

Customer-friendly communications with HP Exstream at Health Net



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Robert Redding, director, ITG Applications Development, Health Net



HP customer case study:
Health Net reduces costs by almost \$2 million while significantly speeding time to customer with HP Exstream

Industry:
Healthcare

Objective:

Health Net needed a cost effective and efficient solution to provide members and providers with more customer-friendly communications in order to remain competitive in the industry.

Approach:

- Health Net launched an analysis of all its communications and evaluated a number of technology alternatives.
- Chose HP Exstream as the only solution that met their overall needs.

IT improvements:

- Simplified processes reducing application development time from months to weeks.
- Simultaneous production of fully-composed output from a single design.
- Easily integrated with existing systems, content sources, and IT environment.

Business benefits:

- Reduced print and postage expenses by almost \$2 million in the first year of implementation.
- Improved customer satisfaction with clearer and friendlier EOBs to its 6.5 million members.
- Faster turnaround of pharmacy authorisation applications with real-time processing.
- Ensured compliance with government regulations by easily producing documents in the recipient's preferred languages.



HP Exstream's real-time processing turned pharmacy authorization applications around in a matter of seconds and reduced document application development times from months to weeks

Health Net, Inc. (NYSE: HNT), based in Woodland Hills, California, does what it takes to make its members and providers a top priority. The company provides health benefits to approximately 6.5 million individuals in 27 states and the District of Columbia through group, individual, Medicare, Medicaid, and TRICARE programs. Additionally, Health Net's subsidiaries offer managed healthcare products for behavioural health and prescription drugs, as well as coordinate products for multi-region employers, medical group administrative services, and self-funded benefits programs.

A dedicated team at Health Net's Northeast region realised it needed to focus its efforts on providing members and providers with a more customer-friendly Explanation of Benefits (EOBs) and Remittance Advice (RA) in order to remain competitive in the industry. This led to a company-wide analysis of all the ways Health Net communicated with members and customers, including an assessment of the effectiveness of those communications.

Recognizing a Need

“We realised our customer communications had become somewhat stale and not as effective as we would have liked them to be. We were in need of a makeover,” says Robert Redding, director, ITG

Applications Development for Health Net. "For the most part, we used pre-printed forms generated from the mainframe and all of our customer communications were mailed as individual pieces rather than consolidated, which, given escalating postage costs, was getting more expensive each year. Additionally, with our existing technology, making even minor modifications to communications, such as inserting new logos, adding new policy information, and staying compliant with changing government regulations was very labour-intensive. We had a costly and inefficient process."

Looking for the solution

Knowing new technology was needed, Health Net's ITG Print Services Application (PSA) team launched a search for a sophisticated document automation solution that would not only allow the company to improve the effectiveness of its member communications, but as importantly, streamline the related processes. The initial goal was to produce easier-to-read EOBs and develop other document applications that explained member benefits more clearly, and pointed out what members were saving by choosing Health Net.

"After evaluating a number of technology alternatives, we found that HP Exstream was the only software solution that met our overall document automation needs," says Redding. "We selected HP Exstream for many reasons—but the main reason was its open architecture, which allowed us to easily integrate the software with our existing systems, content sources, and IT environment. Additionally, HP Exstream's real-time processing engine would allow us to significantly speed time to customer with critical communications."

HP Exstream also met – and exceeded – the team's other objectives:

- Elimination of the need to produce pre-printed forms by dynamically creating documents from data sent by the mainframe system
- Consolidation of documents for a single household, providing considerable savings on printing and postage
- Archival of documents in PDF and HTML formats for easy accessibility via the Web
- Ability to easily produce documents in the recipient's preferred language—including Asian languages—improving customer satisfaction and complying with California's State Bill 853
- Intuitive environment for designing document

applications that dynamically import files such as logos and customizable policy information according to member profiles

- Simultaneous production of fully-composed output, such as AFP, Postscript and Metacode, from a single design

Benefits far exceed expectations

"HP Exstream's real-time processing has allowed us to turn pharmacy authorisation applications around in a matter of seconds. Additionally, we've reduced document application development time from months to weeks," says Redding.

In addition to producing much clearer and friendlier EOBs to its 6.5 million members, the elimination of pre-printed forms, ability to house documents, and easily produce PDF and HTML documents available has brought a significant return on investment. In the first year of implementation, Health Net reduced its print and postage expenses by almost \$2 million.

Redding further notes that HP Exstream allows Health Net to efficiently comply with ever-changing state and national government regulations. "With HP Exstream we can develop interactive applications that allow members and providers to specify state, effective dates and language requirement. Their selections drive what content is used to compose the required document in real time."

Looking to the future

Health Net plans to make the EOB and other documents available to its members via the Web, with a goal of eliminating 20 percent of its print in the first year and a 20 per cent adoption rate in each of the following years.

Additionally, Health Net's marketing department plans to take advantage of HP Exstream's intuitive and role-based design environment to create rule-driven, member-relevant messages that are incorporated into communications at run time. For example, a document sent to a family member with asthma might receive helpful information on asthma maintenance, new drugs available, etc.

"Health Net is very serious about its commitment to providing the best services to our members," says Redding. "Without a doubt, HP Exstream is significantly helping us in this mission by allowing us to stay competitive with more efficient document processes and the ability to produce clearer, more effective communications that ultimately help our members improve their health."

To learn more, visit www.hpexstream.com

