Impact of Non Updation of Pharmacy License on PBM Claims Processing in Aafiya Medical Billing Services LLC, Dubai

By

Bhawana Rupani

Dissertation submitted for the partial fulfillment of the

MBA Hospital and Health Management

Academic year, 2016-2018

The IIHMR University, Jaipur

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INSTITUTE OF HEALTH MANAGEMENT RESEARCH
(WHO Collaborating Centre for District Health System Based on Primary Health Care)

IIHMR UNIVERSITY

TO WHOMSOEVER MAY CONCERN

This is to certify that **Dr. Bhawana Rupani** student of MBA Hospital and Health Management from The IIHMR University, Jaipur has undergone internship training at **AAFIYA Medical Billing Services LLC,Dubai** from **15th, February 2018** to **6th May 2018.**

The Candidate has successfully carried out the study designated to her during internship training and her approach to the study has been sincere, scientific and analytical.
The Internship is in fulfillment of the course requirements.

I wish her all success in all her future endeavors.

Dr. Ashok Kaushik
Dean, Academics and Student Affairs
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Aafiya

Managing your care process

06th May 2018

To Whom It May Concern

This is to certify that **Dr. Bhawana Rupani** holder of Indian passport number P7489109 was working in our institution as Management Trainee from 15th February 2018 till 06th May 2018, as a part of dissertation of her M.B.A in Hospital and Health Management program.
She has successfully completed the assigned project.

We wish her all the best in her future endeavors.

For Aafiya Medical Billing Services LLC, Dubai

Mohammad Ali Zaidi
General Manager

عافيه
Aafiya

CERTIFICATE BY SCHOLAR

This is to certify that the dissertation **IMPACT OF NON UPDATION OF PHARMACY LICENSE ON PBM CLAIMS PROCESSING IN AAFIYA MEDICAL BILLING SERVICES LLC, DUBAI** , submitted by **Dr. BHAWANA RUPANI** Enrollment No- **IIHMR-U/01/2016-18/0405** under the supervision of **DR. SEEMA MEHTA (ASSOCIATE PROFESSOR)** for award of MBA in Hospital and Health management of the University carried out during the period from **15TH FEBRUARY 2018** to **6TH MAY 2018** embodies my original work and has not formed the basis for the award of any degree, diploma associate ship, fellowship, titles in this or any other institute or other similar institution of higher learning.

Bhawana..

Signature

ABSTRACT

Title- Impact of Non Updation of Pharmacy License on PBM Claims Processing in Aafiya Medical Billing Services LLC, Dubai

Author- Dr.Bhawana Rupani

Background of the Study-

Claim is the only reason the consumer (insured) buys an insurance product. Nowadays insurance companies hire TPAs for the claims settlement but healthcare providers experience substantial delay in setting of their claims by TPAs, these delays may be due to certain reasons like non updation of pharmacy license or incomplete information in the online system.

Pharmacy Benefit Management-

PBM is software on which pharmaceutical requests are appeared and it handles the prescription drug benefit component of an individual's health.It implies to –

Healthcare providers, payers and third party administrators approved by DHPO to participate in the health insurance scheme and PBM service providers engaged by DHA/MOH/DOH licensed healthcare providers, payers or TPAs to provide PBM services.

Objectives-

To determine the percentage level of non-updated pharmacy license and its possible reasons and see its impact on pharmacy claims and suggests the possible ways to decrease the number of pharmacy claims rejection.

Methodology-

A descriptive study was conducted in Aafiya Medical Billing Services LLC, Dubai and the secondary data of 769 pharmacy providers along with PBM dimension list was taken. Prospective analysis of pharmacy claims was done and the source of data was networking and claims department.

Results-

Out of 769 pharmacy providers,200(26.1%) pharmacies were un-updated which impacted 65(32.5% of 200) PBM claims.

The analysis states that 76.92% cases were delayed due to un-updation of regulatory license on AAFIYA portal which is maximum.

Conclusion-

Claims will not get downloaded over the old license number which will lead to increased TAT of Pharmacy Claims. There may be temporary suspension of services by the provider also payment may go to wrong provider.

Keywords- PBM, Pharmacy Claims, TAT, TPA

ACKNOWLEDGEMENT

First of all I would like to thank IIHMR Jaipur for giving me this opportunity to get placed and go for dissertation at Aafiya Medical Billing Services LLC, Dubai.

I would like to acknowledge the role of the General Manger, Mr. Ali Zaidi, Chief Operations Manager Dr.Nayeem Mohammed Abdul and HOD of the Networking Department Dr.Bardul Hassan Khan who guided throughout the course of my dissertation.

I express my gratitude towards Finance Manager Mr.George Isaac, Senior Assistant Manager Dr.Neeraj, CS Team Mr.Utkarsh and Ms.Mukta and the entire Aafiya team for helping me and clearing my doubts.

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I would also like to give thanks to all my faculty members to enhance my knowledge during my entire course.

Dr.Bhawana Rupani

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LIST OF ABBREVIATIONS

UAE	United Arab Emirates
AED	Arab Emirates Dirham
PBM	Pharmacy Benefit Management
DHA	Dubai Health Authority
MOH	Ministry of Health
DOH	Department of Health
TPA	Third Party Administrator
HRD	Health Regulation Department
MUR	Medical Utilization Review
HAAD	Health authority- Abu Dhabi
RL	Regulatory License
TAT	Turn Around Time
LLC	Limited Liability Company
DHPO	Dubai Health Post Office

LIST OF GRAPHS

DISSERTATION

TITLE: Impact of Non Updation of Pharmacy License on PBM Claims Processing in Aafiya Medical Billing Services LLC, Dubai

CHAPTER 1

BACKGROUND OF THE STUDY

1.1. INTRODUCTION

Healthcare is among the priority sectors identified by the UAE government and, as result, the UAE healthcare industry has displayed extraordinary growth and significant progress in the past few years. The government's focus on healthcare is aimed not only to diversify the oil-reliant economy but also to develop unprecedented healthcare infrastructure to ensure that adequate services are provided in the Emirates. Healthcare is regulated at both the Federal and Emirate level. Federal level legislation dates back to the 1970's and 1980's and there pending legislative reform initiatives in order to facilitate the development of the healthcare industry. There are also two healthcare free zones in Dubai, Dubai Healthcare City and Dubai Biotechnology and Research Park which have their own regulatory bodies .

