Paragon Systems Advanced Capture Solutions for Insurance

Case Study

"The great thing about Paragon is they engage at a level where they understand our business needs."

Peter Passanisi, Senior Vice President Information Systems

Customer Profile

With a customer base of a half million customers this Cambridge Massachusetts health insurer receives on average 4,000 claims a day and processes more than 1.5 million claims a year. They are the largest provider of health insurance benefits to students in the United States.

Business Situation

Innovation and process improvement are vital in order for Chickering to maintain it's high standards and ability to continue to offer competitively priced programs to college and university students while also maintaining HIPAA compliance.

Solution

Paragon Systems automated the claims processing process with advanced capture technology and it's EDI data formatting module. This reengineering effort resulted in additional claims processing capacity while reducing the associated processing costs.

Benefits

- Increased accuracy,
- Increased processing capacity,
- Lower Costs,
- Improved customer service,
- Complete data capture.

The First Challenge:
Winning the Paper Chase

Paragon Systems provided Chickering with data capture scanning software for conversion of paper claims into electronic data. Through the application of this technology they increased processing accuracy, decreased turnaround time, and reduced overhead costs. Today, 80% of the initial claims received by Chickering are electronic, while 20% of claims and most follow-up documentation still arrive as paper. Paragon's solutions are designed to easily handle the complexity of scanning and associating data received in both electronic and paper form and translating the data into a format that complys with HIPAA 837 formats.

The Second Challenge:
Creating a Compliant EDI Output

To comply with the most recent HIPAA regulations on National Provider IDs (NPIs), Paragon updated Chickering's systems to locate and capture the three different NPIs that can appear in unique locations on each HCFA-1500 or UB-04. At the same time, Chickering asked Paragon to take processing efficiency even further. Since 80 to 100 data fields appear on every claim form, Chickering wanted a tool that could read all fields—not simply those required by HIPAA. Paragon met this challenge with an EDI tool that completely translates all claims data into the 837 format, thus delivering a complete processing solution.
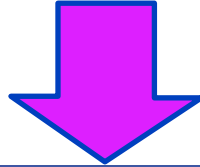
The Result:
Substantial Increase in Processing Efficiency and Compliancy

Chickering is very pleased with the results of the OCR/EDI project. The huge improvement in processing efficiency has resulted in a much greater volume of claims processed in a shorter period time which results in increased revenue and lower overhead costs.

Customer satisfaction ratings are very high because data is captured with a higher degree of accuracy and the turnaround time for a claim to be processed has been greatly reduced,

Chickering also feels that they could experience up to a 30% increase in volume without additional staffing.
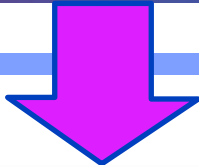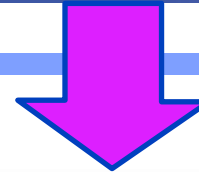
Why Choose Paragon?

Take Chickering's word for it: Paragon provides value through responsiveness and availability. Before choosing Paragon Systems, Chickering considered many other high-tech consultants whose talk was not matched by performance. Only Paragon came back with solutions that worked with Chickering's existing software and protocols. That's because Paragon's senior technical experts really listen to each client's specific needs and are always available to answer questions and resolve complications.

Healthcare EDI Tool Capabilities:

- Supports UB04 and HCFA claim forms data
- Claims data is output in a format that is compatible with 837 standards
- Flexibility to create output in varied formats without rewriting code
- Conditional data translations based on Pre-defined business rules
- Highly configurable tool accommodating multiple data translations
- Data values are easily formatted in different styles. Ex.: mm/dd/yy can be automatically output as mm/dd/yyyy
- Concatenation of multiple data values into one value. Example: LastName and FirstName of claimant can be combined into one 'Name' string value.

Process Benefits:

- Increased accuracy
- Increased volume
- Quicker turnaround time
- Lower costs
- Reduced staffing requirements
- Minimize data entry overhead
- Improved customer satisfaction.

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