Business challenge

Responding to government regulations, new competition and consumer demand for more personalized service, Anthem, Inc. needed to consolidate multiple legacy IT systems and start shifting target solutions to cloud computing—without impacting the delivery of essential health benefits to members.

Transformation

To transform its technology infrastructure, Anthem started its strategic migration from legacy systems to cloud computing. By integrating systems, data and processes with automation and predictive analytics, the company realized immediate operational improvements and began developing better insights for improving the health of its members, while also finding savings to reinvest in innovation.

Results

1 million customer issues corrected via dynamic automation

including 85% of high-volume issues addressed without human intervention

25% reduction in number of high-priority system incidents

significantly improving system up-time and reliability

Serving nearly 40 million Anthem members

representing one out of every eight Americans, with 750 million claims processed annually

Anthem, Inc.

Technology Transformation —delivering better insights for better health

Anthem (external link) is a leading health benefits company dedicated to improving lives and communities and making healthcare simpler. Through its affiliated companies, Anthem serves more than 78 million people, including over 40 million within its family of health plans. We aim to be the most innovative, valuable and inclusive partner.

"You put AI and analytics on top of the data and now you can start creating insights that can drive better health and wellness and better outcomes."

—Tim Skeen, Chief Information Officer, Anthem, Inc.

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An epidemic of disruption

Big competitors and nimble startups invade new markets. Empowered consumers seek and expect more choices. Digital technologies supersede "analog" operations. Government regulations alter the landscape. Mega-trends like these have upended manufacturing, media, retailing and other behemoth business sectors. And now, these forces are converging on healthcare, a USD 2.8 trillion industry that represents almost one-fifth of the US economy.

Anthem, one of America's leading health benefits companies, has been cognizant of these fundamental forces of change. Anthem examined its response to disruption and turned inward to foster transformation and innovation.

"We had to change our approach," says Tim Skeen, Chief Information Officer of Anthem. "It really had to be, 'how are we going to innovate to be able to react to the challenges, compete better in the marketplace and actually be more of a trusted health advocate for our members?'"

"We've been using IBM as our key partner to manage support across our infrastructure on premises for many years," Skeen says, "and it started with having that discussion with that trusted partner."

Prescription for change

The first step of Anthem's transformation was consolidating and modernizing its legacy computing systems. IBM helped Anthem's IT department shrink the computing environment that required custom coding and prepared the system to run external-facing applications designed to improve customer service.

Anthem had already started using private and public cloud services from a variety of vendors, including IBM. Skeen describes it this way: "It's about open interoperability across these environments and how we form a trusted partnership—not on whether or not you're buying IBM hardware or software, but about having somebody you can trust across the entire computing stack."

Inside the infrastructure environment managed by IBM, Anthem deployed AI tools to automate key computing operations.

"IBM created that space for confidence in terms of keeping things running while we focused on innovation," says Skeen. "And they also created efficiencies and cost savings allowing us to fund efforts to move to a more innovative and simplified environment. We're doing this for speed to market, to be agile, to be able to react to these disruptions and be successful going forward."

A clinic in preparing for the future

Although its transformation is still ongoing, Anthem's move to cloud computing will yield significant results. The flexible, multicloud environment enables the company to develop cloud-native applications more rapidly, deploy software patches faster and support its strategic shift from managing illness to promoting wellness.

The multicloud platform also supports the continued deployment of automation and cloud-native analytic tools that help Anthem employees manage IT system performance more effectively.

As Anthem's journey to the cloud progresses, it will have an infrastructure in place to take advantage of new, breakthrough technologies such as blockchain. In early 2019, Anthem, IBM and several other partners announced a new collaborative that will apply blockchain technology to enhance interoperability and transparency in healthcare. Blockchain technology is designed to reduce administrative errors and ensure the efficient exchange of health information, which would lead to improved patient outcomes and lower care costs.

"The automation and the instrumenting to our infrastructure that IBM has been driving allowed us to hit the one million mark, where we're automating the correction of infrastructure issues proactively without any human intervention," Skeen says.

Take the next step

Learn how to accelerate business transformation with cloud services.

For more information about Anthem Inc., please visit www.antheminc.com (external link) or follow @AnthemInc on Twitter.

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