Evaluation of Turnaround Time and Process Enhancement of Reimbursement Claims Processing at Aditya Birla Health Insurance

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Introduction

- Health Insurance is defined as coverage that provides for the payments as a result of sickness or injury.
- It includes insurance for looses from accident, medical expense, disability or accidental death and dismemberment.
- India 2000, Government of India liberalized insurance and allowed private players into the insurance sector.
- The invent of private insurers in India saw the introduction of many innovative products like family floater plans, top-up plans, critical illness plans, hospicash and top policies.
- The process flow which was formed two years back in the company were not found to be operational because of the advancement in the technology it was observed that there were few changes, gaps, discrepancy related to them.
- So the study was to observe the functional process flow of reimbursement and prepare the work flow thus revising SOP's for the reimbursement process.

Types Of Facilities In Health Insurance Policy

1) CASHLESS - Under this facility, the person doesn't have to pay the hospital as the insurer pays directly to the hospital, the policy holder and all those who have been mentioned in the policy can undertake treatment from those hospitals approved by the insurer.

2) REIMBURSEMENT – After staying for the duration of the treatment, the patient can take a reimbursement from the insurer for the treatment that is covered under the policy undertaken.

Research Question

- How to analyze the process of the claims and evaluate the TAT of the Reimbursement process?

Objectives

- To find out the Reimbursement (Network & Member) process flow.
- To assess the turnaround time of the Reimbursement process.

Methodology

Study Design:	Observational Descriptive study
Sample Size:	For the Reimbursement process, 1912 cases taken randomly 1274 cases were approved, 208 were denied and 430 cases were under Query.
Duration of the study:	For the analysis secondary data was collected for the period of three months from 5th February to 30th April, 2020.
Sampling Technique:	Non probability convenient sampling.

Reimbursement Process

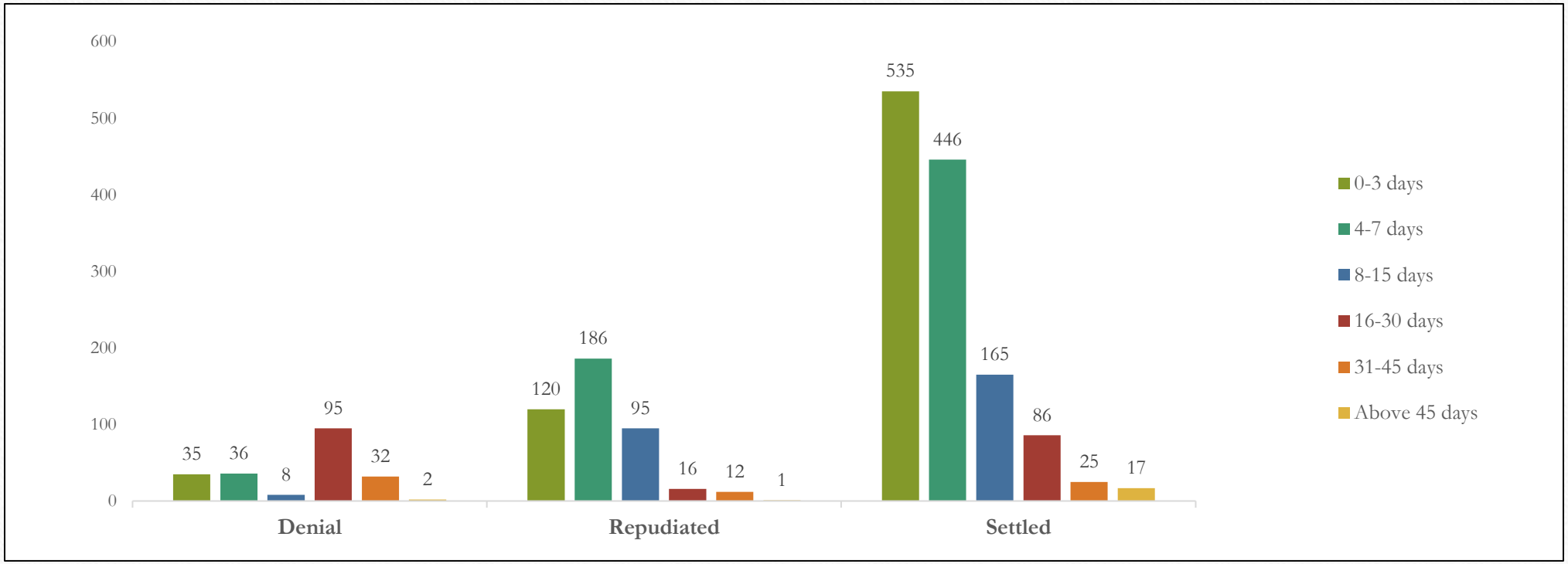
The reimbursement claim for health insurance can be made if the policy holder opts to go to a hospital of his/ her choice, which is a non-empaneled hospital. In this case, the cashless claim facility cannot be used. Therefore, the insured has to pay all his/ her medical bills and other costs involved in hospitalization and treatment and the then claim is reimbursed.

