

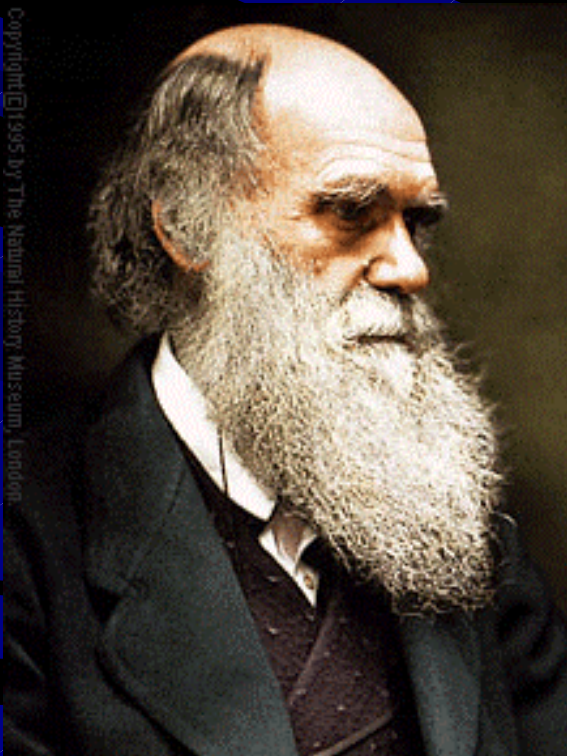
Implementing HIPAA's Transaction Standards and Code Sets

HIPAA Summit West

June 21, 2001

Scott A. Trapp, D.D.S.

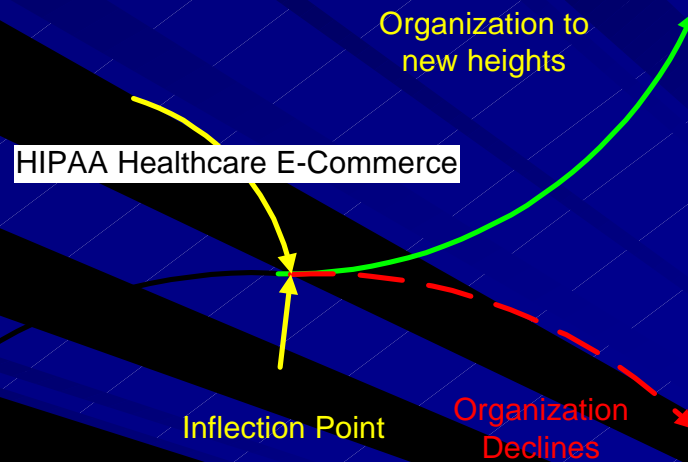
Pathway to Enabling Healthcare E-Commerce – Understanding Change



“It is not the strongest of the species that survive, nor the most intelligent, but the ones most responsive to change.”

-Charles Darwin

Has Change Occurred? The Strategic Inflection Point



- Fundamental Paradigm Shift
- Technology Adoption Curve
- Adoption Rate
- 10X Change as the Defining Characteristic
- Regulatory Change

Value of E-Commerce

➤ Dell

- Online Order Status – \$500,000/yr Savings
- Software Downloads - \$150,000/wk
- Online Help Desk \$2M/yr

➤ Dentistry

- E-Claims > 1% of Revenue
- E-Transactions > 4% of Revenue

Can Healthcare E-Commerce be Implemented?

- >1200 Employer Plans
- >700 Insurance Companies
- > 6000 Patients
- Product Responsibility Risk Shifting
- Solution: Standards for a Complete Electronic Solution

Dentistry: Slow to Adopt or Just Good Business Sense

- < 25 % of Dentist Utilize E-Claims
- Realize ~1% Cost Savings
- Case Studies For Complete E-Commerce Solution
 - WDS – Utilization 25% to 80%
 - Rochester – 25% to 80%
- Why – Value

Standards Value to the Individual Practice

- Eligibility - \$850/yr
- Claims – \$3825/yr
- Remittance - \$2975/yr
- Claim Status - \$5900/yr
- AR Investment - \$2450/yr
- Total Savings - \$16,000/yr
- ~4% of Revenue

Thank You

Scott A. Trapp, D.D.S.

ScottTrapp@dp.omhcoxmail.com

www.dpsmiles.com