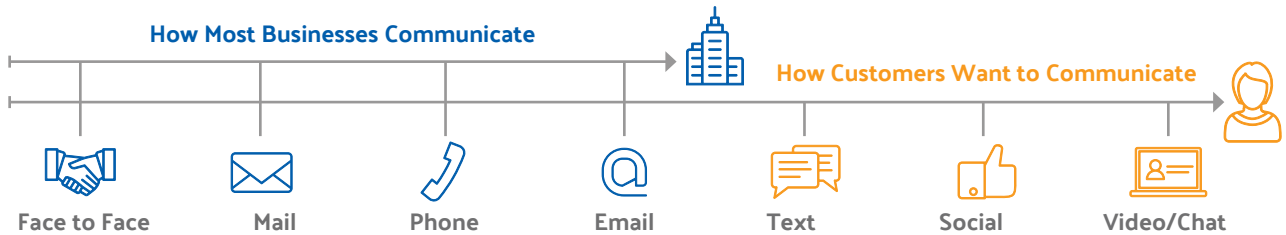


Reducing Administrative Burden and Improving Health Compliance

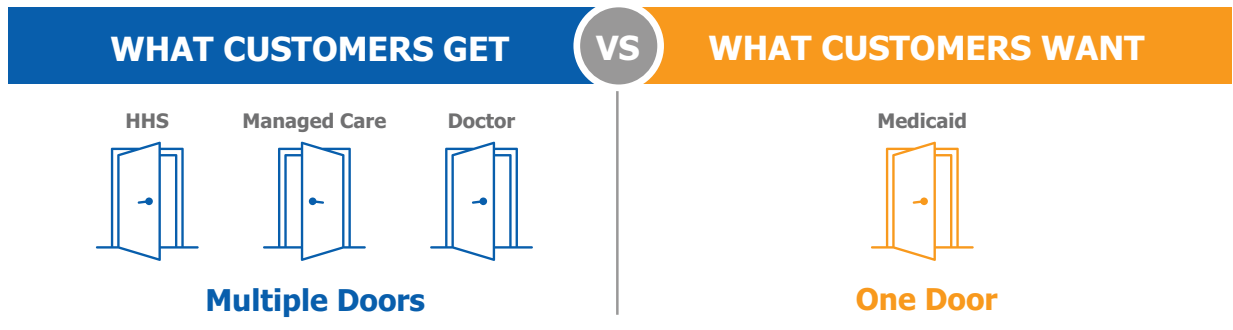


What is the Shift in Communications with Customers?

The first shift is that businesses are still focused on mail and calls to connect with customers, whereas customers have moved on from running to pick a ringing phone to check to see who is calling before deciding if they want to answer. Customers have become comfortable with having conversations through messaging as shown in the graphic – the asynchronous nature of messaging does not require the level of mental processing that a conversation requires.



The second shift is that members want simplicity. Searching for information for each of their needs and then taking appropriate action takes a huge cognitive load. Having a single door simplifies their interactions, as shown. Members want to be in control, they want to be self-sufficient.



