



# **ACCENTURE-AHIP WEBINAR: THE FUTURE BELONGS TO INTELLIGENT PAYER OPERATIONS**

RECORDING TRANSCRIPT

[Moderator] Hello and welcome to today's webinar: The future belongs to intelligent payer operations.

[Moderator] Before we get started, I'd like to announce a few brief housekeeping details. Today's session is being recorded and an online archive of today's event will be available a few days after the call. I'd like to remind you of AHIP's antitrust statement and ask that you reference it in the handouts tab. The antitrust statement prohibits us from discussing competitively sensitive information. You may ask a question at any time during the presentation by typing your question into the Q and A box located on the right side of your screen and pressing enter. If you have trouble seeing the slides at any time during the presentation, please press F5 to refresh your screen.

[Moderator] We are very fortunate to have with us today Rob Murphy and Michael Kavaney. Rob has spent the last 30 years at Accenture in a variety of client facing roles driving client value for leading players in the industry. He is currently the Accenture payer back office lead, and his primary responsibility is helping clients define and drive their intelligent payer operations agenda. Mike leads Accenture's health claims practice and client journeys to increase payment accuracy, drive automation, digital and analytical capabilities and deliver intelligent payer platform and operational transformations. At this time, I would like to turn the floor over to our speakers. Gentlemen.

[Murphy] Thank you. So, I appreciate everybody joining today for a topic that Mike and I have a very passionate perspective. So, this is Rob Murphy speaking, and I spent a lot of my life in the back office of most payers trying to drive dramatic improvement in this area. So, I'll start I'll start today off and then I'll hand over to Mike. Mike and I have been focusing on how to improve the back office for the last couple of years pretty aggressively by using what we term intelligent automation, and we're focused on driving that out in a very aggressive way as we move forward. So, I would like to share with you some research we've done and some things that we've done out here in the marketplace, and I'll share that today. We have kind of four topics we want to cover. First of all, when we talk about introducing intelligent payer what is it really. How do we define it. What is the definition intelligent payer and we'll share some insights there. Secondly what do we think the broader industry opportunity is for all of us on the phone to drive this. How are payers pursuing it. So our research and surveys will show what we heard from feedback of where people are focusing what are the things they're doing and what's working and what's not working. And we'll share that with you. And then finally, you know, when we do have challenges implementing this, what are those barriers that need to be overcome to make it work in a different way. So in the next 50 minutes will hopefully have a great dialogue with you guys and gals and have a great opportunity to have some good interaction in and share our experience and hopefully share some experiences you guys have on the phone.

[Murphy] So one of the things, why now. Right. And you know there's a lot of disruption happening in the payer market right. You know new digital disruptors that are out there that are that are just different right and they don't carry some of the legacy baggage that the traditional insurers have and stuff like that. There's others new entrants in the market that are just coming at it in a different way. And so there is this continued pressure for organizations like yourselves to continue to adjust and change the way they're doing business and continue to improve that customer experience and improve the back office operations. And I think what we're seeing is you know advanced analytics have got a lot of legs you know in the marketplace and people are moving pretty quickly on that space and then we see early stage of intelligent automation traditionally in the robotics process automation space and we're starting to see the movement towards I'm going to say more mature solutions out there and

it's something that continues that grows in the market and we don't talk about that today and how those things are achieving results and drive and are helping our clients move to the future in this environment.

[Murphy] When we think of intelligent automation here's kind of the spectrum where we're kind of framing up for today and obviously this definition will continue to mature as the market continues to mature around that. But what we really think about is what's going to help you sense, learn, act and comprehend. So the tools in the marketplace that allow you to sense things in a different way. You know how can you read things and look at things in a different way. And so as you see the tools up at the top in the kind of technologies we're seeing evolve in this space you know content classification the ability to analyze text and those type of things and machine learning the ability to consume images texts emails and documents and be able to understand the context to be able to take action on those in a more effective way. You know unfortunately our industry is still overwhelmed by paper and while all of our clients have many initiatives to get rid of inbound paper and things like that we still receive a lot of things in that are that are unstructured and or structured but still come in a variety of different formats.

[Murphy] Conversational AI. So we look you know in our in our environments we have a lot of dialogue happen and how can we understand words better you know the ability to rip through calls and the calls in a different way. They really are a true gift from our customers. If you can understand and interpret everything in that call everything from the emotion to what they're saying and to what they're talking about in a very aggressive way be able to do that in a little more of a real time fashion. It's a great way to move the needle and improve the consumer experience and do a lot of things there. Robotic process automation is probably the one that's got the most legs that we're seeing you know everybody's doing some. Almost everybody is doing some sort of RPA type of capabilities. I think the tools are starting to mature you know sometimes these are stealth initiatives you know driven by the business other times or more formalized feel easier driven by I.T. but the reality is you know the evolution from macro express to kind of more of the full automation tools of automation anywhere. We presume you know Pega and all those you know UI path and all that all the tools there are dramatically continued to improve and clients are trying to figure out how to use those in more effective ways.

