

WHITE PAPER

FOR MEDICAL RECORD REQUESTORS

# The True Cost Of A Records Request



ChartSwap is a business-to-business (B2B) Health Information Exchange (HIE), allowing requestors to request, track, pay for and download records from any participating provider – all through a single platform.



**Our goal is to reduce the cost and time associated with requesting records and become THE universal platform for all third party requests.**

Since this concept of a universal exchange platform is new, there is still some confusion about ChartSwap's role in the record request process. ChartSwap is NOT the custodian of records and is NOT a release of information vendor. The providers that manage their record requests through ChartSwap are responsible for reviewing their requests independently, setting custodian fees, uploading records and responding to any issues. ChartSwap will support these functions to the extent we are able, but ultimately, our providers fulfill your requests.

Today, many of the providers that leverage the ChartSwap platform are billing groups for hospital-based specialties and EMS groups. Since billing groups receive a majority of their requests from personal injury law firms, this paper will explore the typical steps required for a law firm to request a copy of a bill and attempt to quantify the direct expense (labor/postage), as well as the indirect cost (time, accounting expenses, etc.).



By automating the record request process, ChartSwap will dramatically reduce the law firm's labor (overhead) expense associated with requesting records, while adding security and providing an opportunity to convert the loss related to requesting records to a case expense through ChartSwap's requestor-paid transaction fee. Although custodian fees vary by state statute, the process and internal cost to obtain records is relatively consistent and doesn't correlate with the amount of the actual custodian fee paid to the provider.

The law firms' overhead costs included in collecting medical and billing records are one of the firm's most substantial expenses but is challenging to track, and most firms aren't able to reliably measure the costs related to the record collection process. Although law firms have automated many of the steps listed, as long as the US Postal Service remains at the center of the process, only limited efficiencies can be achieved.

## Research

### Current Method

The first step is determining which emergency physician or radiology group services the hospital where the patient was treated. Sometimes this information is listed on the hospital's website, but this often involves a call to the hospital to verify. Every few years, hospitals change their emergency physician contracts, which means there may be multiple groups affiliated with the same hospital for different dates of services. Once the group is determined, the next step is to decide where to send the request for billing records. Some physician groups do their billing in-house, but most don't, and groups also change their billing companies every few years, so each group will likely have different custodians (billing groups) depending on the date of service.

**Direct Time/Current: 5-20 min**

### Using ChartSwap

ChartSwap allows requestors to search by the name of the hospital/facility and our system populates the affiliated billing groups and lists specialty (emergency physician, radiology, etc.) and the range of dates available for each.

## Request Preparation

### Current Method

Once the firm locates the correct custodian, they must populate this information in their case management system and then mail the request package. There are costs and time required to create and print documents, plus postage. Up to a week typically transpires between the request being sent, then received and the custodian entering it into their system.

**Direct Time/Current: 5-10 min**

**Indirect Time: 2-5+ business days**

**Postage: \$.98**

### Using ChartSwap

Requests are submitted electronically to the correct custodian via ChartSwap and immediately included in their queue for processing. ChartSwap also provides the requestor with an approximate turnaround time when the request is submitted based on the custodian's current metrics.



**Increase Your Turnaround Times By Weeks**

## 50% INCREASE

**ChartSwap Users Experience A 50% Average Increase In Employee Productivity**

## Confirmation/Follow-up

### Current Method

Due to the continually changing contact information for hospital-based specialty groups, the next step in most cases is for the law firm to call the custodian to verify whether the request was received. This process often requires 1-2 phone calls because the request may have been received but not yet entered in the custodian's system. In many cases, requests must be re-mailed because they were lost in the mail, sent to the incorrect address or the billing company has recently changed.

**Direct Time/Current: 5-15 min**

**Postage: \$.98 if re-mailed**

### Using ChartSwap

A current request status is always available to the law firm in ChartSwap, but if more detailed information is required, the requestor can securely submit a status request directly to the custodian via ChartSwap. There is never a need to call the custodian to confirm receipt if a request is sent electronically via ChartSwap.



