“Punching above Your Weight Class”

How small to mid-size health plans can use the same resources big plans use to fight fraud, waste and abuse

VIEWPOINT SERIES

Robert Rolf, Vice President

“Punching above your weight class” is a boxing reference to fighting an opponent who is heavier and more dominant than you are. Weight classes, as set down by the National Sporting Club of London in 1909, were implemented to ensure fair and equal competitions between similarly matched boxers. The phrase is now used to describe outperforming your abilities and resources in situations ranging from relationships to financial leverage to business.

In the healthcare payer market, both the public and private sectors, there are wide discrepancies between the heavyweights on the one hand, and the broader market of payers with more modest means on the other. There are stark differences in resources available to an organization covering tens of millions of lives, versus those covering tens of thousands to a few million. And yet, the challenges and needs for payers of all sizes are largely the same.

Let’s take the example of the fight against fraud, waste and abuse and collectively call these the challenge of improper payments.

Around the world, millions of times a day, clinicians, hospitals and other service providers and suppliers submit claims to healthcare plans. In the U.S. alone, nearly $3.2 trillion dollars in payments flow from public and private payers to providers annually. These payers are under constant pressure to process and pay claims quickly, leaving little time for complex analyses of large numbers of claims. While most payments are straightforward, some should not be paid because they are erroneous, inflated or even fraudulent.

Specialized software using advanced analytical algorithms can help healthcare payers find and prevent or recover improper payments. Different claim situations call for different analytical approaches, including outlier analysis and predictive modeling. Machine learning is a particularly promising technology—that’s where self-learning models use known outcomes to teach themselves what is a true positive and what is a false positive, further automating the decision-making process. As big data becomes ever more integrated with cognitive analytics, machine learning and the dynamic computing power of the cloud, more payers will be able to predict fraud even before it happens while maintaining compliance with prompt pay regulations.

If all of this technology sounds accessible to only the heavyweights of health plans, consider how cloud based software-as-a-service (SaaS) solutions can provide the same advanced capabilities to smaller payers, but at a price point relative to their weight class, and on a pay-as-you-go basis. This model allows payers to significantly reduce the risk associated with traditional on-premises implementations that are costly, capital intensive, invasive to the IT environment and have a long payback period.

Solutions that are architected specifically for the cloud can take advantage of nearly unlimited compute and analytic processing capacity, but only charge on the consumption you actually use. Benefits include:

- **Rapid implementations**
- **Industry-leading secure environments**
- **Standardized data transactions**
- **Pre and post-pay options**

As long as there are insurance reimbursements for claims, there will be erroneous, inflated or fraudulent claims. As an IT and business process services partner working on behalf of some of the largest public and private healthcare payers globally, CGI provides expert services and a leading cloud based SaaS solution with CGI ProperPay to help ensure integrity in the claims process while keeping you competitive in the fight against improper payments.

Learn more at **cgi.com/properpay**