



# Claims Processing and Coordination of Benefits

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Introduction to CAQH and Anthem GBD

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Current Industry Challenges

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Recommendations for Improving Your COB Process

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Anthem's COB Process

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Discussion

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Q & A

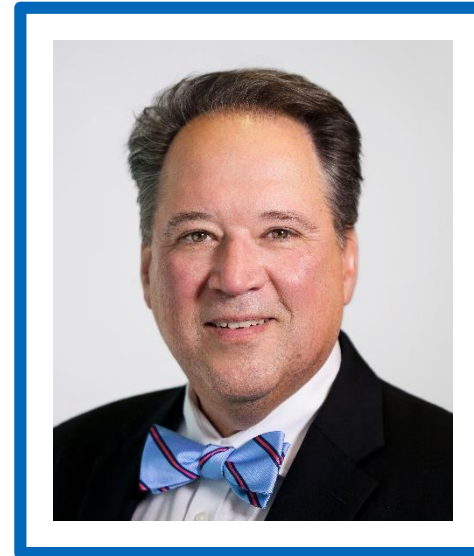
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# Today's Speakers



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# About CAQH and the Members

CAQH, a non-profit alliance, is the leader in creating shared initiatives to streamline the business of healthcare. Through collaboration and innovation, CAQH accelerates the transformation of business processes, delivering value to providers, patients and health plans.

Board Members:



# CAQH Initiatives Transform Healthcare Business Processes

National operating rules for electronic business transactions.



Shared utilities to collect and manage provider data and improve coordination of benefits.

Research and collaborative endeavors as a catalyst for industry progress.



1 in 8 Americans

nearly **40+ million**  
total medical members in  
affiliated health plans

**over 6,374 million**  
Medicaid members

**VISION**

To be the most innovative,  
valuable and inclusive partner.

# Industry Challenge: “Reactive” Strategy Occurs After Claim Submission

## Patient Access and Eligibility

- Missing or inaccurate patient information.
- **Results:** Manual data gather and validation processes.

## Provider Billing / Claim Receipt

- Lack of uniform use of billing codes, complicating COB reviews.
- **Results:** Extra paperwork from denials and resubmission.

## Routing

- Invoice submitted to incorrect health plan.
- **Results:** Repeat bills.

## Claim Adjudication

- Ad-hoc patient data requests.
- Confusion over primary health plan COB payment.
- **Results:** Significant manual turn-around time.

## EOB/Claim Payment

- Confusion over health plan payment (i.e., ambiguous EOB).
- **Results:** Lengthy and manual secondary COB bill submissions.

## Appeals & Adjustments

- Claims payment disputes from members.
- **Results:** Manual work associated with non-standardized appeal processes.

# Result: Negative Impact to Plans, Providers, and Patients

## Impact to Plans

- High monetary costs of letters and processing
- Low survey response rates
- Overpayments or incorrect payments
- Extensive use of expensive vendors
- High administrative burden

## Impact to Providers

- Extensive phone calls to offices
- Claims are not paid correctly or on time

## Impact to Patients

- Letters are confusing and frustrating
- Claims are not paid correctly or on time

**\$800 million\***  
Estimated costs of COB  
administrative inefficiencies

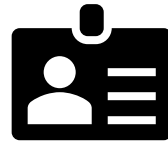
\*Source: Administrative Inefficiency in Coordination of Benefits  
Manatt Health Solutions and CAQH, 2014



# A Unique Challenge—and Opportunity—for Medicaid Plans

## UNIQUE CHALLENGES

- State requirements to intake and utilize state generated data create quality and consistency challenges across multiple platforms.
- Medicaid beneficiaries often have multiple breaks in coverage in a single year, causing data to quickly become outdated.



## UNIQUE OPPORTUNITY

- 13.4% of Medicaid beneficiaries report having other coverage.\*
- As **the payer of last resort**, Medicaid plans have the **greatest opportunity to save money** through accurate COB.

\*Source: Additional Federal Action Needed to Further Improve Third-Party Liability Efforts, GAO 2015

# Recommendations for a More Effective COB Process



Take a proactive approach.

*Loading COB data into your system before claims come in decreases administrative and recovery costs.*



Find a primary source of high-quality data.

*A source of trustworthy data is crucial for all COB process best practices.*



Prioritize high dollar claims.

*Compare claim data to COB data to focus limited resources on claims with the greatest potential for savings.*



Leverage automation.

*Auto-load as much (trustworthy) data as possible to speed updates and minimize FTE time.*



Separate recoveries from identification.

*If these functions are outsourced, choose different recovery and identification vendors for the best quality data.*



Take the member out of the middle.

*Relying on members for COB data is inefficient and causes a poor member experience.*

# Key Considerations for Choosing a Data Source



Where does the data come from?



How often is the data updated?



When do you receive the data?



How much does the data cost?



What is the impact to your staff?



What is the impact to your members?

# Anthem's COB Process

## Receive Data



COB Smart data received by dedicated COB Smart business analysts.

## Triage



Data eligible for automatic upload (25% of the file).



Needs additional review (75%).

## QA



No QA needed.



Contact plans through COB Smart portal to verify information by dedicated COB verification specialists through workflow tool.

## Upload



Automatically upload into the system.



Manual upload after verification.



Workflow tool routes data from other sources to regional staff focused on intakes and processing.



Needs additional review. **100% of the data.**



Vendors and team conduct manual review of all data.



Manual upload after verification.



# Discussion and Q & A