



HEALTHCARE INSURER BOOSTS OPERATIONAL EFFICIENCY AND CUSTOMER SATISFACTION

HUMANA

/// CASE STUDY



After carefully comparing competing software solutions, Humana selected MetaVance® from EDS, an HP company, to unify its extensive health benefits value chain within a leading-edge, self-service Web presence.

CLIENT PROFILE

www.humana.com

Initially founded in 1961, Humana has grown to become one of the largest Healthcare companies in the industry with more than 22,000 employees. With a presence in both the U.S. and Europe, Humana strives to bring health benefits to consumers in a fair and efficient way

Industry: Healthcare

Founded: 1961

Headquarters:
Louisville, Kentucky

Business Need Addressed:
Productivity

Humana wanted an e-business platform to optimize operations

Humana is one of the United States' largest publicly traded health benefits companies with approximately 6.4 million medical members across 18 states and Puerto Rico. The company contracts with approximately 330,000 physicians, 2,500 hospitals and 39,000 pharmacies.

The insurer's success is due, in part, to its ability to transform obstacles into opportunities. One such opportunity arose when Humana decided to launch a companywide e-business transformation to answer challenges facing the health insurance industry – including administrative inefficiencies, increasing costs, lack of standards, reduced payments and consumer concerns over coverage, costs and control. If successful, Humana stood to not only optimize its operations, but also gain a compelling competitive edge.

As part of this strategy, Humana designed an interactive, Web-based health plan, Emphesys. Through it, Humana would connect vastly divergent groups of users – plan participants, employers, doctors and insurance brokers – into a high-performance online community that sets new standards for informed interaction and collaboration. Consumers would enjoy nearly instantaneous service and direct control over their individualized benefit plans. Humana would decrease its time to market and ensure rapid, reliable public access to its new products and benefits. To make it all happen, however, the insurer needed a custom-designed e-business platform, which would allow intensive, integrated data processing in real time.

EDS delivered best-in-class health plan management system

EDS convinced Humana that EDS MetaVance Administration and Finance System was up to the challenge. Hand-in-hand with Humana's systems integration team, EDS implemented the solution while resolving software design and integration issues along the way. Customized to Humana's specific requirements, the system went live in August 2001 as the company introduced the product in its Memphis, Tennessee market.

CREATING AGILITY AND FLEXIBILITY

Humana elected to implement MetaVance in an IBM environment based on MVS-ESA and DB2. (The software can also be implemented in a UNIX/Oracle environment.) The configurable and table-driven software architecture allows the application to meet Humana's current business model requirements and provides agility to accommodate changing business dynamics. A suite of application program interfaces (APIs) gives Humana additional flexibility to integrate highly specialized solutions without customization that would hinder future system upgrades.

Service featured

- MetaVance

"We expect to reduce the number of phone calls to our center by providing relevant, responsive self-service for plan participants and their doctors – lowering costs and improving customer satisfaction with convenience and timely services."

Bruce J. Goodman
Senior Vice President and
Chief Information Officer,
Humana

Humana's customer satisfaction soared while costs declined

Humana clearly realized its Emphesys vision having seamlessly migrated all Emphesys business processes – such as enrollment and claims and eligibility transactions – to a robust next-generation portal. Provider satisfaction went up, thanks to speedier payment processing and guaranteed eligibility made possible through real-time processing. Consumers enjoyed anytime, anywhere access to a modern, interactive health benefits experience and were no longer restricted to call center hours for routine inquiries.

Overall, Emphesys significantly increased user satisfaction across Humana's entire health benefits services value chain, while reducing administrative and management costs. Today, Humana is aggressively pursuing a plan to offer more health plans on MetaVance to benefit from further efficiencies.

By offering compelling customer-centric experiences online, Humana can cement its reputation as the easiest health benefits company to work with industrywide.

"We needed a relationship with an IT firm with the expertise, the systems framework and a complementary product direction to collaborate with us on our aggressive e-business plans," says Bruce J. Goodman, Humana senior vice president and chief information officer.

"Ultimately, our system must be robust enough to manage our complex business and scalable enough to handle our large transaction volumes. After reviewing leading solution providers nationwide, we found that EDS is one of the few players who is qualified to develop and install such a system."

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