

WHITE PAPER

Healthcare Payers: In Pursuit of Four Digital Objectives



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Abstract

Today, the healthcare industry is undergoing a significant change. Consumers are technologically savvy and expect their healthcare experience to be as intuitive as online shopping, for instance. This has created a unique opportunity for providers, payers, and insurers to collaborate and create a patient-centric, improved healthcare delivery system.

Very soon, the healthcare industry will be entirely centered around and largely controlled by patients. Many technology companies are also driving this change and it is important for healthcare players to transform the current model by leveraging digitization. This white paper offers you a perspective on the emerging era of digitization and elaborates on how healthcare payers are responding to this change.



Introduction

Until recently, the healthcare industry was not at the forefront of technological adoption. However, today, the healthcare payer market is undergoing a significant transformation while pursuing four digital objectives.



Objective #1 – Robust customer experience strategy

Healthcare reforms like the Affordable Care Act are encouraging payers to interact directly with end customers, rather than focusing only on brokers and large corporations. This shift from B2B to B2C requires that they improve their customer engagement in newer ways to bring in new customers while nurturing existing customer relationships.

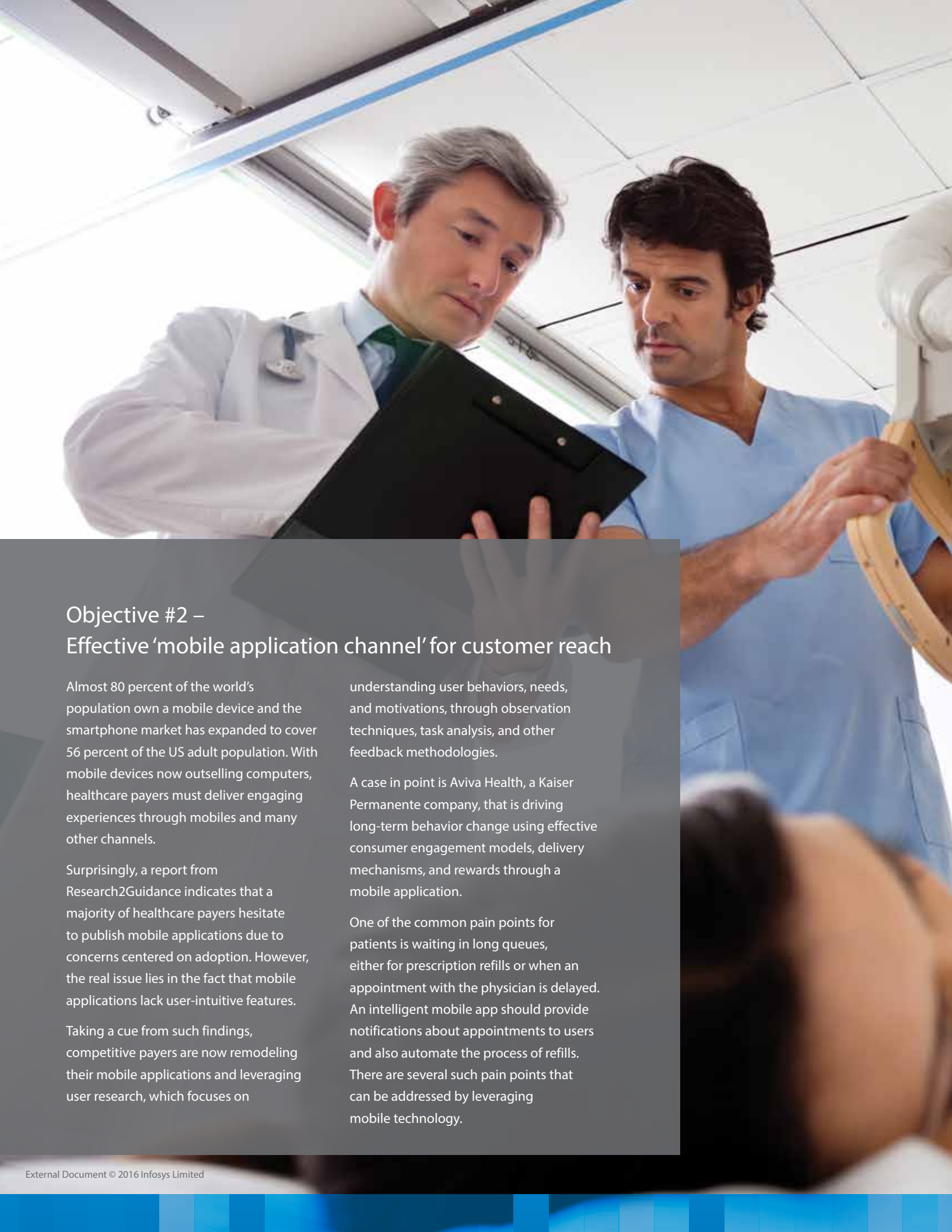
This means that digital channels, such as member portals, have to ensure that customers engage better and are able to complete health-related, decision-making processes easily. And these new mediums that combine technology, business, and member needs are the core of innovative business models and opportunities. At the same time, payers cannot neglect Design Thinking that is also integral to designing experiences.

