

Core Administration Processing System Decision Guide

for Health Plans



The pressure to modernize and stay technologically current has never been greater.



Health plans face new demands to operate more efficiently and productively, engage their members and providers through multiple channels, create value, meet evolving regulatory and compliance requirements, keep costs down and continuously improve — to name a few!



All of this has made the technology ecosystem on which a plan operates critical to overall performance, service quality, growth and future readiness in the digital world. Technology- driven innovation and easy digital exchange of data are a must.



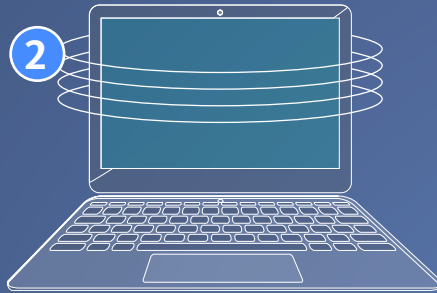
Yet many plans still rely on dated, legacy systems to drive their operations.

This guide will help you determine the best course to take with your technology.

When it comes to legacy technology, you have five main options:



1 Keep the system you have, and try to make it work.



2 Modernize your legacy system by wrapping it with new technology.



3 Invest in a new in-house system to replace your older one.



4 Invest in a new system from a “Software as a Service” (SaaS) partner.



Option 1: Keep the system you have, and try to make it work.

1



Benefits

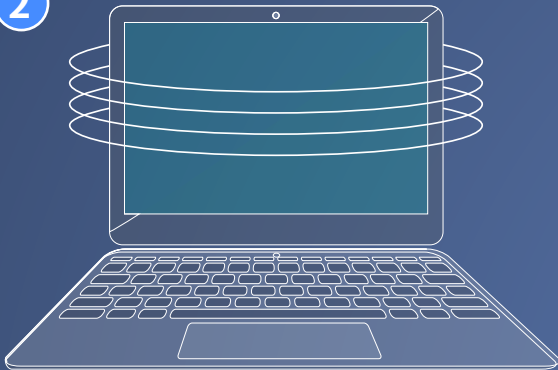
- Familiarity

Challenges

- Customer engagement (self-service, mobility)
- Go-to-market agility
- New product launch
- Adaptability/responsiveness to changing requirements and regulations
- Functionality enhancement
- Real-time tracking and reporting capabilities
- Integration with other systems or data sources for digital data exchange
- Single source of truth
- High maintenance costs
- Ability to leverage digital capabilities (cloud, analytics, mobility, etc.)
- Security and compliance
- Vendor support; road map

Option 2: Modernize your legacy system by wrapping it with new technology.

2



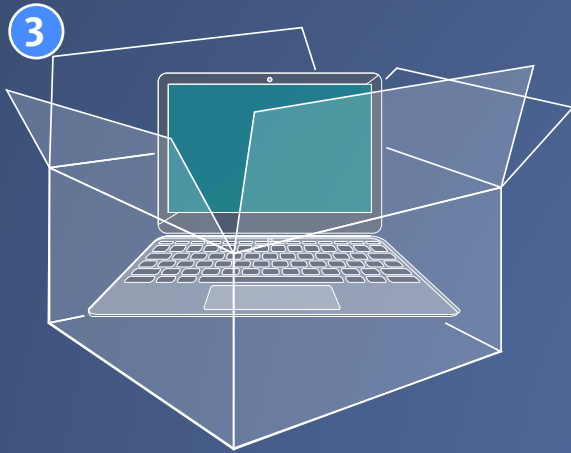
Benefits

- Incremental automation gains
- Lower cost than full replacement
- Continued recouping of investments made in the system

Challenges

- Loosely integrated, disparate applications
- High cost
- Adaptability to business needs
- Ability to fully leverage digital capabilities (cloud, analytics, mobility, etc.)

Option 3: Invest in a new in-house system to replace your older one.



Benefits

- Full system control
- Access to current new technology

Challenges

- Significant implementation and ongoing maintenance costs
- Up-front capital expenditure
- High fixed costs irrespective of market expansion
- Continuous resource and cost to enhance the system
- Time required to go live and be market-ready
- Agility for future expansion or changing needs
- Technically skilled internal resources

Option 4: Invest in a new system from a “Software as a Service” (SaaS) partner.

4



Benefits

- Access to the latest technology and technically skilled expertise
- Partner ensures ongoing updates, and requirement-, compliance-, change-, and expansion-readiness
- Freedom from system maintenance burdens
- Ability to deliver more individualized, immediate and intelligent engagement through mobile and self-service portals
- Variable technology costs controlled through Per Member Per Month pricing and elimination of capital expenditures

Challenges

- Ensuring the SaaS technology is backed by ongoing expert support, is top-notch, flexible, user-friendly, and will drive efficiency, productivity and new levels of engagement for your organization.
- Ensuring the SaaS technology can integrate with other systems and operations
- Control and transparency

Option 5: Partner with a digital interactions specialist who can support you with both services and top-notch digital technology.



Benefits

- Access to the latest technology, specialized expertise, technically skilled resource pool, deep industry experience, ongoing investments, economies of scale and maturity
- Partner ensures technology and processes have ongoing requirement-, compliance-, change-, and expansion-readiness
 - Agility for adding new capabilities, piloting new products or markets
 - Faster and lower cost market-readiness
 - Leverage synergies between IT and operations, build and test analytics, lower total cost of ownership
 - Single point of accountability, services driven by SLA, full transparency
- Ability to deliver more **individualized, immediate** and **intelligent** engagement through mobile and self-service portals
- Improved operations efficiency and productivity with flexible workflows, configurations and data integrity
- End-to-end cost control through:
 - Per Member Per Month pricing
 - Elimination of capital expenditures
 - Known cost of operations
 - Multi-year rate
 - Amortization of implementation costs into PMPM cost
- Transfer of risk related to data security, resource constraints, implementation delays, investments for future changes
- Freedom to focus on core business strengths and objectives

Challenges

- Control and transparency
- Ensuring your partner has a depth of industry knowledge, digital capabilities, resources and experience

Conduent in Healthcare

Conduent creates digital platforms and services for healthcare organizations to manage millions of interactions every day for those they serve. We're leveraging the power of cloud, mobile and IoT, coupled with technologies such as automation, cognitive and blockchain to elevate every constituent interaction, driving modern digital experiences that are more individualized, immediate and intelligent.

We're helping healthcare plans engage members and better navigate healthcare choices and effectively connect with care teams. Working with us, healthcare payers are transforming their businesses and achieving modernization goals with solutions across all member touchpoints.

Learn more at conduent.com/healthcare-payer-solutions.