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The Complete CX Blueprint Series

Best Practices in Consumer Engagement for Payers

2021

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Cut to the Chase: The Simplified Blueprint for Payer CX Success

How a major investment brings an industry veteran and health-tech pioneer together to advance consumer experiences for health insurance

Why CX is the heart of healthcare.

Healthcare is vast, it's unique, and it's complex — and it has its own set of rules and standards. But, one thing is certain — at the center of the healthcare ecosystem should always be consumers and their experiences. At Zipari, this is at the heart of everything we do. We have pioneered digital CX in healthcare to help payers achieve the most impactful consumer experiences for their members, providers, employers, and brokers.

At the end of 2020, Thoma Bravo - one of the world's premier software investment firms - saw a unique opportunity to invest in our industry-leading technology and further transform CX for payers and third party administrators (TPAs). And with good reason - we are proud to say that we deliver results and a solid return on investment when it comes to CX for healthcare.

With Thoma Bravo's investment, Healthx became part of our Zipari family. Healthx is a respected digital engagement leader, with solutions for payers and TPAs. So, now we are bringing together the best of both consumer experience platforms and solutions — which is a win for everyone. Our 200-plus existing clients now have access to a much broader set of capabilities and features and we are on a solid path to fuel breakthrough product innovation.

With these developments, no other company can offer payers and TPAs what we can — a groundbreaking CX Platform that powers a Superior Member Experience, a Comprehensive Sales Experience, and a Collaborative Provider Experience. These exclusive, visionary solutions are powered by our proprietary CX Engine, enabling stability, scalability, and quick, simultaneous implementation, and allowing payers to launch and deploy in months, not years. Our long-standing focus on the healthcare industry is how we help payers to get to the heart — and the ROI — of CX.

A note from Mark Nathan
CEO and Founder of Zipari

The end of each year is marked by reflection and prediction; and never more than in 2020. Numerous whitepapers and industry leadership pieces offer a ton of great trend information and advice for health care executives, if they can find the time for 20-page technical reads. For those who need to cut to the chase, we are sharing the three key takeaways from the newest industry leader, getting to the heart of payer CX by bringing experience and expertise together. With these three key strategies, payers will unlock the blueprint to consumer experiences powerful enough to fuel better outcomes, significant value, and tangible ROI.

3-Keys to the Future of Payer CX

1. **Leverage Exclusivity Where it Counts:** Rely on Expertise that Covers the Full Expanse of the Health Insurance Industry

2. **Enable Rapid Implementation and Agility:** The Right CX Platform will Deliver Value Quickly

3. **Keep Efficiency Top of Mind:** Total Experience Investment Delivers More Value, Faster

Leverage Exclusivity Where it Counts:
Rely on Expertise that Covers the Full Expanse of the Health Insurance Industry
You don't just need CX; you need CX for health insurance.

Off-the-shelf CRM systems are ubiquitous, and many payers are leveraging them for some component of their day-to-day operations – whether it's sales and marketing, care coordination, or customer service. These do offer a path to CX success; but without industry-specific expertise – think interoperability, compliance, service workflows, next best actions, and payer integrations – that path is not likely to be quick or easy.

By leveraging a partner dedicated to the health insurance vertical, payers get CX software that is designed specifically for the health insurance industry, and developed by health insurance experts. This is the driving force behind the union of Zipari and Healthx. This new partnership combines a legacy presence in the health insurance industry with the high-energy approach of a start-up.

The pairing, now held entirely under the Zipari brand, brings best-of-industry talent that is focused exclusively on health insurance. With decades of experience working for and supporting payers through healthcare technology solutions, Zipari's team has a deep understanding of payer workflows, challenges, and needs from day one.

There is no other organization more invested in customer experience in the payer space. With focused thought leadership, payer-specific solutions, and expertise in driving ROI for small regional plans, large national payers, and TPAs – this merger is a doubling down on product and delivery- a win for payers. Backed by the largest software investor in the world, and now with the economy of scale, this best-in-industry partnership creates cost efficiencies for payers, and extends the value of Zipari's CX Platform with flexible options for payers and TPAs across all market segments.

Enable Rapid Implementation and Agility:
The Right CX Platform will Deliver Value Quickly
You don't need digital CX soon; you need it now. With the right software solution, payers can launch CX software in months, not years.

> " *Digital adoption has taken a quantum leap at both the organizational and industry levels.* "

A 2020 McKinsey Global Survey of executives found that the COVID-19 pandemic has pushed companies over the technology tipping point, accelerating the proportion of digital or digitally-enabled products by seven years in less than 10 months.

