

Market Study

Organizational Approaches to Reviewing and Summarizing Medical Records

Inefficiencies and modern strategies to
enhance productivity revealed

Market study by CLM Advisors, commissioned by ABI Document Support Services

February 2013

Introduction

To gain a more thorough understanding of the claims and litigation industries' processes for effectively reviewing and summarizing medical records, ABI® Document Support Services commissioned CLM Advisors to design and implement a comprehensive industry study on current review and summarization practices. CLM Advisors* is an independent organization that consults with claims and litigation executives, law firms, and service and technology companies.

This study was designed and implemented to determine the:

- importance of review and summarization to the organization;
- challenges and opportunities related to review and summarization; and
- benefits of improved efficiency, if attained.

This paper was created by ABI Document Support Services to share the data captured in the CLM Advisors' study. For more information regarding this study, please contact ABI Document Support Services at www.abidss.com/contact-us/.

*More information regarding CLM Advisors can be found at www.clmadvisors.org.

Table Of Contents

Introduction	1
Research Methodology	3
Key Study Findings	4
Evaluating Review & Summarization Tools	7
About ABI	10

Research Methodology

This study included 21 in-depth interviews with claim and litigation executives from leading insurance and legal organizations in the fall of 2012 by CLM Advisors. Study participants represented a wide cross-section of organizations with varied size and focus to provide a comprehensive view of current review and summarization processes and beliefs. Participants were selected by CLM Advisors and were asked to provide insight on approximately 115 separate data elements regarding the industry processes for effectively reviewing and summarizing medical records. The data was aggregated by CLM Advisors.

Organizational size and focus: The median claim department participant employs 200 claims professionals. The largest claim department in the study has 13,000 professionals. Of the 21 respondent organizations, two function as dedicated third party administrators, and one is a self-insured corporation with an internal claims department of significant size (in excess of 200 claim professionals).

Staff counsel operations: Ten of the 21 participating organizations (48%) maintain staff counsel operations. Again, these operations vary in size and numbers. The largest staff counsel operation maintains approximately 800 staff attorneys; the smallest in the study has five attorneys. Median staff counsel size is 100 staff attorneys.

Size of panel counsel: Specific attention was paid to the size of each organization's network of approved and insured-select law firms. The largest law firm network reported 2,500 firms (including insured-select, conflict, and other non-panel firms); the smallest network reported at 20 firms.

Individual attorney counts across law firm networks: Since many respondents felt that the individual attorney assigned to a case is responsible for records review and summarization activities, they were asked to estimate the number of individual attorneys deployed on their cases across their firm networks. These estimates ranged from a total of 40 attorneys to an expansive estimate of 10,000 attorneys (including non-panel), who might be summarizing and reviewing medical records on behalf of the respondent organization at any given time.

Key Study Findings

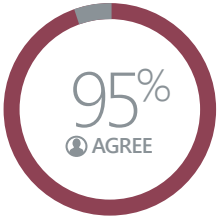
The Importance of Record Review and Summarization

Participants believe “good” review and summarization has a material impact on claim management effectiveness.

Executives were asked to rate, rank, and discuss a number of topics surrounding the importance of record review and summarization on the outcome of a claim. Questions and discussion included the impact on claim outcomes, overall value of the function and time spent performing this activity, and the areas most impacted by thorough records review and summarization.

Executives concluded that records review and summarization have a material impact on claim management effectiveness and outcomes. When asked if more thorough review would translate to more accurate claim outcomes, 95 percent of executives indicated they believe this correlation exists. Since accurate claim outcomes are critical to claims organizations’ objectives, executives also assigned significant value to the activity of record review. On average, executives surveyed believe, in an ideal environment, claims professionals should spend 18 percent of their time, or roughly one day each week, performing this activity. The value of this activity was also exhibited when respondents ranked the importance of thorough records review by pre-litigation through outside counsel functions on average as a four or higher on a one (least important) to five (most important) scale.

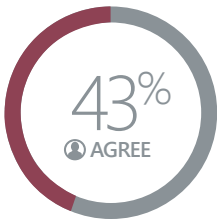
A review of the data in aggregate highlights the primary reasons that surveyed executives assign high value to the function of reviewing records. Participants felt that good records review and summarization equips adjusters to negotiate more successfully, perform better initial file reviews, and that counsel can prepare more effectively for depositions. Specifically, 43 percent of executives surveyed believe that adjustor negotiation is the most significantly enhanced activity resulting from thorough review.



Executives agreed that more thorough record review would translate into more accurate claim outcomes.



Nearly one fifth of a claims professionals’ time should be spent reviewing records (18%)



Adjustor negotiation is the most significantly enhanced activity by thoroughly reviewing records.

Challenges and Opportunities Related to Review and Summarization

Reviewing and summarizing records is critical to successful outcomes, but defining a “good” review and summarization process proves challenging. Executives believe the process is inefficient.

Study participants were next asked a series of questions regarding their organization’s current review and summarization practices. These questions focused on: (1) defining a good review and summarization process; (2) the efficiency, or lack thereof, in their current processes; (3) the quantity of records reviewed; and (4) the gap in expectations versus actual performance.

Nearly all participants surveyed found defining a “good” review and summarization process difficult. Executives reported challenges in defining a “good” process resulted from the absence of formal mechanisms to monitor and measure the process and a lack of formal training. For the purpose of this study, participants utilized their own criteria for what constitutes a “good” process. However, executives surveyed consistently believe thoroughness is key to successful outcomes.



