
The CareGroup approach to HIPAA

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Chief Information Officer



Our HIPAA Project

- Administrative Simplification
- Security/Confidentiality
- Education



Staffing

- Designated HIPAA point person at each major CareGroup institution
- Full time person working on compliance
- Training and major policy issues handled at the CareGroup level



Administrative Simplification

- Benefits/Eligibility
 - Web
 - Hospital Information System
- Referral/Auth
 - STARS
- Claims Status
- Claims



[CareWeb](#)[Cyberprise](#)[Web Email](#)[CQV EIS](#)[Lit Search](#)[Online Reports](#)[Find a DR](#)[STARS](#)[Eligibility](#)[Create Myportal](#)[Myportal Log In](#)

Username

Password

**CAREGROUP**
HEALTHCARE SYSTEM

Sunday, May 21, 2000

[Lookup Another Patient](#)

JOHN HALAMKA: Eligible

Service Date: 1/1/00

Patient Demographics

Name: HALAMKA, JOHN Member ID: HPCG02815-00

Sex: M Date Of Birth: 5/23/62

Address: 11 ALDEN RD
WELLESLEY HLS MA 02481-6702

Start Date 1/1/00 End Date 12/31/9999

Primary Care Provider Info

PCP Name: DUPEE,RICHARD PCP Plan ID: 2928

Address: 65 WALNUT STREET
WELLESLEY MA 02181

PCP Phone: (781) 235-9089

Benefits

Plan: HPHC Product:

Copay Info

Transaction time:2 Seconds



ELIGIBILITY

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AUTHORIZATIONS

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[Request Referral](#)
[Request Admission](#)
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Member ID:

Referring PCP:

Plan: [SEARCH](#)

[SEARCH](#)

[CUSTOMIZE](#)

Provider Details

Member P

Admission

Admission

Admission

Admission

Type of Ad

Admission Category:

Primary Admission Dx: [SEARCH](#)

Reason for Admission:

Select to route this request to your CareGroup PSN Case Manager: ☐

Liability and Recovery:

[Request Admission](#)

[CUSTOMIZE](#)

[CUSTOMIZE](#)

Telephone

[SEARCH](#)

ICD9 Search - Microsoft Internet Explorer

ICD9 Search

Search for ICD9 codes about:

[Search](#)



ELIGIBILITY

[Inquiry](#)

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Out-Of-Network Requested?

This referral is to an out-of-network provider, which will trigger a review.
If you make use of a network provider, your referral will be auto-approved.

- Option 1: [Modify referral request](#)
- Option 2: Request out-of-network referral

Justification:


Comments:

CareGroup Net - Microsoft Internet Explorer

File Edit View Go Favorites Help

Back Forward Stop Refresh Home Search Favorites History Channels Fullscreen Mail Print Edit

Address C:\WINDOWS\DESKTOP\Prototype-981108\top.html Links

 PROVIDER SERVICE NETWORK
Affiliated with CAREGROUP

ELIGIBILITY
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Temporary Tracking Number **A682432**

Patient Details

Member ID:	0277883612	Plan:	BCBSMA
Name:	Carter, John	Product:	HMO Blue
Referring PCP:	Taussig, Helen	PSN ID:	16351
Risk Unit:	BIDMC		

Provider Details

Refer To Provider:	Woo, John	PSN ID:	12786
Risk Unit:	BIDMC		

Referral Details

Start Date:	10-07-1998		
End Date:	12-31-1998		
Services Requested:	Consult only	Visits:	1
Reason for Referral:	Worsening symptoms over the past 5 days. Patient complaining of severe chest pain and shortness of breath.		

