Long-Term Acute Care (LTAC) Healthcare Provider

(Paper Claims Analysis - Revenue Cycle Management)

Built a report for tracking Paper Claims over the time for client's RCM team and **identified insurance companies with high paper claims** count and paper claim rates by joining data from the clearing house with client's claims data

PAPER CLAIMS ANALYSIS

ABOUT THE CLIENT

Client is a Long-Term Acute Care **(LTAC) healthcare provider** and has facilities in over 80 cities across the U.S.

SITUATION

- Paper claims, when compared to electronic claims, are processed slowly, difficult to track, prone to more inaccuracies/omissions, need significant physical paper and storage cost, and have higher overhead and labor costs. Due to all these reasons, client needed to negotiate with the insurance companies to accept electronic claims instead of papers. However, **client lacked the visibility into paper claims data**.

- Merilytics partnered with the client to **build a comprehensive paper claims report** and **identify insurance companies (payers) with high paper claims**.

VALUE ADDITION

- **Integrated the client's claims & billing data with clearing house's** (Third party that send claims from care provider to insurance companies) claims data to capture all billing, payment and insurance details of claims.

- Performed **data cleanup** and designed a methodology to accurately count paper claims in case of **resubmissions.**

- **Built a comprehensive monthly report** that tracks the count of paper claims sent vs. the total count of claims; and paper claim rate by region, facility, insurance type, insurance plan etc.

- **Identified the top payers** (insurance companies) with **high number of paper claims** and those with **high paper claim rate.**

IMPACT

- The report helped client have discussions with the insurance companies and to **negotiate on the mode of claim submission**. Overall, the **paper claim rate came down from ~19% to ~12%** post these negotiations based on the report.

- It also helped the client's claims team in **submitting the paper claims faster and improving the cash flow** by identifying the insurance plans that always require paper claims and scheduling the claim submissions accordingly.

APPROACH & METHODOLOGY

Comparison of Paper vs. Electronic Claims

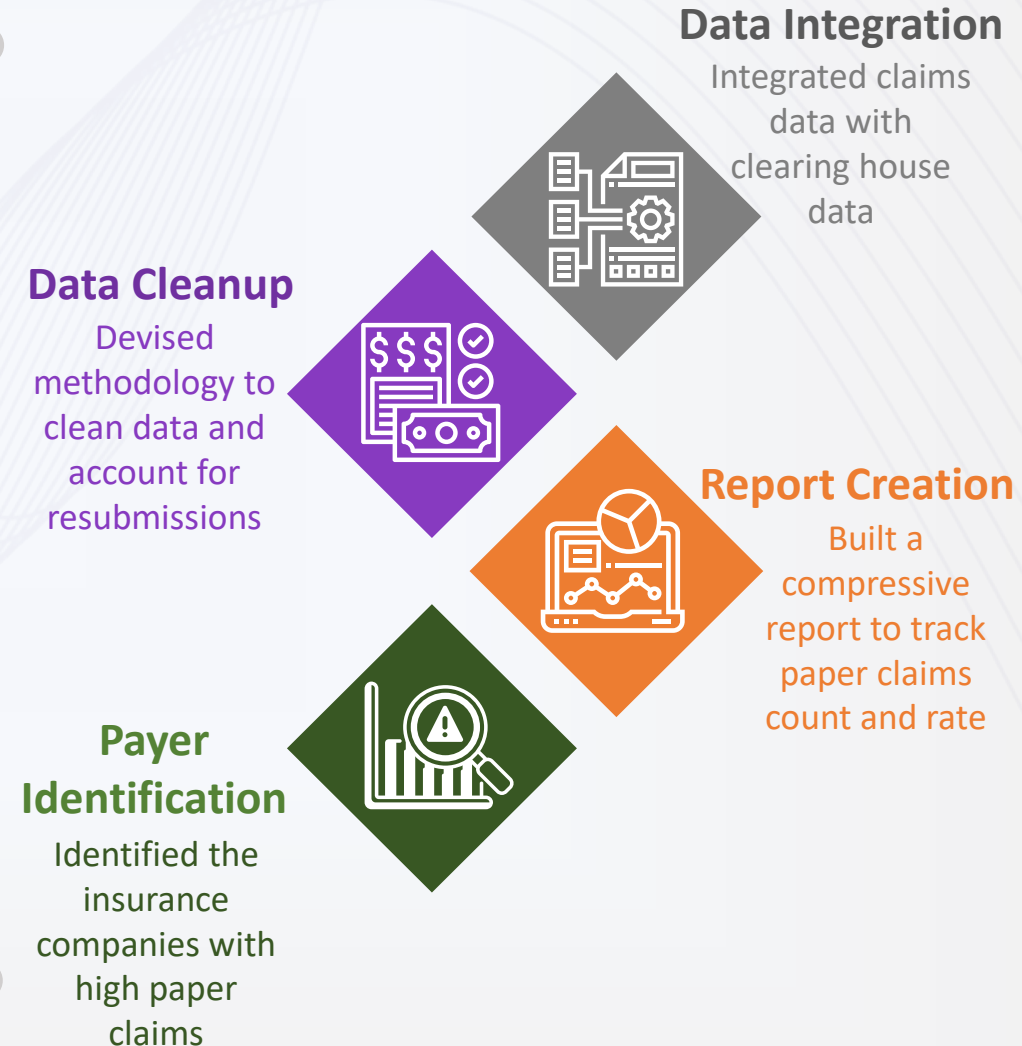| PAPER CLAIMS	ELECTRONIC CLAIMS
❌ High Cost per claim	✔ Low Cost per claim
❌ Processing takes 4-6 weeks	✔ Processing takes 1-2 days
❌ Payment posting done manually	✔ Automated payment posting by electronic system
❌ Higher Denial Rate	✔ Lower Denial Rate
❌ Difficult to track	✔ Easy to track on web portals

