

Case Study:

Mitigating Insurance Risk:

Enterprise claims and membership data reconciliation

Business challenge

This healthcare payer used several key systems to feed claim and member files into their central book of record system and associated data mart. This central system, used as the single source of truth for analytics, audit and reporting, lacked a mechanism to ensure data quality and consistency within and between the many source systems that fed its data-- Argus for pharmacy claims, Magellan for behavioral health claims and Facets for medical claims processing.

The company needed to ensure data quality in every source system, and also ensure the accuracy, consistency and completeness of data received in the book of record system. Any missing membership or claims information represented a process failure and posed significant compliance, financial and reputational risk for the company. Inaccurate, inconsistent data also increased data distrust, produced unreliable analytic insights and negatively impacted the member experience. The company needed a timely, efficient process to automate data quality validation and reconciliation to ensure accuracy for payment, compliance, audit and customer service purposes.

Solution

The Insurer selected Precisely Data360 to automate the reconciliation of claims and membership files between the Argus, Magellan and Facets systems to ensure that the book of record system and its data mart housed a complete, accurate and reliable source of truth for claims and membership data.

On a weekly basis, Precisely Data360 uses an enterprise scheduler to create reports of new claims in the Argus, Magellan and Facets systems and capture each new file at both the claim header and detail levels. In addition to these scheduled runs, the solution also includes an adhoc report invocation process to address any reporting exceptions or irregularities.

At month-end, once all data has been loaded into the book of record system and its data mart, Precisely Data360 captures claim and member data detail from each of the three source systems and reconciles it with the data in the book of record system to identify any potential quality issues.

Client

As one of California's largest health insurers, this nonprofit mutual organization provides a wide range of medical, dental and vision benefits to more than 4 million members through its Medi-Cal, Medicare, individual and group plans.

Industry

Health

Challenges

This insurer faced significant financial, regulatory and reputational risks due to incomplete, inconsistent and inaccurate data. Manual, unreliable balancing and reconciliation efforts were insufficient to ensure claims and membership data quality within disparate systems, including the central book of record system used as the source of truth for analytics, audit and reporting. The company sought an automated solution to mitigate risk by ensuring data's quality and dependability

Solution

Precisely Data360 delivered quality-powered data governance that provided automated processes to validate and reconcile critical data from disparate systems feeding the insurer's book of record system.

Results

- Quality-powered data governance established processes for automated validation and reconciliation of data within and between critical operational systems.
- Comprehensive reconciliation assured accurate, consistent and complete membership and claims data within the company's book of record system and data mart to mitigate risk and improve analytic insights and the member experience.
- Increased efficiency lowered costs by reducing time and resources spent on manual reconciliation efforts.

These balancing and reconciliation routines have produced up to 22 separate reports detailing orphaned records between sources. In addition to these exception reports, Precisely also produces user reports rolling up counts and amounts by day and by month, which are used to improve the quality of data in each of the sources, and bring to light any failures in their existing data migration processing.

Results

With quality-powered data governance, this health insurer was able to put a logical, automated business process in place to validate their data integration strategy between various claims systems. They established an automated process to ensure data accuracy in every source system, as well as their central book of record system and data mart, improving quality across the enterprise to increase data value, mitigate risk and build data trust among data users and customers.

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