

KEY PERFORMANCE INDICATORS FOR THIRD PARTY ADMINISTRATORS

Standards Notice Number 01 of 2019 (SN 01/2019)

Subject of this Notice	Series of key performance indicators to measure services delivered by Third Party Administrators.
Purpose of this Notice	To detail a series of key performance indicators for Third Party Administrators – indicator, data source, method of measurement
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Publication date	21 March 2019

Preamble

The Dubai Health Insurance Corporation (DHIC) mandate is to oversee the health insurance ecosystem, ensuring that all entities contribute to more efficient and effective operations for the benefit of healthcare consumers. Third Party Administrators (TPAs) play a key role in the ecosystem as an interface between healthcare providers and payers to assess claims and manage payments. The DHIC intends to measure and publish the performance of Third Party Administrators with the objective to improve the overall service level performance of TPAs across the ecosystem.

Purpose

The purpose of this document is to provide a list of key performance indicators for Third Party Administrators; and how each indicator will be measured (calculations).

Content

The key performance indicators for Third Party Administrators listed, along with a brief description, data source, and method of measurement is described in a set of appendices to this document.

Appendix A: Definitions

Appendix B: Key Performance Indicators for Third Party Administrators

APPENDIX A

Definitions

Definition of Third Party Administrator

A Third Party Administrator is defined as a person and/or party that is responsible for managing the administrative responsibilities related to health insurance activities on behalf of insurance companies / payers.

Definition of Key Performance Indicator

A Key Performance Indicator (KPI) is defined as a quantifiable measure used to evaluate the success of an organization, employee, etc. in meeting objectives for operation and strategic performance.

APPENDIX B

Key Performance Indicators for Third Party Administrators

The below table provides detailed descriptions of the key performance indicators for Third Party Administrators.

These key performance indicators focus on:

- Prior-authorization
- Adjudication
- Denials
- Remittance

The source for all data is eClaimLink.

The performance indicators measured separated into the **Volume, Value and Submission Level** for the Top 30:

- Inpatient Services
- Outpatient Services
- Emergency Services
- Imaging Studies (by CPT)
- Laboratory Studies (by CPT)
- Procedures (by CPT)
- Medicines (by DDC)

Indicator	Measurement
Prior Authorization – Total average time to provide response to prior-authorization received from healthcare provider.	
Average response time to prior authorization requests submitted from healthcare providers.	Time (minutes) from when Prior-Auth request submitted by Healthcare Provider in eClaimLink to response from TPA posted back in eClaims / Total Number of Prior Auth Requests.
Claim Adjudication – Total average time to adjudicate full claim and response to provider.	
Average response time for TPA to review final complete claim submitted from Healthcare Provider in eClaimLink to decision on amount to be covered by TPA posted back into eClaims (for each submission level).	Time (hours) from when the final complete claim is submitted by the Healthcare Provider in eClaimLink to response from TPA posted back in eClaims on payment decision / Total Number of Claims Submitted.
Denials – Ratio and reasons for claim denials	
Ratio of full denied claims submitted by healthcare providers as a percentage.	(Number of full claim denials / Total Number of Claims Adjudicated) * 100.
Ratio of partial denied claims submitted by healthcare providers as a percentage.	(Number of partial claim denials / Total Number of Claims Adjudicated) * 100.
Reasons for full denial of claim submitted by healthcare providers as a percentage.	Reasons for full claim denials / Total Number of Claims Adjudicated) * 100.
Reasons for partial denial of claim submitted by healthcare providers as a percentage.	Reasons for partial claim denials / Total Number of Claims Adjudicated) * 100.
Remittance – Total average time to process remittance	
Average time to process remittance of insurance claims following complete claim amount approved.	Total number of days taken to upload remittance in eClaimLink from date complete claim amount approved / Total number of claims.