

CASE STUDY

Dental Plan: Paper Claims Processing



INFORMATION CAPTURE SOLUTIONS

Executive Summary

ICS processes all paper claims for a Dental Plan in the Midwest in our Kentucky headquarters. This includes prepping, scanning, quality control, and uploading an electronic 837D for the paper claim itself (including black forms), x-rays and correspondence.

ICS' client's paper claims processing by the numbers:

- 400,000 paper claims processed per year
- 98% claim-level accuracy rate
- 48-hour turnaround time per claim (often <24 hours)
- 10% increase in drop-to-pay rate
- \$75,000 in labor savings per year

Background

The Dental Plan processes 1.75 million claims per year, 23% of which are submitted on paper. Given the demographics of the Dental Plan's providers, many dentists still do things the "traditional" way, so the percentage of paper vs. electronic processing is not expected to drastically change anytime soon.

The Dental Plan experimented with bringing paper claims processing in-house, using seven temporary employees while they made their assessment, but the data entry was not the most cost-effective nor an efficient use of skills and time. Thus, the Dental Plan had to find someone with dental claims experience that would do all prepping, scanning and quality control (QC) of their paper claims.

The Dental Plan chose to outsource processing of their paper claims to ICS. Within 90 days, the process and all people were in place.

ICS now processes an average of 2,200 paper claims and correspondence per day, delivering an 837D file for every claim within 48 hours.

Paper Claims Process

To efficiently and accurately process all of the Dental Plan's paper claims, ICS created the following process, leveraging its mailroom outsourcing and document scanning experience:

1. Receive paper claims directly from the post office (USPS)
2. Open envelopes
3. Sort documents by type: claim, correspondence and x-rays
4. Apply barcodes to tie claims to the x-rays after scanning
5. Scan the paper documents and correspondence on a high-volume scanner
6. Scan the x-rays on a film scanner
7. Extract data from paper claims with optical character recognition (OCR)
8. Key in additional data from paper claims to complete the 837D file
9. Review OCR and keyed data with QC
10. Upload the 837D file and claim, correspondence and x-ray images to The Dental Plan



CASE STUDY

Dental Plan: Paper Claims Processing



INFORMATION CAPTURE SOLUTIONS

Impact

As a result of their experience with both automation technology and processing paper dental claims, ICS has achieved a 98% claim-level accuracy rate, which is a 6% improvement from before the initial implementation.

The claim-level accuracy improvement is achieved by using cutting edge OCR technology as well as automated member matching. The latter is achieved by validating information from key fields (name, address, date of birth) on the paper claim with information in the Dental Plan's back-end.

When all three fields match, data from the back-end is automatically populated into the electronic claim. This eliminates the need for double keying and manual validations, which reduces errors and saves a lot of time.

All of the above has led to a 10% increase in the Dental Plan's drop-to-pay rate. Additionally, because the Dental Plan does not have to employ up to seven people to prep, scan, enter data, and perform quality control plus at least one supervisor, they save approximately \$0.17 per paper claim annually, which equates to saving \$75,000 every year.

Next Steps

The Dental Plan is now evaluating ICS for scanning and processing claims that come in via email and fax, as well as supporting documentation and additional x-rays.

About ICS

Information Capture Solutions, LLC (ICS) is the nation's leading provider of Dental Claims Processing solutions because of our ability to double throughput and halve costs of processing paper claims with automation technology and outsourcing services for dental plans needing to process 500 to 20,000 paper claims per day.

If you process claims internally, ICS increases accuracy to 98% or higher and reduce costs with industry leading software, including document scanning, OCR, e-forms, workflow automation, and document management software. If you outsource paper claims processing, we offer on-shore quality at near off-shore pricing.

ICS also streamlines the capture and workflow automation of any paperbased process, including invoice processing and new employee onboarding.

Learn more at: www.infocapsol.com