In order to avail reimbursement claim you have to provide the necessary documents including original bills to the insurance provider. The company will then evaluate the claim to see its scope under the policy cover and then makes a payment to the insured. In case the treatment is not covered in the policy, the claim gets rejected. The insurance provider generally provides reasons for the rejection.

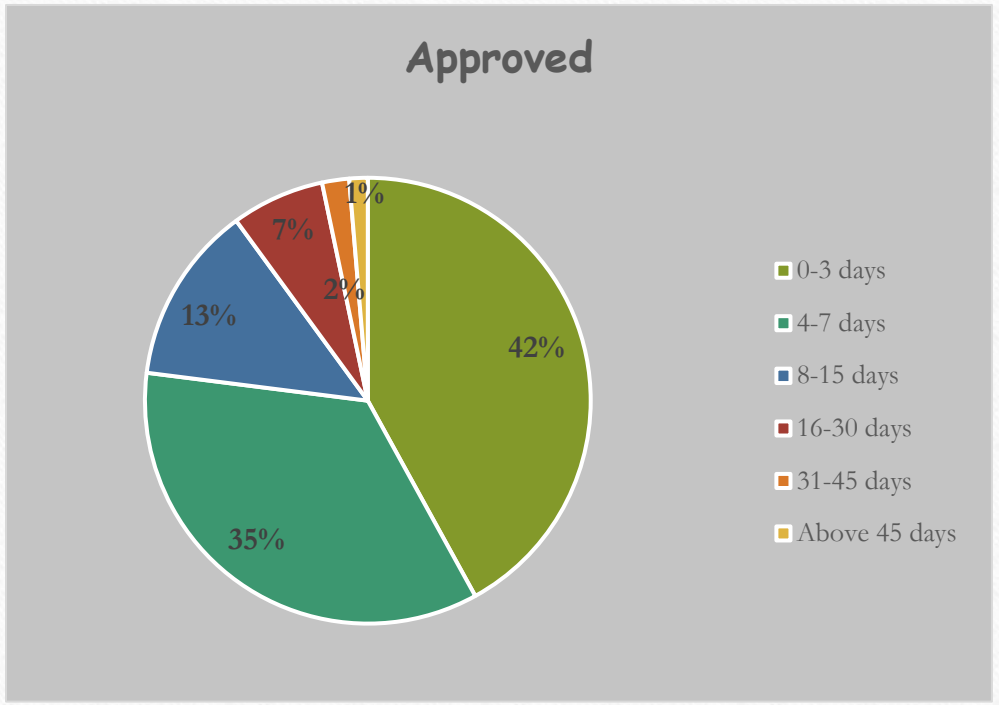
Cases for Reimbursement process

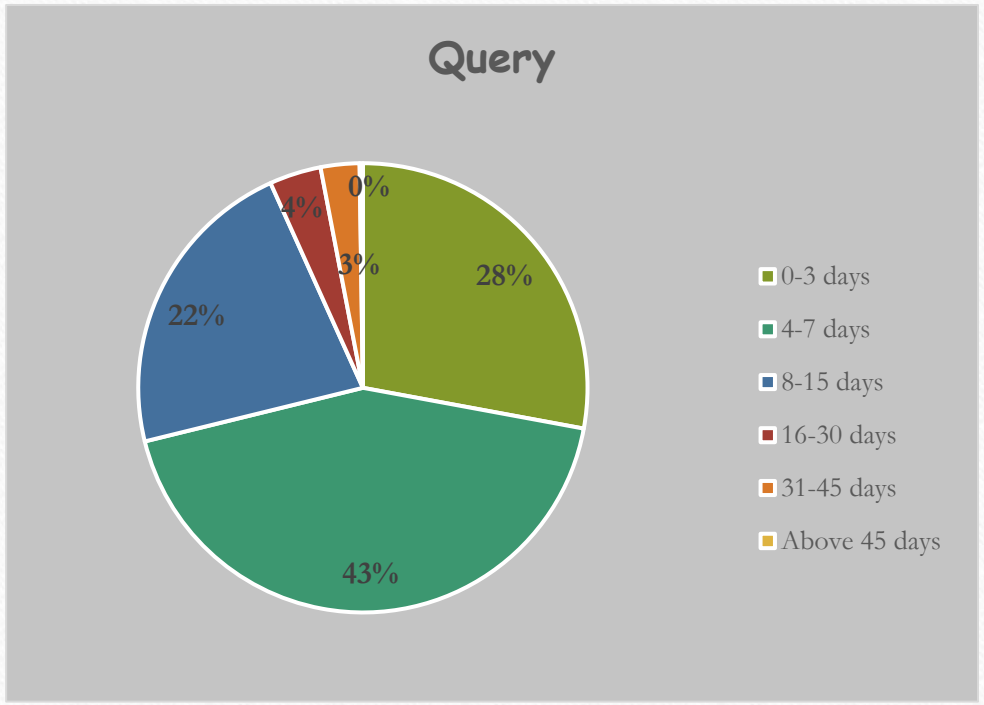
STATUS	0-3 days	4-7 days	8-15 days	16-30 days	31-45 days	Above 45 days	Grand Total
Denial	35	36	8	95	32	2	208
Repudiated	120	186	95	16	12	1	430
Settled	535	446	165	86	25	17	1274
TOTAL	690	668	268	197	69	20	1912