Digital CX is now a consumer expectation. Since the pandemic began, there has been a 3X increase in organizations reporting 80% or more of customer interactions as digital[1]. And, in the healthcare space, the consumer experience needs to drive more than just positive reviews. Satisfied customers aren't enough. Payers want engaged members to keep health outcomes strong and unnecessary healthcare costs low.

The right CX platform for a health plan allows payers to build on top of their current infrastructure to avoid the rip and replace of legacy systems. This enables payers to launch their CX strategy and start engaging consumers in a matter of months, not years. The right platform also comes with goal-packaging for fast consumer activation and ROI. Packaged goals take the best of historical expertise and cutting edge software to quickly identify the next-best health action based on individual strength and risk profiles – optimizing immediate value for members and plans.

Recent cross-industry data shows that most organizations suffer stalls in digital progress for the same primary reasons. Resourcing issues account for 20% of these setbacks and lack of core competencies account for another 15%[2]. Leverage a health-tech partner for speed to market and speed to value. It can be tempting for payers to build such a system themselves, but the pitfalls of an internal build are now well-known:

Avoid the pitfalls

» **Managing multiple contractors and consultants is time consuming and complex**
» **Unique builds rarely stay within budget or timeline**
» **Internal resources become strained as day-to-day priorities compete with the new build**
» **Technology advances never stop and it is an ongoing challenge to continuously evolve to meet the ever-changing needs and expectations of each consumer**

Keep Efficiency Top of Mind:
Total Experience Investment Delivers More Value, Faster
Individual point solutions can solve for one issue, but don't solve for CX and don't always yield significant value.

Not only does a payer's CX platform need to be compliant and prepared to meet industry regulations, it needs to be comprehensive. Consider a holistic, API-First strategy that creates an ecosystem of applications that are modular, reusable and extensible. Drive more value - faster - by tackling everything related to a singular experience (for members, brokers, providers) all at once.

In many cases, taking one step at a time is wise and payers could start with a mobile app in 2021, and consider adding a service bot in 2022, and so on. In today's competitive payer market, however, a slow pace and lost efficiencies come at a price — keeping operational and member costs high. Instead, launching a member portal and mobile app with a service bot already embedded optimizes members' self-service. Members who can perform common actions without calling their plan - like download a lost ID card, find an in-network provider, and compare brand and generic prescription options - reduce hold times for members seeking support for more complex questions.

CX isn't just a pleasant interface to engage existing members. At an operational level, the inefficiencies of having sales processes on platforms that don't sync with member services, and having provider functions on yet another platform, cannot be overestimated. Poor systems architecture is the root of a lot of technical debt. Not realizing that small decisions about technology can have long-term implications, leaves IT departments putting significant amounts of unplanned time and resources into implementations and adjustments[3]. Total-experience investment puts multiple products in place at the same time to optimize resources. If you've lived through platform transitions, this may sound impossible, but it's not: in the midst of 2020, one Zipari client went live with eight products at once in less than nine months and is already seeing a return on investment.

THE ZIPARI WAY: CX THAT IS BIGGER, BETTER, AND BOLDER.

Zipari offers the first and only comprehensive CX Platform exclusively for payers. Our integrated CX solutions, all powered by the CX Engine, are not just possible, but can be implemented and launched in a matter of months, because they are built entirely from API-first products to optimize your existing investments and resources.

As a health-tech company, Zipari brings you solutions that are ready to deploy and accelerate your digital transformation and CX success. While customizable, these solutions quickly meet the specific needs of health payers' consumers – from members to providers, from individual and employer shoppers to brokers. We stay on-top of technology advances so payers can focus on the critical business of healthcare.

3 Packaged Solutions

Superior Member Experience
Comprehensive Sales Experience
Collaborative Provider Experience

For more information or a demo of our solutions, contact **sales@zipari.com**.

