



Claims Operations Improvement

Challenge

Administrative costs for all Health insurance providers was over \$91 Billion in 2009. A large portion of this is directly related to claims processing, with the average claim costing \$2.05. The costs are broken down into several factors:

- Cost of the FTEs manually adjudicating claims
- Interest and penalties on late claims payments
- Lost discounts due to not being able to pay claims on a timely basis

Improving claims operation requires a detailed understanding of the root causes of work and process inefficiency.

Benefits

The OpenConnect *Comprehend* solution provides actionable intelligence to quickly lower the overall costs of claims operations. OpenConnect *Comprehend* provides:

- Costs of claims processing by plan, worker, and suspend code
- Aging and process flow providing claim level insights into re-work and bottlenecks
- Keystroke level detail for every time a claim was 'touched' whether it was just viewed, or worked.

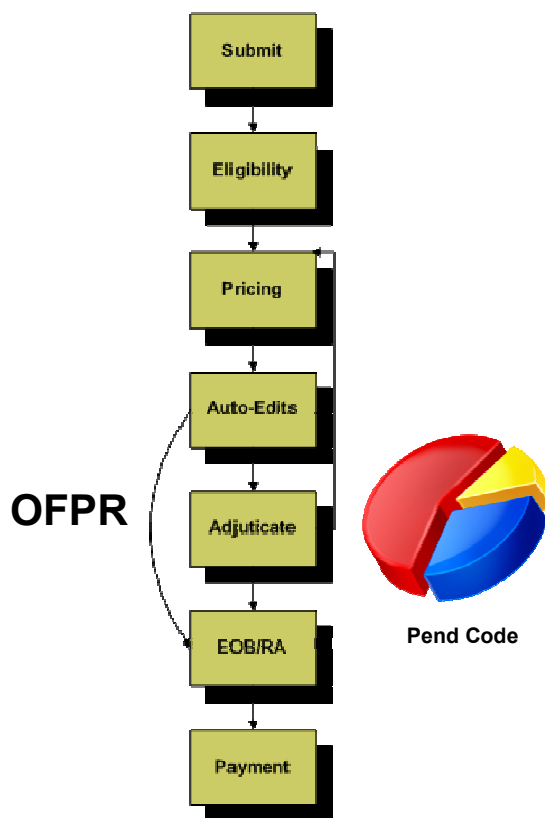
The OpenConnect *Comprehend* Solution provides quantifiable results, improves claims operations immediately and has a positive ROI within one year of deployment. OpenConnect *Comprehend* allows organizations to:

- Lower costs of manual adjudication
- Reduced SLA penalties and interest
- Increased capture of discounts

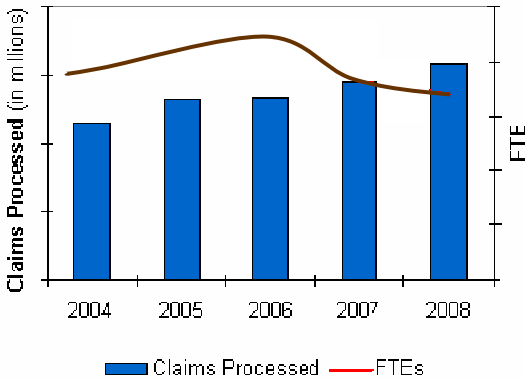
Solution

The OpenConnect *Comprehend* solution provides the detailed event-based intelligence around the complete claims operation process. OpenConnect *Comprehend* provides:

- *Comprehend* Collectors translate workers keystrokes into work events.
- *Comprehend* WorkForce intelligence provides event-based analytics on the exact productivity and costs due to the manual work in claims operations.
- *Comprehend* Process intelligence provides a complete view on the end-to-end process (from claim submission through payment) to quickly pinpoint and resolve rework and process bottlenecks.



Claims Operations Improvement



Customer #1—MidWestern Regional Plan Profile

- Best-in-class 94+% First Pass Rate.
- Challenged to maintain OFPR, and continue to decrease costs beyond OFPR improvements.

Results

- *Comprehend* Workforce Intelligence detailed partial automation opportunities improving productivity 10%
- *Comprehend* Workforce Intelligence provided ‘best-practice’ information that resulted in another 5% productivity improvement.

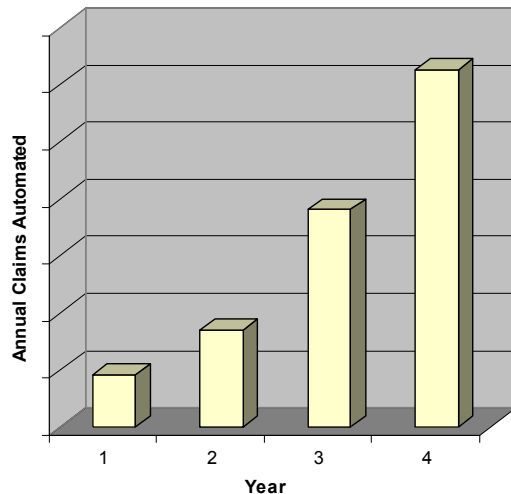
Customer #2—National Plan

Profile

- OFPR at 74% even after extensive automation program
- Difficult to understand the true cost of claims processing due to disparate lines of business and processing centers.

Results

- *Comprehend* Workforce Intelligence provided detailed information on true cost of claims and detailed keystroke level of detail resulting in a savings of \$3 Million in the first year.



Customer #3—National Individual Plan Payer

Profile

- Large number of plans and states made further automation impossible
- Negotiating partial claims business process outsourcing contract
- Focus on reducing interest and penalties for claims SLA violations and reap early pay discounts

Results

- *Comprehend* Workforce Intelligence provided detailed information on true cost of claims to reduce outsourcing contract by 30%
- *Comprehend* Workforce intelligence provided detailed cost by plan and state resulting in moving members to less costly plans resulting in a 5% decrease in administrative costs.
- *Comprehend* Process Intelligence provided detailed claims aging by process step, reducing bottlenecks, cherry picking and rework resulting in a 20% reduction in time of service related costs.

OpenConnect

2711 LBJ Freeway, Suite 700

Dallas TX 75234

© Copyright 2009 OpenConnect Systems Incorporated. All rights reserved. OpenConnect, the OpenConnect logo, and other OpenConnect products and services mentioned herein are the registered or unregistered trademarks and service marks of OpenConnect Systems, Incorporated. All other trademarks or service marks are the property of their respective holders and are hereby acknowledged.

Phone: 972.484.5200

Fax: 972.484.6100

Web: www.oc.com