UAE HEALTH INSURANCE

Effective on January 2017, health insurance cover in Dubai is mandatory for its citizens and expats working in the city. According to DHA (Dubai Health Authority), more than 98% (over 4 million) of the Dubai residents now have mandatory basic health insurance .

Expats in Dubai are required to have a health insurance to apply for a new residency visa or to renew an existing one. The move is part of the overall efforts of Dubai and UAE governments to provide adequate healthcare to expats who are earning a lower wage .

The Mandatory Health Insurance Coverage in Dubai

The new mandatory health insurance coverage is under the Dubai Health Insurance Law that came into existence in January 2014. According to the law, every sponsor is now responsible for providing a mandatory basic health insurance plan to all expats regardless of their salaries. By this, Dubai government makes sure that even the low paid employees, mostly who work under AED 4,000 can also have access to adequate healthcare .

What If You Don't Have Health Insurance in Dubai?

If you are an expat, it is illegal and may result in deportation and cancellation of visa. As an expat, you cannot renew your residency visa if you don't have health insurance. On the other hand, citizens and expats also have to pay a monthly fine of

500 AED In the case of expats, the sponsor is responsible for paying a fine .

Basic Health Insurance Coverage

With basic health insurance coverage, you can have access to hospitals and clinics under DHA. DHA has currently a large network of clinics and hospitals all across Dubai offering an easy and quick access to medical services. The basic health insurance coverage is specifically designed for expats with lower salaries. The basic health coverage costs employers an estimated 600 to 700 AED a year and offers medical coverage of up to 150,000 AED .

There are **48 health insurance companies** permitted by the DHA to market plans, so prices for policies should be competitive. Some of these include ;

- Daman, National Health Insurance Company
- Abu Dhabi national insurance company
- Noor Takaful Insurance Company
- Takaful Emarat Insurance Company
- Oman Insurance Company
- Union Life Insurance company
- Union Life Insurance

TPA-

A third-party administrator is an organization that processes insurance claims or certain aspects of employee benefit plans for a specific entity. This can be viewed as “outsourcing” the administration of the claims processing, since the TPA is performing a task traditionally handled by the company providing the insurance or the company itself. Often, in the case of insurance claims, a TPA handles the claims processing for an employer that self insures its employees. Thus, the employer is acting as an insurance company and underwrites the risk. The risk of laws remains with the employees and review, or membership functions. While some third-

party administrators may operate as units of insurance companies, they are often independent .

Claims processing is a major task of a TPA and customer satisfaction is directly related to the on time claims processing. So, the study includes finding out the reasons for delay in pharmacy claims processing including Non Updation of pharmacy licenses in the online portal of Aafiya and their causes and solutions .

Due to the delay in pharmacy claims processing, the providers get delayed amount for their claims and in case of the wrong license they don't get the payment and ultimately feel dissatisfied with the services offered by the Insurance Company or the TPA .

LICENCING SERVICES

The DHA is the sole responsible entity of ensuring that all healthcare facilities and professionals in the Emirate of Dubai provide the highest level of safety and quality patient care at all times, through the development, establishment, and enforcement of Pharmacy Licensure and Pharmaceutical Practices i.e. minimum requirement .

The Health Regulation Department (HRD) issue health facilities licenses to operate under the following main categories ;

- Hospital Regulation
- Day Surgical Centre Regulation
- Outpatient Care Facilities Regulation which includes :
    - Polyclinics
    - General Clinics
    - Dental Clinics
    - Speciality Clinics
- Clinical Laboratory Regulation
- Diagnostic Imaging Services Regulation
- Home Healthcare Regulation
- Dental Laboratory Regulation

- School Clinic Regulation
- Community Pharmacy Regulation

DEFINITIONS

Community Pharmacy shall mean all those establishments that are privately owned and whose function is to serve societies need for both drug products and the pharmaceutical services .

Licensure shall mean issuing an official permit to operate a pharmacy to an individual, government, corporation, partnership, Limited Liability Company (LLC), or other form of business operation that is legally responsible for the pharmacy operation

Licensed Pharmacist shall mean any person licensed to practice the pharmaceutical profession according to the provision of the local and federal laws in UAE

OBTAINING A LICENCE

A person or entity must obtain a license from Dubai Health Authority (DHA) to operate pharmacy in the Emirate of Dubai. This applies to governmental and semi-governmental, private health facilities and facilities operating in free zone areas. Pharmacy shall include community based pharmacies only .

FACILITY NAME

During the initial registration process, the name of the pharmacy will be tentatively under the owner's name. Each pharmacy shall be designated by a permanent and distinctive name approved by the HRD which shall not be changed without prior notification. The pharmacy trade name shall be issued by DED or equivalent licensing authorities in Dubai.

TEMPORARY SUSPENSION OF THE LICENCE

If the pharmacy breaches the DHA or Ministry of Health (MOH) pharmacy laws and regulations; the Director General of DHA may issue an order of suspension of the pharmacy license pending a final decision from an investigative committee .

PRINCIPLE REGULATORY AUTHORITIES

Public healthcare services are administered by different regulatory authorities in the United Arab Emirates. The Dubai Health Authority (DHA), the Department of Health (DOH), the Ministry of Health (MOH) and the recently formed Emirates Health Authority (EHA) are the main health authorities .

1. DHA (Dubai Health Authority)

It is a government organization overseeing the health system of Dubai, United Arab Emirates. It was formed in 2007, pursuant to Law No. 13 issued by His Highness Sheikh Mohammed bin Rashid Al Maktoum, the Ruler of Dubai. Aspects of its services –

- Creating and ensuring the execution of policies and strategies for healthcare in Dubai's public and private healthcare sectors.
- Enabling partnerships between healthcare providers.
- Licensing and regulating medical professionals and facilities.
- Increasing the transparency and accountability of the healthcare system.

