Accelerating Credentialing

Molina Healthcare decreases turnaround time for credentialing by 44% while doubling number of applications processed per month

Much has been made lately of the benefits that can accrue to healthcare providers through the use of electronic medical records. In fact, one of the major long-term goals of the American Recovery and Reinvestment Act of 2009 (ARRA) is to "initiate a process to computerize health records to reduce medical errors and save on health care costs."

But medical records are only one area in which providers can reap the benefits of working with secure, digital files. For organizations such as Molina Healthcare, a managed care organization (MCO) serving low-income individuals who frequently depend on government assistance, implementing a Laserfiche enterprise content management (ECM) system to digitize and streamline the healthcare provider credentialing process has proven to be extremely valuable.

The Importance of Credentialing

Credentialing is integral to the success of any healthcare organization, but it is a particularly important process for an MCO like Molina Healthcare. Effective credentialing helps MCOs manage liability risk, attract customers and obtain accreditation from organizations such as The Joint Commission and NCQA. It is also a procedural requirement by federal agencies such as CMS and various state agencies.

Molina Healthcare, a Fortune 1000 company that operates in nine states—California, Florida, Ohio, Michigan, Missouri, New Mexico, Texas, Utah and Washington—handles more than fifteen thousand provider applications a year. Legally, a healthcare practitioner cannot participate in Molina's network until the credentialing process is completed and a determination has been made to approve that provider for participation.

"Every day a provider remains in the credentialing process," says Ryan Boe, corporate credentialing manager at Molina Healthcare, "is another day that he or she can't provide care for our members."

According to Boe, applications frequently consist of 30-100 pages of material, including a physician's state license, board certification, criminal history report, stated work history, educational background, malpractice history and more. "Dealing with paper," he says, "is much slower than working with electronic records."

Paper Process

In the past, Molina's credentialing department produced a single paper copy of each application and routed it to different people during the credentialing process. According to Michael Eisenman, healthcare analyst for the credentialing department, coordinating the logistics and timing for moving applications through various steps of the process was difficult.

"When you're reviewing hundreds of applications a month, it's not practical to physically transfer them one-by-one," he says. "But transporting hardcopy files in batches leads to processing bottlenecks, which slows everything down."

From a cost standpoint, printing paper applications consumed reams and reams of paper, and the special couriers who shipped credentialing files between offices were an additional expense. Add to that the physical space needed to store and retain the documentation (including a great number of wall racks), and Molina faced even more costs.

Working with paper also brings up liability issues for MCOs like Molina: "HIPAA mandates that we keep medical information secure, but it's hard to do that with paper files," Eisenman explains. "Paper isn't password-protected, and it doesn't produce an audit trail."

Laserfiche®

Implementing ECM

Tasked with finding the best way to digitize credentialing applications and automate key pieces of the credentialing process, an IT committee chose Laserfiche Rio for its rich scanning, workflow, security and auditing features.

Despite a few initial difficulties around business process engineering, solution design, training and adoption, the department soon ironed out the kinks, staggering the implementation state-by-state over a period of six months.

Initial product training and consistent technical support from the Laserfiche technical team helped Molina to understand the Laserfiche product architecture, resolve implementation issues and accelerate project deliveries.

The IT department trained the credentialing managers, who then trained their staff. "Most users picked it up pretty easily within a couple of days," says Sampath Nalam, technical lead in Molina's IT department. "It's not too complex for users to understand and navigate through the Laserfiche application."

Eisenman echoes this sentiment: "Laserfiche is very intuitive for users. It's pretty close to point and click."

ECM in Action

In order to put Laserfiche into action, Molina had to restructure its credentialing process to take advantage of the system's capabilities. "Today," says Eisenman, "all roads for credentialing lead to Laserfiche."

When a practitioner is being credentialed with Molina for the first time, departments outside of Credentialing obtain the application data—either from a physical application or from CAQH, one of the largest credentialing data sources in the country. The application data soon ends up in the credentialing department, which is where 85% of the work associated with the credentialing process takes place.

"We get a hodgepodge of data sets," explains Eisenman. "XML data, text files, PDFs, spreadsheets, paper… the list goes on and on. We pre-process the data to make sure it meets our standards and organize it into an intelligent list, at which point it all goes into Laserfiche."

In Laserfiche, the data is automatically filed—usually in large batches—in the Laserfiche folder structure. Once the information is in the system, the 'Laserfiche workflow' kicks in, alerting people to the various tasks they must perform on each application. For example, credentialing specialists populate template fields with metadata to indicate file completion or file discontinuance, which moves the file forward to a credentialing lead, who quality checks each file.

"We now have about 100 people using Laserfiche to some degree, and about 50 of those people use Laserfiche on a continuous and daily basis," says Boe. "After a bit of trial and error, we've figure out our ideal process for implementing a centralized and paperless credentialing system."

Measurable Results

Molina's corporate credentialing department has realized a number of benefits resulting from its Laserfiche implementation, including:

- Decreased turnaround time (TAT) for processing applications by 44%.
- Twice as many applications processed per month.
- Decreased credentialing costs.

"The Laserfiche SDK has enabled us to automate an incredible amount of our data processing," Eisenman says. "It has made the credentialing process much faster and much more consistent."

"When we first started working with Laserfiche, there was a brief period when the TAT went up and our volume went down as we adjusted to the new process and the new technology," Boe explains. "Once we'd conquered that initial learning curve and overcome the initial technical hurdles, however, the speed at which we can process applications skyrocketed. We're currently completing approximately 1,500 applications a month, which is up from just under 800 a month a year back."

Eisenman reports that Laserfiche has greatly increased the visibility of credentialing information across the company, while also decreasing the liabilities that are related to working with paper files. "Visibility has gone up, while unauthorized access to information has been eliminated," he says, adding that the department's paper costs "have fallen off sharply."

"We're very happy with Laserfiche," Boe concludes. "It has accelerated the credentialing process and added a lot of value to our organization."

About Laserfiche

A resource for more than 28,000 public- and private-sector organizations around the world since 1987, Laserfiche creates simple, elegant enterprise content management solutions that help organizations run smarter. From streamlining digital records management to automating workflow, Laserfiche helps improve efficiency while integrating easily within any environment.

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