

A TURN FOR THE BETTER

Intelligent Health
Operations



As the healthcare industry continues to change in dramatic and often unpredictable ways, organizations are scrambling to keep up.

Their current operations, with their complex and disconnected technologies and processes, make it hard to manage costs, improve service quality, and become more consumer centric—all of which have become top priorities. What's the answer? According to Accenture research, organizations need to make their operations more “intelligent” so they can transform key business processes; make better decisions more quickly; and create more compelling customer experiences. In this paper, we discuss the key elements of intelligent operations and how healthcare organizations can get on the path to building them.

The healthcare industry is saddled with inefficiencies and high costs, making it an increasingly interesting target for new entrants with innovative capabilities and track records running industry-leading operations. These entities see significant opportunities to cut healthcare costs and vastly improve the customer experience through virtual technology, better customer engagement, big data, and customer choice. And they pose a huge potential competitive threat to established healthcare organizations, which are struggling to respond to heightened consumer expectations, driven by digital disruption that has rewritten the rules for consumer interactions in many industries.

The fact is, healthcare organizations can no longer afford to deliver lackluster customer experiences due to disconnected technology or processes, or simply throw people at operational problems. Instead, they need more “intelligent” operations at a time when cost management, service quality, and consumer-centric acquisition and retention efforts have become top priorities.

FIVE ESSENTIALS OF INTELLIGENT OPERATIONS



Innovative talent

Organizations need creative and entrepreneurial talent who understand digital technologies as well as industry and functional priorities.



Data-driven backbone

Structured and unstructured data across internal and external ecosystems is the backbone for breakthrough insights.



Applied intelligence

Integrated automation, smart analytics, and artificial intelligence can help organizations make far better decisions, more quickly.



Leveraging the power of the cloud

Cloud ties together all the ingredients of intelligent operations, integrating diverse data across platforms in a secure environment.



Smart partnership ecosystem

The ecosystem brings complementary skill sets and new technologies to drive innovation.

Source: "The Future Belongs to Intelligent Operations," HfS Research and Accenture, 2017.

WHAT ARE INTELLIGENT OPERATIONS?

According to Accenture research, healthcare organizations' ability to compete and grow in today's environment will require intelligent operations that are more flexible, agile, and responsive; generate value faster; and create significant and sustainable competitive advantage.

Intelligent operations are driven by a combination of innovative talent, rich data, applied intelligence, advanced technologies, and ecosystem partnerships that enable organizations to transform business processes and make better decisions, more quickly and confidently.

Through intelligent operations, healthcare organizations gain agility and responsiveness to make better decisions, faster.

WHAT DO INTELLIGENT OPERATIONS LOOK LIKE IN HEALTHCARE?

A perennial pain point for healthcare organizations is member and provider engagement.

Our research found that more than 40 percent of healthcare executives noted improving the customer experience is one of the biggest challenges they face today, and anticipating customer needs is the most challenging aspect of customer engagement as customers demand a more digital experience.

Health plans need to continuously improve their processes to be able to attract and retain members and providers more effectively. Here's one example: An insurer is notified that 500 claims are stranded somewhere in inventory and have aged, unbeknownst to the staff in charge, to just

two days shy of entering the penalty box. As part of an intelligent operations solution, digital monitoring tools spot the issue, provide a timely alert, and prevent late-payment interest charges. Furthermore, the insurer avoids calls from providers wondering about payment status.

Prior authorization for a procedure is another area that intelligent operations can improve. When a provider requests a prior authorization from an insurer, it often takes days to be reviewed and acted on by people. In an intelligent operation, an organization can use artificial intelligence (AI) as the first line of review for all authorization requests, comparing each request to the approval criteria and flagging the urgency. Those that comply are automatically approved, while others are sent to a clinician for further review.

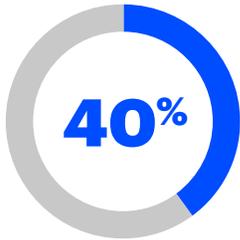
The AI system can also validate the information associated with the request—e.g., the patient is insured by the company, the doctor has a contract with the insurer, the person’s birth date is correct—reducing the number of requests requiring human attention and freeing people to focus on higher-level tasks. AI also makes the authorization process more efficient, increases the number of requests processed, and boosts provider satisfaction. As the AI system is exposed to more and varied requests, it learns and can handle more requests on its own.

Another AI tool can help with prior authorization clinical document review. An AI bot can ingest medical records and supporting documentation supplied by providers

and present relevant information via an easy-to-navigate user interface. This helps the clinician review many more medical records in a day and reduces the boredom that can result from long hours of scouring documents for evidence of necessity.

These examples illustrate how AI can support the transformation to intelligent operations by continually refining back-office processes and activities to enhance the customer experience and make it frictionless—which in turn, increases profitability, customer retention, and Net Promoter Scores. They also show how organizations can more effectively leverage their people, which is critical at a time when skilled talent is in short supply.

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HOW DOES IT WORK?

One of the keys to moving toward intelligent operations and transforming a business process is to diagnose the process from end to end to understand the type of work it involves; what kind of people are needed to do that work; whether there are opportunities to automate some or all of the work; and which type of automation makes the most sense.

