



2021 CAQH Index

Working Together:
Advances in Automation
During
Unprecedented Times

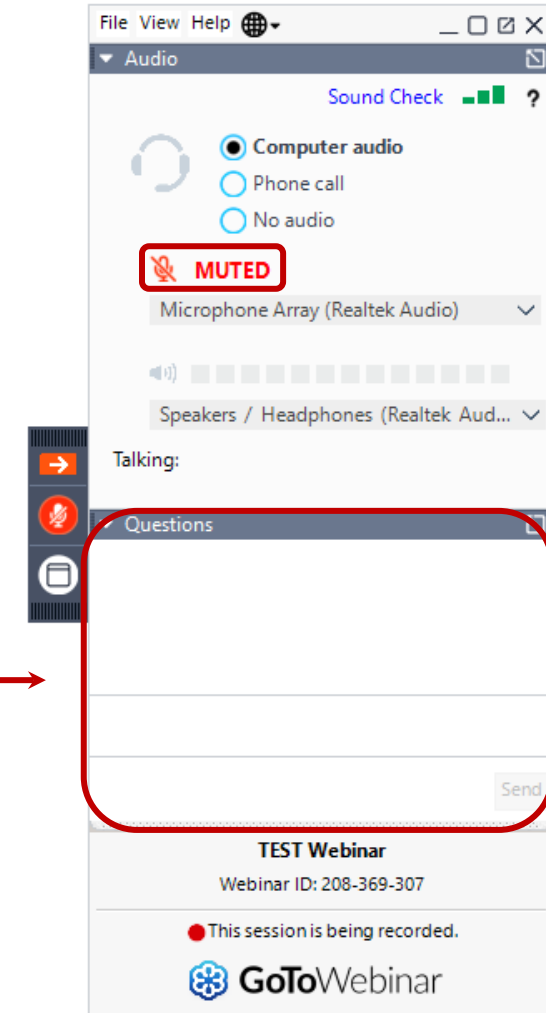
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Logistics: How to Participate in Today's Session

- Today's session is being recorded.
 - All attendees will receive a link to the recording after the webinar.
- Your phones will be muted during the webinar.
- Throughout the session, you may communicate a question via the questions panel.

Questions about CAQH tools and applications can be directed to CAQH via the **questions panel on the right side of the GoToWebinar desktop**



Agenda

- 2021 CAQH Index Overview
- Key Findings
- Transaction Findings
- Industry Call to Action

2021 CAQH Index Overview

What Is the CAQH Index?

A national benchmarking survey.

- Measures adoption of fully electronic administrative transactions.
- Estimates cost and time savings opportunities.
- Estimates partially electronic portal use.
- Estimates costs avoided and spend.

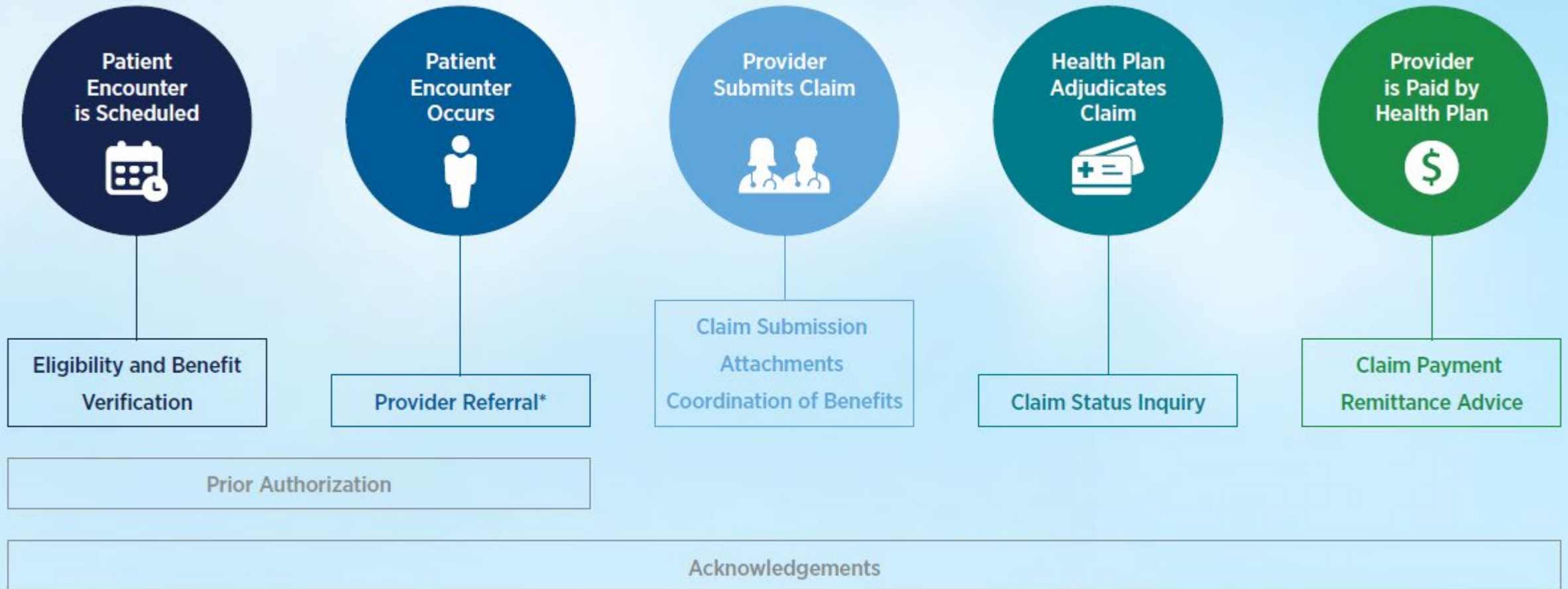
Tool to track and monitor industry progress.

- Tracks industry progress in the ongoing transition from manual to electronic administrative transactions.
- Ninth annual report.
- Monitoring progress makes it possible to identify successes and to make course corrections when necessary.

A collaborative initiative.

- The CAQH Index Advisory Council.
- Experts in administrative transactions, data analysis and healthcare management.
- Represents providers, health plans, vendors and other industry partners.

What is Tracked?



Note: This diagram illustrates the administrative workflow in its simplest form. In practice, some transactions may occur multiple times or in multiple steps and be triggered by other events.

*Due to a low volume of data collected, the 2021 CAQH Index was unable to calculate benchmarks.

2021 Supplemental Questions

- Methods for exchanging clinical and administrative information
 - Prior authorization
 - Claims
- Interaction with FHIR for various use cases
 - FHIR readiness
 - Implementation costs
- Exchange of provider attribution status
 - Volume associated with exchange methods

Index Definitions

- Transaction Costs
 - Cost and savings estimates only account for labor time required to conduct the transaction. Systems costs as well as pre- and follow-up work are not included.
- Electronic Transaction
 - Automated transaction conducted using the adopted HIPAA standard.
- Manual Transaction
 - Transaction requiring end-to-end human interaction, such as telephone, fax, and/or mail.
- Partially Electronic Transaction
 - Transaction includes web portals and interactive voice response (IVR) systems.

Financial Metrics

- **Cost Savings Opportunity**
 - The savings associated with switching from manual/partially electronic transactions to fully electronic transactions.
- **Estimated Spend**
 - The amount of money medical and dental plans and providers spend on conducting a transaction by modality (electronically, partially electronic, manually).
- **Electronic Spend**
 - Costs necessary to conduct the transaction.
- **Cost Avoided**
 - The amount of money that was saved by conducting an automated/electronic transaction instead of a manual or partially electronic transaction.

2021 Transactions Reported

Overview of Reported Data and Benchmarks per Transaction, 2021 CAQH Index										
Transaction	Adoption		Cost per Transaction		National Spend and Cost Savings Opportunity		Time to Conduct a Transaction		First Index Report Year Studied	
	Medical	Dental	Medical	Dental	Medical	Dental	Medical	Dental	Medical	Dental
Eligibility and Benefit Verification	◆	◆	◆	◆	◆	◆	◆	◆	2013	2015
Prior Authorization	◆	N/R	◆		◆		◆		2013	
Claim Submission	◆	◆	◆	◆	◆	◆	◆	◆	2013	2015
Attachments	◆	◆	◆		◆		◆		2014	2016
Acknowledgements	◆	◆							2017	2021
Coordination of Benefits	◆	N/R	◆		◆				2015	
Claim Status Inquiry	◆	◆	◆	◆	◆	◆	◆	◆	2013	2015
Claim Payment	◆	◆	◆	◆	◆	◆	◆	◆	2013	2015
Remittance Advice	◆	◆	◆	◆	◆	◆	◆	◆	2013	2016

N/R = No Benchmark Reported (Insufficient Data)

2021 Data Collection Effort

- Timeframe: End of June to the middle of September
- Covered Lives
 - 61% Medical
 - 44% Dental
- Provider response increased by 29%
- Number of Transactions Reported by 2021 Participants
 - Medical: 12 B
 - Dental: 703 M
- Reportable Transactions
 - 9 Medical
 - 7 Dental
- Enhancements
 - Report Design
 - Content/Supplemental Questions

Reporting Period:

Calendar year 2020,
first year of COVID.

