



SUNGARD EXP

Case Study:
Delta Dental of Arkansas

Delta Dental of Arkansas (DDAR) has been writing group dental insurance since 1982 and currently serves more than 900 participating Arkansas dentists, 2,000 employer groups and 1,200,000 members. Delta Dental is the largest dental benefits provider in the state of Arkansas and is a member of the national Delta Dental Plans Association. The Delta Dental Plans Association is the largest, most experienced dental benefits carrier in the nation, contracting with more than 110,000 dentists in 137,000 locations. The association provides dental coverage to more than 45 million people in more than 76,000 employer groups across the nation.

THE CHALLENGE

The Information Technology (IT) staff at DDAR set out to find an imaging system to store legacy claims documentation in order to satisfy a retention requirement of the State of Arkansas Insurance Department. Previously, DDAR saved hard copy of each claim for only 30 days, while the data remained in the claims computer system. The IT staff looked at several mid-range image-store-and-retrieval solutions and narrowed down the choice to three software products.

A standard scan, manual indexing, image retrieval system is what DDAR thought they needed. As a small plan with extremely high efficiency rates and low labor costs, the IT staff thought an expensive imaging software system with automated capture would not have a good return on investment.

Allen Moore, vice president of Information Technology at DDAR, decided to investigate the benefits of installing a more expensive, yet more complete, imaging and automated capture solution which included optical character recognition (OCR) and EDI translation and perfection. In addition to storing the image of the claim, this system would extract all of the data from the claim using OCR and pass the data to the claims payment system for prompt payment.

Moore looked at a system installed at Delta Dental of Michigan. He liked what he saw, but would Arkansas enjoy the same high level of savings as Michigan? Also, a key area of interest was EDI "perfecting", the process of correcting wrong information on an EDI claim without human intervention or sending the claim back to the provider, which Michigan had not yet employed.

THE SOLUTION

DDAR elected to install the same claims capture solution as their Michigan counterpart, SunGard's EXP FormWorks, to process 1.5 million claims annually. In addition, DDAR elected to also purchase the EXP FormWorks capability of perfecting EDI claims and providing storage and retrieval of both paper claim images and claim images generated from the EDI claims (COLD).

EXP FormWorks employs advanced OCR and other pattern recognition technology to capture the information of the dental claim form. The system then uses an embedded rules processing engine and an ergonomic interface for error correction to verify the data extracted and passes to the payment system. An extensive reporting and quality management tool and high performance workflow round out the solution.

The same rules engine, database look up and knowledge checking applied to data flowing in from paper is applied to translating and perfecting the EDI stream.

"We have reduced our claims processing staff in half, and at the same time we took on the processing of nearly 2,000 dental claims per day from Tennessee. We have been able to control our back log and we have shortened our targeted payment cycle by one day. This lowers the number of duplicate claims submitted and reduces call volume."

Case Study: Delta Dental of Arkansas

"We chose EXP FormWorks because the engineers at SunGard EXP successfully mapped over 92% of the over 400 variations of the ADA claim form," explained Moore. "Other forms processing companies are having some success with the HCFA medical claims form but only EXP FormWorks is able to accurately and efficiently process dental claim forms."

EXP FormWorks also provided the only solution to offer the option of manipulating the information on the EDI stream to reduce the number of suspended claims. "I was very intrigued by that process, but had to see it to believe it," adds Moore. "Perfecting our EDI stream would make this purchase a 'no brainer.'"

Suspended E-Claims Per Month

	Provider	Member
Before EXP FormWorks	5919	1272
After EXP FormWorks	139	61

"The biggest surprise is the reduction of the number of suspended claims from the EDI stream. The EXP FormWorks claims perfecting process makes changes to 92% of all EDI claims."

THE BOTTOM LINE

"We have reduced our claims processing staff in half, and at the same time we took on the processing of nearly 2,000 dental claims per day from Tennessee," boasts Moore. "We have been able to control our back log and we have shortened our targeted payment cycle by one day. This lowers the number of duplicate claims submitted and reduces call volume."

According to Deb Rice, director of claims administration at DDAR, in addition to downsizing the staff, "The claims processing department had less errors and fewer claims suspending due to data validation issues. It is now easy to retrieve and locate an image of the claim and there is less chance of a claim being lost."

Adds Rice, "We can work on OCR even if the system upstream is down which improves our efficiencies and we improved drop-to-pay rate, as 10% of paper claims go through without a human having to touch them." Both the IT and claims processing departments find the results impressive.

"The biggest surprise is the reduction of the number of suspended claims from the EDI stream," says Moore. "The EXP FormWorks claims perfecting process makes changes to 92% of all EDI claims."

The number of suspended EDI claims reduced from 14% to 0.3%, for bad provider information. EDI claims requiring research and correction for member information went from 3% to 0.1%, for a total savings in excess of \$0.05 per EDI claim.

About SunGard EXP

SunGard EXP helps empower managed care organizations to capture, manage, store and deliver content in order to automate workflow, enhance processes, track productivity, promote collaboration and deliver time-sensitive client communications. EXP features industry-leading technologies with EXP FormWorks, EXP MACESS, EXP Web, EXP Mailing and EXP SCORE, creating a comprehensive, single-source solution for the managed care industry. Offering single department to enterprise-wide solutions, EXP uses a proven implementation methodology that helps ensure the predictability of results.

www.sungard.com/exp

SunGard EXP
104 Inverness Center Place
Birmingham, AL 35242
Phone (205) 437-7500

SunGard EXP
1750 Kraft Drive, Suite 2000
Blacksburg, VA 24060
(540) 961-6500

SunGard EXP
Solmsstr. 2 - 22, Geb. 18
60486 Frankfurt am Main
Germany
Tel: +49 (0)69 70768-0

SunGard EXP
350 Automation Way
Birmingham, AL 35210
(800) 442-8511

SunGard EXP
33 St Mary Axe
London, EC3A 8AA
United Kingdom
+44 (0)20 7337 6000