

Web-Based Claims Submission Saves Money, Reduces Errors for Health First Health Plans

Amisys Synertech, Claimsnet.com partner to offer service to health care payers



Amisys Synertech Inc.

**Health First
Health Plans**

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Situation

Health First Health Plans, a 63,000-member plan formed in 1996 by several local hospitals on Florida's east coast near Cape Canaveral, has always focused on providing up-to-date technology to support its operations, says Kirk Monsees, director of information technology for the plan. "We want to take advantage of the newest technologies, rather than retrofitting older software and systems," he says.

After six years in operation, the for-profit plan, which processes its own claims, decided it was time to re-evaluate its payer software. Though the plan processes claims, it used an application host for its former payer software. "We looked at adding hardware and hosting ourselves, but we decided we were more comfortable continuing with a hosted arrangement," Monsees says.

Monsees and his staff reviewed a number of options and moved to Amisys Synertech Inc., which offers comprehensive information management software and Web capabilities, as well as business processing outsourcing and application services to the healthcare payer industry.

"Based on Amisys Synertech's services and reputation in the industry, we decided to make the switch from our former host," Monsees says. In addition to application hosting, Amisys Synertech provides several other services for HFHP, including ID card printing and claims imaging.

HFHP's old electronic claims filing system was customized and proprietary to its former payer software. So the company was faced not only with implementing new payer software, but also with choosing and implementing a new electronic claims filing system. The plan's relationship with Amisys Synertech led it to a second new relationship – with Claimsnet.com.

Solution

Claimsnet.com, which has operated for 7½ years, offers a highly secure connection and scalable architecture that allows for fast and cost-effective medical claims submission via the Internet. Internet claims submission improves billing and collections by eliminating the traditional lag time between claims submission and payer acceptance. Both payers and providers save money and time by filing claims electronically, says Paul Miller, chief operating officer of Claimsnet.com.

Amisys Synertech and Claimsnet.com joined to offer Web-based electronic filing and other services to the health plans Amisys Synertech serves. Amisys Synertech helps explain the advantages of electronic filing to its customers and provides the technology interface to Claimsnet.com. "Amisys Synertech has created a vision of claims processing efficiency for payers and Claimsnet is proud of its role in helping to fulfill that vision," Miller says.

Using Claimsnet.com services through Amisys Synertech offers several advantages to HFHP and any other health plan that makes the same arrangement, says Richard Gumpert, vice president of sales for Amisys Synertech.

After choosing new payer software, Health First Health Plans of Florida needed to implement an electronic claims filing system. The plan's relationship with Amisys Synertech led it to Claimsnet.com.

Claimsnet.com offers a highly secure connection and scalable architecture that allows for fast and cost-effective claims submission via the Internet.

Amisys Synertech can bring effective and innovative capabilities to a health plan at a fraction of the typical development time.

Health First Health Plans chose Claimsnet.com because it is easy to implement and use, cost-effective and comprehensive.

Amisys Synertech has negotiated discounted rates for payers who use Claimsnet.com services as a result of the two companies' alliance. "In addition, reduced implementation time and time to market are definite advantages of this partnership," Gumpert says. "We also offer central support. If a customer has a question, they make one phone call to us. We go to Claimsnet.com to get an answer. Health plans and administrators spend more time focused on their core business. We take care of the details."

Amisys Synertech can bring effective and innovative capabilities to a health plan at a fraction of the typical development time. The company also offers advanced scanning and imaging capabilities and specialized Medicare claims processing, for example.

After engaging Claimsnet.com through Amisys Synertech, HFHP and its provider relations group identified which providers – typically, those who file the most claims – Claimsnet.com would work with first, and then actively marketed the service to them, Miller says. "It's probably the most comprehensive engagement we've had on the payer level. Active marketing and engagement by the payer makes a big difference with provider acceptance."

When working with providers, Claimsnet.com identifies the type of computerized practice management system they use, examines and maps test files of claims to understand how to work with a particular office, and trains the office staff to file claims and read acknowledgement, audit, error, status and other reports.

