Harvard Pilgrim Health Care's Internet Strategy

The eHealth Colloquium   Harvard University

The Economics and Finance of the Healthcare Internet

Monday 8/21/00

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Director, Web Development, Harvard Pilgrim Health Care

A Supportive Strategy

- HPHC's Web Strategy is supportive of our underlying health and business needs – working with PerotSystems, Inc.

- Overall and constituent web strategies for members, providers, employers/brokers, and employees

- Develop reliable, trustworthy, satisfying experiences which increase loyalty, reduce hassles, and reduce administrative costs

Elements of a Strategy

- Start with patients and physicians
- Demonstrate value based on customer joy
- Use the internet for everything
- E-mail, FAQs, and hour long hand holding

Ian Morrison, Alliance For Community
Health Plans Annual Conference

Implications For Community Health Plans

- A time to differentiate
- Not an Entovian world
- Value must be demonstrated to the enrollee and the media, not just the employers and wonkland
- Medical and Service excellence enabled through e-commerce
- Re-emerge as the innovators

Ian Morrison

Internet Use

- Internet penetration in Boston: 46.0% of adults online, now estimated at 54%

- Y2000: African American 40%, Hispanic 43%, Asian 69%, Caucasian 44%

- Place of Primary (>50%) Net Access: (1999) Home 46%, Office 54%, Other 13%

- Reason to be online: (1999) Research/Info: 28% (drop from 44% prev year) ,

- E-mail: 48% (a jump from 27% previous year), News/Mag: 3%, Bank/Invest: 4%, Entertainment 4%

The eGlobal Report, eMarketer Y2000

Health Internet Use

- #1 use: look up new diagnosis

  #1 desire: e-mail their physician

  Tom Ferguson

- 37% of 10.3M internet users who anticipate changing insurance carriers over the next 12 months would be likely to switch carriers in order to manage benefits online
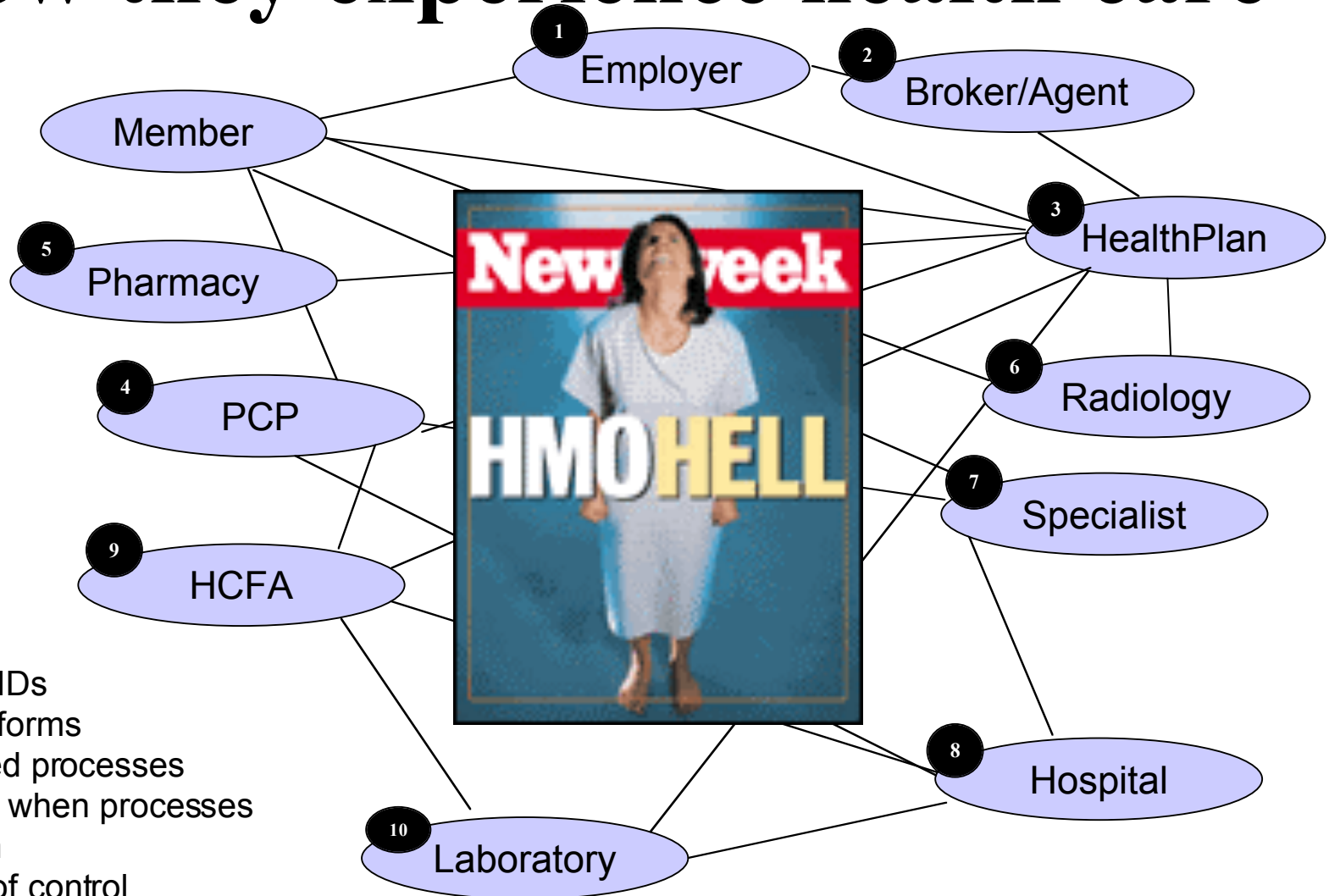
  CyberDialog, Where Will The Road To e-Health Lead?, First Consulting Group May 2000

