The Transformative Power of Connected Care Management for Payers:

A Fast Track to Lowering Costs and Improving Member Engagement

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Mind the gap:
Healthcare has entered the age of
Baby Boomers and millennials.

Healthcare is evolving, and a perfect storm of population needs is forcing payers to rethink the way they do business, particularly when it comes to managing and engaging their aging and emerging members.

As you read this, 74.1 million American baby boomers are steadily aging into their senior years. Statistically speaking, they are living longer but are less healthy than previous generations. Their increased life expectancies come with increased instances of medical problems including obesity, diabetes, and a higher frequency of chronic conditions, which means increased healthcare costs.

At the same time, more than 83 million American millennials have become health plan holders - and their demands are changing the game. Millennials already rely on technology to streamline just about everything in their lives, from shopping and banking to workouts and dating. They expect tech-driven care coordination that is accessible, transparent (both for them and their care team) and highly personalized. They assume their payers, providers, and pharmacies will collaborate, and they're used to being engaged on their own terms, so they're looking to manage their entire healthcare experience right from their mobile device.

In order to be successful, insurance companies and integrated health systems must find ways to provide a consumer-friendly member experience for their tech-savvy customers - all while effectively reducing risk, improving outcomes, and reducing administrative costs so that they can maximize cost-effectiveness and keep premiums in check.

The only way to achieve these objectives in parallel and pave the way to a more sustainable future is to bridge the two sets of needs by leveraging next gen technology that is capable of driving value and revolutionizing a payer's capabilities to create a more connected model of care.

71% of US millennials would be interested in a mobile app to help them to actively manage their well-being via preventive care recommendations, access to health records, and appointment scheduling possibilities.

Source: Triple-Tree Research

An estimated five percent of the population accounts for 50 percent of total medical costs.

In healthcare, a very small, very sick percentage of the population accounts for a very large percentage of spending.

A Kaiser Family Foundation study found that in 2015, half of the population accounted for 97% of all healthcare spending in the U.S. While people in the top 5% of that group spent an average of $51,000 annually, the people in the top 1% had an average annual spend of over $112,000. At the other end of the spectrum, the half of the population that accounted for just 3% of all healthcare spending had an average annual spend of $277.

This means that when a payer has the necessary data and the ability to measure financial outcomes and increase efficiencies for the members and populations with the most dire needs, they experience significant savings and see drastic improvements in utilization. It also empowers them to identify high-risk patients sooner, so they can proactively manage those patients and provide preventive care to reduce future over-consumption of expensive healthcare resources.

Legacy technology impedes progress.

Unfortunately, most payers are bound by organizational fragmentation, outdated manual processes, and siloed systems - resulting in seriously detrimental disconnects. The lines between electronic records, customer service tools, medical management systems, member portals, and claims systems are blurred at best. Maneuvering between multiple systems to locate meaningful information can be difficult and a holistic view of the member remains elusive.

There isn't streamlined communication between the various systems, so email and fax become the standard ways to obtain and share information - and both methods take time, increase administrative overhead, and negatively impact the accuracy of documentation.

Inconsistencies in member communication add to the disjointedness. Different letters are often generated from different systems and there's no transparency into the actual content of member touchpoints. So, while creating an engaging member experience is a goal for all health plans, most care management programs are not successful in delivering one.

To complicate matters further, current care management systems are not equipped to respond to broader industry trends including the shift to value-based care and the need to incorporate broader sets of social data to more accurately time interventions in high risk populations. These legacy systems not only hinder the payer's ability to coordinate care and enhance the member's experience - they make it difficult for payers to remain competitive in today's marketplace.

A tale of two payers.

To better understand the value of connected care management for payers, consider Helena and Grace — two entirely hypothetical, relatively healthy young women in their early thirties who were diagnosed with prediabetes after having routine blood work completed. Helena's insurance company had recently adopted new technology to connect with their providers and improve their care management.

As soon as Helena's provider submitted the diagnosis, they were alerted to the fact that she was at risk for developing a chronic condition and they were able to take action quickly, engaging with her right away. Within a week, Helena had received resources to help her improve her diet, an invitation to enroll in a weekly diabetes education class at a local hospital, and her first of many text message reminders encouraging her to pick up her low-dose prescription of Metformin at the local pharmacy. Three months later, Helena was prompted to schedule a follow up appointment. She had lost 15 pounds, her A1C had improved significantly, and she was taken off of her medication to see if she would be able to manage her glucose through diet and exercise alone.