Key Findings

2021 Key Findings

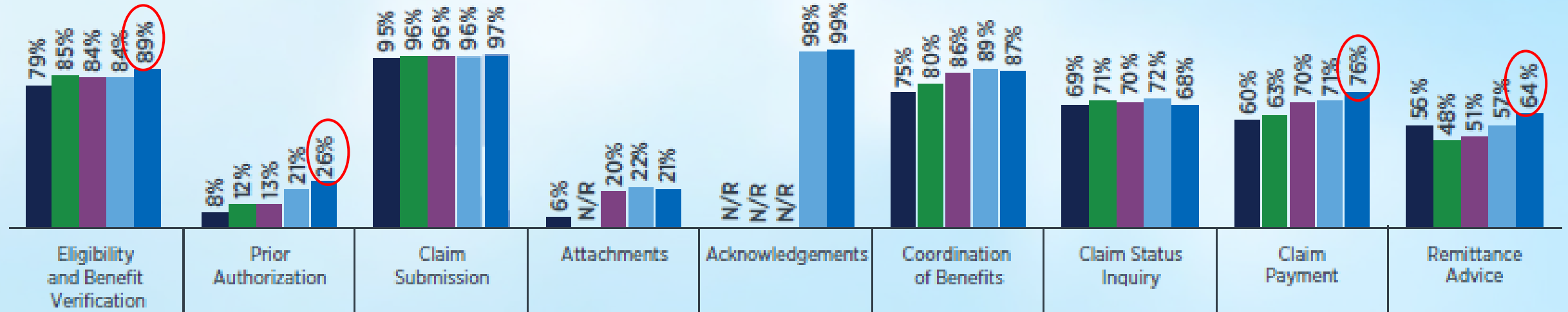
Federal and state policies aimed at curbing the spread of COVID, social distancing, remote work and telemedicine impacted the administrative workflow.

- Adoption of electronic transactions improved for most medical transactions except attachments, coordination of benefits and claim status inquiry and improved for all dental transactions. as health care staff relied more on electronic processes during COVID.
- Overall volume decreased for the medical and dental industries due to lower utilization.
- Spending on administrative transactions increased for the medical industry as manual transactions became more expensive; decreased for the dental industry.
- Cost Savings opportunities increased for the medical industry as the gap in costs for electronic vs manual transactions continues to increase.
- Cost Savings opportunities continue to decrease for the dental industry as electronic adoption increased.

