



Digital Enabling The Patient of One

by Cate McConnell

EXECUTIVE PERSPECTIVE
HEALTHCARE PAYERS



Payers have disconnected from customers over time; separating the person from the transactional unit processed by the company.

SUMMARY

As the healthcare industry changes, especially since the Affordable Care Act was signed into law in 2010, health insurance companies are having to look at their members, and potential members, through a new lens. These companies must look at each consumer as a whole person, both as a member and a patient; a concept widely coined throughout the industry as, “The Patient of One.”

This is a 180 degree change from the way most healthcare payers perceived members and potential members in years past. In a report released in February 2016 by the International Data Corporation (IDC), author Jeff Rivkin states the following in regards to past trends, *“Payers have disconnected from customers over time; separating the person from the transactional unit processed by the company. Payers separated the patient from their medical service via a claim...”*

Additionally, insurers have historically focused much of their sales efforts at employer accounts rather than individuals. The growth of public and private exchanges has created an opportunity to shift their acquisition and retention strategies to a retail approach where individuals are the target. They need to do this well or be subject to consumers switching back and forth between various payers and products based on pure price comparisons.

This executive perspective considers the challenges facing the healthcare industry, the move by health insurance providers to develop a retail-like omni-Channel marketing style, and the role that technology can play to enable payers to better engage with their members and providers.

Appian can support these efforts by providing an application platform enabling payers to develop capabilities to improve processes and integrate data to develop a more complete view of members. Ultimately, this results in better care for members and lower costs for payers.

Both a Patient, and a Member

When the Affordable Care Act came into law in October 2010, as well as when many of its more significant provisions were implemented in 2014, the way people looked at their health insurance coverage began to vastly change. People began to take a look around at their range of choices, which were not limited to just their employer’s, or their spouse’s employer’s healthcare plans any longer.

For one thing, young people gained the ability to stay on their parent’s health insurance plans longer, until the age of 26. In previous years, most were dropped from their parent’s health coverage the day they graduated college or turned 21. This fact helped fuel the desire even further for younger people to pursue a full-time job quickly that had a nice benefits package.

Also, with the Affordable Care Act came further choices, such as state based health exchanges where people were eligible for subsidies to help offset the premium costs. The ACA also expanded Medicaid coverage to 138% of the Federal Poverty Limit and many people who were previously uninsured were now able to enroll in commercial payers.

In addition, the Affordable Care Act offers young people cheaper health coverage due to cost-assistance through their State's health insurance marketplace, giving them further options as well.

As these health coverage options expand, so does the consumer's desire to shop around. While many of the Exchanges and payers have improved the shopping experience, it is still a complex and frustrating experience for most consumers.

But as the industry has changed, has the way health insurance providers treat their members and potential members changed with it?

Not enough.

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THE PATIENT OF ONE

According to a report released in February 2016 by IDC, report author Jeff Rivkin states the following in regards to past trends with health insurance providers,

"Payers have disconnected from customers over time; separating the person from the transactional unit processed by the company. Payers separated the patient from their medical service via a claim..."

Thus, "The Patient of One" idea was born.

According to Rivkin and this study, healthcare payers need to take a more personalized approach for how they work with both members, and potential members. With what he found, this is the only way payers will be able to attract and maintain members who now have a wider amount of choice when it comes to their healthcare coverage.

With the "Patient of One" philosophy that Rivkin describes, payers need to see themselves as a partner-in-care for their members, offering clear and easy communication that goes hand-in-hand with providers each step of the way.

