Understanding Pre-Authorization Delays: Strategies for Streamlining the Process and Minimising Queries

Dissertation Submitted to

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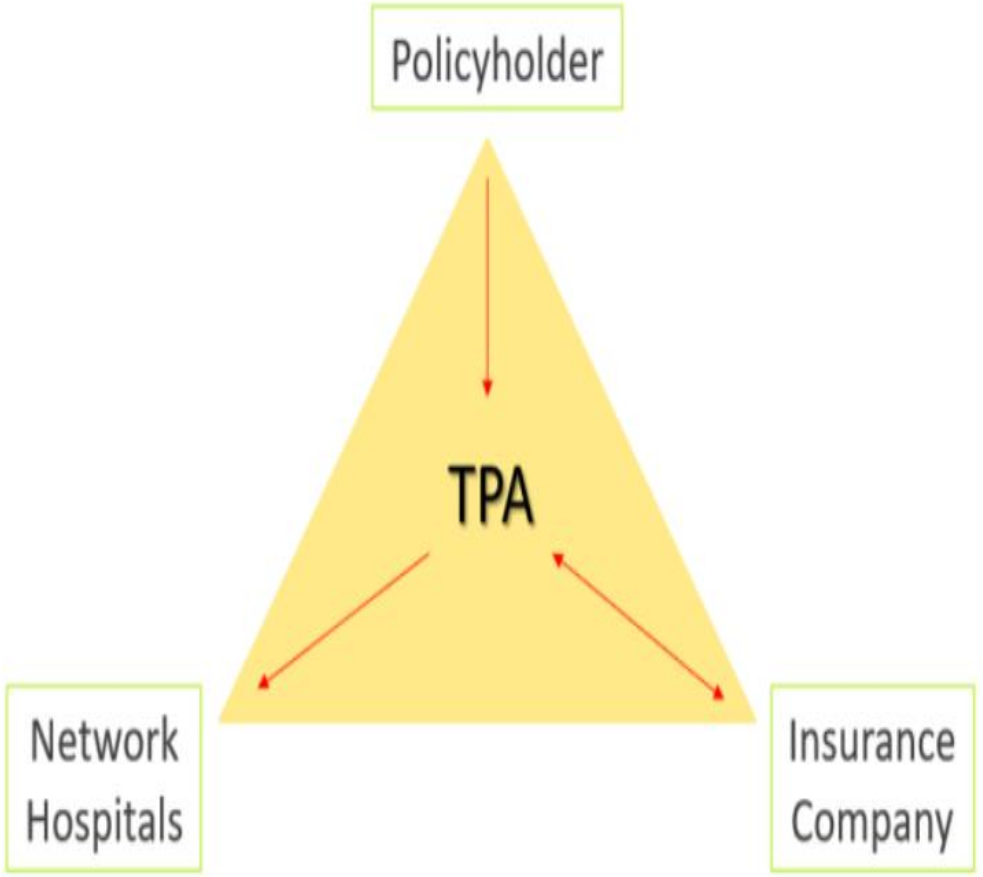
Chapter 1: Introduction

- In a hospital, a TPA serves as a link between policyholders and insurance companies, facilitating smooth pre-authorization, discharge, and settlement of claims
- TPA is a significant player in the managed care sector and has the know-how and capacity to handle pre authorization and claim settlement



The following documents are submitted to TPA during the pre-authorization process –

1) OPD/ ER paper

2) Insurance card

3) Aadhar card of policyholder and patient

4) Positive investigation report.

Role of TPA

1. Smooth processing of claims and claim settlements
2. Assisting and approving cashless claims
3. Disbursement of claims
4. Giving network facilities
5. Database maintenance
6. Collecting premiums
7. Cashless processing for approved hospitals
8. Reimbursing hospital bills with cash

Background –

- The efficient and timely handling of TPA cases has emerged as a critical area for improvement in the healthcare industry.
- Research indicates a correlation between poorly managed TPA cases and patient dissatisfaction.
- For a hospital to maintain its reputation and foster patient trust, ensuring seamless and efficient management of TPA cases is paramount.
- Effective TPA case management directly contributes to elevating the overall standard of patient care across the healthcare ecosystem.
- It is essential that services provided to patients under TPA arrangements consistently meet the high standards of quality established by the hospital.

Research Question:

- "What are the key bottlenecks within the pre-authorization of insured patients in a large multi-specialty hospital, as evidenced by the Total Turnaround Time (TAT) calculation, and how do these bottlenecks impact overall efficiency?“

- "What patterns or trends exist in the queries received from external Third-Party Administrators (TPAs) regarding insured patient pre-authorization process over a three-month period, and how can analysis of these queries inform strategies to minimize query volume, thereby saving time and resources for in-house executives?“

Objective:

- To calculate the TAT of overall pre-authorization of insured patients and to find out the bottlenecks in the subprocess.

- To collect and analyze the queries sent by external TPA for three months to suggest measures that need to be taken to reduce the number of queries.

