



Health care at the crossroads





Health reform legislation is bringing massive changes during one of the most volatile times in health care that we have witnessed.

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The future of health care is more uncertain now than ever. With the many ongoing technological, legislative, and societal changes that are occurring, it's difficult to predict what the industry will look like in even the next five years. Everyone involved agrees the impact will be enormous. More significantly, what has worked in the past is most likely not going to work in the future.

In fact, the entire industry is undergoing multiple revolutions that for many will feel like 100 years of change squeezed into 10. Cost controls, innovation, and the 180-degree shift to patient-centric health care, all illustrate the fundamental and multi-dimensional shifts health care and pharma are facing. These changes are continuously affecting organizations

By 2025, accountable care organizations will replace traditional health insurance companies.

— Zeke Emanuel,
University of Pennsylvania Department of
Medical Ethics and Health Policy

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and companies in different ways in our increasingly interconnected industry. By all predictions, payer, payee, and life sciences companies in the future will look and function in dramatically different ways than they do today.

57% of people believe traditional hospitals will be obsolete in the future.

— Penn Schoen Berland

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Health care should be data driven and about wellness, not sick care. With this, **80%** of doctors could be replaced by machines.

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But from all these changes come infinite opportunities. Want to see what the future of health care could look like? Just look at the innovations and trends that are starting to emerge. From 3D printing organs and cartilage, to smart pills and integrated health care delivery systems, the future holds an unlimited combination of possibilities across all payer, provider, and life science frontiers.

Technology can make things more efficient and effective. Now, it's time to use innovation to decrease the cost of care. Consider how the following emerging changes will impact your organizations and customers.

hospital treatment for more serious incidents. Now, newer and non-traditional options have become available and have expanded options to include e-visits, retail clinics, and urgent care facilities. [These give patients more choices, lower costs up to 75%, and change how and where health care is delivered.](#)



The reality of science fiction

Innovations are making futuristic medical treatments and procedures possible. [In the next few years, devices like the Star Trek medical tricorder are set to become a reality.](#)

These will enable caregivers to collect and analyze patient data, compare it to health records, and use simulations to recommend the best course of treatment. In addition, researchers are making advances in 3D printed organs, robotic surgery, and a host of other technologies that will make health care faster and deliver better results.



The new continuum of care

Patients typically have only two viable treatment options: the lower cost doctor's office visit for minor incidents and the higher cost



The power of social

Social media is changing the way patients and health organizations share information and even deliver care. [In fact, 48% of consumers say mobile technology will improve their quality of care.](#) And, 46% of consumers believe mobile health apps will substantially reduce their health care costs. As the patient-centric world of health care takes over, it will be increasingly important for entities to communicate and engage with their customers to grow and succeed.



Paradox of specialization

[Specialty drugs are outpacing traditional drugs and are poised to account for up to 60% of new approvals.](#) With more coming online, costs are beginning to cancel out generic drug savings. This marks an epic shift for pharmaceutical companies and will eventually collide with the human genome era to usher in the personalized medicine revolution.



Medical goes mobile

Imagine having the power to treat far more patients, with less staff and better results. [Efficiency gains from better use of mobile technology could enable 24 million more patients to be treated by the same number of doctors and health care facilities,](#) and virtually solve the projected shortage of 52,000 primary care physicians in 2025. This stands to significantly impact where and how care is given for decades to come.



Health and security

[With medical records being worth 10 times more than credit card numbers on the black market,](#) security and compliance cannot be ignored. Every leader needs to be thinking about how to drive change while protecting information and keeping up with regulations. The key is to leverage technology to stay ahead of these issues. It will drive outcomes, reduce costs and improve patient experiences – the trinity of health care.

Historically, incumbent companies are often unseated by industry disruption. Many payers may be unseated in the years ahead.

— Brendan Buescher and Patrick Viguerie, McKinsey directors

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Understanding the new challenges

Changes of this scope and magnitude require leaders to adopt a mindset that enables them to embrace the unfamiliar and chart a successful course. Constant evolution in an industry is natural. The critical factors become the vision and insight needed to identify the short-term evolutionary needs while planning for revolutionary upheaval right around the corner.