For Most Medical Transactions, Plan Adoption Increased

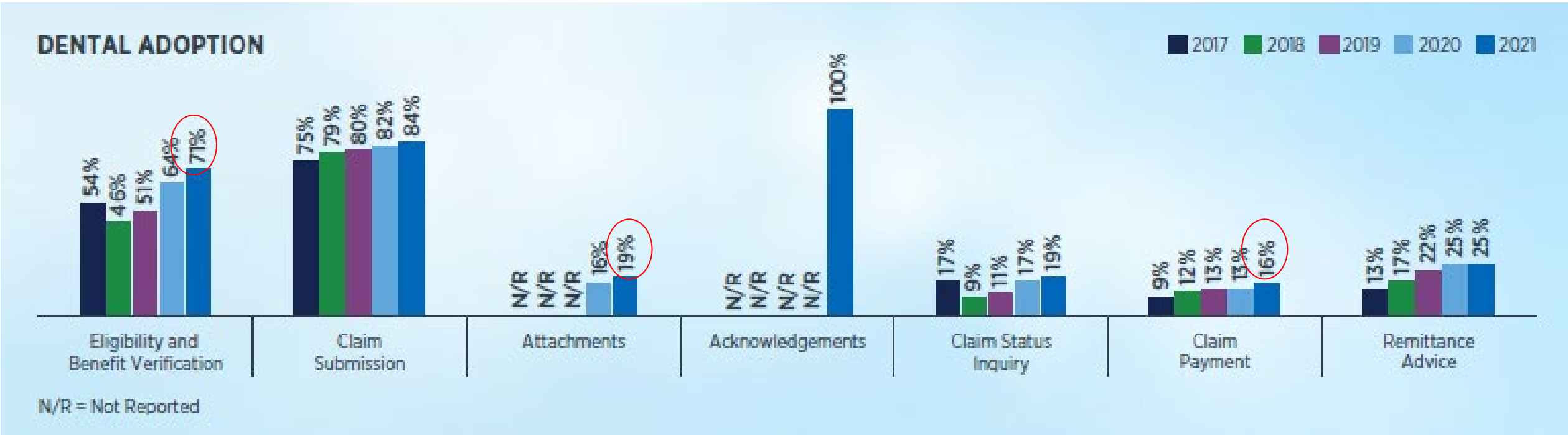


MEDICAL ADOPTION

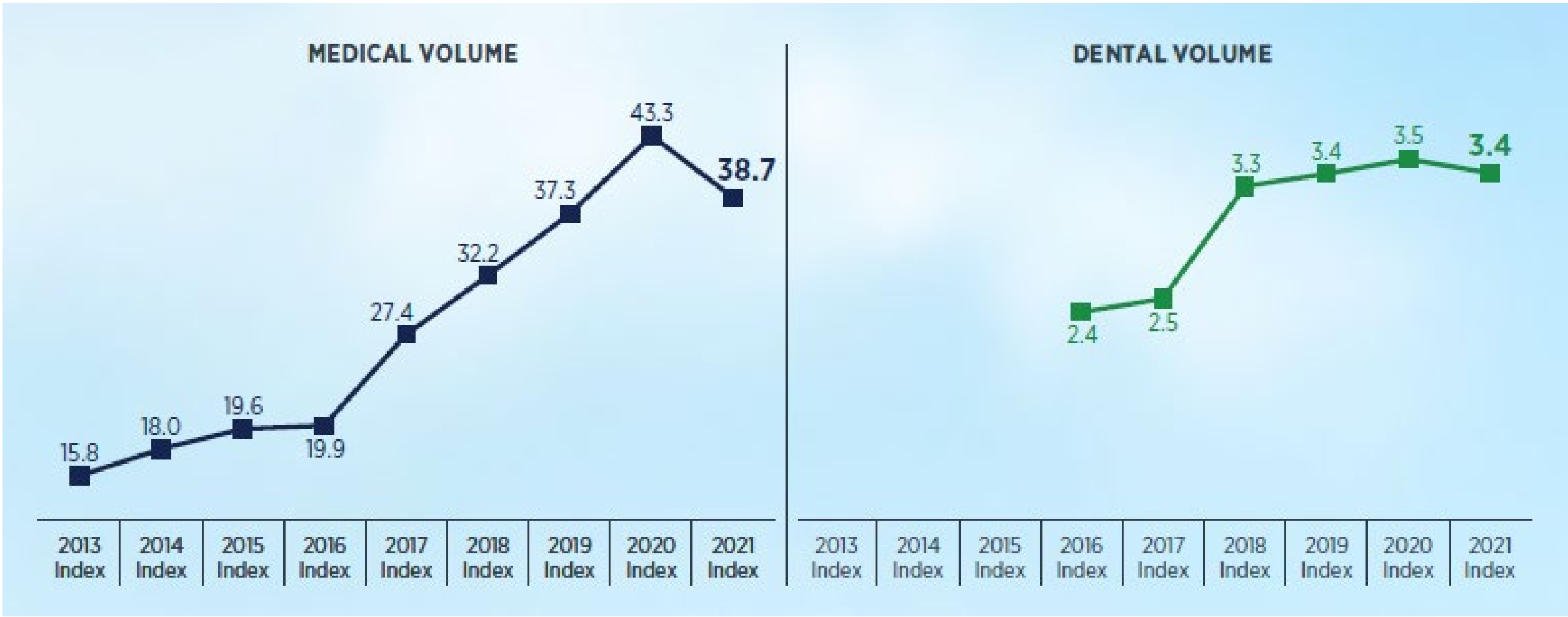


N/R = Not Reported

Dental Plan Adoption Increased for all Transactions



Overall Volume Decreased for the Medical and Dental Industries



Spend increased for the Medical Industry; Decreased for the Dental Industry

MEDICAL SPEND



DENTAL SPEND

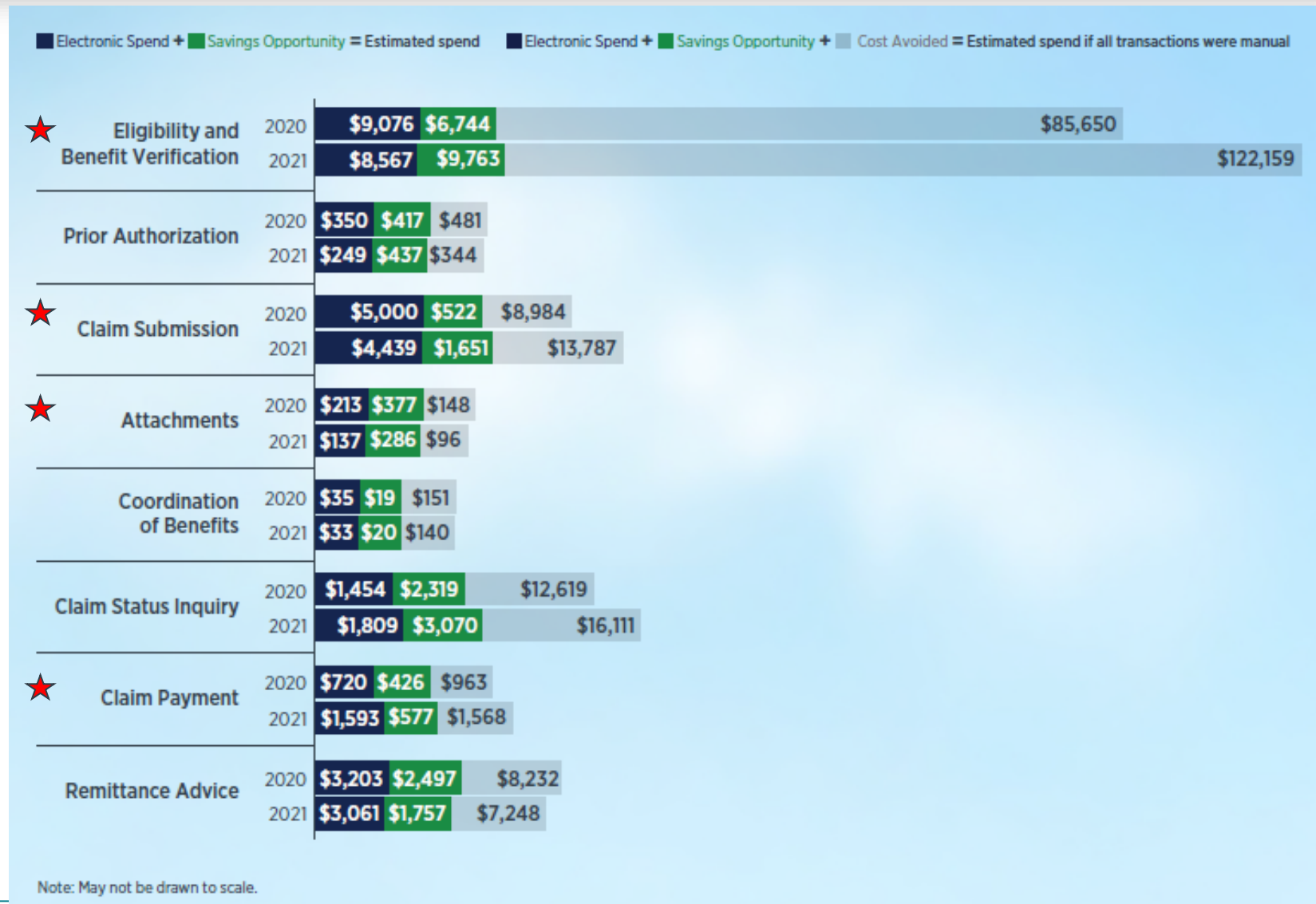


Medical Spend Increased and Cost Avoided Increased Through Automation



\$37.4 B annual estimated spend

- Eligibility and benefit verification spend represents 49% of total annual medical spend
- Claim submission spend represents 16% of total annual medical spend
- Claim status inquiry and remittance advice spend represents 13% of total annual medical spend

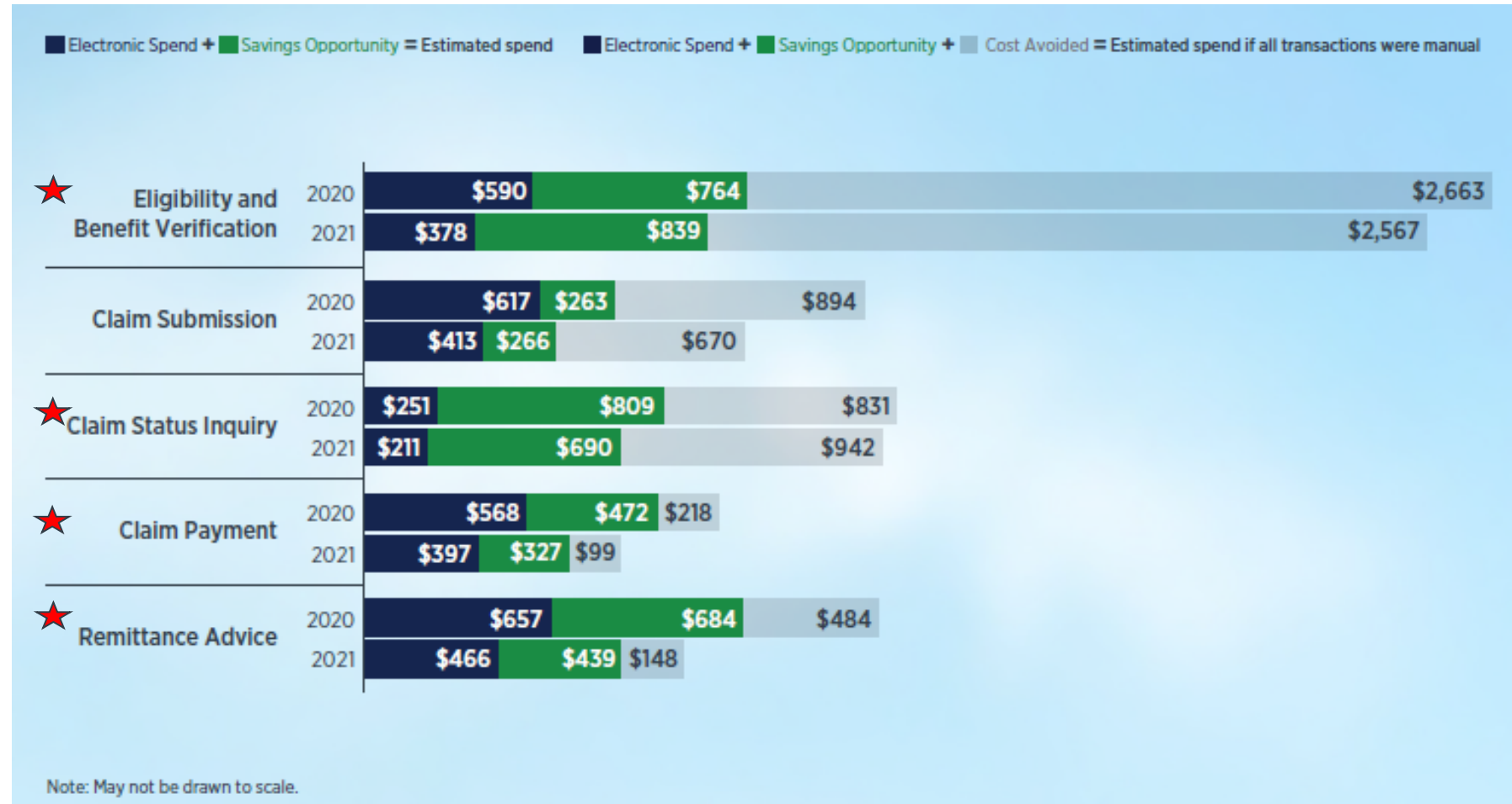


Dental Spend and Costs Avoided Decreased Through Automation



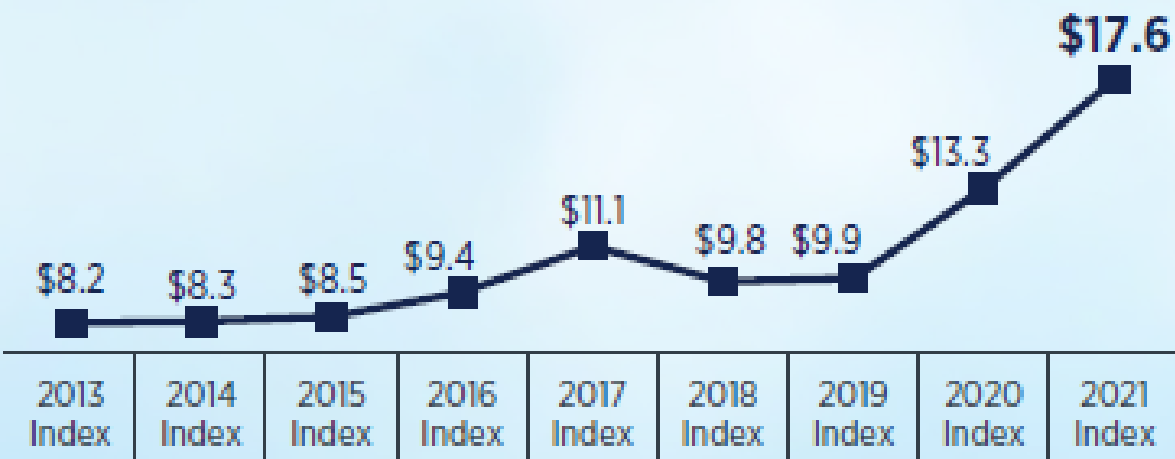
\$4.4 B annual estimated spend

- Eligibility and benefit verification spend represents 28% of total annual dental spend
- Claim status inquiry and remittance advice spend represents 20% of total annual dental spend

