



PEGA PERSPECTIVE:

Automating and
simplifying the
provider lifecycle
management
workflow



Provider lifecycle management just got more complex

Healthcare insurance companies (payers) want to deliver high-quality member experiences and manage their operations efficiently. At the heart of these operations is provider lifecycle management – workflows that require the coordination and management of prospecting, contracting, credentialing, and provider onboarding activities, as well as the collection, validation, and maintenance of the data tied to them. But provider lifecycle management is complex, and the recent enactment of the Consolidated Appropriations Act of 2021 and the No Surprises Act are putting pressure on payers to improve speed and accuracy of service or face penalties.

The new regulations were created to help protect consumers from surprise bills and create a fairer, patient-centered healthcare system. According to a 2020 Kaiser Family Foundation analysis, 1 in 5 insured adults had an unexpected medical bill from an out-of-network provider within the previous two years.¹

However necessary and well-intentioned the regulations, the fact is, the sheer volume of providers and frequency of provider churn and data changes has significantly increased administrative workloads leaving payer organizations scrambling to create accurate directories. Further exacerbating payers' challenges is an increase in traveling providers, such as physicians, nurses, and caregivers, that work temporary assignments for different plans, facilities, and locations. Add to this the fact that most of the data is sourced by providers – not payers – preventing payers from having direct control of the data. They also lack existing, coordinated internal systems and processes designed to rapidly intake, verify, and credential providers – as well as the ability to make that data accessible to plan members. And a tight labor market isn't helping. Payers are finding it's nearly impossible to hire enough staff to meet the need for data collection and validation.

How the Consolidated Appropriations Act and the No Surprises Act affect payers:

- As of Jan. 1, 2022, payers must have a process in place to ensure timely provision of directory information.
- Payers must refresh provider data within two business days of receiving a request for update from providers.
- Payers must verify provider directory data every 90 days.
- Payers must remove providers that cannot be verified.
- If a plan member receives an out-of-network bill by a provider that is incorrectly listed in a payer's database as in-network, the payer is responsible for the cost-sharing amount greater than the in-network rate.

¹Karen Pollitz, MPP; Luna Loppes, MPP; Audrey Kearney, MA; et al., "US Statistics on Surprise Medical Billing," February 11, 2020, <https://jamanetwork.com/journals/jama/fullarticle/2760721>.

Payers must simplify the provider lifecycle management process to improve service

Though the new regulations require payers to have in place an up-to-date provider database accessible to members, the truth is, many don't. They are struggling with multiple systems of records, departmental silos, and disparate processes. It's leaving workers trying to navigate the numerous systems and sources to manage mountains of constantly changing provider data, which is often inaccurate, duplicate, incomplete, inactive, and out-of-date. These inefficiencies create patient access hurdles and can result in government sanctions, care gaps, poor patient/provider communications, high network churn rates, employee dissatisfaction, and revenue and/or margin impact.

But digital-first technologies, like robotics and process orchestration, can help payers automate data collection, validation, and associated workflows. By taking an intelligent automation approach to provider lifecycle management, payers can more quickly provision directory information for their members and their plans.

We anticipate the No Surprises Act will require as much as a 20X improvement in provider information timeliness and increase workloads by an estimated 2X to 4X.



Payers are playing catch-up on digitally transforming their provider lifecycle management

If payers can update systems without having to rip and replace their enterprise architecture, then why have so few successfully automated their provider lifecycle management workflows? We see two common themes among organizations: prioritization of front-end user interface projects over back-end systems updates and the view that regulatory fines are the cost of doing business.

Back-office improvements need more love

Payers have been investing in improving member experiences with expanded access on digital channels and more intuitive digital user experiences. This is good news, but it only improves service on the front-end to a point. To provide the type of member-centric experiences envisioned by regulators, payers absolutely need to invest in the back-end improvements that connect data and align processes. Back-office improvements are less visible to members and therefore often de-prioritized, but they are essential to improving both employee and member services and satisfaction. Their modernization can help payers more easily achieve regulatory compliance and, ultimately, contribute to higher quality service ratings, such as Centers for Medicare & Medicaid Services (CMS) star ratings.

The cost of doing business is getting harder to absorb

Until recently, some payers' operational strategies were to forego member system improvements and just accept the fines. New regulations and possible fines of up to \$10,00 per incident for knowingly billing out-of-network patients directly, will make the just-accept-the-fines approach very costly, very quickly. Accurate data is now a necessity.

Payers who were behind in modernizing their systems and directories are now realizing they need to accelerate their digital transformation to be more compliant.

How intelligent automation streamlines provider lifecycle management

Intelligent automation is an umbrella term that describes the combination of smart, digital technologies that businesses use to automate and streamline work, such as artificial intelligence, robotic process automation, business process management, case management, process intelligence, and low-code application development. In combination, these technologies give organizations the capabilities they need to automate repetitive tasks and drive workflows from beginning to end. They are capabilities that can be easily applied to improve Provider Lifecycle Management.