[Murphy] Speech analytics I talked about. you know so the ability to really understand syntax and semantics kind of goes along with some of the stuff above and in cognitive decision making. You know how can you actually use machine learning and all those other things to look at unstructured and structured stuff. Is just an action. You know how can you recommend actions and next aspects actions in an effective way and using A.I. effectively that way. So we see the market kind of really pivoted on these kind of things right now with that will I'm sure other blocks will come up into this dialogue as we continue to mature. And the key thing is all this is under is supported by aggressive analytics. Right. The ability to use data analytics to do this and capture the data first to be able to apply this on top of is really important from that perspective. So that's kind of the key things as we see you know with what's happening and primarily in intelligent automation in the payer environment.

[Murphy] So given that. yes there's still a lot of hype. Right. And the challenge is how do you get through this noisy market. And you know you know all of us get calls every day of the next best thing that's happening out there and you got to try it. And the reality is the market is really moving fast and you have to be in this prototype and test mode to really have this innovation mindset that you got. You know if you look for speech analytics where two years ago and even last year you know the dramatically changing and dramatically improving and

what that means is that you've got to have a very agile toolset to plug and play new ideas into because the reality is as things are leapfrogging you know different solutions are leapfrogging themselves and you've got to be agile enough to kind of pivot and shift to that from that perspective. And so it is a challenge and we try to help our clients kind of filter through the noise and get to you know what are the real things that drive outcome. And our goal is to know on this call hopefully demystify a little bit but talk about the kind of key things that need to be in place to not only choose the right tools and right techniques but choose right use cases and business cases. And then you know develop the right talent that can actually work through this in an effective way.

[Murphy] So what do we do and I'll hand over to Mike here but basically Accenture surveyed 150 different payer entities out there. Executives primarily VP level and above are from their perspective and ask them around what's what do they see in the market and what are they doing. And we'd like to share a lot of that information today with you guys to kind of share what we saw out there from that perspective. So Mike I'll hand it over to you and I'll let you kind of take us through what the survey told us and what our experience tells us.

[Kavaney] Yeah. Thanks Rob. Welcome to everybody. Really appreciate everyone taking the time to listen to our research today and looking forward to the conversation. As Rob mentioned we we thought about this notion of intelligent payer and went out to our clients to better understand how they're thinking about it. And we talked to those those folks who are really oriented towards your your traditional payer ops functions. We talked to them about the capabilities and the concepts within this notion of intelligent payer and I think what we what we found is that there is a bit of a mind shift occurring in the industry with how payers are viewing intelligence and the capabilities around intelligence. We learn that some of the goals are different priorities are shifting becoming predictive is becoming more and more important and that while many are industry and have started this journey towards intelligent automation the move towards intelligent payers really just getting started and we'll hope to show you some of that today.

[Kavaney] But first we actually wanted to start with a poll we're going to do a few of these different polls throughout the course of our our time together today. If you're on full screen what you'll need to do is exit full screen so you can actually see the poll. When I started this first one is we just wanted to get a sense of what degree your organization is prioritizing Intelligent Automation and particularly why they're prioritizing and I think those of us who work have worked in the back office in and in operations for a while have traditionally been oriented towards admin cost reduction towards NPM goals. But I think what we're starting to see is that a lot of us who sit on the claims data or in the benefits data are sitting in areas that have value across the enterprise. And so some of these priorities aren't necessarily oriented just towards Pentium. We wanted to get a sense from those on the call today to what degree is your organization prioritizing and within within what ways are they prioritizing. So I'm going to start this poll and we'll give folks just a half minute here to kind of respond and we'll let you know what the answers are.

