



Elevate the Provider Experience: Strategies for Health Plans

Unlocking value through enhanced payer-provider collaboration



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Contents

The experience barriers	3
<hr/>	
Figure 1 – Provider experience value chain and pain points	4
<hr/>	
Strategies to make an impact	5
<hr/>	
Figure 2 – Provider experience strategies value matrix	6
<hr/>	
Figure 3 – Provider experience strategies matrix	7
<hr/>	
How to be successful	7
<hr/>	

Even as the healthcare industry shifts towards value-based care, and payer-provider partnership models become prevalent, payers continue to focus on member experience to improve business performance and net promoter scores, often disregarding the importance of the provider experience.

This disconnect maintains the long-standing misalignment of payer and provider objectives while overlooking significant sources of value for both parties, which could ultimately help members. In recent years, a majority of the focus has been on addressing the administrative burden; however, provider experience is a crucial missing component that can create a continuous care ecosystem that improves member health outcomes.

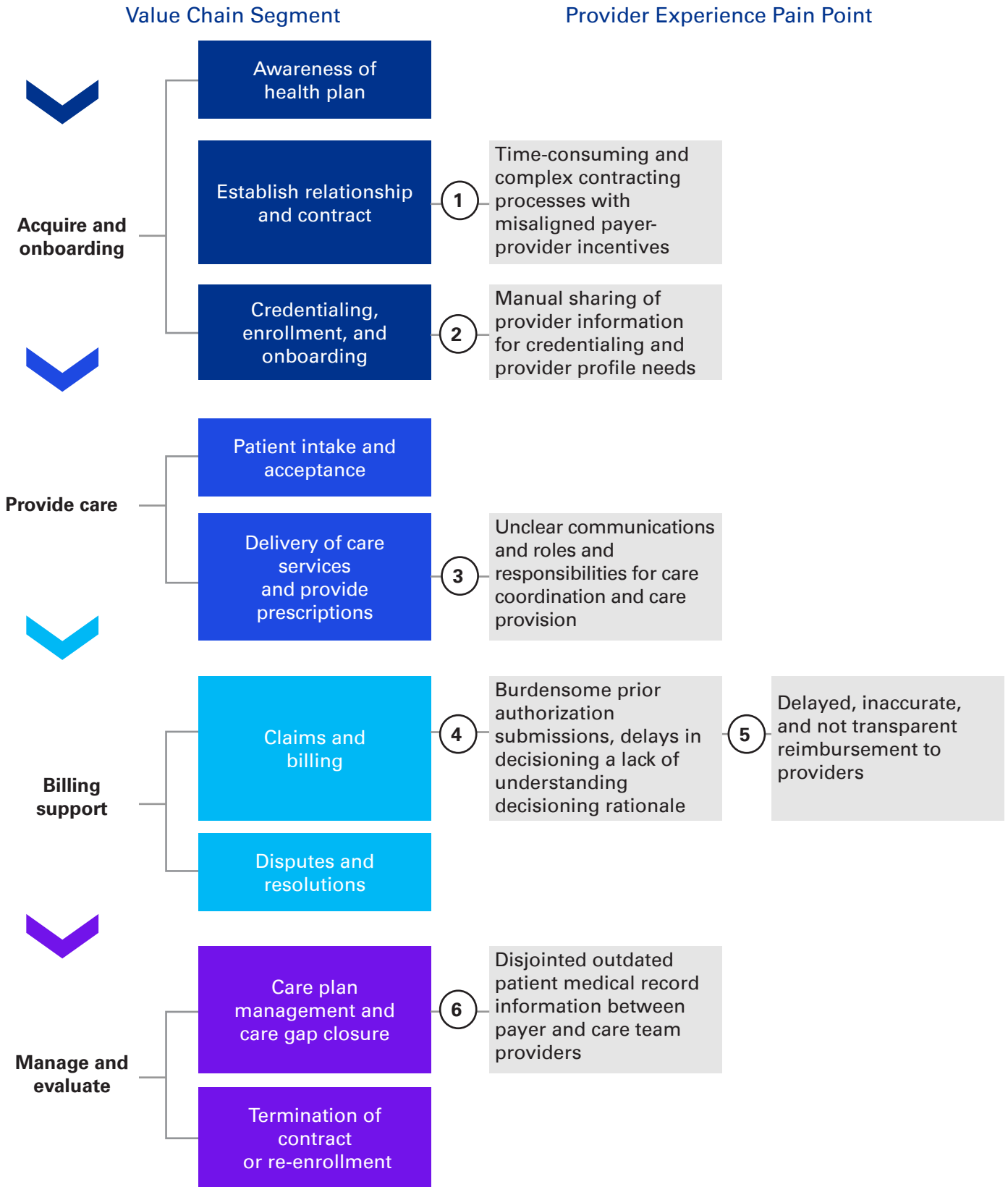
The experience barriers

Within payer operations, the provider experience value chain contains key processes across which providers experience barriers to effortless and efficient operations. The most common and significant pain points exacerbate provider frustration and lack of trust with their payers, contributing to high administrative costs and value erosion. By addressing these barriers and increasing automation and efficiency, the healthcare industry can save \$13.3 billion across payers and providers in administrative expenses alone; a wide-ranging view of the provider value chain within payer operations presents clear opportunities to reduce costs while building payer-provider relationships (see Figure 1).¹



¹ Source: Joanne Finnegan, "Costs of prior authorizations increase for physician practices at an 'alarming' rate," Fierce Healthcare, January 22, 2020 <https://www.fiercehealthcare.com/practices/costs-prior-authorizations-increase-for-physician-practices-at-alarming-rate>

Figure 1 – Payer operations provider experience value chain with common provider experience pain points



Strategies to make an impact