1. https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/how-covid-19-has-pushed-companies-over-the-technology-tipping-point-and-transformed-business-forever?cid=other-eml-ttn-mip-mck&hdpid=b670b765-7350-41cb-a0e3-61b10b0b3d16&hctky=12555409&hlkid=360de204f8144246a2e27e68f8ec5ac1

2. https://www.mckinsey.com/business-functions/mckinsey-digital/our-insights/how-to-restart-your-stalled-digital-transformation?cid=other-eml-ttn-mip-mck&hdpid=b670b765-7350-41cb-a0e3-61b10b0b3d16&hctky=12555409&hlkid=90c4851f9872443faaec074a5221c6aa

3. https://www.mckinsey.com/business-functions/mckinsey-digital/our-insights/tech-forward/the-digital-butterfly-effect-the-big-impact-of-small-decisions?cid=other-eml-alt-mip-mck&hdpid=6da7ded2-cd68-4e01-81e0-e5e45dd3d5c6&hctky=12555409&hlkid=7fa18f808953499e96b122b0ddcd0aa7#

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You Don't Just Need CX; You Need CX for Health Insurance

Why big-box CRMs aren't the answer

Part 2 of 4

Horizontal vs. Vertical CX

Basic consumer experience technologies and consumer relationship management (CRM) tools are easy to find, with some big-box brand names dominating the cross-industry ad space. While a brand name might seem to offer the promise of a reputable consumer experience - it is important to make sure you're adopting a platform that works for health insurance; retail CX is not health insurance CX. Here, we focus on two key considerations, the specifics of payer workflows and the diversity of payer consumers, to highlight common health-plan issues with ubiquitous CX platforms designed to highlight the limitations of ubiquitous CX.

Generic workflows don't work for health insurance

Call centers in all industries share common tasks, like handling customer complaints, and providing support for customer transactions. In fact, call centers remain a preferred channel to address questions and concerns for almost three-quarters of consumers. However, in health insurance call centers, customer service reps (CSRs) are also responsible for generating and sending member ID cards, managing health insurance inquiries (including pre-authorizations, claims, referrals, and billing), handling authentications for members, brokers, employers, and providers, as well as continuity of care questions as members transition between providers, plans, and/ or levels of care. Efficacy in a health plan call center requires CSRs to manage a much greater diversity in service type and have aggregated access to traditionally disparate data sources.

In addition, efficacy across a health plan also requires CSRs to work collaboratively, reinforcing the initiatives of other internal departments like care management. Care managers support patients with multiple and complex health conditions. When CSRs have immediate access to a patient's claims, prescription, and top care management goals, they can multiply health impact and cost savings. For example, CSRs can take advantage of an every-day member call about billing to also nudge a member towards key health actions like refilling a prescription or getting a flu shot.

Consumers shopping for a new health plan will want to compare plan features just as a retail shopper will want to compare appliance features, but that's where the similarities end. All health plan shoppers are not eligible for all plans, nor are all shoppers individual consumers. For example, some brokers may work on behalf of individual members and some may work on behalf of employer groups. While the end-user is the broker, the workflows are also completely different across business lines. This adds significant complexity to the shopping experience for the broker and the people they are serving; complexity that requires extensive and time-consuming customization to generic CRM platforms.

Sales is another critical workflow that looks very different in a health plan. A health plan sales team needs to efficiently manage quote integration, user management, account management, enrollment across multiple plan types (large group, small group, individual and family plans, Medicaid/CHP, and/or Medicare), underwriting integration, broker management, and even RFP/RFQ integration. What are the chances that an industry-agnostic platform will be built to facilitate one, never mind all, of these critical functions? Or conversely, what are the chances that it will take many years and millions of dollars in custom development to make an off-the-shelf CRM from a big-box vendor work for health insurance?

Consumer engagement looks different for health insurance

Across industries, positive member engagement increases brand loyalty, customer satisfaction ratings, and ultimately sales and growth. However, payers face individual and systems-level engagement barriers unique to the health insurance industry. While most retail consumers can readily see the value of a new product or service, limited health fluency means not all members see the value in prevention behavior, wellness visits, or seeking treatment for stigmatized conditions. Health plans face a variety of engagement challenges, extending beyond brand loyalty to educating and motivating members. Many members lack an awareness of their own healthcare costs, and some depending on coverage, are not even responsible for their own healthcare costs. In addition, 'consumer' has multiple meanings in the health insurance industry. Members and employers are health plan consumers, as are prospective members and employers, brokers, and providers. This adds significant complexity to CX platform needs - as well as to strategic CX priorities for payers.

The Alternative

From a global pandemic, to national healthcare policy shifts, to a technology upgrade within your own organization, disruption and rapid change have a big impact on revenue. Make sure your platform, and your technology partner, is prepared to make that impact positive. Knowing about these discrepancies between basic, big-box CRM design and complex health plan needs, will help plan leaders set realistic budgets for platform implementation and better anticipate resource-intensive modifications. Alternatively, health plans should seek more specific CX solutions built for health insurance. These solutions are solely anchored in health insurance functions and on digital solutions that forward industry success. In addition to staying a step ahead of technology advances, an industry-specific technology partner shares an intense focus on evolving healthcare policy.