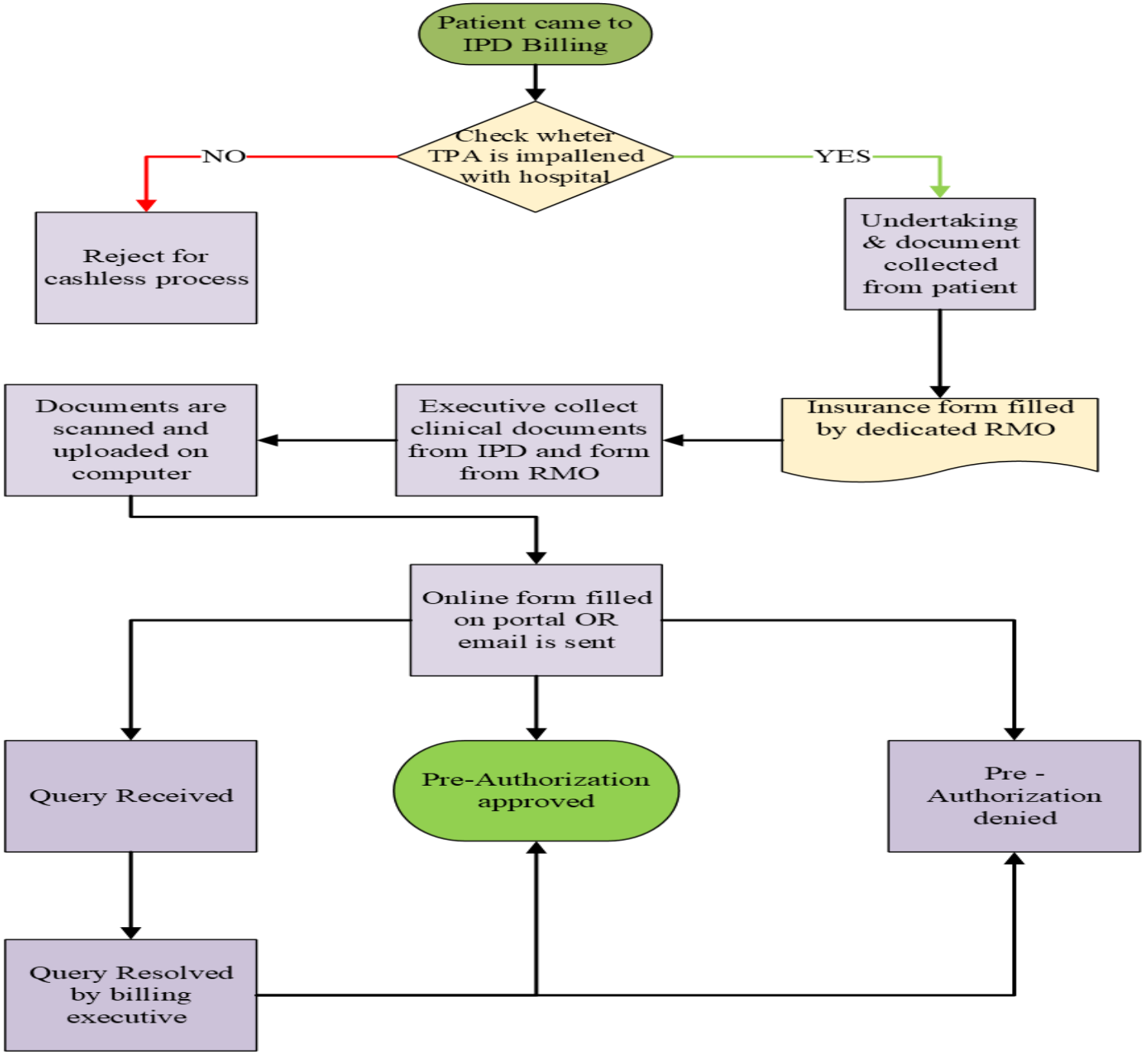
Chapter 3: Methodology

- This prospective study was conducted
- Duration - March to April of 2024
- Sample size of 102 insured patients going through the pre-authorization process is taken.
- Study Setting**:** The study was conducted at Wockhardt Hospital, Nagpur a 118 bedded hospital.
- Analysis**:** Data was transcribed and tabulated in MS-Excel and imported in SPSS-20, for analysis
- A tracking sheet is developed to record the data of TAT during the various stages of the Pre - Pre-authorization process.

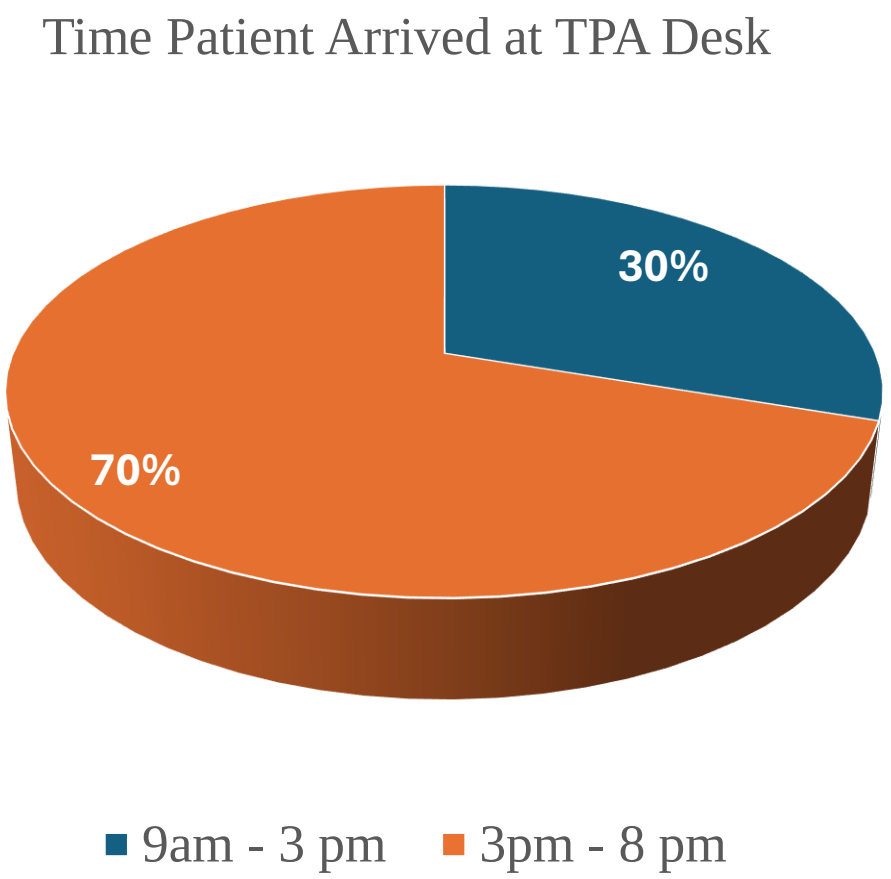
Data Collection Tool

Turn Around Time	Elaboration	Data Collection Tool	Technique
TAT 1	Time pre-authorization form filled by billing executive	Observation	Observation
TAT 2	Time RMO filled the medical history form	Observation	Observation
TAT 3	Time TPA reverted	Email timing	Email timing
TAT 4	Time taken for reverting back queries to TPA	Email timing	Email timing
TAT 5	TAT for Initial Approval (Total TAT)	Addition of TAT 1, TAT 2, TAT 3, TAT 4,	