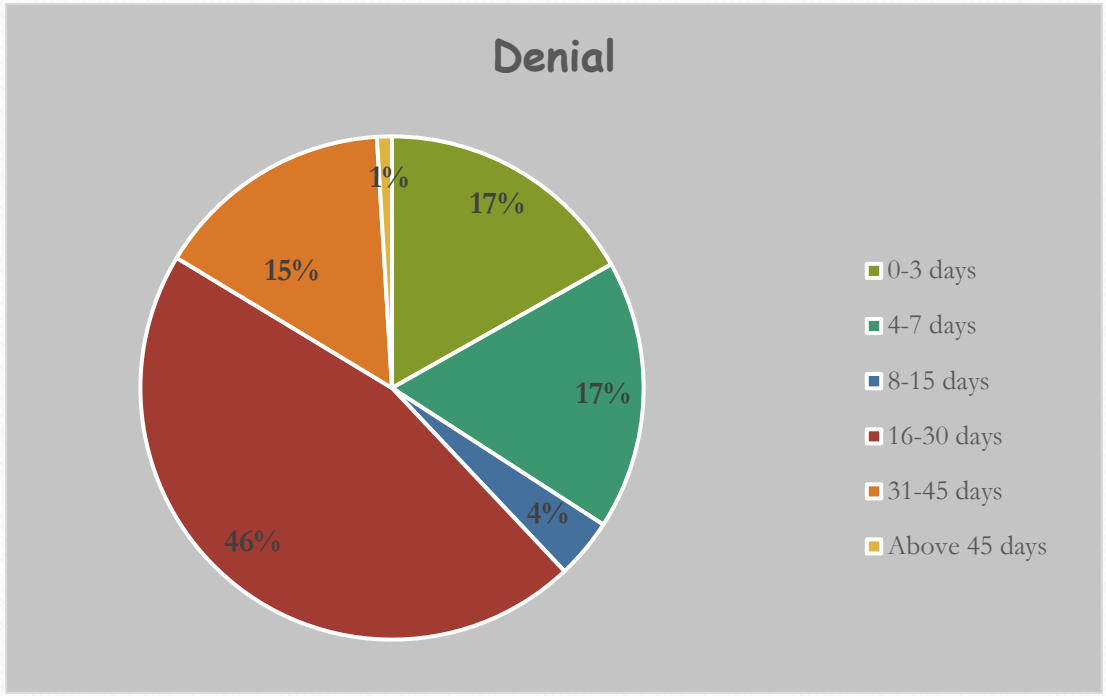
Reimbursement process analysis



Percentage Reimbursement Claim outcome in TAT

