

Humana, Inc.

Boosting member satisfaction while saving millions in customer communication costs with HP Exstream



Humana, Inc.

“HP Exstream software enables Humana to meet a critical corporate goal: to more effectively communicate with our customers by using personalized, high-quality, highly-readable documents—at the lowest possible cost. The result is improved member satisfaction, leading to better customer retention.”
—Christopher Nicholson, director of Strategic Communications, Humana, Inc.

HP customer case study:
Humana uses HP Exstream software to produce redesigned customer statements that improve member satisfaction

Industry:
Healthcare

Objective:

Enable the high-volume production of more customer-friendly, informative and personalized documents that in turn boost member satisfaction, retention rates and referral rates at the lowest possible delivery cost.

Approach:

Implement HP Exstream software to redesign and produce improved documents and statements.

Improvements:

- Ability to automate production of high volume, customized documents
- Ability to integrate data from customer databases and other sources, into documents
- Easily include color charts, tables, graphs, other design elements
- Flexibility allows software to be used for a wide variety of document types
- Minimize white space, delivering valuable and relevant content

Business benefits:

- Increased renewals: customers that are 14% more likely to renew Humana plan
- More referrals: customers that are 7% more likely to recommend Humana
- Shorter calls: length of calls to customer service dropped about 15%, reducing demand on support center administration
- More efficient: improved white space management and blank page reduction saving \$250K per month
- Less mailings: consolidating documents enables savings in mailing costs
- Increased personalization: offering more actionable data-driven messaging
- Consolidation of systems: migration of several communications to one centralized composition platform



For Humana, Inc., a Louisville, Ky.-based health benefits company that offers health and specialty benefits to employer groups, government-sponsored plans and individuals, business success depends on good communications with customers. That’s why Humana has implemented HP Exstream software to cost-effectively automate the production of high volume, personalized documents for customers.

Strategic Communications

Humana learned through market research that it needed to improve its customer communications. “We established a Strategic Communications group to specifically address improving communications with our customers,” notes Christopher Nicholson, director of Strategic Communications, Humana. The team identified several areas for improvement based on customer feedback. For instance, it learned that its Explanation of Benefits (EOB) statement, intended to explain the status of a benefits claim, was confusing for customers to understand. This document is also

Customer solution at a glance

Primary applications

Automated production of high volume, personalized customer documents and statements

Primary software

• HP Exstream software

Humana's highest volume customer-directed piece—EOBs are sent to Humana's 4 million Medicare drug benefits customers as well as 1.1 million commercial customers. So Nicholson's team began by redesigning the EOBs, changing them from point-in-time transactional documents to consolidated summary level communications that provide relevant and actionable guidance, which is easier to read and understand.

The new design was well-received, Nicholson notes. But there was another problem. Humana didn't have the personalization technology it needed to produce the redesigned statement for the volume of customers it serves.

Technology to produce user-friendly personalized statements

Humana then evaluated document production software applications, using four criteria. The software had to support highly personalized output; easily integrate with Humana's existing databases and technology systems; be easy to use and maintain; and be cost-effective.

HP Exstream software met all of the criteria, and today Humana uses it to produce its redesigned EOB statement, which it calls SmartSummary RX. This makes Humana the only company to use a non-model EOB for Medicare beneficiaries—truly differentiating the experience.

To produce the SmartSummary RX statement, HP Exstream software draws data from Humana's customer database and other sources. It incorporates colorful icons and images, tables and charts to communicate information like costs and co-pay amounts. In addition, it dynamically inserts customer-targeted messages and marketing information. The result: the statements are easier for customers to understand. Customers can also make more informed decisions about how to manage their healthcare benefits.

The EOB implementation was highly successful, Nicholson says. For instance, Humana's initial research compared retention rates of customers who received the newly designed statements to a control group of customers who did not. Customers who received the

new statements were 14% more likely to say they would renew their Humana plan. They also reported that they were 7% more likely to recommend Humana.

Humana also tracked calls into a dedicated customer service phone number for inquiries about the new statements. Calls to that number lasted, on average, 390 seconds, compared to an average of 420 seconds for calls from customers receiving the older EOB statements: a drop of about 15%. Humana's customer service department receives about 80,000 customer service calls per day; reducing the time customer service representatives need to help customers, therefore, helping reduce the company's customer service demands.

HP Exstream software allowed Humana to better manage white space and blank pages in its SmartSummary RX documents, cutting production costs by up to an estimated \$250,000 per month. The software allows Humana to combine communications into a single document when it makes sense to do so, which can reduce the company's mailing costs. As one example: if a prescription drug comes off patent, Humana is required to notify its members. Today it might drop the notice into its SmartSummary RX, instead of mailing a separate notice. "Last year, we needed to send out new privacy notices to our members," Nicholson says. "By integrating these types of communications into our SmartSummary RX statements, we have saved several million dollars per year since implementation, primarily in postage costs."

Expanding to other documents

Today, Humana continues to transition other document production workflows into the HP Exstream environment.

In five years, Humana has gone from one application to over 40 developed and supported through HP Exstream. "We substantiated our original decision to purchase HP Exstream by the benefits to our EOB statements," Nicholson concludes. "The software delivered. We got the return we expected. Everything else is now icing on the cake."

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