Communication Rules for the Digital Age

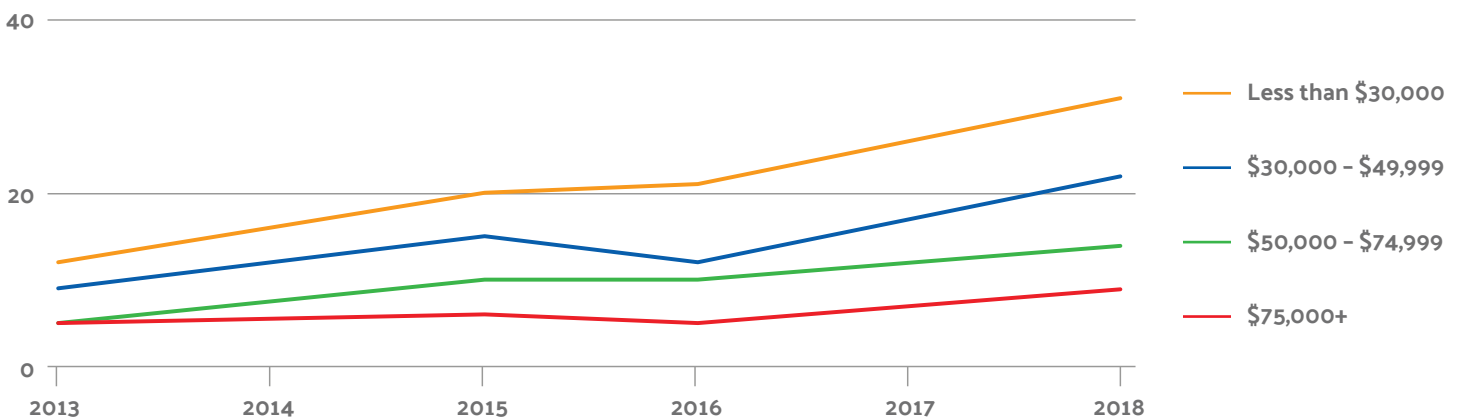
A recent [USA Today article](#) talks about communication rules for the digital age. The top rule on the list of 15 rules is “Don’t call me before you text”. The list covers further rules around not answering calls from unknown numbers and replying on the same channel on which communication first started. Similar findings arise, for example from “Hiya State of Phone Call 2018 report”, based on a subset of 11 billion calls analyzed per month, 76% of calls were left unanswered when the call was from an unidentified or unfamiliar number.

Let's look at some **data for smartphone adoption** and usage. In the representative Medicaid population where the annual income is less than \$30k, 92% owned mobile phones of which 67% owned a smartphone. This number has been growing over the years and we can infer that two-thirds of Medicaid members have a smartphone.

Household Income	Any Cellphone	Smartphone	Cellphone (but not Smartphone)
Less than \$30,000	92%	67%	25%
\$30,000 - \$49,999	98%	82%	15%
\$50,000 - \$74,999	98%	83%	15%
\$75,000+	98%	93%	5%

Source: Pew Research Center; Survey conducted Jan. 3-10, 2018; <https://www.pewinternet.org/fact-sheet/mobile/>

As the graphic below shows, reliance on smartphones for online access is especially common among younger adults, non-whites, and lower-income Americans.



Source: Pew Research Center; Surveys conducted 2013-2018. Data for each year based on a pooled analysis of all surveys containing broadband and smartphone questions fielded during that year; <https://www.pewinternet.org/fact-sheet/mobile/>

What is more interesting is that the smartphone as sole access to the Internet is highest in this income group. This means that they do not have broadband at home and primarily use a smartphone, not a laptop or tablet, to access the Internet.

Tools from a Bygone Era

Medicaid member communication continues to use a set of tools from the past. Handbooks in print and electronic form are a primary source of information for members. There is a list of numbers members can access if they have any doubts or need support. An example of this is shown where a member with an urgent need, not an emergency, needs to search through a PDF or call one of the numbers listed here.



Member Services	1-800-783-5386
STAR Program Helpline	1-800-964-2777
Ombudsman Managed Care Assistance Team	1-866-566-8989
24-Hour Nurse Advice Line	1-800-783-5386
Relay Texas TTY Line (Hearing Impaired)	1-800-735-2989
Pharmacy Helpline (Prescription Drugs)	1-800-783-5386
Medical Transportation	1-877-633-8747
Eye Care	1-888-756-8768
Dental Care	1-800-516-0165
Behavioral Health	1-800-783-5386
Alcohol/Drug Crisis Line	1-800-716-5650
Member Connections (Additional Community Services)	1-800-783-5386
Member Advocate	1-800-783-5386

Example Handbook and Phone List

Medicaid MCOs have a broad set of benefits along with incentives to drive healthy behavior. To acknowledge their completion of a health activity, members have to use mail or fax. While mail and fax to document utilization is an enterprise process, it is hard for a member to process their information.

