

AOK Niedersachsen significantly improves policyholder service



Real-time insight into management and controlling processes with state-of-the-art business analytics

Smart is...

improving service for approximately 2.4 million insured members using a business analytics solution.

German health insurer AOK Niedersachsen was looking for a solution that could provide dashboards, standard reports and analysis tools to improve business decisions and corporate management. Supported by IBM Business Partner novem business applications, the company implemented a comprehensive database and a flexible BI system that supports planning, reporting, analysis and forecasting.

AOK Niedersachsen is the tenth-largest health insurance company in Germany. It works with more than 40,000 professional healthcare partners such as doctors, dentists, hospitals and pharmacies. In 2013, the company managed more than 2.4 million members, a total budget of approximately €8.6 billion, and around 120 service centers across Lower Saxony.

In Germany, companies that provide statutory health insurance are subject to a high degree of state regulation, and over the years competition in the industry has become more intense as patients gain more comprehensive rights, barriers preventing people switching to new health insurers are lowered, and the market becomes more transparent. For this reason, it is crucial for AOK Niedersachsen to stay agile and continuously boost overall corporate performance in order to offer excellent health insurance services and provide optimized healthcare for its 2.4 million members.

Proactive approach requires accurate information

To facilitate corporate management, the company relies on IBM® Cognos® Business Intelligence (BI) software. The solution supports decision-making on issues that have a significant economic impact on the business by providing reliable data on business processes.

The company realigned its IT infrastructure, migrating its important business applications to a solution known as "oscare". This health insurance solution, which is based on SAP, now manages around 70 percent of AOK Niedersachsen's business processes.

"In order to efficiently manage the entire company, we needed a single source of data for all business processes," explains Elke Stump, Head of the Controlling Department in the Corporate Governance Division at AOK Niedersachsen. "We also wanted to allow decision-makers to take advantage of the existing performance measurement system by providing graphical overviews, standard reports and analytics tools."





Business benefits

- Enables rapid, informed decision-making through easy access to accurate, up-to-date figures.
- Accelerates queries by a factor of 100 using extensive parallel processing capabilities, encouraging high user acceptance.
- Decreases costs by reducing storage requirements by approximately 66 percent and cutting the time spent on administration and development tasks.

IBM Cognos at the heart of a challenging business intelligence project

As part of this ambitious business intelligence project, AOK Niedersachsen created a standardized database of all business processes for its various departments.

In parallel, AOK Niedersachsen implemented a BI system based on IBM Cognos technology. The new system was designed to support all management processes, including planning, reporting, analysis and forecasting. IBM Business Partner novem supported the company throughout the development and deployment of the new solution.

700 decision-makers with current data at their fingertips

The new BI database contains over 11,000 data fields, over 500 tables and more than 3.5 billion records. It integrates data supplied by the company's business applications as well as additional external data sources. Around 750 users, ranging from the CEO to the administrative staff, use the IBM Cognos software to view relevant performance figures, which are displayed in graphical dashboards. For example, the solution allows them to view and compare current and cumulative inputs and outputs, or forecasted and actual earnings.

From the high-level dashboards, employees can drill down to the details. In addition, staff can use predefined reports to generate overviews of the figures that they need to monitor most frequently. Additional tools help staff perform targeted or spontaneous analyses of specific areas.

Some employees are also using IBM Cognos Mobile on their Apple iPads as part of a pilot project.

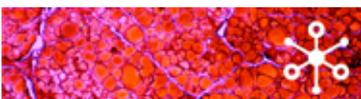
Smarter Healthcare

Better service supported by state-of-the-art analytics



Instrumented

Data from business applications is continuously collated and processed in real time in a single database, then combined with data from specialist applications.



Interconnected

Around 750 employees based across Niedersachsen access graphical dashboards and comprehensive analysis tools, enabling them to analyze up-to-date, relevant performance data from any location.



Intelligent

Detailed, up-to-the-minute information offers new insights and enables decision-makers to manage the company more effectively. Simulations help managers see the likely effects of business decisions before they are made.