The DHA has mandated a minimum coverage that must be adhered to by all policies in the Emirate, although coverage that goes above and beyond the minimum is also allowed. Specific medical services and treatments that are required under all basic health plans include ;

In-Patient

- Tests
- Diagnosis
- Treatment
- Surgery
- Emergency treatment

Maternity

- Out-patient ante-natal
- In-patient maternity
- New born cover

Out-Patient

- Examination
- Diagnostics and treatment by general practitioners
- Specialists and consultants
- Laboratory testing
- Radiology diagnostic services
- Physiotherapy
- Medicines
- Vaccines and immunizations
- Diabetes screening
- Diagnostics and treatment for dental and gum treatment
- Hearing and vision aids
- Corrective laser and surgical treatment for vision

2. DOH(Department of Health)

The Department of Health (DOH) is the regulative body of the Healthcare Sector in the Emirate of Abu Dhabi and ensures excellence in Healthcare for the community by monitoring the health status of the population. It was before known as HAAD (Health Authority of Abu Dhabi). It was established as a public authority with financial and administrative independence pursuant to Abu Dhabi Law No.1 of 2007

DOH defines the strategy for the health system, monitors and analyses the health status of the population and performance of the system. DOH shapes the regulatory framework for the health system, inspects against regulations, enforces standards, and encourages adoption of world-class best practices and performance targets by all healthcare service providers in the Emirate .

3. MOH(Ministry of Health)

The Ministry of Health and Prevention is the ministry of the Government of UAE which is responsible for the implementation of health care policy in all areas of technical, material, and coordination with the Ministries of State, and cooperation with the private sector in health locally and internationally. It was established pursuant to Federal Law No. of 1972 to, among other things, license companies and individuals providing healthcare services build and manage health facilities and regulate various areas of healthcare including the practice of medicine, dentistry, nursing, pharmaceuticals and laboratories .

PBM (Pharmacy Benefit Management) def.

Pharmacy benefit managers have emerged as the national standard for the administration of prescription drug insurance in the United States .

According to the **American Pharmacists Association (APhA)**, "PBMs are primarily responsible for developing and maintaining the formulary, contracting with pharmacies and processing and paying prescription drug claims. They operate inside of integrated healthcare systems as part of pharmacies and as part of insurance companies .

It applies to -;

- Healthcare providers, payers and third-party administrators (TPAs) approved by DHPO to participate in the health insurance scheme.
- PBM service providers engaged by DHA/MOH/DOH licensed healthcare providers, payers or TPAs to provide PBM services.

Definitions

1. **Benefits administration** - Administer drug benefits and determine the drugs that are covered, and the extent to which generics and formulary drugs are covered in accordance with the respective regulatory authorities' health insurance products 'benefits and patients 'health insurance plan .

2. **Access** - Establish and maintain pharmacy networks through which drugs are dispensed in accordance with the Payers 'Network of Providers .

3. **Claims Processing**-Processing, adjudicating and reporting on prescription drugs claims .

4. **Customer Services** - Providing services before and after claiming, which may include eligibility and authorization services

5. **Formulary management** - Refers to any activity that determines the contents of an available formulary and the rules associated with its application (e.g., defining first, second and third-line treatment for a condition). A formulary is a list of drugs designated by the PBM for their clinical effectiveness and cost efficiency. A PBM formulary must comply with the DHA Formulary

6. **MUR** – a collection of programs designed to ensure the safe, efficient and cost-effective use of medicines .

Major applications of PBM-

- It contains the formulary drug list of linked TPAs.
- It examines drug to drug interaction.
- It follows exclusions of certain drugs provided by the respective TPAs.

Responsibilities of PBM-

- Process claims from patients and pharmacies.

- Over patient compliance to ensure the medication is taken as prescribed.
- Manage formularies, so individuals know what medications are covered through their health plans.
- Manage distribution among a network of pharmacies.

PBM involves a wide range of real time controls such as:

