Key Performance Indicators in the Claims Management Process

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Manager of National Accounts
Practice Insight
**Session Description**

- This session will focus on helping you understand how fast your claims are being paid, the rate of clean claims and denials by procedure code as KPIs to improve financial performance.
- We will introduce a program for qualified practices to participate. This 3 month program will focus on improving KPIs and include exposure to tools designed to assist in managing these KPIs.
Eligibility
Electronic Payment Processing
Claim Manager
Clinical Claims Scrubber
Lockbox Services and Automated Payment Solutions
Reporting & Analytics
Electronic Payment Processing
Statement Manager
ERA Denial Manager
100% ERA Solution
Remittances
Claims Processing
Patient Visit
Reporting & Analytics
Eligibility
Task Manager
Key Performance Indicators - examples

- Clean Claim Rates
- % of Claims Denied
- How fast are you being paid?
- Percent of AR Greater than 90 days
- Average Days in Accounts Receivable
- Billed amount vs. value at time of charge capture
- Gap between date-of-service and date billed
- Percentage of claims denied due to front-end edits vs. due to coding oversights
- Percentage of claims denied due to authorization/referral, insurance information or eligibility oversight
- Blah blah blah
Key Performance Indicators

• Focus

• Project will focus on:
  • How fast your claims are being paid
  • The rate of clean claims
  • Denials by procedure code
KPI #1 - Clean Claim Rate

• Definition –
  • a claim that was accurately processed and reimbursed the first time it was submitted to the payer.
  • Submitting more clean claims and reducing denial rates can be challenging due to complex and changing payer reimbursement policies and procedures
  • The average U.S. provider has a clean claims rate ranging from about 75-85%.
KPI #1 - Clean Claim Rate

• Why Important?
  • Claims get paid faster
  • Optimize reimbursement
    - The average monthly underpayment is $889*
  • ICD-10 readiness
  • Less expense fixing claims
    - It costs up to $25 to resubmit a claim*

[Image: MicroMD logo]
KPI #1 - Clean Claim Rate

• Practice Insight Tools
  • General Claim Scrubbing
  • Use of custom edits
  • Clinical Claim Scrubbing
  • Denied Claims
Clinical Claim Scrubbing

Alpha II Claimstaker

• Fully Integrated with Practice Insight

• Scrubs both institutional and professional claims

• Custom edits can be created with an advanced “edit wizard”
Clinical Claim Scrub Edits

- Physicians Quality Reporting System (PQRS)
- Correct Coding Initiative (CCI)
- CPT, ICD, and modifier
- Date
- Demographics
- Evaluation and Management (E/M)
- Medical Necessity (LCD/NCD, commercial, proprietary)
- POS
- Provider
- Reimbursement
- Units
Clinical Claim Scrubbing - example

Submitter ID: MEGAS
Job ID: 1004
Report Engine: 4.6.11
User: csadmin
Scrub File Name: \Megas1\CS Sample\Demo Data for Sales Staff\multi-specialty.asc
Run Date:
Submitter: MEDICAL ASSOCIATES PA

<table>
<thead>
<tr>
<th>Claim ID</th>
<th>Trace ID</th>
<th>Patient Account</th>
<th>Patient Name</th>
<th>Provider</th>
<th>Payer</th>
<th>Billed Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>000001</td>
<td>00052300A</td>
<td>DUPONT, MAXINE</td>
<td>000000531666054</td>
<td>EMPLOYEE INS</td>
<td>$100.00</td>
<td></td>
</tr>
</tbody>
</table>

52300 This CPT code is not valid when performed for patient at this age.

<table>
<thead>
<tr>
<th>Seq</th>
<th>Service Date</th>
<th>POS Code</th>
<th>CPT Code</th>
<th>Diagnoses</th>
<th>Billed</th>
<th>Errors</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>12-25-2004</td>
<td>11</td>
<td>99394</td>
<td>V70.0</td>
<td>$100.00</td>
<td>52300</td>
</tr>
</tbody>
</table>

