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Data Innovation: Optimizing Healthcare Claims Management

Health plans need to price each individual claim correctly to meet their fiduciary responsibilities, but the lifecycle of a claim is complicated. While efficient and accurate claims pricing is essential, health plans are also juggling the demands of managing access to care and other issues for their members.

Often, health plans will need to work with multiple vendors to access the technology and source data they need to manage both in-network and out-of-network claims, but those disparate solutions can quickly become cumbersome.

Health plans need a partner that understands their claims pricing pain points and has the technology and data to deliver a scalable, innovative solution for claims optimization.

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Key pain points in claims pricing

Claims pricing against contracted rates requires access to a vast amount of data, like Medicare and Medicaid rates, and the ability to maintain and leverage that data to price claims quickly and accurately.

“It’s difficult to have the technology to maintain a library of provider contracts and various federal and state-level fee schedules and rate lists in order to derive accurate and consistent pricing on contracted claims.”

– Mary Piecuch, Vice President of Network and Open Access Pricing Solutions, Zelis.

While health plans work to price their high volume of claims – both in-network and out-of-network – the regulatory environment is constantly changing. Federal regulations, like the No Surprises Act (NSA), and different state regulations create a complex environment that demands expertise and flexibility to maintain compliance.

Given the complexities of claims pricing in the context of a shifting regulatory landscape, health plans need experts on their team. In the past, claims pricing teams could focus largely on the pure math of the work. But claims pricing is so much more today.

“Whether it be timely payments or certain time intervals for how we handle claims, there’s so much more that goes into claims management than just a math equation.”

– Mary Piecuch, Vice President of Network and Open Access Pricing Solutions, Zelis.

Hiring the right people with the skills to manage the complexity of the whole claim lifecycle is becoming increasingly expensive for health plans that are facing resource constraints across their entire operations.

Challenges with current technology

Technology is an essential part of the claims pricing process. It enables health plans to manage the claims pricing process. However, health plans often need to rely on many different external vendors to access the solutions they need.

“Claim adjudication platforms lack an all-in-one solution for managing the entire lifecycle of a claim, so they often partner with other vendors to implement pricing methodologies. These methodologies leverage foundational data sets, such as Medicare or other reliable data sources, to enable automated and accurate pricing,” explains Piecuch.

Source data needs to be maintained, and health plans need to know that their disparate group of vendors is consistently meeting regulatory requirements that impact the claims management process. Do health plans have access – either internally or with their technology vendors – to dedicated teams that can interpret regulatory changes and ensure compliance?

“The pricing and interpretation of whatever set of rules, contracts, regulatory guidelines, benefit application, all of that needs to be done with extreme accuracy in a timely manner;”

– Carrie Gardner, Vice President of Product, Out-of-Network, Zelis.



An external partner with the right blend of AI and human expertise can optimize the entire claims management process.

Innovation in claims pricing

If health plans want to remain competitive in today's challenging healthcare environment, they need to be flexible and innovative.

AI and automation technologies empower health plans with the ability to efficiently process, standardize, and route large volumes of data across various systems, reducing manual, error-prone workflows. Machine learning models can identify patterns, detect anomalies, and improve over time as they encounter more data while natural language processing can interpret unstructured data, such as clinical notes or complex claim descriptions. Alongside robotic process automation to handle repetitive tasks within the workflow, such as data entry and verification, these technologies drive consistency and accuracy in claims management, offering a competitive advantage by improving operational efficiency and decision-making.

"One of the biggest value-adds of AI is compiling, organizing, and analyzing data at a scale that humans cannot do."

– Carrie Gardner, Vice President of Product, Out-of-Network, Zelis.

AI and advanced data analytics empower claims pricing teams to uncover trends, find errors, and optimize the entire process. Unsurprisingly, those capabilities give health plans the potential to capture significant savings. AI and automation could help payers realize 13% to 25% savings in administrative costs and even boost revenue by 3% to 12%.¹

But this technology does not work alone in healthcare. The right partners leverage AI and human expertise to drive innovation in claims pricing for health plans.

"First, use the guidance of a human that is a subject matter expert, and then you can use technology to make a qualified decision more consistently," explains Aaron Billotte, Senior Vice President of Analytics and Insights at Zelis.

Properly trained and supervised AI can analyze claims data quickly, enabling human experts to make qualified decisions faster. That speed helps health plans make the process more efficient, ensuring compliance with tight regulatory timelines.

An external partner with the right blend of AI and human expertise can optimize the entire claims management process by targeting accurate claims pricing the first time rather than focusing on making back-end corrections.

"We've become quite efficient at predicting what will happen and recommending the optimal savings channel for each claim. We'd rather price the claim correctly the first time instead of going back into that ongoing service cycle of 'Someone's not happy. How do we resolve that?'"

– Aaron Billotte, Senior Vice President of Analytics and Insights, Zelis.



The role of data and KPIs

Key performance indicators (KPIs) are essential to understanding claims review outcomes. Access to a rich, diverse data set that is publicly available allows health plans to dig deeper and go beyond just the standard administrative KPIs.

