



2022 CAQH Index

A Decade of Progress

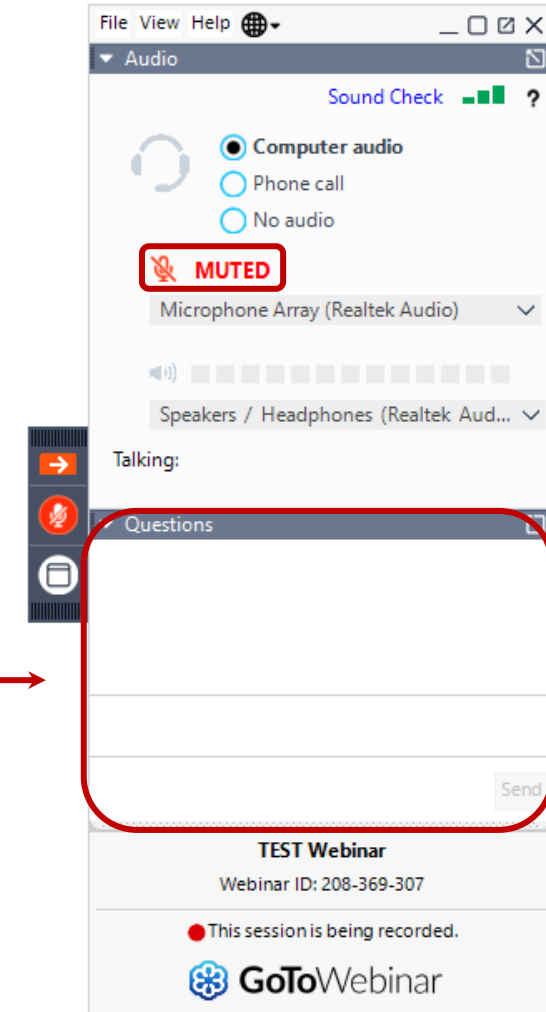
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Logistics: How to Participate in Today's Session

- Today's session is being recorded.
 - All attendees will receive a link to the recording after the webinar.
- Your phones will be muted during the webinar.
- Throughout the session, you may communicate a question via the questions panel.

Questions about CAQH tools and applications can be directed to CAQH via the **questions panel on the right side of the GoToWebinar desktop**



Agenda

- 2022 CAQH Index Overview
- Key Findings
- Transaction Findings
- Industry Call to Action

2022 CAQH Index Overview

10th Annual Report

What Is the CAQH Index?

A national benchmarking survey

- Trends adoption of fully electronic administrative transactions
- Estimates partially electronic portal use and fully manual use
- Estimates cost and time savings opportunities
- Estimates national cost avoided and spend

Tool to track and monitor industry progress

- Tracks industry progress in the ongoing transition from manual to electronic administrative transactions
- Tenth anniversary report
- Monitoring progress makes it possible to identify successes and to make course corrections when necessary

A collaborative initiative

- The CAQH Index Advisory Council
- Experts in administrative transactions, data analysis and healthcare management
- Represents providers, health plans, SDOs, vendors and other industry partners

What is Tracked?



Note: This diagram illustrates the administrative workflow in its simplest form. In practice, some transactions may occur multiple times or in multiple steps and be triggered by other events.

*Due to a low volume of data collected, the 2022 CAQH Index was unable to calculate benchmarks.

2022 Index Additional Metrics and Supplemental Questions

- Additional Metrics
 - FHIR APIs: Patient Access and Provider Directory (medical plans)
 - > Volume
 - > Cost
 - Pharmacy Transactions: NCPDP SCRIPT, RTPB and Formulary and Benefits (medical providers)
 - > Volume
 - > Cost
 - > Time

- Supplemental Questions
 - Delegated/Benefit Management Vendors (medical plans and providers)
 - > Volume
 - > Service type
 - > Exchange mechanisms
 - Good Faith Estimates (medical and dental providers)
 - > Volume
 - > Cost
 - > Time
 - > Exchange mechanisms

Index Definitions

- Transaction Costs
 - Cost and savings estimates only account for labor time required to conduct the transaction. Systems costs as well as pre- and follow-up work are not included.
- Electronic Transaction
 - Automated transaction conducted using the adopted HIPAA standard.
- Partially Electronic Transaction
 - Transaction includes web portals and interactive voice response (IVR) systems.
- Manual Transaction
 - Transaction requiring end-to-end human interaction, such as telephone, fax, and/or mail.

Financial Metrics

- **Cost Savings Opportunity**
 - The savings associated with switching from manual/partially electronic transactions to fully electronic transactions.
- **Estimated Spend**
 - The amount of money medical and dental plans and providers spend on exchanging a transaction by modality (fully electronic, partially electronic, manual).
- **Electronic Spend**
 - Costs necessary to conduct the transaction.
- **Cost Avoided**
 - The amount of money that was saved by conducting an automated/electronic transaction instead of a manual or partially electronic transaction.

2022 Index Transactions Reported

Transaction	Adoption		Cost per Transaction		National Spend and Cost Savings Opportunity		Time to Conduct a Transaction		First Index Report Year Studied	
	Medical	Dental	Medical	Dental	Medical	Dental	Medical	Dental	Medical	Dental
Eligibility and Benefit Verification	◆	◆	◆	◆	◆	◆	◆	◆	2013	2015
Prior Authorization	◆	N/R	◆		◆		◆		2013	
Claim Submission	◆	◆	◆	◆	◆	◆	◆	◆	2013	2015
Attachments	◆	◆	◆		◆		◆		2014	2016
Acknowledgements	◆	◆							2017	2021
Coordination of Benefits	◆	◆	◆	◆	◆	◆			2015	2022
Claim Status Inquiry	◆	◆	◆	◆	◆	◆	◆	◆	2013	2015
Claim Payment	◆	◆	◆	◆	◆	◆	◆	◆	2013	2015
Remittance Advice	◆	◆	◆	◆	◆	◆	◆	◆	2013	2016

N/R = No Benchmark Reported (Insufficient Data)

2022 Index Data Collection Effort

- Timeframe: End of June to the middle of September
- Covered lives
 - 60% Medical
 - 48% Dental
- Medical and dental provider responses combined increased by more than 50%
- Number of transactions reported by 2022 Index participants
 - Medical: 14 B
 - Dental: 828 M
- Reportable transactions
 - 9 Medical
 - 8 Dental
- Enhancements
 - 10-year Index anniversary design and additional figures
 - Content/supplemental questions

Reporting Period:
2021, second year of
COVID.

A Decade of Progress and Achievements

- Increased participation and engagement
 - Medical plans represent 204M members, 60% of covered lives
- Growth in automation
 - Eligibility & benefit verification up 25 percentage points
 - Coordination of benefits (COB) up 42 percentage points
 - Prior authorization up 21 percentage points
- Cost avoided
 - Through automation the industry has avoid \$187B annually
- Enhanced reporting
 - New metrics (Cost Avoided, Spend, Pharmacy Transactions, FHIR APIs)
 - Additional content (FHIR Readiness, Provider Attribution for VBP, COVID Impact, Clinical & Administrative Workflow, GFEs, and Delegated/Benefit Management Vendors)
- Increased usage and citations
 - Government agencies, Academia



Key Findings

2022 Index Key Findings

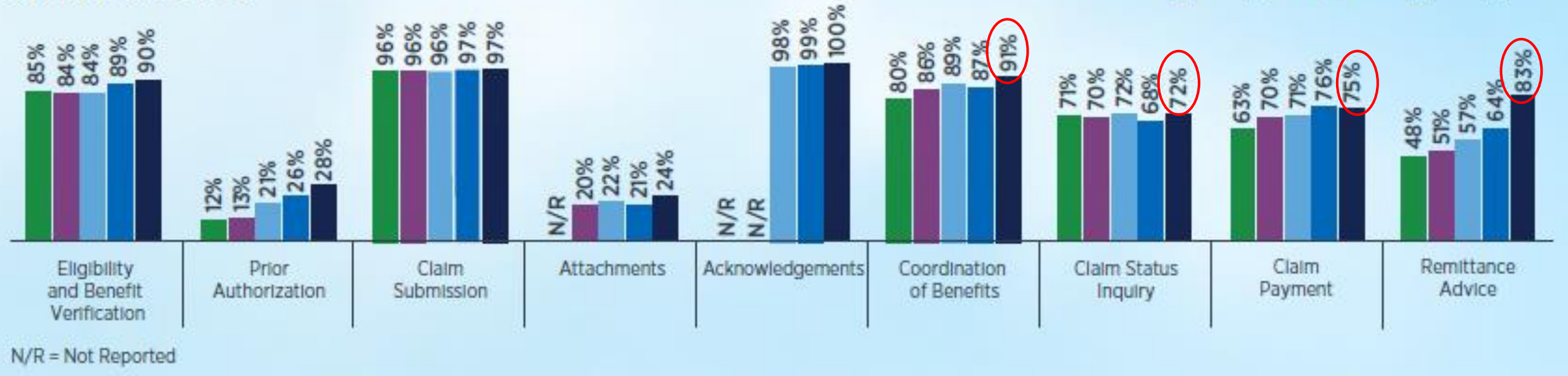
In 2021, while COVID admissions and cases were declining and healthcare utilization was increasing, use of electronic transactions continued to rise.

- Adoption of electronic transactions continued to improve or remain stable for almost all medical transactions except claim payment and improved or remained stable for all dental transactions.
- Overall volume increased for the medical and dental industries due to higher utilization as offices re-opened, social distancing requirements relaxed, and COVID-19 vaccines became widely available.
- Spending on administrative transactions increased for the medical and dental industries as utilization rose and staffing shortages impacted cost and time to complete tasks.
- Cost savings opportunities increased for the medical industry as provider volume and cost to complete tasks increased. For the dental industry, cost savings opportunities remained stable.

