

TMG HEALTH AUTOMATES RETURNED MAIL PROCESSING FOR COST SAVINGS AND EFFICIENCY

At A Glance



Industry

Business Process Outsourcing

Challenge

TMG wanted to streamline its process for handling more than 150,000 returned mail pieces each year for its health plan clients.

Solution

TMG scans returned mail envelopes and their contents, leveraging OCR for AnyDoc to automatically capture the address information and compare it against a database to see if a new address is available, determine the reason a piece of mail was returned by the post office, as well as identify what type of document was returned.

Results

- \$750,000 annual savings
- Recouped initial investment 5 times over in the first year alone
- Eliminates more than 40,000 hours spent manually researching and keying data annually
- 20 full-time staff members no longer need to focus on manual data entry
- Offers clients a streamlined returned mail service
- Manages their own system and scales to handle more document types

Most people have interacted with a health insurance provider, whether it be receiving a statement or an insurance card in the mail, or interacting with their plan online. What they may not realize is that health plans have highly regulated processes to ensure they provide the best service possible while adhering to strict privacy standards. TMG Health specializes in managing these back-office business processes for numerous health plans. As a premier government health programs partner and a trusted advisor for their clients, TMG offers business process outsourcing (BPO) for government health programs, including Medicare and Medicaid, ranging from claims or enrollment processing to customer service.

Challenge

TMG handles numerous customer mailings for its health plan clients. Considering the frequency of mailings and the importance of these documents, a significant portion of mail that gets returned is time-sensitive and needs to be processed quickly and resent. These mailings can be anything from an enrollment form, a premium notice, statement or refund check to an explanation of benefits (EOB) statement for services provided by a doctor, clinic or hospital. Altogether there are more than 60 different types of documents TMG must process for each health plan.

When correspondence is returned to TMG by the U.S. Postal Service (USPS), TMG staff must determine what type of mailing it is, as well as its intended recipient. With 24 different "Return to Sender" reasons why mail may be returned, TMG staff must compare the return address information provided by the post office (found on the yellow sticker the USPS places on returned mail) to a database – the MARx System (Medicare Advantage & Part D Inquiry System) which is maintained by the Centers for Medicare and Medicaid (CMS) – to check for a new, updated address. Each inquiry, or returned mail piece, remains open for a period of 90 days, or until it is resolved and resent to the addressee.

"...anything from an enrollment form, a premium notice, statement or refund check to an EOB..."

TMG receives approximately 150,000 pieces of return mail annually. To process it, staff had to manually open the envelopes and key in data from each mail piece, identify which of the 60 types of documents had been returned, look up the new address, open inquiries to research a person when needed, and follow various protocols depending on the Return to Sender reasons for the undelivered document. The correct information would be forwarded to TMG's Service department, where the address would be reconciled to the MARx system. Typically TMG spent 15-17 minutes on each inquiry, working entirely from paper.



Because different mail pieces were handled by different departments, this paper was being passed around, further cutting into the 90-day return processing period and creating opportunities for correspondence to be misplaced, lost or destroyed. In addition to the shuffling, storing these large quantities of paper presented another drawback. Only if a new forwarding address was not found after 90 days would mail be removed from the system and shredded. Until then, it took up significant real estate in the office.

Solution

This tedious process required too much manual paper handling, presented opportunity for errors and delays, and caused storage issues. When TMG learned it could eliminate manual data entry, the company selected a data capture solution from CPT Intelligent Technologies, a New Jersey-based systems integrator with vast experience in automating similar processes for other companies.

By automating returned mail, TMG became a pioneer, setting a new industry standard for future companies to benchmark against. Using an OPEX AS7200 model to open and scan incoming envelopes and their contents and OCR for AnyDoc® as the data capture platform, TMG succeeded in streamlining their process with the expertise of CPT guiding them along the way.

