EVALUATION OF TURNAROUND TIME OF REIMBURSEMENT CLAIM PROCESSING

Dissertation Submitted to

The IIHMR University, Jaipur

for the partial fulfilment forthe award of the degree of
Master of Business Administration (MBA)

in

Hospital and Health Management

by

DR. GARVIT GUPTA

Under the Supervision and Guidance of

DR. VINOD KUMAR

EVALUATION OF TURNAROUND TIME OF REIMBURSEMENT CLAIM PROCESSING

Dissertation Submitted to

The IIHMR University, Jaipur

for the partial fulfilment forthe award of the degree of
Master of Business Administration (MBA)

in

Hospital and Health Management

by

DR. GARVIT GUPTA

Under the Supervision and Guidance of

DR. VINOD KUMAR

DECLARATION BY STUDENT

I hereby declare that this dissertation titled **EVALUATION OF TURNAROUND TIME OF REIMBURSEMENT CLAIM PROCESSING**

is the bonafide record of my original research work. I declare that it has not been submitted to any other university or institution for the award of any degree or diploma. Information derived from the published or unpublished work of others has been duly acknowledged in the text.

DR
GARVIT

30/06/2022

Aditya Birla Health Insurance Co. Ltd.
(A part of Aditya Birla Capital Ltd.)

ADITYA BIRLA CAPITAL

June 28, 2022

To Whomsoever It May Concern

This is to certify that **Mr. Garvit Gupta** has successfully completed his Internship Program with us from 24th March 2022 till 20th June 2022.
During the internship, he was part of the Claims Team and has worked on the project "Claims Processing and Improvements" at ABHICL

We take this opportunity to wish him all the best in his future endeavors.

Thanking you,

Yours sincerely,

For **Aditya Birla Health Insurance Company Limited.**

Gaurav Dwivedi,
Head - Corporate HR

CERTIFICATE

This is to certify that dissertation title ***EVALUATION OF TURNAROUND TIME OF REIMBURSEMENT CLAIM PROCESSING***

is a record of the research work undertaken by (Dr Garvit Gupta) in partial fulfillment of the requirements for the award of the degree of MBA (Hospital and Health Management) from the IIHMR University, Jaipur under my guidance and supervision and his/her approach to the research study has been sincere, scientific, and analytical

DR. VINOD KUMAR

Faculty Guide	School Dean
IIHMR University, Jaipur	IIHMR University, Jaipur
Date	Date

ABSTRACT

In India, health insurance is a growing service sector. The Insurance sector is on the rise as a result of economic liberalisation and increased public awareness. Because private health insurance businesses provide a variety of health plans, a smooth claims processing procedure is essential, resulting in efficiency and high customer satisfaction.

Reimbursement claims require you to pay the hospital bill first and then seek reimbursement from the insurance company afterwards. To provide the best value to customers and a trouble-free experience, the entire process was monitored. The study's objectives were to examine the process flow of reimbursement claims (network and member), identify gaps in claims processing, and evaluate turnaround time in order to make recommendations for these gaps and TAT that will help improve efficiency and customer satisfaction. The study was an observational descriptive study. The study findings revealed that the initial process flow of the claims is completely different from the current operating process. Gaps are identified and reported, and recommendations are made. The study resulted in a time reduction in the claim process, which improved staff efficacy, made better use of resources, and improved turnaround time.

AKNOWLEDGEMENTS

I owe my monstrous gratefulness to specific people for their full responsibility towards this work. This study could never have been productive without the assistance of a few concerned people. I stretch out my earnest appreciation to my coach, Dr Abhijeet Ghosh, Vice President and Dr Lokesh Sonawane, Chief supervisor, Dr Ravindra Bagwe, Dr Rahul Sahara and Dr Kartiki Vanjare, Team Leads, of Claims Dept. of Aditya Birla Health Insurance Company Limited. I'm thankful to them for financial planning their significant time with me and providing me with the pieces of information to complete this work. I could moreover need to thank my office accomplices for consistently helping me.

