

Health Language®

## Reference Data Management Delivers Data Governance Goals at a 2M+ Member Health Plan

*End-to-end content strategy streamlines data governance*



### Location

Southeastern, US

### Client Profile

This organization is one of the largest health plans in the south, providing benefits to 11,000 companies and working with more than 29,000 network providers. The organization ranks in the top 25 for Medicaid, Medicare Advantage, and Managed Medicaid enrollment nationally as well as private sector small and large group enrollment. This health plan pays more than 56.4 million claims per year totaling \$14 billion.

### Executive Summary

A 2M+ member health plan providing health insurance for members in Tennessee, Virginia, and Mississippi, is paving the way in the industry by deploying the Wolters Kluwer Health Language Reference Data Management (RDM) solution as part of a data governance initiative focused on managing enterprise codes sets. The goal: improve operational efficiencies, meet member expectations, and achieve service-level agreements established by the health plans larger organization.

To realize these goals, the health plan assessed people, systems, and processes for managing enterprise code sets used to define rules for payment of claims, exclusions, and benefits for their network employers and providers.

#### Objective:

Design and implement a process for improving the turnaround time of code group updates to minimize financial exposure, improve accuracy, and ensure compliance with the health plan's service level agreements (SLAs).

#### Solution:

Partner with Wolters Kluwer and adopt Reference Data Management (RDM) to support their data governance initiative.

#### Outcome:

By implementing the Health Language RDM solution, the health plan was able to automate tasks previously managed in spreadsheets. Initial outcomes include:

- Over 90% reduction in time to process updates. In one case the pilot program cut the processing time from 6-8 weeks to just a few hours!
- 75% efficiency improvement, by simplifying the number of ways business teams were updating code sets from 12 down to 3.
- Improved collaboration, clarified ownership, and established accountability to ensure claims were processed in a timely manner.

## *Four benefits of an RDM solution for managing enterprise code sets*

1. Increased compliance with service level agreements, avoiding unnecessary payment delays and penalties.
2. Automation of the terminology update process, ensuring the validity and accuracy of codes used in claims processing and reporting.
3. More efficient use of staff resources, allowing teams to stay focused on high-value business initiatives.
4. Improved data governance practices and increased collaboration among business teams across the organization.

## *Understanding the Challenge*

### **Managing Content Updates**

Enterprise code set management is a complex undertaking for many payer organizations due to the sheer volume of codes that must be managed: ICD-10 includes over 70,000 codes and CPT® over 10,000. When new codes are released by the Center for Medicaid and Medicare Services (CMS) and the American Medical Association (AMA), health plans face significant pressure to implement the updates—which may number in the thousands—in their own systems by October 1st and January 1st of each year, to ensure that claims are correctly processed. In addition, multiple business units within a single payer may be focused on the same tasks, which can introduce mistakes and inconsistencies as well as increase the costs of content acquisition and management.

### **Updating Individual Code Groups**

Payers often use code subsets, or code groups, to organize codes into manageable lists of related diagnoses and procedures. A payer may maintain hundreds or thousands of such code groups—this health plan uses 4,000 code groups across 12 different business teams to manage benefits and claims payments for multiple plans. When terminologies are updated by the standards bodies, the impact on a payer's many code groups may be significant and enormously time-consuming to resolve.

Prior to automating the enterprise code set process, updating code groups was a cumbersome, resource-intensive endeavor for this southern health plan. With each new terminology release, the teams would download, format, and distribute the updated codes, and then query each individual code group to analyze the impact of the update on that code group. Reviews and approvals were completed, and a configuration request would be submitted. Code groups were then updated by hand in individual spreadsheets, and the results distributed to individual departments.

This process occurred throughout the year, required as much as eight weeks to complete, and absorbed the valuable time of many professionals across several different teams. Worse, the manual code-by-code effort inevitably introduced errors into the spreadsheet results, and those errors required their own processes to correct and integrate.

## Meeting the Challenge with Reference Data Management

The Director of Program Implementation at this health plan challenged his Manager of Coding and Process Improvement, with finding a solution to support their data governance goals.

After completing an internal assessment, the Manager of Coding and Process Improvement and her team redesigned the end-to-end process for managing enterprise code sets, incorporating the Health Language RDM solution for terminology management and relief from error-prone spreadsheet processes.