For example, while Salesforce will continue to expand into other verticals like retail and banking, Zipari, an organization built for payers and TPAs by former health plan leaders, will only deepen its roots in health insurance, offering increasingly refined and impactful solutions specifically for health insurance needs.

As noted in the first piece in this series, **Cut to the Chase: The Simplified Blueprint for Payer CX Success**, the recent union of Zipari and Healthx, combines a legacy presence in the health insurance industry with the high-energy approach of a start-up, organizing best-of-industry talent that is focused exclusively on making health insurance better for everyone. This focus has enabled considerable ROI for many health plan and TPA clients already, and offers a modern alternative to resource intensive, big-box CRM.

See the difference for yourself, schedule a demo today.

And, keep your eyes out for two forthcoming pieces in the CX Blueprint series to learn more about optimizing your CX investment.

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The Member Experience Roadmap

5 steps to fast track your CX transformation

Another Roadmap for Member Engagement?

Hasn't this been done?

Certainly, there's no shortage of ideas about building a better member experience, but hear us out. Having focused exclusively on the engagement goals of health plans and TPAs for 20 years, we have some unique insights to share that make it easier to tackle the end-to-end experience in a way that capitalizes on what you have and doesn't break the bank.

Building the best member experience has become synonymous with digital tools and access, especially in the post-COVID world. The two are inextricably linked, but only a holistic engagement strategy will ensure that member actions, digital tools, service operations, and associated data are fully aligned and optimized.

We help health plans transform member experiences every day, and there is no doubt that putting time and resources into up-front, detailed planning can save you years and millions of dollars in implementation mis-steps and redos. Getting it right the first time means avoiding getting bogged down in sunk costs as well as the backtracking and intensive customization when disparate pieces of your engagement ecosystem aren't compatible.

Zipari's Member Experience Roadmap lays out the best practice steps, in the right order, for your health plan to fast track the transformation, whether you need a boost getting started, or you need help with best practice tools any step on the way.

This document outlines a high-level summary of the Roadmap steps, rooted in deep expertise and proven success working with the country's leading national and regional health plans.

But our health plan is unique –Shouldn't our plan be, too?

For sure. Every health plan needs a member engagement strategy that encompasses the unique programs and initiatives, developed with the unique insight and creativity of their internal leadership and member-focused teams - all for the unique population they serve.

We've co-developed multi-year, complex strategies with health plans over the years and can tell you that while the plans are diverse, the steps to develop this strategy are anything but unique. Whether you are part of a large national plan, or a small, regional organization, building and executing the strategy doesn't need a multi-year planning runway, endless meetings, or ongoing design iterations. With the right roadmap, payers can leverage decades of CX expertise, cutting to the chase of their own engagement plan, quickly.

How do we get to the right roadmap for our plan?

We've become very familiar with the short path to success for member experience transformation, and the tangled paths of mis-steps that can occur, even under the best of intentions. Based on years of expertise and partnerships, we offer the following five steps as the best practice milestones of any successful member experience roadmap.

ᎶᎶ Step 1 - Set The Vision

Plans that successfully launch and maintain member-oriented digital CX tools start with goals and objectives, and these goals and objectives need to be based on why consumer engagement is important to your plan. CX on its own is an admirable goal, but where does it fit within your plan's business priorities? If your plan is long-standing, you want to retain the members you have. If your plan is newer to the market, member acquisition might be critical, making each consumer review weighty. If your plan has high numbers of Medicaid or Medicare plan members, consumer satisfaction scores may have a direct impact on per-member-per-month payments and your plan's bottom line. If you are competing in a competitive market region, CX differentiation may be a key focus, or if you have a high-risk member pool, your engagement objectives will likely be driven by promoting member behaviors that reduce health care costs.

Further, you want to ensure that your vision is set through a process led by stakeholders with health insurance, CX-specific expertise, and technology expertise. If your plan has strong and existing industry-specific CX expertise on staff - and ample IT bandwidth - you may need less support as you refine your scope and select a CX platform that will work with your roadmap. You will have the on-site guidance to stay on track. Currently, however, many health plans have long-tenured leaders. While this can be a major advantage for tailoring a roadmap with a deep understanding of membership trends and business objectives, it usually precludes experience leading engagement initiatives for the newer technology and platforms that enable CX today. If you don't have in-house expertise, choose a CX platform and partner with this key, industry-specific CX know-how.

