HRZ BENEFITS

Unlocking the Power of Health Care Claims Data to Enhance Benefits

Navigating the landscape of health care claims data analytics is a necessary initiative for today's benefits leaders. Employers cannot afford to not incorporate valuable insights from the benefit offerings their employees rely on. In the best-case scenario, an effective health care claims data analytics solution can help benefit leaders manage costs, improve benefit programs, boost utilization and provide a better benefits experience for employees, all of which can contribute to a happier, healthier workforce.

Unfortunately, employers may face many hurdles along the way. We hear from benefits leaders every day who are fighting with a restrictive claims processor, struggling to gain access to their own data and suffering delays that could cost thousands or more each year.

How, then, can you make the most of your health care data?

Partnering with a claims adjudicator that understands how to share data safely and is committed to helping you make the most of your data is the first step. This calls for benefits leaders to do a deep dive into the terms of current agreements and make updates when appropriate or, in some cases, push out a request for proposals (RFP) to source a new vendor that better meets the needs of the organization.

The next leg of the journey – and the focus of this guide – is finding the right health care claims data analytics solution vendor for your needs. Here, we'll explore:

✓ **The importance of health care claims data in today's benefits landscape**

✓ **What it takes to deliver an effective analytics solution**

✓ **Tips to help you find the right partner for your benefits analytics needs**

Why Health Care Claims Data Matters

The health care claims data landscape is already complex – and it continues to evolve. The rapid growth and constant change in the sphere can create a lot of confusion for benefit leaders, especially when it comes to when and how to take advantage of all the health care claims data their systems collect. Before we dive into best practices and considerations, let's first explore the various types of health care claims data and explain how analytics can add value to your benefit offerings.

Types of Health Care Claims Data

When we talk about health care claims data analytics, we're referring mostly to medical and pharmacy claims information. Integrating this data into a single solution that allows an employer to understand how their health plan assets are being utilized is an important piece of acting as a fiduciary to the plan, a role for which a fiduciary owes the highest degree of care, prudence and devotion to their plan's members. The net result is invaluable trend insights that help benefits leaders manage costs, understand benefits utilization, identify possible barriers to medical care and prescription drugs, evaluate the efficacy of current benefit programs and modify plan design for better value.

Health care claims data analytics can also be used to offer personalized enrollment guidance for employees, based on their past care. Offering data-informed guidance helps employees choose more relevant coverage, which could lead to better value for the employee and reduced spending waste for the organization. Helping to ensure employees choose the best coverage for their specific needs can also lead to better benefits utilization, which in turn helps control costs.

Use Cases for Health Care Claims Data Analytics

Taking advantage of health care claims data analytics can help benefits leaders:

- ✓ Provide personalized coverage guidance via decision support tools that help employees select the right benefits for their needs and personal claim history.

- ✓ Discover behaviors and trends in your employee population's health conditions and care.

- ✓ Identify potential barriers to better engagement and utilization.

- ✓ Reveal opportunities to improve benefits education and communication.

- ✓ Measure return on investment and manage costs.

- ✓ Minimize fraud, waste and abuse.

- ✓ Assess the efficacy of benefit programs and help improve benefits offering, management and financial outcomes.

Key Challenges of Benefits Analytics

As we mentioned earlier, many benefits leaders are already leveraging health care claims data analytics, but their processes may have room for improvement. We frequently hear from benefits leaders who encounter common challenges:

- ⚠ **Data ownership issues:** Plan sponsors (e.g., employers) legally own their plans' pricing and claims data but the provider network that rents to the plan sponsor often tries to claim ownership and restrict data access, potentially causing delays for benefits analytics insights or sometimes blocking them entirely.

- ⚠ **Privacy, data security, and compliance concerns:** In addition to disputes about data ownership, claims processors may have inaccurate interpretations of their responsibilities under HIPAA and other laws, leading to restrictive behaviors and policies that inhibit an employer's ability to leverage claims data effectively.