Planning for these evolutionary changes is relatively straight forward, as the goal is to be more efficient with resources and more effective with delivering. However, that covers just one aspect of a multidimensional future.

Operational excellence is not enough. You need to set up your organization to adapt and take advantage of indeterminate changes and opportunities.

A workable strategy addresses notable changes in the regulatory and competitive environment and understands the consumer-driven insurance market.

— Paul Thompson,
HP Commercial Health and Life Sciences

Companies that succeed in market leadership will excel at customer relationships, product leadership and operational excellence.



— Michael Treacy and Fred Wiersema,
“The Discipline of Market Leaders”

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The history of business is filled with companies and services that failed to adapt or react fast enough to change. These include:

- The 18-month history of the Pony Express that dismissed rail and telegraphs for perceived shortcomings, instead of recognizing how they impacted the market
- Betamax for being the first to market and still losing to VHS by not recognizing the power of partnerships to grow share
- Bethlehem Steel for not continuing its 140-year history of innovation and ignoring new trends while focusing solely on cost reductions

There are three main lessons to be learned from these examples, which correlate to the decisions health care organizations will have to face moving forward.

Lesson one

When changes start occurring, incremental adjustments or investments only work until the full effect of the shifts are upon you. Then it's often too late to make revolutionary moves to catch up (Pony Express versus railways, or payer centric versus patient centric).

Lesson two

In the short term, ecosystems and customer needs are being defined on the fly and can change in an

instant, if just one or two elements come together in the right way (for example, personalized medicine and the shift toward prevention).

Lesson three

No matter how much planning you do, health care's long-term future is uncertain and will shift many times before hitting its final course. You need to stay agile and flexible—as you watch the trends—to constantly recalculate your course.

All of these lessons require the right insights and constant vigilance to keep the pulse of the industry and your market, so that you can be flexible and prepared to adapt to the changes.



73% of senior pharmaceutical executives believe their industry is experiencing a strategic crisis forcing companies to change their business models to survive.

— Roland Berger, Pharma's fight for profitability

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The future of health care

Want to get a taste of the upheaval health care is in for? Just look back at the significant business, industry, and service changes that occurred in the video industry in just the last 10 years. Streaming has overtaken VHS, DVD® and Blu-Ray, and obsolete industry pioneer Blockbuster.

Apple, Amazon, and Netflix have all entered the market and changed their business models midstream to become dominant forces. Major networks have morphed into Internet content companies that have as many viewers online as they do off. Cable companies now make more money providing bandwidth than from content. And these are just the surface-level changes. There

“**Leaders need to understand data management, analytics, mobility and other emerging technologies to avoid missing out on once-in-a-generation opportunities.**”

are many more micro- and macro-level changes that have led to huge shakeups and shake outs within the industry since 2004.

Now it's health care's turn. But while video evolved quickly, health care is going to go through a dynamic and revolutionary change far beyond the scope of the video industry and most others. The health care industry is faced with new regulations, technologies, treatment options, care philosophies, and innovations all colliding with patient empowerment. The combination is driving increased competition and cooperation to restrain prices and improve wellness. All of this is pushing the industry toward an Internet of options with few rules for industry players and consumers. As with the video industry, health

“**Managing chaos and uncertainty is health care's greatest challenge. Health care needs to change in order to lower costs, increase access to care, and provide better quality outcomes.**”



90%

of industry executives surveyed believe insurance companies will continue forming strategic alliances with “nontraditional organizations” to expand distribution.

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consumers will soon have a virtually unlimited set of choices for how, when, where, and who they'll pay for service and care.

These shifts mean the industry is being forced to move to a dynamic care-centric model that is worlds away from the linear service delivery model it has used for decades. To succeed, almost every organization in the industry is going to have to adapt, compete, and work to retain patients, while cooperating with other entities to deliver optimal patient care.

Since these changes are so significant, many entities are coming to the realization that they may not have the right organization,

technology, or insights needed to adapt and compete right off the bat. With such an uncertain future, organizations will be pushed to diverge from their past practices. This is already occurring as new mergers, acquisitions, and partnerships are forming—almost daily—to shore up margins and growth, and help increase competitive advantages. No matter where in the chain your organization falls, continual realignment combined with entrants into the market will force everyone to identify new long-range growth strategies while solving short-range problems in order to succeed.