In addition, the reward for activity is typically delivered 2-3 months after completion. Impacting behavior when rewards don't immediately accompany is difficult. Some examples of this are shown below.

TO RECEIVE YOUR CHILD'S REWARD:
 • Please **Complete Entire Form**
 • **Have your Child's Provider Fax to: 1-259-XXX-XXX**
 (Include **Copy of Medical Records**)

Child's Name: _____ Child's DOB: _____
 Mailing Address: _____ Apt: _____
 City: _____ State: _____ ZIP: _____
 Home Phone: _____ Cell Phone: _____

- Your child must be a member.
- At least 7 well child check-ups need to be completed before your child is 18 months.
- All services are confirmed through claims data or medical records. **Please allow 2-4 weeks after services have been confirmed to receive your rewards notice.**

BREAST CANCER SCREENING

Complete the member section. Have your provider complete the provider section and fax this back to 1-800-XXX-XXX to **receive a gift valued at \$50.**

Name: _____ DOB: _____
 Address: _____ Apt: _____
 City: _____ State: _____ ZIP: _____
 Home Phone: _____ Cell Phone: _____

Provider/Technologist: Complete below and fax back to 1-800-xxx-xxxx

Date of Screening: _____ Provider Name: _____
 Provider Phone: _____ Provider Signature: _____

Example Member Forms

Challenges Faced by MCOs

Medicaid MCOs face a multitude of challenges given state budgetary constraints and changing regulation.

Operational Challenges	Financial Challenges
Rates do not cover the cost of care	MCOs are being paid capitated premiums while its providers are billing FFS
Population health management; disease progression	High utilizers and re-admissions due to lack of therapy adherence
A continuous cycle of high acquisition cost	Lose members every month due to members not recertifying
Members are difficult to find, lose continuity of care, return to plan sicker	Transient population with mandatory coverage laws in some states (ex: Texas)
Siloed care management model	Gaps in care
Fewer resources for innovation and targeted population health management interventions	Administrative expenses at 16-20% of revenues

A common thread across these financial and operational challenges is the **administrative burden** resulting from member engagement issues. Medicaid is a transient population, with many members moving their residence frequently. Mailers and other communication that MCOs send out for renewal, addressing gaps in care, population health or incentives for benefits has no impact due to the lack of valid addresses. The other channel that MCOs use to reach members is outbound calls and this is not working as people are not answering calls from unknown numbers as shown from studies and examples above.

