

Claims migration success: A guide for healthcare organizations

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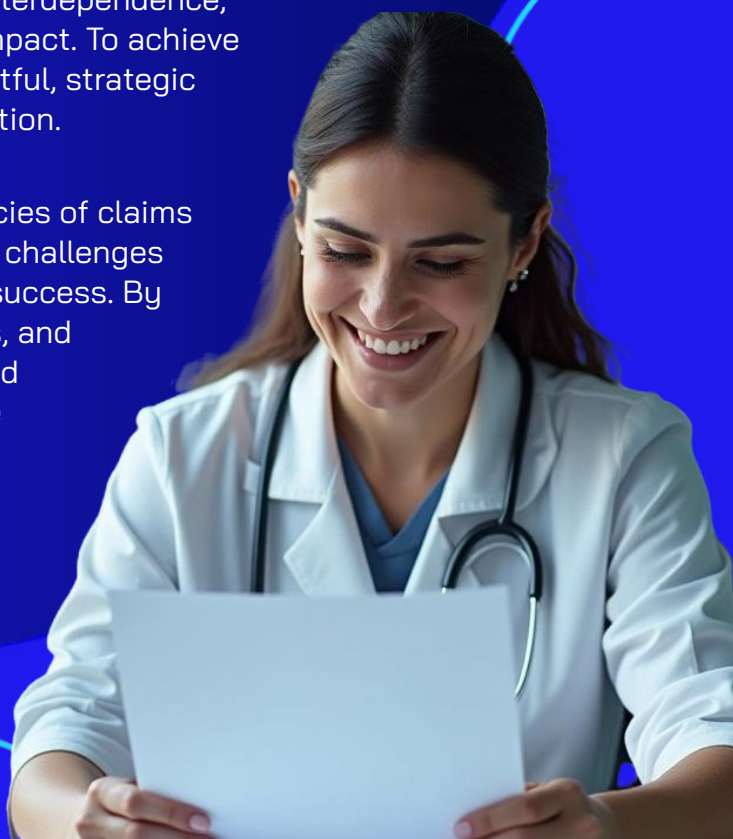
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Introduction

The Payer value chain is under increasing pressure as organizations strive to adopt advanced technologies—such as cognitive agents, alternative payment models (APMs), and audit automation—while grappling with the limitations of legacy infrastructure. These challenges are compounded by inefficiencies in data governance, which consume up to 20-40% of IT budgets and result in annual losses of approximately \$17 billion.[1] To overcome these hurdles, Payers are shifting to modern platforms that offer the agility to navigate a dynamic regulatory environment, improve data accessibility, and unlock actionable insights for enhancing the member experience.

At the heart of this transformation lies the migration to modern core claims platforms. These systems are integral to managing Payers' operations, serving as the foundation for claims processing, adjudication, and payments. Migration has become a strategic imperative. Modern platforms offer the scalability, compliance, and operational efficiency that today's Payers need. However, the road to success has a few challenges. Many transitions falter due to inadequate preparation, a failure to account for system interdependence, and an underestimation of the downstream impact. To achieve a successful migration, Payers need a thoughtful, strategic approach that goes beyond mere implementation.

This perspective paper delves into the intricacies of claims platform migration, focusing on their inherent challenges and practical strategies for stabilization and success. By exploring root causes, operational disruptions, and the transformative potential of automation and collaboration, healthcare Payers can navigate these transitions effectively and build a foundation for long-term resilience.



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Decoding migration challenges: Solutions for operational excellence

Research shows that \$15.5 billion could be saved annually by processing claims correctly the first time, addressing inefficiencies that contribute to \$265 billion in annual wastage in the US healthcare system.[2] This inefficiency stems from various systemic and operational shortcomings during claims platform migration.

Addressing common pitfalls in claims migrations

Insufficient testing

Inadequate testing—whether in data accuracy, stress handling, or specialized claim types—is a leading cause of go-live failures. These gaps result in unresolved defects that disrupt processing and force Payers to delay specific claim types.

★ Solution:

Implement multi-tiered testing protocols using real-world data and automated tools to simulate diverse scenarios and claim types. Regularly update testing methodologies to reflect operational realities.

Data and configuration bottlenecks

Incompatibilities in data structures and flawed payment configurations create roadblocks in claim adjudication, resulting in improper routing and payment delays.

★ Solution:

Prioritize pre-migration data cleansing and validate all payment rules comprehensively. Use advanced analytics to identify potential bottlenecks early.



Timing and budget constraints

Due to high costs and strict go-live dates, Payers often rush to implement platforms without fully addressing potential issues.

★ **Solution:**

Maintain buffer time to accommodate unforeseen issues. Adopting phased rollouts, agile project management, and cloud-based systems enables flexibility and iterative problem-solving.

Digging into the root causes of migration challenges

Provider data mismatches

Outdated or inaccurate provider data is a leading cause of medical billing claim denials, often requiring extensive manual corrections.^[3]

★ **Solution:**

Use a robust provider data system and automate data validation.

Coordination of Benefits (COB) rule issues

Ambiguous coordination-of-benefits (COB) rules result in manual intervention and numerous claims pending manual review. This ambiguity causes delayed claims processing and duplicate submissions.

★ **Solution:**

Standardize and document COB rules and incorporate automated verification mechanisms to ensure clarity and efficiency.

Missing or incomplete configurations

Due to the high costs of implementing a core payer platform, Payers sometimes go live with known issues, resulting in backlogs that require extensive post-migration effort to clear.

★ **Solution:**

Ensure all critical configurations are completed before migration to minimize disruptions and avoid holding claims.

