



CBCA

One of the largest administrators of health-insurance benefits; processes more than 30,000 claims per day and disburses US\$1 billion per year.

Industry: Healthcare
Geography: North America

Deployment Summary

- Business-to-business (B2B) integration platform connects CBCA to healthcare providers and clearinghouses to accept claims through electronic data interchange (EDI).
- Business integration solution moves incoming data to other back-end systems and automates claims processing.

Benefits

- New transaction system helps CBCA comply with federal regulations for processing claims.
- Fully automated electronic processing eliminates paper-based inefficiencies, speeds transactions, and potentially saves millions of dollars.
- Platforms offer flexibility to easily integrate new transaction and enterprise systems; CBCA implemented production-ready solution within seven weeks.



“Our business is about efficient and timely processing. The performance, scalability, and easy implementation of TIBCO’s solutions provide us with the required architecture to run our business in this low-margin industry and improve our bottom line dramatically.”

James Raby, CTO, CBCA

CBCA Automates Claims with HIPAA-Compliant TIBCO Solution

Complying with federal regulations can put a major financial strain on healthcare providers and insurers, but health-insurance claims processor CBCA has had quite the opposite experience. The company – one of the largest third-party administrators (TPAs) in the U.S. with more than \$1 billion in annual disbursements – has found that the systems it deployed to accommodate the electronic-transmissions standards mandated by the Health Insurance Portability and Accountability Act (HIPAA) have streamlined its processing, dramatically reduced costs, and boosted productivity.

To achieve that efficiency, CBCA implemented integration solutions from TIBCO Software Inc., a leading enabler of real-time business. A thorough evaluation of potential solutions led CBCA to the conclusion that TIBCO could provide the reliable, scalable, high-performance foundation that CBCA needed for executing its 30,000 daily claims transactions.

Business integration speeds processing, slashes costs

Although the federal HIPAA electronic-transmissions standards and code sets were instituted in

2002, healthcare providers and clearinghouses continue to submit insurance claims to CBCA by mail. As a result, the company must outsource the scanning and uploading of these claims to a database – a massive, expensive, and inefficient effort. Not only can scanning each claim adversely affect turnaround and impede CBCA’s ability to acknowledge receipt of claims, the scanning and uploading process also makes the addition of new business partners more difficult.

HIPAA aims to solve such problems by requiring healthcare organizations to submit claims through EDI using standard transaction code sets – requirements designed to eliminate the manual processing of paper-based claims. With the deadline for meeting the HIPAA mandate looming, CBCA needed to establish a secure connection to its partners and a reliable system for receiving data to ensure compliance. CBCA then had to map and move the incoming data to other enterprise systems. TIBCO’s rapid implementation process enabled CBCA to meet HIPAA testing requirements by the April 2003 deadline.

CBCA first turned to one of its existing vendors for help, but the solution

did not meet CBCA's needs regarding HIPAA compliance. CBCA ultimately chose TIBCO's integration solutions. "The products were the right fit for us, but just as important were the price, the outstanding support, and the stability of the company," says James Raby, CTO of CBCA.

Initially, CBCA assessed solutions from six vendors and decided upon TIBCO. "I had read some industry reports that ranked TIBCO as one of the leading vendors in this area, so we invited them in and evaluated them against other vendors," Raby says. "It's always hard to evaluate a product in just a couple days, but TIBCO provided an extensive proof of concept. It was very impressive."

CBCA first implemented B2B integration functionality to securely connect with partners, receive claims via EDI, and validate and log the data. TIBCO's solution provides a stable, open system for tying external transactions to internal processes. CBCA also uses TIBCO's solution to connect its B2B systems with the application server that processes transactions. TIBCO's solution provides simple tools for XML transformation mapping, while a unified messaging layer ensures simple integration of the different systems.

Thanks to its new TIBCO-based system, CBCA can slash the cost of claims processing by 20 to 40 cents per claim – potentially saving CBCA millions of dollars in processing costs per year. Because of the reliability and scalability of TIBCO's solution, CBCA also will be able to process many more claims than it does today.

"We are a transaction-based company," Raby says. "We must count 30,000 transactions per day, and we must get them through our system efficiently and responsibly. If we can do 35,000 at the same price that it once cost to do 30,000, then that's a tremendous boost to our business. You can just add 10 percent to the bottom line right there. We're a very low-margin business, so performance is critical to us."

CBCA now increasingly relies on TIBCO for that performance. "We're measured on turnaround time and accuracy," Raby says. "TIBCO is the engine that drives our improvements in those areas – TIBCO's solutions get the data in the right place and the right format."

CBCA needed reliable, responsive customer support to meet the strict compliance and configuration requirements it faced. "TIBCO has really gone out of its way to help us whenever we contact them for support," Raby says. "That support didn't stop when the sales call ended and the product was selected. TIBCO's vendor reliability was a big deal for us."

Solution enables new transactions and future integration

HIPAA also establishes standards for electronically processing other types of transactions, including claim payments, eligibility inquiries, and benefit enrollments. Typically, CBCA has managed communications regarding these transactions over the phone or in writing – processes that necessitated costly and inefficient human intervention.

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TIBCO enables tight integration so that CBCA can tap data from a variety of systems and automatically respond when needed. That ability saves the company a large amount of money, for example, when it can electronically remit payments or verify a patient's eligibility.

Raby says TIBCO's integration solution will also let the company easily connect other applications, such as human resources systems, if it decides to pursue further integration across the enterprise. He also notes that the company would like to migrate additional HIPAA-compliance systems to TIBCO's solution. TIBCO makes these integration projects possible through pre-designed adapters for numerous off-the-shelf applications and a simple toolkit for creating specialized adapters.

"We're very excited about working with TIBCO," Raby says. "The whole process has been great. It's the best we've had with a vendor to date – and we've had a lot of vendors."



TIBCO Software Inc. (NASDAQ: TIBX) is the leading independent business integration software company in the world and a leading enabler of real-time business, helping companies become more cost-effective, more agile and more efficient. TIBCO has delivered the value of real-time business, what TIBCO calls The Power of Now®, to thousands of customers around the world and in a wide variety of industries.

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