99394 PERIODIC COMPREHENSIVE PREVENTIVE MEDICINE REEVALUATION AND MANAGEMENT OF AN INDIVIDUAL INCLUDING AN AGE AND GENDER APPROPRIATE HISTORY, EXAMINATION, COUNSELING/ANTICIPATORY GUIDANCE/RISK FACTOR REDUCTION INTERVENTIONS, AND THE ORDERING OF APPROPRIATE IMMUNIZATION(S), LABORATORY/DIAGNOSTIC PROCEDURES, ESTABLISHED PATIENT; ADOLESCENT (AGE 12 THROUGH 17 YEARS)

V70.0 EXAM ANNUAL ROUTINE (HEALTH CHECK-UP); EXAM MEDICAL (ROUTINE) (GENERAL); MEDICAL EXAM ROUTINE GENERAL
KPI #2 - How Fast Are you Being Paid?

• Definition

• The time it takes from Date of Service to Date Claim Submitted (and Accepted) to Insurance Payer.
• Claims flagged with status to find claims in various status,
• INVALID, REJECTED, ACCEPTED, PAID, DENIED, others
KPI #2 - How Fast Are you Being Paid?

• Why Important?
  • Faster turnaround time on your money
  • Increased Cash Flow

• $$$$$$$$$$$$$$$$$$$$$$$$$$$
KPI #2 - How Fast Are you Being Paid?

• Practice Insight Tools:
  • Task Manager
  • Reporting and Dashboards
  • Workflow analysis
  • Clinical Claim Scrubbing
Task Manager Tool

Powerful tool to create workflows for all team members that are working claims. You can get as details as you need to assign claim types to employees. Managers can easily see what items team members have outstanding that need to be worked.

Common Tasks
• Invalid & Rejected
• Denied Claims
• Unpaid claims
• Pended or Appealed claims

All tasks can be setup by payer, providers, alpha range or much more!
Powerful REPORTING Tools

• DASHBOARDS
• CLEAN CLAIM REPORTS
• DATAMINER
• ICD 10 ANALYSIS
• Staff Productivity
• Claim Aging Report

Reports can scheduled to run automatically as well!
# Clean Claim Report

## Date Range: 03/26/2013 - 04/02/2013

<table>
<thead>
<tr>
<th>Upload Date</th>
<th>Total Claims</th>
<th>Clean Claims</th>
<th>Total Error Claims</th>
</tr>
</thead>
<tbody>
<tr>
<td>03/26/2013</td>
<td>$58,646.50</td>
<td>158 (94%)</td>
<td>10 (6%)</td>
</tr>
<tr>
<td>03/27/2013</td>
<td>$14,306.00</td>
<td>41 (87%)</td>
<td>6 (13%)</td>
</tr>
<tr>
<td>03/30/2013</td>
<td>$57,703.50</td>
<td>96 (94%)</td>
<td>6 (6%)</td>
</tr>
<tr>
<td>04/01/2013</td>
<td>$61,107.87</td>
<td>99 (93%)</td>
<td>8 (7%)</td>
</tr>
<tr>
<td>04/02/2013</td>
<td>$15,164.37</td>
<td>42 (93%)</td>
<td>3 (7%)</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>$206,928.24</td>
<td>436 (93%)</td>
<td>33 (7%)</td>
</tr>
</tbody>
</table>