“A great digital experience is no longer just nice-to-have; it’s a make-or-break point for your business as we more fully enter the digital age.” – Forrester

Let us discuss a very familiar scenario – a patient leaves the hospital with a lot of paperwork / forms and might forget

what needs to be done with them when they arrive home. To address such issues, a crowd-funded project called ‘Pocket Physician’ was developed. It is a comprehensive medical application for users — patients, parents, and caregivers — that can track vital signs, take notes about treatments, store medical records, access literature, book appointments, and calculate expenses; thus making healthcare processes much easier and intuitive for patients. This is a good example of improving patients’ experiences using a digital tool.

Trendsetters like Aetna and CareFirst are already transforming their member portals to be retail-like and to manage campaigns, personalization features, and next-best recommendations based on online behavior. This means that, from a technology standpoint, they need to integrate products like Oracles’ Eloqua and Adobe Campaign into their existing digital landscape, which make their member portals transaction-heavy. To address this, payers can adopt open-source, web application frameworks like AngularJS.



Objective #2 – Effective 'mobile application channel' for customer reach

Almost 80 percent of the world's population own a mobile device and the smartphone market has expanded to cover 56 percent of the US adult population. With mobile devices now outselling computers, healthcare payers must deliver engaging experiences through mobiles and many other channels.


Surprisingly, a report from Research2Guidance indicates that a majority of healthcare payers hesitate to publish mobile applications due to concerns centered on adoption. However, the real issue lies in the fact that mobile applications lack user-intuitive features.

Taking a cue from such findings, competitive payers are now remodeling their mobile applications and leveraging user research, which focuses on

understanding user behaviors, needs, and motivations, through observation techniques, task analysis, and other feedback methodologies.

A case in point is Aviva Health, a Kaiser Permanente company, that is driving long-term behavior change using effective consumer engagement models, delivery mechanisms, and rewards through a mobile application.

One of the common pain points for patients is waiting in long queues, either for prescription refills or when an appointment with the physician is delayed. An intelligent mobile app should provide notifications about appointments to users and also automate the process of refills. There are several such pain points that can be addressed by leveraging mobile technology.



Objective #3 – Optimized operations through digitization

The dynamic nature of healthcare reforms compels payers to provide coverage for millions of new customers in a very short time. At the same time, they also face new cost and efficiency challenges, particularly with the Medical Loss Ratio (MLR) enforcement. Therefore, streamlining business processes and making strategic decisions has never been more crucial for healthcare payers. That's why, Molina care management professionals, for example, now use iPads loaded with healthcare applications for patient assessments and follow-ups.

Customer communications management (CCM) is another candidate for digitization that will result in highly optimized operations and minimal costs. For instance,

CareFirst has four million members who receive 54 million communications every year. Any call to a call center will lead to some set of correspondence. When this entire process was digitized, the company achieved 40 percent cost savings.

Furthermore, telehealth for face-to-face Medicaid visits was approved by the Centers for Medicare and Medicaid Services in January 2016. This will now open up digital channels for healthcare processes like remote checkups, treatments, and diagnostics, and will also be the future of how we communicate with our doctors. Given all this, healthcare payers should certainly leverage this channel to optimize their costs.