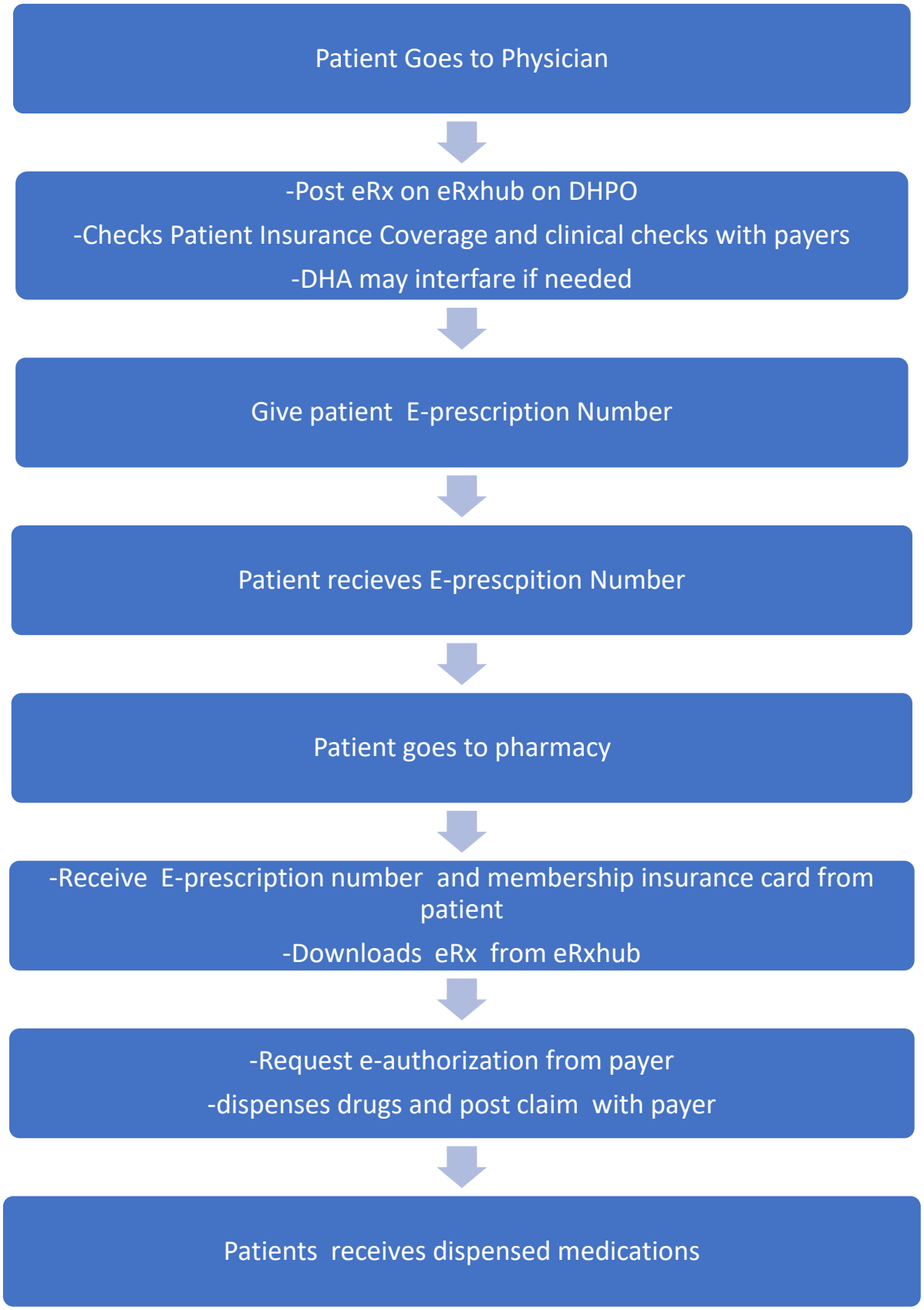
- Drug Indication – checks on prescribed drugs for consistency with diagnosis.
- Drug dosage & refill frequency.
- Drug Age & Gender compatibility
- Drug Allergy.
- Drug Contraindication/Interactions – possible negative drug-to-drug interactions and drug-to-diagnosis contraindications to avoid possible health hazards.
- Drug Duplication – The checks are performed on prescription history available in our database.
- Insurance Coverage – checks such as drug coverage, benefits and plan limits and any other factors relevant to the plan.

PHARMACY CLAIMS

PBMs offer their clients highly automated claims – processing environment. Over 99% of all pharmaceutical claims are electronically adjudicated at the point of services (i.e. the pharmacy where the drug is dispensed) when the claim is entered by the dispensing pharmacist .

- The claims system tests the member's eligibility and benefit design to determine the pharmacy reimbursement and member's co-pay .
- The claims processing system also applies a series of edits and messages during adjudication to verify the drug is covered and does not conflict with other drugs the patient is taking

E-Prescription Process in AAFIYA as per Observation



1.2 PROBLEM STATEMENT

The clients of a PBM are primarily major employers, insurers and managed care organizations. PBMs electronically process claims at the point of service (e.g., pharmacy where prescription is dispensed). Over 99% of pharmacy claims are processed in this manner, at an average cost of $.30 to $.40 per claim .

Using false audit practises, generating wrong or old regulatory licence number and creating minor typographical human errors on system while updating about the required basic information; that may lead to frauds. For example; charged client administration fees for drugs that were not dispensed, increasing turnaround time for processing pharmacy claims etc .

1.3. AIM

The aim of this study was to evaluate and detect the percentage level of non-updated pharmacy licence in the system and to understand the impact of errors on the pharmacy Claims process and to identify strategies that may help in avoiding the errors and eventually reducing the TAT of pharmacy claims

1.4. RATIONALE OF THE STUDY

PBMs process claims perform utilization review and formulary management functions, handle customer service issues, develop and manage provider networks, maintain eligibility data. Many issues have been raised regarding the pharmacy claims which have been impacting the health care providers. Nothing is more disconcerting than to learn about the delay in claims processing and; or your PBM is not paying your claims correctly .

1.5. OBJECTIVES

1. To determine the percentage level of non-updated pharmacy licence followed by discount % (system & agreement), PBM dimension and claims resubmission .
2. To find out the possible reasons for Non Updation of licence on system & dimension .
3. To study the impact on pharmacy claims due to Non Updation of licence via prospective analysis of pharmacy claims and the monthly utilization report .
4. To suggest the possible ways to decrease the number of pharmacy claims rejections due to Non Updation of licence in the system & dimension .

CHAPTER 2

REVIEW OF LITERATURE

2.1 Study of Pharmaceutical Benefit Management

Federal Project Officer: Dr. Peri Is, JUNE 2001

PBMs have large scale, highly automated operations to process claims and provide customer (client, member) service. The services a PBM provides can be categorized as administrative or clinical. Administrative services include benefit administration, enrolment and eligibility administration, pharmacy network administration, mail pharmacy service, claims adjudication, and manufacturer contracting and rebate administration. Clinical services range from formulary management to sophisticated utilization and disease management programs.

Reduce administrative cost by using a highly automated environment to electronically process claims at the point of service (e.g., pharmacy where prescription is dispensed). Over 99% of pharmacy claims are processed in this manner, at an average cost of $.30 to $.40 per claim.

Manage utilization and favour lower cost medications by using clinical services that influence the behaviour of the physicians, pharmacist and patient.

PBMs offer their clients a highly automated claims-processing environment. Over 99% of all pharmacy claims are electronically adjudicated at the point of service (i.e., the pharmacy where the drug is dispensed) when the claim is entered by the dispensing pharmacist.

2.2 Pharmacy Benefit Management Companies (PBMs) Why Should We Be Interested?

Sheila R. Shulman

School of Law, State University of New York at Buffalo, Buffalo, New York, USA

PBMs have been part of the system since the early 1980s, first providing basic services such as claims management and volume purchasing for large corporations and government programmes looking for ways to control pharmacy benefit expenditures.

Following includes some of its functions: -

- Claims processing/administration.
- Claims adjudication.

