

HEALTH STRATEGY ASSOCIATES *Smart Moves. Winning Strategies.*

Part 3 in the 2001 Series on Issues in the Health Care Industry

Keys to Preparing for an e-Health Strategy:

Getting Your House in Order Before Taking it on the Web

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As health care companies, managed care firms, insurance carriers and TPAs hustle to introduce some sort of e-health component for their products and services, many are forgetting one basic principle: You can have the most sophisticated application, technology and processes in the world ò but if your data is flawed, you simply get the wrong information there faster.

And make no mistake: Data IS flawed.

Recent audits of provider demographic files at several PPOs demonstrated an average error rate in excess of 25 percent. And that rate is consistent across PPOs, HMOs, MCOs and carriers.

That means fully one-quarter of the addresses, phone numbers, specialties, provider names, billing addresses ò even status as a living human being ò in the typical database are probably incorrect.

In an industry that demands exacting standards and depends so strongly on getting patients to the appropriate participating provider, this failing is nothing short of alarming.

Since provider data is the very foundation upon which this industry is built, any company that moves to a Web-enabled application before verifying the accuracy of this data is asking for, at the very least, embarrassment and, at most, failure of the new business initiative.

Fortunately, there are ways to mitigate the problem and its impact. They include focused planning, comprehensive analysis and astute benchmarking.

You also will need to work with those supplying your data and establish a way to correct the problem and set specific, measurable results. This can be a daunting task: Your data suppliers probably have little to no idea of the quality of the data they deliver ò and less appreciation for the impact bad data has on your operations.

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With more than 18 years of hands-on experience in every phase of health care management innovative leadership in national firms that specialize in workers' compensation, group health and managed care, we at Health Strategy Associates can assist in the data and process analyses, and help set a strategy for corrective action that suits your needs and meets your business objectives.

Health Strategy Associates is a national consulting group that provides strategic marketing, product development, implementation and sales services exclusively to health care management. We understand the urgency of the many decisions you weigh each day ÷ program reporting, analysis and evaluation; vendor identification, selection, monitoring and evaluation; workers' compensation and group health management; disability program design, development, marketing and sales; benchmarking; care management program development and other complex issues.

We also understand that blindly subscribing to industry trends (like jumping on the e-bandwagon without a clear strategy) or following off-the-shelf plans "no matter how good they sound in theory" does not work.

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Joseph Paduda, Principal of Health Strategy Associates, is an independent consultant focused in the Workers' Compensation and managed care markets. His clients include large Workers' Compensation insurers, managed care organizations, self-insured employers, and software and systems companies. Prior to his present position, Mr. Paduda was vice president of MetraComp, a United HealthCare Company specializing in the application of managed care techniques to the Group Disability and Workers' Compensation industry. Paduda was responsible for marketing, sales, and account management. Paduda holds a Master's of Science Degree in Health Management from the American University and is a frequent speaker on managed care issues. He lives and works in Madison, Connecticut and can be reached at 203 245 1249 or jpaduda@healthstrategyassoc.com