



Speeding Health Insurance Enrollment



Problem

A national health insurance provider could not enroll new group plan participants fast enough

Solution

Alacer restructured work flow and added new technology

Results

Delays reduced by 38%, outsourcing costs reduced \$1.7 million, annual supplies and postage cut by \$314,000

Overview

In an extremely competitive industry, insurance providers distinguish themselves through excellence in customer service. When a national health insurance provider could not enroll new customers in a timely manner, it not only started new relationships poorly, it jeopardized its overall contract that required enrollment in seven days. With a resulting backlog of 280 applications per week, even employee morale was suffering under the mounting problem. Alacer was asked to reduce enrollment time to meet the company's service agreement, and to determine how best to streamline processes to reduce administrative costs.

Challenges

Although the health insurance provider wanted to modernize its application enrollment processes, it had a limited technology budget and limited capability data that could be analyzed in preparation for the development of a solution. Due to these constraints, Alacer conducted a comprehensive value stream analysis, enabling the team to identify and prioritize areas for improvement. The team observed that the huge amount of paperwork generated by the enrollment process clogged the network's print queue, mail dispatch systems were antiquated and that the required enrollment team members were not located in areas that facilitated easy interaction.

Results

After evaluating the existing technology infrastructure, Alacer designed a new document throughput system and digital imaging conversion process that utilized the mainframe system already in place, offsetting \$10.4 million in expenses for two years. A web solution provider was eliminated, saving the health care insurance provider \$1.7 million. Print and mail dispatch procedures were also redesigned, saving \$314,000 annually. Addressing the human element, Alacer redesigned the workspace for the member services team so that employees were grouped in task-related clusters of expertise, contributing to an employee satisfaction increase of 8%. Final result: these improvements reduced the policy enrollment time by 38%, bringing it in line with the health care insurance provider's contractual service agreement.