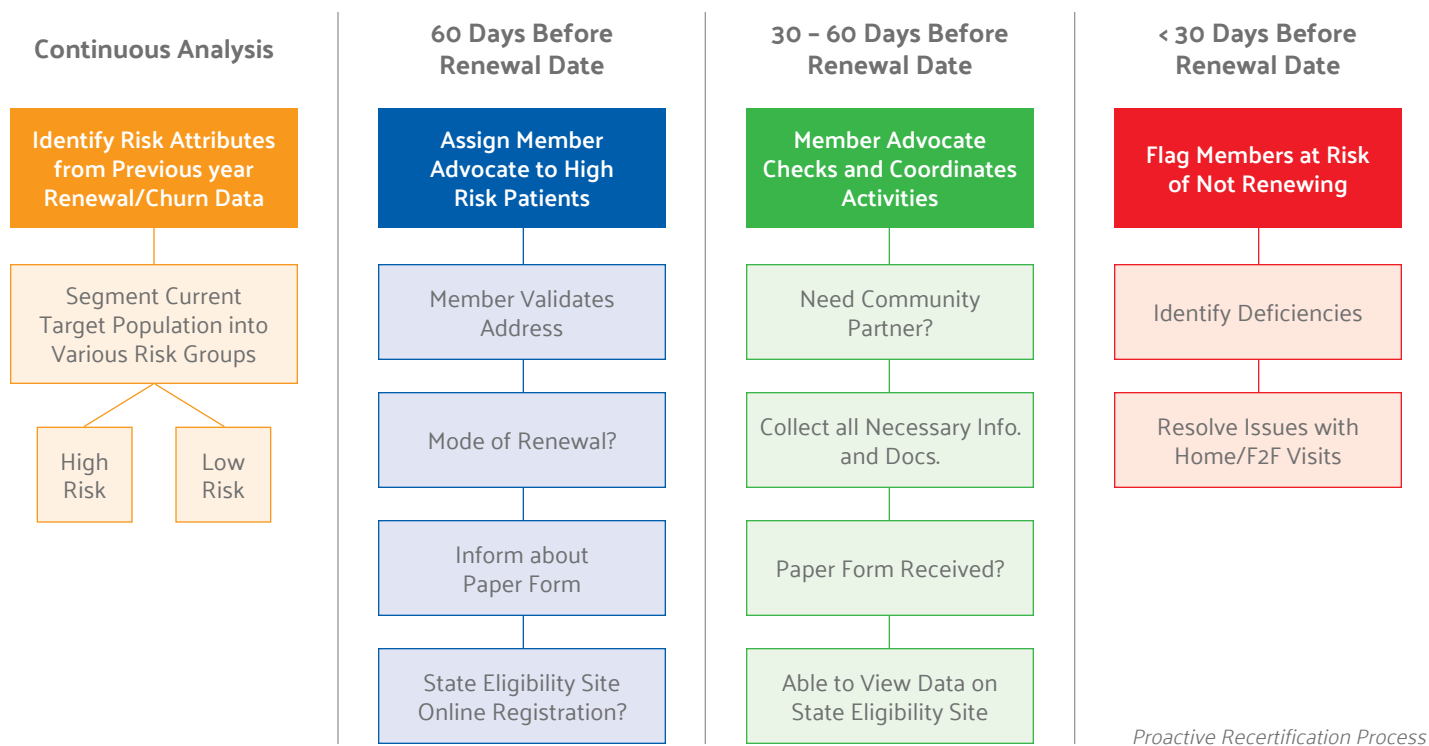
Reducing Administrative Burden

We look at two areas where reducing the administrative burden could yield significant ROI. The two areas are **recertification** and **rewards** for HEDIS and Value Added Services (VAS).

Members not recertifying results in lost revenues for the months they were not eligible. In addition, there are costs around mailing and outbound phone calls that an MCO makes to remind members. Similarly, for HEDIS and VAS, members' not completing health-related activities results in disease progression and gaps in care. MCOs have setup infrastructure to track and deliver incentives - mail and brochure to remind members of the benefits, calls to members on gaps in care, effort to validate claim and encounter records of incentive activity and finally to mail the incentives.



For recertification, we propose a reallocation of resources from mail/phone calls used in a shotgun approach to a targeted approach using member advocacy. This can be complemented with digital channels as shown in the graphic. Member advocates are used for high-risk members. The recertification process happens in 3 stages: validating addresses, collecting information for renewal, and completing the process online or through paper. These stages are tracked. Transparency into this process allows for utilizing appropriate strategy to move the process, when stuck.



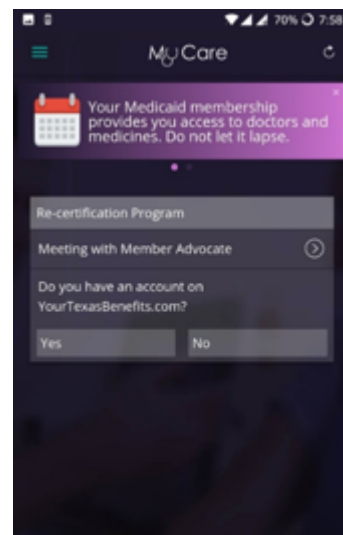
While there are multiple tools provided by State HHS for a member to utilize for recertification, the onus is still on the member. In most cases, the member has to gather a set of information to provide as evidence to accompany the application. This cognitive load and issues around procrastination are reasons for members not recertifying in time.