Objective #4 – Collaboration for connected health

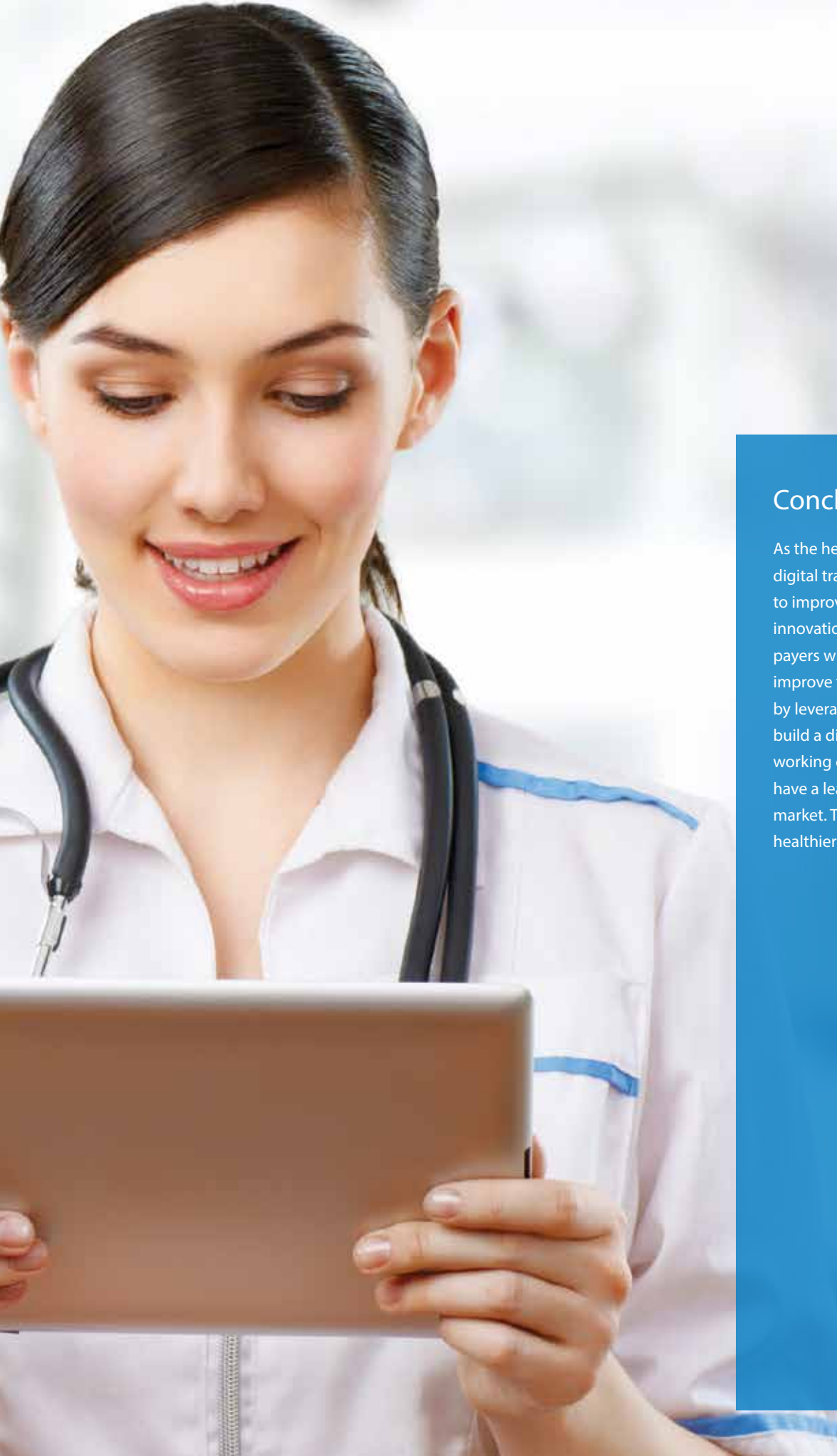
Earlier, the various players in the healthcare ecosystem implemented digital initiatives in isolation to suit their priorities. That is changing now, as providers, payers, pharma companies, and medical equipment manufacturers begin to see the value in collaborating on digital initiatives to achieve common goals.

Last year, insurance start-up, Oscar, offered a free, wearable fitness tracker to members; and rewarded achievements with Amazon gift cards. Similarly, Novartis has developed a mobile application, called PatchMate, to provide an easy way to track the Exelon Patch — a prescription medicine used to treat Alzheimer's disease — on a loved one. The app helps caretakers to easily track and manage the Exelon Patch from a mobile device. It also has guided tutorials that enable self-care and reduce the overall cost of hospital visits and readmissions.

Therefore, in the near future, every doctor may soon prescribe a smartphone app in addition to drugs and physical therapy. In

fact, hospitals are developing new mobile apps to help patients manage serious medical conditions and feed information back to their doctors between visits, often in real time.

Participating in health-related discussions by leveraging digital media and tapping into community knowledge provides a rapid learning environment. The University of Manchester, in partnership with Arthritis Research UK, recently launched a social collaboration initiative leveraging digital media to study the relationship between the weather and chronic pain in the UK. The community will be able to view the data that researchers collect through this digital medium. At the end of this exercise, researchers will analyze data and identify ways to forecast and warn patients about pain. This would help people who live with chronic pain plan their schedule. Initiatives like this are the future of healthcare and payers need to be a part of this ecosystem and drive some of these initiatives.



Conclusion

As the healthcare industry continues on its digital transformation journey, payers need to improve through collaboration and innovation. Infosys believes that healthcare payers who master customer experience, improve the overall efficiency in operations by leveraging digital technologies, and build a digital collaboration network by working closely with the other players, will have a leading edge in today's healthcare market. This will eventually help create healthier societies across the world.

About the Author



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