Has your leadership team already articulated your plan's foundational CX goals? If so, you may be ready to work towards the digital strategy to enable it.

Key components of this first step include: 1. Defining whether your primary CX goal(s) entail member acquisition, member retention, driving down service center demand through self-service access and promotion, increased member prevention behavior, a focus on a few, key sub-populations or medical conditions, higher satisfaction scores/plan ratings, a combination of these, and/or other objectives and 2: Identifying whether or not you have the in-house expertise to proceed efficiently, and if so, who these key players are, and what responsibilities they will give up to clear time and attention for this critical CX priority.

⧓ Step 2 - Make The Business Case

This is where you need to tie your goals and business priorities to metrics and financial wins. If your plan is looking to retain members, how does that translate to the bottom line? What is the anticipated return on investment (ROI)? A solid business case is key to getting the cross-departmental buy-in you'll need for a successful CX initiative - and - it's key to getting disparate departments, from population health to IT - focused on the same goals.

For true efficiency at this stage, leverage industry expertise to avoid spending internal time and resources developing ROI estimations that are already available for health insurance objectives. The organizations that specialize in health insurance CX will have existing algorithms and ROI calculators so you can start refining your strategy with the foundational work already done. Or, if this is a strong competency of your plan already, they will help you build your custom algorithms right into a new platform.

At this step, **key components** will include the foundational pieces of any sound business plan, i.e. statement of the problem, a description of internal analyses conducted to identify successful solutions, a cost-benefits analysis that includes translating each of the goals identified in step one to an anticipated cost savings using clear algorithms, and recommendations.

Step 3 - Get Executive Buy-In

When the vision is solidly drafted, socialize the vision and put your business case to the test with your internal stakeholders. Without the right support, a new initiative can stop it before it even gets going. So, before you go any further, become your own lobbyist. With a solid business plan that highlights likely outcomes and ROI, you'll be in a strong position to garner both buy-in and excitement from your executives and employees throughout the organization. Facilitated opportunities for CX education and revisioning workshops will help create a diverse, cross-departmental wealth of input and expand a sense of shared creation as you evolve and edit your strategy.

When you're working towards executive buy-in, **key components** include having your business case summarized in a variety of formats for different situations and audiences. It is important to have a full-length written document detailing each foundational piece of the business plan, but it is also important to have high-level, visual presentations that quickly let executives and other employees see the anticipated outcomes associated with the plan. Story-telling and case studies may come in especially handy here. When team-members can see how CX initiatives have improved engagement, health, and financial outcomes for other plans, it is easier to see what they might deliver for your plan as well. It is also wise to have recommendations for short-term strategies with high potential for success.

For example, if executives are hesitant to sign-on to a service-center overhaul from the get-go, implementing a member portal and mobile app with easy-to use, built-in health plan functions could quickly reduce measurable call volume to the call center, show demonstrable cost savings from ID cards that are downloaded - and don't have to be printed, addressed, and mailed. Seeing these immediate resource and cost savings will build momentum and energy for ongoing member-experience additions.

Step 4 - Scope The Work Plan

Once there is buy-in, begin to audit existing resources, existing tech structure, and budget. Are your current platforms set for an API approach, or will you rely on batch integration? Will you be making a full-experience investment, or do resource limitations dictate a stepped approach? While a full experience investment will bring the greatest return, a stepped approach can still bring great value - as long as you take the steps in the right order. These decisions involve highly skilled technical know-how, as well as an in-depth understanding of member engagement, and experience really matters.

'The devil is in the details' is a well-worn phrase for a reason, and there are a LOT of details that must be included in the scope if concept is to effectively turn to reality. This is the step where working with someone who's done it before has the most pay-off. When your member-experience strategy, and the work plan to implement it are both rooted in best practice, you'll avoid a litany of oversights and costly pitfalls.

Key components of the work plan include using work-plan templates so steps are not missed, or completed out of order, and making very conscientious decisions about resources to prioritize early wins.

Step 5 - Build Roadmap Governance

This final step is often overlooked. A scope and a timeline may seem like the final outputs - but without communication processes in place and accountability and oversight built in - your CX strategy is likely to falter - or simply languish - never moving from concept to reality in the face of seemingly endless competing priorities. But, with a clear timeline, strong governance, and backed by the business case for why CX must be a priority for organizational success - you are already on the road to consumer engagement, better health outcomes, and financial savings.

