

Slash Costs and Improve Accuracy with Automated Prior Authorizations

Fairfax Imaging, Inc. is developing an automated system to handle prior authorization and pre-certification requests quickly and at a significant savings over manual processing. Benefits include needing less resources and realizing greater accuracy and throughput for modern healthcare providers interested in controlling the cost and improving the processing of these complex services.

Introduction

For modern healthcare companies, a typical way of controlling costs is to focus on certain high priced medicines and services ordered by healthcare providers. The most common method to manage these costs is to require authorization or pre-certification from the health plan before dispensing expensive medical procedures, drugs and treatment services to the plan participant. This white paper provides a new solution for streamlining and automating this process. The result is significant reduction of the cost of prior authorization and pre-certification as well as increased accuracy and throughput of requests.

Problem Definition

Prior authorization (PAR) or pre-certification (PCR) requests are often processed by fax or telephone. The steps involved in managing PARs and PCRs include the following:

- Gathering the information needed to make an authorization or pre-certification decision
- Applying appropriate decisioning criteria to the request
- Communicating the decision clearly and quickly to the healthcare provider and the plan participant
- Updating internal records in adjudication/claims systems and call tracking systems

These steps must be completed quickly. Accuracy and consistency in authorization and denial decisions is paramount. It is not uncommon for an organization to process thousands of requests daily with little or no automation.

It can take hundreds of Full-Time Equivalents (FTEs) to perform these tasks. Training and managing the workforce can be challenging, particularly in light of seasonal fluctuations of PAR and PCR volume. Managing these requests is costly. The accuracy, timeliness and quality required can be problematic.

Until recently, the tools needed to effectively automate these processes have not been available. However, a solution is now at hand.

High-Level Solution

Fairfax Imaging's Prior Authorization (or Certification) Processing System (PARS) mitigates the key PAR and PCR processing challenges described above. It supports existing distributed or centralized workforces as well as physical and computing environments and provides the features, functions and flexibility expected by modern healthcare organizations.

Solution Details

The PARS system:

- Manages the inventory of prior authorization and pre-certification requests and workflow by use of a robust rules based workflow engine
- Eliminates many of the current tasks by automatically gathering the information needed to render a PAR or PCR decision
- Uses a configurable, business rules based decision engine to automatically approve or deny many PAR and PCR decisions
- Creates personalized outbound faxes and letters to communicate with prescribers and members
- Identifies fax and letter replies from prescribers and members
- Captures data from the faxes and letters and uploads it to the system automatically
- Acquires decision making information through integration with the customer's legacy systems
- Accepts input from operators who use web based GUIs that guide them, step by step, through the data gathering and data entry process
- Supports scanning documents and attaching images to cases that are under the control of the rules based workflow engine
- Provides an on-screen, decision talk-track to the associate to recite to the caller while conducting an oral PAR or PCR
- Stores images of completed PAR and PCR transactions in an indexed repository that can be easily and quickly searched
- Allows users to retrieve images for information on previously closed PARs and PCRs

Business Benefits

The system controls the inventory of PARs and PCRs, routes them based on the rules and the particular attributes of each PAR or PCR and results in consistent approval or denial decisions in less time and with significantly less operator intervention.

FTE counts can be reduced by as much as 70%. PAR and PCR turn-around-times decrease while quality and accuracy improve.

Fairfax Imaging's PARS/PCRS system enables healthcare organizations to:

- Eliminate the risk associated with lost, deleted, delayed and misdirected PARs and PCRs
- Eliminate the labor wasted while processing duplicate PARs and PCRs
- Eliminate the labor associated with human directed routing
- Eliminate the labor associated with determining the approval or denial and subsequent processing of routine prior authorization requests
- Eliminate the labor of searching, correcting, routing and handling other preventable human errors
- Eliminate the risk associated with inconsistent or inappropriate decisions
- Eliminate the labor associated with manual keying
- Capture data from faxed PARs and PCRs
- Automatically acquire data from existing applications used by the healthcare organization, including:
 - Drug databases
 - Participant databases
 - Provider databases
 - Plan design databases
 - Regulatory databases
 - Adjudication systems
 - Call tracking systems
 - In-house mail order and specialty pharmacy management systems
- Provide automated, fax-based PAR and PCR processing
- Eliminate fax service provider costs

In support of prescriber's general preference to process PARs by fax, the automation capabilities of this system bring down the cost of fax requests to less than that of phone requests.