Specifically, payers should consider taking advantage of the following intelligent automation capabilities:

Case management and business process management

Case management and business process management (BPM) are the software engines that work together to drive work from start to finish. Case management orchestrates manual and machine work, manages data and integrations, detects changes, tracks work, and uses intelligence to drive action to the right processes at the right time. Business process management automates the steps in each workflow. Using these capabilities, you can coordinate an infinite volume of complex workflows.

Robotic automation

Robotic automation (RA) or robotic process automation (RPA) are bots designed to automatically execute a task based on a set of defined business rules. In healthcare systems, robotic automation is extremely useful for connecting to databases, pulling data, and plugging that data into application workflows when and where needed. They handle the rote, mundane work, so employees can focus their time on higher-value tasks.

Low-code application development

The advantage of low-code application development is that it allows the people closest to the work to collaborate on new business applications or updates to existing applications, enabling teams to build and evolve together. For payers, it can help speed the development of a framework for provider data management and any future updates that may need to be made to that framework in response to new regulations.

Applying intelligent automation to provider lifecycle management workflows

Prospecting & contracting

Competition to recruit and retain providers is intense. Intelligent automation can make the process quick, easy, and intuitive by supporting:

- On-line and mobile capabilities
- Guided workflows
- Automated validations and notifications
- Data collection and updating

Onboarding & credentialling

Onboarding is a critical function, and its accuracy impacts operational costs, compliance, and provider and member satisfaction. Intelligent automation can bring massive improvements to this workflow.

- Intuitive, self-service experiences
- Data collection and updating
- Process speed and accuracy
- Exception management

Data management, configuring, and servicing

Data management, configuration, and accessibility is core to provider lifecycle management. Intelligent automation can help streamline these high-volume workflows and create a single source of truth.

- Automatically capture, process, and maintain data
- Proactively prioritize work
- Identify data gaps and duplicate data

Intelligent automation improves experience for members, providers, and employees, alike. A cohesive intelligent automation platform can help payers more accurately manage provider lifecycle management workflows by reducing manual processing, bridging the gaps between systems, and improving the management of provider data and relationships. The outcomes are more timely, accurate information for members, reduced operational costs, greater regulatory compliance, and agility to adapt to future procedural changes.



Healthcare organizations are seeing real results from intelligent automation

Healthfirst automates provider data updates

Like many healthcare organizations, Healthfirst had aging, siloed solutions for much of its core operations. The embedded coding made change slow and costly. Yet, being based in New York City, an epicenter of the U.S. outbreak of COVID-19, the organization had to rapidly handle a massive influx of providers brought in to care for patients.

75% of provider data updates automated

77% faster provider onboarding

Fortunately, prior to the pandemic, Healthfirst had begun modernizing its core administration functions. By taking an intelligent automation approach to prospecting, contracting, onboarding, credentialing, data management, configuration, and servicing across the organization, Healthfirst was able to quickly onboard new providers and has now digitized the entire provider lifecycle management process.

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Optum enables business leaders to solve their departmental challenges

Healthcare provider Optum needed to modernize and standardize the way it tracks the licensure and certifications of its clinician-employees across all groups. The provider needed a solution that was easy to implement, agile, user-friendly, and would bring visibility to data across all clinician systems. Using low-code application development, Optum brought business leaders and subject matter experts into the development process, producing a minimum loveable solution in just 10 weeks. The solution manages more than 25,000 clinician licenses across 50 states and verifies thousands of nursing licenses on a nightly basis.

98% data accuracy

\$100M in legal fee avoidance

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Pega's intelligent automation capabilities help you modernize now and be ready for tomorrow

Whether it's called provider lifecycle management, provider data management, provider network management, or something else, the challenges cut across operational, clinical, and financial realms. Payers are looking to simplify the lifecycle management process to improve compliance, efficiency, and member satisfaction, as well as be adaptable to the yet unforeseen regulations that may be enacted. Intelligent automation provides the capabilities to modernize and simplify every phase of provider relationships from end to end.

Learn more at:

pega.com/industries/healthcare/healthcare-payers

Connect with us!

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The Pega Foundation for Healthcare

Built-in best practices for provider lifecycle management help you start simplifying complexity – fast

Pega completely transforms the provider lifecycle management process with AI decisioning and workflow automation on a low-code platform. Built on our industry-leading Pega Platform™, the Pega Foundation for Healthcare helps you modernize and simplify every phase of your provider relationships, improving experiences for everyone from end to end while maintaining regulatory compliance.

- Robust object model with pre-defined classes and attributes for all provider domains, relationships, contracting, and networks
- Supports CAQH defined provider data around credentialing
- Pre-configured REST APIs for provider/practitioner, contracts, networks, rate sheets
- Pre-configured workflows for managing provider profiles, relationships, contracts, and networks
- Low-code application development for agility
- Scalable architecture that allows you to specialize and differentiate across care delivery organizations (CDOs)



About Pegasystems

Pega delivers innovative software that crushes business complexity. From maximizing customer lifetime value to streamlining service to boosting efficiency, we help the world's leading brands solve problems fast and transform for tomorrow. Pega clients make better decisions and get work done with real-time AI and intelligent automation. And, since 1983, we've built our scalable architecture and low-code platform to stay ahead of rapid change. Our solutions save people time, so our clients' employees and customers can get back to what matters most.

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