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Health Plans Can Boost the IQ of Claims Processing Systems with AdminisTEP's "Smart" Rejection and Inventory Management Capabilities from Legacy

AdminisTEP's "Smart" capabilities greatly reduce administrative costs and improve provider relations.

PLANO, TX. — February 21, 2007 — Legacy Consulting Services today announced the addition of AdminisTEP's new "Smart" capabilities that help health plans reduce claims rejections, automatically route claims to the appropriate people for resolution and track claims from submission through payment. AdminisTEP's "Smart" capabilities reduce payors' administrative hassles related to researching and resolving claims errors, and enable payors to process claims quicker, expedite payments and improve provider relations.

"Rejected claims increase health plan costs and decrease provider satisfaction levels. Each rejected claim costs a payor as much as \$28 in administrative costs to resolve, vs. the \$2.50 that it costs to process a clean claim. Repeated claims rejections also have a detrimental impact on provider relations," said Daren Donnelson, CEO of Legacy. "Payors have two choices. They can work with hundreds – and possibly even thousands – of providers to educate them on how to submit clean claims, and then become dependent upon whether or not those providers implement the corrective measures. Or, they can take matters in their own hands by using AdminisTEP to resolve many of these issues and reduce costs."

AdminisTEP directly connects providers with payors, residing between the points of claim creation and claim processing. This enables AdminisTEP to apply its "Smart" business rules to incoming claims and detect potential errors. Minor errors, such as formatting and syntax, are automatically fixed and the claim is sent for processing. Other error types are identified and automatically routed to the AdminisTEP workflow for research and resolution. AdminisTEP's "batch fixing" feature enables to payors to correct multiple claims with the same error in a single

batch, such as correcting member ID numbers in multiple claims received from a provider. As a result, providers receive fewer claims rejections and payors reduce administrative costs as first past rates increase and less human intervention is required to process claims.

AdminisTEP uses perimeter processing to apply its "Smart" business rules to reduce operational costs and information technology demands. With perimeter processing, AdminisTEP's servers handle the processing needs to apply the business rules, instead of burdening the payor's core claims system with the increased processing demands. Once the "Smart" business rules are applied to claims, AdminisTEP becomes a convergent point where all data comes together and providers and payors can access the information and functionality via the standard interfaces that connect AdminisTEP with other solutions.

Additional AdminisTEP capabilities that reduce administrative costs include the solution's claims inventory management feature, which allows providers and payors to look up the status of a claim at any point in the process. This feature enables payors to quickly know the number of submitted and rejected claims, how many claims are ready for payment, and the cash required to pay processed claims.

AdminisTEP's inventory management feature also electronically notifies the sender of claims when there is a problem. Claims with errors are routed to AdminisTEP's Data Correction Review (DCR) queue, where payors or providers can resolve the issue and resubmit the claims. Claims rejections also are handled electronically, virtually eliminating manual processes and reducing operational costs by avoiding the need to send printed rejection letters via the mail.

The value of the claims inventory management capabilities is further enhanced by AdminisTEP's ability to transform paper-based claims in electronic claims. These paper-based claims – which used to require manual processes to track – can now be managed electronically via AdminisTEP, along with the other electronically submitted claims. Further reducing paper printing and mailing costs, AdminisTEP also offers payors the ability to send explanation of payment (EOPs) via electronic methods.

Legacy's AdminisTEP is a transaction exchange portal that extends the functionality of payor host systems and resolves HIPAA-compliance translation issues. AdminisTEP bridges the gap between providers and payors by directly connecting them with each other for transaction exchanges. In addition, AdminisTEP streamlines operations with a robust set of tools so payors instantly know the status of outgoing payments. For more information about AdminisTEP, visit www.administep.com.

About Legacy Consulting Services

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