Our promise to payers

Empowering you to transform healthcare
Success in a changing time

Healthcare is changing rapidly, driven by forces such as value-based reimbursement, provider consolidation, healthcare consumerism, and increasing purchaser demands. Payers are moving quickly to redefine their role.

Payers today face a volatile business climate. The needs and expectations of purchasers, providers, and consumers are continually evolving and set against an unpredictable political backdrop. The net impact: payers are seeing their business model and operational processes under pressure as never before.

Source: Gartner 2017
Responding to new challenges

New challenges in today’s healthcare environment are driving fundamental change in payer business model and operational processes.

1. Turning data into action
   Many health plans struggle with fragmented data spread across their enterprise, making it difficult to aggregate and analyze. What’s more, current infrastructures were built to support the fee-for-service environment and can’t adapt to manage the extreme volume of data required by today’s value-based consumer-centric model.

2. Optimizing for collaboration
   Care management has become an interdependent team sport, yet divergent interests among stakeholders make it hard to build high-performance networks and value-based care models. To advance care, risk sharing between health plans and providers is essential.

3. Meeting members where they are
   After years of focusing on employer needs, the Affordable Care Act has accelerated the shift to a consumer model for payers. Health plans today must adapt to compete in a more retail-like environment. Payers need to deeply understand their consumers, yet many legacy applications are not designed to deliver insights into member preferences and health status.
Our vision for value-based care: A better way

The shift to a value-based model is profound, and offers payers opportunities to create better health, better cost management, and better experiences.

IBM Watson Health brings a unique combination of predictive analytics and cognitive insights that helps payers optimize infrastructure to support data analytics, collaborate with providers to advance care, and improve member experience. Our solutions integrate claims and clinical data along with socio-demographics, behavioral and financial information, and more.
Solutions for your most complex challenges

IBM Watson Health helps payers discover and implement opportunities to transform their business, advance care, and improve member experience. Our solutions portfolio supports essential dimensions across your enterprise.

**Solutions for payers**

- **Enterprise Analytics →** Support business transformation through an enterprise-wide data analytics strategy
- **Operational Efficiency →** Help simplify operations and reduce the burden of regulatory compliance
- **Provider Collaboration →** Support provider relationships, quality improvement and care coordination
- **Member Engagement →** Enhance member engagement and improve their experience
Enterprise Analytics

Supports business transformation through an enterprise-wide data analytics strategy.

Data integration & management
Flexible off-the-shelf analytics
Management & account group reporting
Robust norms & benchmarking

THE VALUE IT BRINGS
Embed analytic content directly into your own technology environment
Offer web-based applications to analyze cost trends and treatment patterns
Enable information transparency with dynamic, easy-to-use dashboards
Provide comparative data to evaluate and benchmark financial and clinical performance

Solutions for payers

Enterprise Analytics ➔ Operational Efficiency ➔ Provider Collaboration ➔ Member Engagement ➔
Operational Efficiency

Helps simplify operations and reduce the burden of regulatory compliance.

Regulatory compliance support
Risk management
Payment integrity

THE VALUE IT BRINGS

Reduce the administrative burden of regulatory compliance with solutions to help you meet requirements on time and with confidence

Actively mitigate and proactively monitor your financial risk to control loss ratios

Fight fraud, waste, and abuse

Solutions for payers

Enterprise Analytics
Operational Efficiency
Provider Collaboration
Member Engagement
Provider Collaboration

Helps you improve provider collaboration, quality, and care coordination.

- Care management
- Network optimization
- Provider performance assessment
- Value-based payment models

**THE VALUE IT BRINGS**

- Model various value-based care arrangements
- Enable care managers to identify gaps and prioritize outreach
- Design high-value networks
- Ensure fair, accurate reporting of physician performance related to cost efficiency and clinical effectiveness measures

**Solutions for payers**

- Enterprise Analytics ➔
- Operational Efficiency ➔
- Provider Collaboration ➔
- Member Engagement ➔
Member Engagement

Enhances member experience and overall engagement in their health and care.

