

# CASE STUDY

# MOLINA

# HEALTHCARE



## CUSTOMER

### MOLINA HEALTHCARE

## COVIANT PRODUCT

### DIPLOMAT MFT ENTERPRISE EDITION

## KEY REQUIREMENTS

- ❖ Integration with existing PGP encryption technology and IT infrastructure
- ❖ Robust file transfer notifications
- ❖ Job monitoring
- ❖ Flexible pre-and post-processing capabilities
- ❖ Audit trail to document HIPAA compliance

## BENEFITS

- ❖ Optimizes IT resources of a large, growing, and geographically-dispersed healthcare provider
- ❖ Simplifies management of file transfer process
- ❖ Interoperates with FTP, SFTP (SSH), FTPS (SSL/TLS), OpenPGP encryption, SMTP, and SQL standards-based solutions
- ❖ Provides HIPAA required time-stamped record of each file transferred and captures all relevant audit data

## MOLINA HEALTHCARE STREAMLINES HIPAA COMPLIANCE WITH DIPLOMAT MFT

### BACKGROUND

Molina Healthcare, Inc. and its health plan subsidiaries provide managed care services to persons eligible for Medicaid, Medicare, and other government-sponsored programs for low-income families and individuals. Molina Healthcare's licensed health plan subsidiaries in California, Florida, Michigan, Missouri, New Mexico, Ohio, Texas, Utah and Washington currently serve approximately 4.8 million members.

Molina Healthcare also offers health information management and business process outsourcing solutions for state Medicaid programs through its subsidiary, Molina Medicaid Solutions, which holds contracts with the states of Idaho, Louisiana, Maine, New Jersey, and West Virginia. The combined services of all Molina's subsidiaries touch approximately 4.8 million Medicaid beneficiaries and 189,000 providers in 14 states, making it one of the largest national Medicaid vendors.

Molina Healthcare continues to be among the leaders in NCQA accreditations with seven accredited health plans in California, Michigan, New Mexico, Ohio, Texas, Utah and Washington. As membership and geographic span have grown so have the challenges facing Molina Healthcare's IT department.

### THE CHALLENGE

Fifteen years ago Molina Healthcare had 500,000 members; today it has over 4.8 million members, fifty business partners, and transfer thousands of files daily. In 2007 as Molina's needs expanded, Alberto Laveaga and his team began looking for a secure file transfer technology that would integrate with their existing infrastructure and replace a variety of stand-alone tools. The current environment had evolved organically to meet the Health Insurance Portability and Accountability Act (HIPAA) security mandates. HIPAA requires healthcare information be encrypted during electronic transmission and verified upon receipt to ensure patient confidentiality.

*"Diplomat MFT streamlined our process allowing us to do more with less while continuing to meet our HIPAA secure file transfer compliance requirements."*

*Alberto Laveaga, NOC and Operations Manager, Molina Healthcare*

Molina Healthcare operates in nine states and expands through acquisition as well as growth. With each new acquisition, the IT department knew it would need to integrate the new division into their IT environment. Molina also needed to maintain standards, such as using OpenPGP for encryption of files that need to go outside its firewall. With their centralized IT structure, it was critical the IT department have tools that could easily report on the status of a file transfer to internal groups, diagnose and resend transmission failures, as well as document every file transfer in an audit trail. To accommodate their large and dynamic environment, the Molina Healthcare team was looking for an easy-to-use, flexible, scalable solution that maximized IT resources.

## THE SOLUTION

After an extensive evaluation that included consideration of a build-their-own solution, the Molina Healthcare team selected the Enterprise Edition of Diplomat MFT to help manage the encryption, secure transmission, verification, and archiving of files that are transferred between Molina and its fifty business partners. Molina Healthcare determined it needed a holistic approach that would handle the inbound and outbound transmissions from healthcare providers and clearinghouses all the way through to secure payment of claims. The solution would need to integrate with CA Auto Sys® Workload Automation software and other existing applications used to validate and process claims, send inbound transmissions confirmations, and make electronic payments. Laveaga explained, “Diplomat MFT’s pre- and post-processing capabilities allow our IT department to automate the preparation, validation, acknowledgment, payment, and archiving of files – freeing up personnel. In addition, the alerts and job monitoring capabilities are critical to making our team proactive instead of reactive.”

Molina’s Trading Partner Services group values the agility that Diplomat MFT has given them. Their goal was to select a solution that easily integrated with Molina Healthcare’s existing infrastructure and simplified a labor-intensive process. By reducing the number of stand-alone tools, Molina improved the manageability and maintenance of the secure transmission thus lowering the cost of handling claims and transmitting patient’s records. Diplomat MFT now easily handles Molina’s secure file transfer requirements and can be adapted quickly to their changing needs. As a result of the automation and monitoring changes, Molina has been able to create a centralized Trading Partner Services group that now manages secure file transfers in conjunction with the Molina IT department for all of the geographically-dispersed internal groups.

Enterprise Edition of Diplomat MFT is an integral component of Molina Healthcare’s computing environment and can scale to accommodate Molina’s growth and expansion.

Laveaga added, “We have a very good relationship with Coviant Software. The new release of Diplomat MFT 9.1 reflects some of our feedback and requests. Given our computing environment, this capability will benefit us greatly and allow the Molina Healthcare IT department greater visibility of enhanced file transfer information, including the data to escalate issues in a timely fashion when necessary”.

Molina Healthcare has found it can handle increases in workload. Diplomat MFT allows them to be responsive and adaptable. With the current infrastructure, the Trading Partner Services group finds it can focus on business issues and can respond to new file transfer requests right away. Molina now has an integrated solution that includes Diplomat MFT to automate all aspects of their process – delivering and receiving secure on time transmissions with their business partners. Molina Healthcare continues to build and leverage the quality assurance that has been established.

*“The Enterprise Edition of Diplomat MFT has made us more agile. We can now respond to changes in our environment and secure file transmission requirements both quickly and efficiently with fewer IT resources.”*

*—Alberto Laveaga, NOC and Operations Manager,  
Molina Healthcare*

## ABOUT COVARIANT SOFTWARE

Coviant Software delivers file transfer management products that secure data in transit and improve compliance with industry and government mandates. Built on open technologies, such as OpenPGP encryption, secure FTP and SQL, Coviant’s Diplomat MFT suite is an easy to implement, cost-effective solution for automating your secure file transfer process.

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