

Payer improves provider contract administration and claims processes to reduce claims overpayments and rework

Client's challenge

A payer experienced problems with claims overpayments that required excessive claims rework. To track down the source of the problems, the client requested an assessment of the efficiency and accuracy of its claims, provider contract administration and enrollment processes.

PricewaterhouseCoopers' Advisory solution

PricewaterhouseCoopers completed a detailed review of the client's workflows, supporting system capabilities, and policies and procedures for the applicable operational areas. During this review, we:

- Conducted interviews, gathered and analyzed data, and developed flowcharts for existing and proposed processes
- Developed a wide range of specific solutions to improve the efficiency and accuracy within claims and upstream operational processes
- Evaluated existing contracts and claims experience to identify contract and reimbursement terms that were difficult to implement correctly and were resulting in a high volume of errors—including overpayments—and requiring substantial resources to resolve claims errors
- Provided detailed recommendations to improve processes and created financial models illustrating the bottom-line impact to the organization
- Created a corporate metric dashboard to monitor and measure the organization's progress—both functionally and cross-functionally

Impact on the client's business

PricewaterhouseCoopers advisers worked side-by-side with client staff to implement the recommendations and ensure knowledge transfer of root-cause analysis findings. Implementation focused on third-party liability in coordination of benefits, subrogation and workers' compensation; adjudication accuracy, concentrating on the claims and upstream departments; and loading of provider contracts, including demographic data and fee schedules. We also helped the payer track financial savings reflected in improved medical and administrative loss ratios. The payer successfully implemented many of our recommended operational improvements. As a result, the payer experienced a reduction in claims errors that ultimately resulted in several million dollars of savings.

Contact:

Katie Kuesters
312-298-2650
kathryn.b.kuesters@us.pwc.com