HEALTH PLAN WEEK

Streamlining Provider Data Management Could Save Billions…but Is It Possible?

For health insurance companies, an accurate, easy-to-update standardized database for network provider data is the Holy Grail. Along with being a major source of frustration for members, inaccurate provider information negatively impacts claims processing, provider credentialing and the ability to ensure compliance with network adequacy rules. It also can create obstacles for providers that want to create a value-based benefit approach.

Collectively, hospitals, doctors and health insurers spend more than $2.1 billion a year on inefficient and redundant tasks aimed at ensuring the accuracy of provider data — about two-thirds of that cost is incurred by insurance carriers, according to an estimate from CAQH, a non-profit alliance of health plans and trade associations that also works with providers and their trade groups. But maintaining vast amounts of ever-fluctuating data, and ensuring its accuracy, is critical for carriers when performing essential business functions.

The costs are so high because health insurers have very few trusted sources of high-quality provider information. And that causes disparate efforts to gather information. It also creates a variety of approaches and expectations, explains Atul Pathiyal, managing director of CAQH Solutions. The biggest issue to overcome is building consensus and creating a shared vision across the industry, he says.

The provider community has viewed data collection as burdensome because historically they had to submit nearly identical information to multiple health plans through a variety of formats. And they are regularly asked to update it, adds CAQH Executive Director Robin Thomashauer.

Provider data management encompasses a health plan's supply chain of physicians, hospitals and care providers. To effectively manage their provider relationships, health insurers rely on credentialing data, contracting information, practice profiles and information about dispute resolution. But because no central database exists to house such information, each health plan maintains its own unique database. And each physician and hospital has its own way of contributing information, which increases administrative costs on both sides, explains Robert Booz, director of Healthcare IT & Initiatives at the University of Connecticut School of Business. He points to one large carrier that has more than 1,500 employees dedicated solely to provider-data management issues. "It's a significant, but often underemphasized problem for carriers. It's the supply chain for a health plan, and if you mess it up, you are in deep trouble," he says.

Historically, provider directories have never been entirely accurate, and they never really had to be. In the wholesale world, the insurer sold directly to an employer's human resources department. If an employee complained that a provider wasn't in network, the human resources department would ask that that provider be added to the network, or give the employee other options. But directories have come under scrutiny from state and federal regulators, particularly as insurance carriers have trimmed provider networks to keep premiums in check. A spotlight was shined on the problem in 2014 when carriers began selling individual coverage through public exchanges. As those consumers — along with Medicaid managed care and Medicare Advantage beneficiaries — became more responsible for their health care decisions, provider networks became an important tool for evaluating coverage options.

This month, CMS announced results from the first phase of its directory accuracy pilot. Of the 54 Medicare Advantage organizations whose online provider directories were reviewed, 21 received letters warning that if they fail to correct the deficiencies, they could be subject to enforcement actions such as fines, *HPW*'s sister publication *Medicare Advantage News* reported Jan. 26.

CAQH Envisions Road Map

Provider data is an issue that CAQH has been working on for the past 15 years. At its 2016 Provider Data Summit last September, CAQH began sketching out a "road map" that outlines the organization's vision for a standardized and accurate set of data that carriers need from providers.

To remove the burden for providers, requests for information need to be easy to complete, and the format must be consistent across all carriers. "Building up that handshake between providers and health plans around data quality is a first step," says Pathiyal. "Providers and

health plans need to develop a shared understanding of what is high quality data and their respective roles in pursuing the goal."

CAQH is now convening a task force to begin building a roadmap to harmonize existing data sets, create a universal standard data set and build consensus thresholds for quality.

Asking the Right Questions Is Key

Availity, a health care information technology company that serves health plans and providers, began looking into provider data management solutions about two years ago, says Mark Martin, director of payer solutions and provider data management. "Getting the right information to the right person at the right time is hindered when you are dealing with provider data that is often old and stale," he says.

Provider information is continually changing, and administrative staffs can become overwhelmed by constant requests from carriers. Availity estimates a typical physician has contracts with between 15 and 25 health plans. And each carrier has different questions and unique ways of accepting information. After receiving updated information from a provider, an insurance company rep might call to verify that information. "Do it 15 or 25 times for the same information, and you see what a huge burden it is for providers," says Martin, adding that providers sometimes don't know how to accurately answer questions about their own businesses.

"You won't get the right information unless you get really good at asking the question correctly."

But creating a standardized format is no easy feat. In provider data management, there can be a variety of contexts for identical data. Asking where a doc-tor performs services might seem like a straightforward question. But a doctor might see only Medicare patients on Mondays at a downtown office, and might see Medicaid patients on Tuesdays and Thursdays at another office. And maybe two of a doctor's three offices aren't accepting new patients.

"The permutations start to get really ugly really fast," says Booz. Health plans, he says, need to be better at managing the information, and the industry has to come up with a common format that providers can use to submit and update information, he adds.

Feds, States Add Regs

In October 2015, California Gov. Jerry Brown (D) signed legislation (SB137) that required the Dept. of Managed Health Care (DMHC) and the Dept. of Insurance to develop provider directory standards. Carriers now must update directories every other week, rather than 90 days as CMS requires. Both carriers and providers face penalties if directories are inaccurate or incomplete.

Carriers that sell coverage in California and in other states must comply with federal in addition to state regulations. That can result in carriers maintaining multiple parallel processes that require the collection and posting of data in different formats and on different timelines.

The California Association of Health Plans lobbied for providers to be held accountable for their role in ensuring directory accuracy. Unlike in federal law, California health plans have a stick that allows them to hold onto a payment if the provider fail to update the information, says Martin. Texas also enacted such rules, but they aren't as strong as California's. Other states are considering similar action.

California also is attempting to create a centralized repository for all provider data, which in theory would let anyone log onto a state-run website and find information about network doctors and hospitals without having to go to the health plan.

See CAQH's whitepaper, "Defining the Provider Data Dilemma: Challenges, Opportunities and Call for Industry Collaboration," at http://tinyurl.com/jv3dnr3.

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