

How One Company Fueled Growth by Outsourcing Claims Entry

A Testimonial

Summary

A third-party healthcare benefits administration firm needed to grow its business but was overwhelmed by claims processing for Flexible Savings Accounts and Health Reimbursement Arrangements. Finding an accurate, affordable solution that would allow the staff to focus on front-office tasks and enable the company to grow was challenging. The firm outsourced its claims entry and found that the results exceeded expectations.

Introduction

Business Process Outsourcing (BPO) is a steadily growing reality in the professional world. As of 2012, BPO outsourcing had become a \$100 million industry. More and more businesses are contracting with third-party providers in an effort to increase efficiency and decrease costs on such back-office functions as data entry, document fulfillment, human resources, finance, accounting, and others.

This study focuses on a DataPath client that chose to outsource much of its claims entry workload and how that decision impacted its business.

We decided to give **DataPath**Claims Entry Services a try because
we needed the ability to increase
revenues without hiring more
staff in-house. We're a small firm
that goes through some growing
pains periodically and we want to
make sure that we're growing at an
appropriate rate.



Jennifer Marino
Vice President,
O.C.A. Benefit Services, LLC

The Client

O.C.A. Benefit Services, LLC, of Mercerville, New Jersey, was formed in 1983 and began providing Cafeteria Plan administration services in 1986. After 25 years of successful operations in the benefits administration market, the company started outsourcing claims entry in 2011 through DataPath.

The Challenge

A family-owned firm with 24 employees, O.C.A. Benefit Services wanted to expand its business without also increasing its overhead burden. In this regard, the claims processing function was a major point of concern, as the expense of hiring additional claims staff would be substantial. Some of the more experienced employees were already multitasking beyond the point of efficiency and working on various other projects while also trying to process claims. In order to achieve company growth, they would have to focus more on business-centric tasks.

The Solution: DataPath CES

Claims processing, although primarily a data entry function, can be very complex due to myriad rules and regulations associated with tax-advantaged employee benefits accounts. An incorrectly processed claim can trigger a multitude of customer service issues and possible compliance problems. For a business that is looking to grow, experiencing these issues could greatly hinder its ability to expand due to negative client feedback or, even worse, non-compliance penalties.

For all of these reasons, O.C.A. Benefit Services had never seriously considered outsourcing its claims processing functions until encountering the DataPath Claims Entry Service (CES). With DataPath already a trusted partner, O.C.A. decided to give CES a try.

O.C.A. started slowly and cautiously, at first handing over just five groups. The accuracy and speed with which CES processed the claims compared very favorably with O.C.A.'s internal claims processing operation. As confidence grew in CES' ability to handle a large volume without sacrificing accuracy or turnaround time, the workload was incrementally increased, one group at a time, until O.C.A. had turned over essentially all of its claims entry to DataPath CES.

The Results

O.C.A. Benefit Services is now in its fifth year of using DataPath CES and regularly audits the service's performance. Recent audits reflect that from January through May 2016, DataPath CES processed over 90,000 claims for O.C.A. with an accuracy rate of 99.1%. In addition, nearly 100% of claims submitted by the daily deadline were processed and returned to O.C.A. by the next day.

These performance statistics are in line with those reported by other DataPath CES clients. From inception, the service has processed over 2 MILLION claims, with accuracy rates consistently above 99%.

How did this high accuracy rate and quick turnaround time help O.C.A.?

When O.C.A. Benefit Services started outsourcing its claims processing five years ago, the company's average case size was 30-50 lives. Having gained the ability through DataPath CES to "ramp up" claims volume as needed, O.C.A. has been able to confidently and aggressively pursue business growth. Recent successes include taking on a 10,000-life case at the beginning of 2016; another case will be adding 3,000-4,000 additional lives by January 2017.

I recommend this service to other business owners. If a company wants to grow while maintaining costs, this is a great resource to help with that.

Give it a try. We were pleasantly surprised at what they were capable of.

Jennifer Marino

Discover how DataPath CES can help you elevate productivity and achieve higher client satisfaction.

Visit www.dpath.com/ces for more details.



Let's work together.

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