[Kavaney] Getting quite a few folks responding which is which is great. We'll give it another 10 seconds here. Alright. So folks should be able to see at least the mix of answers that we got. Certainly not overly surprising in terms of top down priority to drive administrative cost about about a fifth of you focused on that. But I think what's really exciting is that second one around a top priority is deliver improved experiences and top line benefit. I think that is certainly indicative of what we're about to talk about in terms of some of the results that we saw in our in our survey. The shift we've seen in recent years isn't just a focus on customer experience I think that that trend started much earlier and I know a lot of us have been

involved in defining the patient experience and the member experience for quite a while but I think the emphasis on our operations areas for driving experience improvement is relatively new. I used to have a client who described the member portal as just a dashboard to our our bag claims data and I think what we're seeing today and especially came true or showed itself to be true in our research results is that operations executives are telling us that they're not being held accountable for the impact of that data and it's accountability that reaches beyond just sort of claims adjudication statistics and I don't think it's a stretch to infer that the business case is for a lot of the back office investments that we're seeing include typical front office value outcomes such as experience and top line opportunity and further well are seeing that typical admin costs PMP measure is still a priority business for hybrid operations some of the key tenant of intelligent payer of the insult repair concept they're really manifesting themselves in the agendas of COOs and other operations executives so motivators for change including combating competitive pressures maturity maturing ecosystem relationships and most importantly creating this capability to make predictive decisions.

[Kavaney] And I think what you'll see here that that's interesting is. This is this is a fast follow to some industry research that we saw across industry. Right. So just a year before we ran this particular research project we did one across industries of operations executive and we saw something similar. We're generating new business. So having top line value was equally important to driving down cost and being able to be responsive to competitive pressure was as important as increasing productivity. So it's not only a theme that we're seeing in the payer industry but it's something that that we've seen across industry and I think is starting to become real in the spaces that we work. And so likely no surprise. We asked the payer execs how they're going to address these changes. The top investments around automation artificial intelligence building out better data and better data models and building a skill base to capitalize on these new tools. We asked a variety of questions and this is just a sample about the way in which our clients are planning to attack this challenge. And time and time again we saw these types of investments boiling to the top. We wanted to start to explore just a few ways in which are. Our clients and some of the experiences Rob and I have seen out in the market are starting to manifest as Rob mentioned early. I spent a lot of my time and sort of benefit admin and claims administration and we're starting to see our clients put real focus energy on driving Intelligent Automation in these spaces.

[Kavaney] I won't drain each of these examples but some of our typical more challenging problems in the industry around prior off and being able to do some prior off matches to claims something that we see in the news quite a bit lately when our members are going into in-network facilities but are having either emergency procedures or other complex procedures with out-of-network physicians. And while this is getting a ton of attention from us from the politicians and from a lot of our executives and leaders it still continues to be an issue and it's something that we're starting to see our clients invest intelligence in in order to solve it for our members. And then obviously how do we direct our people to do the most effective work. So in this case case prioritization and allocation making sure that we're getting the least complex cases out of the system as quickly as possible and we're routing the most complex cases in the most effective and productive way to the right people at the right time. So a few ways in which we're seeing real investment in A.I. in the market and this is obviously just. Just a sampling of what we're seeing. There are a variety of other cases even within sort of your traditional membership billing. Provider and claims areas claims intake paper reduction etc. So we wanted to take a moment and just ask the group in terms of where some of those promising areas that you're seeing in your organization.

[Kavaney] Are they in specific areas or specific functions like groups setup enrollment billing within claims or are they more focused on a particular market segment or a line of business

where you're looking at the Medicare Advantage space or you're looking at a particular commercial space and working to drive Intelligent Automation across the patch. So I will I'll start this. If folks don't again mind coming out of the full screen mode and providing your answers.

[Kavaney] Give it another ten seconds here. Alright. Thanks everybody for responding. And it looks like got claims processing reimbursement getting the most answers. Also. Probably not surprising to a lot of folks I think we've traditionally thought about claims as being the spot where a lot of your systematic automation has always occurred. But I certainly think we're seeing and we'll talk about it in a couple of slides here that claims continues to be a real focus area. You know despite past investments in application automation and recent investments in RPA claims to start is continuing to be a focus area for a lot of our clients and for the industry in general.

[Murphy] Mike, I think some of that was you know they may have reached the limits of or their cost barriers of continue to enhance legacy systems and it's sometimes it's easier to put some more of the agile technologies on top of those legacy systems in a AI way right or a RPA way to just solve it first going through the restructure structure of a COBOL you know waterfall release type of thing. So we are seeing that you know people have one claims can be solved in many ways. You know a more agile and cheaper way is by using some of this stuff in a more effective way.

