



Strategies for Successful Adoption of Pre-Payment Solutions

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## The shift to pre-payment solutions from the post-payment review method is gaining traction within payment integrity.

By utilizing pre-payment solutions, health plans can proactively manage their payment strategy, optimizing program yield and maximizing cost avoidance value. However, transitioning to a pre-payment system is not without its challenges. This white paper aims to demystify the perceived challenges and risks of implementing a pre-pay solution for your health plan. We will discuss the advantages of switching to pre-pay and provide guidance for healthcare organizations to consider when seeking a partner with this transition.

## Transforming Payment Integrity Programs: The Rise of Pre-Payment Solutions

While the post-payment review method is most widely used among payment integrity programs, it's not the only option payers have, nor is it the most advantageous.

By engaging in post-payment practices, health plans often encounter inefficient and costly processes, including time-consuming correspondence, procuring refunds from providers, and reprocessing claims, which strain their relationships with healthcare providers and hinder overall operational outcomes.

Pre-payment solutions have gained significant traction within payment integrity, with health plans increasingly seeking ways to enhance their payment integrity strategy and claim payment accuracy. By adopting pre-payment solutions, payers can proactively manage their payment strategy leading to improved program yield and maximize cost avoidance value.



# Change is Upon Us: Why It's Time to Say Good-Bye to Post-Pay

Payment integrity programs aim to ensure accurate and timely payments. Ironically, the traditional review method for programs results in inaccurate and drawn-out reviews and reprocessing of claims. This slow, single-sided "pay and chase" approach is filled with obstacles and burdens

for payers and providers with increased challenges that lead to disruptions in efficiency and accuracy. Pre-payment review processes enable payers to gain control of their payment strategy and tackle the challenges they encounter with post-pay methods, with ease.







CHALLENGES	POST-PAY	PRE-PAY
Administrative Burden	Time-consuming retrospective audits	Early identification of errors, reducing manual audits and potential appeals
Provider Relations	Strained relationships with healthcare providers	Improved collaboration through quicker, accurate reimbursements
Data Quality Issues	Reliance on incomplete or inaccurate historical data	Advanced data analytics and AI for enhanced accuracy and speed
Higher Costs	Increased financial burden for audit teams, appeals, and legal actions	Cost containment through prevention of incorrect or fraudulent claims
Time Lag	Approximately 180 days from claim payment to recovery and only realize ~70% of savings opportunity	Immediate cost-avoidance and 100% savings realization

# Facilitating a Seamless Transition to Pre-Pay: Choosing the Right Technology Partner

When contemplating a shift to pre-pay for claims review processes, finding a technology partner that aligns with your needs is crucial. To ensure a smooth transition with minimal disruptions, consider the following key factors:

#### **Determine Program Objectives**

Establish clear program objectives before transitioning to pre-pay. Align short and long-term goals to build a solid foundation for a successful payment integrity program. Having clear expectations ensures that the program remains focused on its objectives while adapting to evolving challenges.

### **Choose a Strategic Technology Partner, Not Just a Vendor**

Opt for a technology-enabled solutions partner with capabilities in AI with machine learning and Natural Language Processing (NLP) technology. This partner should seamlessly process unstructured medical records, empowering teams to make data-driven decisions. Look for a solution that simplifies the pre-pay transition process and addresses potential challenges with:

- Real-time processing for accelerated payment timelines.
- Seamless integration with claims systems through real-time APIs.
- Flexibility and adaptability to meet unique client needs.
- Quick and straightforward implementation for rapid deployment.
- Turnaround time (TAT) of reviews <24 hours once documents are procured.

#### **Network Education and Communication**

Establish clear expectations and maintain open communication with network partners before implementation. This proactive approach minimizes potential friction, leading to a smoother transition and increased success rates. Ensure that all stakeholders are well-informed about the changes, fostering understanding and cooperation among the network.

Making the switch to pre-pay doesn't have to be daunting. By choosing the right technology partner, you can facilitate a seamless transition, improve payment integrity, and confidently adapt to the evolving landscape.

# **Empowering Health Plans: Take Control of Your Payment Integrity Strategy**

Transitioning from post-pay to pre-pay can significantly benefit your payment integrity program. It's crucial to recognize that the advantages of pre-payment extend beyond just operational improvements.

With the right solutions partner offering technologically advanced solutions tailored to your health plan's unique requirements, you can achieve results that drive success, ensuring enhanced effectiveness and efficiency in your operations and outcomes.



# **Apixio**

Learn how Apixio can help transform your organization's payment integrity program.

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#### **About Us**

Apixio is the Connected Care Platform at the intersection of health plans and providers. Our actionable AI technology, flexible services, and seamless workflows power accurate payments and high-quality patient care so healthcare organizations can thrive as the industry moves toward value-based reimbursement models.

Email: info@apixio.com Phone: 877-427-4946

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