### People

The team recognized that collaboration with those working in the trenches—many for a decade or longer—was a key to success. “The stakeholders knew more about the current process than I did so the new design required their input and buy-in,” she said. With the initial assessment, they identified 165 individuals involved in updating codes and code groups, representing multiple departments including product development, business engineering, and account management, and influencing multiple lines of business including commercial, senior, and state products. After several design discussions, they realized that different teams were often doing the same thing but in isolation.

### Systems

After working with stakeholders and learning how they managed their data, she reported that the 12 business teams were managing over 4,000 code groups by hand using numerous spreadsheets.

### Introducing the RDM Solution

The health plans team brought the Health Language RDM solution in-house to eliminate manual steps and the use of spreadsheets by:

1. Automatically detecting and acquiring updates from the CMS and the AMA for ICD-10-CM and CPT.
2. Automatically identifying how those updates impacted the 4,000 code groups used by the health plan for claims payments and plan management.

In addition, the Health Language Professional Services team was brought in to help with the transition from using spreadsheets to Reference Data Management.

“It would have taken 6,200 hours to rebuild what we had in spreadsheets. Applying technology to import them into the RDM solution proved 12 times as fast, helping us meet internal implementation deadlines,” said the Manager of Coding and Process Improvement.

### New Processes and Improved Workflows

With the implementation of RDM, the Coding and Improvement team was able to introduce a new workflow for processing code group updates:

1. Standards bodies release new code updates.
2. The RDM solution integrates the ICD-10-CM and CPT updates into the health plan’s systems, identifies which code groups have been impacted, and highlights those impacts for manual intervention by the internal team.
3. Internal teams managing product development, coding and reimbursement, and medical policies review and validate proposed code group updates.
4. Any approved code changes and list updates generate change requests.
5. New updates are published for use throughout the organization.

This approach eliminated the need to track updates within spreadsheets and, for one team, reduced the time it took to update code groups from 6-8 weeks to just a few hours.

To ensure these benefits were spread across the organization, the approach was replicated across different business teams to streamline workflows, reduce operational overhead, and improve consistency, especially when regulations change or as the make-up of teams evolves over time.

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*– Manager of Coding and Process Improvement at Large, Southern Health Plan*

*“We’re now expanding the RDM principles to governing the rules for managing sensitive information. This approach will not only benefit how we manage claims but streamline the way we communicate and coordinate the health of our members.”*

– Manager of Coding and Process Improvement at Large, Southern Health Plan

### Simplify Data Governance, Improve Results

The manager of the Coding and Process Improvement believes the organization’s partnership with Wolters Kluwer was a critical ingredient in achieving the vision set forth by this health plan’s leadership. For one business group, the health plan’s implementation of a single source of truth for enterprise code sets was able to reduce terminology update time from eight weeks to a few hours, streamline code management by 75%, improve overall collaboration, clarify ownership, and establish accountability.

Using the Health Language RDM solution, the Coding and Process Improvement team realized their goal of streamlining enterprise code set management and improving data governance. And with the success of the RDM rollout, the organization has seen an improvement in their relationships with network employers and providers.

### The Next Horizon: Managing Sensitive Information

The health plan has already expanded its relationship with Wolters Kluwer, implementing the Health Language Sensitivity Codes content offering, which provides a much-needed reference standard for identifying sensitive diagnoses, procedures, labs, and drugs. This new reference content set will expand the scope of RDM to influence how data is presented to members and their families, providers, and employer groups across a number of systems including claims processing, care management, and member portal platforms.

“The partnership with Wolters Kluwer is a strategic one for this large, southern health plan,” said the Manager of Coding and Process Improvement. “We’re now expanding the RDM principles to governing the rules for managing sensitive information. This approach will not only benefit how we manage claims but streamline the way we communicate and coordinate the health of our members.”

### About Health Language Solutions

Wolters Kluwer empowers health plans to streamline data governance, reduce operational overhead, and ensure a single source of truth with its Health Language Reference Data Management, Data Normalization, and Clinical Natural Language Processing Solutions. Using Health Language data, software, and services, health plans can better leverage data for HEDIS® measures and quality reporting, enhance analytics and data warehousing, improve claims processing, control costs for care management programs, and enhance member outreach.

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