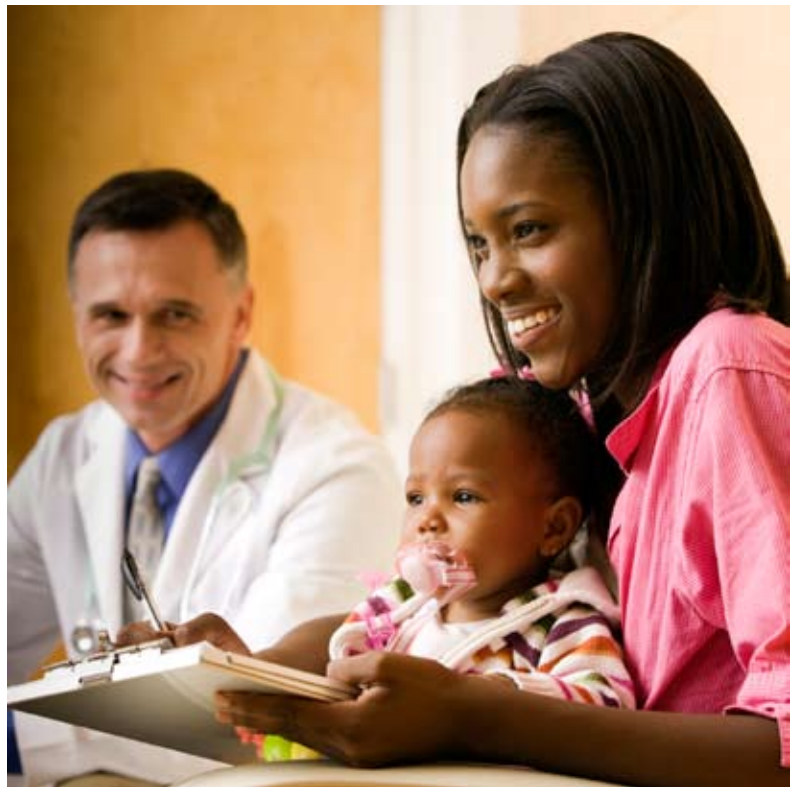




Fast Track Healthcare New Enrollments— 10 Reasons Why There's No Time to Waste





Healthcare plans spend more than \$250 billion annually for administrative activities requiring human intervention. These activities include: enrollment, claims processing, billing and subrogation. In today's increasingly competitive environment, insurers must streamline operations, cut costs, increase agility and enhance customer relationships. The key to achieving these objectives and paving the way for successful healthcare transformation is information management.

One area ripe for transformation is new business and enrollment. Insurers need comprehensive solutions that improve the efficiency of enrollment processes; reduce administrative expenses; enable them to efficiently manage cases requiring interdepartmental reviews; comply with Service Level Agreements (SLAs) for installing new members within allowable timeframes; and, quickly create and modify business processes as needed. Additionally, the solutions must provide support for outsourcing of processes or sub processes.

If you've been waiting for "the right time" to invest in improving your new business/enrollment process, read on to better understand why the right time is **now**.

1) Because time is money. Enrollment is a complicated, costly and time-consuming process. Inefficiencies have a negative effect on both enrollees and health plans. New members may experience delays between the time they receive their cards and the time when benefits take effect. This delay causes uncertainty about whether their coverage is in force, which disrupts the payment process to the provider and creates additional customer service work for the plan and the broker who sold the policy.

Enrollment automation can streamline processes, greatly reducing cycle time and improving productivity and transaction throughput. This enables organizations to reallocate staff, since fewer people are required to enroll the same number of members. Alternatively, it can help insurers handle increased enrollment volumes without adding headcount.



2) Because you're inundated.

Enrollment entails processing tremendous volumes of information in accordance with SLAs. Tens of thousands of separate but related events must be tracked, recorded and acted upon. For health plans, people and systems are often strained when dealing with the enrollment of thousands of members within a defined timeframe.

With this much information, challenges abound related to timely and accurate document delivery and lost or misplaced documentation. Automated enrollment systems make all of this a thing of the past. Additionally, they provide much needed workflow capabilities to ensure resources are used efficiently and strategically. Work can be assigned and prioritized based on SLA agreements, region, amount, type, etc.

