Synopsis for Dissertation Submitted

The IIHMR University, Jaipur

for the partial fulfilment for the award of the degree of

Master of Business Administration (MBA)

in

Hospital and Health Management

By

Ayush Kumar

2024

Synopsis

Title:

Assessment of Turn Around Time for Pre-Approval and Post-Approval Insurance Process at Nirvana Hospital, Indore.

Background and Context

The efficient handling of insurance processes during patient discharge is a critical aspect of healthcare services, directly impacting patient satisfaction and operational effectiveness. Delays in the pre-authorization and post-authorization phases of insurance processing can lead to extended hospital stays, increased administrative burdens, and dissatisfaction among patients. At Nirvana Hospital Indore, these delays have been identified as a significant issue, necessitating a thorough examination of the current processes to identify bottlenecks and areas for improvement. This study is rooted in the hospital's commitment to enhancing service quality and patient experience by streamlining these essential insurance procedures.

Need of Study

The need for this study arises from the observed delays in both pre-authorization and post-authorization insurance processes at Nirvana Hospital. These delays are attributed to several factors, including undertrained personnel, insufficient manpower, and IT infrastructure issues. The impact of these delays is substantial, affecting not only the hospital's operational efficiency but also patient satisfaction and overall service quality. By identifying the causes of these delays and proposing actionable solutions, this study aims to reduce Turn Around Time (TAT) for insurance processes, thereby improving the hospital's service delivery and enhancing patient experiences.

Scope of Study

This study focuses on assessing the Turn Around Time (TAT) for pre-authorization and post-authorization processes within the insurance department of Nirvana Hospital. Conducted over a period of 60 days, the research employs an observational study design with convenience sampling, encompassing a sample size of 300 patients. Data collection involves primary data sources, and analysis is performed using Microsoft Excel. The study specifically examines the process flows for pre-authorization and post-authorization, identifies key delays, and offers targeted recommendations for improvement. The findings are expected to provide a framework for optimizing insurance processing times, ultimately leading to better resource utilization and patient satisfaction.

Terms and Definitions:

1. Turn Around Time (TAT):

- Definition: The amount of time taken from the initiation to the completion of a particular process.

2. Pre-Authorization:

- Definition: The process by which a healthcare provider obtains approval from a patient's insurance company before providing a service to ensure the service will be covered under the patient's policy.

3. Post-Authorization:

- Definition: The process that occurs after the healthcare services have been provided, involving the verification and finalization of the insurance claims based on the services rendered.

4. Primary Data:

- Definition: Data collected directly from first-hand experience.

5. Insurance Department:

- Definition: The hospital department responsible for handling all insurance-related activities, including pre-authorization and post-authorization processes.

6. Discharge Summary:

- Definition: A comprehensive report prepared by the healthcare provider at the end of a patient's hospital stay, summarizing the patient's diagnosis, treatment, and future care instructions.

7. Audit Delay:

- Definition: The delay caused during the review and verification of financial records and bills before they are finalized and submitted for insurance claims.

8. Health Management Information System (HMIS):

- Definition: An information system designed to manage healthcare data, including patient information, billing, and clinical data.

Literature Review

The literature on the turnaround time (TAT) for pre-authorization and post-authorization processes in hospital insurance claims highlights significant impacts on patient satisfaction and operational efficiency. The study conducted at Nirvana Hospital, Indore, provides a comprehensive examination of these processes over a 60-day period, focusing on pre-authorization and post-authorization for 300 patients. Key findings emphasize the importance of streamlining these processes to reduce delays and improve service quality.

Pre-authorization is a critical step where initial approval for treatment costs is sought from the insurer. This process is typically time-bound, and any delays can adversely affect patient admission and care. The standard TAT at Nirvana Hospital is 90 minutes. However, the study found that the average TAT for pre-authorization was 73 minutes, which aligns with the hospital’s standards. Factors such as complete documentation significantly influence this

time, with cases having all necessary documents processed in an average of 89 minutes compared to 59 minutes for those with pending documents.

Post-authorization involves final approval from the insurer after treatment, which is crucial for discharge and billing processes. The standard TAT for this process is 45 minutes, but the study found it often exceeded this, averaging 47.1 minutes. The post-authorization process includes multiple steps: bill receipt, preparation, audit, and uploading, each contributing to potential delays. Key issues identified include delays in discharge summary preparation, audit delays, IT issues, and late bill receipts.

The study recommends several strategies to mitigate these delays, such as regular staff training, employing additional staff, upgrading IT infrastructure, and digitizing discharge summaries. These recommendations aim to streamline both pre-authorization and post-authorization processes, thereby reducing TAT and enhancing patient satisfaction.

Overall, improving the efficiency of insurance processing in hospitals is critical for operational success and patient satisfaction. The findings from Nirvana Hospital provide valuable insights into the challenges and potential solutions in this domain.

Terms and Definitions:

- **Turn Around Time (TAT)**: The time taken from the last document collected from the patient and uploaded into the TPA Portal (pre-authorization) and from the receipt of the approximate bill to its conversion into an insurance bill and sending it for post-authorization (post-authorization).
- **Pre-Authorization**: The process of obtaining approval from the insurance company before the patient receives certain medical services.
- **Post-Authorization**: The process of obtaining approval for services already rendered, ensuring coverage and payment from the insurance company.

Objective of the Study:

1. To understand the process flow of pre-authorization and post-authorization insurance processes.
2. To assess the Turn Around Time (TAT) for the pre-authorization process.
3. To assess the Turn Around Time (TAT) for the post-authorization process in the insurance department.

Methodology and Study Design:

The study was conducted over 60 days, from 18th March 2024 to 15th May 2024, in the insurance department of Nirvana Hospital. An observational study design was used, employing convenience sampling with a sample size of 300 patients (150 pre-authorization and 150 post-authorization cases). Primary data were collected and analyzed to evaluate the TAT for both processes.

Expected Outcomes and Possible Implications:

The study is expected to identify the key factors causing delays in the pre-authorization and post-authorization processes. Recommendations based on the findings aim to streamline these processes, thereby reducing TAT, improving patient satisfaction, and enhancing overall operational efficiency at Nirvana Hospital.

Limitations:

- The study relies on convenience sampling, which may introduce selection bias.
- Data collection was limited to a 60-day period, which may not capture all possible variations in the processes.
- The study focuses on a single hospital, limiting the generalizability of the findings to other settings or institutions.

References:

https://tamucc-ir.tdl.org

https://www.cms.gov

Name- Ayush Kumar

Roll No- 1481

MBAHM-27