- Women's use, especially age 55 and older, jumped 109% in one year, esp. research

  Jupiter Communications/Media Metrix

Understanding our key constituents
How they experience health care

1 Employer

2 Broker/Agent

Member

3 HealthPlan

5 Pharmacy

6 Radiology

4 PCP

7 Specialist

9 HCFA

- Too many IDs
- Too many forms
- Fragmented processes
- Frustration when processes breakdown
- No sense of control
- Wasted time and $

8 Hospital

10 Laboratory

Member Opinions

- Frustrated with red-tape, paper work
- Believe managed care produces more rushed, less personal care
- Want the physician left alone
- Would like EASE OF USE, personal service, and no surprises

HCHP's Internet Goals

- Increase ease of use, reliability, satisfaction around all the basic interactions

- Reduce administrative costs

- Increase personal service/health support when members want it

- Improve management of prevention and chronic diseases

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Harvard Pilgrim
HealthCare

Welcome to

Harvard Pilgrim *Online*

About Us

Your Health

Health Library

Health Plan Choices

Prescription Drugs

For Employers

For Members

For Providers

Career Opportunities

Contacting Us

| FOR MEMBERS | FOR PROVIDERS | FOR EMPLOYERS |

Making life better is our life's work.®

What's New at Harvard Pilgrim

▶ Harvard Pilgrim Health Care Receives NCQA Accreditation
After an exhaustive examination of Harvard Pilgrim's clinical and service quality programs, followed by an off-site evaluation, NCQA granted an accreditation status of "Commendable."

▶ Introducing *HPHConnect*:   Online Transactions at Harvard Pilgrim!

Bike Helmet Discounts
(for members only)

Interactive Health Resources

Harvard Pilgrim affiliated programs:
▶ Specialists Online: Ask a health-related question
▶ CHESS: Support for Breast Cancer, Menopause and Prostate Cancer
▶ DoHealth: Customized health programs

Quick Links

▶ Provider directory
▶ Your Health newsletter
▶ Health Plans
▶ Drug Formulary
▶ Health Classes

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Goal 1: Increase ease of use, reliability, satisfaction with the basics

- Routine transactions should have low emotion, and build loyalty through status quo: it works how I want it to work

- Most of healthcare has managed to make these well remembered negative emotions

Perot Systems Corporation

- HPHC's IT Partner
- Uses an enterprise process model, for an organization and across an industry
- Jointly with HPHC, Created HPHConnect

The Solution

- Build a cooperative systems, data and process platform for constituents

- Dramatically simplify health care administration through the creation of a shared/secure record

- Asynchronous, persistent middleware integration layer interfacing with existing systems

- Highly customizable user interface to support the constituent's identity

- Implement in a series of regular releases - constantly improving functionality/performance