“Everybody can measure how many claims are priced. Everybody can measure what the savings were or what happened on the claim,” Billotte points out.

But deeper, end-to-end insight into the entire claim lifecycle yields significant value for health plans by driving further optimization. A claims optimization partner can work with health plans to identify the KPIs that matter most based on their individual needs. Health plans can leverage KPIs to better understand the efficiency of the claims management process, the ideal claim price on a net basis, the net dispute rate, how much time went into disputes and inquiries, and more.

“A lot of our solutions provide insight into post-payment claims activity in order to measure KPIs that aren’t standard, to show value beyond just administrative KPIs.”

– Mary Piecuch, Vice President of Network and Open Access Pricing Solutions, Zelis.

A partner like Zelis works with health plans to contextualize these KPIs. How do they apply to a health plan’s unique business? How can those specific KPIs be improved?

“All of that without context doesn’t really help you move your business forward. So you want context to help make improvements,” says Gardner.

Zelis solutions for health plans

With many health plans working with a fragmented network of vendors to address their different needs around claims processing, Zelis represents an opportunity to adopt a unified approach. End-to-end support for claims pricing and adjudication powers great efficiency and accuracy.



A vendor with that kind of unified approach optimizes the entire lifecycle of the claim, not one or two steps in the process.

“For contracted claims, we can price against Medicare and Medicaid rates, as well as specific provider contracts. We can also manage contracts. And then from there, all of the nuances and complex services and solutions can be bolted on, health plans that are resource limited can’t be that nimble and flexible, and they cannot bring this to life as fast as they need to. That’s where the Zelis suite of services comes in.”

– Mary Piecuch, Vice President of Network and Open Access Pricing Solutions, Zelis.

Zelis can also work with health plans to offer their members support throughout the out-of-network claim process. Navigating that space can quickly become frustrating and confusing for consumers, which ultimately affects the relationship they have with their health plan. Zelis can cut through that confusion with member education, price transparency insight and an expert team to negotiate on behalf of members.

As a strategic partner, Zelis also has the in-house technology and human expertise to manage payment integrity and coding reviews for health plans. AI and automation applied to claims data can enable claims review experts to recognize errors and savings opportunities for health plans.

"If you can apply all of that to a claim, you're going to be ahead of your competition," says Gardner.

But health plans must remember that broader forces in the healthcare industry affect claims management and optimization. An important part of maintaining a competitive edge is keeping up with the changing regulatory environment.

Health plans are still navigating the waves the NSA is making in the healthcare industry² and its out-of-network sector. They are wading through provider disputes and the independent dispute resolution process.

In addition to federal regulations, health plans have to manage regulatory shifts happening in the states where they employ people and serve members. Tracking those regulatory changes and then making the necessary adjustments to ensure compliance can put more operational strain on health plans already facing resource constraints.

Zelis works with health plans across the country and has the bandwidth to keep up with the regulatory landscape.

"It's an army of people for different specialties and competencies that you need to be successful, we have a robust legislative team that supports us and provides us with insight."

– Mary Piecuch, Vice President of Network and Open Access Pricing Solutions, Zelis.

That insight ensures Zelis can give its partners the scalable solutions they need to maintain compliance, along with their competitive advantage.

Today, health plans must manage complex operations that encompass member services, contract negotiation, source data management, regulatory compliance and more. Keeping all of these processes in-house is becoming increasingly untenable.

"It's expensive to do," says Gardner. "The benefit of Zelis is we're doing it at scale across multiple plans."



Optimizing out-of-network claims is a complicated business that requires automation and expertise. Zelis has in-house clinical coding experts who specialize in the entire claim lifecycle. The power of broadly sourced quality data, AI and automation can enable those experts to support health plans with efficiency and accuracy.

Healthcare is always changing. While today's challenges require solutions, so do the challenges of tomorrow.

As Zelis continues to unlock value with its technology and data-driven solutions, its team of experts is always looking for ways to innovate on behalf of their partners. "It's not just what we can do today, but it opens up innovation for the future," says Gardner.

1 McKinsey & Company

2 <https://www.brookings.edu/articles/a-first-look-at-outcomes-under-the-no-surprises-act-arbitration-process/>

About Zelis

Zelis is modernizing the healthcare financial experience by providing a connected platform that bridges the gaps and aligns interests across payers, providers and healthcare consumers. This platform serves more than 750 payers, including the top five national health plans, BCBS insurers, regional health plans, third-party administrators and self-insured employers, and millions of healthcare providers and consumers. Zelis sees across the system to identify, optimize and solve problems holistically with technology built by healthcare experts – driving real, measurable results for clients. Learn more at zelis.com.

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Zelis exclusively employs closed-source Artificial Intelligence (AI) platforms to enrich its product suite, ensuring adherence to legal, ethical and industry-leading standards and practices. All outcomes undergo rigorous and continuous scrutiny by Zelis personnel to uphold and ensure the highest levels of quality and reliability in the AI community.

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