- Negotiation of claims.
- Record keeping.
- Formulary services including interventions via on-line links with physicians and pharmacists to encourage formulary compliance, and the use of selected or preferred products through generic and therapeutic interchange.
- Physician and pharmacist profiling, and drug utilisation review.
- Through contractual arrangements with retail pharmacy networks, either open or preferred, PBMs can more easily manage compliance programmes and control costs through agreements on dispensing fees and reimbursement rates for specific products.

CHAPTER 3

METHODOLOGY

3.1 Study design – Descriptive Study.

3.2 Setting – Aafiya Medical Billing Services LLC, Dubai.

3.3 Duration of Study – 15th Feb 2018 –6th May 2018.

3.4 Sample size– The sample size of 769 pharmacy providers of Aafiya Medical Billing Services has been taken. Data has been taken from secondary source.

3.5 Sample selection – Pharmacy providers of Aafiya medical billing services LLC and the department undertaken would be claims & operations, risk/audit and networking.

3.6 Data collection procedure-

Primary data – Prospective Analysis of pharmacy claims data. (March &April)

Secondary data-

(i) Pharmacy providers' verification

(ii) Data from PBM dimension list.

3.7 Source of Data – Networking and Claims Departments of Aafiya TPA.

3.8 Data analysis – Using Pareto tool & Root Cause Analysis (Fishbone analysis) on the software Microsoft excel.

3.9 Parameters Assessed -

- Network Department Portal for the evaluation and auditing of the pharmacy providers.
- TPA Contracts, Agreements and Addendums.
- E claim ID link. (MOH/DHA Licence)
- PBM Dimension data list.
- Pharmacy Approvals and Claims Process.
- PBM calls management.
- Pharmacy Claims utilization report. (March and April 2018)

3.10 Nature/Type of Data- Qualitative data collected via auditing/verifying of pharmacy providers and direct observation of PBM Claims.

- Reasons for Non-Updation of licences gathered via interaction with different staffs of Network, Approvals, Claims, Risk/Audit department.
- Information obtained through utilization records in claims.
- Information gathered through internet.

3.11 Ethical Considerations- The confidentiality of records was maintained and not shared elsewhere. It was taken only for study purpose and no information of the organization was revealed elsewhere other than the academic purpose.

CHAPTER 4

ANALYSIS AND RESULTS

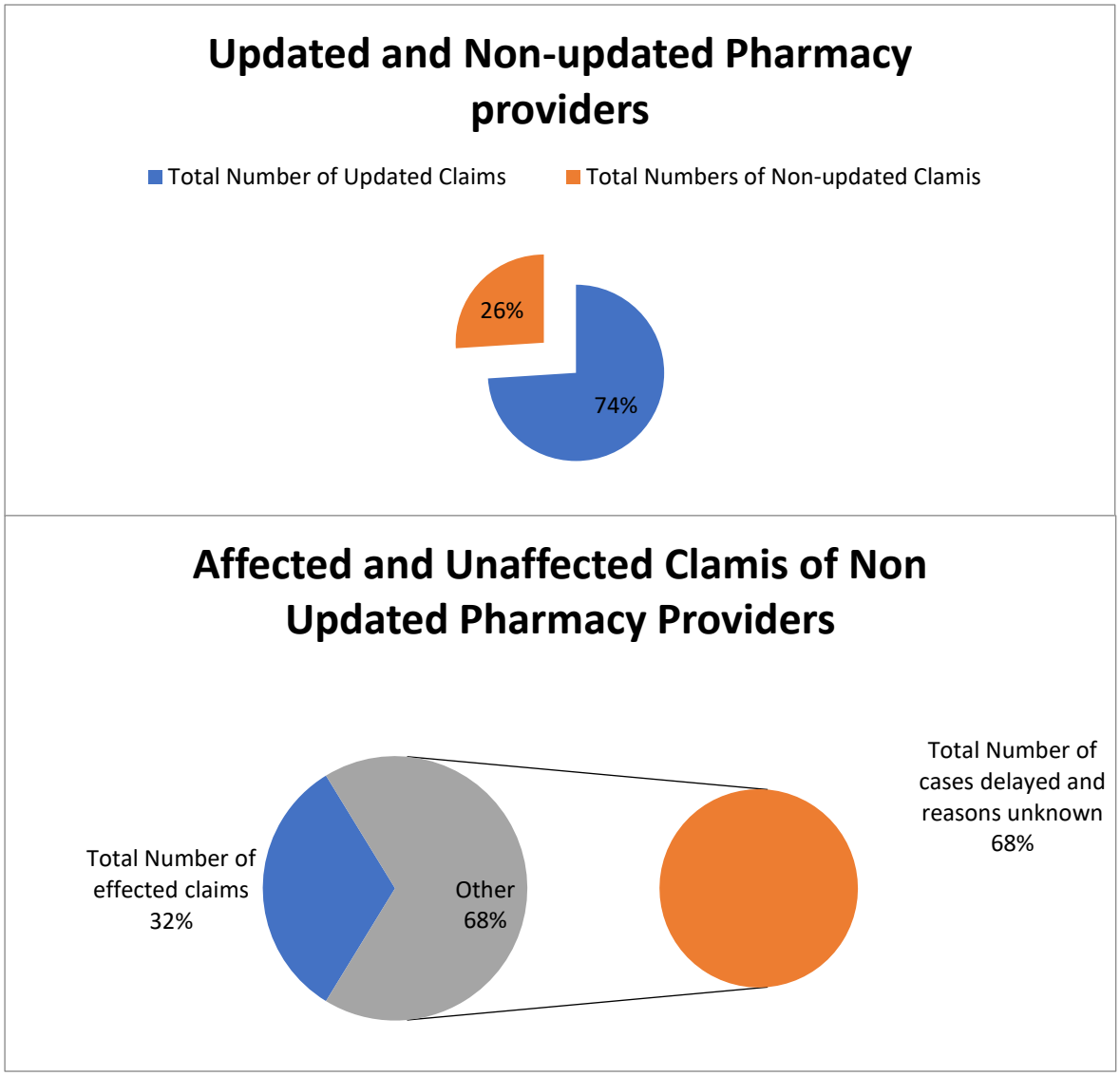
The data with required information, areas and remarks were entered in sheets provider wise and then analysed with the help of graphs and charts for determining percentage level of non-updated pharmacies. Thus, the impact on PBM claims was studied likewise. Further, the Utilization record was taken into consideration for the study on PBM Claims.

