and case management services, including state-of-the-art metrics and reporting that maximize savings in bill review, efficient provider identification tools that pinpoint top-tier providers, and certified network options that cater to client requirements. With over 25 years in workers' compensation, he oversees network and vendor contracts, and manages the processes that maximize the quality and savings benefits of these contracts for customers.

Assessing Bill Review Compliance: What You Don't Know Could Cost You

In this book, we've been looking at the hidden costs of staying with a bill review vendor that may not be keeping pace with the latest requirements in workers' compensation. Within this assessment, compliance is a key concern, as process deficiencies in this area could lead to significant costs in terms of penalties and fines.

By **Susan Yurk,**
Medical Review Service
Product Manager

and

Staci Gates,
Medical Review Service
National Compliance
Manager

Oftentimes, an insurance company may not realize a problem exists; a state representative could be sent to perform an audit, and at that point, it's too late to make changes that could affect results. The auditor might find that providers weren't being paid within the state's mandated timeframe, or that complete medical bill information had not been reported to the state in a timely fashion.

Fines for non-compliance are steep. The state of Texas assesses a maximum $25,000 penalty per day per occurrence of non-compliance. Fines can quickly add up, especially if a vendor has consistently been remiss in its approach, leading to multiple infractions.

Beyond fines, there are also reputational risks. Keeping with the Texas example, audit results would be posted to the state's website, which could impact an insurer's standing with customers. The state might post detailed information—for example, that the insurer did not meet reporting criteria 80% of the time. And once an insurer has

demonstrated poor performance, the state is likely to send an auditor the following year to determine if the insurer has improved its compliance efforts.

Obviously, insurers want to utilize a bill review vendor that can comply and avoid audits in the first place. But when an audit must occur, they want a vendor that has the best practices in place to minimize violations and rectify any issues going forward. In this paper, we outline important practices to look for in relation to your vendor's compliance efforts.

Compliance Starts with the Customer's Claims Data

Capturing the right data in a claim's file is essential to meeting statutory requirements, but many insurance and claims organizations may not realize they're lacking in this area.

A sophisticated bill review vendor will have compliance experts assess your claim's file to ensure you're collecting all the right information. The vendor must be aware of all current state requirements and also serve as a consultant, regarding pending regulations that will soon take effect. The vendor will have a firm grasp of the types of changes that need to be facilitated and in what timeframe. In fact, a vendor should work with you on perfecting compliance from the get-go—in other words, from the initial implementation.

At that time, the vendor can assess the data being collected to ensure you'll be able to supply the required data elements for state reporting.

Ongoing Internal Audits

A quality bill review company will have proactive strategies to avoid patterns that trigger an audit in the first place. One way that a vendor does this is by setting up a monthly internal audit, where the vendor assesses two key criteria for bill review compliance:

> **Timeliness of Payments.** Are medical bills processed and paid in a timely manner, according to the mandated timeframe in the respective state?

> **Complete, Accurate and Timely Reporting.** Are all relevant pieces of information captured, so there are no mistakes or missing data elements in the relevant state reporting process?

By doing an internal audit, the vendor is able to identify and address issues early, before a state auditor gets wind of them. For example, at Genex Services, the medical bill review department randomly selects bills processed the previous month from multiple states with payment and reporting requirements. This might include bills from states like Texas, California and Florida.

The vendor must be aware of all current state requirements and also serve as a consultant, regarding **pending regulations that will soon take effect.**

> A bill review vendor should be able to analyze and identify why and how non-compliance issues occurred and to put a **process in place to fix the problem going forward.**

Quality Assurance & System Edits

A bill review vendor should have quality assurance (QA) processes in place to check bills. The QA process is often built using business rules to ensure a certain percentage of bills are looked at by a senior team member. This person will verify that all the data on the selected bills are correct before the bills are posted to history.

A vendor should also set up automated system edits. As a bill goes through workflow, the system makes sure all required data elements are entered. The vendor might create business rules, so that if a data element is not there, the rule would stop the process and alert a team member. If the information can't be found, the bill review department can return the bill to the provider, asking for the required data.