[Kavaney] Yeah absolutely. Absolutely. Which is actually a good segway into our framework for intelligent payer operations. As we started to look at the responses to the survey and what Rob and I and our colleagues are seeing out in the market. We started to think about what is the lens that we would want to use to work with our clients to evaluate capability investments and payer operations. And so we came to the five key ingredients that you're seeing here around what it means to generate or power next generation capabilities. So some of the things we talked about in terms of advanced analytics and intelligent automation and the RPA and AI that goes with that the other lenses that we think are critically important. We'll talk a little bit about them and how the survey led us down this path. Agile workforce so what is the implication to our people and the work that they do as we start to infuse more of that intelligence automation partner collaboration and reimbursement and innovation. So what does it mean to have a strong eco system one with strong mechanisms of collaboration that allow us to take advantage of some of our Intelligent Automation investments and then obviously as you might imagine and certainly for those of you on the phone who you sit in and technology organization a modern technology architecture now this notion about how do we get all that data out of our benefit admin systems out of our product systems out of our claims system so that we can use it more effectively and drive value not only within our function but across functions.

[Kavaney] So we'll sort of click through these one by one and as we start with the analytics and the intelligent automation it reinforces that last point. So while claims has been on the receiving end of macros and RPA and AI application enhancements over time the focus isn't waning our survey respondents still view claims and reimbursement solutions as a target area for opportunity over the next couple of years. And I think Accenture's general experience matches this trend as we see our clients willing to invest in proofs of concept and specifically in the machine learning efforts to train intelligent automation. So I think we're starting to see and have been seeing over the past year or so our clients think about what does it mean to stand up machine learning opportunities. What does it mean to get their employees understanding how these tools work and what does it mean in terms of investment in these particular functional areas.

[Kavaney] Which leads right into this notion of the agile workforce. When we asked survey respondents what was the biggest barrier to achieving their business goals and to achieving success. Lack of relevant skills was it. We asked this a few different ways and we talked about the implications to people in a few different ways. In the survey results and time and time again. It came back to this notion of while there's certainly opportunity to better define business goals. There's certainly opportunity to get broader senior level leadership alignment on the goals of the intelligent payer making sure that we've got the talent on the ground that we've got the leaders on the ground and that we've got the relevant skills to plan this type of transformation out and then to execute it was something that came up again and again and I think we seen this mature over the last few years as well if we think about what it means to deploy RPA scale and having our supervisors and managers not only manage people but manage the productivity of a set of bots and have the skill set and the ability to be able to deploy those bots in different ways over the course of peak periods and low periods and now as we start to think through what does it mean to layer machine learning onto some of those processes making sure that we've got both an ability to track the learnings of that machine but also take advantage of it. So how do we make sure we're deploying our people most effectively and if you've got a critical mass in one area of doing claims processing or claims pend analysis. How do you make sure that that we've got a workforce that is agile enough to refocus them on either more complex tasks or more urgent tasks based on what we see in terms of learnings from the machines.

[Murphy] Mike I think you ask yourself who do you want to teach the machines right. Who are the right type of employees and who are the best to make sure that the machine gets taught in the right way so you don't inherently introduce bias or are incorrect actions and things like that. So there's a lot there around the interaction of human and machine and the ability first to mature the tools out but then when you're in production you continue to interact with them in different ways and so that's going to require us to think about our workforce and get them more comfortable with that interaction and also picking out the I'm going to say to change champions that are going to help probably deploy the solutions originally and do a lot of the original learnings and things like that.

[Kavaney] Yeah I think it's a great point and you've reminded me of a recent experience I've had where we've had a client who stood up a data science area as many on the phone likely have thought about doing or have started to do and having very strong data scientists is critically important to driving your ability to deploy predictive analytics or to taken advantage of some of the intelligent automation capabilities that are out there. But part of having a great data science team is having a great set of functional experts or SMEs who can help them think through the data that's required right. And so making sure we're not introducing some of that bias that you described Rob making sure that we've got folks who both understand the data but also have the capacity to work with those data science teams and to work with those technology teams to interpret what they're seeing to understand the outliers and to help make decisions over time. I think those are all skills that that we're seeing are our clients in the industry generally try to infuse the same way they're trying to infuse you know I.T. with Python coding skills and with some of the newer capabilities that are required to stand up these types of solutions.

[Kavaney] Part of collaboration and reimbursement innovation so likely not a surprise but a wide majority of the operations executives that we surveyed believe that working closely with the ecosystem partners is going to be an important enabler to achieving their business goals. And I think we've started to see this and in real ways. Over the past several years obviously there's been a lot of collaboration for example between payers and providers around value-

based reimbursements. And I think what we're starting to see is starting to look at use cases that take those types of collaboration to the next level where perhaps it's not just the typical retroactive view of a value base but it's a more real time insurer interaction. And how do you work with not only your provider ecosystem but your technology partners the startup community other innovators in your community to create this ecosystem that can drive value for the member and eventually for your organization. And these use cases are we've actually seen are not fairly common but are well-received I would say. So as our clients have sort of started to reach out to either their provider networks or start to reach out to other leaders in their community to start to drive some proof of concept to some experimentation this may start to look at what it would mean to create intelligent operations and intelligent payer solutions in the space. There seems to be quite a bit of reception to be able to do that especially in quick agile types of ways. And so we're certainly encouraging our clients to think about what does it mean to strengthen some of those some of those collaborations and look for real value in quick and nimble ways.