HFHP chose Amisys Synertech's Claimsnet.com option over its competitors or a proprietary electronic filing system for several reasons, Monsees says.

Implementing and using Claimsnet.com is easy. As a regional health plan located in the same communities as its providers, HFHP has developed very strong relationships with its physicians. "Not many providers deal with plans where they can pick up the phone and talk to the CEO in a matter of a few hours," Monsees says. "We want to make sure those relationships stay positive. Complicated claims filing processes wouldn't help do that."

With Claimsnet.com, roll-out is quick and easy. All providers need is an Internet connection and a practice management system. From the provider perspective, one sticking point with electronic claims submission has been a need to invest in new hardware and software to accommodate multiple proprietary technologies. With Claimsnet.com, providers can submit claims from virtually any practice management system, and Claimsnet.com converts the forms before claims go to the health plan for processing. Physician offices may need to make a few simple workflow changes to submit electronic claims via the Claimsnet.com Web site, rather than print and mail paper claims.

To meet health plan needs, HFHP chose to customize a few aspects of Claimsnet.com, Monsees said. Amisys Synertech and Claimsnet.com worked on formatting inbound files and determining transmission frequency and modes. Even with customization, it took less than two months for Amisys Synertech

Electronic claims filing costs are far less than when Health First Health Plan used a proprietary system.

and Claimsnet.com to implement the system for HFHP – and this was the first implementation the two companies completed jointly. “They’ve been great to work with,” says Monsees. “Both Amisys Synertech and Claimsnet were able to turn things around very quickly.”

Claimsnet.com is cost-effective – particularly through Amisys Synertech.

Providers typically pay a registration and setup fee and then a monthly service fee to Claimsnet.com, Miller says. Claims filed with participating health plans are covered under the monthly fee; providers are charged per claim for those that are filed with non-participating payers. Fees charged by Claimsnet.com’s competitors range from \$25/month to \$95/month, Miller says. “We fall somewhere in the middle,” he says.

When a payer works with Claimsnet.com, they can choose various levels of financial involvement, Miller says. Some just market the service to providers and expect physicians to pay the initial and monthly fees. Others co-sponsor Claimsnet.com, paying a portion of the fees.

Still others, including HFHP, completely sponsor the service, which offers providers several advantages. HFHP is paying initial set-up fees and the first three years of monthly fees for providers who sign up to use the system, Monsees says. The plan also pays a per-claim processing fee to Claimsnet.com.

While specific fee information is private due to competitive concerns, Monsees says all are reasonable, and costs are far less than when HFHP implemented and used its proprietary electronic filing system. “Claimsnet is using Internet technology and other technologies that are relatively inexpensive,” he says. The plan also benefited from the discount Amisys Synertech arranged with Claimsnet.com for its clients, Monsees adds.

Claimsnet.com offers more than electronic claims submission. Claimsnet.com also acts as a clearinghouse, checking such items as patient eligibility and claim file format. HFHP had the eligibility screening further customized and has found it to be particularly useful, Monsees says. “Before, we checked claims for eligibility ourselves, and that takes time and costs money,” he says. “Now, if a patient isn’t a plan member, we never even see the claim – Claimsnet immediately sends it back to the provider.”

Claimsnet.com offers an extensive level of transaction security, Miller says. “The use of the Internet for executing financial transactions is well-established for banking, e-commerce and security trading. Claimsnet has leveraged similar technology and methods for Internet claims submission,” he says. “The fact that many organizations now have their own Web sites, and providers are becoming more Internet-savvy, certainly provides a better understanding of security technology.” Backed by IBM, a leading provider of managed e-business hosting and security services, Claimsnet.com provides high-level encryption, password and firewall protection for customers using its services, Miller says.

Less than 2 percent of claims require manual intervention. A custom search engine helps providers identify eligibility issues before claims are filed.

The number of claims submitted on paper has been cut almost in half.

Health First Health Plans staff has been repositioned to focus on quality assurance. Better quality should add to the bottom line.

