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Oracle Revenue Management and Billing for Healthcare Payers

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Business Issue

Reconciliation for Government Line of Business

The amount of data created each day is growing at an increasing rate and the amount of data exchanged across systems is even greater. The healthcare industry is one of the major hubs of data storage and exchange. While other industries have been quick to establish protocols for ensuring data quality and reconciliation, healthcare industry has been a laggard. Part of this is due to the fragmented and heterogeneous landscape; another factor is the inherent complexity of data collected, stored, and transmitted. This landscape includes healthcare providers, health insurance exchanges, private insurance companies and Center for Medicare and Medicaid Services (CMS), which manages the payments, subsidies etc. for Medicare, Medicaid and Health Insurance exchanges.

The Government line of business for health insurance is competitive, costly to operate in, and fraught with complexities and regulatory requirements. Health plans cannot afford a slip up in this process. Operating effectively in this will have significant impact on the payer's long-term strategy.

Payers often face huge revenue loss and unnecessary penalties if they fail to timely and accurately reconcile enrollments and payments. Frequent changes to the payment methodology, deluge of data from CMS such as data from various reports and numerous regulations makes these reconciliations all the more complex. Inaccuracies in subsidy amounts are costly for CMS and taxpayers. At times, there may be inaccuracies or incomplete information, which may result into certain plans to lose up to 10% of their monthly capitation payments from CMS. This is also crucial in streamlining the overall payment dispute management.

Technology strategy is critical and must be a priority for plans who want to compete seriously in this fast-paced market. The benefits of enhancing technology will extend beyond customer-facing improvements.

The pandemic has created an opportunity for digital technologies such as artificial intelligence (AI) to tackle problems, highlighting the importance of AI. AI can analyze and understand data, create tailored experiences, and automate repetitive and costly health-care procedures using algorithms and machine learning.

These functions have the ability to free up the administrative burden from the health plan. Usage of machine learning can uncover patterns in data sources; develop rule based recommendation systems thereby allowing tools to identify workflows and processes suitable for optimization.

While no one knows what changes the healthcare industry might face in the coming months and years, the ability to remain flexible and nimble is critical, something that can only be achieved with the right technology in place. Health plans must therefore hedge their bets and prepare for any outcome by revisiting their current systems to determine improvements or replacements areas.

Spotlight

Reimagine Revenue Management using Oracle Revenue Management and Billing Solution for Individual Customers

Considering the key challenges faced by healthcare payers in efficiently managing the revenue for the various health plans, Oracle Revenue Management and Billing is investing heavily to enhance the user experience and automate processes for better performance. Some of the key highlights include

Discount Management for Fully Insured Plans:

In both Individual and Group Health Plan competitive market, healthcare payers commonly use discount as an attractive incentive to give benefit to the customer. Discounts given to the policyholder vary based on their eligibilities. Some common types of discounts offered by insurers include EFT discount, package saving discount, loyalty discount, longevity discount, ad-hoc discount. In the upcoming releases Oracle Revenue Management and Billing will enable healthcare payers to define different discounts offered to the customers either directly or common discounts offered based on eligibility criteria e.g. discount to all the customers in a particular state, region or based on the opted payment method etc. With this enhancements healthcare payers will be able to offer either flat or percentage discount on the premium of a health plan or provide discount to the customer when the customer purchases multiple health plans together as a package.

Rate Lock

Some individual health plans give guarantee rates to the subscriber for a defined period. Oracle Revenue Management and Billing will now enable healthcare payers to offer rate lock facility on the health plans. With this feature even if the payer might offer revised rates for new customers for next coverage period but for the existing subscriber same rate will be applied even if membership gets renewed for next coverage, till the locking period is over. Oracle Revenue Management and Billing will enable the payers to define rate lock period based on business rule.

Retiree Management

Retiree insurance is a form of health coverage an employer may provide to former employees. Oracle Revenue Management and Billing will provide the capability of retiree coverage by supporting pricing and billing of employer sponsored individual plans.

Employer contributions towards retiree plans will be supported via HRA (health reimbursement account), deductions or their contributions defined as flat or percentage of premium. Oracle Revenue Management and Billing will enable healthcare payers to provide flexible billing arrangements to customer like premium contribution to be billed to employer. Payers will now be able to define separate proration rules for retiree memberships than that for normal employees.

