



ONLINE WITH MICHIGAN'S SECOND-LARGEST MEDICAID PLAN: Enhancing Customer Experience While Reducing Costs



Since May 2005, the call center traffic at Michigan's second-largest Medicaid Plan has decreased significantly, even though membership numbers top 140,000 people in 19 counties across the state.

The slowdown in calls is intentional, caused by launching a suite of innovative web capabilities that give medical providers direct access to up-to-date patient eligibility and claim status information, online and around the clock.

Moving routine inquiries to the web allows the staff to handle time and service-critical functions, and provides improved customer service. The web capabilities also allow the plan to monitor and capture usage data, and make informed decisions about future enhancements and technology investments.

THINK BIG, START SMALL

The plan's vision was to improve services to its entire customer base – the State of Michigan, participating health care providers, and patients/members – and impact savings.

A survey conducted by the Michigan Department of Community Health showed that 64% of Michigan physicians in active patient care practices serve Medicaid patients, and that 48% use computer technology to handle and process insurance claims. Given these figures, facilitating easy and secure online access for health care providers was a benefit of particular interest.

Because medical treatments and the legislation governing Medicaid insurance coverage are as organic and evolutionary as the biological conditions they address, it was critical to create an equally organic website architecture, capable of adapting to changes in business, medical and legislative circumstances.

Eliminating the daily avalanche of repetitive eligibility and claim status calls and decreasing the cost of mailing monthly status reports to providers were the plan's most pressing needs. Additionally, the plan's management recognized the strategic advantage of defining a solid architecture today as a base for future applications. Rapid development of the primary functions, and the ability to layer future functions over a stable foundation was crucial – strategically, and in terms of cost containment.

Terms like organic and evolutionary are rarely used in the world of technology, where problems and challenges are generally forced into inflexible solutions. But in the early months of 2005, the plan partnered with X by 2, Inc., a Detroit-based technology consulting group specializing in forward-thinking strategies and enterprise application architectures that evolve and grow seamlessly as the client's strategies and requirements change.

ARCHITECTURE FIRST

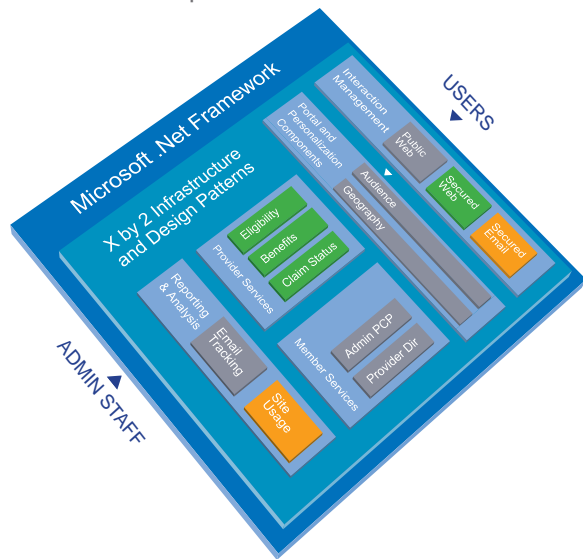
Historically, the medical providers participating in the plan verified patient eligibility and checked claim status by calling the call center. Patient rosters and historical data such as upcoming immunization dates were printed and mailed to participating providers on a monthly basis. The plan, as well as the providers, whose staff and phone lines were also tied up, lost significant time and incurred higher costs in the process.

X by 2 solved the plan's challenges with their architecture first approach. "We think things through rather than jumping into brute-force solutions," says David Packer, Client Partner for the project, and a Principal at X by 2. "The carpenter's rule, 'measure twice, cut once,' also applies to enterprise information systems."

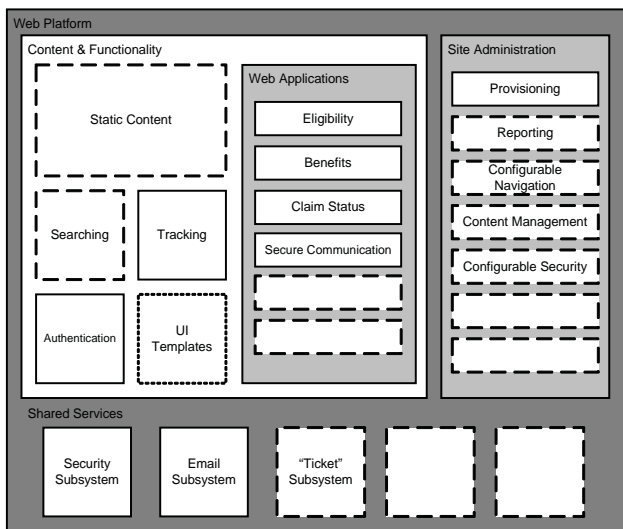
Just prior to beginning the project, the largest health company in the country acquired the plan. In order to proceed with the portal initiative as scheduled and avoid the lengthy delays inherent in restructuring through an acquisition, a compelling

business case and evidence of a high short-term return on investment was required. X by 2's expertise in pre-built but adaptable and pattern-based modules, their proven reusable ideas, and their ability to deploy all of the project phases in just eight weeks, were impressive and major factors.

Utilizing industry best practices, the plan's provider service functions were developed on top of X by 2's .Net based portal platform, and integrated with the plan's existing backend systems – Trizettos Facets. This forward-thinking strategy leveraged agile architecture and design techniques, which increased flexibility, and translated directly into reduced Total Cost of Ownership.



The concept is similar to road construction. Engineers begin by stabilizing the foundation – the bedrock – and build the road layer-by-layer interdependent layer. Each layer utilizes the strengths of those below, and the final functionality – the curbs, signals and surface appearance – is maintained, changed and enhanced in increments, relative to traffic patterns and community needs.



THE FINAL LAYER

External functions – those relevant to the medical providers accessing the plan's website – were developed as small applications built upon a multi-layered architecture. Functions included: Positive and secure identification of site visitors as authorized users, and the ability to gather specific information about the medical provider; The ability of medical providers to verify patient eligibility and coverage, and to review the standing of submitted claims by patient name, date of service, or billed amount; Online statistical reports per provider, and printable patient communication forms.

Internally, the plan desired tracking mechanisms and usage reports providing real-time statistics on frequency of use, functionality accessed, and the time involved in each transaction. The usage information allows the plan to estimate the cost savings and value inherent in the reduced burden on its inbound call center, and quantify where it can best make future enhancements and additional investments in its online services.

PAYING IT FORWARD

In addition to the cost and time savings realized in reducing call center traffic, the plan has significantly reduced the cost of printing and mailing provider access reports, and is using the data captured internally to develop strategies and services for the future. Acclaim for the plan and its new portal is rolling in from physician offices and hospital staff. Office professionals at one regional medical center, for example, recently declared the plan's site the most timely, user-friendly, and informative web portal tool they have accessed.

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