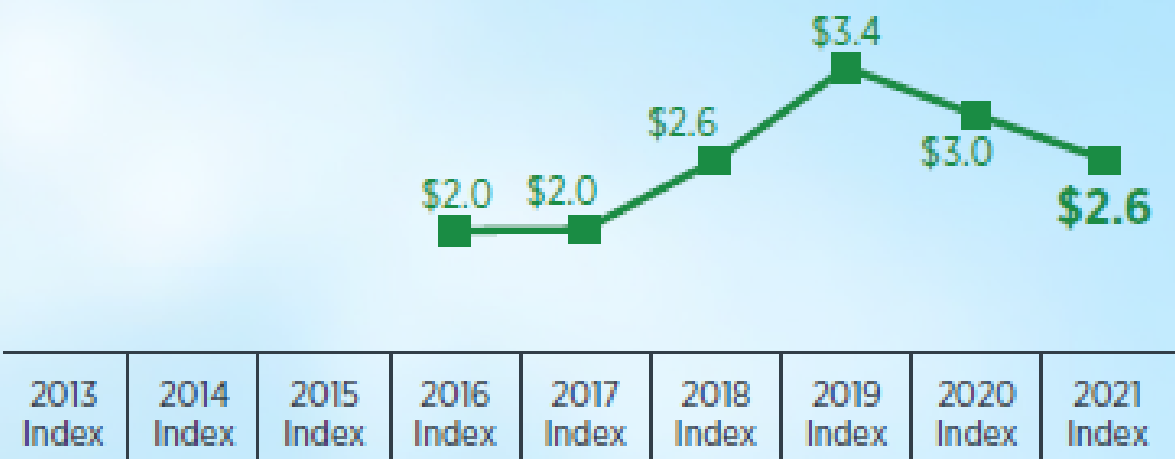


Savings Opportunities Increased for the Medical Industry; Decreased for Dental

MEDICAL COST SAVINGS OPPORTUNITY



DENTAL COST SAVINGS OPPORTUNITY



The Gap: Average Per Transaction Medical Costs for Electronic and Manual Transactions



Medical Average Cost per Transaction and Savings Opportunity



- Biggest cost savings opportunities:
 - Claim status inquiry (\$16.65)
 - Eligibility and benefit verification (\$15.09)
- On average, each manual transaction costs the industry \$7.28 more than each electronic transaction.
- Medical industry could save as much as \$58.22 for a single patient encounter by conducting all transactions electronically.
 - \$41.82 for providers
 - \$16.40 for plans
- Cost Savings opportunities associated with moving from partially electronic portals to fully electronic transactions:
 - Prior authorization (\$6.50)
 - Claim status inquiry (\$3.15)
 - Eligibility and benefit verification (\$2.67)

Transaction	Mode	Plan Cost	Provider Cost	Industry Cost	Plan Cost Savings Opportunity	Provider Cost Savings Opportunity	Industry Cost Savings Opportunity
Eligibility and Benefit Verification	Manual	\$ 4.55	\$ 11.52	\$ 16.07	\$ 4.52	\$ 10.57	\$ 15.09
	Partial	\$ 0.03	\$ 3.62	\$ 3.65	\$ 0.00	\$ 2.67	\$ 2.67
	Electronic	\$ 0.03	\$ 0.95	\$ 0.98			
Prior Authorization	Manual	\$ 3.54	\$ 10.95	\$ 14.49	\$ 3.47	\$ 7.52	\$ 10.99
	Partial	\$ 0.07	\$ 9.93	\$ 10.00	\$ 0.00	\$ 6.50	\$ 6.50
	Electronic	\$ 0.07	\$ 3.43	\$ 3.50			
Claim Submission	Manual	\$ 1.10	\$ 3.96	\$ 5.06	\$ 1.01	\$ 2.92	\$ 3.93
	Electronic	\$ 0.09	\$ 1.04	\$ 1.13			
Attachments	Manual	\$ 1.03	\$ 4.43	\$ 5.46	\$ 0.92	\$ 3.10	\$ 4.02
	Electronic	\$ 0.11	\$ 1.33	\$ 1.44			
Coordination of Benefits	Manual	\$ 1.34	N/A	\$ 1.34	\$ 1.11	N/A	\$ 1.11
	Partial	\$ 0.23	N/A	\$ 0.23	\$ 0.00	N/A	\$ 0.00
	Electronic	\$ 0.23	N/A	\$ 0.23			
Claim Status Inquiry	Manual	\$ 4.56	\$ 13.66	\$ 18.22	\$ 4.53	\$ 12.12	\$ 16.65
	Partial	\$ 0.03	\$ 4.69	\$ 4.72	\$ 0.00	\$ 3.15	\$ 3.15
	Electronic	\$ 0.03	\$ 1.54	\$ 1.57			
Claim Payment	Manual	\$ 0.49	\$ 3.64	\$ 4.13	\$ 0.41	\$ 1.96	\$ 2.37
	Electronic	\$ 0.08	\$ 1.68	\$ 1.76			
Remittance Advice	Manual	\$ 0.50	\$ 4.94	\$ 5.44	\$ 0.43	\$ 3.63	\$ 4.06
	Partial	\$ 0.07	\$ 2.63	\$ 2.70	\$ 0.00	\$ 1.32	\$ 1.32
	Electronic	\$ 0.07	\$ 1.31	\$ 1.38			

Dental Average Cost per Transaction and Savings Opportunity



- Biggest savings opportunities:
 - Claim status inquiry (\$10.76)
 - Eligibility and benefit verification (\$9.12)
- On average, each manual transaction costs the industry \$5.11 more than each electronic transaction.
- Dental industry could save as much as \$25.55 for a single patient encounter by conducting all transactions electronically.
 - \$18.35 for providers
 - \$7.20 for plans
- Savings associated with moving from partially electronic portals to fully electronic transactions:
 - Eligibility and benefit verification (\$3.17)
 - Claim status inquiry (\$2.34)

Transaction	Mode	Plan Cost	Provider Cost	Industry Cost	Plan Cost Savings Opportunity	Provider Cost Savings Opportunity	Industry Cost Savings Opportunity
Eligibility and Benefit Verification	Manual	\$ 3.30	\$ 6.83	\$ 10.13	\$ 3.27	\$ 5.85	\$ 9.12
	Partial	\$ 0.03	\$ 4.15	\$ 4.18	\$ 0.00	\$ 3.17	\$ 3.17
	Electronic	\$ 0.03	\$ 0.98	\$ 1.01			
Claim Submission	Manual	\$ 0.44	\$ 3.35	\$ 3.79	\$ 0.34	\$ 2.29	\$ 2.63
	Electronic	\$ 0.10	\$ 1.06	\$ 1.16			
Claim Status Inquiry	Manual	\$ 3.30	\$ 8.85	\$ 12.15	\$ 3.27	\$ 7.49	\$ 10.76
	Partial	\$ 0.03	\$ 3.70	\$ 3.73	\$ 0.00	\$ 2.34	\$ 2.34
	Electronic	\$ 0.03	\$ 1.36	\$ 1.39			
Claim Payment	Manual	\$ 0.19	\$ 2.59	\$ 2.78	\$ 0.18	\$ 1.26	\$ 1.44
	Electronic	\$ 0.01	\$ 1.33	\$ 1.34			
Remittance Advice	Manual	\$ 0.16	\$ 2.71	\$ 2.87	\$ 0.14	\$ 1.46	\$ 1.60
	Partial	\$ 0.02	\$ 2.75	\$ 2.77	\$ 0.00	\$ 1.50	\$ 1.50
	Electronic	\$ 0.02	\$ 1.25	\$ 1.27			

Medical Time Savings Opportunities



On average, manual transactions require
12 minutes more
than fully electronic transactions.

A medical provider practice could save **82 minutes** on average for a patient requiring all **seven** transactions by switching from manual to fully electronic.

A medical provider practice could save **25 minutes** on average for a patient requiring **four*** transactions by switching from partial to fully electronic.

* Eligibility and benefit verification, prior authorization, claim status inquiry, remittance advice

Claim Status Inquiry
22 minutes

Eligibility and Benefit
Verification
21 minutes

Prior Authorization
16 minutes



Dental Time Savings Opportunities



On average, manual transactions require
seven minutes more
than fully electronic transactions.

Claim Status Inquiry
14 minutes

Eligibility and Benefit
Verification
10 minutes

A dental provider practice could save **33 minutes** on average for a patient requiring all **five** transactions by switching from manual to fully electronic.

Claim Submission
4 minutes

A dental provider practice could save **13 minutes** on average for a patient requiring **three*** transactions by switching from partial to fully electronic.