Share a narrow set of industry-wide market processes

1. Authenticate/enroll
- member/emergency contacts, MCO, servicing provider

2. Validate
- coverage eligibility, current medications, allergies, PCP

3. Request/authorize services
- request appointment, referrals, authorizations, pre-certifications

4. Compensate service providers
- validate CPT, fee schedule, instant claim clearing/settlement

5. Collect premium
- roster validation, bill presentment, bill payment, A/R reconcilliation

6. Reconcile accounts/communicate
- Track and report activity, summarize results, monitor account, communicate between and among all parties

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Harvard Pilgrim HealthCare

For Members

Enrollment Overview

The enrollment process includes a set of screens to gather information about you and your dependents. Each screen has options to guide you through the process. At the end of the process you will be able to review and confirm all your information before submitting it. A human resources administrator from your company will verify your submission within three business days. Your human resources administrator will determine whether your application will be approved or denied. If you are approved, your information will be submitted to Harvard Pilgrim for enrollment. If you are denied, your human resources administrator will notify you.

The enrollment steps include:

1. Enter Employee Info
2. Enter Dependent Info
3. Select a Plan
4. Select a PCP
5. Review Info
6. Finalize Enrollment

What you will need:

- Your Employer ID # (provided to you by your employer)
- Your Employer Sub Group (if applicable)
- Your social security number

6 easy Steps for **Members** to enroll

1. Enter Employee Info
2. Enter Dependent Info
3. Select a Plan
4. Select a PCP
5. Review Info
6. Finalize Enrollment

DONE

ENROLLMENT TIP

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For Members

Harvard Pilgrim HealthCare

6 easy Steps for Members to enroll

1 Enter Employee Info
2 Enter Dependent Info
3 Select a Plan
4 Select a PCP
5 Review Info
6 Finalize Enrollment

DONE

Are You Already A Member?

If you are enrolling in Harvard Pilgrim Health Care for the first time, click 'New Member'. If you are currently a Harvard Pilgrim Health Care member, please enter the information below and then click 'Find My Record'.

[Previous]   [New Member]

ENTER INFORMATION

ID Number
(XXXXXXXXX-##)

Social Security Number
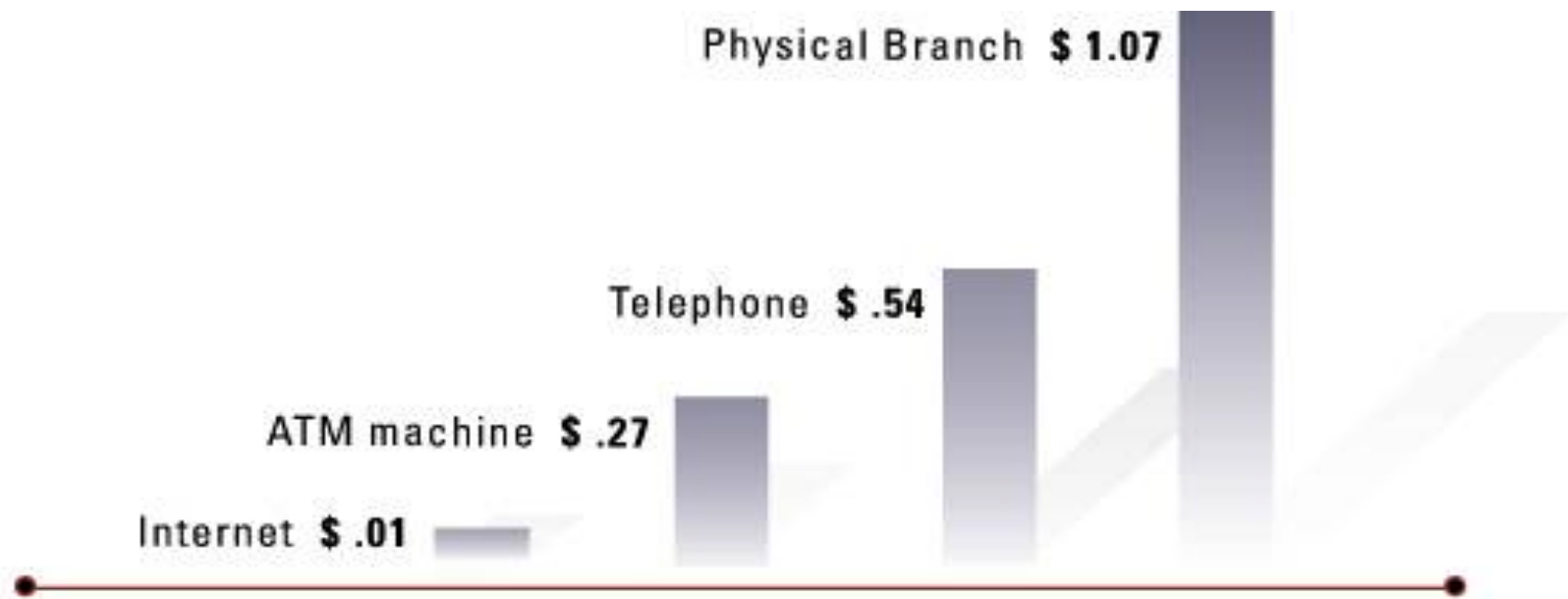
Birth date   [Select a Month ▼] / [Day ▼] / [Year]