I might likewise want to say thanks to Dr Vinod Kumar IIHMR University my aide for giving me support in finishing my venture effectively as well as giving bits of knowledge into the functional issues which went over the undertaking.

I broaden my appreciation towards The IIHMR University, Jaipur for offering me the chance to set out on this task.

In particular, for overflow kindness and giving me great wellbeing all through the review: I thank my Almighty God.

TABLE OF CONTENTS

ABREVIATIONS

ABC - Aditya Birla Capital

ABHI - Aditya Birla Health Insurance

IRDA - Indian Regulatory and Development Authority

PPN-Preferred Provider Network

SOP's-Standard Operating Procedure

TAT-Turnaround Time

TPA Third Party Administrators

OVERVIEW

An agreement requiring a back up plan to pay some or an individual's all's medical services bills in return for an expense is known as health care coverage. Health care coverage frequently covers clinical, careful, and physician endorsed drug costs. Health care coverage can either compensate the safeguarded for costs caused because of ailment or mishap known as repayment, or straightforwardly pay the consideration supplier known as credit only office.

It is regularly remembered for boss advantage bundles for of drawing in top ability, with charges to some extent supported by the business yet habitually kept from representative checks. The expense of health care coverage charges is deductible to the payer, and the advantages got are tax-exempt.

The review was directed in Mumbai at Aditya Birla health care coverage private restricted. which plans to concentrate on the holes in repayment claims handling and how we can diminish tat in the cases division. The underlying standard working methods were not practical as in they ought to have been followed; there were holes and irregularities in them. Hence, the review's primary objective was to assess the useful interaction stream of repayment guarantees and foster a standard working strategy for it. The outcome of any case protection interaction not set in stone by the completion time of the repayment cycle, still up in the air to be 15 days. according to the point of view of the insurance agency and the guaranteed, the time taken to handle the case is basic since it offers the best types of assistance to the patient. from the insurance agency's viewpoint, the more limited the time, the better the selling point of the organization's administrations, which will keep up with and increment efficiency.

GOAL: -

The's review will likely research the case cycle, assess the TAT of the repayment interaction, and update the interaction stream. OUTLIE OF THE STUDY

PREFERRED: -

The study used secondary data, and the procedural flow of ABHI claims was monitored with TAT assessment.

To make the revisions, the online reports, ABHI website, and previous standard operating procedures were referred to for secondary research.

RESEARCH QUESTIONS

- What is the reimbursement process?
- What is the Turnaround Time of reimbursement process?
- Are there any gaps in the reimbursement procedure that must be filled?

OBJECTIVES

- To document the procedure of process of reimbursement claims at health insurance
- To analyse the Turnaround time for settlement of reimbursement claims
- to identify the challenges and gaps in the process of reimbursement claims

METHODOLOGY

This exploration was led as a feature of my thesis program at Aditya Birla Health Insurance Private Limited's cases division. The concentrate likewise contained optional information,

which was trailed by Turnaround Time and the execution of enhancements to standard working strategies. The optional information was gotten north of a three-month time frame.

QUANTATIVE DATA

Following the conventions and checking on the TAT, remembering the financial backers' viewpoints for method improvement, their obligation to powerful handling and investigation of data accumulated was finished.

Sampling technique

It is the type simple quantitative random sampling collection technique, getting the bias free results from the study

For the reimbursement process, 3444 claims were taken randomly 2484 were approved, 363 was denied, 597 were under Query.

LITERATURE REVIEW

- Claims is a typically consistent procedure that includes a number of distinct elements that are designed to provide timely and effective customer service. (1) To resolve difficulties raised by the client or a third party in accordance with the terms and conditions of the agreement at the lowest possible cost. If there is an occurrence of the mind-boggling circumstances, the buyer should jump on the site as soon as possible.