In this final step, you will define what governance will look like within your plan. Who will be managing the project and holding teams accountable to the timelines you have set? Who will be doing the work, and who will be overseeing both work products, and ensuring that workloads are appropriate to ensure success? Even health plans who have opted to rely more on outside partners need to account for collaborative time and identify who from their internal teams, will be working alongside their health-tech partners to ensure that the roadmap continues to lead to the true priorities of the health plan.

The **key component** to this step is thoughtfully dedicating resources that ensure forward progress. The best member-experience vision and the most detailed scope will come to nothing if no one is in charge of keeping it alive, and/or if key team members face too many competing priorities to continue to meet milestones, timelines, and roadmap objectives.

Tailoring the Roadmap

This universal five-step framework ensures that small, medium, and large payers alike first develop a sound CX strategy, align the strategy with concrete outcomes and ROI, and then select and prioritize the programs and tools to execute the strategy. The choices along the way will be different for payers of different sizes but the structure of the roadmap will optimize choices that fit the nuances - size, markets served, local population characteristics, etc.

Large payers may have ample internal resources and be tempted to skip the roadmap and build their own CX platforms. While this is a viable option - it's not usually an efficient one. For large payers, market differentiation is key. Starting with an out-of-the-box option that is already built specifically for health plan operations and policies means that they can use their time and resources to configure a custom experience, refine next-best-action calculations, and optimize ROI for their specific markets and members -- instead of using their time and resources to re-invent the basics.

Small payers, on the other hand, may be starting with the assumption that they can't finance or staff a full-experience investment - and may be wondering what value one or two digital solutions would bring them. That's where the five steps come in. When these solutions are implemented within a sound CX strategy, ordered to optimize impact, and implemented with the support of a partner that brings industry and tech expertise - not only does a stepped approach bring value, but it allows smaller payers to offer the polished experience of a larger payer with a smaller investment/staff and faster timeline. Following prescribed steps, using preset templates, and relying on an expert partner eliminates the common alternative where internal resources are overburdened and the member-experience initiative or day-to-day operations cannot both be sustained.

Now what?

Whether your plan is small, medium, or large, whether you're still working with batch integrations or are API-ready, whether you don't know where to start or if you're halfway there - Zipari is the right partner to help you build the ideal member experience for your plan. Presented here is simply the high-level summary of a very detailed roadmap and planning process.

With Zipari at your side, you don't need to worry about any of that, we do this every day, and we've got it. Let us navigate this well-known route while you focus on the differentiation that makes your plan the preferred choice for its members.
Request a demo today!

About Zipari

Zipari is a modern consumer experience solution focused exclusively on transforming the digital health insurance experience from end-to-end. Zipari's Customer Experience Platform with over 20 products modernizes digital engagement for every consumer and market segment, delivering value by growing revenue, boosting engagement, capitalizing on operational efficiencies, and improving member outcomes.

With unsurpassed technology, Zipari's products provide real-time insights at every touchpoint, delivering breakthrough consumer experiences. Zipari now serves more than 40 million members via their payer customers and is backed by Thoma Bravo, the leading private equity firm, with a 40+ year history, focused on investments in software and technology companies. For more information about Zipari, please visit **www.zipari.com**.

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You Need Omnichannel CX Now; Avoid the Pitfalls of Endless Customization

*How payers can launch a better member experience
in months, not years*

Payers Face Unique Challenges

As noted in **part two of the CX Blueprint Series**, payers face unique challenges with Consumer Experience (CX) technology. These include the specifics of payer workflows (for example call center functions, shopping, and sales) and the diversity of consumers (including members, prospective members, employers, brokers, and providers).

Payers early on their CX journey might be tempted to develop their own solution, aligned with what they see as their plan's unique needs. For those who are tempted, make sure you do some homework so you know what you're getting into.[1] Hidden demands include the need to stretch internal resources across a new CRM build and ongoing day-to-day operations, ongoing maintenance, creeping costs, and the need to stay abreast of both healthcare evolution and continuous technology advances. These have essentially made the build-vs-buy debate a moot topic for many.