IDENTIFICATION TIP

Please enter your identification number as it appears on your Harvard Pilgrim Health Care ID card (for example HP1234567-00)

Goal 2: Reduce administrative costs

e.g. banking transactions

Physical Branch **$ 1.07**

Telephone **$ .54**

ATM machine **$ .27**

Internet **$ .01**

NetCommerce Magazine, November 1999

Projected Annual MCO Transaction Savings (online)

- Enrollment 30.0%
- Claims 7.5%
- Referral 24.5%
- Member Services 22.5%
- Provider Services 30.0%

Goal 3: Increase personal service/health support

(when members want it)

- Life events are a big opportunity to deliver service and create loyalty

- Most of these events have been missed by health plans, and those physicians who do understand this have patients for life

- High touch or self service: personal preference and situation dependent

- More affordable with internet

File Edit View Go Communicator Help

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Harvard Pilgrim HealthCare

Harvard Pilgrim Online–*For Members*

HPHConnect
Member Services
CHESS
DoHealth
Discounts & Programs
Senior Focus
Specialists Online
Health Events/Classes

Member Services

Learn how to contact our Member Services department and find answers to commonly-asked questions.

Physician Directory

Use our online directory to find pharmacies and doctors.You can also learn more about a physician in provider profiles.

HPHConnect

HPHConnect provides secure online services for participating employers and their employees.

Specialists Online

Let the specialists answer your health questions.

DoHealth!

Online resources to help you manage your health.

Health Events/ Classes

Want to improve your health and well-being? These programs can help!

Your Health

Read the latest articles from Harvard Pilgrim's member magazine.

CHESS

Online information and support for breast cancer, menopause and prostate cancer.

Discounts & Programs

Take a look at all the savings that come with being a Harvard Pilgrim member.

Senior Focus

Information, articles and events just for seniors.

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Bookmarks   Netsite: http://www.harvardpilgrim.org/For_Members/Specialists_Online/index.htm   What's Related

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Harvard Pilgrim Health Care

Harvard Pilgrim Online–*For Members*

HPHConnect

Member Services

CHESS

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Discounts & Programs

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REMINDER

Specialists Online is for Harvard Pilgrim members, employees and select employer groups. We provide general health information only, and do not offer treatment, diagnosis or second opinions. This is best provided by your personal physician. **If you need urgent advice, call your doctor right away.**
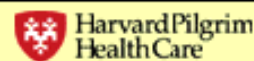
▼ **SELECT A SPECIALTY**

Oncology Department   **Vanguard** Medical Associates

○ (Dis)Ability and Work: Answered By: Affiliation:
                                 Thomas C. Hawkins, MD   **Harvard Pilgrim** Health Care

○ End of Life Care/Geriatrics   Answered By: Affiliation:
                                 Bob Buxbaum, MD
                                 Rehabilitation, Geriatrics and   **Harvard Vanguard** Medical Associates
                                 Caring for Aging Parents

○ Genetics: Answered By: Affiliation:
                                 Susan P. Pauker, MD   **Harvard Vanguard** Medical Associates

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do health!™

Harvard Pilgrim HealthCare
your sponsor

amazon.com
e-commerce link

do personalize this page!

Thomas's Health Page

assess your health

Assess Your Health with the Health Mirror
click here to assess your health with the health mirror.

