



Transforming TPA Challenges into Opportunities: The Road Ahead

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Healthcare can feel overwhelming, especially for third-party administrators (TPAs), juggling compliance demands, provider relationships, and shifting market dynamics. But here's the good news: challenges can also create opportunities. With the right tools and strategies, you can adapt, thrive, and maybe even lead the way.

Let's talk about what's changing:

- New compliance requirements, like the No Surprises Act (NSA), mean you need to act fast and stay ahead.
- Industry consolidation is creating a new playing field, with larger players acquiring smaller ones and private equity firms jumping into the mix.

What does this mean for TPAs? The ability to scale efficiently, manage complexity, and deliver value to employers and members is no longer optional—it's critical for staying competitive.

So how can you turn these challenges into opportunities? Start rethinking your approach to operational efficiency, compliance, and relationships.

Navigating the Changing Healthcare Landscape

The Compliance Imperative

Regulatory changes, including the NSA, have introduced new layers of complexity. Designed to protect consumers from surprise medical bills, these rules demand not only compliance but also operational agility. TPAs must ensure their processes are seamless, transparent, and capable of meeting rising expectations.



Consolidation's Double-Edged Sword

The healthcare market is consolidating. Larger TPAs are acquiring smaller ones, and private equity firms are increasing competition. For smaller or mid-sized TPAs, this shift creates pressure to evolve quickly. Staying relevant means adopting solutions that simplify operations and foster better relationships with providers and employer groups.

“Significant consolidation is occurring in the industry. Larger TPAs are acquiring smaller ones, private equity firms are entering the space, and major national plans are also acquiring TPAs.”

– Bryan Russo, industry leader

By embracing innovation, TPAs can position themselves as indispensable partners in this evolving ecosystem.

Rethinking Out-of-Network Claims Management

Complexity in Focus

Out-of-network (OON) claims present a unique set of challenges. From provider inquiries to balance billing disputes, TPAs often face operational inefficiencies that hinder progress.

“TPAs have to handle all the noise—provider inquiries, appeals, disputes—all while ensuring accurate claims resolution. Each task adds layers of complexity.”

– Bryan Russo

Fragmented tools and manual processes can worsen these challenges, costing valuable time and straining provider and member relationships. Adopting advanced tools and strategies that streamline claims workflows can alleviate these pain points, building efficiencies and trust.



Addressing Compliance Challenges with Clarity

The NSA has created ripple effects across the industry. While it protects consumers, it also places new administrative burdens on TPAs.

Did you know?

Federal agencies projected 17,000 claims annually for the Independent Dispute Resolution (IDR) process. Instead, over 334,828 claims were filed between April 2022 and March 2023.

For TPAs, meeting these demands requires innovative automation, improved transparency, and seamless regulatory updates to maintain compliance without sacrificing efficiency.

Actionable Strategies for the Road Ahead

Streamlining Operations

Efficient operations are fundamental to success in today's complex environment. Strategies to consider include:

- Leveraging AI-powered insights to identify claims errors faster and with greater accuracy.
- Implementing integrated adjudication systems to reduce bottlenecks and simplify workflows.

Strengthening Relationships

Trust is earned through transparency and reliability. TPAs can foster stronger provider and member relationships by:

- Simplifying billing and claims processes to reduce abrasion.
- Providing members with tools and resources to navigate their financial responsibilities confidently.

By focusing on operational excellence and relationship-building, TPAs can position themselves as valuable partners to employer groups and providers alike.

Reimagining Financial Performance

Beyond compliance and relationships, TPAs must focus on the bottom line. Advanced claims management and data-driven tools can uncover opportunities to reduce costs and enhance revenue.

Key Considerations for Revenue Growth:

- Diversify offerings to provide value-added services that attract and retain clients.
- Optimize existing processes to create measurable savings for employer groups and members.

Data-driven insights empower TPAs to not only improve financial outcomes but strengthen their competitive edge.



Conclusion

TPAs are navigating a period of profound change, with rising compliance demands and shifting market dynamics challenging traditional approaches. However, by embracing innovation and focusing on operational efficiency, TPAs can turn these challenges into opportunities.

The future of TPAs lies in their ability to adapt, scale, and deliver value in an increasingly complex healthcare landscape. By rethinking their approach to compliance, claims management, and client relationships, TPAs can lead the way in providing better outcomes for all stakeholders.

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This platform serves more than 750 payers, including the top-five national health plans, BCBS insurers, regional health plans, TPAs and self-insured employers, along with millions of healthcare providers and consumers. Zelis sees across the system to identify, optimize and solve problems holistically with technology built by healthcare experts, driving real, measurable results for clients.

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