- Procedure of reimbursement of claims: -
  The guaranteed should give the fundamental documentation to the TPA inside the range of time determined. The guarantors will not keep guarantee monies after the obligation and size of a case under a strategy are demonstrated. It ought to be stressed, nonetheless, that the execution of such vouchers doesn't block the policyholder's capacity to look for extra pay before any legal or other lawful fora. (2)

Table 5.1 (TIME SPAN OF DOCUMENT SUBMISSION)

TYPES OF CLAIMS	THE LIMIT FOR SUBMISSION OF DOCUMENTS TO TPA/COMPANY
Repayment of hospitalization ,prehospitalization costs and rescue vehicle charges	In somewhere around 15 days from the date of release from the emergency clinic
Repayment of post hospitalization costs	In no less than 15 days from the fulfilment of post hospitalization treatment
Repayment of domiciliary hospitalization costs	In somewhere around 15 days from issuance of wellness testament
Repayment of hostile to rabies immunization and new conceived inoculation	In somewhere around 15 days from date of immunization
Repayment of costs for fruitlessness treatment	In somewhere around 15 days of consummation of treatment or 15 days of expiry of strategy period, whichever is prior, once during the arrangement year

Even while health insurance may seem like simply another form to complete, it has shown to really save lives in the event of medical emergencies, shielding individuals who subscribe from potential destitution brought on by high medical costs. Despite the presence of a fundamental level of knowledge, this does not automatically result in the purchase of an insurance plan. The general population ought to be informed about the newer, more cost-effective government-led programmes that best suit their financial circumstances.(3)

A study shows the errors faced by the insurance companies because of systemic errors and recommendations given how these errors can be resolved and we can reduce the turnaround time of the claims. (4)

Another study gives the recommendations on recent development in insurance sectors and future challenges, how we can cope up with these challenges (5)

An interesting article shows what is the process of the insurance claims of both cashless and reimbursement, out house and in house claims. (6) According to a review of the breakdown of reimbursements, more than one-third of reimbursements are made for medical expenses, with diagnostic costs accounting for around one-fourth. (7)

The success of both large and small businesses operating in the insurance sector depends on effective claims handling. Creating ways to reduce expenses and fraud while maintaining customer satisfaction is a major part of the claims processing process. Technology and solutions for claims management might be very useful for small businesses. (8)

Within 30 days of accepting the claims consultancy, the insurance broker must notify the authority, providing information such as the client's name, the location of the risk, the insurer's name, the name of the distribution channel, if any, the amount of the claim, the date the loss occurred, and the client's mandate for the claims consultancy. (9)

For patients with insurance, discharge delays are a frequent occurrence. To reduce the wait, hospitals and insurance providers must work together. Further, timely filing of discharge summaries and relevant paperwork, as well as prompt responses to queries received, are necessary to check for delays from hospitals. (10)

The job of the public authority, especially the Ministry of Health and other appropriate government organizations, in the administration of the wellbeing area is one result of the improvement of health care coverage and related changes. The wellbeing specialists at all levels are probably going to have to take on a more express stewardship job in the ongoing climate of expanding public-private help blend, free state organization the board of the insurance framework, proceeded with decentralization of contract and program execution, and the consequences of additional autonomization of public offices (WHO 2000). Such a capability expects, specifically, observing and assessing strategies, as well as controlling and overseeing specialist co-ops. (11)

REIMBURSEMENT PROCESS

A repayment office is a health care coverage inclusion that requires the patient or policyholder to take care of the hospital expenses ahead of time. The guarantor repays these expenses later in the event that a case is recorded. A repayment protection offers the safeguarded the chance to choose the medical clinic or medical services supplier of their picking.

If the policyholder chooses to go to a non-empanelled hospital, the insurance company will reimburse him or her. The cashless claim facility cannot be used in this circumstance. As a result, the insured must pay all medical bills and other costs associated with hospitalisation and treatment before filing a claim for reimbursement. To file a reimbursement, claim, you must give the insurance provider with all necessary documents, including original bills. The firm will then investigate the claim to evaluate its scope under the policy and pay the insured. If the treatment is not covered by the policy, the claim will be repudiated. In most cases, the insurance company cites grounds for the repudiation.