Compliance Expertise for Various States

We started by discussing a state of Texas example, but a bill review vendor must be knowledgeable about requirements in various states. For example, Florida will perform audits at the claim's level, rather than the carrier level. This state will notify an insurer in advance that it will be sending an auditor to review specific claims. In this way, the insurer has some time to look at those claims and make sure everything's in order before the auditor arrives. It's important vendors understand the different state requirements and how each state performs audits, so they can better serve as a resource. Proactive vendors, such as Genex, even provide regular compliance updates by state to keep you informed of the latest regulatory changes.

Bandage vs. True Resolution

No vendor is perfect, so an audit could be inevitable. However, a bill review vendor should be able to analyze and identify why and how non-compliance issues occurred and to put a process in place to fix the problem going forward. This may seem obvious, but many vendors don't have the expertise to truly address such issues. Instead, they may attempt to place a bandage over the problem. They recognize that the workflow is broken or has holes that allow bills to get through with incomplete data or become delayed past required timeframes. With the customer in jeopardy of additional fines, the vendor might try yet another bandage, resulting in a bandage-over-bandage situation, but still not get at the root of the problem.

The vendor might actually need to revamp its entire workflow to truly address the issue, or it might need to reassess how it's mining and pulling data to submit for state reporting. In these situations, it's a combined lack of capabilities and expertise that prevent the vendor from remedying the issue and achieving compliance going forward.

We recently spoke with a self-insured company whose vendor had not optimally configured its bill review application, which diminished compliance. As a workaround, it had to use processes outside the system, but this worsened the situation, as the system could not automatically detect problem areas, which resulted in more non-compliance occurrences.

Vendor Availability During Audits

When an audit occurs, an insurer's reputation is on the line, but it is the vendor's workflow and handling of data and payments that can often avoid or result in penalties. As such, during the audit, the vendor should be available as a resource. For example, it might have point people available for questions, or to pull and send data, if needed. Sophisticated vendors set up a portal, giving the insurer access to data directly. Some insurers want to provide the auditor with direct access, and in that situation, the vendor must be savvy enough to provide access in a way that limits the auditor's review to only the relevant information and not to other details that could expose the insurer to further review, issues and penalties.

Compliance Report

Upon request, sophisticated bill review vendors should be able to provide a compliance report, which summarizes the vendor's compliance performance. For example, the report might show all the states in which the insurer operates that have compliance requirements. The report might show that 98% of the time, the vendor is submitting data to those states in a timely manner. Such a report would have drill-down capabilities, so the insurer and vendor could collaboratively identify and address problem areas in order to avoid future non-compliance issues.

Assessing Compliance Best Practices

When insurers are looking at switching vendors, compliance has become a key factor in their decision-making process, especially if they have a high volume of claims in states that have payment and reporting requirements. These organizations must ask vendors what types of processes they have in place to ensure complete bill data is captured and reported within required timeframes. It must also have the ability to pay providers according to state-mandated timeframes. The accompanying diagnostic checklist summarizes the key factors to use when assessing your vendor's compliance capabilities. ♦

Diagnostic Checklist for Compliance

Does your bill review vendor impose an internal auditing process to identify and address problem areas proactively?

Does your bill review vendor have quality assurance checks and automated system edits to detect potential bill review data and reporting problems?

Does your vendor have deep expertise in the states with payment and reporting mandates? What is your vendor's percentage of compliant payments or compliant reporting, according to requirements in relevant states?

Have you or other customers of this vendor undergone audits? What were the results? Was your vendor able to resolve any issues going forward? Or did they simply try to put a bandage over the problem?

How does your bill review vendor make its team available during audits?

Does your bill review vendor make any type of compliance reports available by request?

Have you checked with other customers to see if they were happy with this vendor's compliance efforts? Or with resolution of issues when an audit had occurred?

About the Authors

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Information Technology:
A Place at the Strategy Table

It's not any one aspect of bill review that delivers success; it's the whole coordinated approach. And technology serves as the critical enabler, allowing vendors to better orchestrate the various parts, while accommodating unique needs.

