



CASE STUDY

# How Premera Blue Cross Used Prospective COB Data to Improve the Member Experience

## Executive Summary

Premera Blue Cross wanted a system for identifying overlapping coverage that was more cost-effective while reducing the burden on members, providers and Premera staff.

## The Challenge

Previously, Premera relied on letters to members to obtain COB information. Their claims processing system would automatically send a letter requesting information on other health insurance to any member who hadn't received a letter in two years. Claims processors would also manually trigger letters to members when claims came in if COB information wasn't available. Finally, as a catchall, Premera would send blanket mailings to all members every two years.

At one dollar per letter plus imaging costs, this process was expensive and yielded only a 24 percent response rate. Premera was also sensitive to the impact on the member experience. They understood that members expect the plan to pay all claims correctly the first time and do not want unexpected "homework."

## The Solution

Premera looked for a less costly solution that would allow them to conduct COB "behind the scenes" with minimal input from members or providers. Although they evaluated a few regional solutions, Premera needed a solution that would provide national data.

They chose the CAQH Coordination of Benefits solution that uses a registry of 225M+ lives submitted weekly by health plans to find members with overlapping coverage and determine primacy. This removes members from the middle and allows Premera to securely connect with other payers to assess and resolve complex coverage cases. Premera receives a weekly report of all members with overlapping coverage so they can upload this information into their systems and pay claims correctly when they come in, minimizing over payments.

## The Results

With proactive COB data from CAQH, Premera can pay claims quickly and correctly, delivering a positive member experience. Proactively identifying overlapping coverage also reduces the time Premera staff spends on the phone with providers, decreasing provider abrasion.

The CAQH COB solution also saves Premera money. The cost per member for COB data is far less than the cost of sending letters and reduces the impact of COB on partner teams, including customer service, adjusted claims and recovery. In ten months, Premera recovered enough money to cover the cost of the COB solution from CAQH for five years.

As a result of this work, Premera has seen a 27 percent increase in recoveries and have increased overpayment identifications by 21 percent. Additionally, Premera was able to reallocate internal resources and no longer needed to hire additional staff to support the manual COB work they were doing prior to implementing COB.

Within ten months of implementing the CAQH COB solution, Premera recovered enough actual dollars to pay for five years of the solution.

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**21%**  
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**“We would get lots of comments on the forms about how much members disliked getting these letters. Ultimately our members expect that we (and to some extent their provider) figure everything out and pay their claims correctly behind the scenes.”**

MITZI CHARLTON, TEAM LEAD,  
COB CLAIMS