- ⚠ **Lack of in-house analytics skills and/or knowledge:** Sometimes, benefits teams underutilize health care claims data analytics out of sheer lack of understanding of how to get, interpret or apply benefits insights. Training and education, along with a supportive partner, can easily address this challenge.

Many of these challenges can be overcome — or at least mitigated — with the right partner at your side.

Pillars of an Effective Health Care Claims Data Analytics Solution

While the market offers a wide array of vendors who offer benefits analytics tools, not all are created equally. In fact, many solutions available today only scratch the surface of what is possible. Getting maximum returns from your health care claims data, in the form of easily accessible and usable insights, requires benefits leaders to apply strict criteria to their search for a health care claims data analytics solution.

Look for a health care claims data analytics solution provider that offers:

Expansive Scope
Committed to serving both your HR team and employees for year-round engagement across the client lifecycle, from pre-sale through advocacy.

Strategic Vision
Seeks to understand customers' goals, values and priorities to provide expert guidance and support.

Tactical Expertise
Draws on industry best practices, including the successes of other customers, to help all clients maximize the ROI of the partnership and solutions.

Beyond the tactical and the technical, relationships are at the heart of successful partnerships, and a supportive partner is necessary to help you make sense of a complex landscape. To enjoy the maximum return on your investment in a health care claims data analytics solution, it's crucial to work with a dedicated team that brings deep industry experience and expertise to the table and provides service excellence throughout your engagement, from your first sales call to implementation and beyond.

Do you have reservations about switching to a new claims processor? Benefits leaders may be reluctant to change claims processors even after they discover the limitations of that partnership, mostly out of fear of disrupting the experience for employees. Keep in mind that replacing a claims adjudicator that is restricting your ability to take advantage of benefits analytics is likely to result in a net positive impact for the organization and employees alike, often with few (if any) hiccups along the way.

Features and Services to Look for in a Health Care Claims Data Analytics Partner

There are newer health care claims data analytics solutions on the market boasting modern technology, transparency and cost savings; however, even as some providers in the market have consolidated, there can be vast differences in quality of service and of relationships, both of which contribute to an employer's real-world outcomes.

When evaluating a benefits analytics partner, consider the following non-negotiables:

Data Ownership: Get a clear understanding and agreement about who owns your health care claims data. (Again, this may require support from your legal team to renegotiate the agreement with your claims adjudicator — or you may need to find a new provider.)

Data Security and Privacy Protection: All your health care partners should be committed to security and privacy, with proven track records for mitigating risks, detecting threats and responding quickly to breaches.

Understands and Supports Your Fiduciary Responsibility: To manage benefits plans effectively, employers need to review plan data regularly. When benefits leaders have easy access to accurate and comprehensive data, their organizations can simultaneously manage costs while boosting employees' health outcomes. (Offering personalized decision support tools is a great example of how this works.)

Partner Fit: The right partner for your organization understands your benefits offerings and your employee population, as well as your goals for leveraging analytics. The best solutions on the market are constantly evolving in an effort to provide more and better technology that translate into a better experience for your benefits team using the solution, as well as more accurate and meaningful data insights that lead to a higher quality benefits experience for your employees. And, above all, the best partner is a vendor you trust to provide you the support and guidance you need to elevate your benefits administration as a whole.

Maximizing the Advantages of Outsourced Health Care Claims Data Analytics

Navigating the complex world of health care claims data analytics is crucial for maximizing the value of your benefits offerings. A reliable and knowledgeable partner can help you unlock the full potential of your data, leading to better cost management, enhanced program quality, and improved employee experiences. As you consider your options, keep in mind the importance of choosing a partner who aligns with your organization's goals and values. The right collaboration can pave the way for a healthier, more satisfied workforce and a more effective benefits strategy.
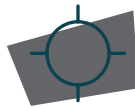
Benefitfocus Can Help

Benefitfocus is committed to helping organizations and the individuals they serve get the most value out of their health care and benefit programs.

We are helping to clear the path to

Easier administration

Higher benefits engagement

Optimized benefits decisions

HRZ® BENEFITS
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