
LINXUS RELEASES CONSTRUCTIVE MEASURES TO REDUCE HEALTH ADMINISTRATIVE COSTS

Health plans, providers release initial set of consensus implementation priorities to stimulate electronic information exchange

Health Plans

Aetna

Empire Blue Cross
Blue Shield
(WellPoint)

GHI

HealthFirst

HIP

Oxford Health Plans
(a UnitedHealth Company)

Providers

Continuum Health Partners

Memorial Sloan Kettering
Cancer Center
& Practice Plan

Montefiore Medical Center
& Faculty Practice

The Mount Sinai Hospital

New York Presbyterian
Health System
& Columbia University
Practice Plan
& Weill Cornell Physician
Organization

North Shore–Long Island
Jewish Health System

New York University
Medical Center &
Faculty Group Practice

Yale New Haven
Health System

April 8, 2008, New York, NY – Linxus, a unique and influential consortium of hospitals, physician groups, and commercial and governmental health plans, has released a first set of detailed recommendations to reduce costs and administrative complexity in health care. Linxus 1) identified common situations where better information exchanged electronically could eliminate or significantly reduce unnecessary manual payment processing steps, 2) developed uniform data requirements across health plans to respond to electronic provider inquiries, and 3) documented general provider best practices for handling health plans' electronic responses.

It is conservatively estimated that \$18 billion of health plans' current annual health care costs is attributed to interactions with providers such as claims payment appeals, complaints, and contract disputes related to denials, utilization reviews, etc. Not included in the \$18 billion, and at least double that amount, are providers' billing operations investments such as denial management, collections, and "front end" benefits determination, which require systems that can interact with multiple health plans, each with different payment rules and policies.

Linxus works collaboratively to identify, prioritize, and implement specific technology solutions that directly reduce costs through efficiencies in payment processing and administration. Linxus plans to release a series of recommendations, the first of which is titled *Version 1.0 Implementation Specifications for Health Care Claim Status and Health Care Payment/Advice*, and is available immediately through Linxus' public Web site (www.linxus.net). The recommendations, which Linxus members developed collaboratively, are meant to stimulate the quantity, and improve the overall quality, of information exchanged electronically between providers and health plans.

Linxus is a not-for-profit corporation equally owned and directed by its member organizations, which include eight major hospital systems and their faculty practice groups, as well as seven health plans operating both regionally in New York and nationally. Following a successful three-year "pilot" project managed by the Greater New York Hospital Association (GNYHA), the Linxus Board voted in March 2008 to establish itself as a separate corporate entity in order to prioritize the objectives of its existing membership, and to open membership into these joint efforts to other interested health plan and provider organizations. Linxus builds robust implementation specifications for electronic health information exchange, tracks results (e.g., reduction in phone calls) among its membership to measure overall effectiveness of Linxus recommendations, and documents best practices that preserve existing information technology (IT) investments, where possible, by leveraging existing IT standards, such as HIPAA Transactions and Code Sets.

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Interested parties seeking to participate, or who require more information about Linxus, should contact Brian Conway at (212) 506-5477 or conway@gnyha.org.