[Kavaney] And then lastly this notion of a modern technology architecture. So Rob touched on it touched on it earlier as we're talking about intelligent automation and the functional areas that it's being deployed in and the idea that it's really hard to continue to sort of squeeze some value out of some of your legacy apps but making sure you've got the right tech stack to enable these new solutions is critically important. Understanding what it means to have the ability to decouple your data from some of those processing capabilities so that you've got the ability to use that data to use it in innovative and agile ways in order to exploit some of the opportunities that come with intelligent automation. And I know this is clearly a focus area of a lot of our clients around what does it mean to create an architecture that allows us to think about actually putting some of these intelligent automation solutions above and around some of your benefit membership claims processing applications so that you get not only the productivity opportunities productivity improvement opportunities but you get some of those opportunities we're describing before around providing a better member experience through your digital channels being able to better empower some of the chat bot and natural language processing solutions that Rob described before really using sort of the payer operations data set and foundation as a way to empower the rest of the organization to drive this intelligent payer vision.

[Kavaney] And so with that you kind of come to this notion of so what. So now what. And our view is that payer operations executives need to set an agenda that drives the journey to intelligent payer. It ties to enterprise goals such as cost reduction which are obviously critical. And so we recommend making those hard connection points between the enterprise goals and operational KPIs. However what we're really seeing is that to be successful in achieving those goals and delivering meaningful change payers needed to define clear strategies to leverage these new capabilities. And so we see leading tenants as a strong anchor point for for payer ops the ones that we typically talk about with our clients in in reference to the back office or operations are things like performing with no time or room for error. How do we continuously drive root cause analysis continuous improvement and then address those things and drive those errors out of our ecosystem. Providing instant insight and action. So being able to look through our end-to-end operations value chain understanding the information that is flowing through it and being able to both react quickly but also be able to predict with precision some of the more common projects we're working on now are looking at the health of operations what does it mean to a COO to be able to understand the health of the operations and being able to predict what that health will be based on either claims pen backlog through improvements in certain key metrics like prompt pay or in terms of where our people are focusing their time energy and attention at any given point of the year which goes to then working smarter. So being able to deploy our folks and our employees in the



most productive way as possible. So that notion of prioritizing and allocating cases in a way that leverages our people to the best of their ability so value up and down the end to end processes means you'll be able to better position these solutions in your organization. As folks start to look to transform to the ways in which we can drive value.

[Kavaney] And so what does that mean in terms of creating themes and then actually being able to execute them. So what we think about as we define anchor points with our clients and we define what it means to have intelligent automation or intelligent payer operations we start to create the backlog. Where are the opportunities to reimagine operations where we can drive all of the things that we've been talking about for years. But we can do it in meaningful ways within a duration that makes sense within an investment point that provides real return. And so what you see here are some of the opportunities that we talk a lot about in our backlog. So when we think about quote to card and what does it mean to actually be able to drive real integrity from the front office to the back office. All the claims AI use cases that we described earlier understanding benefit trends and being able to really use your benefit and product data in a meaningful way to drive insights for your customers and to drive the ability to inform your customers in a more meaningful way. And then again this notion around how do we have an operations view that is end-to-end, a 360 view. And how do we deploy our people in a really effective meaningful ways.

[Kavaney] So the questions that that where we're thinking about when we think about what it means to deploy intelligent payer operations are identifying those processes and functions where we think we have an opportunity to create that backlog and drive real meaningful change. And as we think about those opportunities understanding and gathering the data needed to support that. Where would that data be. How do we go and get it. How do we effectively partner with those data science areas or those analytics areas and how do we make sure that we've got the right resources deployed. When we start to think about these opportunities understand the technology architecture and infrastructure requirements so again this notion of a modern technology architecture and whenever we're looking at intelligent payer solutions how do you pull in your I.T. resources in the right way at the right time and create those architectures that you know you can build on over time. And then obviously thinking about identifying funding and resources. So your peers are investing whether that's in intelligent automation POEs ecosystem partnerships or just specific proof this concept, creating a backlog that you can then bounce against funding pools to think about what's critical what's at the top of their priority list. And perhaps most importantly where do you have the best opportunity to keep pace with the competition as others are starting to look at a variety of these intelligent automation solutions.