For Most Medical Transactions, Plan Adoption Increased



MEDICAL ADOPTION

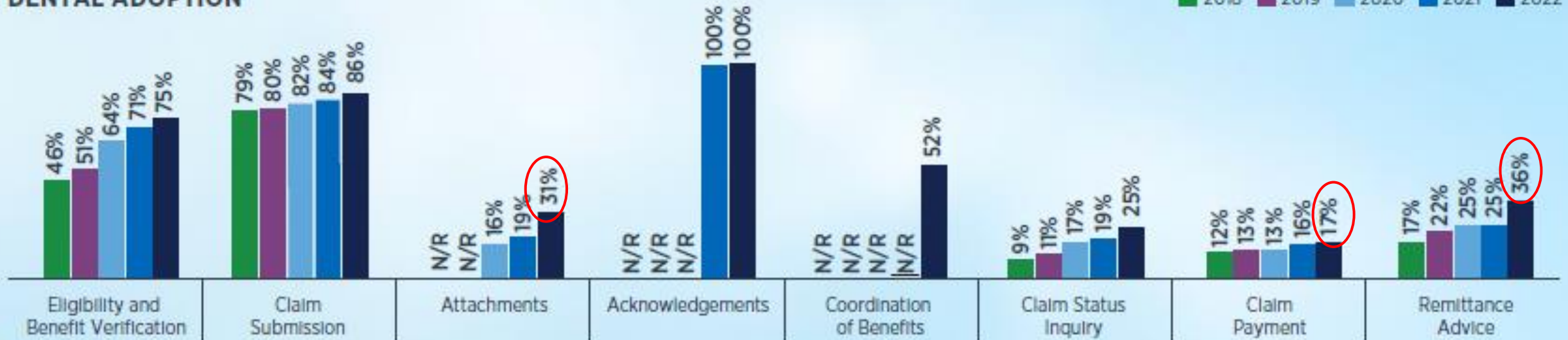


Dental Plan Adoption Increased or remained steady for all Transactions



DENTAL ADOPTION

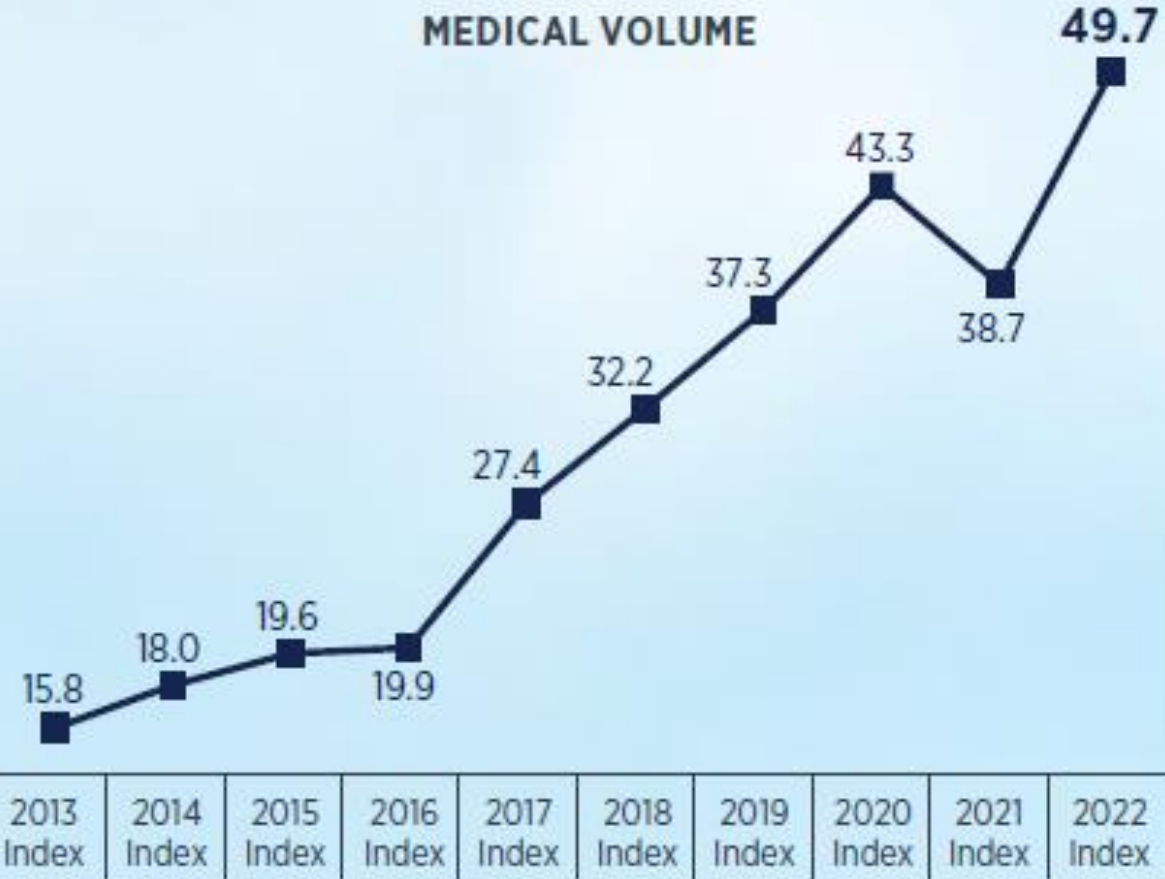
2018 2019 2020 2021 2022



N/R = Not Reported

Overall Volume Increased for the Medical and Dental Industries (in billions)

MEDICAL VOLUME

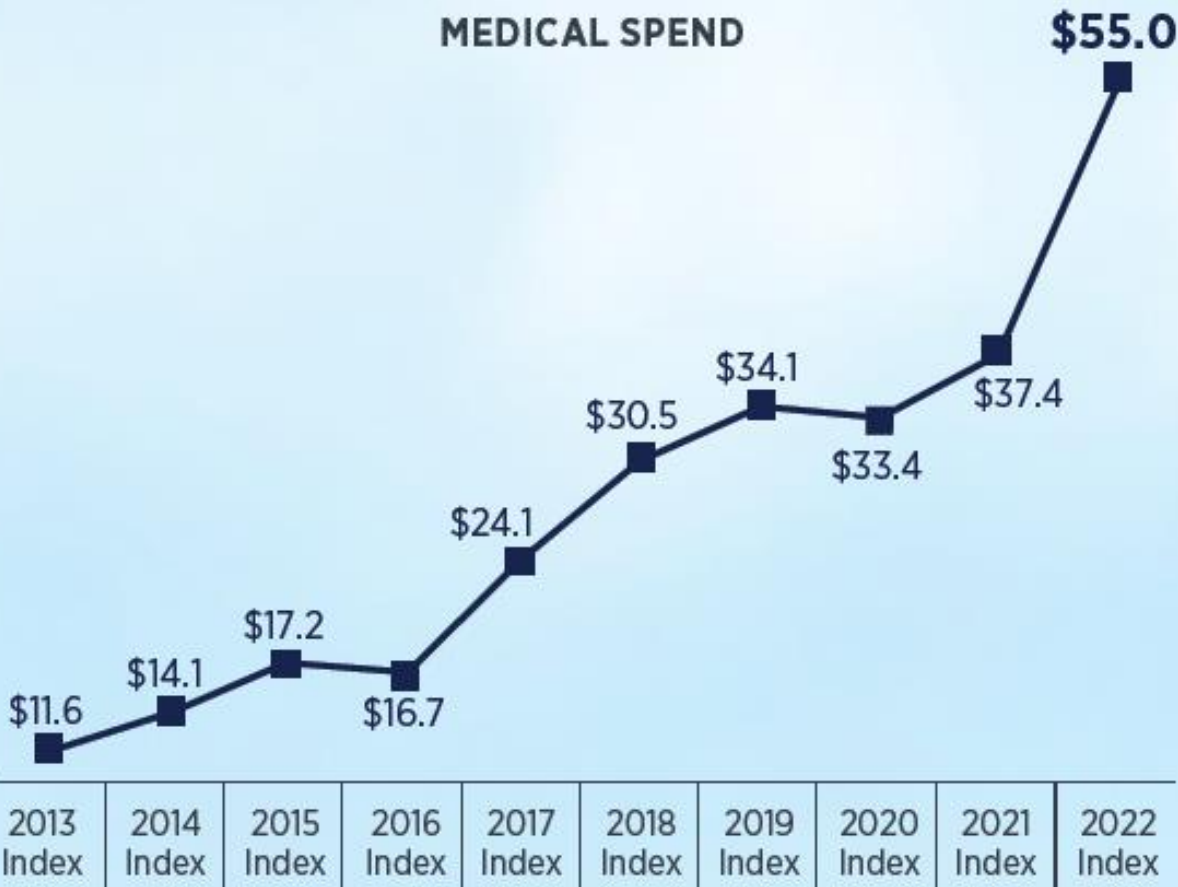


DENTAL VOLUME



Spend increased for the Medical and Dental Industries (in billions)