First Aid   [go]

Home

Your Health

Assess Your Health
Your Health Report
Your Prevention Plan
Your Goals
Your Health Actions
Your Reminders

Take Action

Manage Blood Pressure
Quit Smoking
Manage Stress
Manage Weight
Expectant Parents
New Parents
Women's Health

Look It Up

Drug Reference
Health Reference
Children's Health
Symptoms & Diseases
First Aid & Emergencies
Health Tips
News Archive

My Reminders   ▶ View all

You haven't yet scheduled any DoHealth Reminders. Or, if you did, perhaps they are outdated and you've already deleted them. You can schedule a new reminder now, if you like.

My Goals   ▶ View all

You haven't yet set up any DoHealth Goals. Or, if you did, perhaps they are outdated or you deleted them. You can add a new goal now, if you like.

My Health Actions   ▶ View all

You haven't yet set up any DoHealth Health Actions. Or, if you did, perhaps they are outdated or you deleted them. You can add a new health action now, if you like.

my health news
from *Health*SCOUT

▶ receive my headlines via email

Shelf-Life Worry Prompts Norplant Freeze
Doctors told to stop implanting certain birth-control devices

The State of Skin Cancer
More men die in Hawaii; more women in Alaska

Giving High Blood Pressure the Runaround
Exercise, diet may control it for some people

Fear Memories: Made to Fade
Your brain reinvents some memories every time

Showing Tuberculosis Out the Door
Study reveals how TB persists in the body

Double Whammy for Gum Disease
Smoking, lack of vitamin C ruin gums, study shows

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A Network of Support

Welcome to CHESS!

What is CHESS?

CHESS (Comprehensive Health Enhancement Support System) is an easy-to-use online program designed to help people make well-informed decisions and cope with issues surrounding specific health concerns.

If you are a member of Harvard Pilgrim Health Care, you can **select one of these three health issues to explore through CHESS:**

- **Breast cancer**
- **Menopause**
- **Prostate cancer**

CHESS can answer many of your questions, help you find out about

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HOME   SEARCH   FEEDBACK   SITEMAP

Harvard Pilgrim
Health Care

Harvard Pilgrim Online–*For Employers/Brokers*

Up One Level

Product Choices

Service Area Zip Codes

HEDIS Reports

Sample RFP

Financial Info

Worksite Programs

Multicultural Services

Related Links

Technical Q&A

Employers and Brokers

Broker Support

Multicultural Services from Harvard Pilgrim

Harvard Pilgrim's deep commitment to diversity stems from our strong belief that valuing the differences of our members and our employees is critical to our success as an organization. As the demographics of our community shift, we must be able to effectively manage the diversity of an increasingly multicultural customer base. We also must attract and retain the finest employees and harness their diverse talents and perspectives.

Initiatives to support this commitment include educating our workforce to better recognize diversity as an important business issue, providing accessible and competent services to our multilingual members through the use of trained medical interpreters, and implementing a curriculum for physicians that provides skills to enhance their ability to treat individuals from varying cultural backgrounds. In an effort to hold ourself accountable for progress in this area, over the past four years we have incorporated diversity objectives into the performance goals of our senior management.

We were honored to receive the Arnold Z. Rosoff Award for Excellence in Diversity from the AdClub of Greater Boston, recognizing us as "a leader committed to fostering a more racially and culturally diverse and inclusive workplace."

e- Loyalty

- The unique economics of e-business make customer loyalty more important than ever – the high cost of low loyalty

- Between 15 and 60+ percent of customers, depending on the industry, defect before the break even point

- The old rules are as vital as ever: still about earning trust and delivering a consistently superior experience

- Price does not rule the web, trust does

Reichheld, Schefter, HBS July-August 2000

Goal 4: Improve management of prevention and chronic diseases

- Less data/experience on how this will really help vs traditional

- At the least, we can do more, at less expense, more predictably

- Chronic disease nurses spread out over geography helped

- Less expensive centralized monitoring systems

- Assuming security, a central repository for information lost in transitions

Return On Investment

reinvested in service and lower premium increases

- Actual ROI unknown - variable forcasts
  - Reduced administrative costs
  - Increased loyalty
  - Reduced medical management costs
  - Minus web costs
  - --
  - Over three years

Summary I

- Web is a supportive strategy addressing the biggest problem: complexity

- A vehicle for delivering service not previously affordable

- Ability to reduce medical management costs seems promising, yet to be seen

Summary II

HPHC, like other MCOs, is at the crossroads of insurance, service, and health support where the Internet has huge potential. Wading through the technology to deliver the what the customers really want is key.