A recent survey in strategy+business highlights this point:

"In order to win consumer engagement, trust, and loyalty, payers need to invest in developing basic capabilities focused on cost, transparency, and convenience that

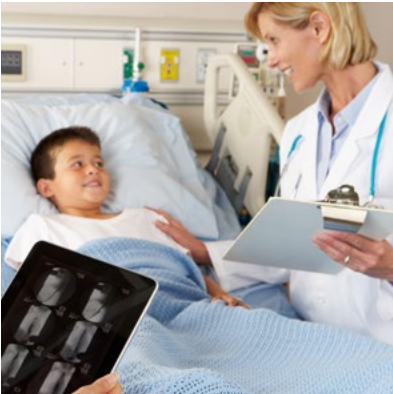
streamline the healthcare experience. These investments will be substantial, but payors that fail to deliver on the basics risk leaving significant value on the table. Our project experience shows that investing smartly in the right technology can yield an 8 to 12 percent positive impact on operating margin via increased revenue, improved behavior and medical outcomes, and reduced bottom-line cost.”¹

SHOPPING AROUND FOR COVERAGE

When it comes to shopping, Americans are known for their innate love to buy, buy, buy; so why would buying health insurance coverage be any different? Turns out, Americans enjoy consuming, more than just spending money, and buying items like your health insurance coverage doesn't give most consumers the same satisfaction as buying the latest fashion from Nordstrom or that new Tesla.

In fact, for many people, the purchase of health insurance and health services is a stressful experience and there is little transparency about the quality or cost of either. Typically, people spend about fifteen minutes selecting a health plan; imagine if people spent that amount of time buying a car or house!

However, people are always looking for the best customer experience and the best price to get the most bang for their buck; more than ever from their healthcare coverage plans, members expect high-quality treatment. This includes easy to use online and mobile applications to access coverage information, and for their insurers to recognize them as a customer, who can pick up and move to a variety of different plans nearly whenever they want now, thus they need to keep them happy, to keep their business.



Furthermore, potential members consider many factors when choosing their plans; it's never cost alone. Physician selection and satisfaction plays a huge role in the decision. In fact, it's been shown consumers are willing to pay more out of pocket for a plan that includes their preferred physician or hospital of choice. Therefore, the concept of the "Patient of One" is even more pertinent than ever for health insurance companies to both attract, and retain members.

EFFECTIVELY MANAGING CARE

As consumers expectations for their health insurance coverage rise, it's not just healthcare payers who have to reexamine how they work with people; providers must be on top of their patient's needs as well. Payers, providers, along with their patients, must have clear and concise communication channels on what actions and procedures are covered, what things cost, and when prices or coverages change.

It's been proven, that in order to effectively manage care, whether for an individual member, or a large group of members, you need to automate information gathering so that communication is seamless for everyone.

Consumers want all their different healthcare data collected into one, easy to navigate dashboard from both their provider and insurer. This free-flowing data exchange should include information such as: lab results, prescription data, claims, home care documents, social-service providers, etc. ²

Health Insurance companies need the ability to deliver robust mobile solutions as more and more people use smartphones and tablets for many of their daily tasks and transactions.

IDC Health Insights concludes that, without this approach, dissatisfied consumers will elect their newly-found option to switch payers frequently, focus on price, cherry-pick, and adopt a short-term mindset in an industry that has deep cultural and administrative roots assuming loyal, renewing members.

The costs of acquiring or “winning-back” members are steep. It’s well-documented that these costs can be up to five times as much compared to renewing a current member. ³ In an industry stressed by cost, this will be prohibitive and potential destructive to a healthcare payer.

With Appian, health insurance providers are able to capitalize on the Internet of Things in order to connect data from various points throughout a member’s healthcare journey.

THE APPIAN DIGITAL PLATFORM

When healthcare payers set forth to better serve their members and attract new members, Appian can help make that help. Appian can integrate patient, provider, and payer information and experience together in one easy to use interface providing actionable information for everyone, and keeping members satisfied through open lines of communication on all fronts of their healthcare.

With Appian, health insurance providers are able to capitalize on the Internet of Things in order to connect data from various points throughout a member’s healthcare journey.

Whether it be claims from the payer, lab results from the provider, or a long-term care plan from a home health care facility, Appian easily brings all these points together. With this single source of truth on Appian, every member of the healthcare journey has an easier path to follow, most especially, the patient.