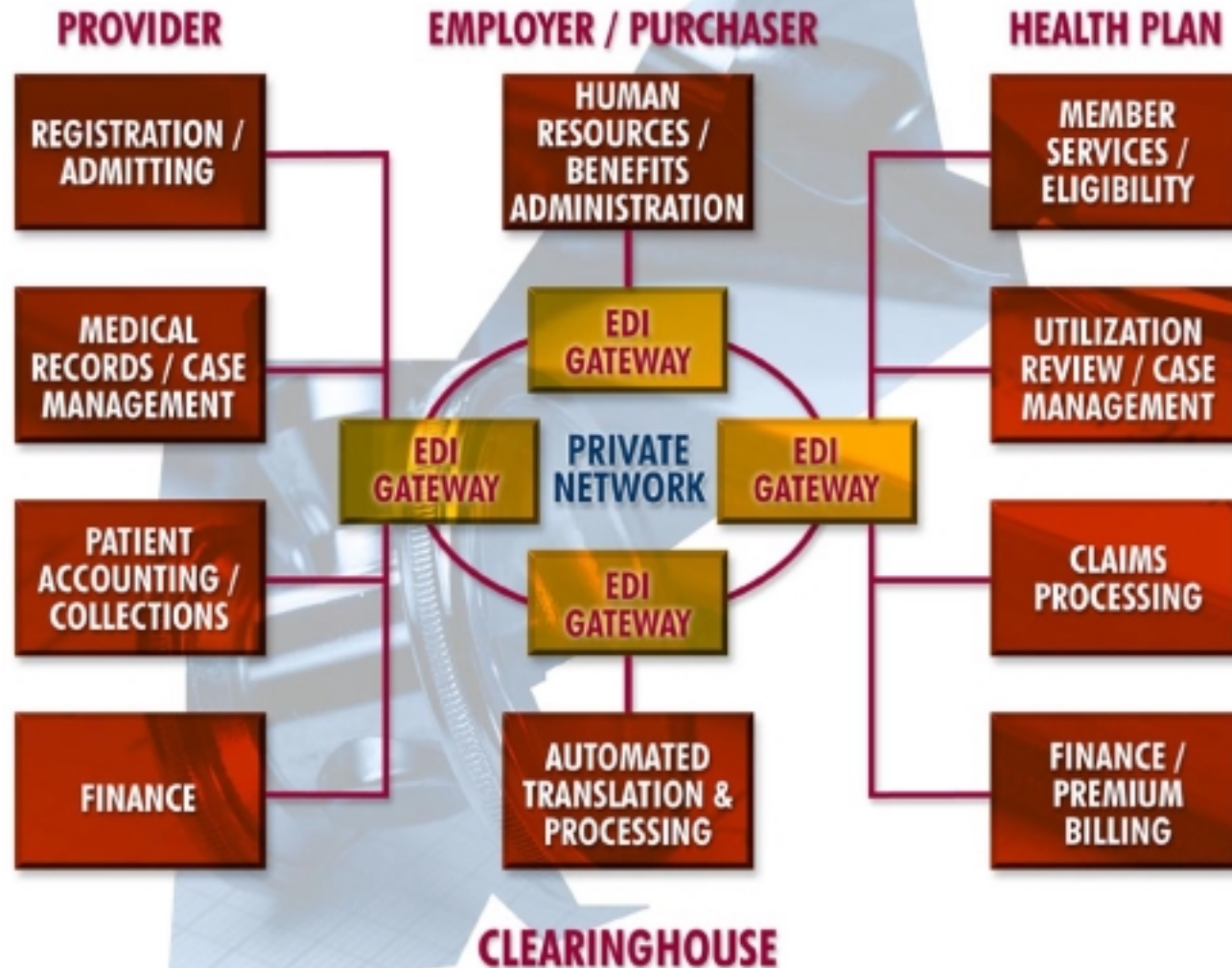
Diagnosis

Primary Diagnosis:	413.1	Description:	Prinzmetal Angina
Secondary Diagnosis:		Description:	