Due to robust real-time and historical reporting capabilities, the system eases and lowers the cost of the task of managing the employees' performance, schedules and most other processes.

Because of Web-based user screens and the lack of need to transmit fax images across the network, healthcare organizations can locate their workforce anywhere.

As each PAR and PCR processing environment evolves, Healthcare organizations' system administrators can quickly remove old, create new and update existing workflow and decision making rules.

In addition, the system combines the power of the rules based workflow and decision engines with Fairfax Imaging's other systems that include:

- Web server
- Fax management

- Data capture from faxes and documents
- Interoperability with external systems
- Letter and document management
- Robust standard and ad hoc reporting

Other benefits the Fairfax Imaging PARs and PCR solution provides are the ability to:

- Eliminate the time operators spend dealing with older legacy systems to retrieve or update records
- Eliminate the inherently inefficient “pull” method of presenting work to operators and replace it with “push” technology
- Reduce costs and turn-around-time for orders at in-house mail order or specialty pharmacies by integrating this system with their pharmacy management systems
- Provide a mechanism for future e-Prescribing systems to gain access to and integrate with this system’s workflow.
- Provide a mechanism for future Secure Web Portal access to the system by providers.

System Characteristics

- Rules-based workflow engine
- Hooks and logic to integrate with a third party rules-based decision engine, if doing so is desired by the client
- Manage workflows and decision making rules without hard coding
- Auto-detect and process duplicate PA requests without reliance on foreign systems to detect the duplicate
- Browser-based graphical user screens
- Dynamic screen generation
- Screens guide users; step by step
- Automatic or user-guided workflow routing
- Push transactions to regular users
- Pull transactions to super-users
- Skill-based routing
- Flexible human resource reallocation
- Native inbound and outbound fax capability
- Auto-creation of outbound faxes
- Automatic reminder faxes
- Auto-recognition and data capture from inbound faxes
- Auto-recognition of faxes and letters returned from the members and/or the providers. For example, in an appeal situation.
- Auto-creation of outbound letters and faxes
- Auto-creation of outbound secure e-mail or posting to secure Web Portal
- Store images of all PAR/PCR transaction records in a searchable image repository
- Customize to meet the healthcare organization’s business requirements and computing standards
- Robust reporting
 - Operator and departmental throughput and productivity

- Operator and departmental work volumes
- Volume of work in queues
- Age of work in queues
- Transaction age alerts and ability to quickly find old transactions
- System management reports
- Custom reporting and data mining
- Supports input from
 - Operators
 - Faxes
 - Scanners
 - Electronic data acquisition
 - Any combination of the above
- Supports interoperation with foreign systems by
 - Web services
 - API
 - Direct database access

System Workflows and Processes

In discussing workflows and processes, it is important to understand that the design of the system's underpinnings will enable the healthcare organization to redesign its business processes with orders of magnitude more flexibility than ever before. The following components provide this flexibility:

- Rules based workflow engine
- Rules based decision engine
- Robust reporting engine
- Dynamic screen generation
- Ability to dynamically add new fields to the database in order to support the collection of new types of information via a system administration GUI
- Ability to dynamically add new and change or delete existing business rules and workflows via a system administration GUI

Summary

Fairfax Imaging's PARS/PCRS solution provides an automated system to handle prior authorization and pre-certification requests quickly and at a significant savings over manual processing. A robust decision and rules engine enables our health care clients to reduce resources while increasing accuracy and throughput. The system provides a rapid ROI for modern healthcare companies interested in controlling the cost and improving the processing of these complex transactions.

About Fairfax Imaging

Fairfax Imaging is a committed market leader in several pharmacy and healthcare related markets. The company was incorporated in 1994. Its first commercial client was a member of the pharmacy benefit management (PBM) market – Medco Health Solutions. Since then, as a result of its focus and commitment to pharmacy and

healthcare in general, its PBM, mail order, specialty pharmacy and other healthcare related clients list has steadily grown and now includes the following:

- Medco Health Solutions
- CVS/Caremark
- Aetna
- Cigna
- Wellpartner
- Kaiser Permanente
- New York City Health and Hospitals
- Blue Cross Blue Shield of Rhode Island
- And more on the way.....

Please call the Sales Group at Fairfax Imaging for further information about this system.

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