Case Study: Healthcare

Cognizant TriZetto® NetworX Modeler® helps national health plan streamline contracting

Cognizant worked with a major health plan to redesign its physician contracting process to reduce cost and improve pricing accuracy.

Streamlining the provider contracting process is increasingly important to health plans. A more efficient approach to contracting should result in improved provider relations and clarity about contracts and pricing throughout the reimbursement cycle. These qualities are critical as relationships between payers and providers evolve as the industry adopts new payment and business models.

Cognizant worked closely with a client to revamp its contracting processes and generate contract language from configuration text, utilizing the power and flexibility of TriZetto® NetworX Modeler®. The solution saves costs by eliminating manual pricing and downstream errors, while improving provider relationships.

At a Glance

Cognizant helped a major health plan redesign its pricing configuration methodology and workflows, building on the TriZetto® NetworX Suite® capabilities to reduce downstream pricing errors and improve provider relations.

Outcomes

- Estimated cost savings of approximately 35% achieved by eliminating manual pricing.
- Substantially reduced rework and appeals, with an estimated 75% improvement in configuration accuracy.
- Streamlined contracting through standardized pricing structure for most frequently contracted provider types.

Cognizant

Redesigned contract process reduces downstream errors, pleases providers

Innovative solution utilizes full capabilities of Cognizant TriZetto NetworX

NetworX Modeler demonstrates the true financial impact of proposed rates and terms, the processing of which is automated by NetworX Pricer.

The client had several challenges with contract execution in its new markets. Contract staff in each state negotiated with a provider or facility to sign a contract. After contract validation, staff would then manually configure the negotiated pricing terms in NetworX Pricer. Because this workflow separates negotiations and signature from configuration, the configuration staff had to interpret imprecise legal contract language to understand the intent of pricing agreements—sometimes months after the negotiations were completed. In addition, configuration staff often had limited communication with contract staff who negotiate the contracts. Additionally, the time lapse between contract negotiation and configuration often meant contract staff had to reconstruct conversations with the provider or even reengage providers to recall the intent or detail needed for pricing terms. This led to provider frustration.

The process also led to extensive delays in processing claims at the contracted rate. Inaccurately priced claims led to rework and friction with providers. Increased reliance on manual pricing meant terms could not be autoconfigured.

Creating contract language from configuration terms

Cognizant recommended and implemented an innovative solution that reimagines the traditional workflow and configuration methodology, increases communication between contract and configuration experts, and introduces more standardization.

The new process brings contract staff and configuration staff into a single "contract team" that uses the NetworX Modeler software during negotiations to configure and generate the actual language in the contract for pricing—before the contract is signed. The NetworX Modeler software then exports the configuration into plain English. This easily understandable configuration text is incorporated into the contract, so the contract language is derived from the configuration, not the other way around.

In addition, the new governance process leverages a set of standard template rate sheets with default expected pricing terms that contract staff may use to make minor changes—any that do not require full configuration. This standardization creates a uniform starting point for the contract team and eliminates ambiguity in pricing language. Proposed billing terms are financially analyzed by the contract team to identify where they exceed expected spend.

To drive this innovation, Cognizant assembled a team of product specialists and business and change management consultants. Cognizant built and tested templates, designed new process flows, recommended plans and methods to change the organizational structure, integrated NetworX Modeler software with an existing enterprise contracting system and created operational documents to guide staff.

Initial training and feedback revealed a 100% success rate in training non–IT staff to complete limited configuration tasks in NetworX Modeler software. Participants estimated that between 60% and 90% of configuration errors would be reduced with the recommended workflow and organizational changes. When asked for feedback, 100% of providers agreed that the pricing language generated in NetworX Modeler software during negotiations was both easier to understand and acceptable as part of their final contract document.

This client is one of more than 75 healthcare organizations using the Cognizant TriZetto NetworX Suite solution to gain organizational efficiencies and streamline workflows. Together, NetworX Pricer and NetworX Modeler provide an end-to-end transparent solution for the creation and execution of accurate pricing agreements.

About TriZetto Healthcare Products

We help healthcare organizations enhance revenue growth, drive administrative efficiency, improve cost and quality of care, and improve the member and patient experience. Our extensive line of solutions and services harnesses the power of digital to optimize your business.
Visit us at **www.cognizant.com/trizetto** for more information.

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