Another challenge specific to payers is the diversity of legacy technology already embedded into clinical and business processes across the organization. These include everything from claims processing platforms to care management software and even online provider directories. And, they represent significant sunk investment. While full tech upgrades might be most efficient in other industries, rip-and-replace is rarely the best path forward for payers with legacy systems. Successful payers focus their CX strategy on easy-to-use, foundational technology that works well with existing systems and programs - while also providing a clear path to scale and integrate with those on the horizon.
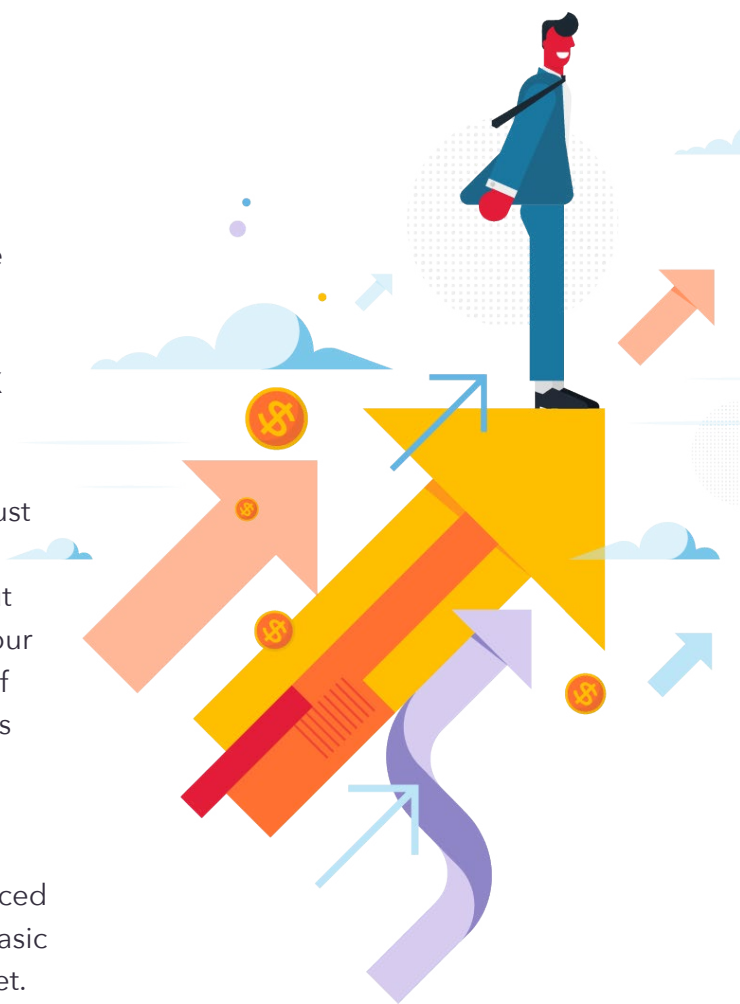
Customization vs Configuration

The appeal of a full rip-and-replace followed by an internal build quickly fades for most payers- leaving them with the next challenge; choosing the right CX product and the right CX partner. Are you looking for a flashy and popular CRM, or are you looking for the solution that grows health insurance revenue, engages your consumers, and improves health outcomes? If the latter, you need technology that is cost efficient and a partner who understands what effective health insurance engagement really looks like. And, with new policy regulations (e.g., the interoperability final rule), rising expectations for digital engagement, and increasing competition - you need that technology now. All CRM is designed for some personalization- after all, your consumer experience needs to be differentiated for your brand. But the details of configuration vs customization will hugely impact cost, efficacy, and speed to implementation.

Avoid Customization Pitfalls

Customization means taking basic CRM, designed to work across industries, and modifying it to work for your industry. Not only are customizations expensive, there are significant hidden costs. Industry reports show that CRM customizations may push final costs up to 7x more than base estimates.[2] When reviewing an industry-agnostic CX option, find out what is really included in the base price, and which of your critical work-functions fall under "add-on" categories. How much additional budget will it take just to get it to work? Before getting locked into a multi-year contract with a basic CRM provider, consider checking out product reviews posted specifically by organizations in your industry. Trustpilot, for example, includes 1-Star reviews of well-known CRM companies. Comments include warnings to other healthcare organizations that access to technical support, even for basic questions, is an undisclosed add-on service with an additional monthly service fee. Other concerning feedback is from healthcare organizations forced to employ third-party experts to customize the CRM for basic business needs, putting their CX projects well over budget.

Customization also requires complex and time-consuming set-up, delaying time to market. When a CRM product does not come with the workflows and functions you need out-of-the box, it can take months or even years to go from contracting to a live platform. Many payers have been unpleasantly surprised to learn they needed to also contract with a third party consultant because the CRM vendor lacks either technical expertise or the time to work through the customization process.

How is configuration different?