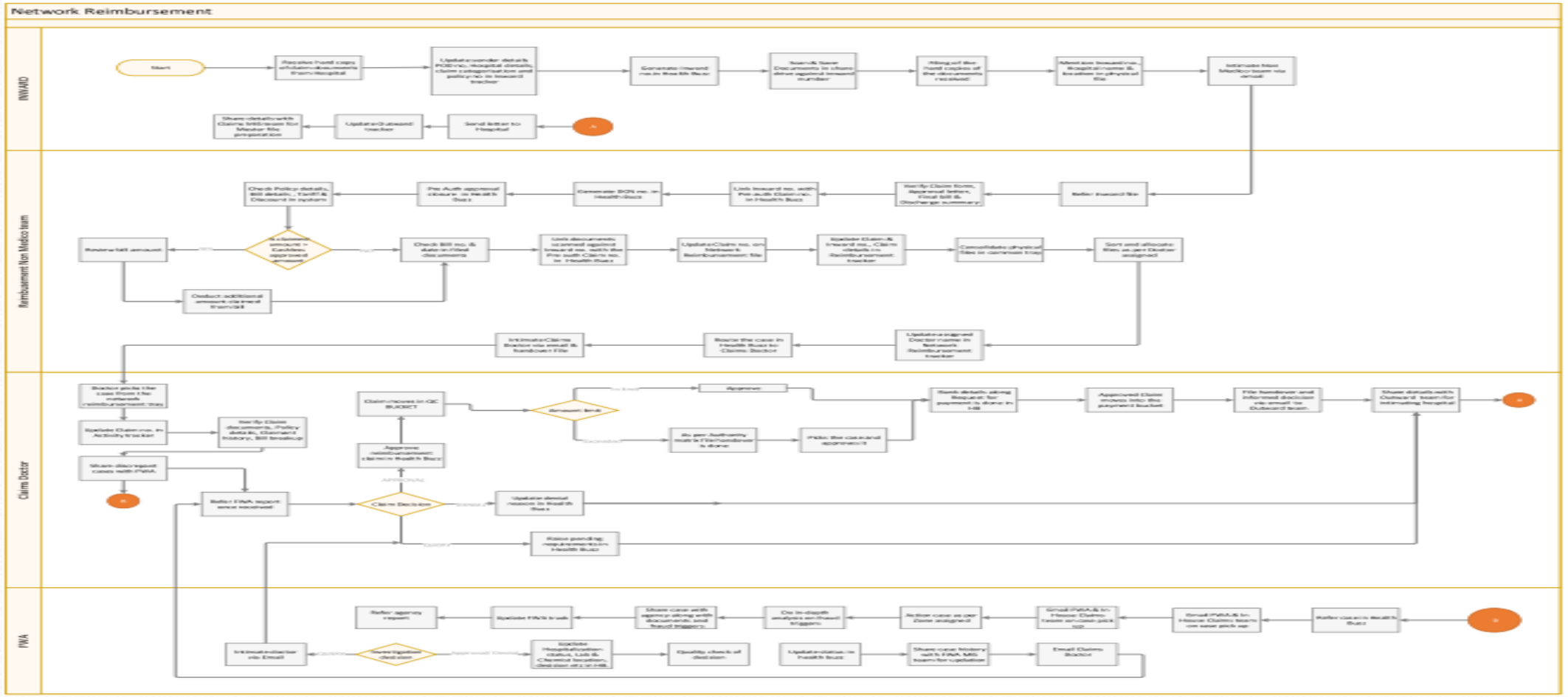




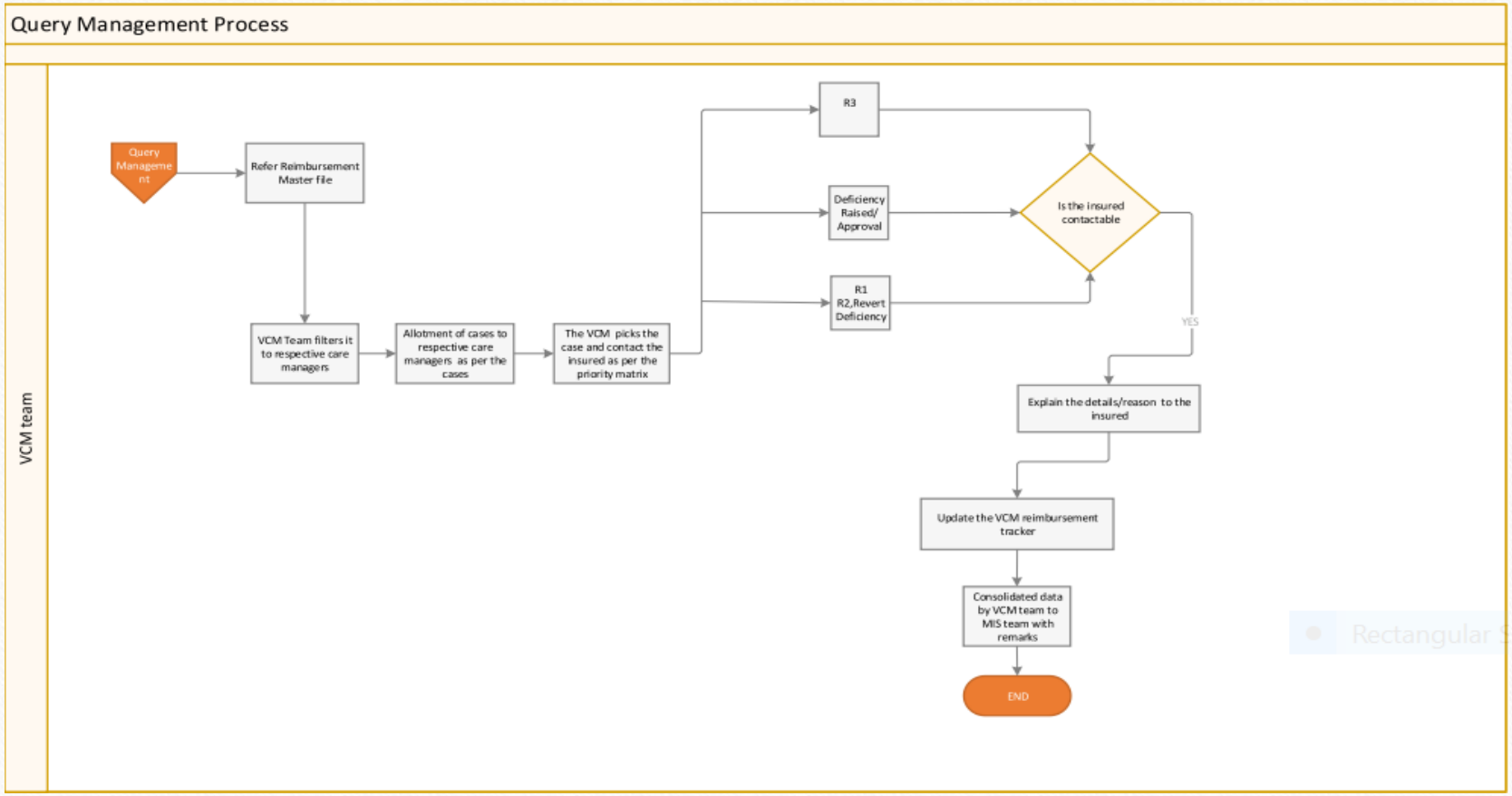


- In Reimbursement process, 42% of the claims were approved.
- During the study, for 43% of the claims query was raised.
- In the duration of 30 mins, 46% of the claims were declined.