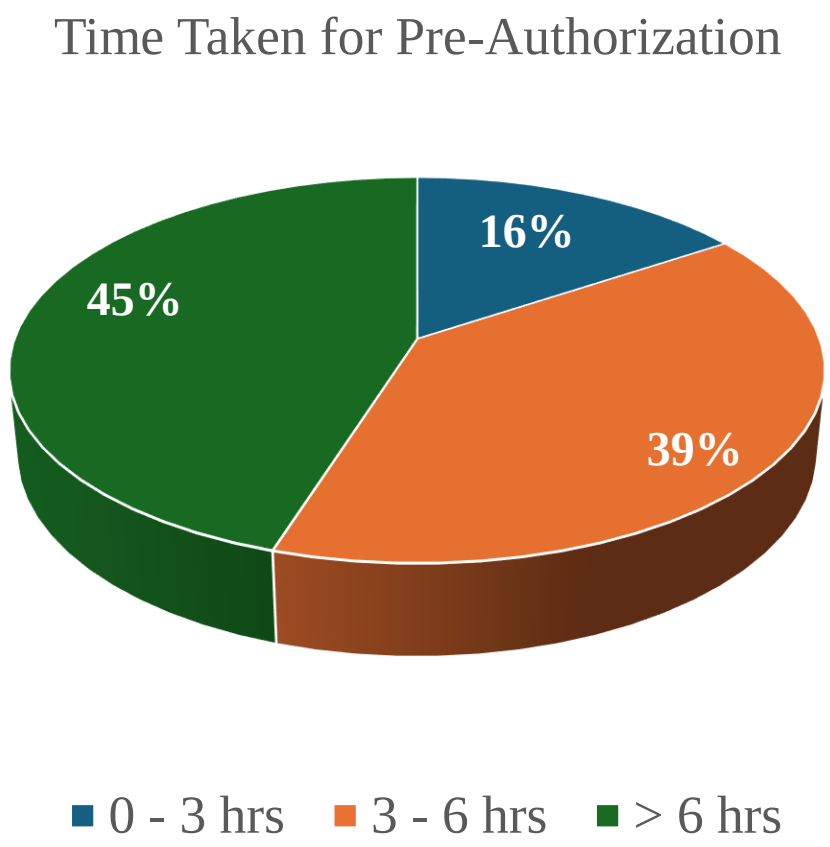

Process Mapping


Patient came to IPD Billing
Check wheter TPA is impallened with hospital
NO
YES
Reject for cashless process
Undertaking & document collected from patient
Insurance form filled by dedicated RMO
Executive collect clinical documents from IPD and form from RMO
Documents are scanned and uploaded on computer
Online form filled on portal OR email is sent
Query Received
Pre-Authorization approved
Pre - Authorization denied
Query Resolved by billing executive

Chapter 4: Results

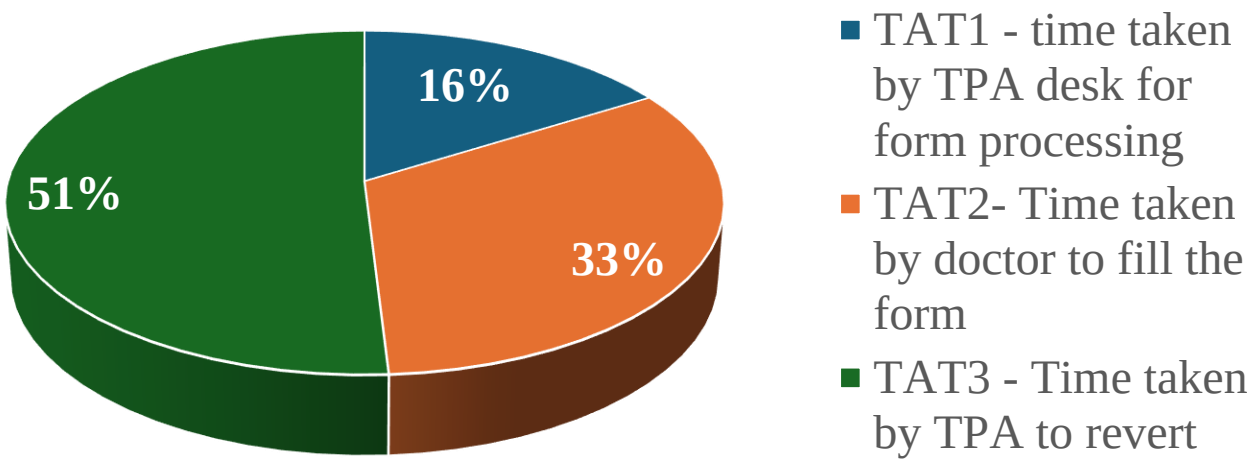


Data indicates that 70% of patients arrive between 3 pm and 8 pm, compared to 30% in the morning (9 am to 3 pm)



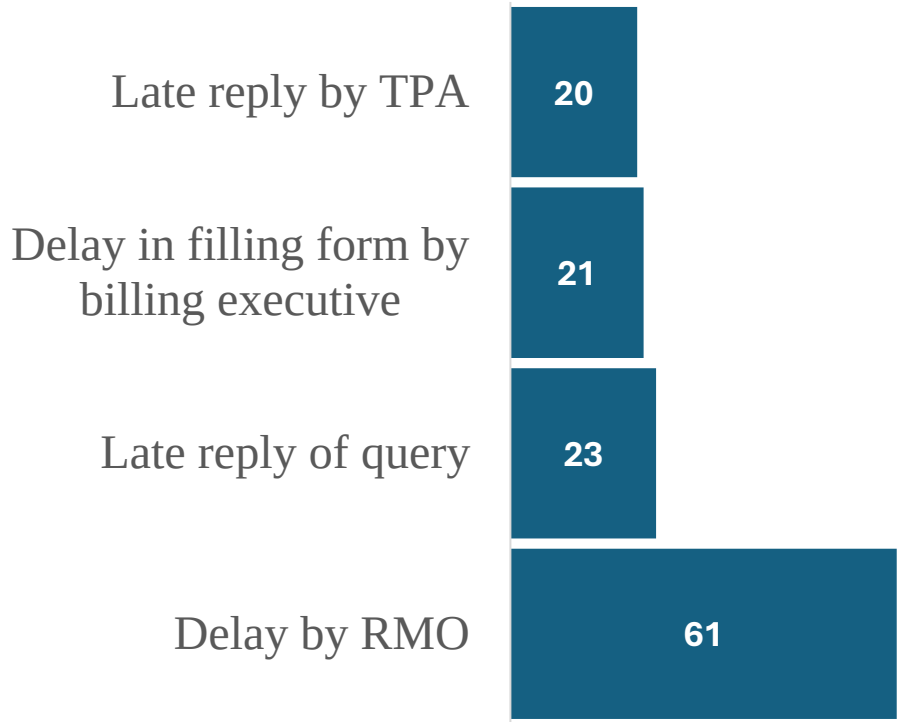
45% of pre-authorization cases require more than six hours while 39 % require 3- 6 hours for completion

Time study for pre auth forms in mintues(Average)