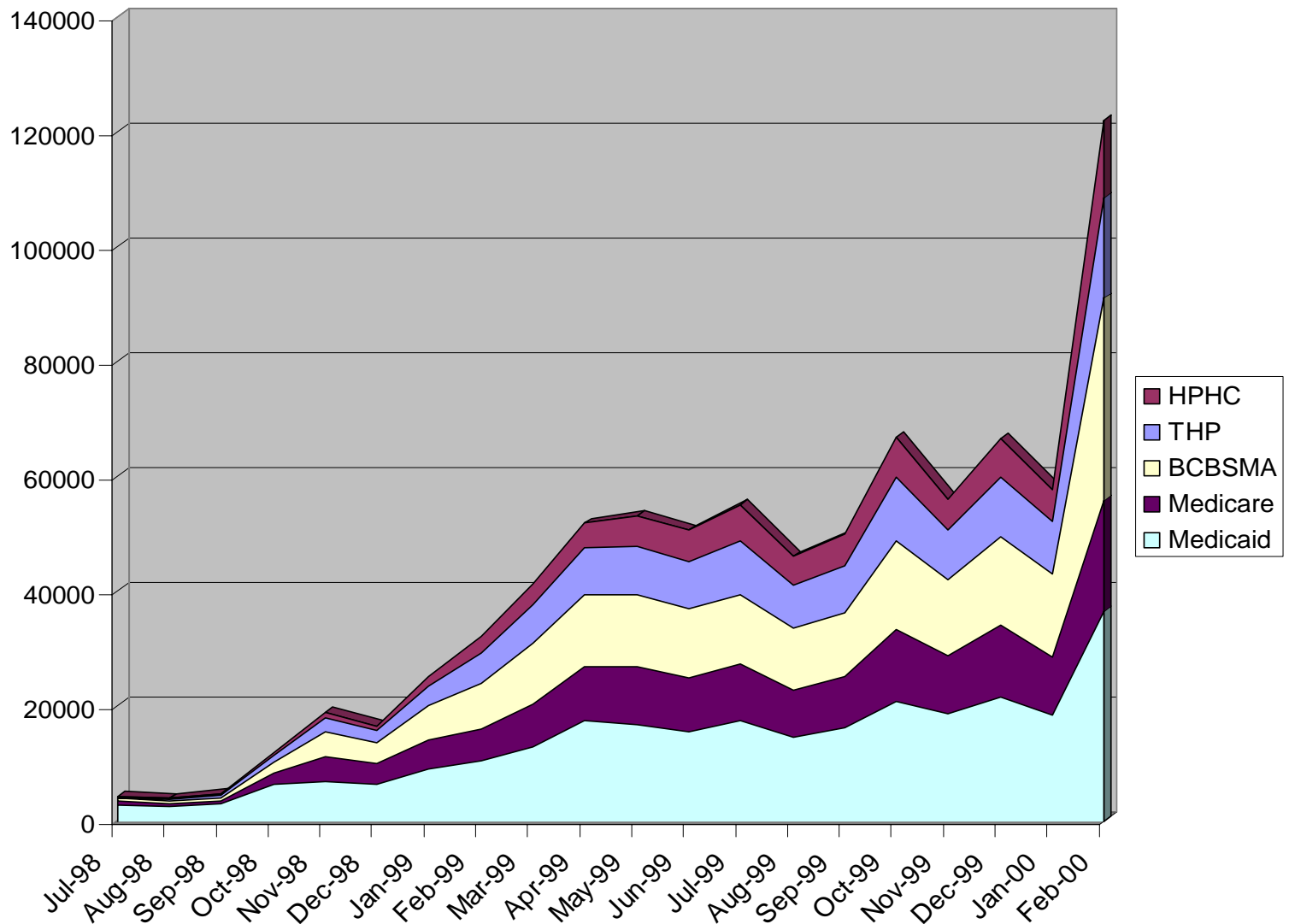
This referral is

Done My Computer

The NEHEN Model



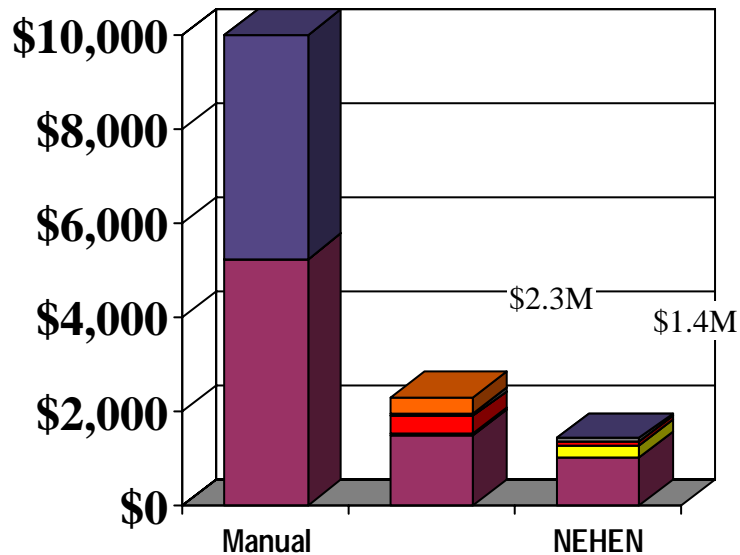
Volume Statistics



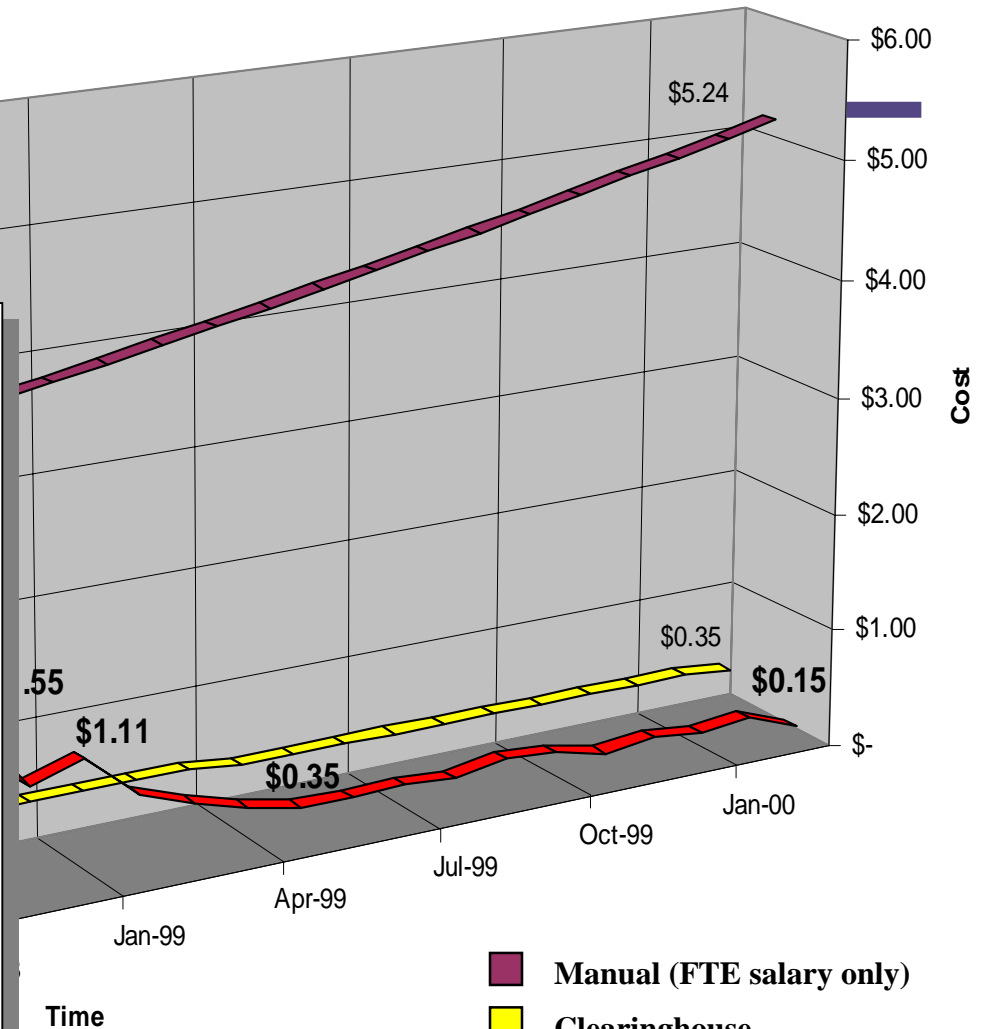
Costs per Transaction

Annual Cost per 1M and 2M Txns.

\$10.4M



Labor Implementation Ongoing Costs
 Labor Implementation Ongoing Cost



Manual (FTE salary only)
 Clearinghouse
 NEHEN



NEHEN experience

- EDI Solution Assumptions
 - Performed <3 minutes
 - Support at least 70% of the payor mix
 - 40% of current claims rework to be eliminated
 - Burdened rate of \$30K per FTE and 15% overtime
 - Cost of capital at 6%



Eligibility Results

Salary and overtime:	\$845,250
x 40% claims rework labor reduction =	\$338,100

- Reduction in claim rework

Salary and overtime:	\$110,250
x 70% payor Mix =	\$77,175
x 80% labor reduction (from current 15 mins. To 3) =	\$57,875

- Eligibility verification process improvement

Current rejections:	\$4,416,000
x 30-day A/R reduction (at 6% cost of capital) =	\$21,770
+ 1.5% reduction in write-offs =	\$66,240

- Improved collections



Eligibility ROI

Eligibility ROI	Year 1	Year 2	Year 3
Labor savings:	\$397,975	\$ 397,975	\$ 397,975
+ Improved collections:	\$88,010	\$88,010	\$88,010
Gross savings:	\$485,985	\$485,985	\$485,985
- NEHEN program mgmt. fees:	\$72,000	\$72,000	\$72,000
- Implementation costs (H/W, network, labor):	\$250,000	\$10,000	\$10,000
Net savings (cumulative): (+ incidence avoidance)	\$163,985	\$568,905	\$972,890
	ROI: 1.5X	2.4X	3X



Security/Confidentiality

- Best Practices – National Academy of Sciences “For the Record”
- Current and Future Recommendations
- Implemented in all our systems



Education

- Formal training in confidentiality
- Volunteers are trained
- Web based training and record keeping
- Single program for all of CareGroup



Summary

- Administrative Simplification
 - Live today with 270/271, 278
 - September for 834/837
- Security/Confidentiality
 - Full auditing, strong authentication and access control in place
- Education
 - Ongoing effort