[Kavaney] With that, Rob unless there's anything else that you wanted to mention I think we could start to open it up to questions and see what the audience thinks.

[Moderator] Alright. Thank you. So at this time we will address some of the questions that came in during the presentation. The first question that came in, it was an observation 'deliver improved experiences and top line benefit will drive revenues and innovation which will drive reduction of admin cost.'

[Muphy] Yes. So I think the concept there which I think is right is how do you fund innovation right. And so you can you know an innovation that can turn around and drive admin costs and you can kind of continue to pivot. So I think the concept is right around that is a lot of these things on the proof of concept if you're always looking to take the body out first, right, growth and revenue because sometimes funding does figure innovation agenda than just pure admin cost alone. So I do agree with that that we are seeing that sometimes more of the innovative

solutions that are growth and revenue based or even a metric cost reduction based because that's a bigger lever to create more investment. And then I'm going to say chase the social security numbers around the organization and take out the ones and twos and threes which are still important but more importantly allow our teams to up skill themselves and work on the real transactions versus can say the manual transactions. Mike do you have any comments around that?

[Kavaney] No. No, I think that's I think that's exactly right.

[Moderator] Alright. Our next question: how many of your clients are employing agile methodologies and scrum process in payer operations.

[Kavaney]: I would say most. Obviously at different levels of maturity but certainly most of our clients are working towards being more agile and I would say that's both on the operations and I.T. side. So we typically think of agile software development and working in two week sprints and the ceremony surrounding that. I think most of our clients are operating in that framework. Again you know varying levels of maturity. I think what we're starting to see a lot of our clients from a pure process and ops side is to think about it that way as well if they're going to do some proofs of concept around machine learning how can they do it in a agile way where they're not trying to waterfall a proof of concept and learn a bunch of lessons way down the road. By its very nature the need to train machines requires iterative developments and iterative interaction and some iterative learning. And so I think what our clients are starting to understand that and take that lens and adopt those methods as they start to deploy some of these things.

[Murphy] Yeah, Mike, I think one of the risks is I think a lot of the original agile momentum was driven from the I.T. perspective and the business was slow to understand you know how I need to interact what are my new roles I need what is a product owner you know what does that mean to me and stuff like that. So I think that that second generation is kind of coming to fruition now and I think we'll see more you know more greater output and especially with the new tools that we're talking about you know the agile methodologies are kind of critical to deploy these in an innovative and pilot methodology and constantly iterate on them. But I would say that you know in the payer operation space I mean if you went around said how many product owners do we have our clients and do they you know they're starting to be named they're starting to be thought through in different ways. What are my products. What are my capabilities. And so that you know I would say that a lot of the early stage agile was I'm going to say I.T. driving it into the business first more of the pure collaboration that needs to happen as we move forward to kind of make it work. And then another thing I think happens to is that we do have some legacy of the I mean to say the business kind of just did it without I.T. and why that works sometimes in the short term I think you need that ongoing collaboration to build more of the enterprise tool sets that can support this long term and kind of create the true value that needs to be you know the early pilots can kind of work that way sometimes. But I do think you need to partner with your I.T. partners to drive it for the long term because there does need to be a lot of architecture and lots of other things thought through to kind of push us through.

[Moderator] Alright. Our next question [inaudible] Sorry. The next question: what is HIPPA 3.0. The tech exists to take an eligibility authorization claim and remittance and process a single transaction ultimately driving towards a point of sale solution in healthcare and increased transparency.

[Kavaney] I think we generally agree and in division if I understand the question correctly that the notion that we can think about eligibility and the cost of the services for that eligible member and be able to adjudicate it, or better yet service it in real time at the point of sale or perhaps what I mean is the point of service or the point of engagement with a physician or a provider and I think it goes to what we were talking about with trying to drive innovation with your provider partners with your innovation with your reimbursement strategy and investments. And this notion of how do we create that end-to-end value chain. I also think it goes to this notion of back office powering the front office. How can we start to look at claims not as just an adjudication engine but as a way in which we are providing a meaningful and then service in real time to members.

[Moderator] Alright. The next question we have: you speak heavily to value of investing in tactical skillsets for example data I.T. etc. Can you speak more to these skillsets of the people who should be partnering with the technical teams?