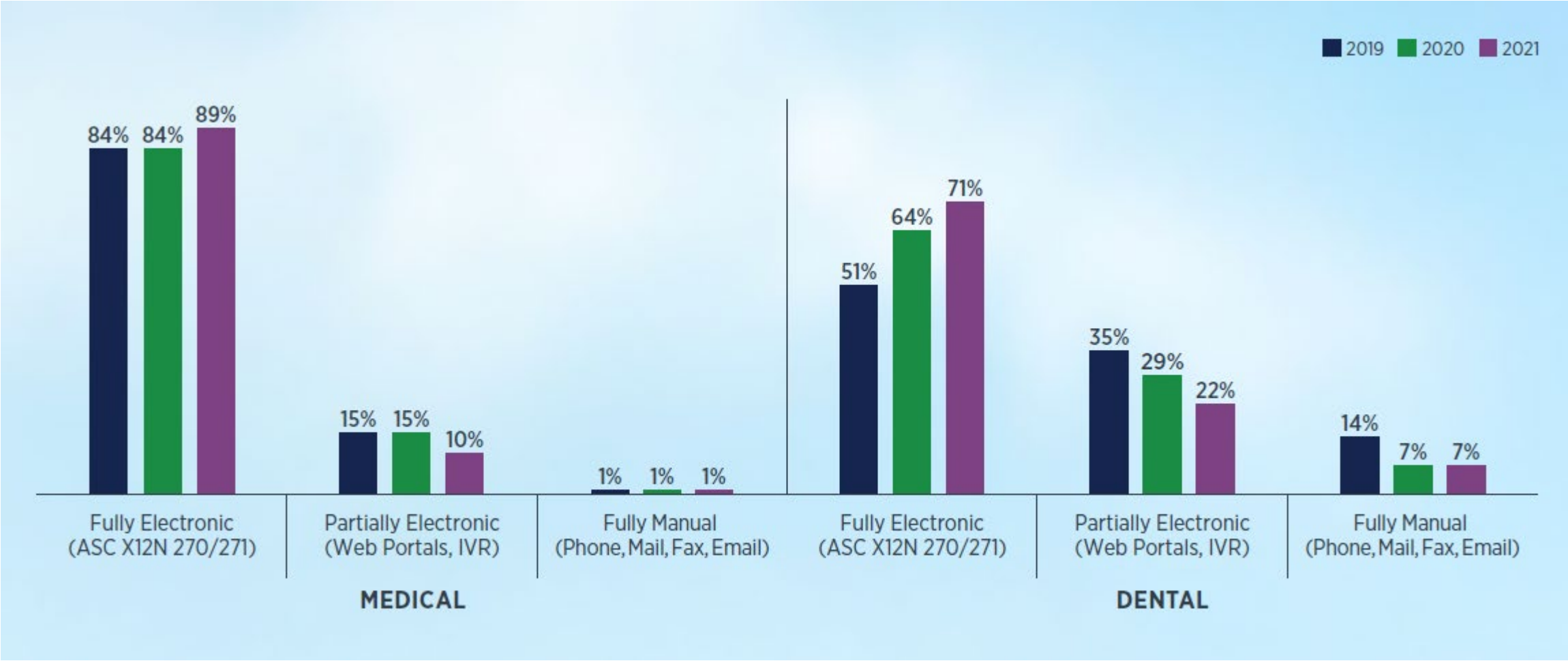


* Eligibility and benefit verification, claim status inquiry, remittance advice

Transaction Findings

Eligibility and Benefit Verification

Eligibility and Benefit Verification: Medical and Dental Plan Adoption by Mode

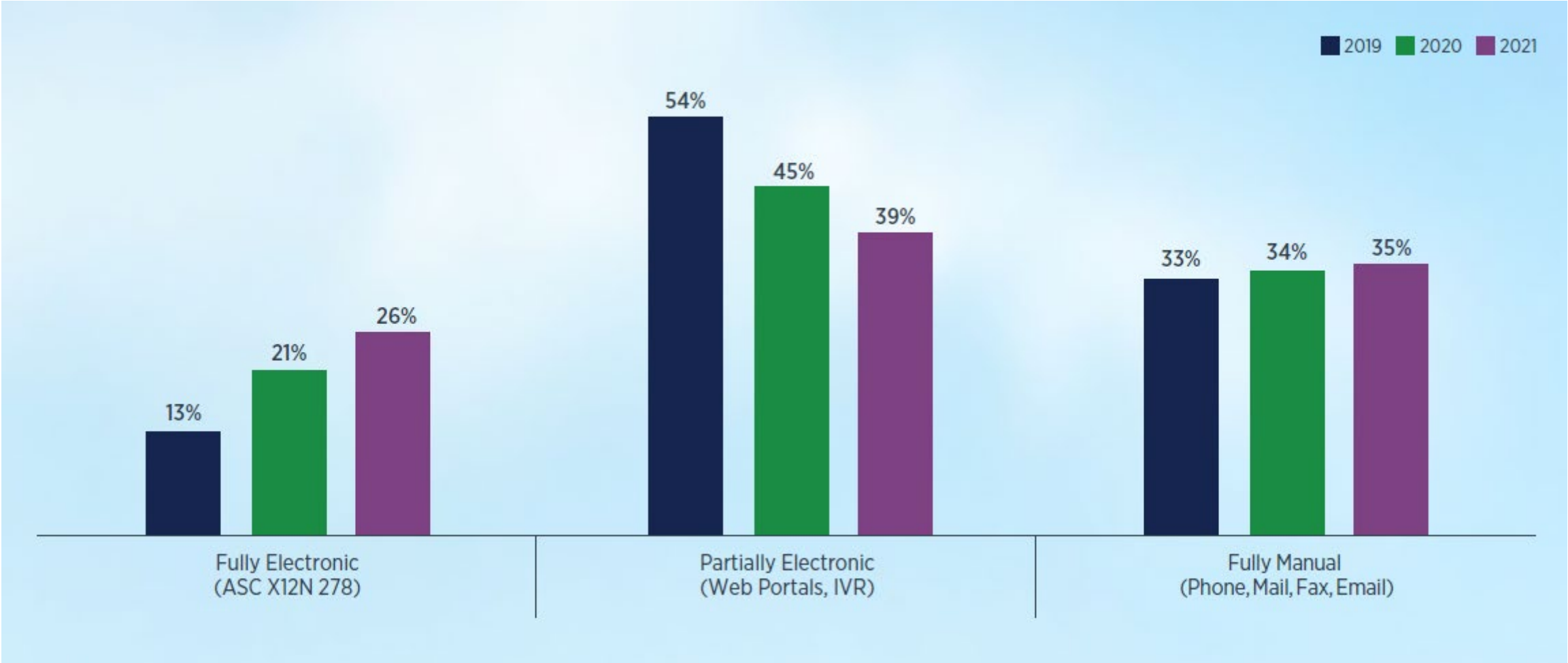


Eligibility and Benefit Verification: Medical and Dental Industry Estimated Volume by Mode