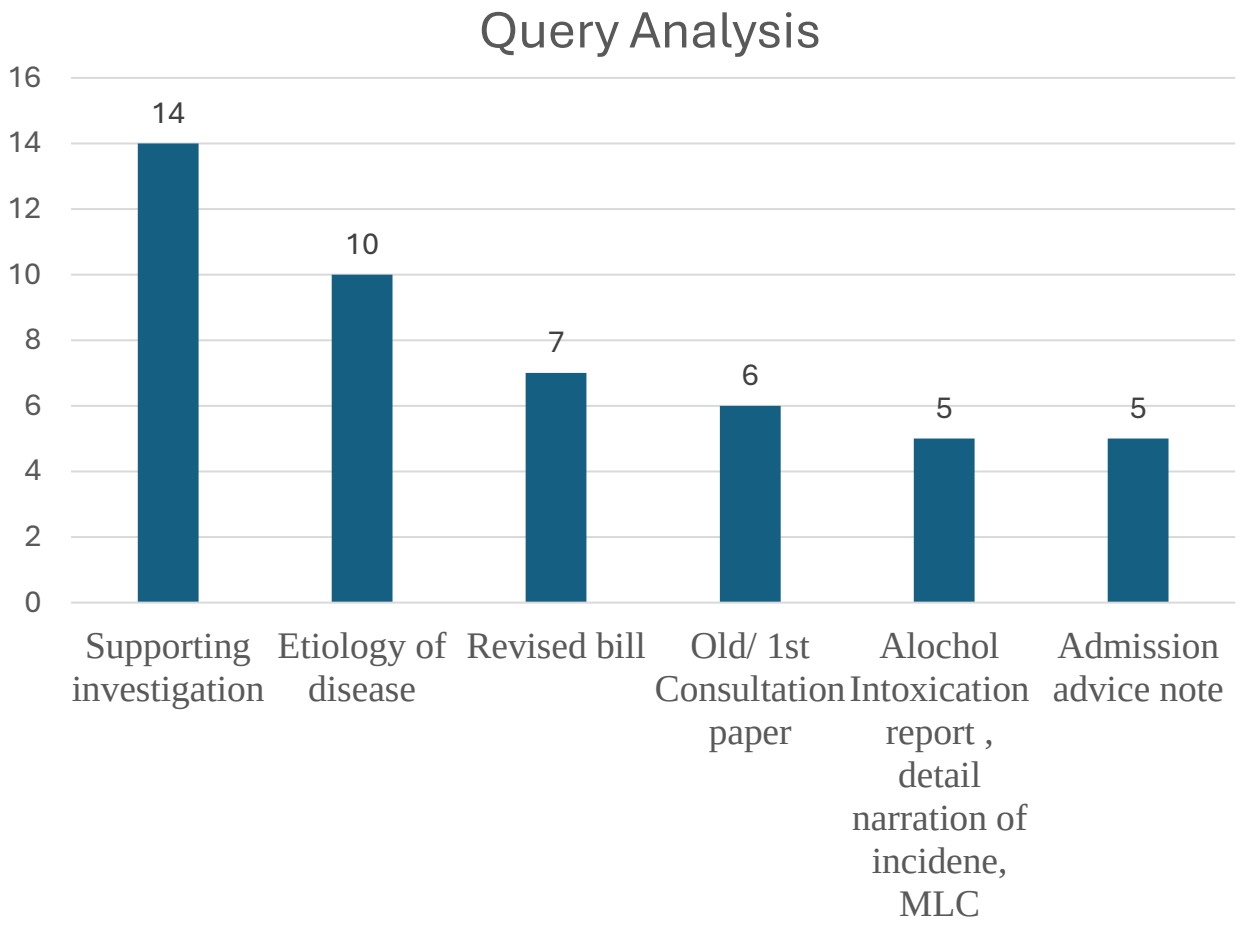


- The average turnaround time for external TPAs is 107 minutes, compared to the 69 minutes typically required by doctors to complete the pre-authorization forms.

Frequency of Delay

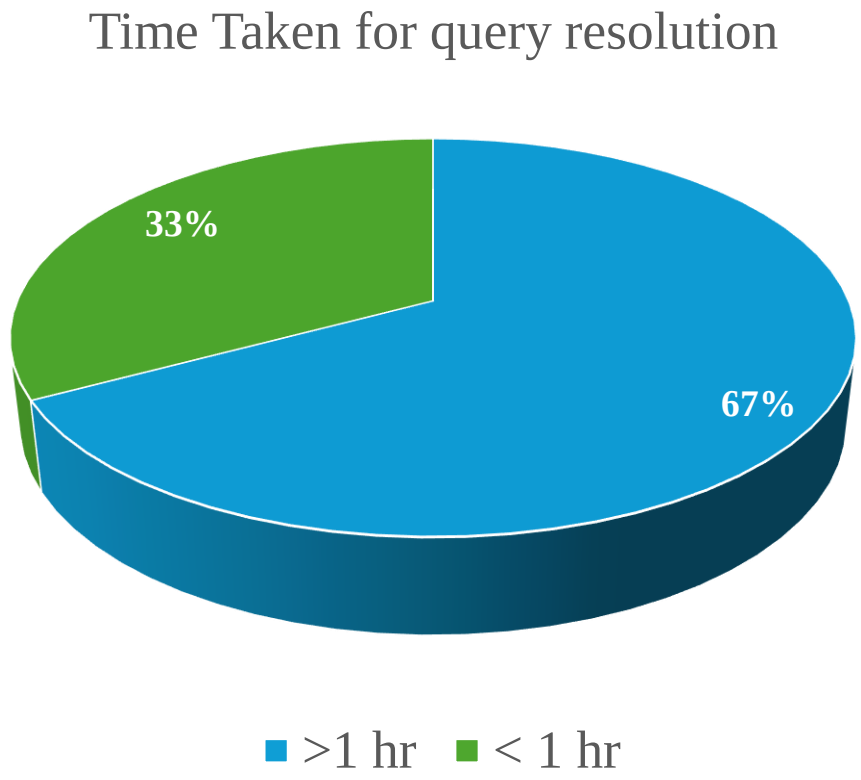


- The data in Figure reveals that delays caused by the RMO in filling the pre-authorization form are the most frequent cause of holdups, accounting for over half (greater than 50%) of the cases.
- Billing executives are also a significant contributor to delays, causing nearly half (around 50%) of the remaining delays.