Network Reimbursement

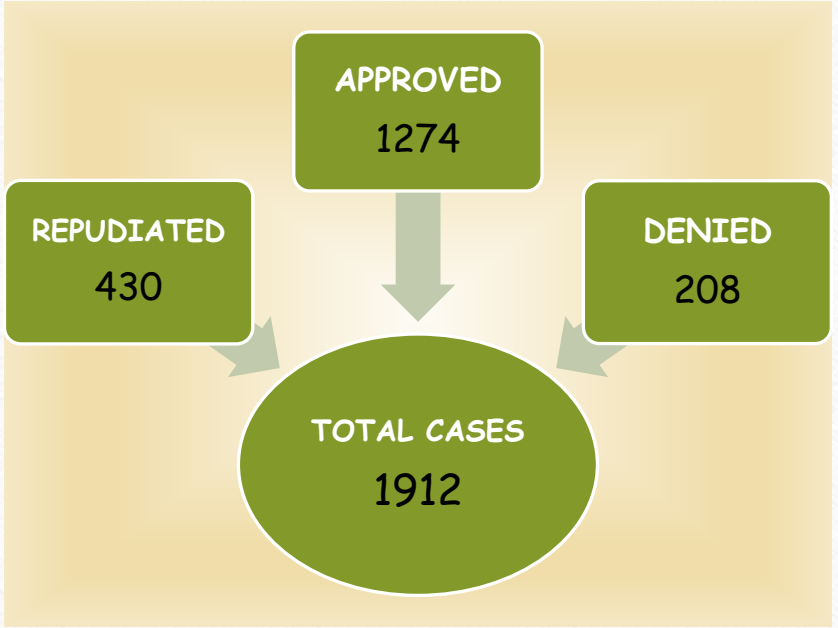


Query Management Process



Results

The Turnaround time which is being set as per the IRDA regulations & followed by ABHI is around 15 days. As per the analysis for the period of data collection was analyzed, the sample size was 1912 out of which 208 cases were denied, 430 were repudiated and 1274 were approved.



Gaps

- Before the processing of Reimbursement claim, the file comes to the office, here dur to the transport it becomes time consuming.
- Scanning and filling of the file takes a day.
- After bill entry, the file is handed over to the doctor, for final process so for assessment of the file the doctor doesn't get an extra time.
- Then later on after the same the file is either approved, a query raised or it is repudiated.
- In Reimbursement process, the handover of the physical file by the non-medico team was not sorted and allocated to claim doctor, no communication was auto triggered by the system.

Suggestions

- The claims should be processed from scanned documents rather than waiting for original claim documents for saving time.
- Final closure of the cases to be done immediately after the query which decreases the TAT by maintain a tracking sheet in which the files are allocated to the medical team so that the same file is allocated.
- Updating of the software, HEALTH BUZZ was recommended with the additional features like flagging when case is picked up by a processor. Dashboard having different buckets, Pop up/ Notification on receiving of a claim.
- To make necessary changes and revise the SOP's accordingly.

Conclusion

Settling insurance claims is just one aspect of the claims management process. The time it takes to process a claim involves several stages beginning with a person filing a claim. The stages that follow, determine if a claim has merit as well as how much the insurance company will pay thus the project is ensured and focuses on the minimum time taken for the decision related to claims.

The project has helped the claims department to optimize the use of claims management system software that speeds the process and minimizes the costs, errors and offers a practical solution along with simplification of the claims process.


Thank
you!!