We propose a proactive approach which “nudges” the member to gather the required information in an electronic shoebox and then complete the renewal on their own or through help from a community partner.

The benefits of this approach are member validated address which will improve member mailing across all outbound mail, reduction in mail and call reminders, and evidence that the member has completed the recertification process. Adding an incentive for completing the process might result in higher completion rates that will reduce lost revenues.

$$ROI = ((\text{Increase in Recertification Over Baseline} \times \text{Average Monthly Capitation Premium} \times 6 \text{ Months}) + (\text{Reduction in Mailing/Calling Costs} + \text{Soft Costs from Validated Address})) / \text{Investment Cost}$$

In addition to the reduction in administrative costs from reallocation of resources, the increase in revenues from on-time recertification is expected to generate a higher ROI.



Reminders to Members

Improving Health Compliance

For HEDIS and VAS incentives, there are two major issues – **validating the visit** and **delivering rewards for completion**. We propose a version of electronic visit verification to validate the visit and electronic delivery of rewards. Once the member completes the visit, the physician requests a token, which is unique for the combination of the member, physician, and delivered service. The member then enters the token in a mobile app to complete the activity. Upon validating the token, an electronic gift card is delivered. Streamlining the visit verification and reward delivery will reduce the administrative burden while improving member health behavior.

$$ROI = (\text{Reduction in Mailing/Calling/Fax Costs} + \text{Reduction in FTE for Mailing Incentives} + \text{Reconciliation of HEDIS/VAS Claims}) / \text{Investment Cost}$$

In addition to the reduction in administrative costs from reallocation of resources, the increase in HEDIS measures will reflect higher plan quality and member satisfaction.

Enabling members to complete health activities – whether it is a wellness visit or breast cancer screening, a sports camp for kids or post-partum visit, helps overall member health. A tool that reminds members, nudges them to attend, schedules a ride, rewards them for completing the activity is valuable in helping them navigate the complexities of healthcare.

HEDIS – Prenatal Visit

Eligibility: Pregnant women need to do their first prenatal visit in the first trimester or within 42 days of enrollment with the plan.

- Help schedule appointment
- Send reminders to member
- Coordinate and arrange transport
- Verify office visits with physicians
- Send instant rewards to members

VAS – Prenatal Classes

Breastfeeding and prenatal classes that cover labor and delivery and newborn care. These classes are available to pregnant or newly delivered members.

Members can choose to take the class in person or online.

SUPPORT

- Appointment
- Reminder
- Transport

REWARDS

Members that complete the prenatal class are eligible to receive a diaper bag filled with helpful baby care items.