**Digital Workflows Eliminate Phone Calls And Mail/Fax Costs**

## Custodian Rejects/Requires Additional Information to Process

### Current Method

In many cases, the custodian may reject requests for a variety of reasons. They may not be able to locate records; the authorization may not be HIPAA-compliant, or it was made out to the incorrect custodian. The custodian will mail back the entire request, which requires the law office to process another piece of mail, match up the rejected request to the correct file and start the process over again, delaying the records by another week and increasing the cost.

**Direct Time/Current: 5-15 min**

**Indirect Time: 3-8 business days**

**Postage: \$.98 if re-mailed**



**ChartSwap Is A HIPAA-Compliant Solution**



**Enhance Your Own Data Security**

## ChartSwap

If additional information is required, the custodian requests more information via ChartSwap, which automatically sends an email notification to the law firm. The law firm can securely provide additional information (corrected demographic information, dates of services, etc.) and upload corrected authorizations, etc. immediately, allowing the request to keep its place in the custodian's work queue.

## Invoice Received at Law Office

### Current Method

Most custodians require payment before releasing records, so once they have reviewed the request, they will mail an invoice to the law office. This step adds several more days of mail time to the process, and then the law firm must touch another piece of mail, match up the invoice to the correct file and scan/send the invoice to the right case manager for review and approval.

**Direct Time/Current: 5-15 min**

### Using ChartSwap

The law firm receives an email notification from ChartSwap as soon as the custodian uploads the requested records and an electronic copy of the invoice is immediately available.

## Check Processing

### Current Method

Once the invoice is received and approved, the law firm follows their internal process to have their accounting department create and mail a check. Typically firms issue an individual check for each request and this process, combined with the time it takes for the custodian to receive and match up the payment, adds at least another week to the process.

**Direct Time Current: 5-10 min**

**Indirect Time: 3-5+ business days**

**Postage: 48¢ - 98¢ (depending on whether the firm sends a new copy of the request with payment)**

### Using ChartSwap

The law firm can place all of their records awaiting payment in their shopping cart and pay for them in one transaction (credit, debit, e-check) and the files are immediately available for download. Alternatively, they can print the invoice and mail a check, and the custodian releases the records upon receipt. Law firms can also send one check, which includes an unlimited number of invoices/payments across any participating ChartSwap provider. ChartSwap principally serves as a clearinghouse, allowing requestors to make one payment and then pass the custodian fees through to the various providers.

Additionally, ChartSwap has recently launched a new workflow that allows law firms to 'approve' fees and instantly download records. A weekly report is sent to the law firm by ChartSwap that includes all fees approved, and then payment is made via an ACH debit or weekly check. The payment report includes the law firm's internal reference number and can also be imported to update the client's case expenses.

## Payment Follow-up/Confirmation

### Current Method

The law firm has no way of knowing if the custodian has received their check or whether the custodian has mailed the records, so an additional phone call is typically made to confirm receipt of the check and determine the status of the records. USPS often loses checks in the mail, which requires duplicate checks, stop-payments and additional lost time.

**Direct Time/Current: 5-15 min**

## Using ChartSwap

Records are immediately released if the requestor makes an electronic payment and an automated email is sent to the requestor if a check is sent, alerting the requestor that the provider received payment has and that the records are available for download.

## Records Received in Mail by Law Firm/Scanned to File

### Current Method

Once the custodian has received payment, the records are mailed, which generally doesn't take place until several days after the check is processed. Once the law firm gets the documents, the mail must be processed, matched to the correct client, and then scanned and saved to the client's file. For more extensive records, scanning time can be substantial.

**Direct Time/Current: 5-15 min**

### Using ChartSwap

Records can immediately be downloaded from ChartSwap as soon as payment is received (PDF). There is no mail to open, correspondence to match up or records to scan. Additionally, ChartSwap has recently launched a new workflow that allows law firms to automatically import these records into their case management systems, saving additional time (instead of downloading and saving to file).