MEDICAL SPEND



DENTAL SPEND

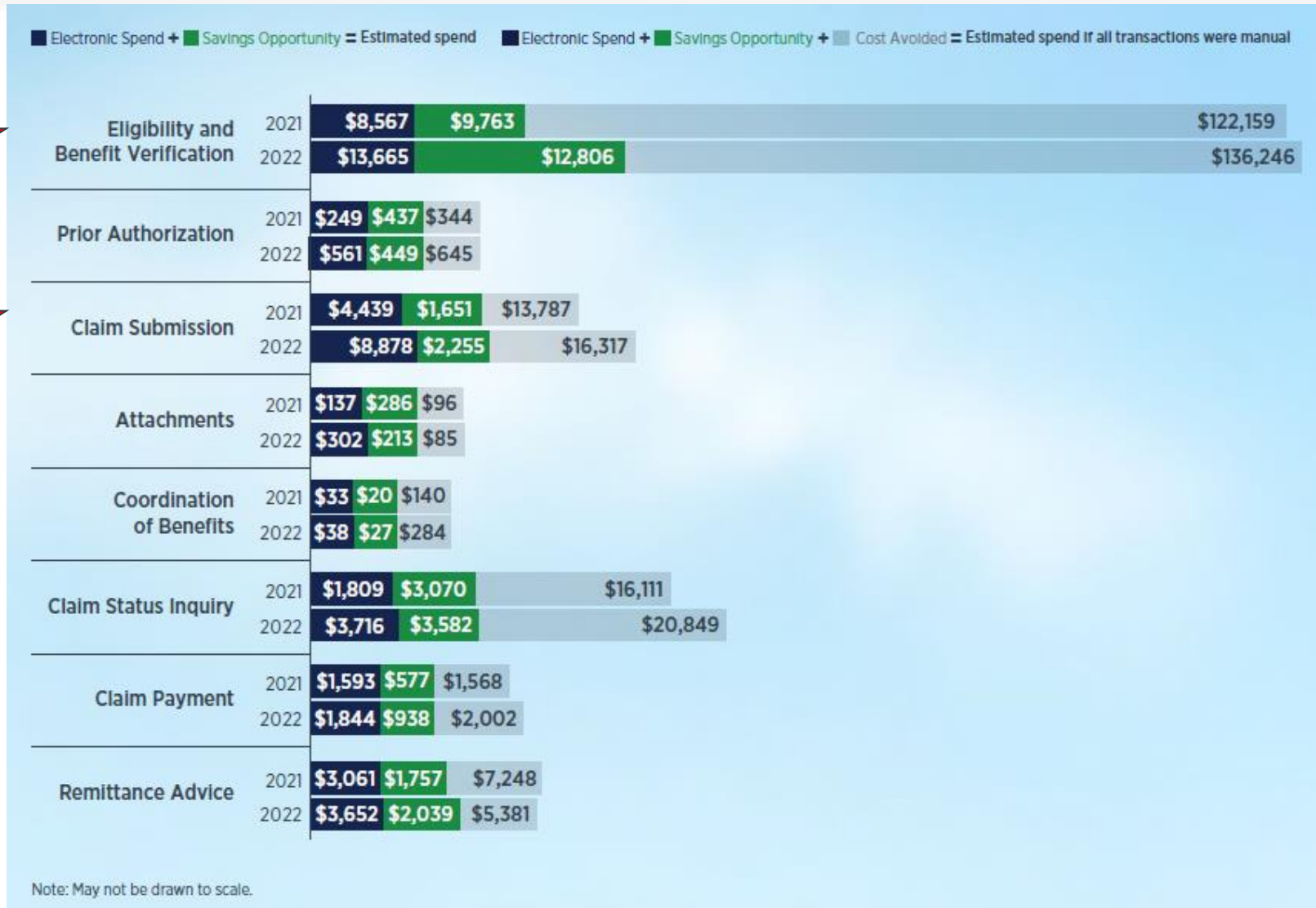


Medical Spend Increased, Cost Avoided Increased Through Automation (in millions)



\$55.0 B annual estimated medical spend

- Eligibility and benefit verification spend represents 48% of total annual medical spend
- Claim submission spend represents 20% of total annual medical spend
- Claim status inquiry and remittance advice represent 13% and 10% of total annual medical spend, respectively.



Dental Spend Increased, Costs Avoided Increased Through Automation



\$5.4 B annual estimated dental spend

- Eligibility and benefit verification and remittance advice represent 24% of total annual dental spend
- Claim submission and claim payment spend represent 18% of total annual dental spend



Medical Industry Savings Opportunity Increased; Remained Stable for Dental Industry (in billions)

MEDICAL COST SAVINGS OPPORTUNITY



DENTAL COST SAVINGS OPPORTUNITY



Medical Average Cost per Transaction and Savings Opportunity



- Biggest industry cost savings opportunities:
 - Claim status inquiry (\$13.61)
 - Eligibility and benefit verification (\$11.78)
- On average, each manual transaction costs the industry \$6.54 more than each electronic transaction.
- Medical industry could save as much as \$52.30 for a single patient encounter by conducting all transactions electronically instead of manually.
 - \$35.11 for providers
 - \$17.19 for plans
- Cost Savings opportunities associated with moving from partially electronic portals to fully electronic transactions:
 - Claim Remittance (\$3.64)
 - Claim status inquiry (\$3.20)
 - Eligibility and benefit verification (\$2.73)

Transaction	Mode	Plan Cost	Provider Cost	Industry Cost	Plan Cost Savings Opportunity	Provider Cost Savings Opportunity	Industry Cost Savings Opportunity
Eligibility and Benefit Verification	Manual	\$ 4.50	\$ 8.36	\$ 12.86	\$ 4.46	\$ 7.32	\$ 11.78
	Partial	\$ 0.04	\$ 3.77	\$ 3.81	\$ 0.00	\$ 2.73	\$ 2.73
	Electronic	\$ 0.04	\$ 1.04	\$ 1.08			
Prior Authorization	Manual	\$ 3.72	\$ 10.80	\$ 14.52	\$ 3.67	\$ 5.93	\$ 9.60
	Partial	\$ 0.05	\$ 7.19	\$ 7.24	\$ 0.00	\$ 2.32	\$ 2.32
	Electronic	\$ 0.05	\$ 4.87	\$ 4.92			
Claim Submission	Manual	\$ 1.03	\$ 4.69	\$ 5.72	\$ 0.91	\$ 2.96	\$ 3.87
	Electronic	\$ 0.12	\$ 1.73	\$ 1.85			
Attachments	Manual	\$ 0.91	\$ 5.69	\$ 6.60	\$ 0.80	\$ 2.48	\$ 3.28
	Electronic	\$ 0.11	\$ 3.21	\$ 3.32			
Coordination of Benefits	Manual	\$ 2.20	N/A	\$ 2.20	\$ 1.96	N/A	\$ 1.96
	Partial	\$ 0.24	N/A	\$ 0.24	\$ 0.00	N/A	\$ 0.00
	Electronic	\$ 0.24	N/A	\$ 0.24			
Claim Status Inquiry	Manual	\$ 4.50	\$ 11.18	\$ 15.68	\$ 4.46	\$ 9.15	\$ 13.61
	Partial	\$ 0.04	\$ 5.23	\$ 5.27	\$ 0.00	\$ 3.20	\$ 3.20
	Electronic	\$ 0.04	\$ 2.03	\$ 2.07			
Claim Payment	Manual	\$ 0.57	\$ 5.50	\$ 6.07	\$ 0.48	\$ 3.25	\$ 3.73
	Electronic	\$ 0.09	\$ 2.25	\$ 2.34			
Remittance Advice	Manual	\$ 0.53	\$ 6.14	\$ 6.67	\$ 0.45	\$ 4.02	\$ 4.47
	Partial	\$ 0.08	\$ 5.76	\$ 5.84	\$ 0.00	\$ 3.64	\$ 3.64
	Electronic	\$ 0.08	\$ 2.12	\$ 2.20			

N/A = Not Applicable

Note: Costs include the labor time required to conduct the transaction, not the time and cost associated with gathering information for the transaction and follow-up. Does not include system costs. All participants were asked to report cost for each transaction by the three modes of completion (manual, partial electronic, electronic). For some transactions, partial costs were not reported.

Dental Average Cost per Transaction and Savings Opportunity



- Biggest industry cost savings opportunities:
 - Claim status inquiry (\$10.63)
 - Eligibility and benefit verification (\$8.84)
- On average, each manual transaction costs the industry \$4.31 more than each electronic transaction.
- Dental industry could save as much as \$25.88 for a single patient encounter by conducting all transactions electronically instead of manually.
 - \$18.41 for providers
 - \$7.47 for plans
- Savings associated with moving from partially electronic portals to fully electronic transactions:
 - Claim status inquiry (\$2.97)
 - Eligibility and benefit verification (\$2.34)

Transaction	Mode	Plan Cost	Provider Cost	Industry Cost	Plan Cost Savings Opportunity	Provider Cost Savings Opportunity	Industry Cost Savings Opportunity
Eligibility and Benefit Verification	Manual	\$ 3.23	\$ 7.11	\$ 10.34	\$ 3.21	\$ 5.63	\$ 8.84
	Partial	\$ 0.02	\$ 3.82	\$ 3.84	\$ 0.00	\$ 2.34	\$ 2.34
	Electronic	\$ 0.02	\$ 1.48	\$ 1.50			
Claim Submission	Manual	\$ 0.45	\$ 3.58	\$ 4.03	\$ 0.35	\$ 2.05	\$ 2.40
	Electronic	\$ 0.10	\$ 1.53	\$ 1.63			
Coordination of Benefits	Manual	\$ 0.39	N/A	\$ 0.39	\$ 0.28	N/A	\$ 0.28
	Partial	\$ 0.11	N/A	\$ 0.11	\$ 0.00	N/A	\$ 0.00
	Electronic	\$ 0.11	N/A	\$ 0.11			
Claim Status Inquiry	Manual	\$ 3.23	\$ 9.30	\$ 12.53	\$ 3.21	\$ 7.42	\$ 10.63
	Partial	\$ 0.02	\$ 4.85	\$ 4.87	\$ 0.00	\$ 2.97	\$ 2.97
	Electronic	\$ 0.02	\$ 1.88	\$ 1.90			
Claim Payment	Manual	\$ 0.23	\$ 3.07	\$ 3.30	\$ 0.22	\$ 1.54	\$ 1.76
	Electronic	\$ 0.01	\$ 1.53	\$ 1.54			
Remittance Advice	Manual	\$ 0.22	\$ 3.45	\$ 3.67	\$ 0.20	\$ 1.77	\$ 1.97
	Partial	\$ 0.02	\$ 3.40	\$ 3.42	\$ 0.00	\$ 1.72	\$ 1.72
	Electronic	\$ 0.02	\$ 1.68	\$ 1.70			

N/A = Not Applicable

Note: Costs include the labor time required to conduct the transaction, not the time and cost associated with gathering information for the transaction and follow-up. Does not include system costs. All participants were asked to report cost for each transaction by the three modes of completion (manual, partial electronic, electronic). For some transactions, partial costs were not reported.