Huge incremental steps

For the health care industry, changes will not come in an orderly fashion. Rather, there will be significant, unpredictable, and incremental steps that create new and temporary markets and leaders. Experts are already predicting the demise or radical change of many parts of the health care system and its players. In fact, [a new study by S&P Capital Research, a financial research firm, predicts that the employer-based system will most](#)



Future successful health care leaders will need to use a new business model in order to get things done while navigating a turbulent environment.

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[likely disappear by 2025](#). This is not the only change experts see coming. New innovations, personalized medicine, pay for performance, and the transition into accountable care organizations are already changing the types and courses of treatment, and the business models and underlying systems that support and maintain them.

Whatever your thoughts on the Affordable Care Act, it has been a catalyst for significant change in health care.



— Dr. Larry R. Kaiser,
dean of Temple University School of Medicine

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Disruptive changes create moments for all

While the Affordable Care Act (ACA) has been a catalyst for rapidly moving U.S. health care in a new direction, it is the emerging trends that accompany it that are providing the fuel. The need to contain or decrease health care costs is pushing the entire industry to rethink how they do business.

The challenge now is to get ahead of efficiency and cost curves during this remarkable moment. Existing organizations, and new ones, are

developing new delivery models, products, and services in attempts to leverage these trends and drive down costs while improving overall results as we move to the next iteration of U.S. health care.

The new, patient-centric world

Throughout the history of health care in the United States, the patient has rarely held substantial power. Costs, providers, treatments, services, and delivery models have all dictated the patient's course of action. The system of delivery was so rigid that most were unaware of other options. The entire system was set up in a narrow, linear process that almost excluded any real comparisons or options for the patient.

With the new health care marketplace, increased competition, and a wave of successive technologies and services, patients are truly becoming

Health care CEOs should be nervous. Prices are up, demand continues to be for very low prices, and demand for high-quality hospitals lags further behind.



— Zeke Emanuel, chair of the Department of Medical Ethics and Health Policy at the University of Pennsylvania

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The current system is stuck on an outdated fee-for-service model, and it's a barrier to a better health care model. The growing consensus is that it's time to move on.

— George Halvorson, former chairman and CEO of Kaiser Permanente

health consumers. While the transformation is just beginning, more and more patients are becoming engaged and empowered to take initiative in managing their health and associated costs. Now, insurance carriers, hospitals, doctors, and public-health officials are all encouraging patients to keep track of their medical data, seek preventive care, and stay on top of chronic conditions. The implications for the industry have already changed the perspectives and technologies required to meet new consumer demands.

76% >>>

of marketing executives feel marketing has changed more in the last two years than in the past 50.

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Consumer engagement is seen as powerful.

70% of top-performing companies view consumer engagement as a key driver of marketing effectiveness and efficiency.

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Winners learn from e-commerce

Regardless of your organization's role in the industry, the patient-first approach means everyone must move to learn about and build personal relationships with their consumers. This has already started in small ways as organizations are moving from service and delivery models to a patient-engagement model. The challenge, however, goes way beyond acknowledging the transition. Success for any health or life sciences company lies in the delivery of information, care, and service that equals or surpasses in quality what customers get from stores, banks, or even car insurance providers today.

84%



of study participants considered a digital health strategy crucial by 2020, while 13% believed it was crucial now.

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The move to connected and mobile health care

Many companies have proven that engaging and informing customers leads to increases in profits. In fact, pharmaceutical firms were one of the first in health care to capitalize on direct-to-consumer marketing as a way of cost-effectively driving knowledge and preference for branded drugs and therapies.

Successful digital, mobile, and connection efforts go well beyond just lowering costs and improving communication. The real key is building an engagement strategy to win, retain, and engage consumers. P&G shares this point of view in handling its customer relationships. According to P&G CEO Robert McDonald, “With digital technology, it’s now possible to have a one-on-one relationship with every consumer in the world. The more

intimate the relationship, the more indispensable it becomes. We want to be the company that creates those indispensable relationships with our brands, and digital technology enables this.” It’s this core belief and understanding that has enabled P&G to find, grow and retain market share across a multitude of product categories and a constant stream of competitors.

