

Case Study: Automating Reconciliation of 834 Membership & Enrollment Data

Closing the Information Gap on 834 Enrollment Data Flow

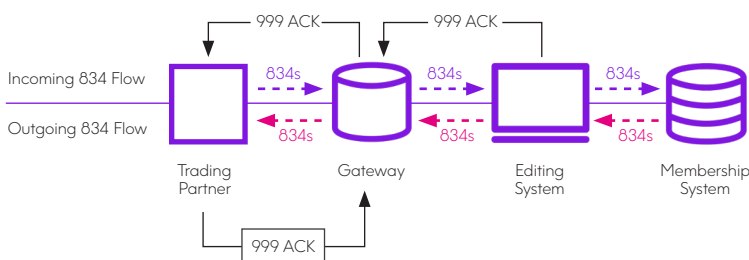
Founded in the 1930s, this customer-owned healthcare payer serves over 10 million members in multiple states. It provides typical coverage for individuals, families and employer groups. It also provides additional coverage including dental, life and disability via its subsidiaries and affiliates. As one of the top five health insurers in the U.S., it employs over 15,000 people, with continual growth projected.

As with other healthcare payer organizations, this longstanding customer relies on the accurate operation of essential systems to process critical membership and enrollment data.

The Challenge

The 834 membership reconciliation process is a multi-step, complex process. This organization's membership data is originated by a third party and enters the insurer's system through a gateway (see Figure 1). From there, the data passes through an editing system where necessary transformations take place. A mandatory 999 acknowledgement is created and sent back through the gateway to the third party, acknowledging receipt of the data. Ultimately, the membership data resides in the proprietary membership system. The same systems are involved with the outbound 834 process.

Membership Data Flow (Figure 1)



Since this data includes important elements such as social security numbers, policy holder identities and policy numbers, accuracy is critical to ensuring that subscribers and/or dependents are assigned the appropriate coverage. The 834 data also triggers events such as printing and mailing of membership cards. Prior to implementing an automated reconciliation solution, this entire process was handled manually.

Client

Top Five Healthcare Payer Organization

Industry

Healthcare Insurance

Challenges

- Missing and inaccurate data entering the system through EDI Gateway
- Checking for inaccuracies required manual administrative time
- Automated reconciliation process needed

Results

- Automated reconciliation process
- Reduced administrative costs
- More reliable policyholder data

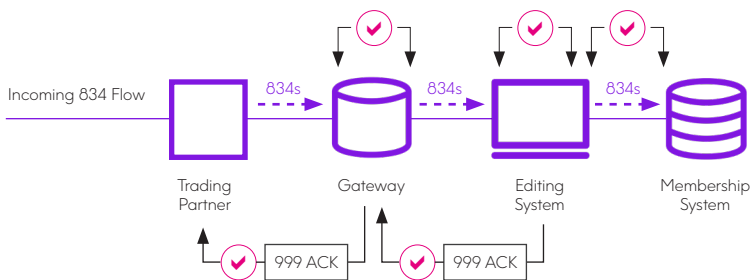
This Precisely customer relies on the accurate operation of essential systems to process critical membership and enrollment data. This has become particularly complex as the healthcare industry embarks on an open exchange marketplace that creates additional reconciliation challenges.

The Solution

This customer engaged the Precisely Strategic Services to help reduce the cost of analysis and exception resolution processes for its Small Business Health Option Program (SHOP) as well as its existing 834 business. The implemented solutions would also provide the organization with the necessary audit trail to support various compliance and operational excellence requirements.

The Precisely Strategic Services employed the solution to provide the customer with end-to-end visibility into 834 transactions coming in through its gateway. Phase I entailed inbound processing. A Phase II effort would provide similar capabilities for outbound 834 data.

Precisely Solution Extraction Points within the Membership Data Flow Process (Figure 2)



Automated Validations

Precisely's solution provides crucial balancing capabilities, validating the total number of members between the following interfaces:

- Gateway to Editing System: Ensures that every member received by the Gateway is sent to the Editing System.
- Editing System to Membership System Sent: Ensures that every member received by the Editing System is sent to the Membership System.
- Editing System to Membership System Receipt: Ensures that every member received by the Editing System is also received by the Membership System.
- 999 Acknowledgments: Ensures that every inbound 834 file has a corresponding 999 file.

Real-Time Reporting, Trending and Analytics

Aside from the critical validations that are necessary to ensure the integrity of 834 data progressing throughout the process flow, the insurance payer also relies on real-time reporting for operational efficiency through the use of Insight:

- Exceptions reports for all data anomalies caught from the Gateway to the Editing System and from the Editing System to the Membership System, for both regular and SHOP 834s.
- Exception reports providing insight into all 999s that do not balance for standard and SHOP 834s.
- Reports producing figures on the total files received from the Gateway to the Editing System and from the Editing System to the Membership System, for both regular and SHOP 834s.

Our customer engaged Precisely to help reduce the cost of analysis and exception resolution processes for its Small Business Health Option Program (SHOP) as well as its existing 834 business. The implemented solutions provided the organization with the necessary audit trail to support various compliance and operational excellence requirements.

The Results

Since implementing Precisely Solutions, this customer trusts that 834 membership and enrollment data is being transmitted accurately and reliably within its systems.

The insurance payer's system and business process owners now receive realtime alerts of anomalies resulting in reduced resolution time. The reports provide management and audit the details needed to understand what kinds of controls are in place, and their current operational status.

For more information

Call +1 (877) 700-0970 (U.S., Canada, and International), or visit www.precisely.com.