- ✓ Fishbone (Ishikawa diagram) is a project methodology that identifies many possible causes for an effect or problem and sorts ideas into useful categories.
- ✓ Pareto Chart shows on a bar graph which factors are more significant.

4.1. Networking Department-

- Auditing was done of the pharmacy providers with respect to RL No., discount%, PBM dimension list and claims resubmission.
- Root Cause Analysis (fishbone analysis) for the Updation Error in the portal.

GRAPH 1 – Percentage level of updated and non-updated pharmacies and its impact on PBM Claims.

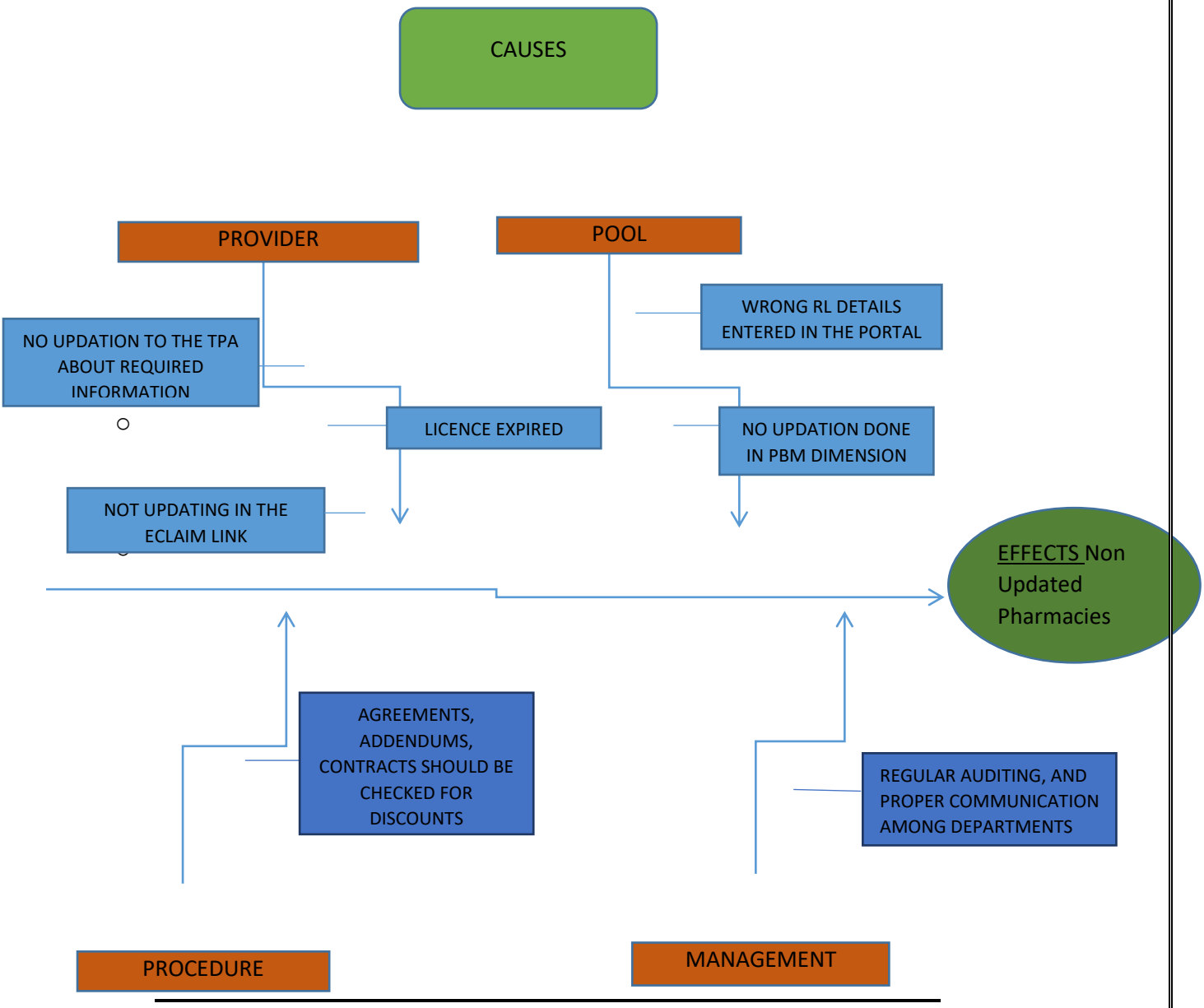


From the above Graph -1 following findings are:

Out of 769 Pharmacy Providers; discrepancies with Updation in terms of discount%, PBM dimension list & claims resubmission were found in 200 pharmacies which impacted 65 PBM Claims from these. Percentage level of Non Updation is 26.01%. Percentage level of affected pharmacy claims from month of JAN 32.5%.

