New Claims Editing Tool Propels MSO to Recurring Six-Figure Gains

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Problem to Solve

Claims editing is increasingly becoming a standard facet of the medical billing process, and for good reason. Done effectively, using up-to-date medical billing software, claims editing can save patients, providers and payers time, money and frustration. In particular for providers, claims editing leads to cleaner claims, faster payment, fewer denials, less work and re-work and improved cash flow.

A major regional management services organization (MSO) sought to introduce a new claims editing tool on behalf of its clients in multiple states. However, the MSO lacked bandwidth to independently manage the vendor to meet the implementation timeline and quality and cost savings goals set by leadership.

To prioritize the benefits of the claims editing tool implementation, the MSO turned to Freed Associates (Freed) for assistance. Specifically, Freed would be charged with managing the MSO's relationship with its vendor and ensuring a smooth and user-friendly introduction of the tool in its geographic markets. The MSO selected Freed for this assignment based on Freed's prior work with the MSO, as well as Freed's extensive IT implementation experience.

Strategy and Tactics

When introducing a new claims editing tool to any organization, the people part of the introduction is just as if not more important than the technology side. Claims rejections are typically the result of avoidable human error, which can lead to abrasion among internal staff members as well as provider/payer conflicts. Thus, it's important to inform and educate all pertinent individuals on how and why the organization is editing its claims.

Freed championed and promulgated this people-first mindset throughout its work on behalf of the MSO, which processes more than 30,000 claims per month in its markets. Fundamentally, Freed's strategy and support covered three primary areas:

1. **Vendor management** – Beyond implementing the new claims editing tool in the MSO's geographic markets, Freed monitored and ensured the vendor's adherence to its contractual obligations to improve payment accuracy. This work entailed handling all tool-related issues, requests for customization and client reports and serving as a liaison between the MSO and vendor for benefit realization.
2. **Clinical implementation** – Freed supported the creation of a "clinical crosswalk" between the MSO's existing claims processing system and the new claims editing tool, to ensure process effectiveness. Freed also managed the implementation of more than five dozen clinical edits to support accurate claims processing.
3. **Overall project management** – The needs and interests of the MSO's clients across multiple markets were not identical. Thus, Freed needed to conduct independent tests of the claims editing tool in each of the MSO's markets and obtain separate go-live consensus from the MSO's constituents. Freed ensured everyone related to claims, including clinical/provider relations, customer service, and payment integrity, were properly trained on the new tool and its related processes. This included introducing new, streamlined workflows for end-to-end claims processing, as well as developing a cross-functional governance structure to support ongoing maintenance needs.

Much of this work involved Freed leading and brokering meetings between key MSO and vendor staff, to discuss technical and business risks, issues and needs. Freed defined all roles, responsibilities and accountabilities across the blended MSO and vendor team, facilitated the testing of all technical, workflow and clinical elements of the new editing tool and ultimately managed all go-live and post go-live stabilization activities.

Results and Conclusion

The preliminary groundwork to introduce the new claims editing tool, and ensure that all end-users were properly informed and trained on its use, immediately paid off at go-live. Thanks to the claims editing tool, and the direct improvements in claims and payment accuracy it delivered, the MSO began realizing post go-live savings of approximately $200,000 to $300,000 per week, and identified claims recovery opportunities of more than $3

million.

All Freed-identified and led activities for this project were completed accurately and on-time, including:

- Creating a final system design and execution report
- Creating and executing a system testing plan
- Creating and executing user testing and communications plans
- Creating and executing a go-live plan and providing post go-live support
- Providing recurring status reports and project risk/mitigation plans

Equipped with its new claims editing tool, the MSO stands poised to not only reap substantial financial benefits in its current markets, but also to additionally capitalize on its new system as it expands and enters other markets. Most critically, the MSO's claims editing tool is enabling its clients to spend the bulk of their time focusing on their patients, not dealing with recurring claims-related issues.