Configurations are adjustments that make minor changes to application behaviors or features, and do not require custom coding or implementation. In an earlier part of this series, we reviewed how unique and diverse payer workflows can be - ranging from basic service tasks to managing complex sales pipelines. When you work with a technology partner who has already built the framework for the workflows you need, it enables you to focus on adapting it to your business (configuration) vs. building it from scratch (customization). The result is a huge difference in time, money and resources invested. This is precisely why you should always choose configuration over customization.
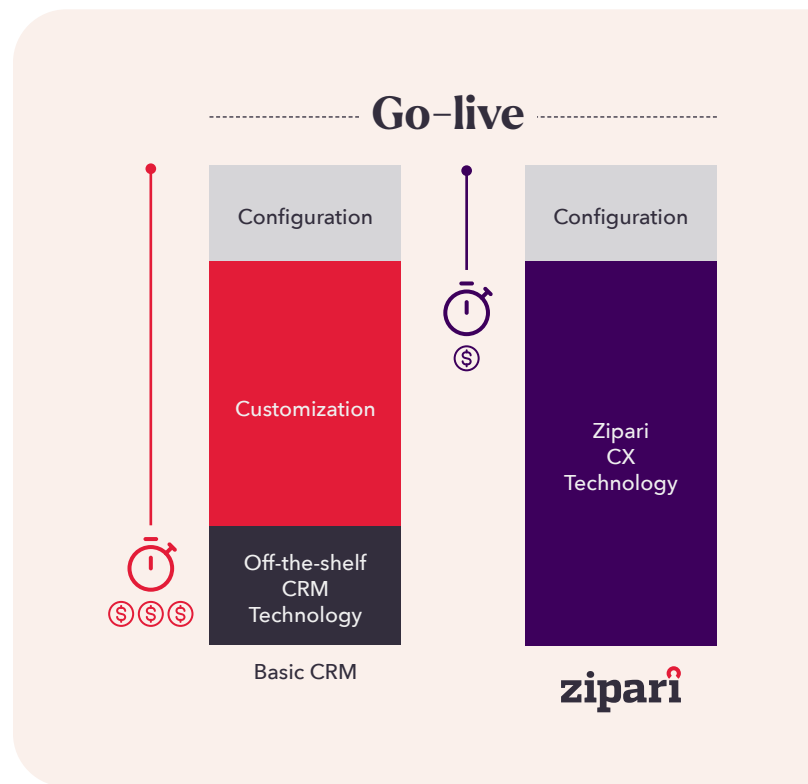
How do we know so much about CRM in the payer space? Because at Zipari, it's all we do. With 20 years of experience partnering only with payers and TPAs, we have heard the horror stories from payers who have learned about the high and hidden costs of customization the hard way. But, we have also seen the quick returns on investment when we get our clients quickly up and running with the payer-specific CX solutions they need. For example, we have rocked the industry with significant recent achievements like working with a large regional payer to get eight products up and running in eight months - just in time for open enrollment. We are able to go from contracting to a fully functional **health-insurer service center in just 30 days**. **This full case study** details one payer's frustration with prior waterfall-based investments. The payer suffered ongoing costs and administrative needs despite increasing investments in online portals and CX tools — in part because different member segments were using different platforms. The case study describes how Zipari's team integrated 66 of the payer's existing APIs into the new products and completed 278 features and 52 production deployments to create a consistent customer journey across segments and improve value. As the payer noted, this was only possible because 80% of their organization's required CX functions were already built into Zipari's products and were available out-of-the-box.

What's the Rush?

Leaders in the payer industry are well aware of consumer perspectives on digital CX offerings and that there is room for improvement. Zipari's recent primary market research shows that consumers still rank health insurance below the digital experience provided by the banking, retail, streaming entertainment, doctor/provider, and even car/home insurance industries. However, as more data becomes available about the ROI associated with digital CX platforms, payers and TPAs - your competitors - are taking quick action. Already, 52% of surveyed consumers report access to a digital health insurance platform, and those members report more engagement and greater satisfaction than those without digital access. Payers who can get the right CX now have an opportunity to win and retain the right consumers before the competition. With the right CX experiences, payers earn consumer loyalty and engagement - which keeps member health costs lower and outcomes positive. With increasing numbers of payers quickly improving their digital CX offerings,[3] especially given pandemic-related accelerations, this moment for competitive advantage may not last long.

Want to chat more about breakthrough CX?

For more information on the keys to payer CX success, please email us at cx@zipari.com.

cx@zipari.com

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1. There are a variety of readily available online resources, from blogs to opinion pieces and data-based business pieces.
2. "How Much Does it Cost to Build a CRM System" - https://newizze.com/how-much-does-it-cost-to-build-a-crm-system/
3. https://go.healthedge.com/21.ConsumerSurveyExecSummary_LP.Download.html