WORKERS' COMPENSATION:

THE TRANSITION TO ELECTRONIC CLAIMS FILING

BY JOAN MCCOMB AND BETH REED

ABOUT US

➢One of the largest orthopaedic groups in San Diego county, in business almost fifty years

➢Seven physicians (6 Orthopaedic Surgeons and 1 Podiatrist) with 50+ employees

➢On Site radiology, MRI, physical and occupational therapy and ambulatory surgery center

➢Workers' Comp is 39% of the total practice payor mix

➢Average of 800 Workers' Compensation bill sets monthly

THE ISSUE:
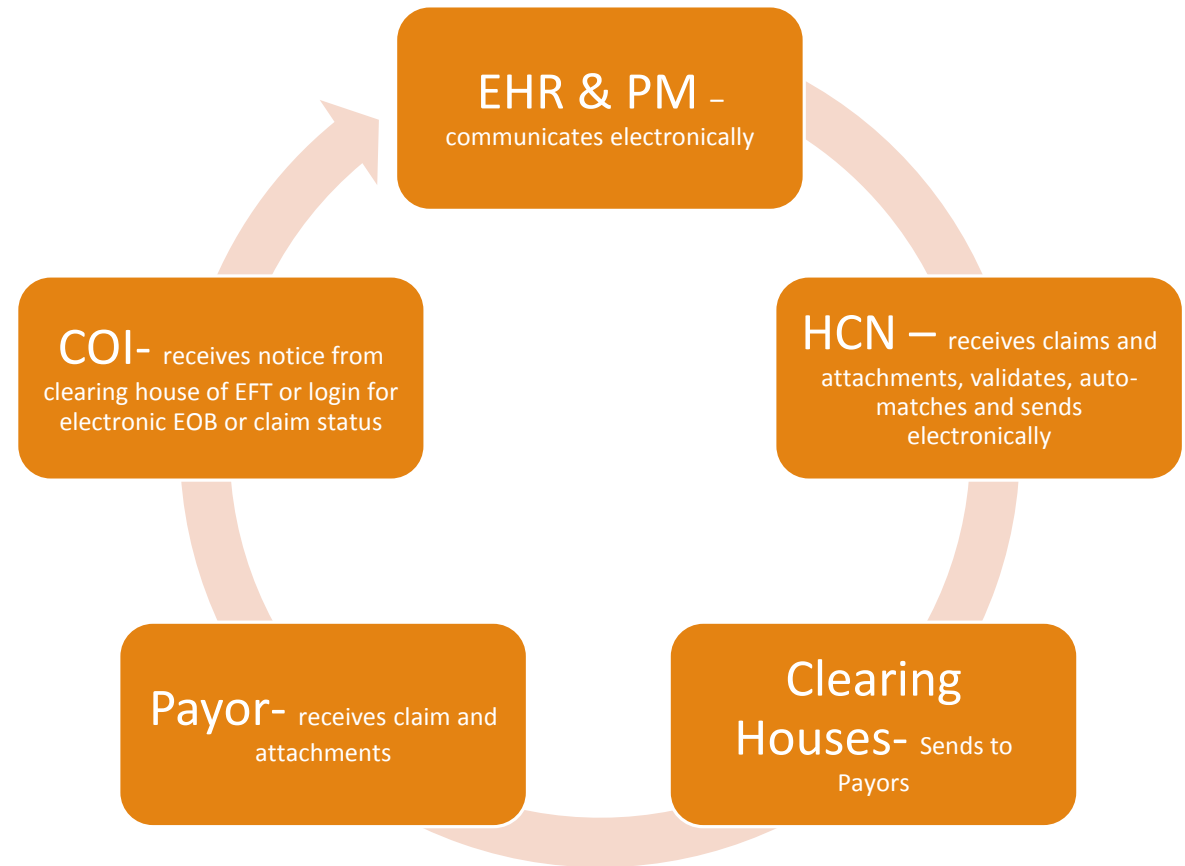## We spent most of our time chasing the money.