[Kavaney]: Certainly. I think what we've found is that the most successful teams whether you want to call it a scrum team or a project team or a proof of concept team combine those technical skill sets that that are being asked about with deep functional expertise so you know Rob used an example of our members are the treasured treasure trove that help us to improve. In his example it was about understanding called data in the back office. You know some of those examples are things like appeals and grievances. And if we're going to look at our opportunities to drive transformational change and we're going to look at that data we're going to need folks who really understand in this case what it means to look at appeals or grievance data and what it means to be able to root cause that. And when they're looking at the data they need to be able to understand you know what are the things that really are trends versus outliers. And that's especially true as we move into more core claims adjudication and pricing and reimbursement understanding that the nuances of our industry and the nuances of that data and then or the nuances of the process if you will so that they can associate that to the data visualizations that that data scientists are able to produce and be able to make real meaningful decisions. So I think we're advocating for deep functional expertise as you start to embark on this journey partnered with some of that intelligence automation and technical knowledge.

[Murphy] Mike, I would say that I think one of the key aspects is sometimes the best claims examiner isn't the best you know AI knowledge engineer from the data scientist right because they think you need someone they can step back from. Sometimes the detailed transaction and look through the you know the forest through the trees and look at data across stuff because what tends to happen sometimes people get infatuated with exceptions and this is about looking at things in a different way and letting data tell you where to go and stuff like that so you need data fluency and teach in the you know taken a person and probably is a little more data fluency and ability to step back and you know and understand when the data scientist's dialogue and to kind of help and understand how things are working through that. So I think one of the risks is picking the right people on the business side the team within the teams because sometimes isn't the 35 year old claims examiner that's been here for 35 years and knows everything you know how do you tap into that knowledge but the person who may work best on the team is someone who kind of kind of creatively thinking and step back a little broader and look across the transactions from end to end and across the silos that are in the organization to solve it in a different way. So I think that's definitely needs to be figured out.

[Kavaney] Yeah that's an excellent point. It's about it goes back to this notion of the agile workforce and being able to skill up our people. Certainly combining data fluency with that functional depth is critical.

[Moderator] Our next question: what is the current success ratio of RPA projects?

[Murphy] I think RPA has pretty high success. When I say pretty high in that you know 70 or so percent because the reality is as the first generation of RPA is kind of taken the next generation of macros and a lot of those things were already kind of proven out. I think you know RPA to me that you know the robotic process automation which is the you could argue the simplistic recording of activities and repeat and tasks and stuff like that has pretty high success because it's very task recording orientated and it's following what's going on from that perspective. I think that the value received is could be greater of some of the other tools but RPA concept pretty high success.

[Kavaney] No, I totally agree. I mean I think most of your pure robotic automation. That is where we're judgment isn't required. I think I think has a very high very high rate of success.

[Murphy] As long as you know your data and you understand the right use cases to pick. I think that's why we're seeing a lot of successes. I think the tools are out there now that collect all the workforce analytics data to basically tell you where to go. Basically tell you these 14 transactions have this much lag time and low utilization and repeatability and all that. And so the tools have dramatically matured to points you very clearly into the right use cases from that perspective.

[Moderator] Okay, and our next question: can you elaborate on what you mean by advanced analytics? Do you mean descriptive analytics, gathering information needed for actionable decisions, or predictive analytics, analyzing past data to predict the future demand or pre-prescriptive analytics making recommendations for clients?

[Murphy] I think it's the last two. The first one allows you to understand what's going on which a lot of people are pretty good at descriptive analytics. Don't be surprised in our clients you'll see that across the silos. But I think we think advanced we think of the last two which is the predictive and prescriptive which is making predictions what's going to happen and also making the recommendation of what to do.

[Moderator] Alright. And is Accenture using machine learning applications in payer operations?

[Murphy] The second question – in our own operations we have a great test bed. And the fact is we have 16,000 plus people process and pay or transactions for our clients and we aggressively use that as a place to help our clients improve. So yes we could use machine learning. We use a lot of those tools. Almost all those tools I talked about today are going on in one notion with our with our clients in that space.

[Moderator] Next question: what percentage of the payer community is actively engaging with hospitals and healthcare providers to build AI solutions that create or promote a greater good to the patient, transparency EOP comprehension payment solutions and OOP expense?

[Murphy] Not enough. Mike, I think the tough thing is some of the key sources are starting to get to this where they're bringing together both the payer providers that have some of this dialogue. But I would agree today that you know outside of integrated delivery systems are

provider sponsored health plans where they're owned and operated and have that they tend to work in a more partnerial fashion that's traditional. I think of a value based care is going to start to drive this a little more and some of the joint ventures that are happening out there because that you know there'll be some more dialogue around that but today it is probably a little more siloed than we'd like to see but I think we're seeing movement in that space.