DOCUMENTATION

The following documents are necessary to file a health insurance claim: -

- FORM PART A
- FORM PART B
- DISCHARGE SUMMARY
- HOSPITAL FINAL BILLS
- FIRST CONSULTATION PAPERS
- DOCTORS PRESCRIPTION

- PHARMACY BILLS WITH PRESCRIPTION
- INVESTIGATION BILLS WITH PRESCRIPTION WITH REPORT

For every treatment, assurance ought to cover all charges and accumulate every single specialist's visit cost relating to the treatment, contingent upon the condition and how a safety net provider processes the repayment. Gather the release declaration or release rundown from the emergency clinic when you are released from the clinic. Present the protection office with the release card or release outline, as well as the emergency clinic charges. The organization would investigate the bills and repay you for the case you made.

RESULTS

The choices in the repayment cycle are like those in the credit only system in that the case can be endorsed, denied, or a question can be made. As indicated by the review during the time of information assortment from 15th April, 2022 to 31st May, 2020, the example size was 3444 out of 363 cases were denied, 597 were renounced, and 2484 were acknowledged, according to the IRDA strategies,

TABLE 7.1 (RESULTS AS PER TAT)

STATUS	0-7 DAYS	8-4 DAYS	15-21 DAYS	22-30 DAYS	31-45 DAYS	46-60 DAYS	61-90 DAYS	90+ DAYS	GRAND TOTAL
APPROVED	575	560	324	471	427	91	21	15	2484
DENIAL	136	55	41	40	39	15	16	21	363
REPUDIATED	181	180	146	61	24	2	2	1	597
GRAND TOTAL	892	795	511	572	490	108	39	37	3444

CHART 7.1 (DESCISION AS PER TAT)

Figure 7.1 (DESCISIONS)

The whole unbiased of the upgraded methods is to be precise about the cycle stream to accomplish ideal proficiency, adequacy, and consumer loyalty. The objective was to concentrate on the interaction and recognize escape clauses/holes, as well as regions for process improvement through end of negligible, manual exertion and abatement of TAT. Proposals/ideas for the equivalent were made, and they were integrated into the cases. Aditya Birla Health Insurance has an office.

Figure 7.2 (APPROVED AS PER TAT)

Figure 7.3 (DENIAL AS PER TAT)

Figure 7.4 (QUERY RAISED AS PER TAT)

- 72% of cases were endorsed during the repayment system. Out of the 3444 records, 2484 cases were endorsed, demonstrating that the cases' last handling was finished.
- During the review, 17% of the cases were addressed. A request was raised against 597 cases out of 3444 due to non-divulgence or extortion suspect and were alluded to the FWA group for examination.
- During the 30-minute time frame, 11% of the cases were denied. 363 occasions were declined out of 3444 in light of the fact that nondisclosure or misrepresentation was found.

GUIDELINES

- The Insurance Regulatory and Development Authority (IRDA) has laid out time spans for strategy and guarantee adjusting, and has expected back up plans and mediators to guarantee that purchasers are kept educated regarding their privileges inside specific time limitations.
- The Turnaround in 15 days, time is allotted for several exercises for preparing proposals and communication of choices, including prerequisites, strategy issue, and crossing out.
- 10 days of disaster protection surrender value/annuity/pension planning
- Obtaining a copy of the proposition 30 days after the strategy issue management demands for botches/discounts at the proposition store, as well as non-claims related help demands 10 days
- Not paid 15 days' development guarantee/survival benefits/penal intrigue
- After the case has been housed, raising requirements is necessary. Without the need for evaluation, a 15-day demise assurance is offered. a month
- A half-year is required to pass the case settlement / renouncement examination.
- acknowledge a grievance three days 15 days to resolve a complaint

GAPS

- Before a reimbursement claim is processed, the file must first arrive at the office, where it takes time owing to transportation.
- It takes a day to scan and fill out the file.
- After bill passage, the document is gone over to the specialist for definite handling, so the specialist needs to stands by no longer to break down the record
- Following that, the record is either supported, an inquiry is raised, or it is disavowed.
- On the off chance that a case is sent for examination, the specialist carves out opportunity to recognize the important misrepresentation in the patient's record/genuinity, expanding the TAT still once more.
- Due to an incorrect file allocation, the claims were not closed completely.
- The creation of a DCN number following the generation of an inward claim number for a specific claim increases the reimbursement process's turnaround time.