A recent survey highlighted the priority consumers put around having all of their healthcare information in one place. According to said survey, the number one thing consumers want from a mobile and all-inclusive healthcare applications is an out-of-pocket cost estimator, followed by simple access to health records.⁴ It’s having capabilities like these that saves health insurers from losing additional members, based on the loyalty of satisfied members. Appian can help create this interface, thus cutting down on members hopping to a different company’s plan come open enrollment.



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With Appian, the features consumers are clamoring for are possible, easy to put together, and allow both healthcare payers and providers to work together for their customers. Consumers desire for simple, transparent healthcare information is easy to access on their mobile devices, and in one, straightforward interface.

Appian's low-code application platform also makes this data sharing a less daunting task. Appian can pull data from multiple systems and create powerful dynamic records to enable users to see the 360 degree view of all the information pertaining to that patient.

The "Patient of One" concept is clearly mapped out with Appian, using our digital platform for Business Process Management, members can view all of their benefits and cost-sharing in one place without having to log into separate systems. With Appian, members can login and see what their insurance benefits cover, along with their various treatment options, in one place. Appian can empower the transparency of costs and quality, with both payer and provider working together, eliminating a daunting challenge for many payer organizations and keeping members satisfied.

A 360 DEGREE VIEW TO MOVE FORWARD

Payers have been challenged by the increase in health insurance regulations at both the Federal and State levels over the past few years, and oftentimes their focus has been building processes to ensure compliance. This has led to many disconnected and manual processes resulting in member, provider, and employee dissatisfaction. Appian's modern application platform empowers organizations to automate these processes, integrate data from disparate sources (payer and provider) and ultimately create a "Patient of One" that allows easy, straightforward access for all.

Appian helps create a connected enterprise across cloud, mobile, and social channels as well as emerging Internet of Things and traditional IT systems. Bringing all this information together and putting it in the hands of the end users in a single repository allows healthcare insurers to go from systems modernization to true business transformation.

TAKE THE NEXT STEP

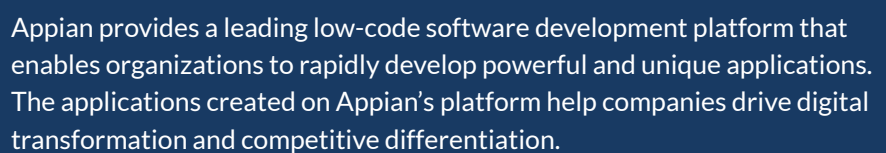
To pursue the “Patient of One” requires the right technology. With Appian, healthcare payers can cut the risk of losing members who may desire to bounce around to other providers, and establish a customer loyalty. Contact Appian to find out more about using our digital platform to drive membership, control costs, and ultimately increase profits.

ABOUT THE AUTHOR

Cate McConnell is the Healthcare Payer Industry Practice Lead at Appian Corporation, where she is responsible for bringing the power of Appian software to health insurance companies. Cate has an extensive background in healthcare, serving as Product Owner for Payer Services at Change Healthcare (formerly McKesson Health Solutions) and Senior Manager and Partner Candidate at Deloitte Consulting. Numerous years of experience with healthcare organizations such as Anthem, Kaiser Permanente, Capital Blue Cross, Centers for Medicare and Medicaid Services, and others give Cate a deep understanding of healthcare systems and solutions. Cate earned an MBA from Duke University’s Fuqua School of Business, and holds the CPHIMS certification from HIMSS. She is active in the Technology Association of Georgia’s Health and Product Management groups, as well as GA HIMSS and HFMA. Cate lives in Atlanta, GA with her husband Ray.

1. “What Consumers Want Most From Health Insurers’ Technology,” strategy + business, June 2016
2. “Collaboration is Key for Health Plans in a Shared Risk Environment,” InterSystems Corporation, May 2016
3. “Business Strategy: An Architectural Strategy Driver for Payers — Patient of One,” International Data Corporation (IDC), February 2016
4. “What Consumers Most Want from Health Insurers’ Technology,” strategy + business, June 2016

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



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