Report Design - Approach

Data Integration
Integrated claims data with clearing house data

Data Cleanup
Devised methodology to clean data and account for resubmissions

Report Creation
Built a compressive report to track paper claims count and rate

Payer Identification
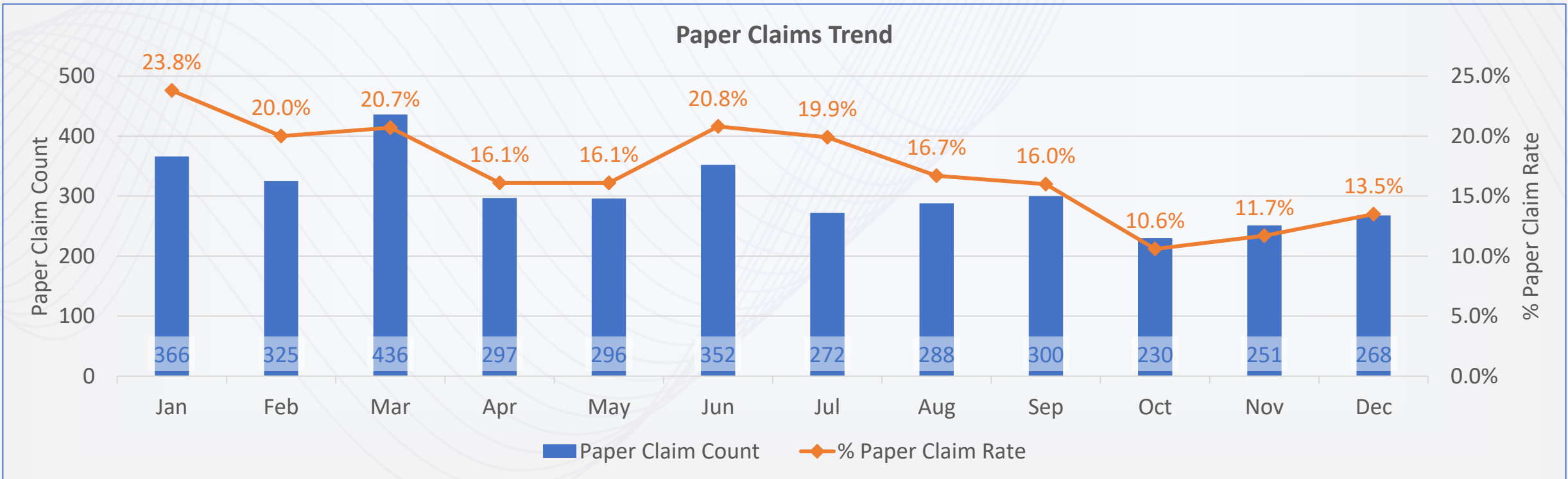Identified the insurance companies with high paper claims

EXHIBIT #1

Region
- Region 1
- Region 2
- Region 3
- Region 4
- Region 5

Facility
- Facility 1
- Facility 10
- Facility 11
- Facility 12
- Facility 2
- Facility 3

Payer Group
- Payer Group 1
- Payer Group 10
- Payer Group 11
- Payer Group 2
- Payer Group 3
- Payer Group 4

Payer Type
- Payer Type 1
- Payer Type 2
- Payer Type 3
- Payer Type 4
- Payer Type 5
- Payer Type 6

Insurance Plan
- Insurance Plan 1
- Insurance Plan 10
- Insurance Plan 11
- Insurance Plan 2
- Insurance Plan 3
- Insurance Plan 4

Medicare Flag
- Medicare
- Non-Medicare

Govt/Non Govt
- Govt
- Non-Govt

Account Type
- Account Type 1
- Account Type 2
- Account Type 3
- Account Type 4

Paper Claims Trend

Month	Paper Claim Count	% Paper Claim Rate
Jan	366	23.8%
Feb	325	20.0%
Mar	436	20.7%
Apr	297	16.1%
May	296	16.1%
Jun	352	20.8%
Jul	272	19.9%
Aug	288	16.7%
Sep	300	16.0%
Oct	230	10.6%
Nov	251	11.7%
Dec	268	13.5%

Legend: Paper Claim Count — % Paper Claim Rate