## Incorrect/Missing Records Received

### Current Method

Law firms often discover that the custodian has sent records for an incorrect date of service, that there are missing dates of service or that the records are on the wrong client. This common oversight results in the process starting over by sending a new request and attempting to be reimbursed for the documents already received.

**Direct Time/Current: 5-15 min**

**Indirect Time: 3-8 business days**

**Postage: 98¢ (if new request is required)**

### Using ChartSwap

ChartSwap includes a 'Report an Issue' button on each request that automatically allows the requestor to alert the custodian if records are missing or if they received records for the wrong date of service. The custodian can immediately upload the additional records at no expense to the requestor.

## Additional Workflows

ChartSwap also offers a variety of workflows to law firms to reduce the time required to settle cases and disburse settlement funds. Law firms can request balance verifications and request balance (fee) reductions directly from the custodian through ChartSwap at no cost.

**Time/Current(Total) Direct Labor: 35-225 minutes**

**Total Indirect Time: 10-26+ business days**

**Postage (Total): \$1.47-\$3.43**

## Discussion

Every record request is unique, but assume the request is to a custodian from whom a law firm routinely requests records and everything goes perfectly. Best case, the process takes about 35 minutes per request plus postage of

\$1.47 and at least 2-4 weeks. Assume a fully burdened direct labor cost of \$20/hr, the labor (overhead) per request is \$11.67 per request plus \$1.47 in postage or \$13.14/request. If the law firm's fully burdened labor cost is \$30/hr, this brings the cost to \$18.97 per request.

The more likely scenario is that part of the process breaks down: The emergency physician or billing group has changed, the request is never received and has to be re-mailed, the custodian returns the request due to authorization issues, the custodian never gets the payment, the requestor never gets the records, or the requestor receives the incorrect records.

Unfortunately, this is the reality of the record retrieval process. Again, at \$20/hour, the worst-case process may take at least 2 hours labor per request or \$40 in staff-hours plus \$3.43 in postage or \$43.43/request. This labor expense is pure overhead, and firms can't easily translate it into a case expense without outsourcing the entire process to a traditional record retrieval vendor.

## Other factors are more challenging to quantify, but are no less critical or costly.

### Time is Money

If ChartSwap can reduce the time it takes to receive records by 50%+, this, in turn, reduces the time to send demand packages and settle cases. Additionally, by offering automated workflows to obtain balance verifications and request fee reductions, this further reduces the time required to disburse settlement funds and close files.

Accounting Expense: Law firms mail hundreds or even thousands of individual checks to custodians per month. There is a real cost in issuing, tracking and reconciling this volume of checks in addition to the cost of re-issuing lost checks, duplicate payments and stop payments. ChartSwap offers law firms robust financial controls to eliminate or limit the number of checks issued, eliminate duplicate checks and more closely track their case expenses related to record requests.

### Privacy Risks

Although law firms aren't a covered entity under HIPAA, they still risk exposing their clients' personal information through the traditional record request process. Every time a request is mailed that includes the patient's name, date of birth and social security number, there is a risk of exposing this information to an incorrect recipient. Email is not HIPAA compliant, so, unfortunately, this is also not a secure way to exchange information with custodians. ChartSwap's platform is HIPAA compliant and allows requestors and custodians to exchange requests, records, and communicate in a 100% secure environment.

## Conclusion

We challenge each of our law firm requestors to take a close look at their metrics and determine their actual cost of requesting records outside of the providers available through ChartSwap. It is virtually impossible to request/receive records through the current process at a lower cost and shorter turnaround time than through ChartSwap and the conventional process never offers an opportunity to convert any portion of the law firm's labor expense to a case expense.

We always encourage feedback and suggestions if there are workflows we can change or add to make the process even more efficient. Lastly, if you would like to be able to request records from additional providers, please encourage them to join ChartSwap through our invite process or send us a list of providers from whom your firm routinely requests records, and we will reach out to them directly.