

IBC empowers customers to make better decisions with integrated IBM solution.

Overview

■ Challenge

Respond to customer demands for realtime access to claims and benefits information

■ Why Become an On Demand Business?

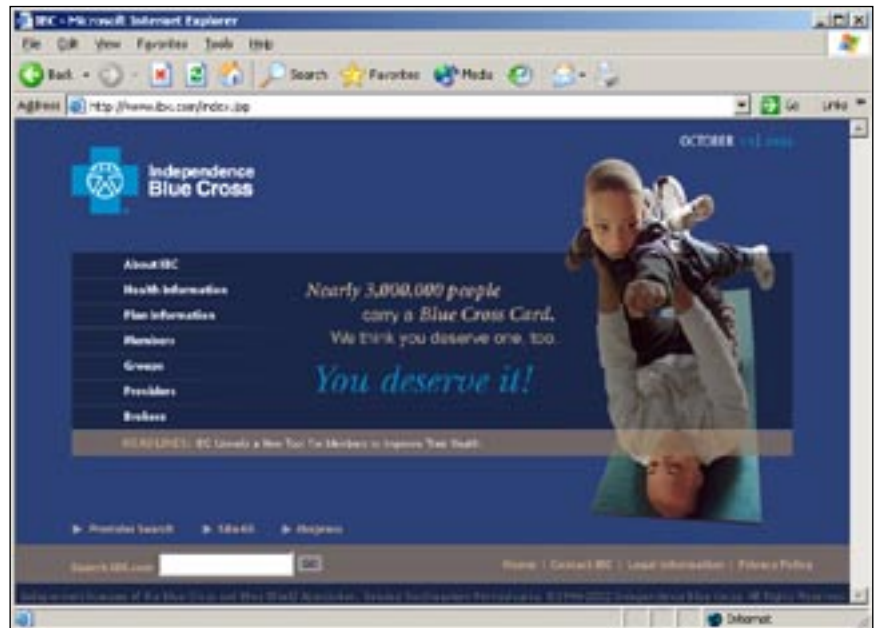
IBC needed to enable its customers to make more informed and timely health plan decisions

■ Solution

Common platform enabling enterprisewide applications to share information and process transactions collaboratively

■ Key Benefits

Simplified, speedy access to enterprise information assets; enhanced responsiveness to customers; ability to reuse common infrastructure components, leading to lower costs and accelerated time to market for new applications; streamlined, cost-effective development, due to standardized development tasks and code; improved cooperation among IBC application owners



IBC's self-service Web portal, powered by IBM WebSphere® Application Server, allows members to review their benefits, account information and completed claims in one secure, convenient location.

One of the more painful challenges enterprise IT managers and architects face is integrating isolated applications so employees and trading partners can collaborate effectively and be as responsive as possible when customers request information.

At Philadelphia-based Independence Blue Cross (www.ibx.com), Mildre Wampler and Peter Walsh had been striving to find a viable application integration solution that would be acceptable to all their application owners.

“We needed a single integration platform that would allow all our applications to access and share information and enable them to collaboratively process transactions based on common business rules.”

—Mildre Wampler, Chief Architect, Enterprise Systems Architecture Division, Independence Blue Cross

Integrating solutions that help enable On Demand Business

On Demand Business Benefits

- Lower costs and accelerated time to market for new applications
- Improved cooperation among IBC application owners
- Enhanced responsiveness to customers through direct realtime access to benefits and claims information
- Simplified, speedy access to enterprise information assets
- Ability to reuse common infrastructure components for streamlined, cost-effective development

“Despite their initial concerns, the pilot showed [the business application owners] how well the hub-and-spoke infrastructure worked for the managed-care system. The success of our pilot allowed us to proceed with the full system.”

–Peter Walsh, Senior Director of Common Services, Independence Blue Cross

Offering managed care, traditional indemnity, Medicare and Medicaid health insurance coverage, Independence Blue Cross (IBC) is one of the country’s oldest and largest providers of pre-paid healthcare coverage.

Like many large organizations, IBC runs a very heterogeneous IT environment, with IBM midrange and mainframe servers supporting application logic as well as numerous relational and non-relational data management systems.

IBC had been challenged repeatedly when it developed applications that needed to access various data sources and isolated applications. For each new application, the company had to create separate batch processes and interfaces, leading to a complex mixture of software code that was difficult to manage and support. As a result, expenses were growing in an industry that was already pressured by rising prices.

Customers, meanwhile, were demanding fast access to accurate claims and benefits information, so they could assess their healthcare options and make informed choices. IBC knew that its customers’ satisfaction was critical to its continued business success in the competitive healthcare benefits industry.

“We realized we needed a single integration platform that would allow all our applications to access and share information and also enable them to collaboratively process transactions based on common business rules,” explains Wampler, chief architect, IBC Enterprise Systems Architecture division. “Once we defined our needs that way, we knew we could achieve success with these critical applications with an enterprise application integration (EAI) solution. EAI would modernize, consolidate and coordinate our various applications, enabling us to respond quickly to our customers with realtime, accurate information on a variety of healthcare issues.”