Navigating post-migration challenges

The learning curve

Even with training, new users often face steep learning curves during the first few weeks of adapting to new systems. This inevitably leads to productivity dips and errors.

★ **Solution:**
Ensure all critical configurations are completed before migration to minimize disruptions and avoid holding claims.

Process changes

New processes may take longer on the new platform to achieve more auto-adjudication. The focus on long-term auto-adjudication may slow down processes as teams adapt to updated workflows.

★ **Solution:**
Be transparent and communicate the long-term benefits of process changes clearly to foster understanding and acceptance among stakeholders.

Inaccuracies

Early-stage inaccuracies in claim processing are common as teams take time to familiarize themselves with the new system.

★ **Solution:**
Conduct regular accuracy audits and implement quality assurance protocols to swiftly address and rectify issues.

Proactively addressing these challenges and their root causes enables healthcare organizations to transform claims migrations from a reactive firefight into a strategic advantage. However, overcoming initial hurdles is just the beginning. Building resilience and preparing for long-term success requires a forward-thinking approach that integrates data, automation, and collaboration at every level.

Building resilience: Preparing for long-term success

Successfully tackling claims migration challenges require more than a checklist approach; it demands resilience and strategic foresight. Here are two essential strategies for achieving a smooth go-live and sustained operational success:

- **Measurable metrics:** KPIs are crucial during a readiness assessment to ensure goals are captured to determine when the organization is ready to go live. Using actual production claims can prevent post-migration issues by ensuring test results mirror real-world production scenarios and are balanced against pre-determined KPIs.
- **The right implementation partner:** An experienced partner with expertise in platform technology and the healthcare industry improves planning and execution while minimizing disruptions. Choose a partner with a proven track record, healthcare experience, and demonstrated success in implementing core payer platforms.

Achieving operational stability after migrating a claims platform is only the first step. For long-term success, organizations must commit to ongoing optimization, leveraging data analytics, automation, and strategic partnerships. Implementing these practices into the operational frameworks allows Payers to navigate current complexities and set themselves up for sustainable growth.



Eliminating post-migration backlogs with BPaaS and seamless collaboration

Addressing post-migration backlogs requires a clear and methodical approach. Organizations must begin with an objective readiness assessment, using data-driven KPIs to identify root causes and prioritize areas requiring immediate action. By addressing the oldest claims first and employing advanced technologies like Robotic Process Automation (RPA), healthcare Payers can significantly reduce issues such as provider data mismatches and duplicate submissions. Service partners may be brought in to support operational staff as needed to counter an initial backlog, as well as serve as a permanent low-cost augment to operational staff.

Steps to backlog resolution

- **Start with data-driven assessments:** A readiness assessment anchored in KPIs such as auto-adjudication, turnaround times, error rates, and resolution times enables organizations to measure success. This process ensures that strategies are based on real-world performance data and tailored to operational realities.
- **Focus on automation and expertise:** Technologies like RPA or Agentic AI automate repetitive tasks, including claim adjudication and provider data validation, reducing errors and accelerating processing. Automation alone can mitigate up to one-third of adjudication issues, freeing teams to concentrate on more complex claims.^[4]
- **Seamless Onshore/Offshore Collaboration:** Streamlined workflows and transparent processes are crucial for ensuring efficiency in distributed teams. Cultural training, combined with robust access controls for sensitive programs, fosters effective collaboration while maintaining compliance with regulatory standards.

These strategies form the backbone of an operational framework that not only resolves backlogs but also enhances long-term performance. This transition sets the stage for a broader conversation on creating a scalable and resilient claims ecosystem.



The ecosystem advantage: Strategy, action, and collaboration

Modern claims frameworks can be foundational in reducing inefficiencies, fostering collaboration, enhancing member and provider satisfaction, and driving strategic growth. But achieving excellence requires a deliberate, multi-faceted approach that integrates data-driven strategies, streamlined actions, and seamless partnerships. Let's explore the essential components of a robust ecosystem to address post-migration backlogs, setting the stage for optimization and supporting long-term scalability.

Strategic pillars for long-term success

- **Tracking progress with precision:** Analytics act as the compass and roadmap to track progress in claim management. By identifying patterns in aged claims and monitoring real-time data points, organizations can address backlogs with targeted interventions. Real-time dashboards tracking KPIs such as processing speed, error rates, and claim aging ensure timely decision-making and transparency.
- **Proactive adjustments for continuous improvement:** A claims platform succeeds when it helps the business advance into areas of strategic growth. By leveraging analytics, Payers can quickly identify emerging issues and adjust their approach to align with evolving business goals.
- **Collaboration with stakeholders for shared success:** Creating clear communication channels with clients and internal teams enhances data sharing and ensures aligned priorities. This transparency bolsters efficiency and fosters a collaborative environment for tackling challenges head-on.



The action steps for operational excellence

- **Accuracy in claims processing:** True accuracy in claims processing comes from well-designed transformation processes. Standardized workflows and robust training empower teams to maintain accuracy and efficiency on the first pass.
- **Optimizing resources for improved output:** Business Process as a Service (BPaaS) frees internal teams to focus on complex claims by delegating routine tasks to partners. This blended approach reduces administrative burdens, lowers operational costs, and enhances overall productivity.
- **Leveraging time zone advantages:** Seamless onshore and offshore collaboration enables round-the-clock processing, optimizing system utilization during non-peak hours. This approach reduces workloads and accelerates backlog resolution.

Collaborative partnerships: The key to efficiency

Vendor alignment is critical. All stakeholders must work cohesively, guided by a 'conductor' to achieve shared goals.



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