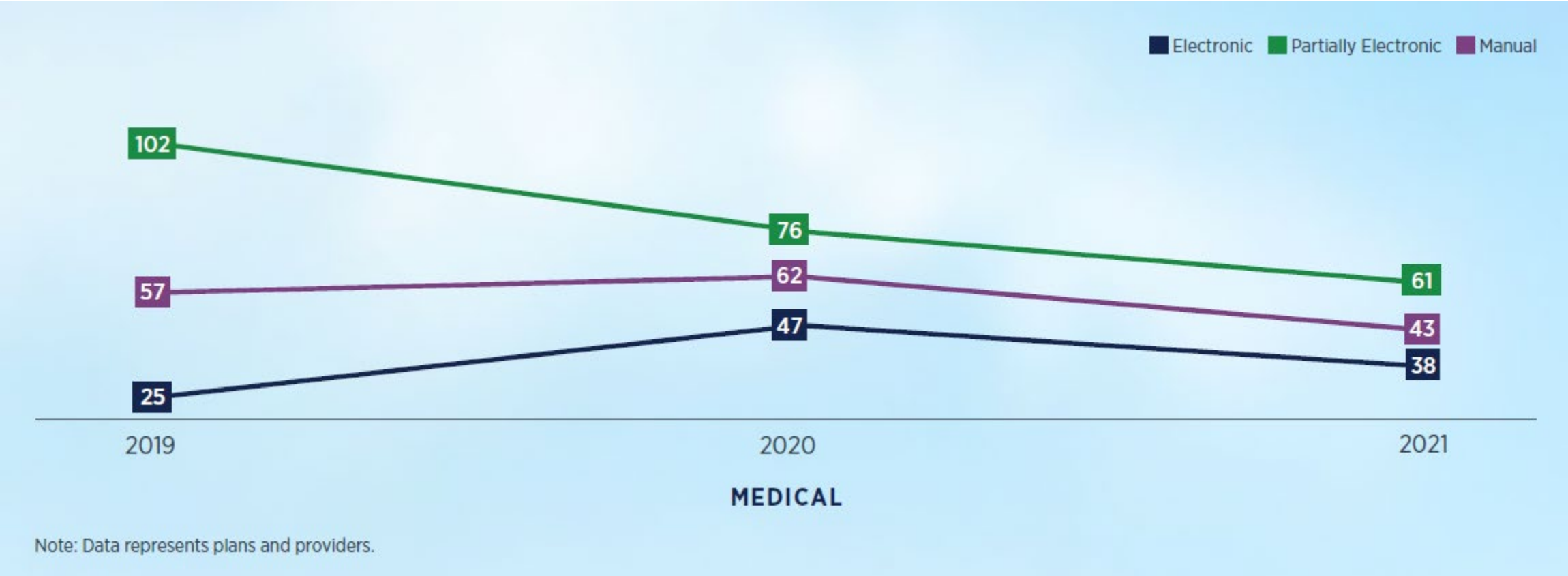


Prior Authorization

Prior Authorization: Medical Plan Adoption by Mode

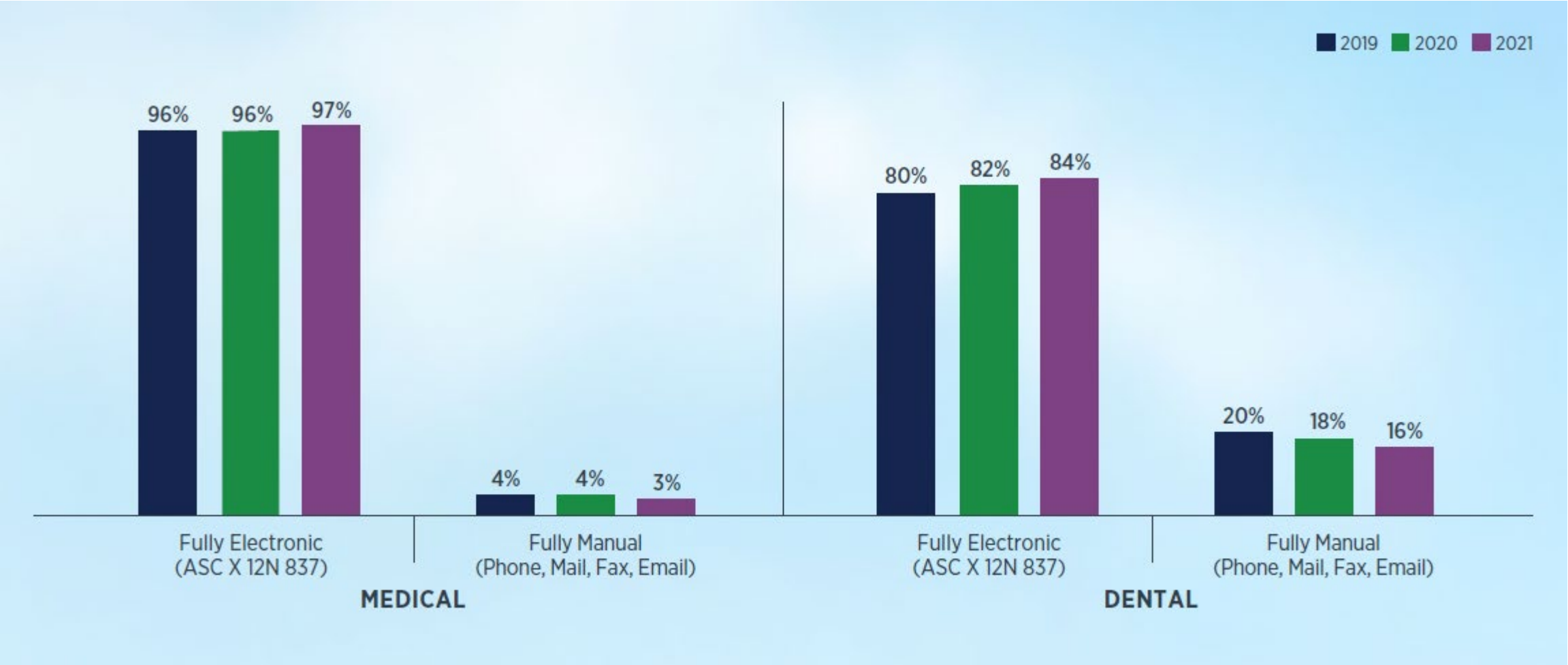


Prior Authorization: Medical Industry Estimated Volume by Mode



Claim Submission

Claim Submission: Medical and Dental Plan Adoption by Mode

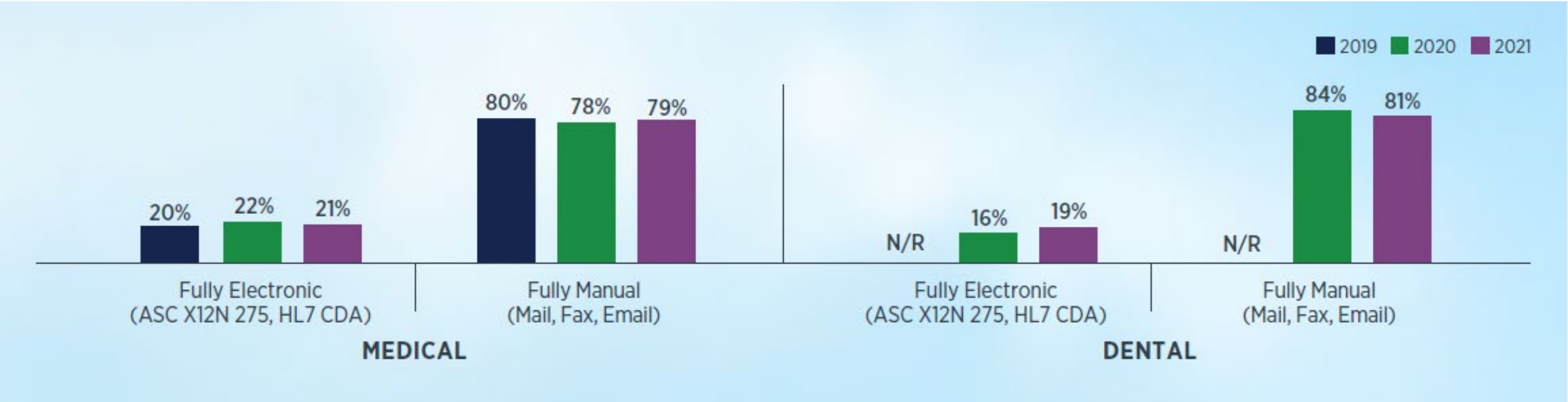


Claim Submission: Medical and Dental Industry Estimated Volume by Mode