On average, manual transactions require **9 minutes more** than fully electronic transactions.

Claim Status Inquiry
15 minutes

Eligibility and Benefit Verification
14 minutes

Prior Authorization
11 minutes

A medical provider practice could save **61 minutes** on average for a patient requiring all **seven** transactions by switching from manual to fully electronic.

A medical provider practice could save **18 minutes** on average for a patient requiring **four*** transactions by switching from partial to fully electronic.

* Eligibility and benefit verification, prior authorization, claim status inquiry, remittance advice



Dental Time Savings Opportunities



On average, manual transactions require **six minutes more** than fully electronic transactions.

Claim Status Inquiry
13 minutes

Eligibility and Benefit Verification
10 minutes

A dental provider practice could save **31 minutes** on average for a patient requiring all **five** transactions by switching from manual to fully electronic.

Claim Submission and Remittance Advice
3 minutes

A dental provider practice could save **12 minutes** on average for a patient requiring **three*** transactions by switching from partial to fully electronic.

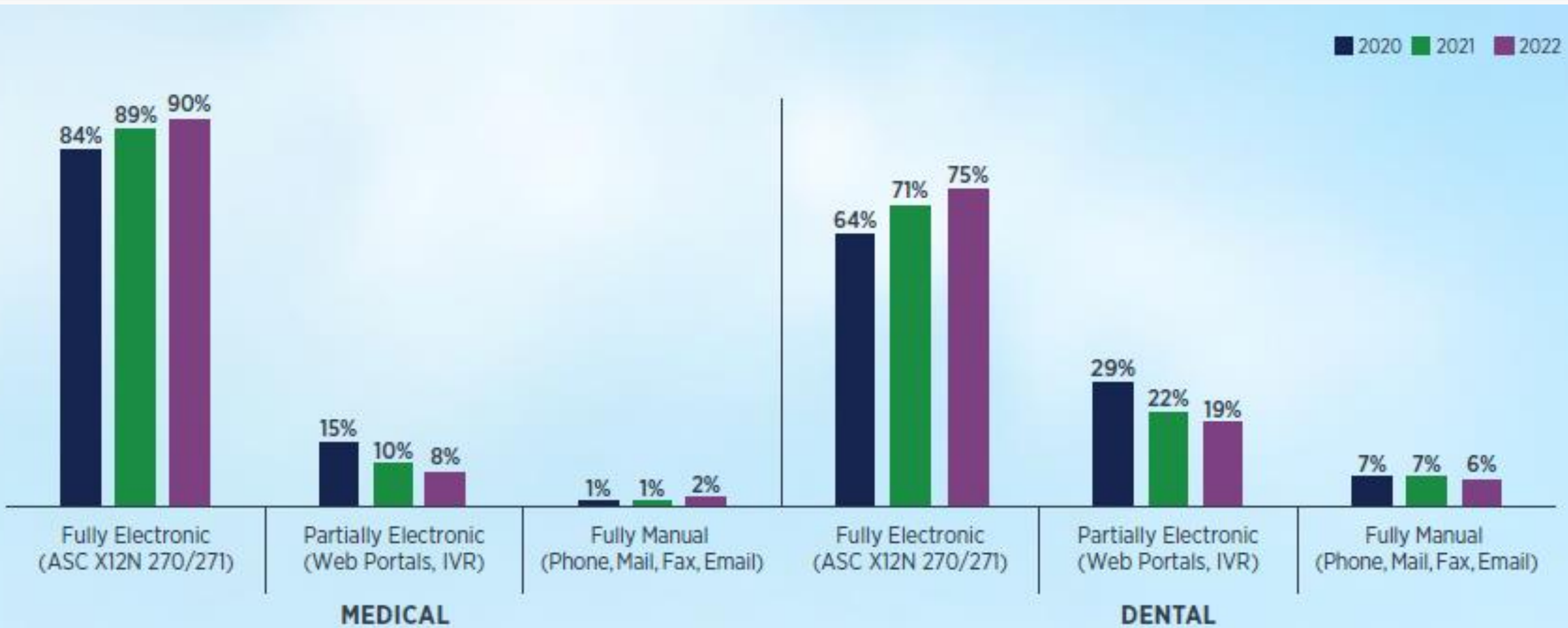


* Eligibility and benefit verification, claim status inquiry, remittance advice

Transaction Findings

Eligibility and Benefit Verification

Eligibility and Benefit Verification: Medical and Dental Plan Adoption by Mode



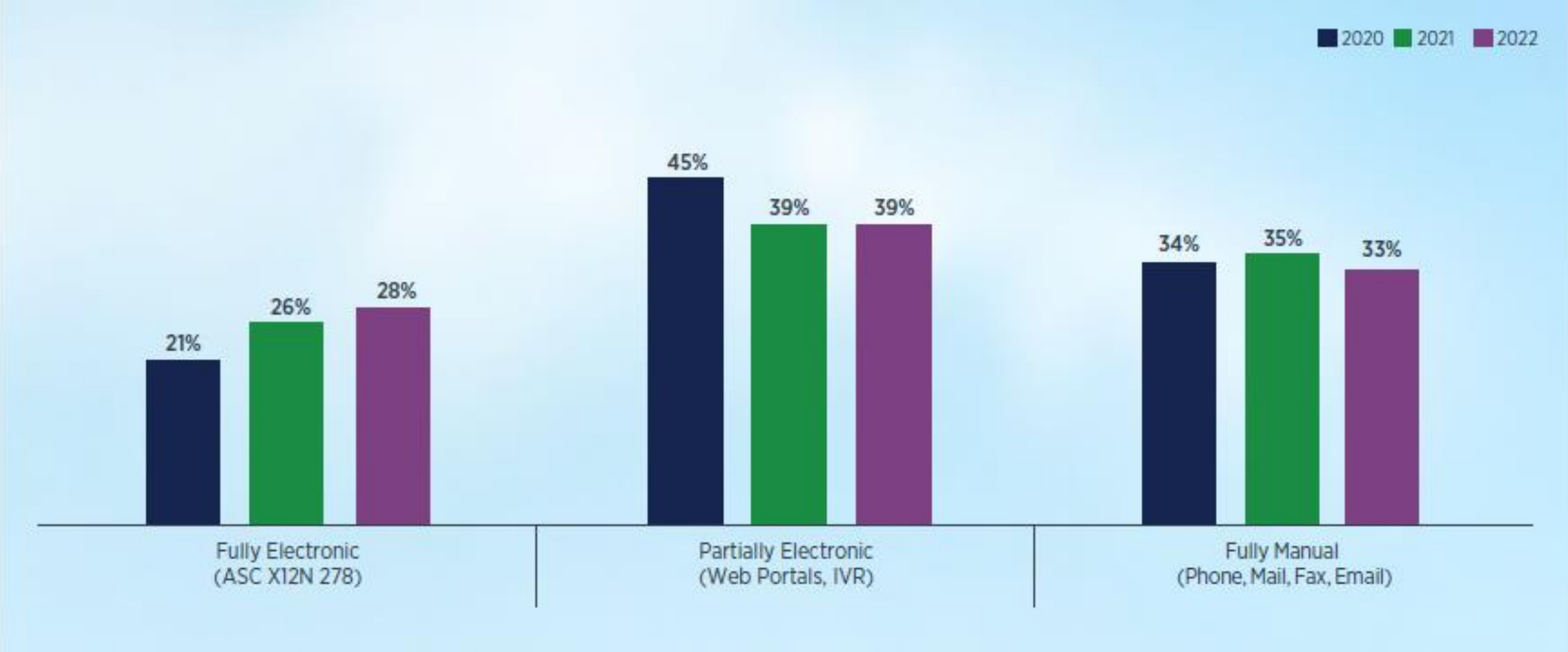
Eligibility and Benefit Verification: Medical and Dental Industry Estimated Volume by Mode



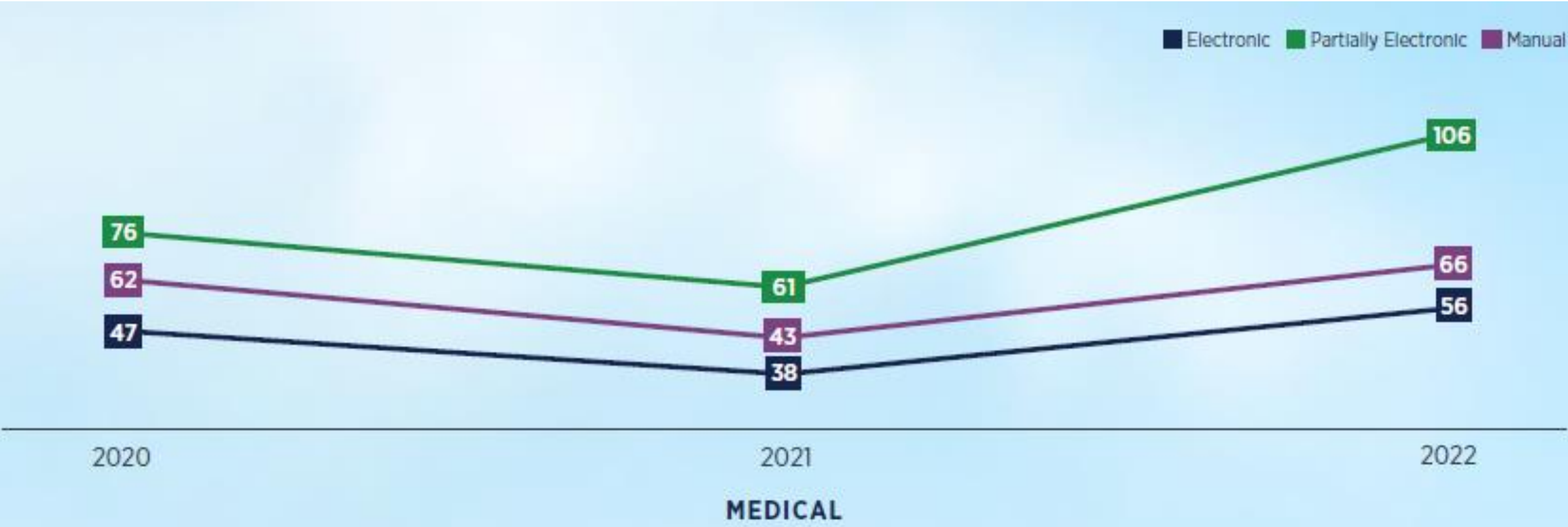
Note: Data represents plans and providers.