3) Because “compliance” is your middle name.

The healthcare industry must abide by strict regulatory and compliance requirements, which add costs to enrollment, claims processing and administrative areas. An enrollment solution can help health plans address these requirements in the most cost-effective manner, while ensuring information is secure and compliant for member privacy and protection. Since all actions are recorded and controlled, meeting the full realm of government compliance requirements—including HIPAA and Sarbanes-Oxley—can be realized more easily.

4) Because it takes a village.

Today, most healthcare plans have workforces spread across multiple geographic locations. Oftentimes, during an open enrollment, a plan will leverage temporary help to meet the demand and balance the work load. On any given day or at any given hour, a geographically disbursed team or individual can be working to process enrollments. An automated enrollment system provides several advantages in supporting administrative teams working in different time zones. For one, the solution supports work queues so that a team or an individual anywhere in the world can pick up where another team or individual leaves off, thereby creating a consistent, 7x24 flow of work and ensuring nothing gets lost in the process.



5) Because you need to see the big picture.

Insurance enrollment typically involves large volumes of data from multiple channels, and in different formats. An automated enrollment platform brings together data from various sources (e.g., individual and group enrollees, employers, health plans and brokers/agents) in a controlled and consistent manner. This single platform enables end-to-end visibility for ease of management and quality control. Managers have a consolidated view of all work-in-process and can reassign or move work as needed, as well as compile comprehensive enrollment reports and performance documentation.

The capability gives organizations the ability to manage the enrollment process in the same way they manage other critical business transactions (i.e., via the application and monitoring of Key Performance Indicators (KPIs), milestones and SLAs) supporting continuous improvement efforts.

6) Because times have changed.

Undoubtedly they will continue to change. Enrollment systems must be agile enough to support business changes. As a key example, under the new administration, an estimated 7,000,000 new workers are now eligible for subsidized Consolidated Omnibus Budget Reconciliation Act (COBRA) benefits through the American Recovery and Reinvestment Act of 2009 (ARRA). This alone will add to the strain of enrollment, and also create additional obligations for health plans, including the requirement to generate millions of letters on demand to meet federally mandated notification requirements. A system that enables organizations to continuously modify business rules to adapt to new requirements will support growth and competitive advantage.

7) Because garbage in yields garbage out.

Enrollment is by nature an error-ridden process, and inaccuracy in the initial enrollment process can have a critical effect on downstream processes. Common problems can include rework generated from adding and removing members, changes in members' eligibility and benefits status, excessive errors due to disparities in data compilation modes (and slow capture and resolution of those errors), duplicate application submissions, and complex data entry into back-end systems.

Incorrect enrollments can yield multiple calls to customer services, incorrectly paid claims or excessive pending claims, and customer dissatisfaction. Eligibility errors and overpaid claims often go undetected and uncorrected, costing companies millions of dollars each year. Moreover, some studies indicate that up to 30 percent



of members' information is not in the database by the effective date of coverage. This lack of timely enrollment can result in missing identification cards or a health plan's denial of coverage. By leveraging automated systems, insurers can experience a significant reduction in benefits enrollment errors, and minimize the liability and risk of losing paper applications or changes to member information.

8) Because you never get a second chance to make a first impression.

The enrollment process offers your members and employer groups their first impression of working with your organization. You can enhance customer satisfaction and retention by dramatically reducing paperwork and streamlining the enrollment process, and again, ensure greater accuracy in claims payment and billing.

Keeping customers happy is a strategy that pays high dividends. Customer retention is a key concern for health plans, since high disenrollment rates can dramatically affect profitability. Staggering turnover rates can cost healthcare groups millions of dollars annually. A 200,000-member plan with a \$120 monthly premium and an 8 percent annual disenrollment loses \$24 million in revenue each year.⁷ Industry experts agree that, in healthcare as in other industries, the cost of acquiring new customers is 6 to 10 times greater than the cost of retaining existing clients.

9) Because it's getting hot in here.

Enrollment is among the more paper intensive insurance processes. Moving away from paper-based processes eliminates problems such as incomplete and illegible information and redundant data entry, and offers a "green" alternative to paper-based enrollment. Not only does the environment win, insurers win big too—by saving big dollars in paper, printing and postage, as well as document storage and retrieval costs.