With the new system in place, all returned mail is now placed in the OPEX Mail Opener/Scanner where the envelopes are opened and the contents removed. Both

*“TMG was typically spending 15-17 minutes to manually
key data for each inquiry”*

the envelope and contents are scanned in a single transaction and fed into OCR for AnyDoc, a Hyland Software solution, so that each transaction remains together from initial processing to digital storage. OCR for AnyDoc validates the addresses, comparing them against the MARx System to determine if there is an updated address on file to resend the returned mail piece.

Instead of working from paper, TMG staff now use their internal image viewer to determine the next step in routing the mail piece. TMG currently processes returned mail for 20 health plans, or about 35 percent of their clients. Using templates (“maps” showing locations of data to be captured from a particular document) to locate and lift the data allows TMG to determine which type of document has been returned. Workers then follow the appropriate protocol to initiate the process for attempting redelivery. CPT helped TMG create a handful of templates to start, but because of the easy-to-use nature of OCR for AnyDoc, TMG now creates their own templates for new document types.

“We’ve achieved an annual savings of \$750,000, recouping our initial investment more than five times over in the first year alone.”

- Steve Krzywiec, Director of Pre-Processing, TMG Health

Results

With their new solution in place, TMG streamlined what was once a tedious manual process into a more efficient, cost-saving automated operation. Now, the vast majority of mail is automatically captured, sorted by document type, updated for resending, and processed to be re-mailed, with less than three percent of mail requiring manual review.

“We’re achieving phenomenal results on OCR recognition so our verification operators don’t need to correct many errors. Less than three percent of our mail requires any manual verification,” said Steve Krzywiec, Director of Pre-Processing for TMG Health.

“Less than 3% of mail now needs to be manually reviewed.”

Automating the returned mail process gives TMG an edge on their service offerings, as it has allowed the company to offer this automated, efficient returned mail process to its other current and potential health plan clients.

“With the system in place, we’ve achieved an annual savings of \$750,000, recouping our initial investment more than five times over in the first year alone,” says Krzywiec. Because the system has been so successful in processing returned mail, TMG is expanding its use to process other documents that it handles for clients, further enhancing return on investment.

TMG will continue to realize ongoing annual savings while increasing its business capacity. Based on its success with returned mail automation, the health plan BPO plans to continue to grow the system to provide automated returned mail for more clients. The system easily scales to handle large volume within the current time constraints without having to add additional staff. The solution is also very repeatable – integrator CPT has replicated TMG’s business model to other companies handling high volumes of returned mail – including utility companies and health insurance providers.

Partner Profile

CPT Intelligent Technologies

CPT Intelligent Technologies, Inc. is a System Integrator, specializing in Document and Data Capture, Content Management and Workflow Solutions.

To learn more about CPT Intelligent Technologies visit www.cptinfo.com

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For further information contact:
anydocinfo@hyland.com
www.hyland.com
www.anydocsoftware.com

Contact Us

United States

Hyland Software, Inc.
5404 Cypress Center Drive,
Suite 140
Tampa, FL 33609
Telefon: +1 813 222 0414
Fax: +1 813 222 0018

Switzerland

Hyland Software Switzerland GmbH
AnyDoc Competence Center EMEA
Baarerstrasse 10
6300 Zug
Switzerland
Phone: +41 41 729 63 33
Fax: +41 41 729 63 34

UK

Hyland Software United Kingdom
Golden Cross House
8 Duncannon Street
London WC2N 4JF
United Kingdom
Phone: +44 (0)7789 666 466

Deutschland

Hyland Software Germany GmbH
Hagenauer Straße 47
65203 Wiesbaden
Deutschland
Telefon: +41 (0)41 729 63 33
Fax: +41 (0)41 729 63 34

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About AnyDoc, a Hyland Software solution

For more than 20 years, AnyDoc has provided thousands of companies with award-winning document, data capture and classification solutions. Now a Hyland Software solution, the OCR for AnyDoc[®] product enables organizations around the world to reduce the costs and inefficiencies of manual processes and data entry by more than 50%.

For more information about AnyDoc's capture and classification solutions, visit **AnyDocSoftware.com** and **Hyland.com**.



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