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  14:27  Prepaid form for Ambulatory Service

Number: 1-48695546  Sex: Female  Date of birth: 2/9/54
Surname: Weiss  First name: Alice  Father name: Simon
Tel: 04-85772325  Address: 94 King David st, Tel Aviv
Branch: Tel Aviv

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
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.
<table>
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<tr>
<th>PPF no.</th>
<th>Surname</th>
<th>First name</th>
<th>ID no.</th>
<th>Examination date</th>
<th>Hospital/Medical ctr</th>
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<td>46-6334</td>
<td>Johnson</td>
<td>Louise</td>
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<td>65-6883</td>
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<td>1-4548925</td>
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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 1st 2007 ending December 31st 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.