## Type of Claim Errors

<table>
<thead>
<tr>
<th>Upload Date</th>
<th>Claims With Initial Upload Errors</th>
<th>Claims With Edifecs Errors</th>
<th>Claims With Payer Errors</th>
<th>Total Error Claims</th>
</tr>
</thead>
<tbody>
<tr>
<td>03/26/2013</td>
<td>(+) 8 (80%) $1,714.50 (86%)</td>
<td>0 (0%) $0.00 (0%)</td>
<td>(+) 2 (20%) $270.00 (14%)</td>
<td>10 (6%) $1,984.50 (3%)</td>
</tr>
<tr>
<td>03/27/2013</td>
<td>(+) 3 (50%) $1,370.00 (35%)</td>
<td>0 (0%) $0.00 (0%)</td>
<td>(+) 3 (50%) $695.00 (65%)</td>
<td>6 (13%) $1,065.00 (3%)</td>
</tr>
<tr>
<td>03/30/2013</td>
<td>(+) 5 (83%) $6,021.50 (95%)</td>
<td>0 (0%) $0.00 (0%)</td>
<td>(+) 1 (17%) $320.00 (5%)</td>
<td>6 (6%) $6,341.50 (11%)</td>
</tr>
<tr>
<td>04/01/2013</td>
<td>(+) 4 (50%) $3,066.00 (74%)</td>
<td>0 (0%) $0.00 (0%)</td>
<td>(+) 4 (50%) $1,059.50 (26%)</td>
<td>8 (7%) $4,125.50 (7%)</td>
</tr>
<tr>
<td>04/02/2013</td>
<td>(+) 3 (100%) $544.50 (100%)</td>
<td>0 (0%) $0.00 (0%)</td>
<td>0 (0%) $0.00 (0%)</td>
<td>3 (7%) $544.50 (4%)</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>23 (70%) $11,716.50 (83%)</td>
<td>0 (0%) $0.00 (0%)</td>
<td>10 (30%) $2,344.50 (17%)</td>
<td>33 (7%) $14,061.00 (7%)</td>
</tr>
</tbody>
</table>

**NOTES:**
- A single claim can have multiple error types.
- Initial Upload Errors exclude INFO and WARN errors.
- Deleted Claims Included.
KPI #3 - Denials by Procedure Code

- HIPAA EDI ANSI Standard Codes.
- Examine reasons for insurance denials.
- Denial Reasons give you an explanation for denial. Examining will help determine what and how to correct. Fix the front end so you don’t have to deal with on the back end.
KPI #3 - Denials by Procedure Code

• Why important:

  • less time spent on denials and follow up

• get paid faster.
KPI #3 - Denials by Procedure Code

- Practice Insight Tools:
  - Reports
  - Dashboards
  - Task Manager
  - Workflow Assessment
  - ERA and Denial Manager
Powerful REPORTING Tools

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Denial RATES BY Procedure

Denial Rates By Procedure
Customer:
Service Date Range: 06/01/2014 to 10/31/2014

L3000 - $2,250.00
Denial Rate: 50.00%

Amount Billed

9213 11056 11721 99203 20550 G0127 L3000 A5513 97597 28289

99213 OFFICE/OUTPATIENT VISIT EST 11056 TRIM SKIN LESIONS 2 TO 4
11721 DEBRIDE NAIL 6 OR MORE 99203 OFFICE/OUTPATIENT VISIT NEW
20550 INJ TENDON SHEATH/ligament 0127 TRIM NAIL(S)
L3000 FT INSERT UCB BERELEY SHELL A5513 MULTI DEN INSERT CUSTOM MOLD
97597 RMVL DEVITAL TIS 20 CM< 28289 REPAIR HALLUX RIGIDUS

2015 MicroMD User Conference
ERA and Denial Manager
Practice Insight/MicroMD KPI Improvement Project

This program will focus on the three KPIs in order to maximize reimbursement.

• Perform Analysis of Practice – focus on KPIs
• Determine Strategies to Improve KPIs.
• Plan and implement PI Tools
• Training and Orientation
• Monthly check up
• At end of period (3 months) – Review benchmarks from beginning of program and compare to end.
Practice Insight/MicroMD KPI Improvement Project - KPIIIP

• Practice Must:
  
  • Use Practice Insight and MicroMD
  • Must agree to participate in the program
  • Must be able to devote resource to implement strategies
  • Tools will be provided at no cost for 3 month program.
  • Other requirements
  • 4 initial practices as a pilot
Questions?