

Health Plan of San Mateo Eliminates Errors and Speeds Claims Payments



Health Plan of San Mateo (HPSM), the Medicaid-managed health plan for Medi-Cal recipients in San Mateo County, processes 1.2 million claims annually and provides coverage for more than 42,000 members. When HPSM started in 1987, only 20 primary care physicians and two OB/GYN specialists outside the County Health Services Agency accepted Medi-Cal patients. Now HPSM has contracts with over 250 PCPs and 30 OB/GYN specialists and groups. Key to HPSM's success is its ability to process claims (from receipt to payment) within 15 calendar days and reimburse providers at 123 percent of the normal Medi-Cal fee-for-service rate. What's HPSM's secret? Attachmate® Reflection® software with built-in Microsoft® Visual Basic® for Applications.

Growing Pains Lead to Smart Automation

Like many payers, HPSM relies on an Amisys 3000 application for its claims processing and payment delivery functions. When new claims come in, HPSM verifies eligibility and pays the claim based on a complex set of business logic and data stored in the host application. Each of three claim types—medical, inpatient, and pharmacy—is processed according to different rules and payment schedules, tripling the complexity.

In the past, a night operator stayed onsite—often until 2 a.m.—while the claims-payment process ran. This operator, typically an MIS person, had to enter parameters exactly as specified and process jobs in a specific order for everything to work correctly. When all went well, the process took five to seven hours to complete. However, if the operator mistyped a parameter or ran jobs out of sequence, he or she had to make a late-night phone call to the MIS manager and begin a risky data-recovery operation to restore

QUICK VIEW

Problem

Health Plan of San Mateo wants to automate a time-consuming and error-prone process to reimburse providers.

Solution

- Used Reflection to build an automated claims-payment process.

Results

- Eliminated data-entry errors.
- Cut claims-payment processing time by 50 percent.

data and repeat the entire claims check-write process. The recovery process often spilled over into normal business hours, resulting in lost time and productivity.

In the 1990s, California entered a recession and many people lost their job-related health benefits. At the same time, population in San Mateo County grew by 11 percent a year. HPSM membership rolls ballooned, growing nearly 85 percent from 1988 to 1995. In the middle of this rapid growth, HPSM introduced two new programs: Healthy Families in 1999 and Health Worx in 2001. Faced with new programs to support and a growing number of claims to process, the health plan embarked on a campaign to streamline all operations. For MIS manager, Eben Yong, this meant finding a way to automate the nightly claims-payment process.

Reflection: An “Automation Center”

HPSM was already using Reflection software to connect Windows® desktops to the host application. In 1999, Attachmate released a new version of Reflection with built-in Visual Basic for Applications (VBA). “We had already scripted several tasks using Reflection’s built-in command language,” Yong remembers, “But the inclusion of Microsoft VBA in the Reflection product opened up the world of real programming for us.”

Yong carefully observed the night operator, taking notes on the steps required to complete the claims payment process successfully. He then began work on an automated solution that uses Reflection software, a Microsoft Access database of parameters, and auto-control programs on the host system itself. Yong had previously used Microsoft Visual Studio and the VBA tools in Microsoft Office products, so he was familiar with the VBA programming environment. In just four months, the automated solution was up and running. "Because VBA is so familiar, we were able to automate our payment processes in a relatively short amount of time," Yong explains. "It's run continuously since then without any hiccups."

Zero Errors, Half the Processing Time

HPSM's new automated solution is smart enough to take into account the program, claim type, check date, and other variables formerly entered by hand. Today, the claims-payment process, which used to take 5-7 hours a night and required human intervention, now runs in 2.5-3 hours with minimal assistance. More importantly, the automated solution is completely error-free, which means no more late-night phone calls for Eben Yong.

"Reflection offers much more than powerful and reliable terminal emulation," says Yong. "It's essentially an 'automation center' that has enabled us to reduce errors to zero and claims-payment processing time by 50 percent."

Efficiency Means More Choices for Members

The ability to turn claims around quickly and cost-effectively sets HPSM apart from other managed-care health plans, helping them to remain a premier Medi-Cal partner. "Because we pay claims quickly and reimburse at a higher rate than the state Medi-Cal fee-for-service rates, providers are more willing to work with us," acknowledges Yong. "This means HPSM members have more choices when it comes to their health care."

About Health Plan of San Mateo

The Health Plan of San Mateo (HPSM) is a premier member of Medi-Cal, a state-option medical assistance program operated by the State of California. HPSM strives to improve the continuity of quality of health care for its members by developing programs and services that make it easier for plan members to stay healthy and for providers to effectively deliver care. For more information, visit www.hpsm.org.

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