For health care organizations, the effects and rewards of moving to a more mobile and connected way of doing business are far greater. Connecting to the daily lives of health care consumers has wide-ranging implications for care improvements, automation, prevention, and cost control. In addition, many see it as a sustainable and viable way for people to be proactive in managing and reducing the cost of their own care.

Health plans rank last in consumer experience. Unhappy customers turn to rival companies. If the current marketplace is not dynamic, new entrants will move in to fill the void.



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As consumers become empowered in their health care decisions, marketers need to proactively pursue potential patients and foster lasting relationships.

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Data—big and small

Better use of data has long been presented as a source of insights that could help the industry address problems related to variability in health care quality and escalating health care spend. But, firms need to use a combination of “Small Data”—what we can do right now to get meaningful impact—and “Big Data” perspectives that will drive collaborative, outcomes-driven health care results. In addition to traditional billing information, health care organizations will have access to data from provider visits, treatment modalities, patient tests, prescription use, clinical observations, recommendations, diagnosis, prognosis, imaging, lab values, and patient prescriptions among many others.

45% 

of IT professionals site an unskilled analytics staff as a key concern in driving projects forward.

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[“In the last five years, more scientific data has been generated than in the entire history of mankind,” says Winston Hide, associate professor of bioinformatics at Harvard School](#)

95% 

of health care CEOs said they were exploring better ways to harness and manage their data.

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[of Public Health. “You can imagine what’s going to happen in the next five. And this data isn’t simply linear. Imagine a city made out of stacks of paper, each stack printed with sets of data. Now, imagine a whole planet that size. Imagine a million planets! Imagine a galaxy full of those, and we haven’t even got there yet! That’s high-dimensional data.”](#)

The quantity, diversity, and complexity of data, and the fact that it comes from numerous internal and external sources, illustrates the potential insights any organization could have at its fingertips.



Big Data can reduce health care expenses by up to \$450 billion by helping providers quickly identify high-risk patients, stage effective interventions, and closely monitor patient needs.

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Think about having the real-time ability to identify treatment options, side effects, and health and use patterns. In any payer, payee, or life sciences organization, these would help transform the care provided and give insights to drive comprehensive patient and system cost reductions.

For this to become a reality, the industry needs robust data management and analytics that can collaborate across companies, providers, and systems. This is no small task. Much of this data remains siloed within the institutions that gather it, making it unable to be accessed, analyzed, or used by outsiders due to technology limitations or privacy concerns.

21 medical specialties drive

80%



of medical costs in the system. Physicians with the best patient outcomes at the lowest cost had a practice pattern at 33% lower cost, while adhering to evidence-based medical guidelines.

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IT leaders will have to figure out these issues to start. Then, the real challenge begins. In fact, [80% of all medical data is unstructured](#). Handling this with the changing regulator requirements, patient shifts between plans and providers, and security and integrity needs, is something most health care organizations have never experienced.

Sequencing the genomes of everyone on earth would create **more than 5 billion megabytes of information and cost over \$6 trillion.**

— Stephen Quake,
Stanford University bioengineer

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But the results and benefits are a big key to maintaining margins or identifying the path to new markets. Also, better insights and information are critical to enable established players to leap frog and out position smaller rivals. The insights made possible by robust data and analytics can drive innovation in product lines, distribution strategies, and partner alliances just to name a few.

Different dilemmas, but not unique

Health and life science firms must also forge closer ties to strategic partners, regulatory agencies, and globalized value chains to address patient needs and lower costs as they seek to increase the health of both the patient and the bottom line.

Technology is crucial to driving value

- Optimize spend, increase efficiencies, and enhance productivity
- Improve access
- Ensure regulatory compliance
- Succeed in a competitive market
- Drive consumer empowerment
- Draw value from information
- Enhance R&D productivity
- Drive quality outcomes

These new changes come with their own set of trade-offs. You have to work effectively today while preparing for the business of tomorrow. The key is to start knocking down a few issues en route to setting up the whole system up for the challenges to come. This is exactly what HP has found through working with numerous health and life sciences clients across the globe, and in our research with C-level executives via Forbes. A series of quick wins are the key to driving short- and long-term success.

