Solutions

CASE STUDY

How Proactive COB Data Saved a Regional Health Plan \$69M+ in 16 Months

Executive Summary

A regional healthcare provider and insurer in the northeast leveraged proactive COB data, secure payer-to-payer communication and automated processes to reduce vendor spend by 70% and save \$69M+ through more effective cost avoidance.

The Challenge

A regional healthcare provider and insurer in the northeast used a manual "pay-and-chase" approach to coordination of benefits (COB). To manage this process, they relied on:

- 30 full-time staff members to make phone calls for every COB case
- Daily Medicaid data files from the state that were often inaccurate
- An outside vendor for recoveries that charged a per case fee

This workflow was costly, labor-intensive, difficult to manage and yielded inconsistent results.

The Results

Since implementing the CAQH COB solution five years ago, the health plan has seen a steady increase in savings, as well as a reduction in overpayment and vendor costs. With the addition of timely accurate COB data, they have been able to achieve:

85% reduction in manual data review

in COB Savings from CAQH cost avoidance over 16 months \$1.04M recovered from incorrectly paid claims in 16 months 70% reduction in vendor spend in five years