SUGGESTIONS

- The software needs to be updated. JARVIS was recommended because of its extra functions, such as case flagging when a processor picks up the case. Reduce system errors so that claims may be evaluated quickly.
- To keep track of how many claims are billed by the system I3 and how many claims are bypassed
- To keep track of how many claims are submitted each day by any methods possible.
- Claims that bypass the I3 are always incomplete papers, which can be reported to the CRM team or the QUERY department.
- To make the necessary modifications and improvements to the Sop's. To save time, cases ought to be handled utilizing checked records instead of hanging tight for genuine case documentation.

CONCLUSION

Protection guarantee settlement is just a single part of the cases the executives cycle. The time it takes to handle a case is separated into different stages, which start with an individual recording a case. The stages that follow decide if a case has legitimacy and how much the insurance agency will pay. Clients believe insurance agency should resolve debates quick and acceptably. As elevated degrees of consumer loyalty can give an upper hand to a firm, diminishing the time it takes to determine protection claims is one way to deal with decrease the quantity of client grumblings and further develop administrations. A particular methodology is the use of cases the board framework programming, which speeds up the interaction and lessens costs. Improving on the cases interaction through computerization helps protection firms save reserves

.REFERENCES

1. Health Insurance Claim: Medical Insurance Claim Settlement Ratio [Internet]. [cited 2022 Jun 23]. Available from: https://www.policybazaar.com/health-insurance-claim/

2. TO CEOs of all General Insurance Co.. [Internet]. [cited 2022 Jun 23]. Available from: https://www.irdai.gov.in/admincms/cms/LayoutPages_Print.aspx?page=PageNo2621

3. Luke S, Vincent J. Awareness and utilization of health insurance among patients of a tertiary care centre in South India. International Journal Of Community Medicine And Public Health [Internet]. 2020 Sep 25 [cited 2022 Jun 23];7(10):4033–6. Available from: https://www.ijcmph.com/index.php/ijcmph/article/view/6881

4. Tech can reduce turnaround time for claim settlements by around 70%: Renew Buy | Mint [Internet]. [cited 2022 Jun 18]. Available from: https://www.livemint.com/insurance/news/tech-can-reduce-turnaround-time-for-claim-settlements-by-around-70-renewbuy-11647842531343.html

5. Ekman B, Lime NT, Duc HA, Axelson H. Health insurance reform in Vietnam: a review of recent developments and future challenges. Health Policy Plan [Internet]. 2008 Jul [cited 2022 Jun 18];23(4):252–63. Available from: https://pubmed.ncbi.nlm.nih.gov/18424793/

6. Health Insurance: Claim settlement process of health insurance: TPA Vs In house claim department [Internet]. [cited 2022 Jun 18]. Available from: https://economictimes.indiatimes.com/wealth/insure/health-insurance/claim-settlement-process-of-health-insurance-tpa-vs-in-house-claim-department/articleshow/69423425.cms

7. Bhat R, Reuben EB. Management of claims and reimbursements: The case of Mediclaim insurance policy. Vikalpa. 2002 Oct 1;27(4):15–28.

8. Importance of Claims Management in the Insurance Sector [Internet]. [cited 2022 Jun 23]. Available from: https://smallbusiness.chron.com/importance-claims-management-insurance-sector-41811.html

9. IRDAI (Insurance Brokers) Regulations May 2020 (1).

10. Shukla K, Upadhyay S. Predictive Modelling for Turn Around Time (TAT) of Discharge Process for Insured Patients in a Corporate Hospital of Pune City: https://doi.org/101177/0972063417747701 [Internet]. 2018 Feb 15 [cited 2022 Jun 23];20(1):56–63. Available from: https://journals.sagepub.com/doi/abs/10.1177/0972063417747701

11. Ekman B, Liem NT, Duc HA, Axelson H. Health insurance reform in Vietnam: A review of recent developments and future challenges. Vol. 23, Health Policy and Planning. 2008. p. 252–63.