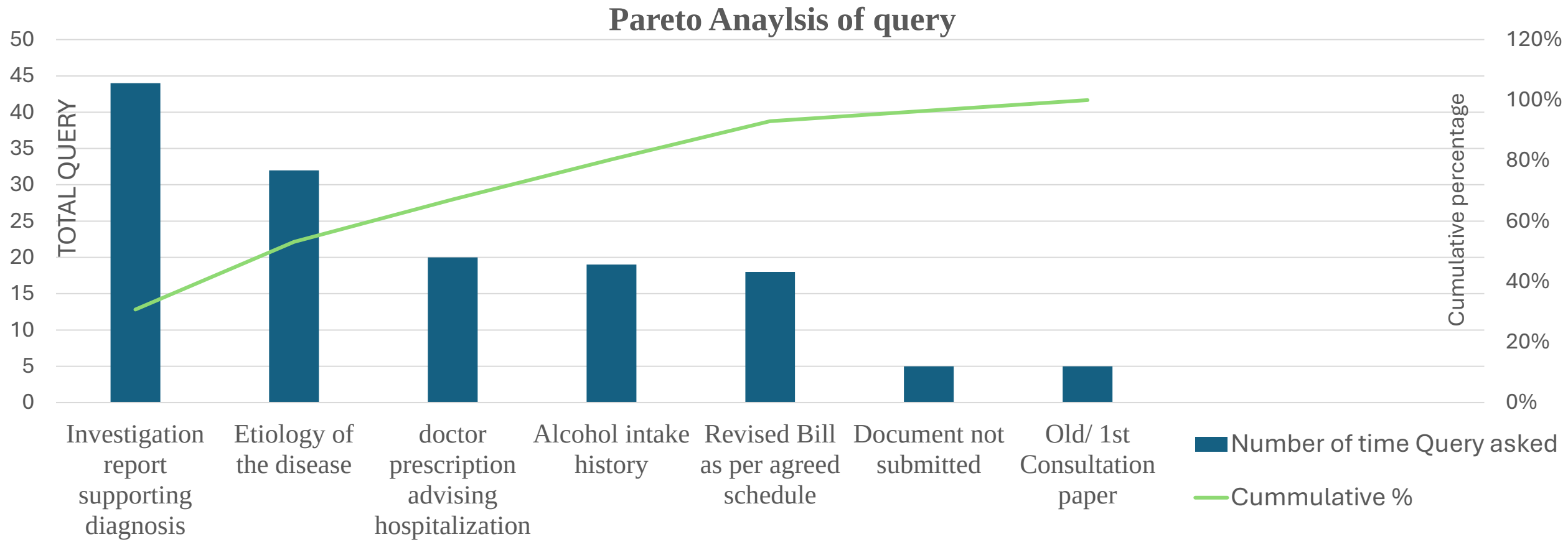


The most frequent inquiries pertained to

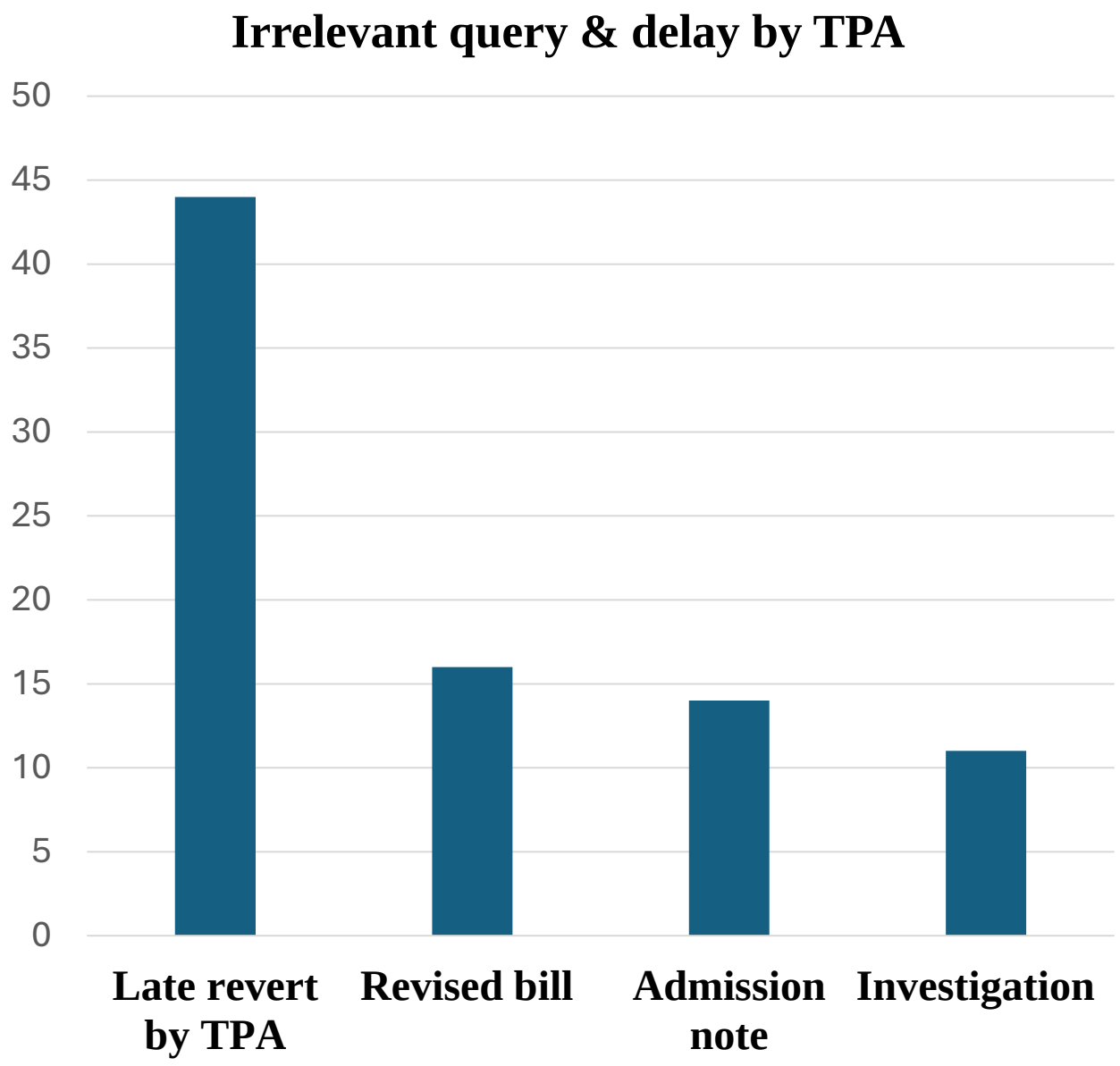
1) Supporting Investigations to confirm the diagnosis
2) Aetiology of the Disease to understand the cause.
3) The TPA desk also received some irrelevant query like revised bill and doctor prescriptions advising hospitalization which was already present in the request form



As seen in the above graph it is clear that in more than 50% of cases the TPA desk resolved the query in more than 1 hour which is not the standard time for query resolution.



- The Pareto analysis identified that 20% of the factors contributing to pre-authorization delays are associated with the investigation and etiology (cause) determination of the disease.
- These factors account for a significant portion (approximately 80%) of the overall delay time.
- Other frequent queries were doctor prescription advising admission of the patient , in accidental case MLC , alcohol history was asked



- The TPA responded late to 44 cases, exceeding the 2-hour turnaround time.
- In 16 cases, a request was made to revise the bill and highlight the corresponding costs in the tariff card.
- In 14 cases, clarification was sought on the admission note, even though this information was already provided on the OPD paper.
- In 11 cases, an investigation was requested, even though the investigation report was already attached to the PA form**.**

Descriptive Analysis

	Minimum	Maximum	Mean	Std Deviation
TAT 1	10	70	34.46	14.14
TAT 2	10	256	69.77	51.33
TAT 3	6	1180	107.47	184.086
TAT 4	10	1433	472	496
TAT 5	60	1980	540.80	504.818