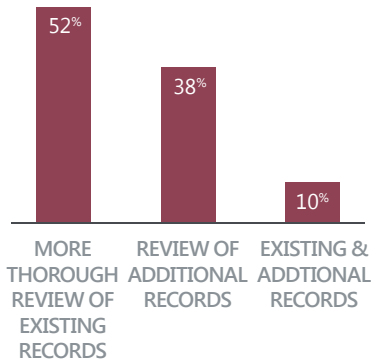
When asked to rate on a scale of 1 – 10 (10 being high) the perceived efficiency of records review by outside counsel and internal reviewers, both groups were equally ranked 5.7 out of 10.

Next, the executives were asked a series of questions related to the efficiency of their organization’s current review and summarization practices. Review of the responses in aggregate highlight the inefficiency presumed to exist by executives in the review and summarization process. When asked to rate on a scale of 1 – 10 (10 being high) the perceived efficiency of records review by outside counsel and internal reviewers, both groups were equally ranked 5.7 out of 10.

Participants cited the gap between the expectations and the actual performance for the quantity of records reviewed as a result of high workloads, lack of time, inadequate training, dislike of the activity of reviewing records, and lack of emphasis by management on this function.

Benefits of Improved Efficiency

Records review and summarization are critical tasks to achieving successful claim outcomes, and significant room for improvement exists. As a result, executives recognize how innovative technology and training can enhance this process.



If efficiency improved by 50%, 52% of executives favored more thorough review of existing records, 38% would review additional records, and 10% would more thoroughly review existing records and review additional records.



100% of executives surveyed indicated that they would be interested in learning more about ABI's eSummary product and would find value in a related training program.

When asked the benefits of more thorough records review and summarization, surveyed executives cited matching organizational goals and benefits. "Improved judgments/settlements" and "faster case resolution" were identified as the top two organizational objectives and the top two benefits of more thorough records review and summarization. This correlation illustrates the value the activity brings to an organization and the potential for process improvements to positively impact legal expenditures, settlement costs, and allocated loss adjusting expenses.

When asked how they would re-allocate resources if a web-based tool decreased the time spent in records review and summarization by 50 percent, 52 percent of executives favored using the newfound time to more thoroughly review existing records rather than review additional files. Thirty-eight percent would use newfound time to review additional records. The final 10 percent would use the additional time to more thoroughly review existing records and review additional records weighted at 70/30 respectively. Many of the executives surveyed identified more efficient processes allow for more thorough review and increased thoroughness directly correlated to the organizational objectives of improved outcomes.

Finally, participants were asked if they would be interested in learning more about a web-based tool designed to increase the speed of review and summarization and enable more thorough reviews. One hundred percent of respondents indicated they would be interested in learning more about ABI Document Support Services eSummary product and would find value in a related training program.

Evaluating Review and Summarization Tools

Today, many are asked to do more with less financial and staff resources. Without improved efficiency, performing more thorough record review and summarization would likely come at the expense of other tasks or functions. The research reveals: more thorough reviews can positively impact settlement values, legal expenditures, and ALAE. So, how can you take the next step to improve review and summarization efficiency in your organization?

Leverage Technology

John Wooden once asked, "If you don't have time to do it right, when will you have time to do it over?" The thorough and accurate review of records plays a critical role in more effectively negotiating a claim or litigating a case. Often, learning new methods and using tools created to magnify efficiency in this process can be the key to working *smarter* and "doing it right" the first time.

eSummary by ABI™ was specifically developed to improve record review and summarization efficiency. Learning how to more efficiently and thoroughly review records using a tool such as eSummary is an easy way to avoid costly mistakes and identify critical information in less than half the time.

Evaluating Review and Summarization Tools (cont.)

Request a Live Demonstration

A discerning buyer understands that not all tools are created equal, even if they are marketed to address the same problems. Decisions to address inefficiencies in record review and summarization with technology will require due diligence. If considering a technology solution to increase efficiencies, request a live demonstration and ask the following questions:

1. Are my records available electronically within 24 hours of scanning at the facility in the tool?
2. Is record processing completed in the United States or offshore?
3. If offshore, what is the guaranteed turnaround time?
4. How do you guarantee the quality of document classification and date-of-service assignments to the records?
5. How much more quickly will an average user identify key evidence with this tool?
6. If a summary using different variables in the same claim or case must be created, does the user have to create a completely new summary from scratch?
7. Can I group, sort, and filter the records pertaining to the case electronically in one easy step?
8. Has this technology been proven in the marketplace?
9. What are the associated costs?

Make the Commitment

Once a review and summarization tool is determined to be of material value and is implemented throughout the organization, a commitment by management is required to ensure adoption. Complete compliance will enable the organization to realize the full efficiency gains and cost reductions available.

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ABI Document Support Services

ABI Document Support Services is a nationwide provider of record retrieval services and technology for the legal and insurance industries. For more than 30 years, ABI has developed innovative technology and processes that enable more efficient record retrieval, online record ordering, and most recently, record review and summarization with eSummary by ABI.

Introducing eSummary by ABI

eSummary by ABI is a web-based tool that was created to take the frustration out of the tedious process of organizing, analyzing, and summarizing records.

A recent user evaluation comparing the efficiency of reviewing and summarizing records using eSummary compared to traditional methods demonstrated paralegal and associate attorney's ability to:



- **Review and summarize documents in less than half the time.**
Review and create summary notes on 45 pages of medical records in an average of 39 minutes using eSummary versus an estimated 134 minutes using traditional methods.
- **Locate critical documents in minutes, not hours.**
Find three specific documents in a stack of 250 pages of medical records in an average of 14 minutes using eSummary compared to an estimated 117 minutes with traditional methods.

ABI's record retrieval clients have access to the eSummary tool at no additional cost.

To learn how your organization can achieve similar efficiency gains, register for a live demonstration of eSummary by ABI online at www.abidss.com.

ABI Document Support Services

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Southeast: Orlando, FL Miami, FL Jacksonville, FL

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