VAS – Online Classes

VAS – Sports and Camp Physicals

VAS – Child Rec. Safety Helmet

VAS – Cumulative Points

Mammogram

Cervical Cancer

Postpartum Visit

Diabetes Care

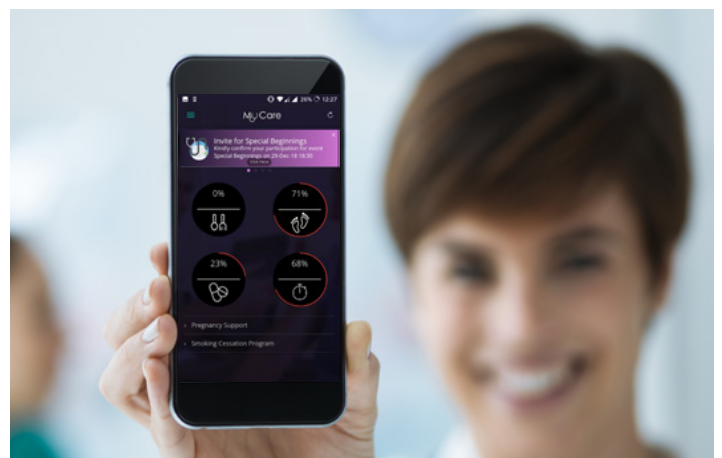
BMI Assessment

Immunizations

HealConnect – Reduce Administrative Burden and Improve Health Compliance

HealConnect is a first in class engagement platform that allows Medicaid MCOs to engage members and make them self-sufficient. The platform is configurable to support a range of administrative and care activities. It supports bi-directional communication through digital channels – mobile app, SMS, and messaging. Below is a list of HealConnect capabilities:

- **Re-certification checklist:** Analytics to identify at-risk members, perform address validation, reminders for renewing, assist with re-certification checklist, and referral to community partners for application completion.
- **Reward configuration and delivery:** Ability to configure activities/tasks for rewards and deliver gift cards or points electronically.
- **Manage live and virtual events for health education:** Scheduling, inviting, reminding, and tracking attendance of members at health education events is automated. Virtual events can also be created and managed for health education. Electronic visit verification of attendees.
- **Access to community resources:** Location-based access to food banks, farmers markets, and community partners. Provide information (hours open, services provided) and direction to resources from member's home.
- **Chat for live and async communication:** Chat enables answering of “small questions” rather than calling customer service. Chat bot for frequently asked questions and triage to customer advocate for questions not answerable by the bot.
- **Visit scheduling and reminders:** Assist in scheduling appointments, deliver reminders, and perform electronic visit verification for rewards.
- **Mobile app/SMS for notifications:** Deliver reminders through in-app notifications and SMS.
- **Care plan management and personalization:** Automated provisioning of care plans and personalization of care plan based on member attributes or behavior.
- **Health compliance tracking:** Tracking of medication adherence, sleep, diet, and activity through a mobile app.
- **Content and tools for managing health conditions:** Disease-specific content and tools for managing health conditions like pregnancy weight estimator.
- **Assessment library:** Library of assessments for behavioral and chronic conditions.
- **Device integration to track at-home vitals:** Integration with a digital scale, glucometer, and blood pressure cuff. Rules can be configured on tracked vitals to deliver appropriate interventions.
- **FHIR and HITRUST ready:** Integration with EMR for appointment scheduling and other interactions through FHIR. Hosted on Microsoft Azure that is HITRUST certified.



Removing Knots in the Garden Hose

Medicaid MCOs have setup an extensive infrastructure to deliver a rich set of benefits. This covers the gamut from wellness visits, pregnancy classes, community resources like farmer's markets, rewards for healthy behavior, and transportation assistance. This infrastructure relies on phone and mail as primary forms of member interaction. However, members have shifted their preference for interaction to messaging and chat over mail and phone call – be it with their friends and family or with businesses. Members are challenged in navigating the complexities of healthcare with tools that they no longer use. To realize the value of their existing investments MCOs need to adopt the digital channels that their members use. HealConnect is a first-in-class engagement platform that can plug into your benefits infrastructure and help in reducing administrative burden by reallocation of resources.

Would you like to know more about HealConnect? [Contact us.](#)



About Sagitec

Sagitec Solutions, LLC, is a global software provider focused on solving complex, business-rule driven problems with domain experts and proven technology. They help healthcare organizations engage patients to reduce administrative burden and manage their patients' health. Sagitec's HealConnect solution is designed to help State Medicaid and Managed Care organizations manage recertification, incentives, and customer support, run integrated care programs, and allow members to manage their health. In addition to serving the healthcare industry, Sagitec Solutions also designs and delivers software solutions for the pension, unemployment insurance, paid family leave, disability, and workforce industry. With deep industry experience in software implementation and systems integration, project management, knowledge management, predictive analytics, chatbots, cloud services, consulting, hosting, and software support, Sagitec is a partner clients can trust to drive their vision into action. For more information, visit: www.sagitec.com



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