

Horizon Blue Cross Blue Shield of New Jersey Federal Employee Program

Client Taps Keane for Operations Improvement

Abstract

Horizon Blue Cross Blue Shield of New Jersey's Federal Employee Program (FEP) provides healthcare to federal employees in the State. As part of FEP's commitment to high-quality healthcare and service, it looked to improve service to its members by improving response times for claims processing, correspondence, and customer assistance. Partnering with Keane, FEP implemented process improvements, substantially improving member satisfaction and helping it deliver on its commitment to "Making Healthcare Work" for all of its members.

Client

Horizon Blue Cross Blue Shield of New Jersey (Horizon BCBSNJ), headquartered in Newark, New Jersey, is the State's largest health insurer and provides healthcare coverage to over 2.9 million people in New Jersey. As a licensee of the Blue Cross and Blue Shield Association, Horizon BCBSNJ's product portfolio includes managed care and traditional indemnity plans for individuals and employers in New Jersey. Its Federal Employee Program (FEP) has responsibility for providing service to all government employees working and residing in the State.

"Horizon BCBSNJ is looking forward to a long-term partnership with Keane, because it has repeatedly demonstrated its ability to sustain high-quality work and recommendations that enable us to meet our goals."

Kim Dans, Director FEP, Horizon Blue Cross Blue Shield of New Jersey

Challenges

As part of the Blue Cross and Blue Shield Association's (BCBSA) commitment to superior service for all of its members, the Association maintains a Performance Improvement Plan (PIP) scoring system that helps participating Blue plans promote high-quality customer service. Meeting these standards and achieving a high score is considered an essential measurement of efficiency and member satisfaction. Horizon BCBSNJ's Federal Employee Program PIP scores reflected the need for improved member service response times for claims, correspondence, and customer assistance. The Horizon BCBSNJ FEP team turned to Keane for assistance in driving operational efficiencies in its member services center and improving its results as defined by BCBSA's member service standards.

Solution

Keane maintains a long-standing track record of excellence in providing innovative solutions for complex business issues in the healthcare industry. Based on this expertise, and an ability to drive value from a business consulting solution, Horizon BCBSNJ's FEP team partnered with Keane's business consulting arm, Keane Consulting Group (KCG). KCG and Horizon BCBSNJ's FEP team worked closely to implement an operations improvement solution to address inefficiencies within FEP's internal processes. An initial operational assessment of Horizon BCBSNJ's FEP operations quickly identified three areas where increasing efficiency would have the greatest return on investment and more effectively boost member satisfaction. Each of these areas directly impacted organizational

"Keane's industry expertise and functional knowledge allowed the team to quickly identify the core issues and work to resolution. This allowed the operation to optimize the effectiveness of the recommendations and project outcomes."

Kim Dans, Director FEP, Horizon Blue Cross Blue Shield of New Jersey

performance and would improve Horizon BCBSNJ's FEP's member service.

- Claims Processing – Keane assessed the current method for processing claims filings and discovered that inefficiencies in the mail sorting process increased the time it took to prepare the claims for processing. By streamlining the mail sorting and distribution process, Horizon BCBSNJ's FEP team increased its response rate to member inquiries.
- Customer Service Workflows – After completing a workflow assessment of all customer service representatives, Keane determined that improved workflow processes would help the team resolve claims and inquiries. Keane worked with Horizon BCBSNJ's FEP team to develop new workflows and the training programs necessary for immediate improvements.
- Measurement Prototype – Keane's assessment also revealed that existing measurements of staff effectiveness were not true indicators of actual performance. Keane changed performance metrics and the internal processes governing ownership of member claims, which encouraged

Client Story: Large US Health Insurer

personal accountability among customer service representatives. By reducing interdepartmental work transfers and mandating ownership of 95% of the inbound requests, Keane helped reduce Horizon BCBSNJ's FEP's claims and inquiry handling backlog, as well as similar backlogs in different Horizon BCBSNJ departments.

Benefit

Together, Keane and Horizon BCBSNJ's FEP team streamlined its existing processes and implemented a repeatable solution for consistent operational efficiency across claims and customer service functions. The organization's PIP scores rose by 17%, providing evidence of considerable business improvements, including:

- 10% reduction in staff and training costs by targeting and bolstering the precise skill sets necessary for top-notch member service
- 20% reduction in repeat calls from subscribers and providers as a result of increased capabilities to resolve claims within BCBSA's 30-day mandated timeframe
- Increased employee skill levels and efficiency
- Increased member satisfaction

Keane is a global services firm that specializes in enabling transformation of its clients' business and IT functions.