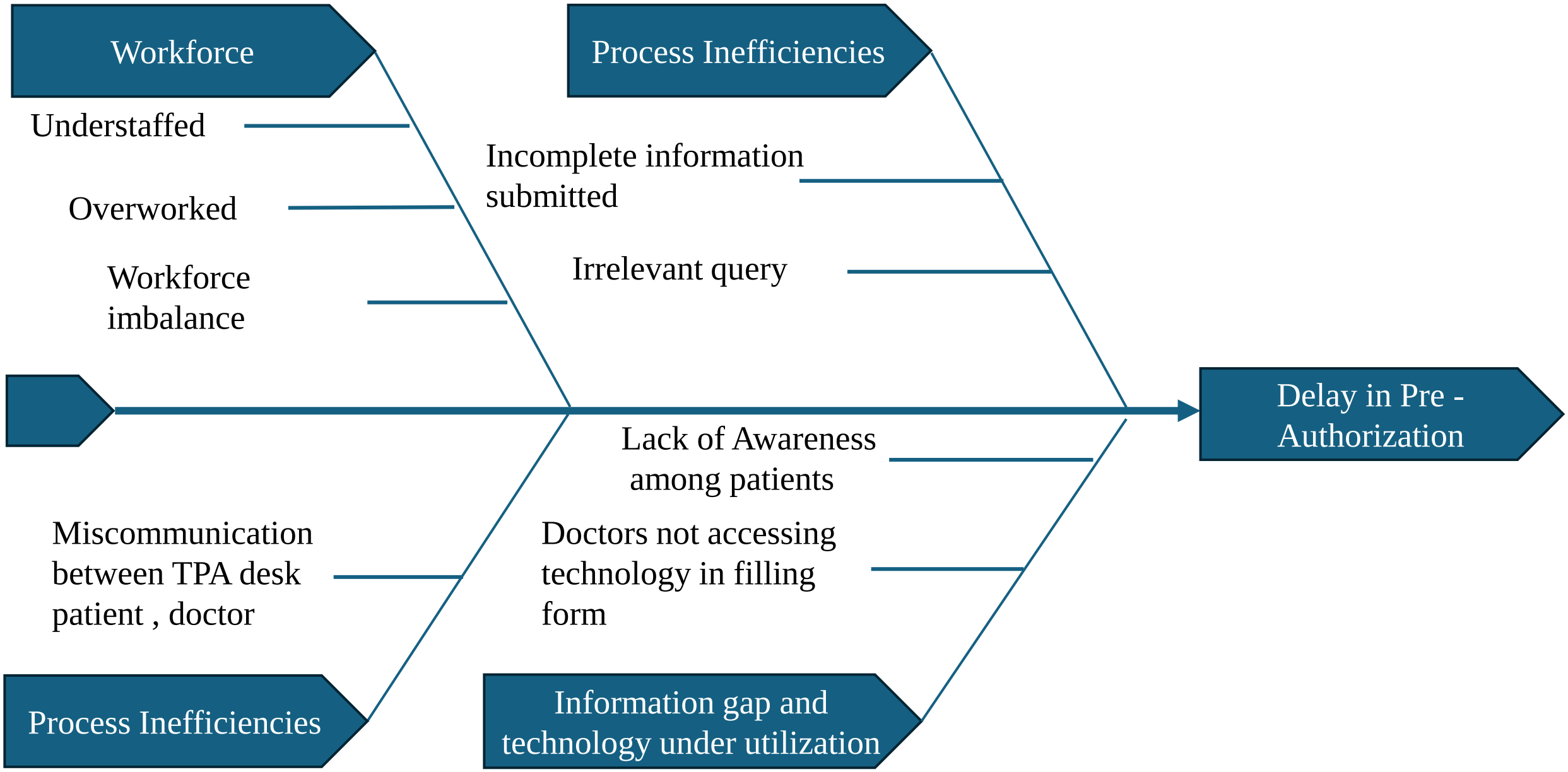
- The analysis reveals a wide range in turnaround times for total pre-authorization, with a minimum of 1 hour, a maximum of 33 hours, and an average of 9 hours.
- The data shows a significant variation in response times to external TPAs for queries. The minimum response time was 10 min, the maximum was 23 hours, and the average was 8 hours.
- The minimum completion time by RMO for filling the duly form was within 1 hour, the maximum was 4 hours, and the average was 1 hour.
- The maximum time taken for external TPA to revert was 19 hours with a mean of 1 hour 47 min.

Pearson correlation

	TAT 1	TAT2	TAT3	TAT4
TAT 5	0.177	0.214	0.247	0.661
P value	0.075	0.031	0.012	0.000

- From the above table, it can be seen that TAT 4 , TAT 3 and TAT 2 have a moderately strong and positive correlation with the TAT 5, whereas TAT1 have weak positive correlation

ROOT CAUSE ANALYSIS



Chapter 4 : Discussion

- Efficient TPA case processing is crucial for a smooth patient experience. It's a collaborative effort involving the TPA department, hospital departments like IPD and OPD, and dedicated staff working together
- To understand the process a process mapping was done and it was discovered that the pre-authorization process was complex and time-consuming.
- It was observed that a major cause of delays and extra work in the pre-authorization process was sending requests with missing documents or information which lead to more queries received.
- To understand why this was happening, root cause analysis (RCA) was done.
- It was seen from observation and analysis that a lack of documents and complex process is the main reason behind sending incomplete information to TPA.
- Also the billing executive spend a lot of time on floor in collecting documents and resolving queries .
- Also along with insufficiency of documents/information, other reasons associated with the process, communication /counseling of patients, patients providing all the necessary documents timely, and delay in action taken for settling a query internally are contributors in the main effect.

Delay in process

A. Delay by billing executive :

- The hospital has established a performance benchmark of an average 45-minute turnaround time for pre-authorization (PA) form completion.
- However, an analysis of recent cases revealed 21 instances where the billing executive responsible for PA tasks experienced delays.
- This can be attributed to the individual managing multiple duties concurrently, including PA tasks, discharge processing, and resolving patient queries.
- This multitasking environment appears to be a contributing factor to the observed delays

B. Delay by RMO in filling pre authorization form

A single Registered Medical Officer (RMO) is assigned to complete pre-authorization (PA) forms. However, there workload encompasses various other duties, including:

a) **Outpatient Department (OPD) Responsibilities:** These additional OPD tasks compete for the RMO's time and can lead to delays in PA form completion.

b) **Emergency Ambulance Call Response:** The need to respond to emergency ambulance calls further disrupts the RMO's focus on PA tasks, potentially causing delays.

c) Obtaining timely approval from the relevant consultant can also be a source of delay