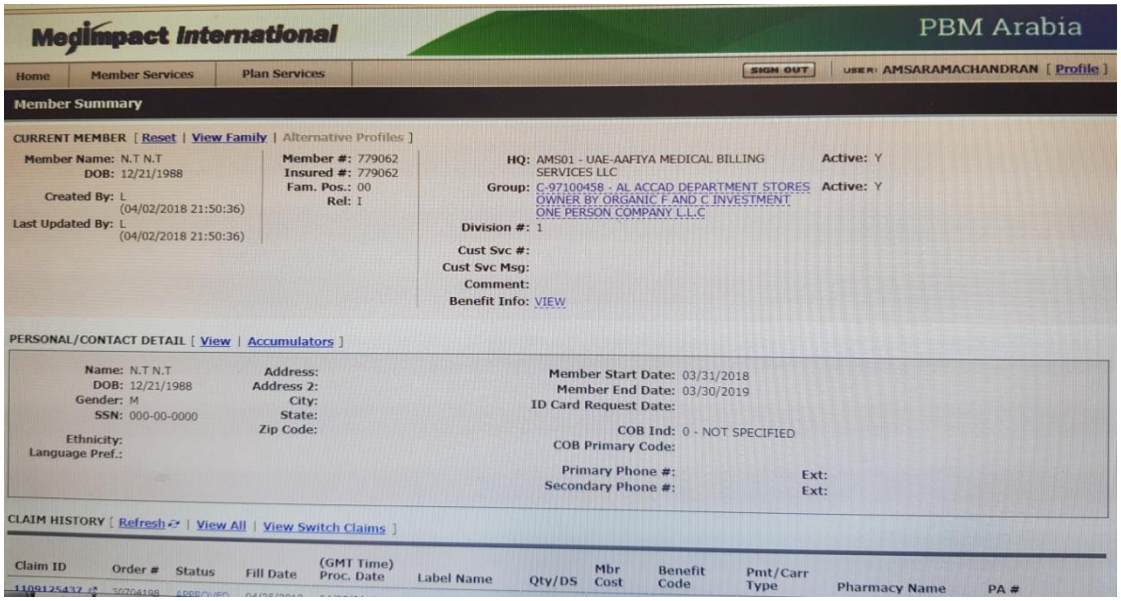
ROOT CAUSE ANALYSIS (n-200)

Possible reasons for non Updation of pharmacies



A brainstorming session was held with the networking, claims and finance staff engaged in the updation/auditing and approvals of pharmacy claims and a root cause analysis in form of fishbone analysis was done to reduce the errors in updation.

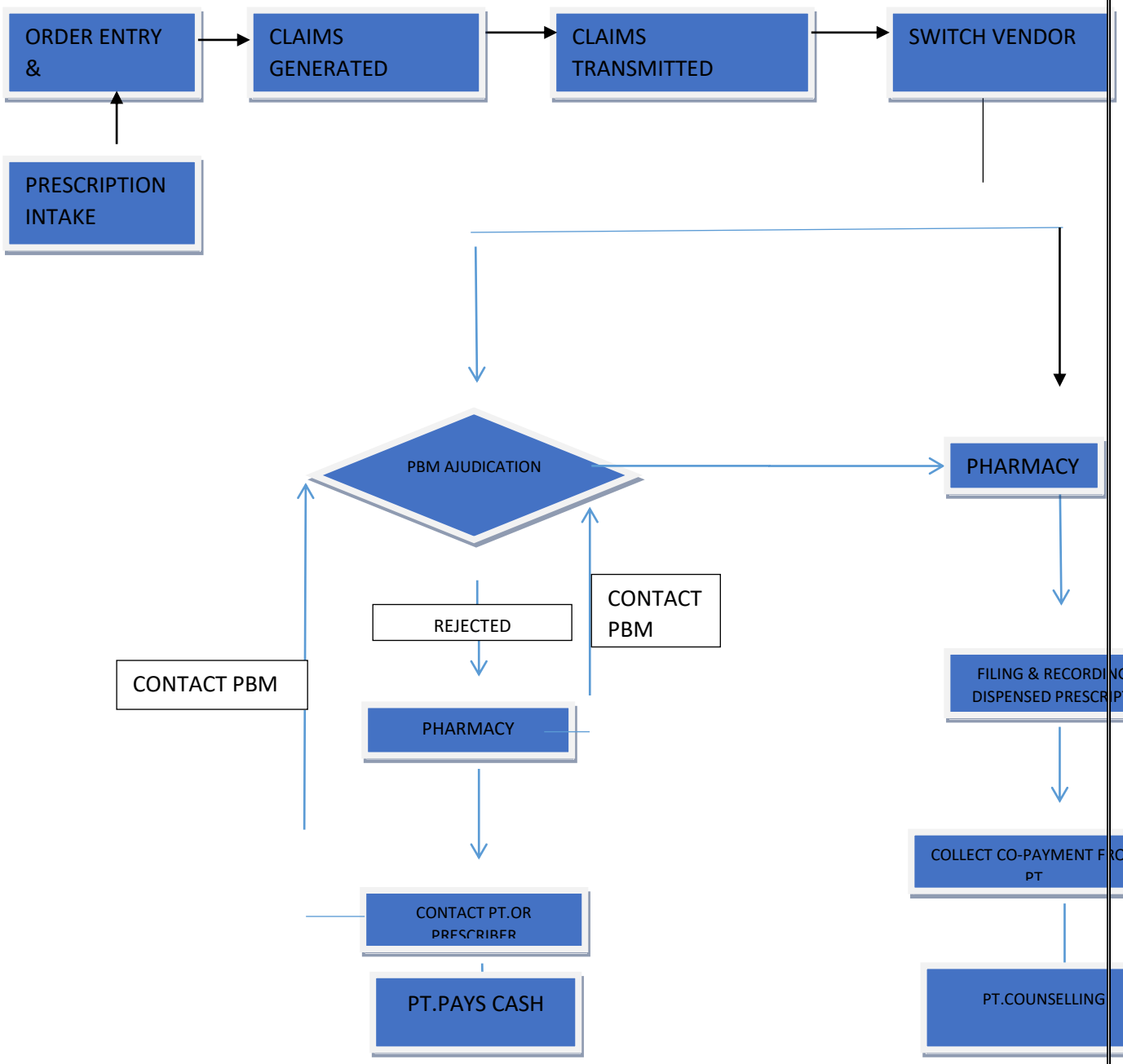
4.2. PBM Portal and Process –



The 4 main operational sections of TPA Section are-

1. **Approvals Section –** where the pre-approvals are taken for out-patients, in-patients and pharmacies. It includes approvals for all consultations, lab investigations, radiologic investigations, procedures, surgeries and admissions.
2. **Claim Processing Section –** is designed as the unit dealing with proper processing and documentation for claims.
3. **Claims Verification Section –** where inspection and documentation of all documents takes place.
4. **Reconciliation Section –** it is a secondary unit which focuses to review the rejected amount and amount received from insurance companies.

PHARMACY BILLING CYCLE



PBMs Calls

- Generic drugs only
- Strictly based on medical diagnosis, chief complaint and treatment duration.