To elevate the provider experience, key strategies that address operational efficiency, supported by digital tools, with an interoperable data and technology foundation that can enable payers and providers to work collaboratively towards aligned incentives, are necessary. These strategies should be considered holistically, supported by cohesive, organization-wide capabilities, systems, and tools instead of point solutions. Payers must also communicate openly with their network providers in order to fully comprehend how strategies can meet providers' specific needs. Once a thorough understanding has been attained, steps can be taken for proper implementation to increase the likelihood of strategy adoption. With these guideposts in mind, payers can address the most significant provider experience pain points across the value chain with key strategies (see Figure 2 for value quantification):

1

Streamlined, digital contracting:

Implementing new robust digital platforms to simplify and standardize the contracting process. To do this successfully, business and information technology teams must work together to find solutions that can positively impact the organization in the long-term. A lucrative digital platform will have capabilities for digital contracts, thus enabling an omnichannel experience for providers. In doing so, contract intake through various channels can be managed within the same platform. Additionally, capabilities such as fee schedules, auto renewals, and platform unification are encouraged for optimal platform functioning.

2

Intelligent provider profiles and directories:

Leveraging capabilities that automate updates to provider profiles by gathering data from various services, including previously provided information from providers. Once assembled, credentialing and profile updates can consist of online self-service action triggers, information confirmation, and documentation submission rather than repeated phone calls and faxes, making the process straightforward for providers and payers.

3

Enhanced provider communications:

Documenting payer and provider roles and responsibilities during contracting while providing the tools required for simple and continuous communication, effectively increases ongoing awareness and collaboration. An omnichannel strategy that considers various channels of communication across enterprise needs will enable streamlined, easy communications for payers and providers, providing the right frequency and forums for patient updates, care coordination support, and provider performance updates—a key to aligning payer-provider incentives while supporting optimal patient care. These forums allow for asynchronous communication with automatic notifications and messages while providing the opportunity for real-time communication as needed.

