Auto Casualty

The Power of Smarter Solutions: Three Ways to Facilitate Better Decision Making with Claims Automation

April 22, 2019
5 MIN READ
Author profile image

Shahin Hatamian

Senior Vice President, Product Management

This is the second article in a seven-part series that highlights how technology and solution integration can result in improved claim outcomes. Click here to read the first article "The Power of Technology Integration: Six Ways to Use Technology to Improve Claim Outcomes." Automation has been a part of the workers' compensation and auto casualty industries for years, but today, a large opportunity still remains to increase automation in the medical claims process. The future of claims automation in the Property & Casualty industry is not to replace jobs but instead to enhance workflows and facilitate better decision making. Finding ways to use smarter solutions—software that uses technology to help automate expertise within the claims process—can help improve consistency, provide adjusters with the right information at the right time to help facilitate better decision making, and can go a long way to improving outcomes across the organization. Claims technology helps facilitate claims automation, frequently leading to better and more consistent outcomes. Here are three ways that claims organizations can use claims automation and technology to automate expertise.

1. Increase Straight-Through Processing of Medical and Non-Medical Bills

Increasing claims automation through the use of smarter solutions to automate expertise can improve decision-making consistency across a claims organization, which can lead to better outcomes and can improve efficiency. Individual process changes should be a part of an overall automation strategy. A McKinsey report found that claims organizations that add automation into their claims processes have the potential to reduce the cost of a claims journey by as much as 30 percent. Companies should be assessing their claims processes to identify opportunities in which adding automation or being more aggressive in their automation strategies makes sense

for their business objectives. Straight-through processing of bills is a common area of opportunity for many organizations since most still require a human touch for every single bill. In contrast, an efficient workflow can generally pass through 60-70 percent of bills without human intervention. While some claims organizations may not be comfortable introducing that level of automation into the claims process, every organization likely has opportunities to increase the number of bills that are automatically processed. By establishing rules based on treatment codes, thresholds or document type, bills that meet certain criteria can automatically pass through, meaning adjusters will only have to touch bills when absolutely necessary. These types of rules help to automate tasks that typically require manual processing, which has the potential to improve efficiency and consistency. A claims organization should start by reassessing its current rules to see if there are any areas where they could increase straight-through processing automation consistent with its business objectives. This process can give adjusters and their support staff more time to focus on more complex claims that truly require human intervention.

2. Incorporate More Data in the Claims Process

By the year 2020, the International Data Corporation predicts that the data we create and copy each year will reach 44 trillion gigabytes. With so much data available at our fingertips, it's important to provide the right type of data to adjusters at the right time to help facilitate better decision making throughout the claims process. Integration between otherwise disparate smart technology solutions can help to provide more data to decision-makers to help them achieve better outcomes for the organization and for claimants. For example, by using integrated bill review and pharmacy benefit management (PBM) systems, adjusters are able to see what providers are prescribing and billing and connect that to what was dispensed to claimants at a pharmacy. This integration can help adjusters make proactive dispensing decisions using guidance from these two integrated solutions instead of waiting to make decisions retroactively. Another example of how integration between smart technology solutions can help add more data into the claims process is the combination of a bill review platform with medical management software. Integrating utilization review (UR), treatment authorization and non-authorization data into a bill review system helps provide adjusters with the information they need at the right time to make decisions about approving or denying treatments. Furthermore, the connectivity of the two components can impact medical outcomes for the injured party and medical providers' billing practices—if done effectively. Integrating solutions and providing automated guidance can help adjusters see the full picture of the claim so they can concentrate on their decision making to achieve better outcomes.

3. Eliminate Paper to Increase Claims Automation

While many industries have successfully digitized operations, the insurance industry today is still bogged down by paper, from billing to payments. Using paper in the claims process is not only inefficient and costly, but it can lead to inaccuracies and make it harder to make the best decisions for each claim. While it may take a while for the Property & Casualty industry to go completely digital, some studies suggest that finding ways to remove paper from the claims process could have many benefits. For example, a McKinsey study found that by digitizing their claims operations, companies could reduce expenses by 25-30 percent, increase customer satisfaction scores by about 20 percent and improve overall claim handling accuracy. While there is no "sliver bullet" to improve all of these different areas, as the study says, making some changes could help to improve outcomes. In addition to using smarter solutions like eBilling and ePayment, partnering with a technology-enabled services partner who can help manage documents that come in via paper can help a claims organization move toward a goal of a fully digital operation.

Learn More
For example, a technology-enabled services partner can help digitize, organize and properly code bill and claim

data, saving adjusters time up front and setting them up to make data-driven decisions based on being able to see the full picture of a claim. Eliminating paper and introducing smarter solutions can help a claims organization to digitize the claims process from end to end, increasing efficiency, making it easier to automate tasks and ultimately facilitating better decision making. In summary, claims automation via smarter solutions can make big improvements in the claims process. By looking for ways to boost straight-through processing, providing access to more data and eliminating paper, a claims organization can start to make improvements in operational efficiencies and decision making to improve overall outcomes.

Download Now

https://www.mpower.mitchell.com/six-ways-technology-improve-casualty-claim-outcomes/
https://www.mpower.mitchell.com/integration-automation-humanizing-claims-process/
https://www.mpower.mitchell.com/power-perspective-data-drives-claims-decisions/



©2022 Enlyte Group, LLC.

mitchell | genex | coventry