

Improving Efficiency By Moving Beyond Paper Claim Processing

An Emdeon Business Services Customer Success Story

About Emerald Health Network

- Founded in 1983
- Headquartered in Cleveland, Ohio
- Covers Ohio and numerous surrounding areas
- 25,000 physician connections in-network
- 225 hospitals in-network

Background

Emerald Health Network, now a wholly-owned subsidiary of Interplan Health Group (IHG) since 2005, is a Preferred Provider Organization (PPO) dedicated to providing cost effective, high quality healthcare delivery and financing systems to their customers. Since the first group plans enrolled in 1983, Emerald has worked to make healthcare affordable for the people of Ohio. The Emerald Health Network includes more than 225 hospitals, 25,000 physician locations and 2,500 contracted ancillary facilities in the surrounding area.

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~ Peter Osenar

**Chief Executive Officer, Emerald Health Network
President, Interplan Health Group-Midwest**

Challenge

As Emerald continued to grow, their primary focus remained fixed on ensuring that their customers benefited from the most accurate and efficient healthcare and financial processes available. After much internal investigation and review, Emerald zeroed in on automating their claiming processes to eliminate paper, increase efficiency and shorten claim adjudication periods.

Emerald recognized that every time someone touches a claim, an opportunity for error is introduced. After inspecting their processes and determining that their current manual process was exceeding 10 days to process a claim, they set a challenging goal to reduce the time it took to process claims from 10+ days to two days or less.

Paramount among Emerald's concerns was creating a feasible, fully-electronic claim processing environment for inbound and outbound transactions. They recognized that to do this would require creating incentives to drive provider and payer adoption. Those incentives would, in turn, require a dynamic partner who could implement, support and manage key solutions that added value to Emerald's partners as well as themselves.

Strategy

Emerald considered numerous available options and decided that the most natural partnership was Emdeon Business Services and their Advanced Claiming solution. It was determined that Emerald would handle their repricing needs internally, while Emdeon automated Emerald's entire claims processing infrastructure and worked with their partners to encourage electronic claim transactions.

From the beginning of their strategic partnership, Emerald and Emdeon looked for ways to effectively encourage patient billing companies to submit to Emerald electronically. As Emerald CEO, Peter Osenar stated, “The vision we've always had was to offer a product that would be totally paperless...be it at the lab, doctor's office or diagnosis service center.” With the backing of Emdeon's dedicated support staff and implementation expertise, Emdeon Advanced Claiming was the most well positioned solution to achieve this goal.





Simplifying the Business of Healthcare

Solution

When asked why Emerald chose Emdeon for this project, Osenar said "At Emdeon, we saw some of the best minds in the business who truly understood transaction processing." Emdeon was uniquely positioned to drive further adoption of automated electronic claim processing among Emerald's strategic payers. This quickly resulted in a savings of \$1 to \$2 per claim, thereby arming Emerald with a unique and superior value proposition their competitors could not match. Emdeon proved to be a valuable partner by making the transition to electronic so easy. As Osenar told us:

"The biggest barrier was change. Many of the TPAs, while we could show them an economic model where this could save them money, were not equipped to adapt. We literally helped them, through the assistance of Emdeon, accommodate the technical updates so they could accept claims electronically."

Emdeon was able to provide extremely cost-effective solutions that added value to both payers and providers while automating paper processes. Soon after beginning this push, Emdeon and Emerald began successfully penetrating key local markets.

Results

As the combined energy, connections and resources of Emerald and Emdeon successfully created a fully electronic claim processing environment for Emerald and their customers, the benefits were quickly apparent: Emerald recorded a savings of \$1 per claim that resulted in a total reduction of over \$1,000,000, while their TPAs saved nearly \$1 per claim as well. A dramatic increase in automated repricing from 20% to over 80% allowed Emerald to reallocate 30 employees to fill other needs, and the average length needed to process each claim dropped from over 10 days to under 1 day, surpassing the initial goal of two days.

Emerald Health Network's continuing partnership with Emdeon has led to finding new ways of increasing efficiency while providing world-class service. Drawing from his extensive banking experience before joining Emerald, Osenar observed, "If banks were as inefficient as the healthcare system, it would probably cost \$10 to cash a check." With the significant increases in efficiency and savings passed on to customers through Emdeon Advanced Claiming, Emerald's member base continues to grow by offering payers, providers and TPAs excellent results and superior value. In conjunction with IHG, the total member base has topped 4,000,000 while extending into 19 states.

"It's a partnership," said Osenar. "Clearly, to achieve what we've been able to do requires a strong partnership: keeping each other accountable, measuring processes and maintaining focus. That's the real story. Emdeon has been very personal and committed to our goal of going paperless. All the potential can only be realized if you're working with people who share the vision and have the strategic organization to support it."

Interviewed for this customer success study:

Peter Osenar

Chief Executive Officer, Emerald Health Network

President, Interplan Health Group-Midwest



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