New challenges require new frameworks

To get these wins, successful clients in your industry, and complementary industries, have identified new frameworks for making the best decisions and understanding the trade-offs.

The key to this approach is identifying the right questions to ask. There are quick outcome-based wins across technological, regulatory, legislative and cultural changes facing the industry. The problem is figuring out which provides the best benefits to the organization while causing the least disruption. Having the right framework and asking the right questions will make these decisions and trade-offs easier to see and help you identify the quick wins needed to move forward.

The questions and self audit on the next few pages are designed to start an internal dialogue to help you identify and focus on the quick wins and long-term options that are best for your organization. They will also provide you with a look at others in the industry to help benchmark your organization against theirs and gain additional perspectives. This framework gives you the tools needed for the challenges and disruptions ahead. Along with HP's expertise in health and life sciences, you can find proven answers to the complex issues you face.

Health care's different journeys

Provider

Life sciences

Payer

By 2018, it's expected that

13 million

wearable connected devices will be integrated into wellness plans



In Q2 2014 alone, there were 62 M&A deals within the health care and pharmaceutical industries that accounted for almost

\$170 billion



By 2018, mobile retail purchases will exceed

\$707 billion



40% of consumers say that information found via social media influences how they think about their health

Telehealth can bring about:

15%

reduction in emergency room visits

14%

reduction in elective admissions and bed days



90%

of consumers 18 to 24 trust medical information shared across social media networks

By 2020, some experts point to a

4,000%

increase in annual generation of health care data



Health care spending is projected to reach

\$4.3 trillion

in the U.S. by 2017



Consumers think:

48%

Mobile health will improve their quality of care



46%

Mobile health apps will substantially reduce their health care costs

Nearly

1/4

use the web to choose health care providers and are increasing

26% per year



88%

of physicians would like patients to track or monitor their health at home

● Provider

● Life sciences



Workplace wellness has become a

\$6 billion

industry in the U.S.

● Payer

85 million



consumers with **\$600 billion**

in purchasing power may be shopping for their own health care on public and private exchanges in 2014

1/4

of all U.S. physicians are employees of large hospital systems. This enables the hospitals to better control costs and complete patient lifecycle

20%

estimated increase in health care spend worldwide by 2015; worldwide per capita health care spending is outpacing per capita income

Hospital deals and consolidations are on the rise from

52 deals
in 2009



94 deals
in 2012

Non-traditional channels can deliver care and lower costs



E-visit **\$39**

Retail clinic **\$76**

Physician's office **\$120**

Urgent care **\$121**

Emergency room **\$500**



By 2025, it's estimated that there will be a

46,000
shortfall

of primary care physicians

New patient-centered population health models will cause

more than \$1 trillion

of value to rotate from old models to new and create more than a dozen new

\$10 billion
high-growth markets



70%

of Americans take at least one prescription drug

50% **20%**

take two

take five or more



By 2020, mobile health technologies will reach

1.2 billion users
or **15.4% of the population**



Only **37%**

of health care organizations have developed a written strategic plan for cloud computing while 83% are using cloud services

● Provider

● Payer



of health care organizations plan to move a majority of their enterprise communications to the cloud

● Life sciences



An estimated

\$83 billion

is wasted each year in marketing spend due to poor customer experience



The U.S. health care system "wastes"

\$750 billion

including waste related to unnecessary services, inefficient care and prevention failures



of pharmaceutical company applications would require modernization to deliver real-time insight and improve time to market



20% to 40%

World Health Organization estimate of all health spending is wasted through inefficiency in the system

Potentially preventable complications add 9.7% to hospital inpatient costs and are estimated at

\$88 billion

On average, corporate wellness programs realize an ROI of

\$5 for every \$1 invested

and reduce sick leave by

27%

Experts predict that

20%

of the nation's hospitals will seek to merge in the next 5 to 7 years, driven by increasing pressures for lower costs, increased efficiency, and improved quality



The cost of acquiring new customers is

3 to 6 times

that of retaining existing ones



Health and life sciences management and organizational audit

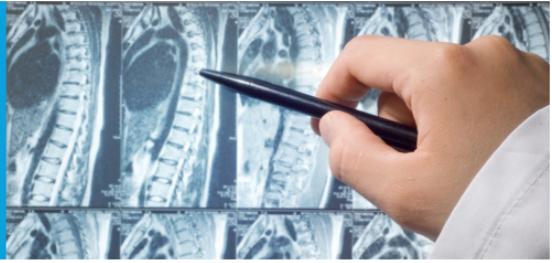


Health and life sciences executives and their organizations are faced with a number of dilemmas, both in the short- and long-term, as they work to handle industry-specific issues and maximize growth.