4

Prior authorization intelligent decisioning:

Combining multipayer portals (e.g., Availity), standardized intake, digital submission (leveraging e-submission, optical character recognition/natural language processing, or electronic medical record (EMR) integration), and advanced analytics-based decisions to nearly eliminate the need for manual prior authorization transactions. Machine learning models can support ongoing improvement so that prior authorization decisions are accurate, immediate, and support optimal health outcomes while simple business rules can automate the least complex decisions. These methods can increase fully electronic and automated prior authorizations, which currently sit at approximately 20 percent of volume across the industry.

5

Point of Service claims payment:

Producing, submitting, and processing claims electronically at the time of service to enable immediate payment to providers and transparent pricing for members while reducing the payer-provider administrative burden. To successfully implement this and reduce the current rate of approximately 19 percent claim errors, capabilities such as EMR connectivity, a digital data foundation, simplified contracting or smart electronic contracts, and business rules engines are required.

6

Longitudinal health record: Implementing application programming interfaces and integration capabilities to centralize member data from various sources with the ability to share back to network providers, resulting in a single, detailed medical record with data from across the healthcare spectrum. Payers would have updated information to support care management efforts and billing and payment reviews, while providers have knowledge on services their members received from external providers, specialists, and programs.

Figure 2 – Value quantification of provider experience strategies that address specific value chain segment pain points

Value chain segment	Pain Point	Strategy	Today	Tomorrow
Establish relationship and contract	①	Streamlined, digital contracting	Hours spent on contract negotiations [Quantification will vary based on organization]	Reduced hours spent on contract negotiations [Quantification will vary based on organization]
Credentialing, enrollment, and onboarding	②	Intelligent provider profiles and directories	Credentialing and profile hours spent gathering and validating provider information 30 percent to 40 percent	Credentialing and profile hours spent gathering and validating provider information 10 percent to 20 percent
Delivery of care services and provide prescriptions	③	Enhanced provider communications	Unsuccessful provider phone call attempts and/or duplicative communications [Quantification will vary based on organization]	Increased success of provider phone call attempts and fewer duplicative communications [Quantification will vary based on organization]
Claims and billing	④	Prior authorization intelligent decisioning	Prior authorizations requiring manual review 80 percent to 90 percent	Prior authorizations requiring manual review 20 percent to 35 percent
	⑤	Point of Service claims payment	Percentage of claims adjudication and reimbursement errors 15 percent to 25 percent	Percentage of claims adjudication and reimbursement errors 0 percent to 10 percent
Care plan management and care gap closure	⑥	Longitudinal Health Record	Hours spent gathering medical record information [Quantification will vary based on organization]	Reduced hours spent gathering medical record information [Quantification will vary based on organization]