Solution components

Software

- IBM® Cognos® 10
- IBM Cognos TM1®
- IBM Cognos Mobile

Hardware

- IBM PureData™ System for Analytics N1001-005

IBM Business Partner

- novem business applications GmbH
-

New findings improve decision-making

“We now have direct access to up-to-the-minute data, helping us answer common questions immediately when talking to colleagues – whereas in the past, we had to go through a lengthy process of compiling the necessary information. The new solution has completely revolutionized management decision-making across the entire company,” explains Elke Stump.

The BI system helps AOK Niedersachsen to improve patient services for all the people it insures and to broaden the range of services that it offers. It also helps the company identify potential cost savings, for example by terminating discounted contracts, focusing on treatment provided by GPs, or increasing the proportion of generic drugs that are prescribed. Simulations make it easy for the company to predict the likely effects of pursuing alternative policies such as these.

“For example, we needed to decide on how to inform our customers about a new treatment program for patients suffering from depression,” explains Elke Stump. “The initial idea was to introduce them to this program when we were meeting with them or writing to them about how to claim sick pay. However, a quick look at the current figures showed that most of the patients we wanted to target with this program do not claim sickness benefits, so we would have been unlikely to reach them using this method of communication. We therefore decided to address these patients differently, so that we could get them the help they needed more quickly.”

Elke Stump adds: “We can identify any increased incidence of certain medical conditions and use targeted contracts with healthcare providers to further optimize treatment for current sufferers and people at risk and to reduce long-term treatment costs. This is a typical win-win situation.”

Hundredfold performance increase with IBM PureData System for Analytics

The company put new decision support resources in place, and produced video podcasts to explain the new applications, which quickly encouraged a high level of user acceptance. User buy-in has significantly accelerated the introduction of the new solution across the business.

“We now have access to accurate, up-to-the-minute data, helping us answer common queries quickly and directly. In the past, we had to go through a lengthy process of compiling the necessary information. This has completely revolutionized management decision-making across the entire company.”

— Elke Stump, Head of the Controlling Department in the Corporate Governance Division, AOK Niedersachsen

To meet the demands for increased performance, AOK Niedersachsen implemented a new IBM PureData™ System for Analytics N1001-005, an appliance that includes IBM hardware designed for high-performance parallel processing, plus an optimized database and analytics software. The appliance is designed to reduce performance bottlenecks and shorten the time required for administration and development tasks.

On average, the PureData System increases the performance of real-time analytics by a factor of 100. The system also provides excellent performance for ad hoc analyses: for example, the run time of one particular report was cut from 25 hours to just two minutes and 40 seconds.

Elke Stump says: “With the IBM PureData System for Analytics, we finally have the right degree of performance for our IBM Cognos Business Intelligence system. We have even been able to reduce the time taken for administration tasks significantly. Performance optimization is no longer an issue. The new system has cut storage requirements to about one-third of the previous capacity. This has also enabled us to reduce our overall costs considerably.”

Goal for the future: keep improving

The company recently purchased another IBM PureData System for Analytics platform to run additional workloads. Specifically, the company is considering introducing data-mining and predictive analytics, which could help it track down incorrect invoicing for services rendered.

“We are constantly developing the system,” concludes Elke Stump. “With our current state-of-the-art software and hardware for business analytics, we will be able to manage our company professionally and maintain our competitive edge in the future. These improvements will benefit our policyholders and business partners.”



“With our current state-of-the-art software and hardware for business analytics, we will be able to manage our company professionally and maintain our competitive edge in the future. These improvements will benefit our policyholders and partners in the healthcare industry.”

— Elke Stump, Head of the Controlling Department in the Corporate Governance Division, AOK Niedersachsen

About novem business applications

novem business applications is an IBM Premier Business Partner that specializes in business analytics and optimization. The company has won numerous awards in the fields of business intelligence, corporate planning solutions, key performance indicators and scorecards, as well as predictive analytics.

With more than 300 successful customer implementations and 30,000 satisfied users working with solutions deployed and supported by novem, the company is a market leader for planning, sales and marketing information systems in German-speaking countries. Another focus is corporate planning and management solutions: novem is a research partner of FHS St. Gallen in the field of risk and balanced scorecard solutions. With its ISO-certified Business Analytics Training Center, novem ensures skills transfer throughout and after its projects, because a project will only be successful if users understand and accept the solution.

To learn more about products, services and solutions from novem, please visit www.novemba.de

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