

The silent threat: inaccurate provider data could be costing your organization millions

Poor quality provider data negatively impacts patient outcomes, operational efficiency and profits.

In 2016 a research group at West Virginia University had a team of “secret shoppers” pose as patients and attempt to make appointments with 743 primary care physicians listed in California health insurance directories. They were unsuccessful 70% of the time.

What they discovered were massive errors in the provider data. Much of the information was incorrect or outdated. Among the obstacles they encountered were physicians no longer with the medical group, incorrect specialties listed, practices not accepting new patients and disconnected phones.



Using health insurance directories, “secret shoppers” were unsuccessful with 70% of their appointment attempts

Although this experiment focused only on health insurers, the issue of provider data accuracy is applicable to any healthcare organization. Your business is only as good as the data on which it runs.

How confident are you in the quality of the provider data fueling your health system?

Why accuracy matters

Maintaining the dynamic universe of provider data is a difficult but critical task for hospitals and health systems. Provider information fuels many functions of everyday business, including provider directories, claims processing, network management, compliance, fraud detection, physician marketing and recruitment, and communication between healthcare practitioners.

When provider data is accurate, these operations proceed smoothly. When they don't work as they should, the impact of errors and missing information can be felt throughout the system.

Without proactive management, thorough attentiveness and the right technology, the quality of an organization's provider information diminishes quickly. The result is operating inefficiencies and sub-optimal networks that cost hospitals and health systems hundreds of thousands, and potentially millions of dollars each year.

Ensuring data integrity

If everyone agrees accurate provider data is a necessity, why aren't health systems and hospitals doing more to improve their data quality?

Although data degradation plagues the health system, most hospitals don't realize the prevalence of poor provider information in their own databases. They're focused on their core business. Handling daily operations and responding to urgent needs take priority.

There's also a belief that collecting provider data is straightforward. In reality, the process can be extremely complicated and time-consuming. To manage and maintain the quality, the data must be routinely cleansed of any errors and continuously updated with information gleaned from thousands of reliable data sources.


Human error, organizational silos and resource limitations all create additional hurdles. So does a lack of industry-wide standards. Hospitals must navigate disparate reporting requirements from their providers, which contributes to inconsistencies and errors.


Physician data must be prioritized


Information collected and maintained on the physician population is of particular importance and requires a consistent, automated process to be kept current. But with so many touchpoints and no centralized place to push updates, the alarming result is that questionable data often fuels critical workstreams.



Provider data—demographics, affiliations, locations, specialties and licenses—are all constantly changing. An analysis of LexisNexis® Health Care provider data has shown that:

 **2.4%** of provider demographics change each month

 **30%** of doctors change their affiliations each year

 **5%** of doctors change their status each year

* Based on internal analysis conducted by LexisNexis.



If a hospital or health system were to update its provider information today, 50% of the data would be outdated in just 18 months.¹ Among the problems would be:

- Records containing errors or missing information
- Duplicate records
- Providers with inaccurate or missing National Provider Identifier (NPI) numbers
- Wrong, old or missing addresses
- Wrong or missing HIPAA-secure fax number
- Providers with sanctions
- Deceased providers

Assessing the problem

While the collection, management and maintenance of provider information is a specialized area, the people who rely on that information work in a wide variety of capacities throughout an organization. Therefore, the impact of bad provider information is difficult to identify and quantify. Resolving any issues often falls to the back of the priority queue behind traditional strategic initiatives and major IT projects.

Most healthcare systems and hospitals don't know the answers to basic, yet important, questions such as:

- How can we obtain any missing HIPAA-secure fax numbers for our providers?
- How bad is our data?
- What is it costing us in terms of mistakes, lost productivity, damage to our reputation, etc.?
- What risks are we taking by having sub-par data?
- What would it take to fix our data?
- Do we have those resources in-house?
- Once clean, do we have the resources to maintain it?
- What would be our ROI if we were to work with a third-party vendor to improve and maintain our data going forward?

When costs and impacts are dispersed across an organization, getting recognition of the problem and the funding to remedy it can be an uphill battle.

The right solution

Fixing the problem of bad provider information is more complicated than simply purchasing new data from an outside source. Healthcare systems and hospitals must be able to reconcile their existing data. They need a solution that identifies the specific data that should be updated, fills in data gaps and prioritizes the needed changes.

What's at stake

Accurate provider data is a crucial element for efficient operation, regulation compliance and quality care. It translates into real savings and risk mitigation. With healthcare reform underway, its importance is likely to grow.

Those organizations that take steps now to remedy data issues will be better positioned for long-term success and able to ensure the best possible patient care experience.

LexisNexis® offers a continuum of solutions for healthcare provider data management.
For more information, call 866.396.7703 or visit risk.lexisnexis.com/healthcare



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Our healthcare solutions combine proprietary analytics, science and technology with the industry's leading sources of provider, member, claims and public records information to improve cost savings, health outcomes, data quality, compliance and exposure to fraud, waste and abuse.

¹ Based on internal analysis conducted by LexisNexis.