

## **IIC Innovates the Prior Authorization Process for Payers and Providers via EDI 278**

Prior Authorization (PA) is the process of obtaining approval from the patient's insurance carrier to receive treatment and is a necessary method to control costs. Procedures, tests, labs, equipment, inpatient admits, and drugs covered under medical benefits are approved, pended, or denied based on the member's coverage and the payer's policy guidelines (appropriate use criteria).

Prior Authorization is currently a manual paper-based process that is expensive, inefficient, and administratively burdensome for both payers and medical providers. All payers, including Medicare, must review PA requests based on their own appropriate use criteria and handle time-consuming appeals. Broad adoption of appropriate use criteria requires automated real-time reconciliation of requests based on evidence-based guidelines.

Informatics In Context (IIC) is a cloud-based clinical healthcare company that has productized an innovative, touchless, and real-time solution for automating the prior authorization process for payers and providers using EDI 278 which via an ACA mandate, is required for payer adoption by Jan 1, 2016. IIC offers two independent PA solutions that comply with the EDI 278 standard: For Payers, IIC offers its 278 Authorization Engine; For Providers, IIC offers its web portal or integrated web service. These two authorization solutions are completely independent and distinct from each other.

**Payers:** IIC's 278 authorization engine directly addresses one of THE major and most costly pain points in healthcare for payers. The 278 authorization engine helps automate utilization management by automatically adjudicating the vast majority of PA requests based on the payer's clinical care guidelines without human intervention.

The 278 authorization engine offers payers an order of magnitude cost savings by maximizing automation, increasing efficiency, and scaling the utilization management function using the EDI 278 standard, without increasing administrative staff. It allows the right care to be delivered at the right time for the right reason based on the payer's policies and clinical care guidelines and also reduces the need for time-consuming appeals, medical reviews, and post-service re-adjudication of claims.

IIC automates all clinical care guidelines payers use to approve, pend, or deny requests and looks up the correct choices based on the payers clinical care guidelines (appropriate use criteria). The 278 authorization engine is easily integrated into any system with a well-defined API and it works with any portal or system that sends EDI 278 requests.

Advanced analytics modules allow the system to recommend the most clinically appropriate care cost-saving options based on payer payment policies and clinical guidelines. Analytics triggers can be applied for fraud alerts, procedure selection patterns, provider submission patterns, incurred real-time costs, and more.

**Providers:** Prior authorization is the closest assurance providers receive from payers guaranteeing payment for treatment. When the PA process is automated and real-time, prior authorization can reduce post-service denials, re-submissions, medical reviews, physician and clinical staff time, patient rescheduling, and in turn improve patient satisfaction scores.

Currently, prior authorization requests are based on proprietary and non-standard workflows, which differ payer to payer. IIC's provider portal or integrated web service is a software agnostic solution that offers uniformity and standardization of workflow within a multi-payer offering.

It significantly simplifies administrative processing while lowering per transaction costs by an order of magnitude. It promotes high utilization while reducing unnecessary delays and call center volumes by integrating the patient eligibility function with the electronic PA request.