Auto Casualty

Managing Medical Records is Key to Improving Third Party Claim Settlements

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Documents that adjusters receive from attorneys or claimants related to third party claims are typically unorganized, inaccurately coded and seemingly stacked a mile high. It can feel like an insurmountable challenge to organize, digitize and understand every detail of the medical records, but processing a claim without first organizing, capturing the data and properly coding documents can make it difficult for an adjuster to efficiently reach the most accurate settlement.

> High quality data capture is essential in order to achieve the most accurate and complete analysis of medical treatment.

An end-to-end third party solution can help organize and surface key details efficiently and effectively—starting with a service partner that provides the adjuster organized, fully coded and accurate documents with all of the necessary data in an easy-to-digest format. To increase efficiency and improve consistency, it is best to use a partner with expertise in these processes to perform the four services listed below for third party claims.

third party claims solutions

Document Organization and Management

Though organizing, coding and digitizing documents is a huge, time-consuming task, it is a crucial first step to successful settlements of third party claims. Insurance companies receive claim documents of various page length with bills, medical records and supporting documentation in many different formats—from an official, fully coded bill to one written on a napkin—but it is best if an adjuster can work with organized and digitized claim documents. An adjuster should be utilizing an organized package of documents complete with a

summarized table of contents for ease of reference. This type of preparation typically leads to better negotiation outcomes and a consistent and reliable process for the insurance operation.

Front-End Coding

Often, medical codes are missing from bills or are inaccurate, making it difficult to calculate the total value of the medical expenses, treatment and injuries being claimed. It is difficult to reach the best outcomes without the proper coding, so before starting to prepare for the negotiation process, an adjuster should have all medical treatment and diagnosis codes accurately identified and documented.

Data Capture

In order to appropriately settle a third party claim, it is valuable at the outset to accurately capture all of the data for the claim and claimant as well as the procedures included in the medical bills and records. This is particularly important when using bill review technology to provide expert analysis of the medical treatments as well as usual and customary fee data and American Medical Association (AMA) guidelines for provider billing. High quality data capture is essential in order to achieve the most accurate and complete analysis of medical treatment.

Certified Coding

Once the medical information has been accurately coded and digitized, a certified coder can provide a focused review of billing practices to help to ensure the treatments provided were reasonable based on the medical records. Certified coders will review all documents and check for inappropriate billing practices and accuracy of provider charges. For example, providers frequently bill for the highest-level office visit, which is intended only for very serious injuries. A certified coder can identify this error and change it to the appropriate procedure code to match the actual office visit that occurred. Certified coders can also perform customized expert reviews based on regional or office performance, industry trends or individual carrier business requirements. This type of review is a crucial step to reaching fair and reasonable third party claim settlements and identifying potential waste and abuse in billing practices.

> Certified coders will review all documents and check for inappropriate billing practices and accuracy of provider charges.

Leveraging a partner that is an expert in third party document management and medical and claim processing is often best suited to enable an insurance company to achieve the following key benefits:

1. By organizing, properly coding and capturing data from medical documents related to third party claims, a service partner can provide adjusters with information to negotiate what is reasonable on a claimant's medical charges. This can help eliminate leakage based on duplicates, inappropriate billing practices by providers or reasonableness of provider charges.
2. Using a service provider eliminates the necessity for an adjuster to have to understand coding and billing practices, helping them spend less time managing administrative activities and more time focusing on their core duty—negotiating settlements fairly and accurately.
3. Instead of each adjuster completing these steps their own way, if at all, a service partner provides an insurance company a consistent, efficient and reputable process for organizing documents, capturing data and analyzing medical treatments. By quickly placing tools and expert analysis in adjusters' hands, insurance carriers will achieve consistency and efficiency to reach the most accurate, reasonable and fair

settlements across the organization.

By providing an adjuster up front with organized and reviewed claim documents, they are much more prepared to settle third party claims. A service partner can help an adjuster gain a full understanding of exactly what is being claimed—ultimately leading to improved, fair and reasonable outcomes for the insurance company.

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