Benefits

HFHP began accepting electronic claims from its largest provider in January 2002. At first, to make sure all processes were working, the plan accepted files from the provider and sent them to Claimsnet.com for screening and submission to Amisys Synertech. Amisys Synertech imports the electronic claims into its Synertech System Suite, where they're available to HFHP claims processors via application hosting.

After the solution worked smoothly for several months, several HFHP participating providers and facilities began submitting claims directly to the co-branded Amisys Synertech/Claimsnet.com site. HFHP continues to roll out electronic submission to additional providers, Monsees says. "I have not heard of any resistance to using Claimsnet.com," he says. "The providers we've spoken to so far seem open to Web-based submission."

In the past, about 97 percent of errors on claims were related to eligibility issues, Monsees says. "Since we've all but eliminated eligibility and coding issues, we've virtually eliminated mistakes on claims. What gets to us is pretty pure and clean." HFHP saw those results immediately after implementation: from the start, less than 2 percent of the 32,000 claims submitted electronically required manual intervention. HFHP worked with Claimsnet.com and Amisys Synertech to develop another custom feature – a search engine that helps providers pinpoint eligibility issues with claims either before they are filed or if a claim is returned to them.

Before Claimsnet.com, 80 percent of claims submitted to HFHP came in on paper. HFHP has reduced that paper submission rate to 44 percent and continues to add new providers each month to the Claimsnet.com solution. In October 2002, HFHP implemented Amisys Synertech's imaging solution to take care of the remaining paper claims.

As more claims are submitted electronically and Claimsnet.com continues to screen out errors, HFHP expects its data entry needs to decline, he says. However, the company has no plans to reduce its claims processing staff as a result of increased electronic claims submissions. "We're going to retrain and reposition our staff to focus on quality assurance," he says. "They'll become claims examiners, rather than data entry people."

Better quality should add to the bottom line, Monsees says. "With more efficiently managed claims, we expect to see reduced costs," he says. "We also expect even better provider relations. After all, if claims aren't paid appropriately or quickly, their first phone call is to us."

About Claimsnet.com

Claimsnet.com is a leading provider of Internet-based, business-to-business solutions for the healthcare industry, including distinctive, advanced ASP technology for online healthcare transaction processing. Headquartered in Dallas, Texas, Claimsnet.com

offers proprietary systems that are distinguished by ease of use, customer care, security and measurable cost advantages. Claimsnet.com trades on the OTC Bulletin Board under the symbol “CLAI.OB” and on the Boston Stock Exchange under the symbol “CLAI.” More information on Claimsnet.com can be found at the company’s Web site at www.claimsnet.com.

About Health First Health Plans

As Brevard County, Fla.’s only local health plan, Health First Health Plans (HFHP) offers comprehensive health benefits to employers, large and small alike, giving many small business owners their first opportunity to have affordable coverage. Additionally, the Health First Medicare Plan provides area Medicare beneficiaries an important alternative to original Medicare at a time when HMOs across the country are failing. In 2000, HFHP (www.health-first.org) earned a three-year Commendable Accreditation by the National Committee for Quality Assurance (NCQA) for service and clinical quality that meets or exceeds the committee’s rigorous requirements for consumer protection and quality improvement.

About Amisys Synertech

Amisys Synertech Inc. combines the industry leading and mission-critical products and services of AMISYS and Synertech. AMISYS (www.amisysllc.com) offers comprehensive and substantive information management software to healthcare payers. Its 3000 product provides extensive functionality that meets the enterprise-wide information needs of a variety of health plans. AMISYS Advance expands on the robust functionality of AMISYS 3000 on the HP-UX operating system and will include a Web-native GUI front end written in Java in Release 2. Synertech (www.synertechsystems.com) is a leading business process outsourcer and application services provider for health plans. Synertech offers BPO; consumer-directed solutions; scanning and imaging; claims processing; Web-enabled services; and Medicare Retiree programs. Synertech supports a multi-million-member base, including more than 100,000 members of new consumer-directed health plans. Amisys Synertech has offices in Rockville, Md., Harrisburg, Pa., Bloomington, Minn., Dubuque, Iowa and Alpharetta, Ga. Kevin R. Brown is president and CEO of Amisys Synertech Inc.

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