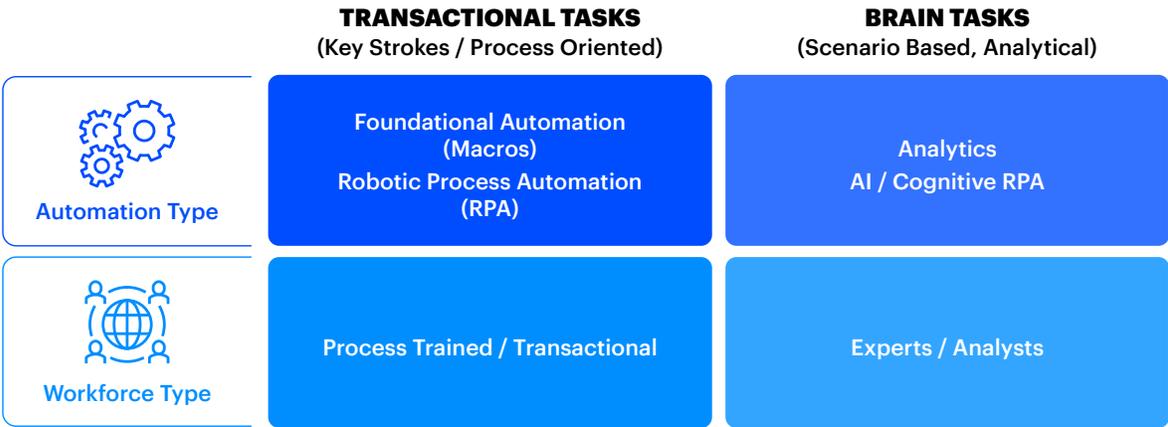
For example, as noted in the figure below, if the work is transactional and rules based, it’s well-suited to robotic process automation (RPA), which can execute such tasks more quickly, accurately, and consistently than any human can, and can handle far more of them. If it’s a knowledge-based “brain task”—requiring judgment and analytical thinking—it’s a job for artificial intelligence (AI), which can augment humans’ decision making by processing huge amounts of data and suggesting optimal actions.

But these automation tools can't operate on their own or in a vacuum. They require skilled humans to build and manage them—skills that may need to be developed, hired or acquired. And these skills become even more critical as organizations deploy data analytics to create deep, actionable insights and use more advanced technologies to manage processes.

For instance, an AI tool must be initially “trained” to analyze what humans need to review and act on—such as a claim’s structure—and then be continually monitored and tweaked to ensure it’s learning in the right way. AI’s learning capabilities are innately faster than those of humans because of the technology’s compute power, which enables AI to become proficient very quickly given

the right data and training. This training is a job for business experts who understand how to apply AI to improve key processes.

As organizations move toward intelligent operations and remove the manual, rote activities from people’s jobs, the people who are process experts become trainers of machines, enabling more work to be managed. They’ll change roles—from processor to decision maker—making conclusions based on the data the AI tools present and taking appropriate actions (e.g., determining if a claim should be paid). This will require people to augment their process knowledge with an understanding of the technology and how to use it in innovative ways to solve business problems.



WHERE DO YOU START?

A clearly defined road map is critical to building intelligent operations that can help healthcare organizations address their most pressing business challenges.

Building this road map starts with the end-to-end review of the company’s operations mentioned earlier—to determine what should be updated, replaced, eliminated, or automated based on desired business outcomes.

With a full understanding of the current state, a company then can map out its journey, keeping in mind how they'll need to approach the key elements necessary to make their operations more intelligent: data and technology, people, and smart partnerships.

Data and Technology

As data becomes the new currency, organizations are hungry to understand how to become more data-centric and how to use their data better to drive out costs, improve compliance and quality, and increase market share. They need to collect, store, process, and monetize data, and deploy applied intelligence—automation, advanced analytics, and artificial intelligence—to drive real transformation and breakthrough business outcomes. Key to the journey is tapping into the power of the cloud to tie together all the ingredients of intelligent operations, integrating data across platforms in a secure environment.

People

While data and technology form the backbone of intelligent operations, healthcare organizations will need the right people to drive the transformation. In some cases, that will mean reskilling existing employees to become AI managers and decision makers, or training them for other higher-value roles. In others, it will require hiring new innovative and creative thinkers who are adept at figuring out how to apply advanced technologies to solve business problems.

Importantly, healthcare organizations can't forget about culture, and making sure it's aligned with the new skills they want to develop or acquire. Those skills won't have the impact organizations want without the right environment: one that's shaped by the right incentives, rewards, and performance management structures, and that both

fosters creativity and innovation and empowers existing employees to build on their traditional experience and knowledge base so they're not left behind.

Smart Partnerships

Finally, healthcare organizations increasingly will have to explore new ways to partner with other parties across the ecosystem including contract employees, academia, platform players, and technology and service providers. In fact, nearly four in 10 healthcare executives in our research said exploring new ways of partnering across the ecosystem is a top workforce requirement. With digital and AI-savvy talent in short supply, healthcare organizations should lean on ecosystem partners to provide them. Many of the analytics and AI solutions that underpin intelligent operations already exist—and can be delivered cost-effectively via the cloud vs. developing them in-house. Other third parties can bring innovative new ideas for transforming business processes or for generating more value across the organization—cross-functional skills, industry best practices, and technology expertise to help an organization move toward intelligent operations.

Healthcare organizations today face many big challenges, but legacy processes and technologies are getting in the way as they become increasingly ill-equipped to help organizations respond effectively.

That's why organizations need to determine how they can capitalize on powerful new tools and practices to transform those processes and build more intelligent operations. The insights and agility that intelligent operations make possible are key to becoming more productive and profitable, and to creating and consistently delivering experiences customers want.

ABOUT ACCENTURE

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