By **John King,**
IT Client Services
Manager

In regard to technology, not all bill review vendors have evolved at the same pace. Some have lagged behind, while others have made a different misstep—trying to use technology to impose a standardized approach on customers. With a toolset mentality, a vendor can create a unique set of technology that is custom fit to the organization. In terms of evaluating IT capabilities, here are critical factors that should be part of your bill review health check:

Customization
Today, insurance and claims organizations view their unique claims-handling and bill review processes as competitive differentiators. As such, they want a vendor that has a flexible IT platform that can support their distinctive operations, as well as providing data integration with their unique blend of other vendors and solutions.

Is your vendor using technology to support your distinctive processes, or are they trying to force you to adapt to their way of doing business? At Genex Services, we've employed a toolset approach, which enables us to bring together a unique set of applications, business rules, and integration points for each customer we serve.

A bill review vendor should have a flexible IT platform that can **support your distinctive operations.**

Scalability

A vendor's IT platform must support your organization's ability to scale its operations. For example, a third-party administrator (TPA) will want a vendor that's able to handle a sudden influx of business. One month, this TPA might be handling 1,000 bills and experience a sudden growth spurt, requiring a capacity to handle 10,000 to 20,000 bills a month going forward. Scalability is important to helping customers accommodate growth—and when needed, downsizing.

To assess scalability, ask your vendor about its infrastructure. Have they invested in their own high-performance servers? Do they have access to cloud-based infrastructure that can support applications and data storage? Whatever the case, you should understand their capacity to quickly scale up or down. With the right infrastructure, supplemented by cloud options, a vendor should be able to bring on large volumes of business without having to worry about their systems getting bogged down or processes getting backlogged.

Genex Services recently brought on a customer processing 100,000 bills a month. We were able to bring this client on board in a relatively short timeframe and handle their volume immediately due to the ongoing investments we've made in our infrastructure.

Support

An important factor in utilizing a bill review vendor is support, particularly since vendors offer IT tools, such as portals and dashboards, as well as technology-enabled processes through automation and business rules.

You should be able to rely on your vendor for ongoing support. We've heard that a troubling trend is occurring, where a vendor might get a customer up and running to initiate revenue, but when it comes to ongoing

support or working to further enhance the program, the vendor has all but abandoned ship. Has this been the situation for you? Have you noticed a waning level of support? Are you getting timely and efficient answers when you submit a question or issue to your vendor's support desk?

Transparency

Customers want visibility into their bill review process. Vendors can provide transparency in a number of ways. Does your vendor provide an online portal or another means to view bills in real-time as they're processed? Can you tell when a bill is finished processing and is posted to history, or whether it's in another stage of processing?

An Effective & Expedited Implementation

How efficiently does your vendor handle an implementation? This may not seem important if you're planning to stay with an incumbent vendor. However, getting the answer to this question can be revealing. It can provide valuable insights into the sophistication of a vendor's technology and process expertise. Both need to work in tandem.

In fact, having a streamlined and effective bill review program begins with an effective and thorough implementation. If your bill review

process is not humming along—the epitome of efficiency—then it might not have been set up "right" in the first place.

During the implementation process, the vendor should serve in a consultative capacity, advising you of the latest best practices, while also spending time getting to know your specific business needs and workflow requirements. With these insights, the vendor should be able to design a custom-fit program. In addition, the vendor should ensure you're collecting all the right data to facilitate compliance with the jurisdictional requirements relevant to your claims operation.

A vendor's implementation must blend this high level of expertise—with efficiency. Today, the industry standard for implementation is 90 to 120 days, depending on the services that are selected. For example, customers often acquire other services in addition to bill review, such as case management, utilization review, and independent medical examinations. Many customers sign up for a complete managed care program.

At Genex, we've been able to substantially reduce implementation timeframes by about 50%. On average, our implementations take 60 to 90 days. We're able to streamline the

If your bill review process is not humming along—the epitome of efficiency—then it might **not have been set up "right" in the first place.**

process because we have in-depth experience with processes, as well as configuring business rules to support them. An expedited implementation allows clients to make a switch with very little impact on continuity of service and operations.

Technology Takes a Seat at the Strategy Table

Technology is no longer relegated to backroom operations. When Genex meets with new prospects and existing customers, they want IT represented at the table to participate in strategic discussions. In the past, customers may have been forgiving if a vendor's technology lagged behind—this was par for the workers' comp course.