Prior Authorization

Prior Authorization: Medical Plan Adoption by Mode



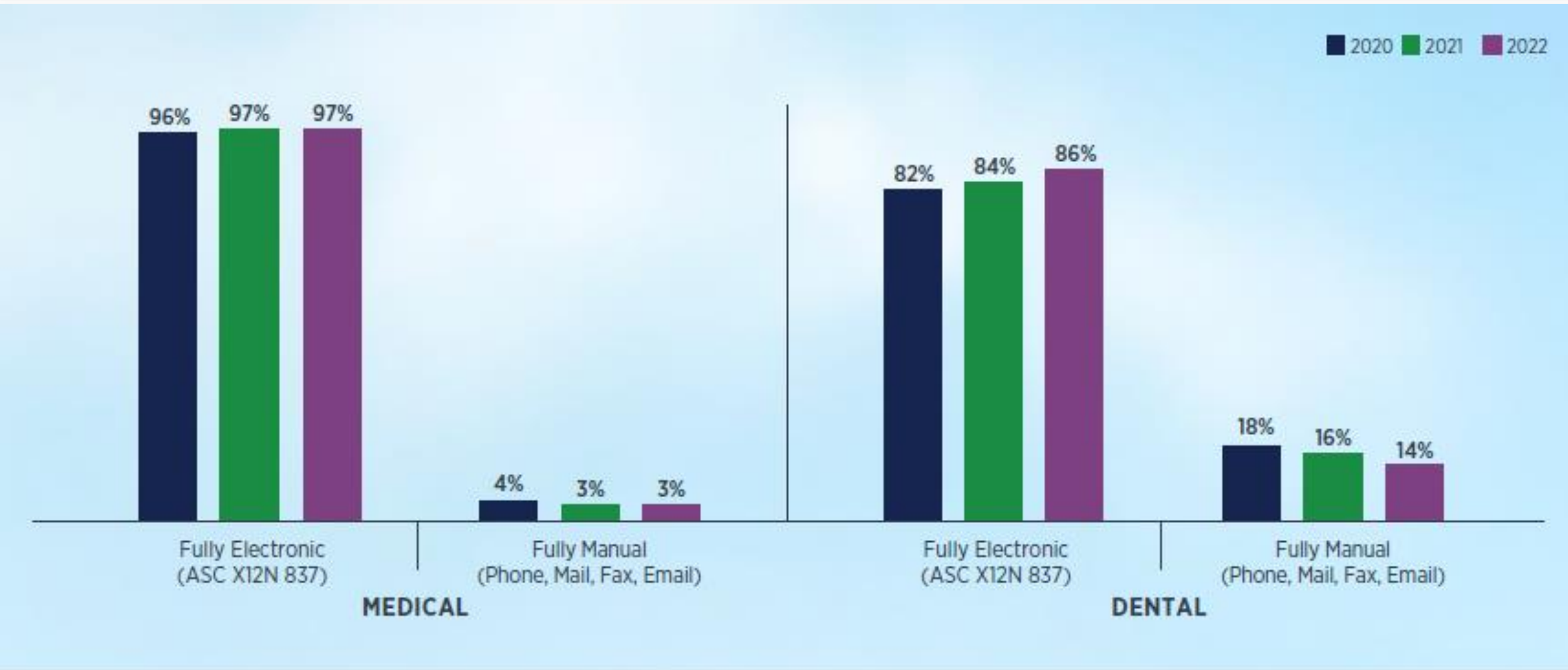
Prior Authorization: Medical Industry Estimated Volume by Mode



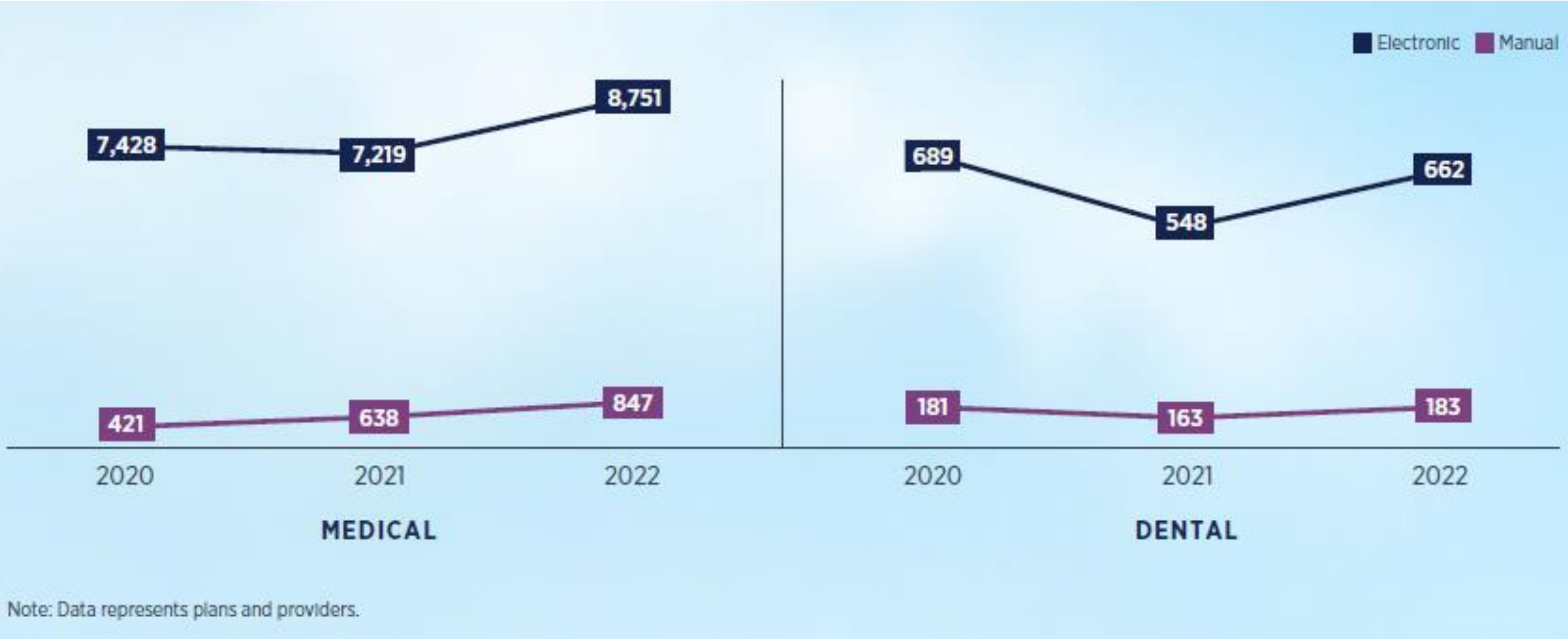
Note: Data represents plans and providers.

