## Computerized authorization system for Financial liability forms in Meuhedet HMO

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## Introduction

Computerized authorization system is a useful way of providing and monitoring health care service

Financial liability forms are needed to provide medical treatments and tests



## The procedure of issuing the liability form

Meuhedet HMO as a provider has limited financial resource that is outlined by the government according to the National Health Basket

Each medical service is performed upon a financial liability form that is presented by the HMO member to the provider before the treatment or examination

The form is issued in any HMO's regional branch

For some special procedures or tests additional professional authorization is needed prior to issuing the form



## Previous process of authorization

Around 80% of the liability forms didn't need professional authorization

For the forms needing authorization, those were given by the physicians by telephone or fax communication

No computerized blocking was implemented and some forms were issued in inaccurate indications

Therefore a relatively large amount of unnecessary tests were provided



## New process of authorization

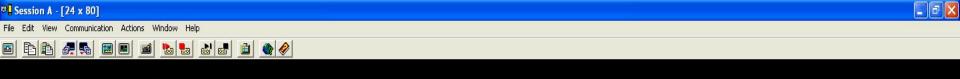
The Meuhedet HMO IT runs in a main frame computer (AS400) connected to all organization branches countrywide

Professional authorization centers were designed in order to approve special or expensive procedures/examinations

The professional can authorize the procedure or test from any office at the HMO in the country

The computerized authorization system links the issuing of the financial liability form to the professional authorization





### Meuhedet HMO

8/9/2009

Number: 1-48695546

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Prepaid form for Ambulatory Service

Surname: Weiss

Tel: 04-85772325

Branch: Tel Aviv

Sex: Female

First name: Alice

Address: 94 King David st, Tel Aviv

Date of birth: 2/9/54

Father name: Simon

Reffering Physician: Dr. Walter Smith License no: 9110307

Test/Examination code: 7-6379

**Description: Brain MRI** 

Quantity: 1

Provider: Rabin Medical Center

Out patient clinic:: 93-5261 / Magnetic Resonance Imaging

date: 8/10/2009

Physicians remarks: none

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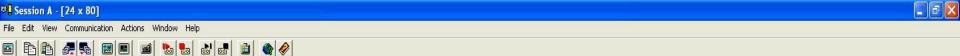
## The process

Some forms may be issued immediately by a medical secretary, according to the treating physician's recommendation

Non ordinary or expensive procedures have to go through a professional authorization

The computer allocates them automatically to the appropriate authorization center





#### Meuhedet HMO 8/9/2009 **Main Internal Medicine Authorization Center**

Prepaid form waiting for authorization					
PPF no.	Surname	First name	ID no.	Examination date	Hospital/ Medical ctr.
67-6891	Lewis Liver transplar	Johanna nt   Surgery	2-3364671	8-10-2009	Rabin Hosp.
46-6334	Johnson BRCA   Genetic	Louise cs	1-9177884	8-25-2009	Nazareth Central Hosp.
69-9917	Wang CABG   Cardio	Alex logy	1-4987290	8-10-2009	Melchet Jerusalem Hosp.
45-7691	Habib ERCP   Gastroe	Muhamed enterology	2-3398177	8-30-2009	Tel Aviv Central Hosp.
65-6883	Orenstein	David	1-4548925	9-1-2009	Haifa

13/070 E=> (S 1902 - Session successfully started

**Total Hip Replacement | Orthopedics** 











14:27

Medical Ctr.

# Fields covered by the Authorization Centers

- \* Internal medicine
- \* Gynecology
- \* Radiology
- \* Physiotherapy
- \* Medical control
- \* General medicine



## **Results**

The activities of the authorization centers for two years starting January 1<sup>st</sup> 2007 ending December 31<sup>st</sup> 2008 were analyzed

The efficiency of this new methodology was estimated based on the number of applications and cumulative total cost not authorized by the physician compared to those received at the authorization center

Applications that were requested and by the time of closing the research (Dec 31, 2008) were not being used were excluded from this analysis



## Results - cont'd

2,113,000 forms were issued

1,693,000 forms were handled directly by the medical secretaries - as in the past

420,000 forms were referred to one of the authorization centers

10,400 were not authorized (2.5 percent)

The overall budget reduction was 2,900,000 USD



## **Conclusions**

Physician at the centers ensure that the care services are provided appropriately and according to the definitions of the National Health Basket

Medically indicated tests were approved – a fact that prevented unnecessary tests and exams and improved the cost containment of our organization

A significant reduction of budget was achieved without any addition of human resources

