



## Healthcare case study

# Next-gen BPaaS solution boosts operations and business growth

A flexible business process-as-a-service solution enables a healthcare payer to continuously improve processes, increase member and provider satisfaction and grow its business.

## The challenge

Our healthcare client serves more than 30,000 members in a large midwestern state. The organization takes a holistic view of health and wellness, using multidisciplinary care coordination to address the social determinants of health. It integrates traditional medical services, behavioral health services and other county and community services in an accountable health model.

Because our client was using an older version of TriZetto Facets, it required custom-coded workarounds and high levels of manual claims processing for several core administrative functions. These challenges led to low first-pass resolution rates, poor auto-adjudication rates, increased errors, delayed and inaccurate provider payments and ultimately higher costs per claim.

## Achieving needed growth

The older version of the system could not support the use of new technologies, did not meet new business requirements and could not be integrated with other systems. Operating costs increased, in part because of the need to maintain the enhancements and customizations that were handled in house to overcome the limits of the older core capabilities. Finally, as the platform version support period was ending, it put business-critical processes in a precarious situation.

## At a glance

A Cognizant Healthcare BPaaS client collaborated with us to evaluate the systems and processes used to administer its health plan, determine how to best serve its members better and expand its business. A joint evaluation revealed several claims processing pain points, including a troublesome first-pass resolution rate and low auto-adjudication rates. To address the challenges, an upgrade to the current version of the TriZetto<sup>®</sup> Facets<sup>®</sup> core administration platform was implemented and TriZetto<sup>®</sup> NetworX Pricer<sup>®</sup> was added. The new solution delivers the following business and operational benefits:

- Ability to leverage modern technologies such as machine learning (ML) and automation
- First-pass resolution rates improved by nearly 88%, to 69.08% from 36.8%
- Auto-adjudication rates improved by 95.6%, to 73.76% from 37.7%
- Improved claims processing accuracy and consistency

## The approach

After conducting a joint evaluation, we collaborated with the client to evolve the BPaaS delivery model, which we also managed. This was accomplished through work sessions and leadership calls coordinated by our service delivery team. The client was migrated in stages to the fully current version of Facets. With the modernized core deployed, our team worked with the client's operations team to integrate TriZetto NetworX Pricer to increase automation and efficiency across the claims adjudication process.

### Collaboration achieves outstanding results

Our service delivery team facilitated collaboration between the client and our BPaaS leadership team on the project plan to track joint resource commitments and timelines to achieve the project's target metrics. Project governance included regular client and Cognizant team meetings to review test results, get feedback and identify other areas for improvement and fine tuning. The client validated all test results before transactions and improvements went into production.

Our service delivery team continued to coordinate the effort as the following tactics were implemented:

- **Analyzed existing processes and core platform capabilities.** We determined the root causes for inaccurate claims processing, claims denials and approvals and provider reimbursement delays and errors. Our team evaluated processes suitable for automation, including enrollment. We evaluated current auto-adjudication rates, process effectiveness and overall platform capabilities, and identified performance gaps and developed tactics to address these issues.
- **Executed continuous improvement and increased automation.** We implemented processes to auto-adjudicate claims of higher complexity to the greatest extent possible. This included using multiple audit levels to identify high-risk claims, then using that data to train the core system to automatically process those claims. This approach increased auto-adjudication rates and payment accuracy, improving provider and member satisfaction.

“We are very pleased with our collaboration with Cognizant and the intentional conversations that further our business goals. Auto-adjudication has improved by 95.6%, allowing us to scale, reduce overall business risk and improve provider and member satisfaction in claims processing.”

Director of operations, a midwestern health maintenance organization

- **Implemented NetworX Pricer to automate accurate claims pricing and aid in auto-adjudication.** Working alongside the client's operations team, we converted 142 provider agreements from Facets into NetworX Pricer to eliminate errors in contract configuration and automate accurate claims pricing. Improving that functionality increased automatic adjudication and processing of complex pricing methodologies. We also updated vaccine codes and included bilateral services as part of the NetworX implementation.

- Auto-adjudication rates improved by 95.6%, to 73.76% from 37.7%
- Improved claims processing accuracy and consistency

As a result of the new enhancements, the client also gained scalable capabilities for its future business and technology needs.

## Business outcomes

By evolving the client's BPaaS delivery model, we modernized the technology landscape to immediately improve operating efficiencies and costs. With the new systems, processes and integrated software, first-pass resolution rates improved by almost 88% and auto-adjudication rates improved by 95.6%. Our efforts surpassed the 98% goal set for claims accuracy.

### Detailed business outcomes:

- Ability to leverage modern technologies such as machine learning (ML) and automation
- First-pass resolution rates improved by nearly 88%, to 69.08% from 36.8%



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