



NORIDIAN ACHIEVES NARA COMPLIANCE

Noridian consolidates more than 300,000 cubic feet of federal records and saves \$1.43 million by partnering with Iron Mountain

CUSTOMER PROFILE:

With more than 60 years of experience in the health insurance industry, Noridian Administrative Services, a subsidiary of Noridian Mutual Insurance Company, provides Medicare and Medicaid claims processing for government agencies.

CHALLENGE:

Complying with the 36 Code of Federal Regulations (CFR) Part 1234

SOLUTION:

Federal Records Storage Services for Paper Records

“Iron Mountain allows us to work smarter and provide our services more successfully.”

KEN ROSETH, ASSISTANT VICE PRESIDENT OF FACILITIES, NORIDIAN ADMINISTRATIVE SERVICES

PREPARING FOR THE CHALLENGE OF NARA COMPLIANCE

With Noridian Administrative Services distributing nearly \$17 billion each year to more than 88,000 healthcare providers as payment for the four million beneficiaries in its service area, it stands to reason that records management would be a key concern for the company. When the U.S. National Archives and Records Administration (NARA) issued the 36 Code of Federal Regulations (CFR) Part 1234 (formerly 36 CFR Part 1228, subpart K) – which created new security and fire safety requirements for federal record storage facilities – Noridian was ready to spring into action in order to beat the October 1, 2009, deadline for compliance.

For Noridian, anything other than complete compliance with 36 CFR Part 1234 was not an option. As a leading government contractor delivering critical Medicare and Medicaid services, the company's success has always been directly linked with its ability to stay on the positive side of NARA regulations. So when the new mandates were announced, Noridian found itself at a crossroads, hoping to find the ideal path to a solution for the 300,000 cubic feet of non-compliant records it had scattered across 14 states.

According to Ken Roseth, Noridian's assistant vice president of facilities, the company had three options: transform its own facilities for 36 CFR Part 1234 compliance,

BENEFITS:

Noridian Administrative Services saved \$1.43 million by choosing to work with Iron Mountain on 36 CFR Part 1234 compliance:

- \$1.2 million saved by storing with Iron Mountain over another vendor or building compliant facilities itself
- \$200,000 saved in transportation costs due to the geographic locations of Iron Mountain’s Federal Records Centers

- \$14,000 saved annually in database efficiencies by enabling Noridian employees at each of the company’s 14 locations to quickly access and retrieve data
- \$16,800 saved annually by leveraging Iron Mountain Connect™ for database cross-referencing that had previously been executed manually

Iron Mountain worked with Noridian to help it achieve NARA compliance via secure Federal Records Centers, efficient transportation and cross-referencing solutions.

work with a local storage company or depend on the secure information management services of a trusted partner.

“After reviewing the regulations and determining what it would cost us to work with a local storage company or become compliant on our own, we realized we had to find a partner who could make compliance easier and more cost effective,” Roseth says. “We needed more than compliant federal record centers, though; we needed a company that had a national footprint and could support our operations across the country.”

Having provided document imaging, secure shredding and electronic and paper records storage services to Noridian since 1996, Iron Mountain was the top choice to help the company meet its compliance objectives. But with a deadline looming and a large number of documents requiring transport to compliant facilities, the two companies needed to work together quickly and cost-effectively to achieve Noridian’s goals.

TRUSTED PARTNERS, SHARED KNOWLEDGE

In anticipation of the October deadline, Iron Mountain had engaged third-party, multi-disciplinary engineering teams to work with NARA to understand the requirements of 36 CFR Part 1234. The company then used these teams to design, build and audit each of its four Federal Records Centers – located in Redlands, CA; Kansas City, MO; Elgin, IL; and Fredericksburg, VA – to ensure continuity of architectural design, building construction and final inspection.

Noridian’s journey toward compliance officially kicked off when it began transferring its federal records to Iron Mountain’s Kansas City facility. This process of relocating massive volumes of records from existing storage facilities into compliant ones, however, challenged Noridian’s traditional operations and chain of custody processes.

“During this transition, we worked closely with Iron Mountain to establish information management best practices and operational workflow processes to ensure that compliance would be maintained over time,” Roseth says. “And we were able to share the knowledge we gained here with the Centers for Medicare and Medicaid Services (CMS) by providing a tested model for streamlining the records management process, which will ultimately help other CMS contractors achieve NARA compliance, as well.”

As it works directly with CMS on several reform and reconciliation efforts, Noridian has a responsibility to ensure its records are always secure and readily available. According to Roseth, becoming NARA compliant via Iron Mountain’s Federal Records Storage Services for Paper Records not only helps Noridian fulfill these obligations, but also grows the partnership it has with CMS.

“Our relationship with Iron Mountain continues to grow and flourish, and the service they’ve provided has been outstanding.”

KEN ROSETH, ASSISTANT VICE PRESIDENT OF FACILITIES, NORIDIAN ADMINISTRATIVE SERVICES

“Becoming compliant ensures that we remain a trusted partner to CMS,” Roseth explains. “Iron Mountain, with its national footprint, expertise and NARA-compliant facilities, allows us to work smarter and provide our services to CMS more successfully, which is a key part of our growth strategy as a CMS contractor.”

COMPLETING THE JOURNEY TO COMPLIANCE

In designing its Federal Records Storage Services, Iron Mountain sited and built its four Federal Records Centers based on hundreds of criteria related to security, fire protection, disaster recovery, environmental controls like air quality and topography considerations, such as the location of flood plains. And as a testament to a relationship that has been growing since 1996, Noridian now stores its federal records at each of Iron Mountain’s four Federal Records Centers.

With Iron Mountain’s unmatched chain of custody and triple-check workflow, Noridian gains the peace of mind that its federal records will always be safe and secure, as well as accessible to them 24x7. What’s more, thanks to the patented security features and tracking capabilities of Iron Mountain’s InControl® solution, Noridian’s sensitive records remain protected – and more importantly, compliant – whenever they are in transit.

“As a company that provides administrative services to government agencies, we don’t have the option of being mostly compliant,” Roseth says. “We need to be completely compliant, whether our records are in motion or at rest in a facility. With InControl and Federal Records Storage Services, Iron Mountain has us covered on all fronts.”

In addition, thanks to the quality of Iron Mountain services and the improved efficiencies they afford, Noridian has been able to achieve

more than \$1.4 million in total savings throughout the process. From improved database cross-referencing services to streamlined transportation options, the Iron Mountain solutions Noridian leverages all generate impressive cost savings – much of which the company will continue to capture on an annual basis.

Now that Noridian is fully compliant with 36 CFR Part 1234, Roseth can relax and reflect on the journey Noridian and Iron Mountain completed in advance of the October 1, 2009, deadline.

“We started with 300,000 cubic feet of federal records that did not meet NARA’s standards for compliance and the realization that coming up with our own solution would cost us excessive amounts of time and money,” Roseth remembers. “It was an anxious phase, but as soon as we decided to work with Iron Mountain, we knew we could achieve compliance in a timely and cost-effective manner.”

He concludes, “Our relationship with Iron Mountain continues to grow and flourish, and the service they’ve provided has been outstanding.”



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