Everyday issues such as aging populations, legacy systems, cost pressures, patient needs, and technology shifts all need to be addressed and balanced with your organization's management philosophies. The audit, on the next page, looks at key areas of technology, business practices, outcomes, and future visions to gauge how your organization views the dilemmas facing the industry today.

Understanding how your company views itself on the sliding scale gives you insights into how your organization thinks and the trade-offs you are willing to make for the business.

If you would like to see how other executives have answered these questions, find best practices or benchmark your organization against other health or pharmaceutical organizations, please contact HP Enterprise Services Health and Life Sciences.



Technology

Analytics and data management

Data management enables health organizations to identify and solve new and existing issues. Where on the scale to the right does your organization see the role of data management?



IT and systems

The IT function mission varies by health and life sciences organization, but impacts virtually every element of the business. Where on the scale to the left does your organization see the role of IT?



Business practice and outcomes

Consumer engagement:

A health or life sciences service philosophy dictates a lot about how an organization runs and grows. As health care moves to a customer-centric model, you must choose between focusing on providing the point solutions or seeking ways to become integral to the overall health landscape. Where on the scale does your organization see the role of consumer engagement?



Economics and growth

Health and life sciences executives recognize how capital is deployed and drives decisions, and growth. Where on the scale on the left does your organization see the role of economics and growth?



Future and vision

Strategy

Health and life sciences companies need to choose between improving processes or driving innovation as they create long-term plans to stay ahead of the curve. Where on the scale to the right does your organization see the role of strategy?



Focus

Within long-term plans, health and life sciences organizations need to decide how to best manage resources today and handle growth for tomorrow. Where on the scale does your organization focus?

Compliance

In this ever-changing world of health care compliance, you must manage organizational risk and business disruption brought on by outside forces. How you see these changes helps determine short- and long-term plans. Where on the scale does your organization see the role of compliance?





Why HP

We understand your business challenges and objectives.

HP has helped a full range of health and life sciences companies by providing a deep understanding and expertise needed to succeed in this dynamic environment.

From this experience, we have found that success comes from understanding the fundamentals of your business combined with best practices we created for successful deployments all over the globe.

In the health and life sciences arena, HP has helped firms to:

- Save money and gain financial benefits that deliver deep savings
- Increase customer satisfaction and user productivity gains

- Reduce risk without business disruption while modernizing and handling compliance and regulatory issues
- Gain flexibility to keep pace with and support business changes
- Proactively address security and regulatory compliance issues
- Take advantage of innovation and new opportunities

All of this together ensures your issues are met with world-class thinking matched with best-of-breed, flexible solutions designed specifically for your organization's goals and objectives.

Contact us today to see how we can help you leverage IT to solve issues and provide critical insights for success.

What can HP do for me?



45+ years

HP has been a trusted health care IT services partner for more than 45 years.

Commercial payer and health plans

- Health plans turn to HP to transform their processes and improve business innovation. We deliver flexible, scalable solutions so they can enhance their products and services in order to benefit their customers, employees, and bottom line.
- HP solutions give health plans greater agility to engage consumers; enhance their relationships with providers; reduce administrative costs; address evolving regulatory compliance requirements; better manage benefit expenses; and improve medical loss ratios.

HP solutions:

- Analytics and data management
- Application services
- Business process services
- Consumer engagement management
- Enterprise security
- Finance & administration services
- Health care portals
- HP Helion
- MetaVance
- Mobility & workplace services
- Workload services

State & local health and human services

- HP works with public health and human services agencies to maximize the benefits of publicly administered programs. Our solutions help lower administrative costs, reduce fraud and abuse, and improve quality of services to consumers.
- HP builds on 45 years of innovation to provide health and human services agencies with flexibility, maintain regulatory compliance, reliable technology solutions and services that help them share information, increase efficiency, and improve service quality.

