



system  
innovation

# Making life easier for doctors

Humana set out to become the fastest payer  
of all health insurers. Mission accomplished!

- Historically, it has taken too long for doctors and other providers to get paid.
- So Humana set out to create a better system.
- Result: Humana was just ranked the 'easiest payer' in the industry.
- This success is just one part of our vision for simplifying health care.

## The Problem: Headaches over collections.

We all know the problem, whether we have experienced it as a doctor, patient or health insurer. The problem begins when a patient arrives for an appointment, and no one knows exactly what benefits he or she is entitled to. It's unclear what portion of the bill is the insurance company's responsibility and what portion is the patient's. It can take months to settle claims and collect on bills.

## The Solution: Design a simpler system

Making it simple, however, is far from simple. Humana alone has more than 10 million beneficiaries, a network of 600,000 providers, and many different insurance plans.

Health information technology, of course, has been the big game changer. Humana, in collaboration with Blue Cross and Blue Shield of Florida, created the Availity Health Information Network, which enables doctors, hospitals and other providers to submit claims electronically – in real time. Now Availity is expanding from Florida to Texas, Oklahoma, Illinois and beyond.

And many Humana members have an ID card that's like a credit card. When it's swiped, a provider can see the patient's financial responsibility so the patient's share of the bill can be settled immediately. Practice administrators have told us that saves \$6 to \$8 for every bill that isn't mailed.

But technology alone doesn't explain how Humana became the fastest claims-payer in the industry. Four years ago, the company decided to create a more collaborative environment –

among employees, and by listening more carefully to providers. The teamwork that resulted was responsible for outcomes like these: Last year, we cut the time claims waited for payment by 3 1/2 days. Our claims accuracy rate grew to more than 99 percent.

## The Result: Ranked best in the nation

In May 2009, Athenahealth and *Physician's Practice* ranked Humana the fastest payer with the lowest rate of claims denials in the industry. That ranking is based on data from more than 17,000 physicians representing more than 41 million charge lines. Here is what it shows:

- In 2008, 93 percent of all Humana claims were paid within 14 days.
- More than 98 percent were paid within 30 days.
- Almost 96 percent were paid on the first submission.

## The Next Step: Further collaboration

Meanwhile, the Medical Group Management Association has credited us for our "commitment to administrative simplification." "We'd like to see the whole payer community emulate Humana," said the president and CEO last February.

Now Humana is collaborating with national organizations like the AMA to find standardized solutions for all health insurers and providers. After all, if the whole system were more universal, health care administration would be easier still.

### Resources

See the rankings of insurance companies at [www.athenahealth.com/PayerView](http://www.athenahealth.com/PayerView).

**HUMANA**®

## About Humana

Humana, Inc. was founded in 1961 and is headquartered in Louisville, Kentucky. It is a Fortune 100 company with revenues of \$29 billion and approximately 10.6 million medical members nationwide. Government and Commercial business segments offer benefits coverage through Medicare, Military Services, Medicaid and a full spectrum of commercial products.

Humana is very concerned about the unsustainable rising cost of healthcare, and believes that the best way to reduce costs is to help people be healthier. Societies of abundance like ours now have an entirely different illness profile than they used to – long-term conditions emerging from their lifestyles, like cardiac disease and diabetes. The Centers for Disease Control says that 70 percent of this country's disease burden is preventable.

Therefore, one of Humana's missions is to find new ways to engage people in their health. The company believes that one of the keys to success is to meet people where they are: at school, playing video games, on cell phones, walking or riding bikes in the park.

That's why Humana, for example, is partnering in B-cycle, a new company it created to sell bike-sharing programs to cities and universities. It's partnering in Sensei, a cell phone application to support people in making better nutritional choices. Humana also has pioneered several very successful pedometer programs here and in England. One, in a low-income area full of health disparities, involves a morbidly obese population. After the first nine months, 62 percent of the 400 original participants were still active and had lost an average of 12.4 pounds each.

