Medical Management

50-60% of death claims and 100% of health claims need prudent review of the clinical data for a well-informed decision.
Unfortunately ***Claims management*** is discussed in the context of administrative overhead; fewer insurance companies are integrating claims experience with their business strategies! Currently *Risk Management* is only capping non-medical damages and *claims experience* only for vulnerability and trends. These strategies have failed to contain the rise in fraudulent claims and the time has come to seriously adopt medical management of a claim at hand.

Definition: Technique used by the "Insurer" to manage costs through analysis of the medical necessity and appropriateness of care, including appropriateness of admission, treatment and investigations, length of stay and discharge planning.

Approaches of Medical Management

- Prospective Approach (pre-authorization)
- Concurrent Approach (e.g. review of medical treatment, laboratory investigations etc)
- Retrospective Approach (review of historic data, trend analysis, clinical audit)

Since fraud cannot be quantified, only thoughtful management of claims can reduce costs and future losses, **Medical Claims Management** will essentially prove to be a financial tool, important to the risk-bearing entity "the insurer" via scrutiny of the medical records and confirming appropriateness, thus reducing the financial risk of spending on inappropriate use of services. It is thus intelligent in being pro-active using Medical management in increasing productivity, controlling risk-saving costs, developing connections between claims experience and initiatives for improvement.

There is need is to reform our systems, people resource, to have a "change in culture" in claims management especially in day to day increasing complexity of fraud to have a palpable opportunity to learn and save.

Claim adjudication cannot be unscientific, an untrained organization will not only lead to mistakes but will lead to lost opportunities; strategy should be to continuously "educate" the claim adjudicator, such that the adjudicator "assumes nothing" but "examines" the claim adjudication process, to a common goal i.e. to reduce risk.

Empowering Claims adjudicator in Medical management will enable him/her to dissect and decide whether the medical treatment given is an acceptable, effective, accessible and affordable care; *not to forget*, will it merit the payer to pay/reject the claims for the very same reason - effective, affordable and acceptable claim.

All those involved in claim adjudication if armed with a scientific, intuitive knowledge and innovative technology solutions, which manages to assist and monitor the entire spectrum of case adjudication, can save billions and enable to keep an payer to handle all claims rationally.

Training & assessment! Need of the hour?
There is a need to understand the Indian mindset especially when perpetrating a medical fraud. It helps improve both the efficiency and effectiveness of claims decisions.

Thus it is very essential to empower the claims team through:

- Continuing Claims Education
- Claims assessment and control (also a review of the existing ones)
- Process compliance

Training in Medical management

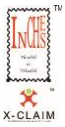
- Introductory training on Medical Management
- Theoretical and hands-on medical records training
- Demonstration by expert – case assessors as observers
- Participants conducting the process – expert observing them

Need for technology

- Medical Process [disease protocols, ICD Codes]
- Bridging Skills
- Identification of trends
- Managing changing and challenging trends

Medical Management along with the process management is critical and necessary. Continuous training, provision of tools and systems and proper implementation of the rolled out facilities will result in reduced costs and unnecessary losses.

Claims Processing is an important functionality for any payer. But if the payer is hung up on the processes and not taking care of the medical management; not ensuring that the medical process is in place is sure to score poorly in the long run. It is high time to have unique core functions, empowered team, hone technology for solutions to meet the challenges of increasing fraud practices.



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