⁷ *The Bayer Corporation Guide to Improving Member Retention (1998)*



10) Because it's a buyers' market.

The products, networks and services offered by health plans are becoming commoditized, and buyers see less differentiation when considering their health plan options. Customer service, however, can provide a huge opportunity to win over customers and keep them.

Individual consumers and employers are demanding more from their health care plans, and will no longer tolerate a health care plan that doesn't deliver. Health-care organizations need to constantly assess the quality and comprehensiveness of their efforts in many important customer service functions. These include customer outreach and assistance, education and guidance regarding health assessment, providing preventative care options and guiding them through the complicated healthcare process.

To ensure these high levels of service and quality customer interaction, plans must enable employees to spend more time addressing customer needs, and less on manual processing and administrative tasks. By providing an environment that makes it faster and easier to enroll individual members and groups, healthcare plans can achieve competitive advantage in a crowded, increasingly competitive marketplace, and be seen as a preferred provider and business partner.

Ultera/P8 for Healthcare New Business and Enrollments

IPD's Ultera/P8 for Healthcare New Business and Enrollments solution supports end-to-end management of enrollment and underwriting. The solution begins by capturing and storing applications within an IBM Enterprise Content Management (ECM) repository. Leveraging the optional business rules engine enables straight-through processing, which allows applications that are complete and satisfy all requirements to be underwritten and approved without staff intervention.

For incomplete applications, the solution automatically creates and distributes electronic work items to the appropriate next step in the process—usually for additional research or underwriting—based on configurable business rules.

In cases where additional data is requested (e.g., medical records), the Ultera/P8 for Healthcare New Business and Enrollments solution monitors receipt of all information, automatically associates the new information with the existing case file upon arrival, and alerts the appropriate staff that work is ready to resume. Knowledge workers assigned to the research, processing and installation steps of the business process work within specialized Ultera/P8 interfaces specific to their



roles and responsibilities. These interfaces increase productivity and accuracy by providing only the documents and data necessary for decision-making, as well as associated task completion options.

Throughout the remainder of their life cycles, cases requiring medical or other review are automatically directed and monitored for return or completion, leveraging Ultera/P8's process tracking functionality. This level of work-in-process control ensures efficient process management across departmental boundaries and compliance with SLAs.

Additionally, when new groups are sold and new business practices are required, the Ultera/P8 for Healthcare New Business and Enrollments solution provides drag-and-drop workflow maps and intuitive configuration consoles to enable the rapid creation of new and modified process definitions by business analysts, without the need for code development. Using historical Ultera/P8 data, these definitions may be simulated and the processes optimized before they are deployed. These business optimization capabilities provide the ability to quickly respond to changing business needs and to support ongoing process improvement initiatives.

Designed and built by insurance industry experts and based on real-world customer requirements, Ultera/P8 for Healthcare New Business Enrollments is a complete solution built on the IBM FileNet P8 platform, and includes features specific to the optimization of new business and enrollment process. The solution is scalable from the smallest to largest numbers of users across geographically dispersed operations. It delivers improved performance, reduced costs, compliance with contractual mandates and responds flexibly to changing business conditions.

Ultera/P8 for Healthcare New Business Enrollments delivers a compelling return on investment through low total cost of ownership, with complete payback in less than 12 months for most implementations. In addition, IPD clients have reported dramatic performance improvements and other benefits, including cycle time reductions of up to 50 percent or more, productivity increases of better than 45 percent, and processing cost reductions exceeding 40 percent, within a fully configurable solution that is often deployed across most of the core operational areas of insurance organizations.



About IPD

Image Process Design (IPD), Inc., is one of the insurance industry's premier providers of packaged work process and content management solutions for out-of-the-box automation. With 18 years domain expertise developing business applications exclusively for insurance, IPD enjoys a blue chip, highly reference-able customer base of insurers, with a strong track record of recurring rollouts. To learn more visit us at: www.ipdsolution.com. IPD is an independently owned company headquartered in Bloomfield Hills, Mich. IPD maintains sales offices throughout North America.



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