Attachments

Attachments: Medical Plan Adoption by Mode

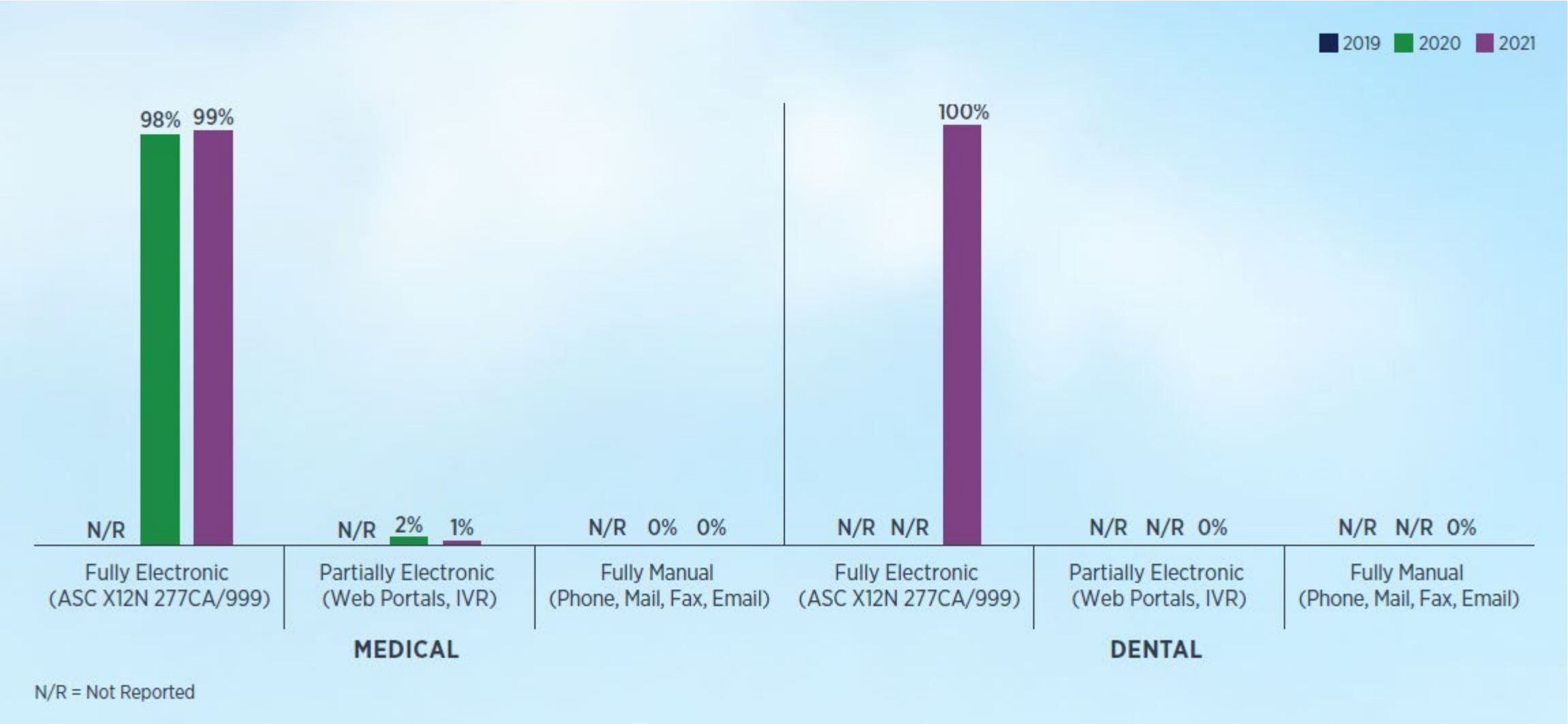


Attachments: Medical Industry Estimated Volume by Mode



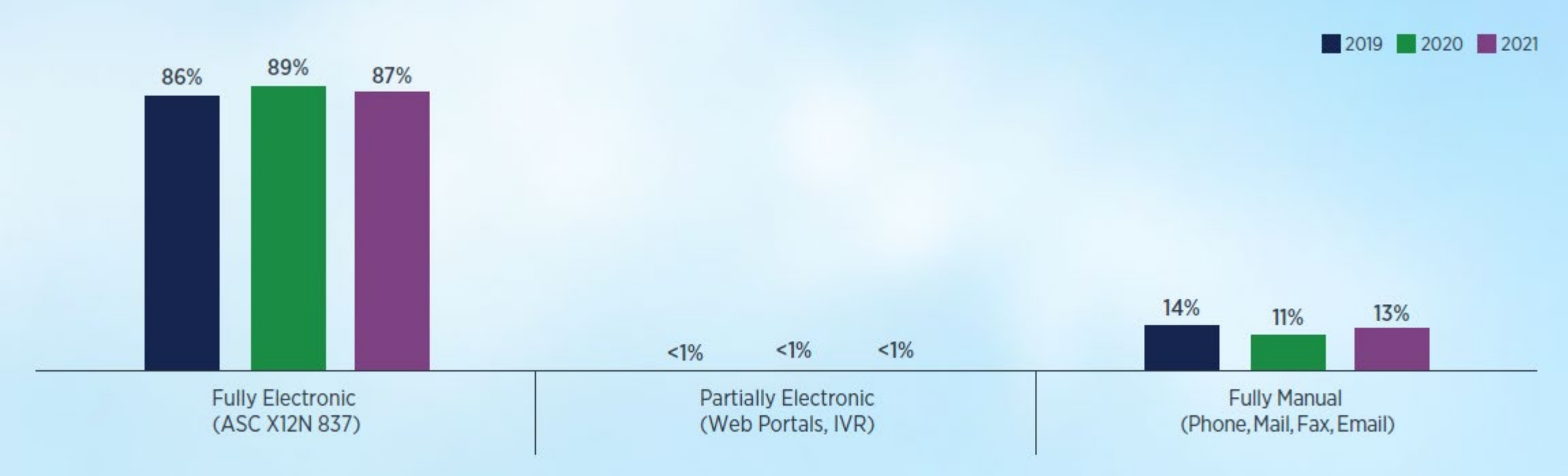
Acknowledgements

Acknowledgements: Medical and Dental Plan Adoption by Mode

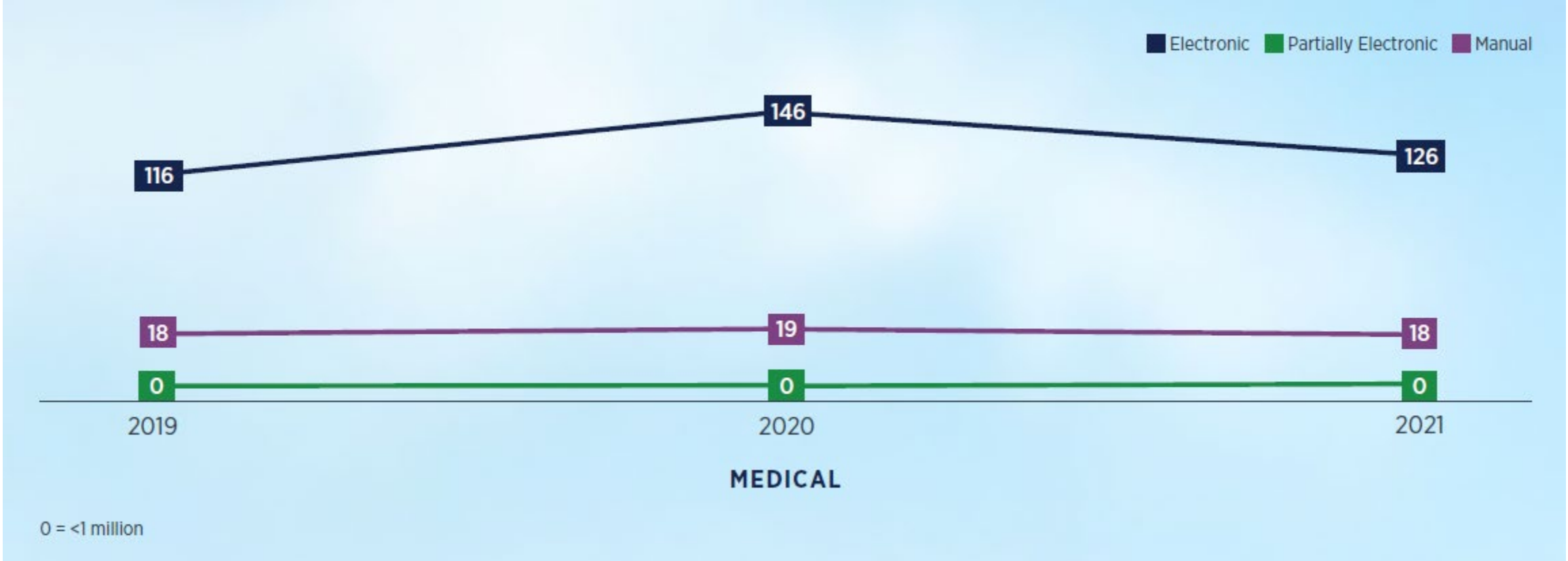


Coordination of Benefits (COB)