Enabled Efficient Operations for Self-Funded Customer

Scenarios when member moves from one bill group to another e.g. an employee changes his/her department or work location it is expected that the specific stop loss (SSL) calculations continue irrespective of the bill group the member belongs. Also the SSL credits should be given to the two bill groups based on their contributions to the paid claims. Currently manual adjustments are required to achieve this. In the upcoming release, Oracle Revenue Management and Billing will provide automatic processing during member movement and a solution for advance billing of the funds for level funding arrangements. This is to support a scenario where self-funded customers opting for level funding arrangements pay the funds in advance typically one month prior to the month of service/coverage. This involves deferring the revenue recognition of the funds to the coverage.

Standardization and Enhanced Performance

In order to enhance the performance and streamline the processes, Oracle Revenue Management and Billing is standardizing the payment distribution process and enhancing it with features such as 'statement level payment distribution'. Membership pricing performance is also getting enhanced in upcoming release.

Product Updates

Oracle Revenue Management and Billing for Healthcare Payers Release 3.0.0.0.0

In ORMB 3.0 version, we have introduced a specialized solution for individual line of business. Individual Health insurance LOB varies from employer group line of business and that is it is provided an emphasis in this release. Following are the Key features of this release:

Standard Pricing at Individual Health Plans

Insurance payer offers multiple health products and health plans. These health plans are of different types- medical, vision, dental, ancillary, behavioural etc. and sometimes these plans are offered as a package or add-on or bundles. Management of these plans within a state or across state with varying pricing structure demands a scalable solution for accurate pricing and billing. Oracle Revenue Management and Billing is equipped with the capability to create and manage entities like health product, health plan and standard pricing at health plan level. For this requirement, new inbound web services is introduced to capture and manage this information. Individual membership's premium liability for an individual depends upon membership attributes, standard rates at health plan level and many business rules. Oracle Revenue Management and Billing considers all these to calculate the premium liability for every individual.

Business rule framework

There are many business rules, which drives the individual line of business such as binder payment management, new-born waiver, pricing etc. These are standard rules, which are applicable at state level or for particular LOB or product type etc. The release has introduced a new capability to cater to these global business rules. User can now define key 'business parameters' like new born gift applicability, new born gift days, binder payment grace days and many others which impacts various processes like health plan pricing, binder payments and refund write off.

Subsidy Management & Premium Withhold Processing

Oracle Revenue Management and Billing is enhanced to capture and process different types of subsidies and other benefits an individual member receives. For example, now system understand benefits such as low-income subsidy (LIS), late enrollment penalty (LEP), APTC, third-party subsidy etc. System now allows to configure premium withhold preferences and automatically reduce membership's premium liability and generate charges on CMS accounts.

Binder Payment Management

Certain health plans may demand a binder payment from the new memberships so that the coverage can be effective. Oracle Revenue Management and Billing solution for binder payment includes checks and balances to ensure that membership is effective only if binder payment is received within grace days and within threshold limits. With automated flow and rules, system extends ease in managing binder payment and membership.

ASO Pricing Rule Versioning

It often happens that rate agreement between ASO provider and customer are changed during coverage period. Most of the time it happens that new rate gets effective back dated which demands disaggregation of already priced transactions. To manage this process, the release has introduced 'pricing rule versioning', which helps by creating new versions for each new pricing rules. Therefore, it eases out disaggregation process of executing several steps by automating disaggregation and automatic triggering of repricing.

Industry Bytes

"ACHP: Extend Transparency, Interoperability Compliance Deadlines"
[Read More](#)

"CMS proposes extension of Medicare telehealth coverage"
[Read More](#)

"Going Beyond Compliance: How Payers Can Embrace Healthcare Interoperability"
[Read More](#)

"Healthcare's evolving chessboard: M&A capabilities to accelerate long-term strategy"
[Read More](#)

"How The Healthcare Industry Can Drive Change Through Value-Based Care"
[Read More](#)

"How Payers Can Support Population-Based Payment Model Uptake"
[Read More](#)

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Oracle Revenue Management and Billing team at Oracle is in constant drive to introduce new and updated content for you to read on latest happenings in Oracle Revenue Management and Billing be it latest releases, patches, thought leaderships and market trends. We will help you to stay updated with news and events. Read us below.

Release Documentation Library

Read ORMB Document Library to get the latest update on ORMB Releases

[Oracle Revenue Management and Billing Version 3.0.0.0.0 documentation](#)

[Oracle Revenue Management and Billing Cloud Services Documentation](#)

Thought leadership, Collaterals and More

Refer to our whitepaper, product datasheet and brochure to learn about Oracle Revenue Management and Billing.

[Product Page - Oracle Financial Services Revenue Management and Billing](#)

[White paper - The Case for Modernization of Enrollment and Billing Capabilities](#)

[Datasheet - Oracle Revenue Management and Billing for Healthcare Payers](#)

[Brochure – Efficient Billing and Pricing for Healthcare Payers](#)

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