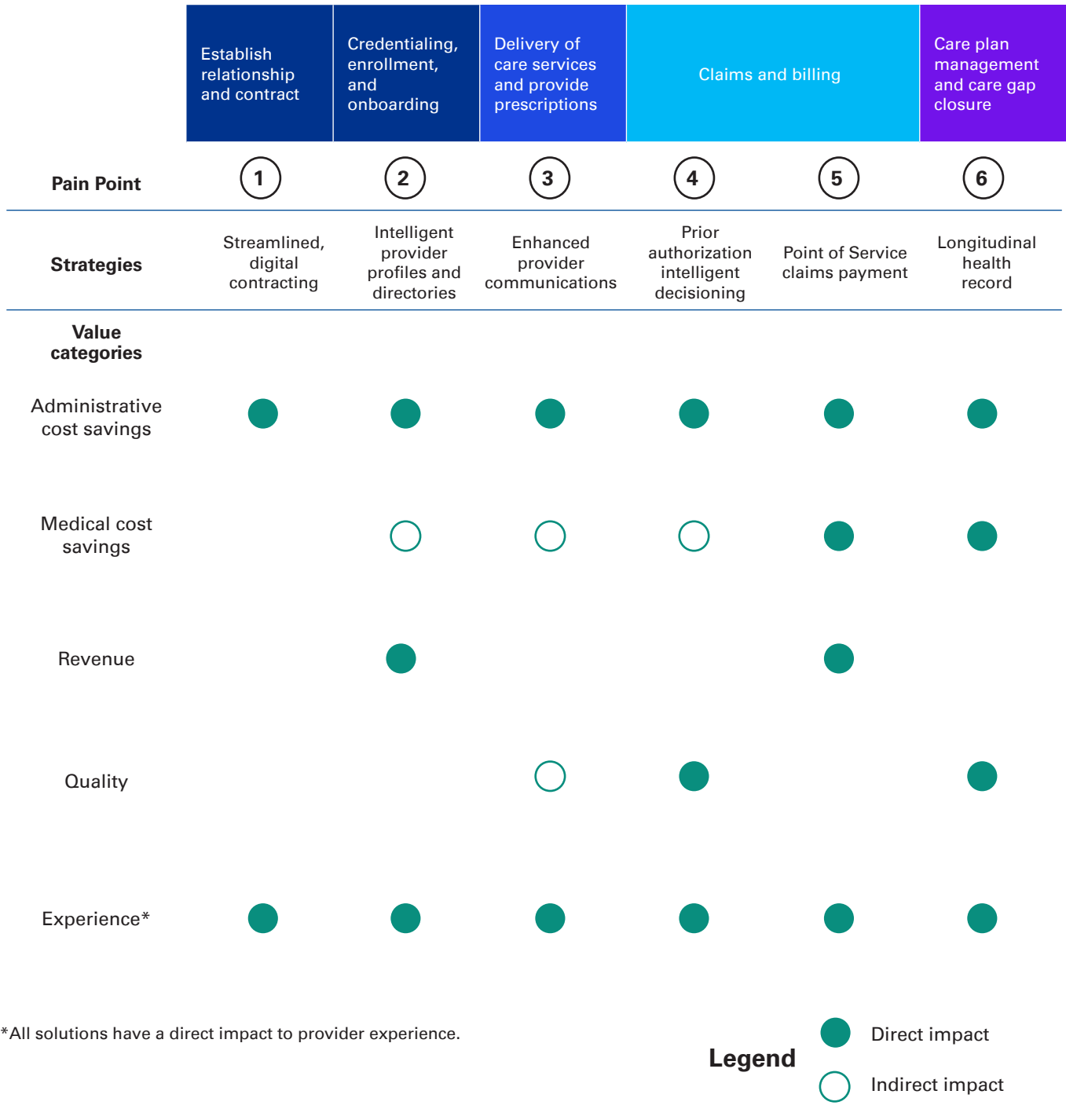
*Assumes strategy is fully implemented with all supporting capabilities
 **Representative calculations shown present pieces of larger savings opportunities for each pain point and strategy
 Source: KPMG analysis based on experience with mid-size health plans

**Total Expected Return on Investment
3X to 5X**

By implementing the underlying capabilities and developing these strategies, payers can see a 3X–5X return on investment across the board in administrative savings (see Figure 2). Broadening the focus to more holistic value levers, such as the direct and indirect impact on medical cost savings, downstream revenue, and healthcare quality, shows

additional incremental value to be captured. In parallel, these strategies directly impact provider satisfaction due to cost and quality impacts in their interactions and operations, presenting mutually beneficial opportunities and a foundation to strengthen the payer-provider relationship (see Figure 3).

Figure 3 – Direct and indirect value category impacts of provider experience strategies



How to be successful

Payers who invest in improving the provider experience on the front end can help providers to facilitate the best customer care and lower overall healthcare costs. Payers must adapt to the evolving industry and allow providers to focus on operations, digitization, and relationship management. Payers can improve processes, simplify collaborative interactions, and foster trusted partnerships, allowing providers to better care for members and reduce costs.

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