

Top 5 reasons to consider the Cognizant® Healthcare Business Process-as-a-Service (BPaaS) solution for health plan administration

In today's highly-competitive healthcare market, payers are facing declining margins and stagnant revenue growth due to market consolidation, increasing IT costs and Centers for Medicare and Medicaid Services (CMS) profitability guidelines.

Now more than ever, payers must focus their resources on revenue–generating and outcomes–based activities. Factors such as product development and Social Determinants of Health (SDOH) can impact member health outcomes and quality of care.

At a glance

The Cognizant Healthcare BPaaS solution provides operational agility and efficiency by combining expert people, proven processes and cutting-edge technology to not only lower costs, but also improve flexibility, efficiency and effectiveness.

At the same time, payers need to find a way to effectively manage administrative costs, grow enrollment, meet regulatory compliance requirements and keep pace with the increasing need for better data and interoperability.

To simplify plan administration and accelerate performance, many payers are partnering with companies who can provide end-to-end administrative solutions through a Business Process-as-a-Service (BPaaS) operating model. BPaaS is a platform-based administrative solution that provides operational agility and efficiency by combining expert people, proven processes and cutting-edge technology to not only lower costs, but also improve flexibility, efficiency and effectiveness. With BPaaS, the service provider not only takes full responsibility for the platform-based solution — including keeping the system current with updates, upgrades, maintenance and security — but also provides a long-term strategy to deliver business outcomes in the form of member benefits and revenue growth.



Payers can realize countless benefits from a BPaaS operating model. Here are the top 5:

- **1. Cost Optimization** A BPaaS model lowers administrative costs by reducing capital investment on systems and other digital technologies and by allowing the payer to pay on consumption, typically on a per member per month (PMPM) basis. A consumption-based model provides the scalability needed to ramp up or scale back as membership levels fluctuate or demand changes.
- **2. Technology** BPaaS helps health plans address competitive threats by digital disrupters without having to invest in technology infrastructure and the accompanying resources needed. The health plan gets access to digital platforms and integrated systems that aggregate plan data, providing transparency and agility while freeing up capital to invest in strategic development rather than digital infrastructure, maintenance and upgrades.
- **3. Risk Reduction** Because BPaaS automates processes, there's less reliance on manual intervention, which significantly reduces potential risks caused by human error and delays. Because the system automatically adjudicates claims, there's no need for a claims representative to process it; thus, reducing human touch and potential error.
- **4. Domain Expertise** Health plans that implement a BPaaS operational model get immediate access to highly skilled experts who have experience in the industry and across business lines throughout the healthcare continuum. These experts have knowledge of many areas in healthcare, including Medicare and Medicaid. This allows the health plan to add more experts without taking on the costs of employing them directly, minimizing staffing fluctuations and lessening pressure on Human Resources personnel.
- **5. Seamless Implementation or Conversion** A BPaaS model provides speed-to-market for new market entrants and market expansions, and speed-to-transformation for existing health plans. A competent BPaaS partner will have the proven processes in place to seamlessly stand up a new plan or line of business, and the data transfer methodology to convert and fully integrate data from an existing plan in a timely, costeffective manner.

BPaaS supports payers in their mission to improve member health outcomes and experiences by taking the focus off of plan administration and placing it on product and service innovation. A BPaaS operating model provides efficiency, transparency and cost savings in a consumption-based, pay-as-you-go model. Having the right strategic BPaaS partner that can support end-to-end capabilities across your business with experienced people, tried and true processes and advanced technology capabilities can be the key to differentiating your health plan from the competition and can pave the way for future success.



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