

## Accurate info cuts provider verification costs

### Major PPO saves money by automating acceptance of verified changes

#### The Challenge

For health plans, preferred provider organizations (PPOs) and other healthcare payers across the country, the accuracy of their provider files that contain demographic information on doctors, hospitals and other healthcare providers is a critical factor in their productivity. Without accurate provider information, payers lose millions of dollars through unnecessary operating costs, including expensive manual claims processing, payment errors, returned mail, re-cut checks, high customer service costs and other inefficiencies.

Because provider demographics and other variables are constantly changing, payers must continually source and verify potential changes, and accurately match those changes to their provider files. Historically, payers have made a significant manual effort to fix the problem, including verification of potential changes after errors have been noticed by members or providers. Sadly, these attempts have been expensive and unsuccessful, and they have also cost payers in terms of member and provider satisfaction.

In one such example, one of the nation's largest PPOs was challenged with maintaining an accurate provider database. Its provider database contained an unacceptable level of duplicate records, and incorrect addresses, TINs and telephone numbers. In addition, this PPO had an inefficient process for dealing with provider updates and changes.

#### The Solution

The PPO hired Enclarity to process their provider file with ProviderPoint®, Enclarity's flagship hosted information solution. ProviderPoint uses advanced analytics to create and leverage the industry's most accurate database of provider information, which contains correct, current and comprehensive information on approximately 6.5 million entities that offer healthcare services. Each ProviderPoint run verifies, cleanses, updates and augments the information in the PPO's provider file.

But that's not all. Recognizing that its clients want to be assured that the information they receive is accurate for use in their operations, Enclarity provides metadata about proposed changes, including source and verification date. In addition, Enclarity works with its clients to establish custom business rules that automatically make changes that meet the client's criteria. As a result, Enclarity can reduce each client's investment in data, technology and labor associated with acquisition and management of provider information. Also, by providing automation and information that helps establish call queue priorities, Enclarity lowers each client's costs associated with updating and verification.

### The Results

The PPO started with the state where their largest provider network was based. Mistakes in the provider file – inaccurate, incomplete and duplicate information – were corrected with accurate information from ProviderPoint's reference database. ProviderPoint identified and fixed a variety of errors and filled in incomplete information, including:

- Deceased or retired providers
- Practice phone/billing phone
- Practice and/or billing address
- DEA (correct numbers as well as expiration dates)
- Licenses (correct numbers as well as effective and expiration dates)
- Correct spelling of a provider's name

After a pilot period during which it manually checked the information provided by Enclarity, the PPO realized a 40% increase in automatic updates of provider data into its file, and dramatically reduced its research and verification load. ProviderPoint significantly reduced the number of duplicate records, and automatically updated over 166,000 data elements. And, based on the client's subsequent research, over 500 additional bad provider records were removed.

The PPO was thrilled with the results. By working with Enclarity, it dramatically decreased the costs of telephonic verification and other research before updating its database. In addition, the PPO significantly improved accuracy on many data attributes that are crucial to their operations. As a result, it reduced operating costs, improved member and provider satisfaction, and increased claims throughput and accuracy. After analyzing the performance improvement in one state, this PPO began to use ProviderPoint for its entire nationwide network.

### About Enclarity

Enclarity® solves healthcare's provider information problem. The company delivers correct, current and comprehensive provider information solutions by blending thousands of data sources, advanced analytics and healthcare expertise. As a result, its clients improve results in many areas, including claims processing, provider directories and network analysis. Named one of the Top 100 private technology companies in North America by *Red Herring* magazine and awarded the Global Healthcare Information Technology Excellence Award by Frost & Sullivan, Enclarity is headquartered in Aliso Viejo, California.



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