C. Late reply of the query

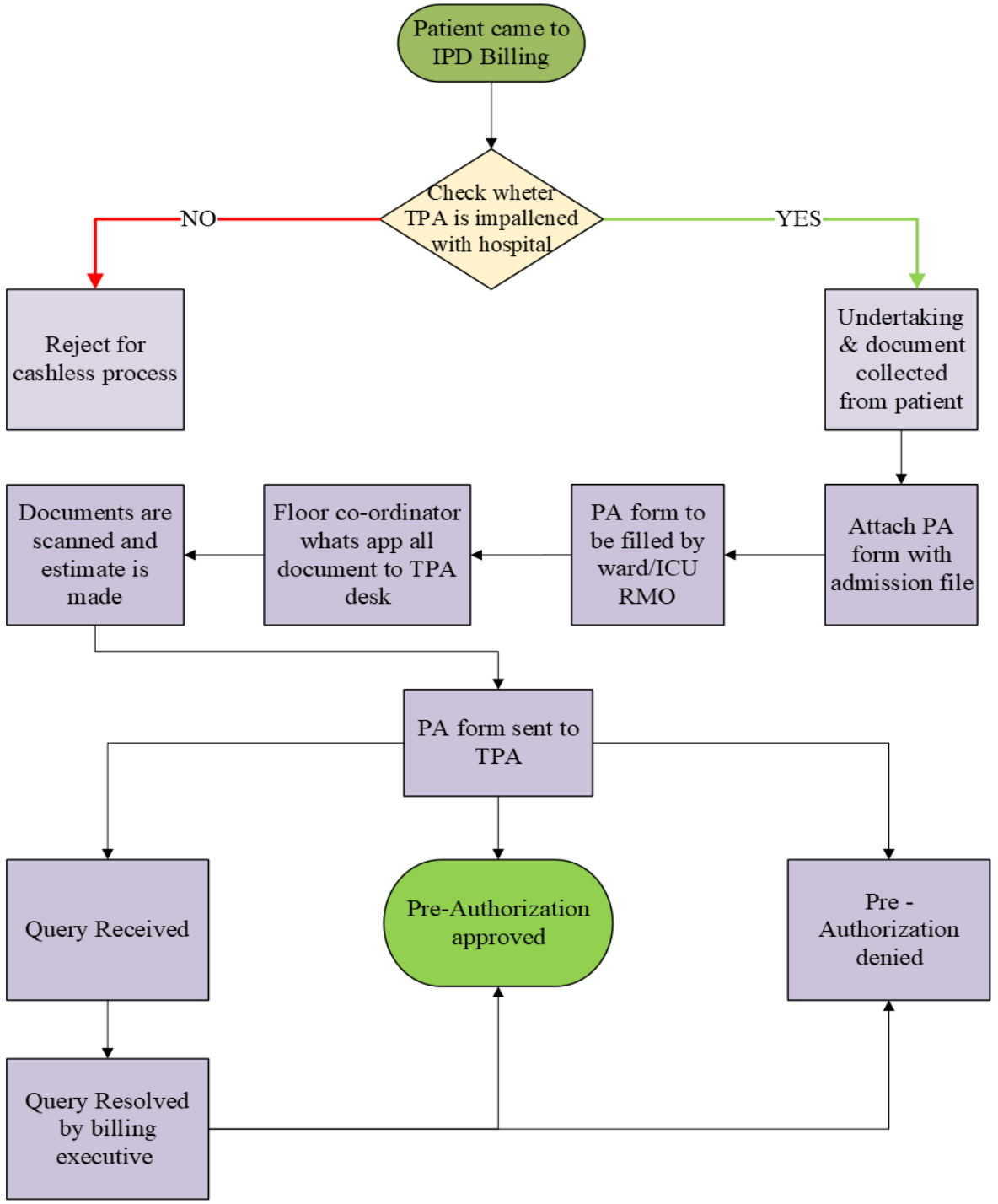
- The current workflow assigns pre-admission (PA) tasks , query resolution and discharge processing to the single billing executive.
- This combined workload can lead to capacity limitations, potentially causing delays.
- Additionally, queries received after the billing executive's departure for the day remain unaddressed until the following business day.
- A significant portion of queries appear to focus on highlighting information already present on the tariff card and admission history record which submitted with pre authorization

- Data indicates that 70% of patients arrive between 3 pm and 8 pm
- 45% of pre-authorization cases require more than six hour
- The external Third-Party Administrators (TPAs) exhibit the longest average turnaround time (106 min) within the total pre-authorization process.
- If we talk about delay caused in sub process of PA , delay by RMO holds maximum number of delay (61)
- The most frequent inquiries pertained to 1) Supporting Investigations to confirm the diagnosis and 2) Aetiology of the Disease to understand the cause
- more than 50% of cases the TPA desk resolved the query in more than 1 hour
- The Pareto analysis identified that 20% of the factors contributing to pre-authorization delays are associated with the investigation and etiology (cause) determination of the disease