Grace is another story. Her insurance company simply paid the claim for the diagnostic testing, and their engagement ended there. Because their claim's data lives in its own system, in a silo, no one realized what was happening with Grace - and there was no response to her diagnosis. After eight months of inconsistently refilling her Metformin prescription, she returned to the doctor with blurred vision and extreme fatigue. Grace's prediabetes had developed into full-blown type 2 diabetes. According to 2018 research from the American Diabetes Association, the more than 30 million Americans currently diagnosed with diabetes incur, on average, medical expenditures of $16,752 per year - $9,601 of which is directly attributed to the disease.

Both payers had the same data available to them, Helena's insurance company simply had an IT infrastructure and systems in place to support a more connected care management approach. Not only was her outcome better, it will save her insurance company thousands of dollars every year. Helena also felt more engaged, more empowered, and had a better experience across the board.

The truth is, connected care management is no longer a far-off futuristic idea. It's happening now - and insurance companies like Helena's will see their technology investments pay off while payers like Grace's can't afford to stay disconnected for much longer.

Taking payers from where they are, to where they need to be.

We've learned that in order to coordinate and manage care in a way that maximizes cost-effectiveness, payers need to improve the member experience and meet their tech savvy members where they are.

To enable that level of care management and engagement, payers must first replace their fragmented legacy systems with a solution that offers a complete view of each member, provides meaningful integration of data, enables easy and customized reporting, and includes experience-enhancing tools for improved member engagement. These operational enhancements are what paves the way for a truly user-centric design that positively impacts the member on every level - from treatment to payment and beyond.

A platform designed just for payers.

Introduced in late 2018, Salesforce Health Cloud for Payers was created with advantageous payer-specific capabilities, including:

> An insurance-specific data model that simplifies the integration of systems of record — including benefits, claims and authorizations — all into a single dashboard, providing a 360-degree view of each member while driving more productivity and empowering payers to service both members and providers more quickly and efficiently than ever before.

> Intuitive, shared, and measurable workflows that allow care requests — including prior authorizations, admissions and appeals — to be streamlined, directly within the platform. This means agents, clinical professionals and medical directors can deliver more personalized and appropriate care in the most cost effective setting, to improve member outcomes and better manage utilization.

> The ability to create customized, interactive and highly personalized digital journeys for members, which helps payers develop stronger relationships, overcome barriers to care, and increase access to clinical and support services.

> Real-time business collaboration through the Chatter app - which enables colleagues across different departments to connect easily, expanding their knowledge and their reach. Chatter makes it easy for a payer's employees to stay on top of what's happening, share files, work more closely with each other, and find internal experts - all right from within the platform.

> Omni-channel communication that allows members to access their insurance plans from any device, receive care alerts via their mobile phone, and connect with clinical professionals and care managers via the channel of their choice - like email or text message.

Built specifically for the health insurance industry, Health Cloud for Payers makes it possible to create customizable, collaborative, highly individualized care plans - at scale - to improve member outcomes, reduce costs, and boost member satisfaction.

Ensuring a smooth transition.

Selecting and implementing a new platform, switching everything over from legacy systems, training staff, and managing the change may sound like an extremely daunting task - because it can be. The good news is, payers don't have to do it alone. In fact, it is highly recommended that they work with a consulting partner who has experience and expertise with this type of project. The ideal consulting partner for an organization interested in Health Cloud for Payers has extensive healthcare industry experience, equally as extensive Salesforce knowledge, and a proven track record of helping payers and health systems transition to new technology.

About West Monroe Partners' Healthcare and Life Sciences Practice

The healthcare team at West Monroe Partners exceeds the criteria above and brings a skillful blend of business acumen and technical expertise to these transformation projects. With a comprehensive knowledge of healthcare industry best practices, familiarity with proven methodologies, experts in change management, and a long history of successful Salesforce implementations, we are particularly well qualified to help payers solve their business issues quickly and efficiently.

Key takeaways:

> To succeed today - and in the future - healthcare payers must transition to a more connected model of care management

> Reducing risk, improving member outcomes, lowering costs, and increasing member engagement with tech-driven communication are all strategic imperatives

> A small fraction of the population is responsible for a huge amount of healthcare spending, so to maximize cost-effectiveness for just 5% of the members would drastically improve utilization and reduce costs

> Fragmented organizations using outdated manual processes and siloed systems cannot achieve truly connected

Interested in learning more?

Contact West Monroe's Bryan Komornik, bkomornik@wmp.com, or Matt Shemluck, mshemluck@wmp.com, to see if Salesforce Health Cloud for Payers is the right technology for your organization.