Claim Submission

Claim Submission: Medical and Dental Plan Adoption by Mode

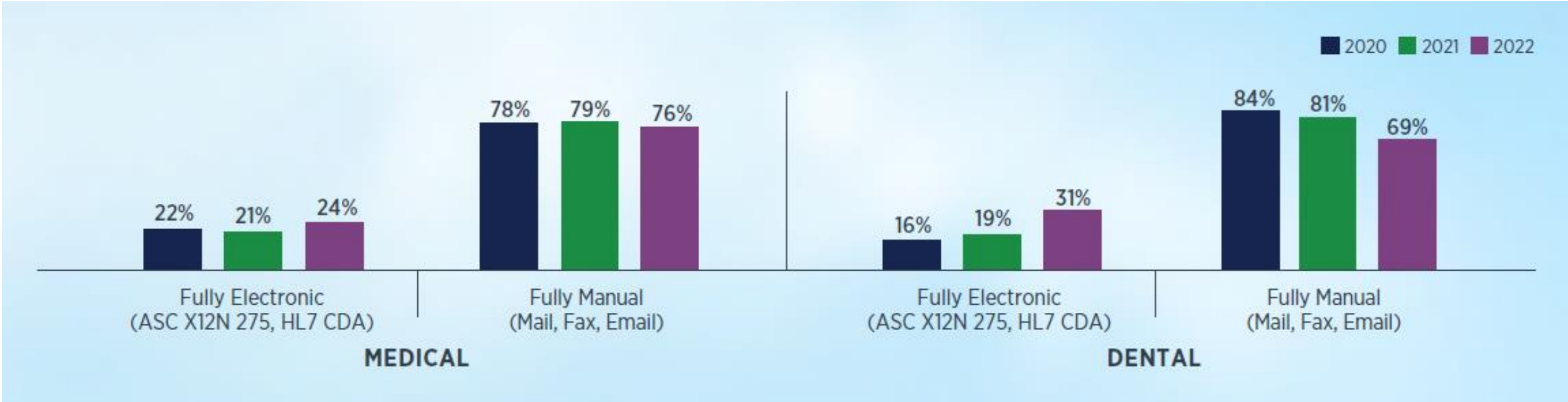


Claim Submission: Medical and Dental Industry Estimated Volume by Mode

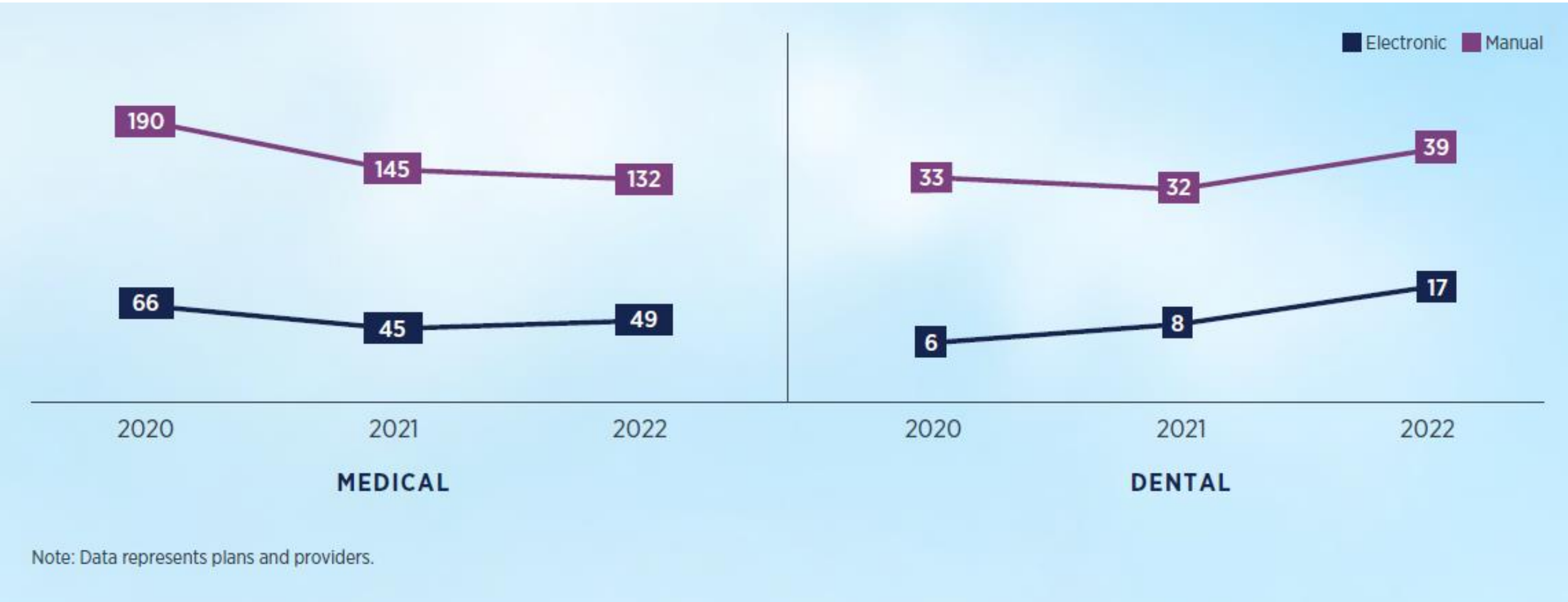


Attachments

Attachments: Medical Plan Adoption by Mode



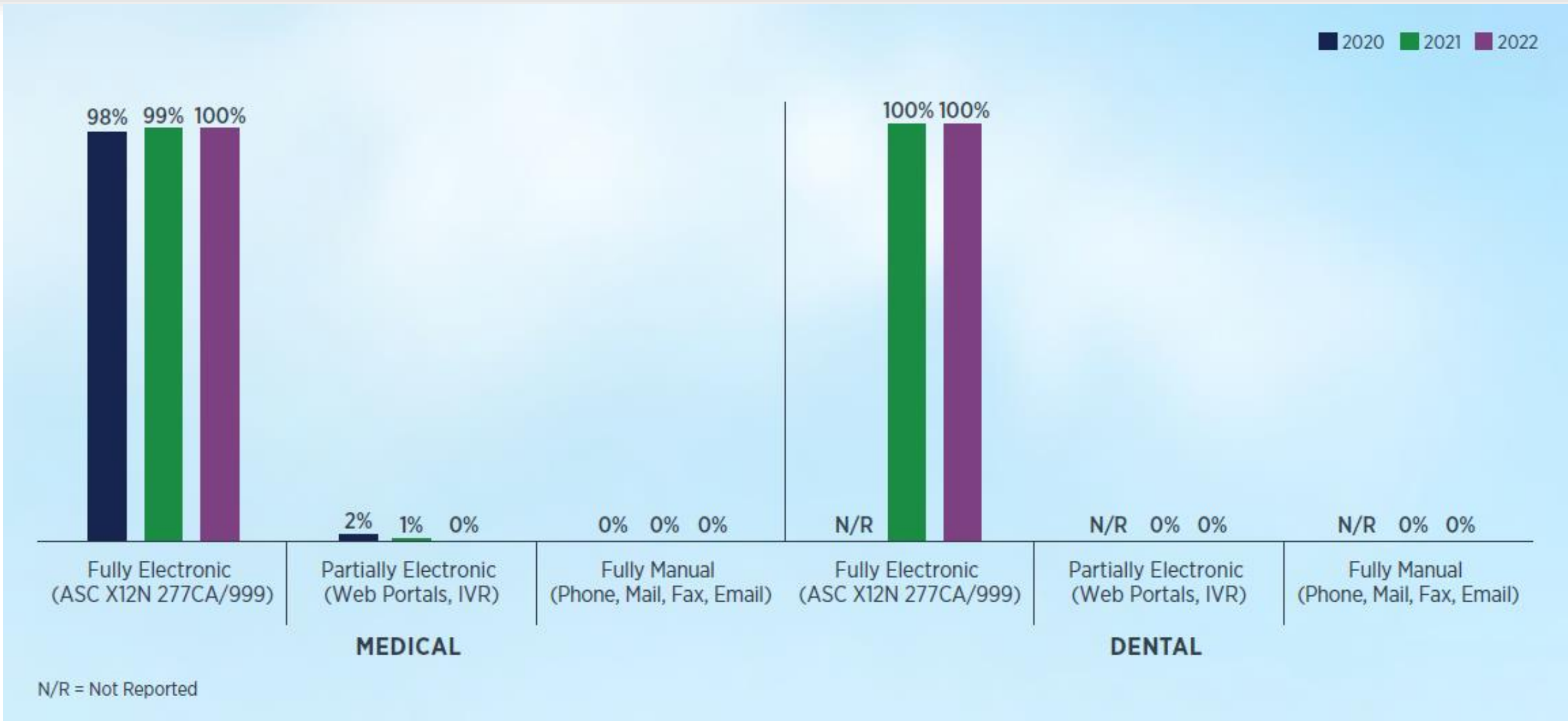
Attachments: Medical Industry Estimated Volume by Mode



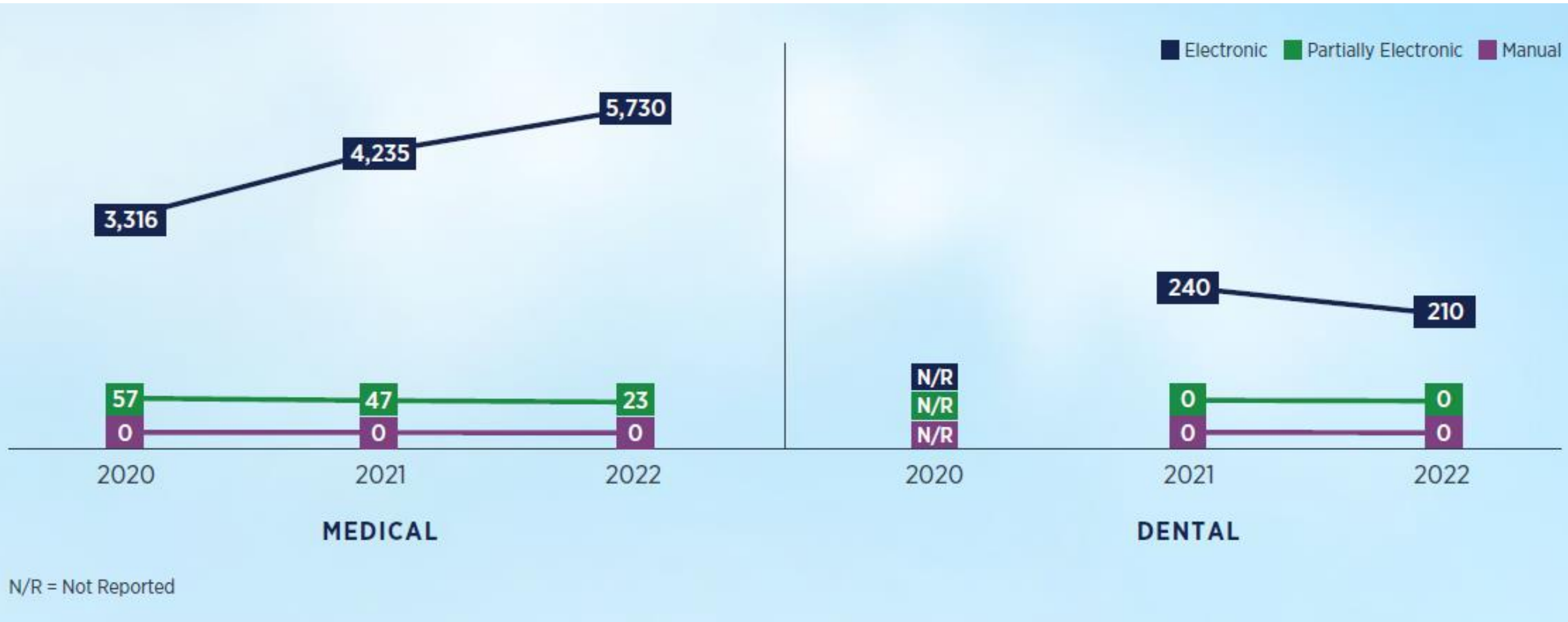
Note: Data represents plans and providers.