TAT

- Drugs are modified or limit is approved and override is done within 10-15 mins.

- **Possible reasons of rejection** –

- If the cost is high and exceeds the limit.
- If the drug is not as per the Aafiya formulary drug list.
- If any of the medicines not covered as per the policy.
- If no health declaration made by the insured before hiring the policy.
- If injuries are work related.

4.3. CLAIMS DEPARTMENT – The claims are forwarded to the team of medical doctors; they evaluate and assess the claims as per the policy and terms. The organization contacts the claimant promptly in case of any additional information required to pay the claim.

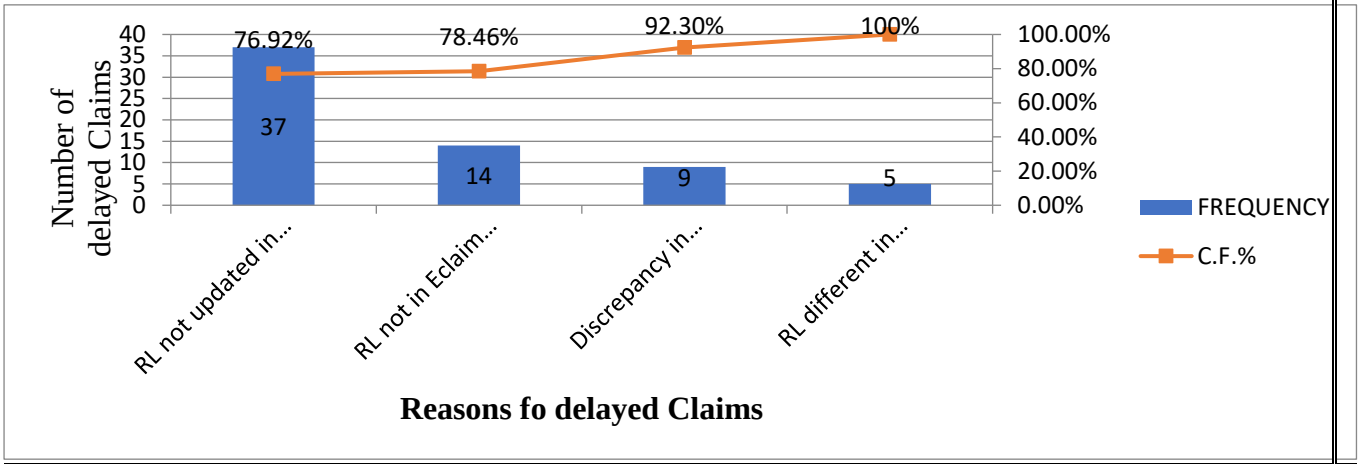
- Specialist consultation and investigations strictly based on GP referral, upon medical necessity, exclusions, medical history and utilization of the reports.
- There are two different methods used to deliver insurance claims to the payer: manually (on paper) and electronically.
- Certain technologies have been introduced into the system in order to expedite claim processing and increase accuracy.
- Different teams for OP & IP Claims Management.

IMPACT ON PBM CLAIMS PROCESSING

As per the March and April utilization report; ***65(n-200)*** claims of different pharmacy providers got delayed that were raised in the month of January. When investigated and explored with departments like Claims and network; the claims which got delayed had discrepancies in the following areas of Updation in the Portal System -

- Regulatory licence not updated in the Aafiya online portal system as per contract/agreement or vice versa.
- Discrepancy in discounts. (system/contract/dimension)
- RL not found in the Eclaim ID link.
- RL different in portal and dimension list.

Graph- 2



In the above Graph-3. Reasons for delayed claims has been analysed and presented in graphical form. The analysis states that 76.92% cases are delayed due to RL not updated on Aafiya portal which is maximum and 7.7% cases are delayed due to RL is different in portal and PBM dimension list which is minimum(n-65).

Chapter-5

Conclusion and Suggestions

CONCLUSIONS-

1. Claims will not get downloaded over the old or wrong licence number.
2. Pharmacies will dispense the medicines but claims will not be processed. And/or also if the licence is activated by the name of another provider; medications might get dispensed for that provider.
3. There might be a huge delay in Turnaround Time process for PBM claims because of the pending claims for long time.
4. Temporary suspension of services by the provider.
5. Payment might go to different provider under which licence is updated.
6. Approvals or payments can't be processed for such large number of claims at the moment.
7. A great number of complaints raised by the providers regarding the payments and delay in procedure. It might also lead to dissatisfaction and loss of the client.

PBM contracts with a pharmacy on behalf of an insurer or third-party administrator to administer or manage prescription drug benefits.

In contemplation with DHA mandate dated on 30th December 2013, all medical providers should request electronic approvals from payer/TPA for all prescriptions (either paper or electronic form). The portal of this electronic system is PBM (http:// www.pbmlink.com). The medical providers who are in network list of Aafiya need to send email request for activation of PBM by which they receive an Eclaim ID with license specifications (DHA/HAAD/MOH). Automated PBM approval code will be generated and the system will process these claims for submissions to Aafiya.

For the smooth flow of the process and claims submission the regular updation on the online portal is must as it might affect the PBM claims leading to several consequences.

Here, detecting the percentage level of non-updated pharmacy licence in the system and to understand the impact of errors on the pharmacy Claims process and to identify strategies that may help in avoiding the errors and eventually reducing the TAT of pharmacy claims.

SUGGESTIONS: -

1. Conduct timely auditing of the data document wise and system wise.
2. To ask the providers to communicate regarding the licence and other relevant details with the TPA on regular basis.
3. Providers may be given the online access of their related pharmacy group in the portal to change or add the relevant details in the networking portal themselves.
4. An appropriate coding system can be designed in the Aafiya portal for claims delay reason as well; so that providers might know about the faults at their end regarding necessary updates of the details.
5. Incorporate advance technical features so that system should provide an update a month before the license validity expires.
6. IT team should check if any Claim is pending on monthly basis.
7. Proper communication between the Networking, Claims and Finance departments about the complaints from providers regarding the payment.

Chapter-6

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