Today, times have changed, and they're expecting vendors to have made major investments in their IT platforms. Customers view IT as a vital means to support their business strategy, and they're looking for the same approach from a vendor. Another factor influencing a customer's decision to stay or leave is whether the vendor's technology imposes a one-size-fits-all process or a tailored solution that's custom-fit to a client's needs. A toolset approach ensures a vendor is flexible and can make accommodations.

The points covered in this component of your bill review health assessment are summarized in the accompanying diagnostic checklist. In the next chapter, we'll continue to discuss technology's important role—this time in streamlining workflow. ♦

Technology Diagnostic Checklist

Has your vendor used technology to customize processes to adhere to your needs?

Can your vendor's technology easily scale—either up or down—to accommodate changes in your business volume?

Does your vendor provide support beyond the implementation process? Has support waned? Are you getting a timely response when you submit a question or issue?

Are you able to view into your bill review process to see the status of bills? For example, does your vendor provide a portal?

If you're considering a switch, how long is the implementation process? Can it be expedited?

About the Author

John King is the Manager of IT Client Services at Genex Services. He is responsible for service development, support and management of Genex's customer-based solutions for medical bill review, case management, and social security disability insurance. With over 19 years of experience in health care and workers' compensation IT services, he ensures that Genex has a technology toolkit that serves as a critical enabler to orchestrate managed care services with optimal efficiency, flexibility, scalability, and transparency.

Chapter 5

Workflow Matters: Easing the Administrative Burden on Adjusters

Streamlining workflow is crucial to insurance and claims organizations, as it enables their adjusters to spend less time handling medical bills and more time on critical claim functions.

By **Robert Fornicola,**
Vice President of
Operations

The factor we review in this chapter is workflow. At the highest level, a streamlined bill review process is facilitated by a vendor's sophisticated IT platform, electronic touchpoints, proper configuration of business rules, and its expertise in automating these processes. These are the key factors to consider as part of the workflow assessment for a vendor:

Reducing Work for Adjusters

In regard to workflow, a primary consideration is whether your vendor is alleviating or adding to the workload of your adjusters.

You must determine whether the vendor's processes and technology result in manual, labor-intensive operations that create a burden on your staff. Many organizations we've spoken to consider this to be a critical pain point, central to their decision to switch service providers.

For this assessment, it's a good idea to put your feelers out to staff. Have they voiced complaints about a lack of automated capabilities? One or two complaints might not be a big deal, but if your entire claims team—or a significant portion of your staff—is voic-

> If your entire claims team—or a significant portion of your staff— is voicing dissatisfaction with the bill review process, this could speak **to a fundamental flaw in your vendor's workflow capabilities or technology.**

ing dissatisfaction, you should investigate further. This could speak to a fundamental flaw in the vendor's workflow capabilities or technology. And if that's the case, have you brought these issues to the attention of the vendor? Have they been able to resolve these problems in a satisfactory way? If the answer is no, the vendor may lack the right blend of bill review expertise and sophisticated IT tools to configure automation effectively.

In the end, you want a vendor that will create a more efficient workflow for adjusters—not generate more bottlenecks and hassles in the process.

The additional factors outlined in this workflow assessment get to the root of the issue—and either strengthen or weaken a vendor's workflow, ultimately impacting adjuster workload.

Electronic Touchpoints for Comprehensive Medical Management

A vendor should have electronic touchpoints that connect all components of your managed care program. This includes digital exchange with case management, utilization review and pharmacy benefit management (PBM). When a vendor successfully integrates all these components, you not only benefit from efficiency, but also from a 360-view of your total cost of care. It also enables an improved ability for end-to-end medical management and medical cost containment, and ultimately leads to better care for injured workers.

On the other hand, if a vendor doesn't have connectivity between services, the opposite is usually true—a customer will have less-than-optimal perspective and control over medical care and costs. If this is the situation, there's a risk of increased losses.

> A bill review vendor should offer sticky-note automation—a process in which the vendor takes procedures captured on sticky-note reminders on adjusters' desks and **automates those tasks using business rules.**

Gaps in a vendor's electronic continuum will result in manual data exchange and processes that are inefficient, prone to error, cause unnecessary losses, and create additional risk.