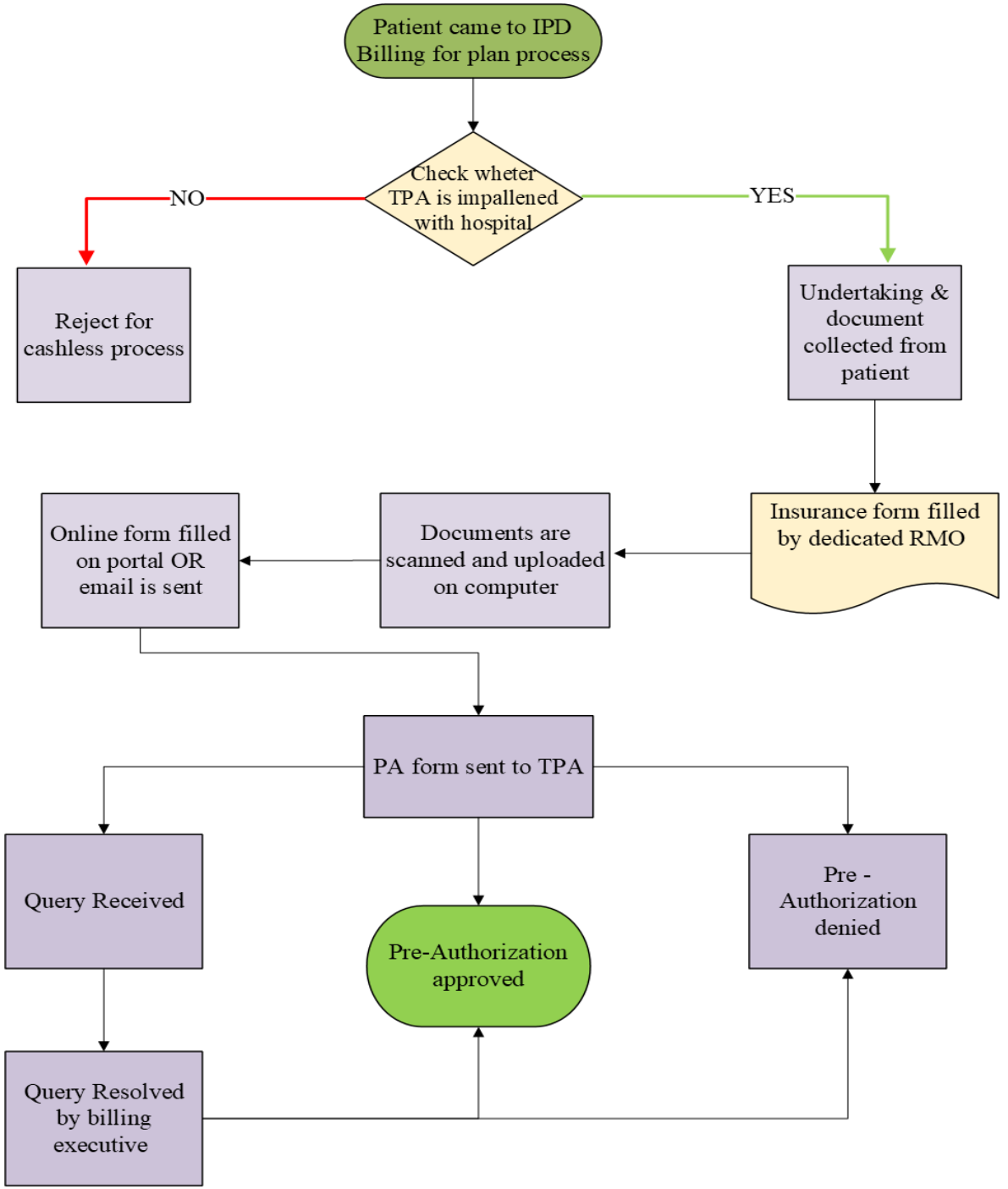
Chapter 5 : Recommendations

SR.NO	Practice	Recommendations
1	Single person in TPA handling admission , discharge and query	Allocating one person in afternoon which can work in both Cash and TPA patient. While billing executive in ER can do discharges
2	Doctor filling the form after billing executive send relevant document	Leveraging technology Doctor should access DOXPER to fill the PA request form
3	TPA executive goes to the floor to collect documents	Floor co- Ordinator must whats app all the required document to the billing executive for streamlining the process.
4	Complex PA process	Change in process of PA . which is listed below

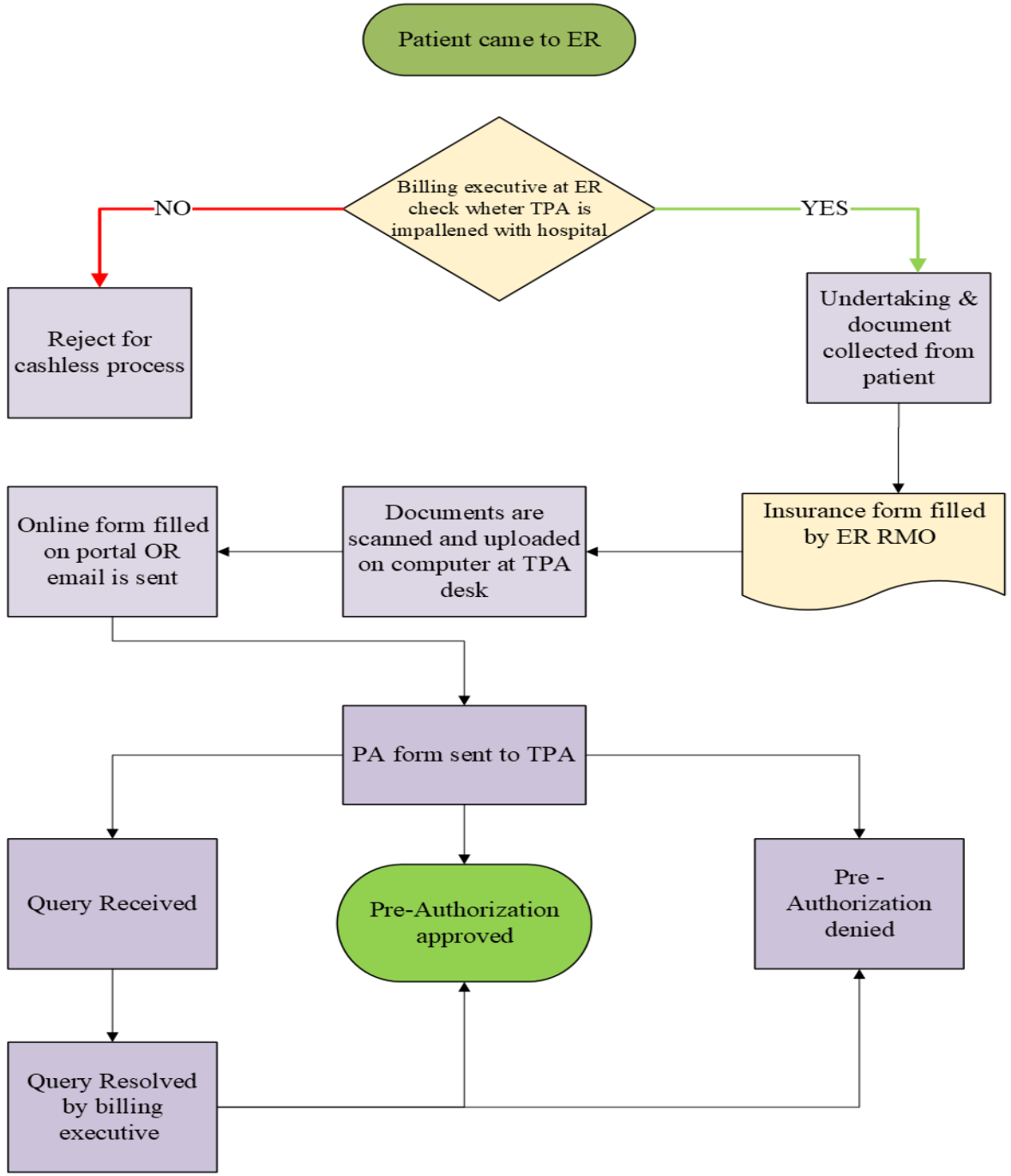
For patient admitted from OPD



Process for plan procedure



Process flow for ER admission



Recommendations for Query

Investigation query -

Tentative Checklist

- Cardiovascular Disease – ECG , ECHO , Cardiac markers
- Abdominal pain – CBC , LFT , KFT , USG
- Accidental Cases – MLC, alcohol intoxication report, Detail of the incidence
- Fracture patient – Xray , CT/MRI
  Stroke – CT/MRI
- Cancer patient – Detail about drug
- Enhancement case – ICP , case summary
- Asking patients if they have any past investigation or any investigation done from outside for current diagnosis
- Any Other -

If newly diagnosed DM/HTM ask for 1st consultation paper

THANK YOU