Seeking EAI expertise through Promenix

Based on its prior positive experience with IBM WebSphere MQ messaging software, IBC decided to design and pilot its EAI solution using a messaging-based infrastructure. Realizing it would need to augment its internal resources, the company turned to Promenix, an IBM Premier Business Partner with extensive industry experience helping Fortune 500 companies achieve their integration objectives.

Promenix worked closely with IBC to create a central EAI hub, based on IBM WebSphere MQ and WebSphere MQ Integrator. Using IBC’s complex, high-volume managed-care administration system as the basis for a pilot, the IBC and Promenix team demonstrated the value of the integration hub to business application owners throughout the enterprise. “Despite their initial concerns, the pilot showed how well the hub-and-spoke infrastructure worked for the managed-care system,” says Walsh, IBC’s senior director of common services. “The success of our pilot allowed us to proceed with the full system.”

By integrating critical applications throughout its enterprise, IBC has transformed the way its employees and trading partners interact by providing them realtime access to the same up-to-date information. They can conduct a broad range of Health Insurance Portability and Accountability Act (HIPAA) transactions, including benefit and status inquiries, healthcare claims and claims payment advice. Their ability to collaborate has been strengthened, enabling them to enhance IBC’s business agility and its responsiveness to customers. Enhanced internal efficiencies and lower IT support costs have been welcome advantages as well. Customers, in turn, have realtime access to benefits and claims information.

Achieving business integration

The IBC HIPAA initiative was a huge undertaking with an aggressive deadline. To maximize cost-effectiveness and minimize time-to-completion, the solution reused the messaging architecture that was developed for the EAI pilot. WebSphere MQ Integrator serves as the central hub for HIPAA transactions, enforcing data validation, complex business rules and data transformation. WebSphere MQ Integrator processes streamline integration with legacy backend systems, enabling IBC to meet compliance regulations without major modifications to existing applications.

Concurrently with the development and rollout of the HIPAA initiative, Promenix helped IBC implement several other on demand projects. For example, IBC’s Account Installation allows the creation and maintenance of customer accounts. Once customer service representatives have scanned customer data into the system, WebSphere MQ Workflow manages the process, using WebSphere Application Server to support a Web front-end that enables service agents to access and review central account information.

Key Components

Software

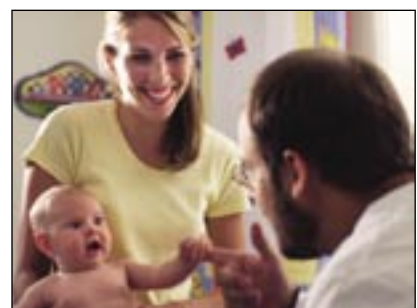
- IBM WebSphere MQ, Version 5.2
- IBM WebSphere MQ Integrator, Version 2.0.2
- IBM WebSphere Application Server Advanced Edition, Version 3.5
- IBM WebSphere MQ Workflow, Version 3.3
- IBM DB2® Universal Database™ Enterprise-ExtendedEdition, Version 7.2

Servers

- IBM @server pSeries™ and other IBM midrange and mainframe servers

Business Partner

- Promenix



Committed to meet its community’s needs, The Caring Foundation, provides free or low-cost health insurance to uninsured children in Philadelphia and surrounding counties.

When data has been verified, WebSphere MQ Workflow passes it to the central WebSphere MQ Integrator hub using WebSphere MQ, and the hub applies business logic and routing rules to the transaction. WebSphere MQ Integrator then standardizes the structure of the data and passes it to the backend enrollment application.

At the same time, Promenix put additional infrastructure components in place to help IBC standardize and accelerate development activities. For example, Promenix developed a robust Websphere MQ “wrapper.” This wrapper standardizes development tasks and code among the many IBC developers writing applications on the various platforms that will use the messaging backbone. This enables the WebSphere MQ administrators to maintain crucial controls over the environment, reducing development time and costs. For error processing, Promenix developed a common, highly reusable error-handling process within WebSphere MQ Integrator.

Moving towards self-sufficiency

Promenix has transferred to IBC the knowledge it needs to become self sufficient in maintaining and extending the EAI hub. Promenix also helped IBC recruit additional developers and operations staff for its in-house EAI team. As for IBC customers, the common platform has helped to strengthen their healthcare decision-making process.

Matt Franklin, vice president of Promenix, attributes much of the success of IBC’s EAI endeavor to the insurer’s strategic decision-making and the ongoing hands-on involvement of senior IT staff such as Wampler and Walsh. “They made a wise investment in WebSphere software, and refused to allow shortcuts in the integration process,” Franklin says. “Most importantly, the ability to demonstrate the value of EAI and achieve technology stakeholder buy-in was a critical ingredient in the project’s success.”

For more information

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Visit us at: **ibm.com/ondemand**

For more information about Promenix, visit: *www.promenix.com*



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