Acknowledgements

Acknowledgements: Medical and Dental Plan Adoption by Mode

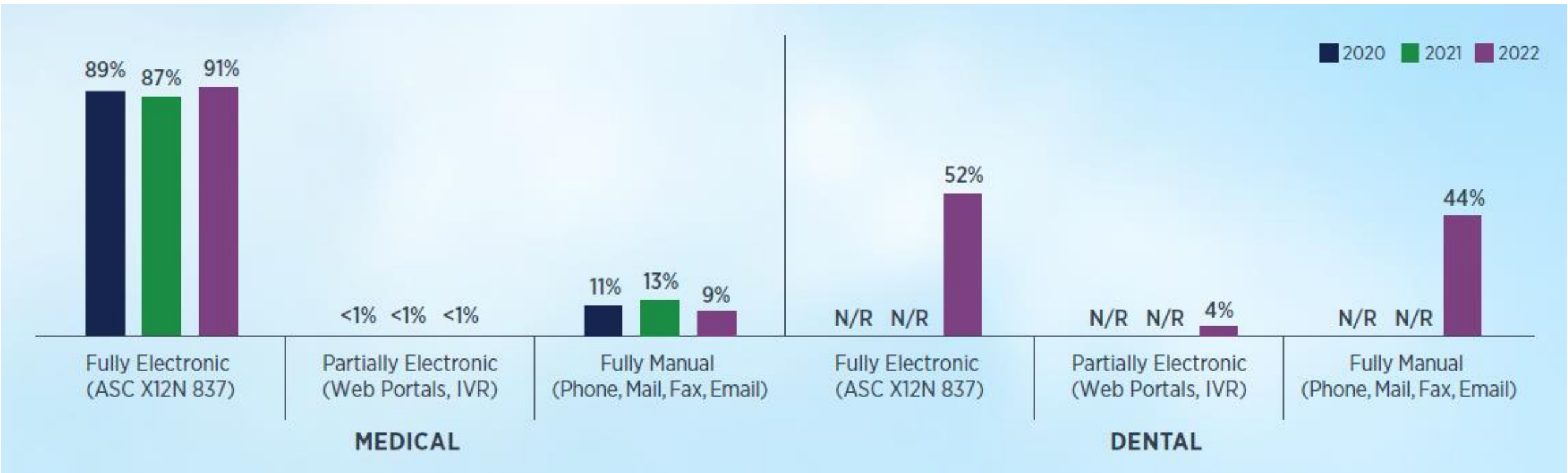


Acknowledgements: Medical and Dental Industry Estimated Volume by Mode

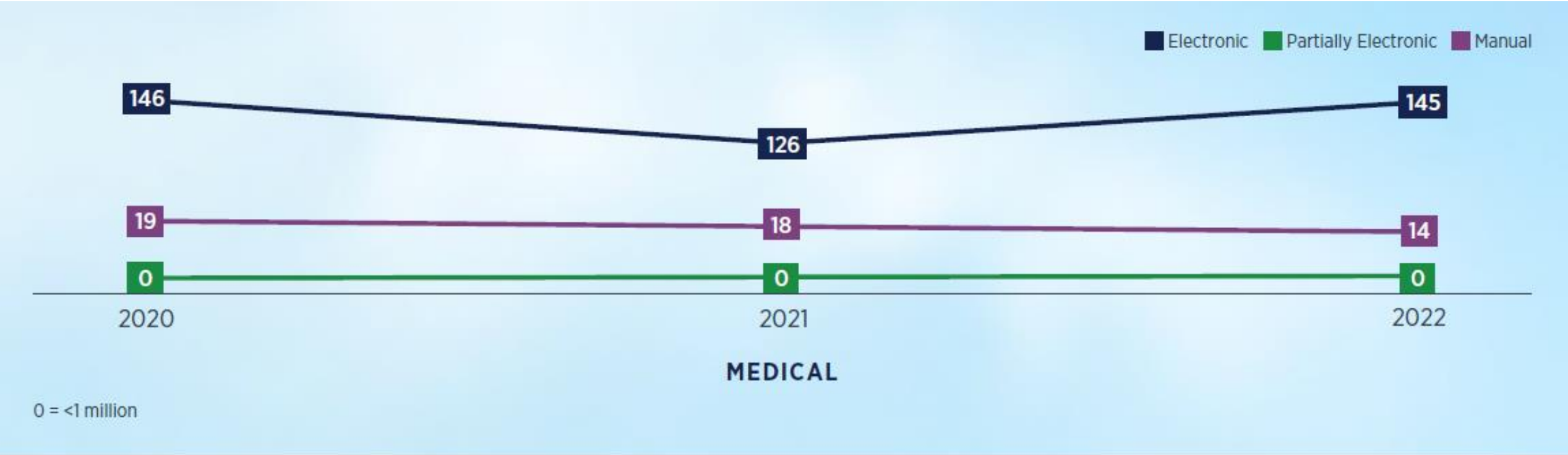


Coordination of Benefits (COB)