Member acquisition
Member services
Benefit plan design
Benefit selection
Price transparency

THE VALUE IT BRINGS
Access rich data sets for acquisition marketing and member outreach

Drive more impactful member interactions with a natural language experience

Support members in planning the financial aspects of their care

Help members become engaged consumers with personalized care alerts and information to guide decisions
Accelerating change, delivering results

Payers today must drive change in value proposition and design new collaborative models with providers and members. Watson Health supports this transformation by helping you tailor, understand, and apply your data—on massive scale. Here’s how.

<table>
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<th>From</th>
<th>To</th>
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<tbody>
<tr>
<td>Focus on claims payment</td>
<td>Coordination of valued services</td>
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<td>Divergent interests &amp; limited risk sharing</td>
<td>Shared risks &amp; goals</td>
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<td>One-size benefits &amp; programs</td>
<td>Personalized member experience at scale</td>
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<td>Fragmented, siloed data</td>
<td>Intelligence leveraged across the enterprise</td>
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CASE STUDIES

- Delivering price transparency to members →
- Improving access to healthcare information →
- Delivering innovative payment models →
Delivering price transparency to members

THE PROBLEM
An integrated health plan wanted to deliver accurate out-of-pocket cost estimates for members in a way that made shopping for healthcare services easy.

THE SOLUTION
IBM Watson Health provided the Treatment Cost Calculator, which mines claims data sets to deliver personalized cost estimates for ‘shoppable’ procedures, and can handle complex benefits plan and payment structures.

THE RESULTS
Implementation of the tool is expected to increase member satisfaction, which will help to strengthen the plan’s competitive position in the marketplace.
Improving access to healthcare information

THE PROBLEM
A health plan with 250,000 members wanted to improve reporting value for their employer groups, with a goal of making healthcare information easily accessible to support informed decision making.

THE SOLUTION
IBM Watson Health worked with the plan to implement a dynamic web-based dashboard that provides essential information on trends and treatment patterns, as well as comparisons to robust benchmarks.

THE SOLUTION
The account group reporting solution offered a competitive marketplace differentiator for the health plan and helped provide actionable insights for their employer customers.
CASE STUDY 3

Delivering innovative payment models

THE PROBLEM

A Midwest university’s health plan sought to identify high-cost procedures and determine how to control costs without sacrificing quality.

THE SOLUTION

IBM Watson Health collaborated with the plan to conduct a review of selected outpatient procedures, identifying the variables that differentiated between high-cost and low-cost incidences of an individual procedure.

THE RESULTS

Several episode-based bundled payments were implemented as a result of the analysis, assuring that members will receive the best possible outcome for those procedures at the lowest possible charge.
The case for Watson Health

In this time of unprecedented change, you need a partner you can be confident in today, and, one that can bring dramatic new capability into the future. This is Watson Health at its best.
What Watson Health makes possible for payers

The ability to move quickly from data to action to outcomes

A 360-degree view of members to support acquisition and retention

Optimal design of networks and network steering

Impactful, personalized member interactions at scale

Identification and prioritization of care and cost interventions

Innovative analytics adaptable to your technical environment

Rapid fraud detection, risk sharing, and mitigation
The power of cognitive: Innovations underway

Watson Health is leading the application of cognitive solutions to help payers transform their business.

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**Cognitive agent**
Help drive more impactful interactions with members utilizing natural language processing and connections to back-end systems.

**Opportunity alerts**
Identify top opportunities to save money and improve program operations. Link to relevant best practice evidence for implementing recommended solutions.

**Unstructured data mining**
Extract and derive meaning from unstructured content. Mine text to guide member interactions and decisions (summary plan descriptions, care notes, EHR data).
How we can help

1. Turn data into action by unifying information from diverse sources and applying powerful analytics across your enterprise.

2. Gain a true 360° view of your members, including clinical and other non-healthcare data sources, to personalize interactions for the best engagement.

3. Improve transparency and collaboration with providers to reduce variance, close gaps in care, and improve coordination.