- The payment cycle in some cases was over 20 days.

- Billers were tasked with manual preparation of each Workers' Comp claim.

- Billers were told "we received the claim but no attachment... or the claim was missing..."

- We were spending extra time, effort and money to get claims paid.

- Many claims necessitated first and second level appeals and progressed to Independent Bill Review (IBR) processing which costs $195 per case.

Old System –vs– New System

Printing, Reviewing, Collating, Stuffing, & Mailing Claims

Collection call to Payor for payment status and EOB

Printing, Reviewing, Collating, Stuffing & Mailing attachments

Billing Team

Match claim form with attachments and resend to payor

Payor- Receives Claim and attachment

Status call to Payor, payer states "missing attachments"

EHR & PM – communicates electronically

COI- receives notice from clearing house of EFT or login for electronic EOB or claim status

HCN – receives claims and attachments, validates, auto-matches and sends electronically

Payor- receives claim and attachments

Clearing Houses- Sends to Payors

Processing Time and Cost Comparison
(Study: 800 claims per month)

OLD SYSTEM (MANUAL)

- 15 minutes per claim @ $17.20/hr.

(based on a $16/hr employee)

- Total hours per month: 200

- Total monthly Labor Cost: $3,440

- Cost of $.70 per claim(materials only)

- Total monthly materials cost: $560

Total monthly cost: $4,000

NEW SYSTEM (ELECTRONIC)

- Cost of $1.85 per claim

After set-up cost

Total monthly cost: $1,480

ADVANTAGES

▪Claims are auto-matched with attachments and sent as a package electronically
  ▪no more "resend the attachment, we didn't receive it…"
▪Time and money saved
  ▪No printing, collating, stuffing, postage, etc…
  ▪creating a more efficient and productive work flow
▪Reduces A/R time
▪Payments are faster either by EFT or mail
  ▪allowing funds to be available to the practice for other use
▪Improves communication and efficiency with practice and Workers' Comp industry
▪Less time spent on appeals
  ▪claims are scrubbed and errors can be fixed prior to sending
▪HCN can be integrated with most PM systems

Average Number of Days for Payment
Based on date claim sent to date payment posted

	October	November	December
Payor G	27	17	20
Payor T	15	17	16
Payor S	20	17	15
Payor L	25	25	24

	October	November	December
Payor G	9	3	3
Payor T	6	10	13
Payor S	8	4	4
Payor L	5	3	3

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Review Tasks

Select Case

Announce Appointment

Manage...

- Company Profiles

- Colleague Profiles

- Practice Team

- Accounts

- HCN Mail Publications

- Password

⊞ **Authorization Status Notification - (0)**

⊞ **Invalid Email Queue - (0)**

⊞ **Pending Exception Resolution - (5)**

⊞ **Pending Registration Notification - (0)**

⊞ **Pending Invitation Release - (0)**

⊞ **Pending Invitation Response - (26)**

⊞ **Pending Enrollment - (0)**

⊞ **Pending RSVP Updates - (0)**

⊞ **Pending HCN Login - (5)**

⊞ **Appointment Response Required - (0)**

⊞ **Awaiting Appointment Response - (0)**

⊞ **HCN Email Unopened Documents - (0)**

⊞ **Pending Export Release - (21)**

⊞ **Pending Invoice Export - (1)**

⊞ **Failed SDS Fax - (0)**

Refresh

HCN Online Dashboard

Claims are not sent to clearing house until they are electronically matched with attachment.

Claims with possible errors are flagged and not released until errors have been corrected.

Clearing House Dashboard

Obtain Remittance Advice (both EFT and mailed checks).
Review and Print EOBs.

Additional Benefit (*Additional cost)

- The portal allows Claims Examiners, Nurse Case Managers and Payors to login and access secure and electronic information on their own claims.
- Effectively reducing calls to the office and requests for information (less phone calls and faxes)

Any more questions?
Contact Us

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