Coordination of Benefits (COB): Medical Plan Adoption by Mode

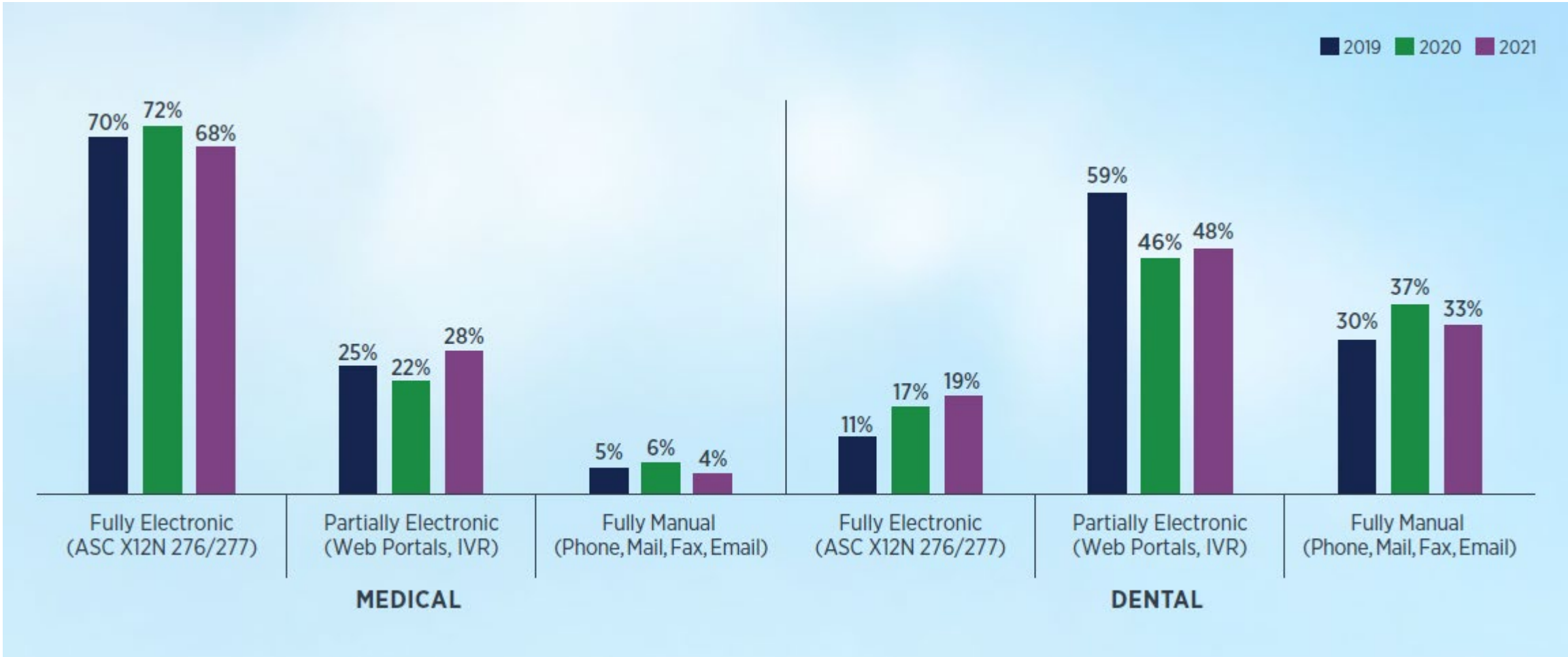


Coordination of Benefits (COB): Medical Industry Estimated Volume by Mode



Claim Status Inquiry

Claim Status Inquiry: Medical and Dental Plan Adoption by Mode

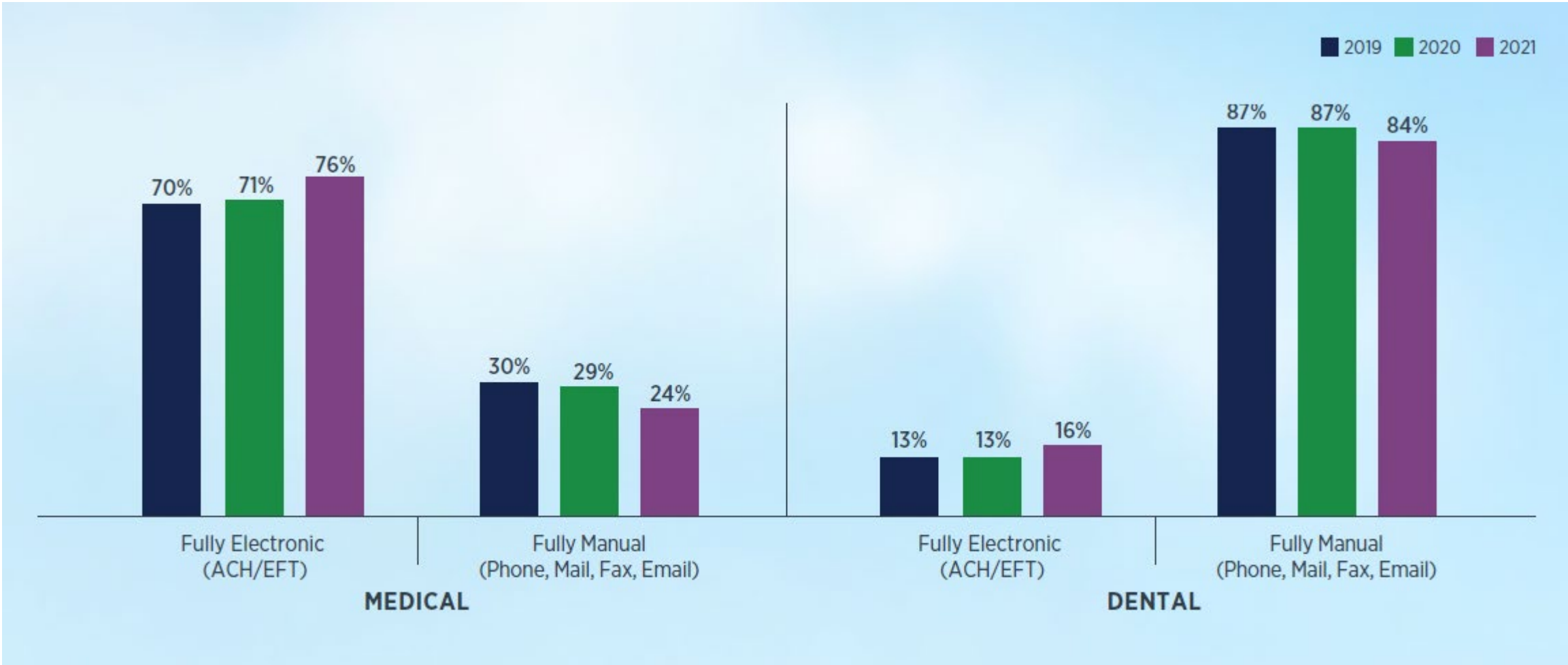


Claim Status Inquiry: Medical and Dental Industry Estimated Volume by Mode



Claim Payment

Claim Payment: Medical and Dental Plan Adoption by Mode

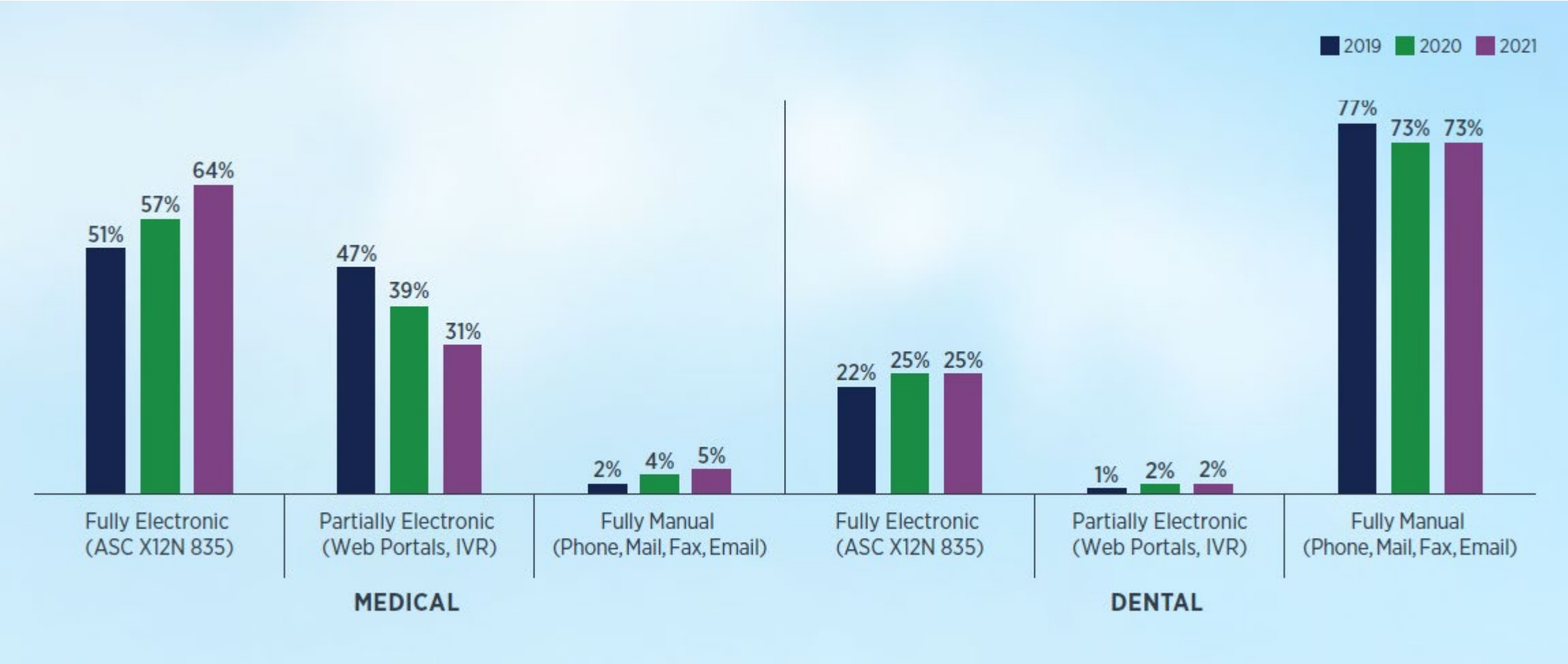


Claim Payment: Medical and Dental Industry Estimated Volume by Mode

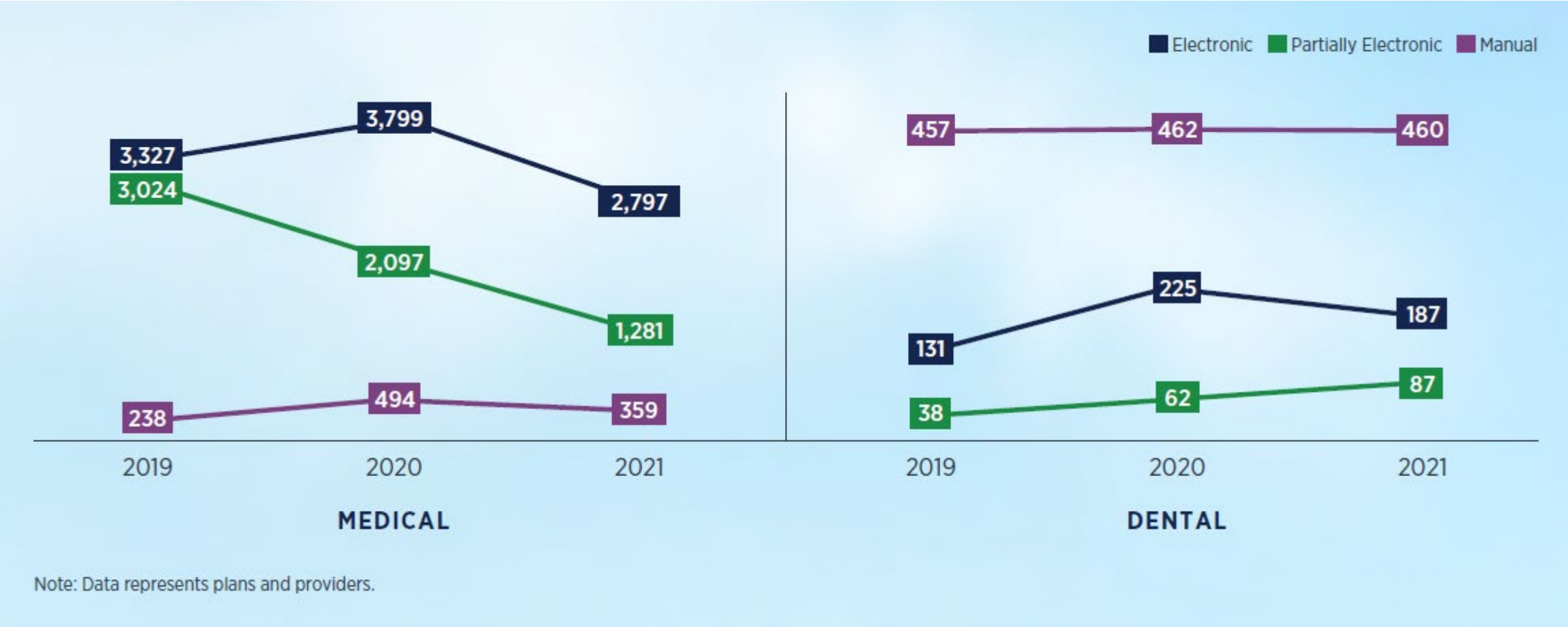


Remittance Advice

Remittance Advice: Medical and Dental Plan Adoption by Mode



Remittance Advice: Medical and Dental Industry Estimated Volume by Mode



Industry Call to Action

- Capitalize and Expand on Automation
 - During the pandemic automation increased as staff dealt with social distance regulations and modified office conditions.
 - Expand on these efforts to address the remaining more complex manual needs that currently drop outside of automated processes.
- Adapt Processes to Support Telemedicine
 - Standards and operating rules need to address regulations and continued use of telemedicine.
- Ensure Interoperability Across Systems
 - Build on industry initiatives to drive interoperability.
 - Consider new processes and workflows to address new business needs highlighted during the pandemic.

Questions

**The 2021 CAQH Index report is available now at
www.caqhindex.org.**

**A recording of this webinar will also be available at
this location within a week of the webinar.**