A background image showing a medical setting with a stethoscope, a tablet displaying an X-ray, and an ECG strip.

# HOW A HEALTH INSURER AUTOMATED THE COLLECTION, VALIDATION AND TRANSFORMATION OF THEIR DELEGATE COMPLIANCE REPORTING, REDUCING LABOR COSTS BY 90% AND SAVING \$1M ANNUALLY

Health insurance companies are continuously seeking to reduce their administrative costs as part of a much larger effort to control health care costs. For one of the largest US private health insurers, with over 16 million insured and 85,000 employees, a fertile area for cost reduction is the administration of its delegation program. Delegation is a formal process by which a health plan contracts with a health care provider to perform certain functions on its behalf, such as doctor and credentialing and claims payment.

Although the insurer can delegate authority to perform a function, it remains responsible to regulatory agencies for the performance of the delegated activities. As such, the delegated health care providers are required by the insurer to submit monthly reports detailing its compliance with the insurer's policies and procedures. These reports are consolidated by the insurer for its own reporting to the Centers for Medicare and Medicaid Services (CMS).

The administrative costs associated with the insurer's delegate reporting program was high. A team of 10 people was required to manually solicit and obtain, via email, monthly reports from 400 delegated providers and to validate these before being input into a custom reporting application. Because the email platform lacked an API to automate any aspect of the workflow, the monthly delegate reporting process took 3 weeks to complete, much of that

time spent validating emailed reports and obtaining corrections from delegates.

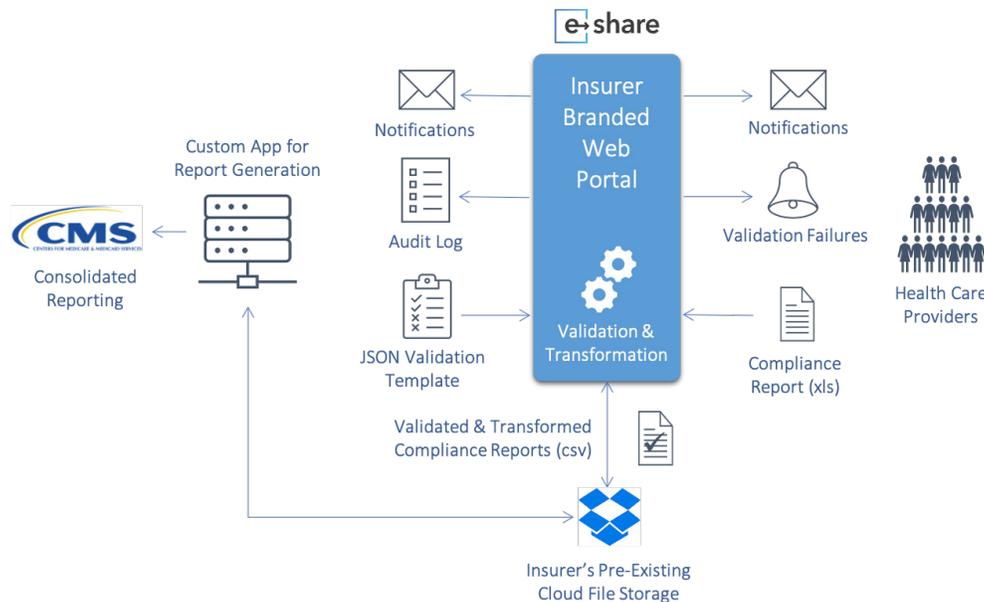
In considering an alternative approach, several requirements for a new platform were defined by the insurer:

- The new platform needed to take the form of a simple web portal, with Virtual Data Room functionality and security features. Critical requirements are easy-to-use, web-based interface for delegates to upload their compliance reports and the platform does not require the delegate to install any software or plug-ins.
- The platform also had to perform an in-line validation of the uploaded reports. The reports, which consist of multiple worksheets within an Excel spreadsheet, are created using a template provided by the insurer. Each report contains many required fields as well as optional fields that, if populated, require that other fields be populated. In all cases the fields must contain properly formatted input (e.g., dates, member number, and diagnostic codes)
- With the reports containing PII and HIPAA data, the platform needed to meet a stringent set of security requirements, including the encryption of all data in transit and at rest

- It was highly desired that the platform be fully branded as being provided and operated by the insurer. The introduction of a 3rd-party file sharing or Virtual Data Room service (e.g., Dropbox, Box, Google Drive) would have introduced mistrust on the part of the delegates and required coordination with the delegate's IT and security team to avoid the link blocking common with 3rd party file sharing services.
- Lastly, the platform needed to provide a robust API so that an application the insurer had written to perform data aggregation and reporting to CMS could be notified of new reports submitted by delegates.

Another bonus was e-Share's willingness to extend the platform to include a data transformation step. This converts a richly formatted and annotated Excel file into a field-by-field data transformed CSV file that is optimized for ingestion into the insurer's reporting application. This step allowed the entire delegate reporting workflow to be entirely automated.

An unexpected benefit arose with the use of e-Share's API by a delegate provider who automated its own reporting and submissions to the insurer. A simple cURL script allowed the delegate provider to reap the same benefits as the insurer – reduced administrative costs and improved quality of reporting.



After a thorough evaluation of alternatives, the insurer determined that e-Share met all its requirements and provided many additional benefits. For example, not only are the required data validation checks performed, using a JSON template to define the validation requirements, they are performed in real-time with on-screen progress status provided to the delegate. In the case of a failed validation, an email is sent to the delegate detailing the specific reasons for the failure. Of course, a full audit log is created throughout the entire process.

The insurer reports significant operational benefits. It has reduced the workforce required to manage the delegate reporting to 1 administrator...a 90% reduction in labor costs and an annual savings of \$1M! And the delegates are pleased with the change, primarily because the use of a virtual data room provides a simple means to access report templates, input new reports and view historical submissions..