[Kavaney] Yeah, I agree. And I would just add I think there's a material move to figure out ways in which to share claims data in ways that are at scale that can drive real insights. And so I hope the natural progression is then to use that in a material way across the payer provider landscape.

[Moderator] Alright. And we have in our observation successful teams typically cross functional teams that leverage in various technical skills of team members.

[Kavaney] Yeah, I would agree.

[Moderator] And the next question: what are the top applications you see for payers in NLP and text analytics.

[Murphy] I would think that it's an application stack and I think if you if we had our tech team on they would walk you through all the tools that are above my pay grade. But the reality is what I do notice is that we are connecting multiple solutions in and then constantly using those solutions to evaluate the data and score differently and constantly compare and contrast them. So I think what we're seeing, like you said I think that's the agile architecture that our teams have you know stacked in. Whether it's the Microsoft solutions or things like that that they are constantly evaluating multiple solutions stacks at the same time. And so the connector connects to all them and we constantly as a leapfrog each other. So I wouldn't be fixated on one because I think the you know if you ask someone on any given day and that's part of the challenge right you know many times you build your solution on what was the best a year ago because that's when you did your selection and the market is rapidly changing fast enough especially in the voice analytics space that is that you have to be flexible enough to adjust. And I think we've learned to build a flexible architecture that can plug in the new components pretty quickly and constantly try them. I mean literally we have teams every three months that constantly evaluates tools plug into new ones see how it's score and see and what it's do and seeing what the recommendation engine is doing and seeing how it's doing that stuff and constantly comparing that and then flipping it and obviously for different contextual use cases different ones have different advantages. So I think the key thing there is we haven't picked the top. We picked this. We pick our partners and we constantly evolve the solutions with them.

[Moderator] Okay, and what core administrative solution uses intelligent automation?

[Kavaney] I think the question is which package solutions. And, Rob, I mean I think my observation is that well not all the package solutions necessarily have quote unquote intelligent automation. In other words, they are all trying to deploy a proprietary machine learning module. They are all trying to partner in meaningful ways in this space.

[Murphy] Yeah I think you're seeing surround applications when you talk about true core admin which is [inaudible] enrollment and claims you know those are probably more surround. I do think in the call center space you are seeing the vendors you know Pega and Salesforce all those guys obviously implement their own A.I. tools and [inaudible] and Einstein and all that other stuff. So I think from that perspective I think in the traditional transactional

side of the back office more surround tools and kind of leverage in those and from that perspective I'd say you know when you get to the call centers you're getting a lot more of the front facing tools embedded into the application as they come to market.

[Moderator] Okay, and out of AI, RPA data and analytics, machine learning and NLP which technology has huge ROI return on investment?

[Kavaney] I'd say they all have the opportunity. I mean as I mentioned before I think we're seeing a lot of real tangible value in RPA. Obviously that is on a case by case basis. And it depends on your organization's willingness to sort of cash in on that value. But I think that the three use cases that we briefly touched on here from an AI, machine learning perspective around out-of-network position payments and retro prior off matches that they have huge upside. Yes. Most plans invest meaningful manual effort in those spaces and they invested both in terms of the actual effort and rework. When things go wrong it is a material operational spend today and a material opportunity if we can solve it in the right way.

[Murphy] Mike, I think the key thing here is also using the right pragmatic tool for the problem and sometimes adjusting the process a little allows you to use a more simplistic toolset. And the classic example is many times in healthcare because you know the different silos of the organization quite frankly shift paper across the bow you know you know someone well we got to use an LP engine to reread the documents. Well the reality is no if we could change the process why use that expensive of a tool when you can use something else more simpler. So I think it's right sizing the tool so the ROI does pay out because that is one of the risks is you know throw in the fancy full blown and LTAI solution at the at the tactical intelligence OCR problem right. And I think you got to right size of the solution for the problem you're solving and use the appropriate tool set is really important because while it may be cool to use the more complex tools the value added may be a little bit and may not be worth it if it's if the problem isn't as complex as it's needed to be to solve it. And that's one of the things we're seeing right now is you know the desire of our clients to be able to tell their board they're using machine learning and they're using machine learning on a on a problem that can be solved as RPA in the balance of doing that in the right way is what's got to kind of figure out and because otherwise the tools can get expensive at the far right hand side and you've got to use those solve to right complex problems.

[Moderator] Alright, great. Thank you for that great presentation and for sharing your thoughts today, and we'd like to thank the audience for participating in today's conference. I just want to remind everyone that you will get an email with the presenters contact information and for further questions and any further dialog. This will conclude the webinar today and we hope that you enjoy the rest of your day.

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