Coordination of Benefits (COB): Medical and Dental Plan Adoption by Mode

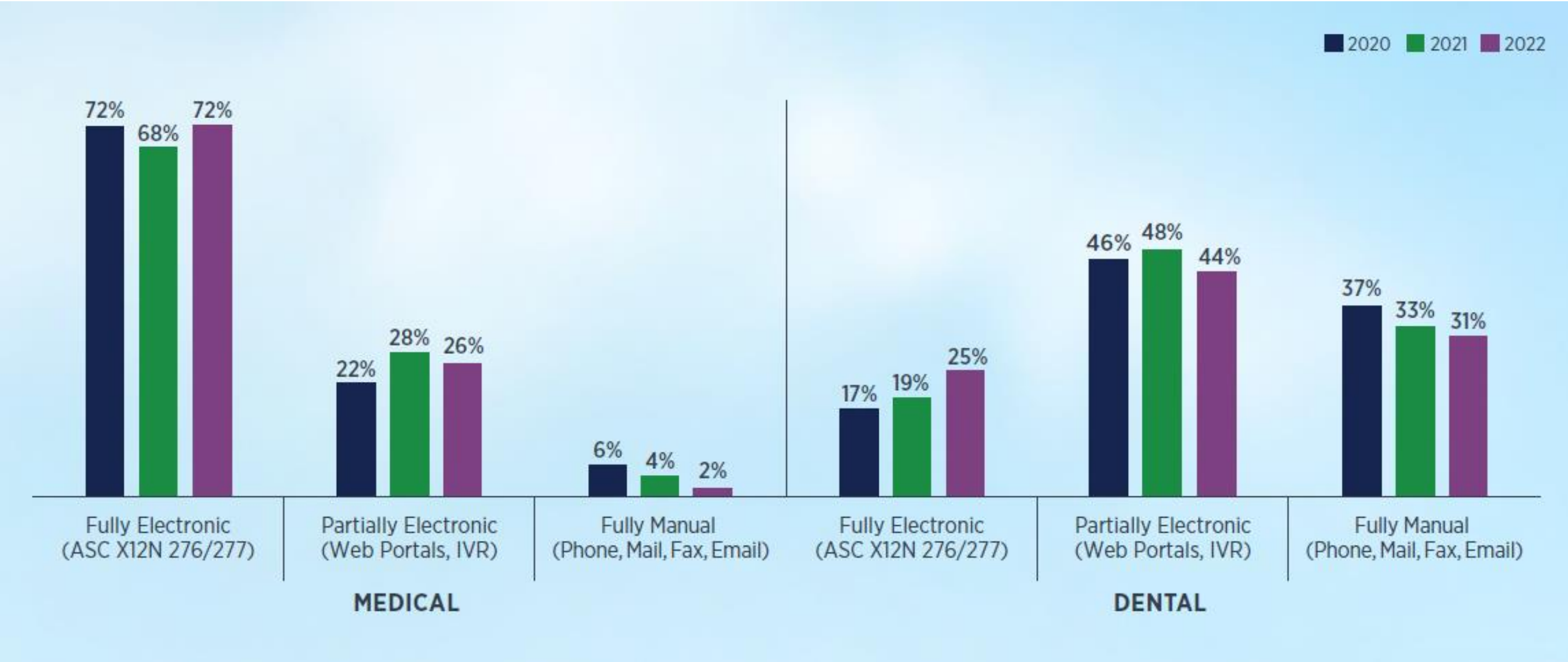


Coordination of Benefits (COB): Medical Industry Estimated Volume by Mode



Claim Status Inquiry

Claim Status Inquiry: Medical and Dental Plan Adoption by Mode



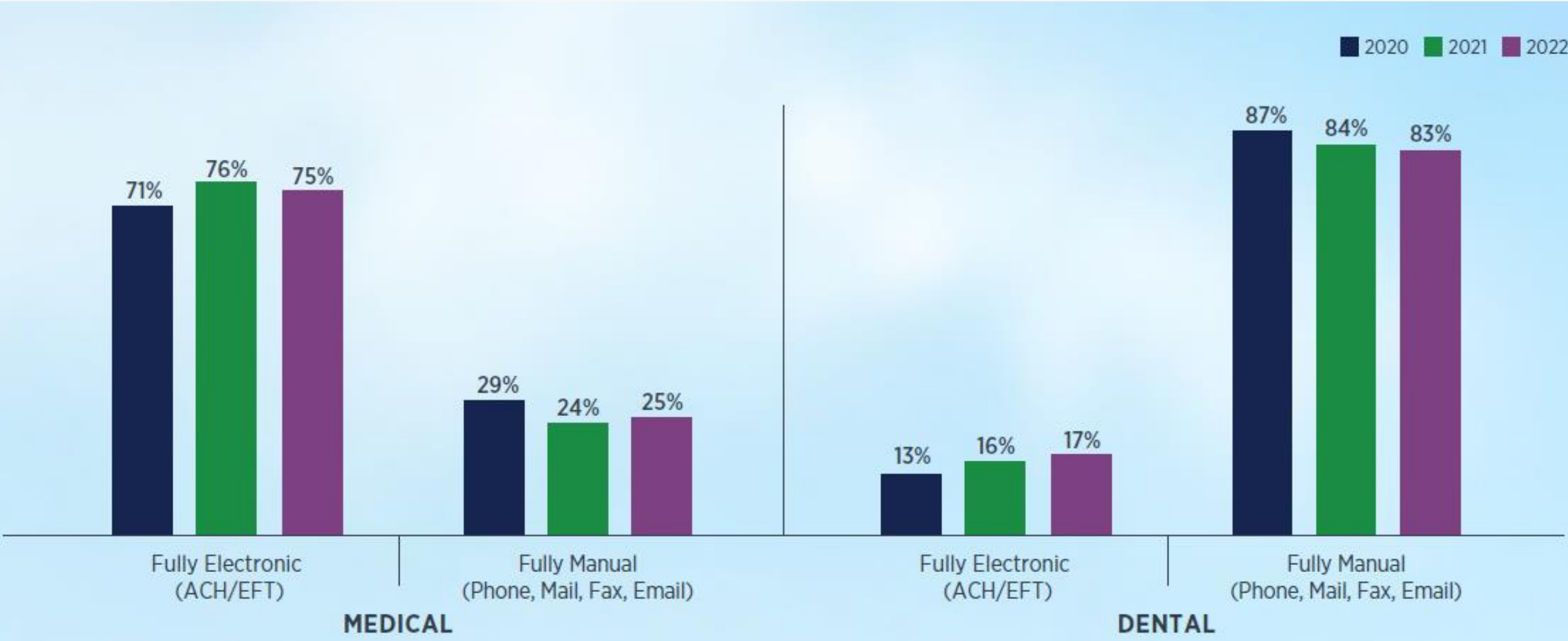
Claim Status Inquiry: Medical and Dental Industry Estimated Volume by Mode



Note: Data represents plans and providers.

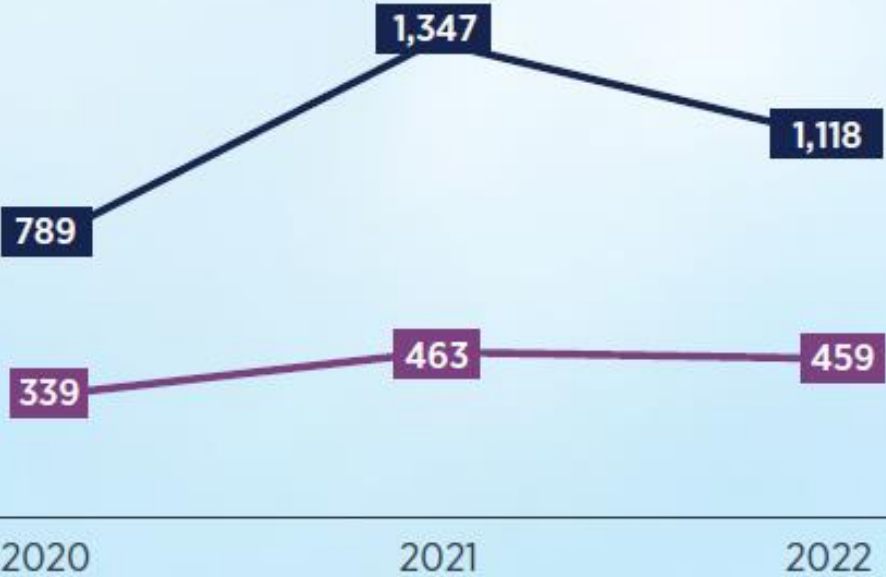
Claim Payment

Claim Payment: Medical and Dental Plan Adoption by Mode

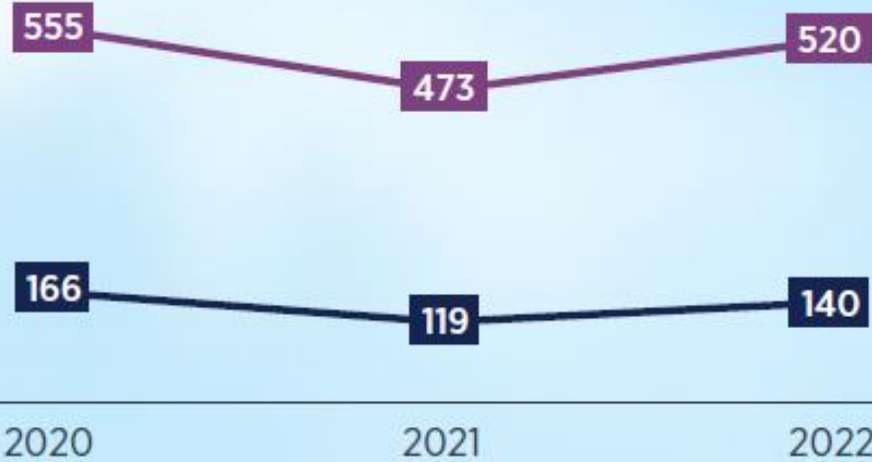


Claim Payment: Medical and Dental Industry Estimated Volume by Mode

■ Electronic ■ Manual



MEDICAL

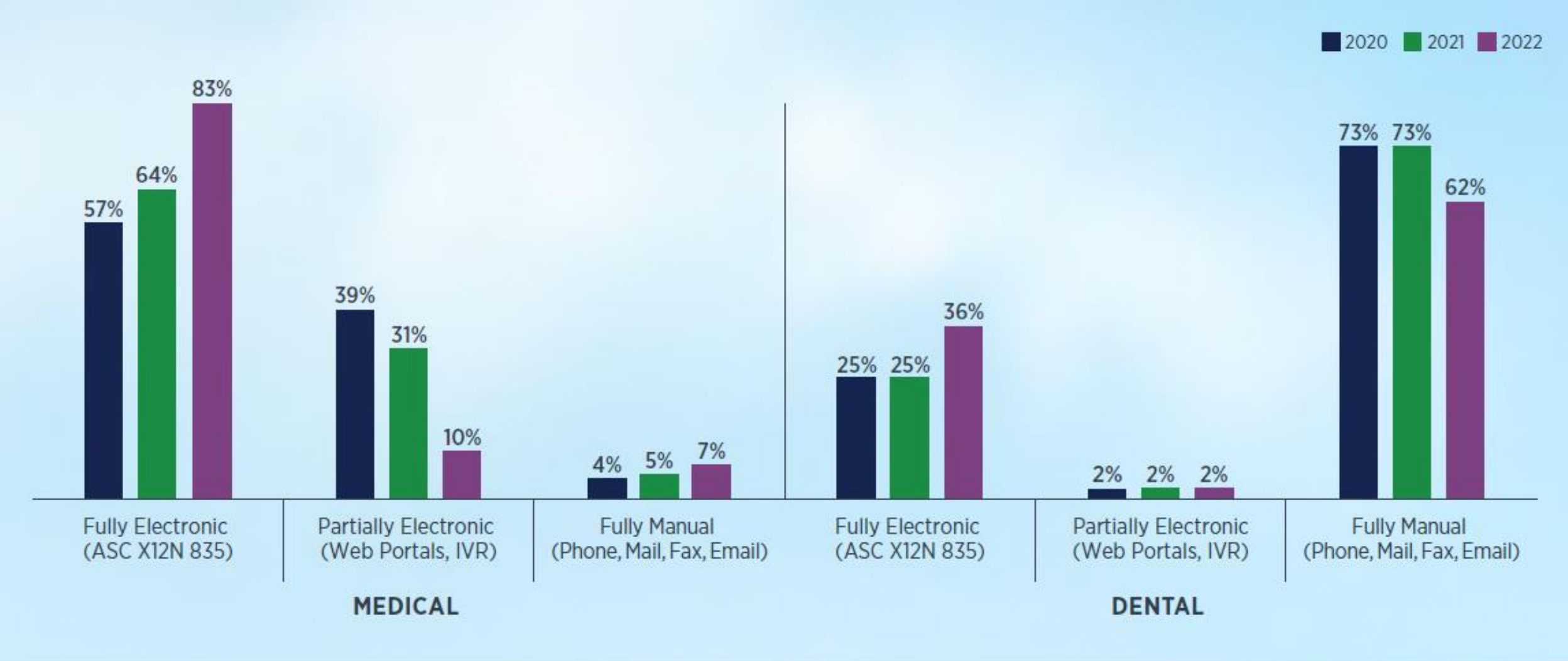


DENTAL

Note: Data represents plans and providers.

Remittance Advice

Remittance Advice: Medical and Dental Plan Adoption by Mode



Remittance Advice: Medical and Dental Industry Estimated Volume by Mode



Note: Data represents plans and providers.

Industry Call to Action

- **Support and Understand Automated Processes**
 - Despite the growth in adoption during COVID, electronic costs increased due to staffing changes and shortages
 - Identify and address automation challenges and pain points
- **Focus on Training**
 - Develop education sessions and trainings on high volume and high-cost tasks to reduce time to conduct transactions
- **Promote the Value of Standardization**
 - Adapt to changing business needs
 - Increase adoption of standards and operating rules

Questions

**The 2022 CAQH Index report is available now at
www.caqhindex.org.**

**A recording of this webinar will also be available at
this location within a week of the webinar.**