For example, if utilization review has denied a particular medical treatment, but there is no electronic integration with bill review, the vendor may unknowingly pay for a denied service. This could result in ongoing losses, if the gap is not shored up. Without proper touchpoints, you may not receive alerts when claimants would benefit from case management. Likewise, without PBM integration, you would lack a complete picture of treatment—including prescriptions—and could lose out on alerts to prevent inappropriate use of medications, such as opioids.

Another important touchpoint is with claims. A vendor should have set up a robust claims feed, which enables more accurate processing of bills. This feed also enables a vendor to more fully understand your operations, process requirements, and how to optimize your workflow.

Sticky-Note Automation

Many claims organizations have established unique procedures to help control the cost of care on claims. A lot of these procedures are either committed to an adjuster's mem-

ory, or often placed as sticky notes on their desks or computer screens to remind them to perform certain actions. For example, a claims organization may have negotiated a certain discount with frequently used providers. Provider XYZ may have agreed to a 15% discount on all billed charges. A vendor should be able to write a business rule to perform these types of actions automatically, offloading the task from an adjuster's already full plate.

Sticky-note automation should be set up during the implementation process. At this time, the vendor would take inventory of such procedures, which adjusters handle manually, and automate them through business rules. If your vendor failed to customize automation, demand that vendor representatives come back to the table and see if it's possible to facilitate increased automation going forward.

At Genex Services, we recognize and honor that organizations have distinctive processes. We have more than 150 bill review customers and feel it's a differentiator and benefit to our customers that we perform bill review in more than 150 different ways as each organization has a unique approach.

Straight-through Processing

The value of straight-through processing is being able to take additional work off the desk of adjusters. A vendor should review processes at implementation, as well as on an ongoing basis, to suggest bills that could be processed without manual intervention—for example, a low-dollar bill just for evaluation or a medical-only bill. These types of bills might be options for straight-through automation.

Dashboards for Actionable Information

Advanced bill review vendors also provide dashboard reports, often in conjunction with a customer's stewardship meeting. Dashboard reports are meant to provide actionable information, so organizations can get a glimpse of trends and take targeted steps—based on data—to reduce costs and address problem areas.

Dashboards should also be available online, so customers can view their bill information as needed. In this way, they don't have to wait for stewardship meetings; they can login and access data and reports whenever they want. It's a powerful tool that enables them to detect trends that could be addressed more proactively.

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Even if a vendor isn't providing a complete managed care program, it should be able to provide a total care management dashboard, bringing all the right data together through the electronic touchpoints discussed earlier. Vendors should also provide customers with a demo of how the dashboards work, so customers can understand all the interactive features and dynamic capabilities.

Assessing Your Vendor's Ease of Workflow

These days, organizations have expressed a keen desire to reduce any burden on their adjusters. Workflow optimization is all about automation, deciding what bills must be touched versus those that can be automatically passed right through, and being able to effectively customize workflow with any sticky-note procedures that adjusters currently handle.

With the workflow expertise presented in this book, you can give your current or prospective vendor a comprehensive assessment in this area. We've provided a diagnostic checklist as well, summarizing the key points in this type of this evaluation. And if you have concerns or questions about the findings, we're happy to meet with you to help interpret the results. ♦

Technology Diagnostic Checklist

Does your bill review vendor reduce or add to the workload of your adjusters?

Has your vendor established electronic touchpoints with all managed care services, such as case management, utilization review, and pharmacy benefit management?

Has your vendor worked to customize your workflow, incorporating unique procedures that adjusters often capture on sticky notes attached to their desks?

Has your vendor worked to fully automate certain bills for straight-through processing?

Does your vendor offer dashboard reports to provide you with actionable information that you can use to reduce costs and risks?

Do you feel your vendor has optimized bill review automation as much as possible? Do they work to fine-tune workflow automation on an ongoing basis?

About the Author

Robert Fornicola is Vice President of Operations at Alpha Review Corporation, a division of Genex Services. He oversees and is responsible for medical bill review, information technology, auditing and compliance. With over 20 years in insurance and managed care, he manages overall process efficiencies, implements standard operating procedures, and establishes effective performance metrics—all of which help to maintain excellence in customer service.

If you would like to schedule a consultation with one of our bill review experts to evaluate your bill review program and discuss opportunities for improvement, please contact David Dubrof at david.dubrof@genexservices.com.

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