

Leading Health Payer Reduces Operating Costs by Nearly \$1 Million Annually, Saving up to 50%

Keane's Offshore Team Optimizes Claims Processing Business Process Outsourcing

Abstract

As a large health payer organization prepared for the impact of a Health Insurance Portability and Accountability Act (HIPAA) deadline, it determined that it wanted to ensure compliance without sacrificing customer satisfaction. To meet this goal, the organization decided to develop a contingency plan in the event a large influx of paper claims materialized as mandate deadlines hit. Simultaneously, the health payer organization wanted to create flexibility within its claims processing unit to address excessive temporary and overtime costs. Working with Keane, the organization is recognizing the benefits of our optimization approach experiencing up to 50% cost savings, improved claims processing accuracy, and timeliness.

Client

One of the nation's leading administrators of government contracts and recognized as a top employer in its state, this large health payer organization has over a million members and more than 12,000 employees. It provides a comprehensive suite of health insurance and services such as traditional indemnity, dental, vision, and Medicare supplemental coverage, as well as third party administrative services.

Challenge

The client needed to meet the operational requirements for claims processing while simultaneously focusing on meeting a HIPAA deadline. Additionally, the client wanted to create a "state of future preparedness" for any situation that may arise from the new legislation.

"Keane has eliminated my fears and concerns! Your quality and timeliness are excellent and your willingness to learn and be flexible is amazing. I have enjoyed our journey together over the past year, and look forward to continuing to move more processes to Keane."

Senior Service Director,
Large Healthcare Payer

Application and Infrastructure Solutions

Solution

To help meet its goal, the large health payer organization, working with Keane, created a cost-effective contingency plan in the event a large influx of paper claims materialized and cracked the code to achieve the optimal convergence of the highest business performance at the lowest operating costs. Through the combination of Keane's Business Process Outsourcing (BPO) service and global delivery, the client has hit the "sweet spot" by utilizing a solution that delivers increased flexibility, optimized processes, and up to 50% cost savings.

The Keane team augmented the organization's capacity by leveraging Keane's Business Processing Center (BPC) in India as a direct extension of its claims processing operations for the healthcare organization. At the BPC, resources are readily available and prepared to handle volume influxes and meet capacity overflow demands. As a result, the health payer organization experiences greater flexibility to meet the ebb and flow of business demand and it is:

- » Processing claims faster
- » Meeting timeliness and exceeding accuracy goals
- » Experiencing quality improvements in the consistency of data
- » Increasing its 1st pass auto resolution rate

Working with the large health payer organization, Keane developed a customized approach to outsourcing that accounted for the client's needs, "appetite" for change, and existing technology capabilities and created a flexible and scalable workforce that

assists the health payer in contingency planning.

Within two weeks of the decision date to move forward with implementation, Keane conducted a "Proof of Execution" where live claims were being processed quickly freeing up in-house staff to focus on more strategic initiatives.

Results

As a result of the relationship between the health payer organization and Keane, the client is realizing the following benefits:

- » Up to 50% cost saving by reducing cost of operations by almost \$1M annually
- » Processing more than 1 million claims annually
- » Experiencing over 99% claims payment and 98.5% procedural accuracy
- » Reduced overtime required to process claims
- » Increased flexibility in meeting overflow demands
- » Reduced the negative impacts of internal turnover
- » Increasing quality
- » Enhancing the customer experience/ better customer service

Ultimately, Keane's Business Process Outsourcing service has enabled this large health payer organization to put a contingency plan into effect that improves customer service through its ability to process claims faster and more accurately, while the client remained dedicated to its HIPAA compliance initiative.

"Overall, I have been extremely impressed with the adaptability and dedication of the Keane team...always looking for ways to streamline the process."

QA Analyst, Large
Healthcare Payer

"Keane's attention to detail and quality consciousness is enabling us to better serve our customers."

Senior Service Director, Large
Healthcare Payer

About Keane

Keane is an IT services firm headquartered in the US with more than 12,000 professionals worldwide. For 45 years, Keane has been an Application Services specialist with distinguished project management credentials. Today, we offer a flagship suite of Application Services, as well as Infrastructure and Business Process Outsourcing solutions delivered through onsite, nearshore, and offshore resources. Visit www.keane.com to learn how our projects, managed services, and outsourcing engagements deliver value for a range of businesses and government agencies.

Application and Infrastructure Solutions