

Maximize efficiency and effectiveness of payer and health plan business processes with IBM Business Process Management.



“The U.S. healthcare system is on an unsustainable path that will force its transformation. As a result, we are witnessing changes to the purchasing, consumption and delivery of healthcare that will redefine the way health plans compete and operate.”

— IBM Institute for Business Value (IBV) executive brief targeting healthcare plan and payer enterprises*

By 2015, U.S. healthcare payers and plans will undergo dramatic changes, influenced by everything from fewer employees and increased outsourcing to a greater focus on member health and IT-enabled business processes. In the future, the typical health plan and payer enterprises will look significantly different from those of today. We can expect that:

- Financial responsibility will increasingly transition to patients.
- A variety of healthcare delivery models will proliferate.
- States or the Federal government will enact caps on health plan administrative costs — and profits.

To remain viable in the face of such dramatic change, IBM recommends three “transformations” within healthcare payer and plan operations:

- **Value transformation** — work collaboratively with care delivery organizations and clinicians to achieve value-based reimbursement.

- **Consumer transformation** — provide personalized information and advice to help consumers maintain and improve their health.
- **Care delivery transformation** — align reimbursement and incentives for preventive and proactive chronic care with innovative and cost-effective approaches to health and healthcare.

IBM Business Process Management (BPM) can help to enable these transformations.

Address industry challenges with IBM BPM

BPM increases revenue and decreases cost and risk over time because:

- Processes are more effectively managed through policies, dashboards, predictive measures and automated alerts.
- Flexibility increases and time savings allow a shift in focus to innovation, new opportunities and growth.
- Operations are more consistent with less time spent chasing and fixing problems.
- Deployment of processes is faster and more efficient with improved IT productivity and shorter time to value.
- Service oriented architecture (SOA) and service reuse improves productivity, increases flexibility, reduces backlog and drives deployment costs down.

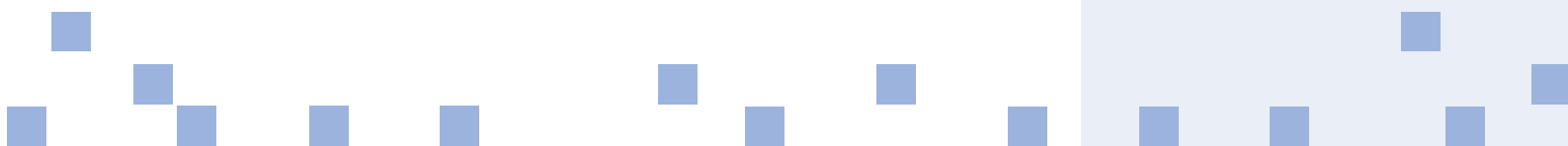
Five drivers will change the face of healthcare by 2015:**

- Globalization
- Consumerism
- Aging and overweight populations
- Expensive-to-treat diseases
- New treatments and technologies

Molina Healthcare, Inc., is a multistate managed care organization that arranges for the delivery of healthcare services to people eligible for Medicaid, Medicare and other government-sponsored programs for low-income families and individuals.

“The technology that Cincom and IBM offered as far as integration with any system is one of the primary reasons we selected them.”

— Amir Desai, Vice President, Core Systems, Molina Healthcare





IBM BPM helps automate processes end-to-end, enabling dynamic adaptation and response to change and transforming business process insight into action. With IBM BPM, healthcare payers and plans can incorporate “legacy” and “core” systems as components of new or redesigned and automated processes that are reliable, agile, scalable and easy to manage. As a result, BPM can help make a cost-effective transition from a system-based approach to a process-based approach.

With IBM BPM, payer and health plans can model, implement, monitor and modify your business processes on a just-in-time basis and can enable non-IT users to make these changes with little or no IT involvement. IBM Cognos® products for business intelligence and performance management, as well as IBM ILOG® business rules and dashboards, can be incorporated for even greater functionality.

Speed BPM implementation with IBM healthcare payer/plan solutions and accelerators

IBM offers a range of services to address the most pressing healthcare payer/plan demands and to achieve shorter time to value:

- **Personalized medicine and consumer-centric healthcare** — internal and client-facing processes improvement and member-centric transaction process development.
- **Health analytics and compliance** — data integration and warehousing, business intelligence, disease and medical management, and fraud and abuse management systems (FAMS).
- **Core business modernization and optimization** — business process optimization and SOA enablement, application management, claims-related business technology optimization (BTO) and labor resource optimization.
- **Infrastructure effectiveness and efficiency** — clinical and business process transformation and development, data center optimization, and technology and infrastructure optimization.

Optimize business processes to gain efficiency and effectiveness

By using IBM BPM powered by SOA and other offerings in the BPM suite, payers and health plans are better able to make the business transformation required to remain competitive and profitable in a challenging worldwide economy.

Adopt IBM BPM for immediate business value and long-term adaptability

With a global presence that delivers a deep knowledge of best practices throughout the healthcare and life sciences ecosystem, IBM has the experience, commitment and ability to establish long-term business relationships with healthcare payers and health plans.

IBM offers:

- A strong local presence — worldwide — to provide open-standards leadership.
- Healthcare and life sciences expertise.
- A broad portfolio of solutions specially designed for healthcare and life sciences enterprises.

To increase the efficiency and effectiveness of services and programs, healthcare payers and plans need to model, implement, monitor and modify enrollment, claims resolution and other core business processes. You can do all this and more with IBM BPM. To learn more, contact your IBM representative or IBM Business Partner, or visit ibm.com/industries/healthcare

IBM BPM can help health plans and payers make the transformations needed to respond to the impacts of industry changes, which may include shifts from employer- to government-based coverage, increasing consumer responsibility for healthcare, and changes in regulations and reimbursement models.



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*2007 IBM Institute for Business Value executive brief, “Healthcare 2015 and U.S. Health Plans – new roles, new competencies.” IBM Global Business Services, through the IBM Institute for Business Value, develops fact-based strategic insights for senior executives around critical issues based on in-depth study by the Institute's research team. Download the full study at www-935.ibm.com/services/us/index.wss/bvstudy/gbs/a1028776?cntxt=a1000056

**2006 IBM Institute for Business Value study, “Healthcare 2015: Win-win or lose-lose? – a portrait and a path to successful transformation.” Download the full study at www-03.ibm.com/industries/healthcare/doc/content/landing/2955767105.html?P_Campaign=6N3EWSB2