HP solutions:

- Analytics and data management
- Decision support services
- DUR+ (drug utilization reviews) pharmacy management services
- Eligibility
- Enterprise security services
- e-Prescribing
- Government health care BPO
- Health care portals
- Immunization registry customization and support services
- Medicaid fraud and abuse detection system



2.4B

HP performs 2.4 billion health care transactions annually, including 1 billion in health care claims.

What can HP do for me?



1969

marks the first IT services contract with a health care payer; the organization remains an HP client to this day.



10,000

HP professionals are dedicated to supporting health and life sciences clients worldwide.

Life sciences

- Pharmaceutical and life sciences organizations are working with HP to enhance agility and improve performance so they can focus on accelerating their drug discovery and development processes. We offer global, integrated technology solutions that help reduce costs while driving efficiency and innovation.
- HP brings innovative solutions to life sciences organizations that enable them to free-up resources, enhance agility, and improve performance so they can focus on driving business innovation.

HP Solutions:

- Analytics and data management services
- Application services
- Enterprise security services
- Finance & administration services
- HP Helion
- Mobility & workplace services

Provider

- HP helps health care providers confront growing demand, rising costs, and more stringent regulatory requirements. We work with providers worldwide to deliver insight-driven information to help improve the quality and cost-efficiency of patient care.
- HP helps bring information together so health care professionals can better diagnose and treat their patients to drive better outcomes.
- Our solutions help providers achieve interconnected environments, which dramatically reduce costs, improve quality and drive better outcomes.

HP solutions:

- Analytics and data management services
- Business continuity and recovery services
- Enterprise security services
- HP Helion



Upgrade IT services to increase stability and lower costs

To keep up with market changes and deliver the best results in health care, **organizations need speed and agility more than ever before.**

To do this, Blue Cross Blue Shield of Arizona (BCBSAZ) recognized three main areas of improvement: cost, stability, and flexibility.

Using HP Information Technology Office and Business Process Outsourcing, HP optimized resources and strengthened cycle and database performance to lower application and data center costs.

“HP helps us adapt quickly, keep our IT costs as low as possible and, at the same time, enjoy stability and peace of mind.”

-Elizabeth Messina,

Sr. Vice President & CIO, Blue Cross
Blue Shield of Arizona

HP increased BCBSAZ's stability by hosting and managing a more efficient and redundant mainframe network and implementing HP Business Exchange Services. It also improved speed to market with a more efficient SDLC and application delivery structure and methodology.

Over a three-year period, HP Enterprise Services Applications optimized BCBSAZ's performance.

Administrative operating costs were reduced by 38.5%.

Additionally, HP helped stabilize services by **achieving 99.9% of critical SLAs** and reducing Sev1 incidents by 75%. HP also provided more flexible, adaptable platform and processes that reduced delivery time by 35%, optimized testing by 15%, and **saved over 1,500 hours through reuse.**



Accommodate industry changes with flexible IT systems

The Oklahoma Health Care Authority (OHCA) knew it **needed to adopt technology flexible enough to accommodate industry changes** and ensure that the state would be prepared to expand their role in the delivery of health care services. OHCA wanted to accommodate a growing population of SoonerCare members without overburdening taxpayers or compromising quality of care.

To ensure adaptability and further automate health care management, HP implemented Atlantes as a

complementary system to HP Medicaid Management Information System (MMIS) for SoonerCare. HP also enhanced data collection processes to support analysis and trend reporting.

This Atlantes solution enables a collaborative framework for case management, bridging agencies and workflows **to ensure caregivers and care managers work together to optimize patient care and leverage available programs.** Improved data collection enables the state to **identify gaps in care and drive care improvements and reach of SoonerCare programs.**

“Our data is more standardized and consistent, and our analysis and reporting is more useful.”

-Marlene Asmussen, director, OHCA





1,000X increase in efficiency

Delaware Health and Social Services (DHSS) is the largest cabinet department in the state. Since 1989, HP has provided fiscal agent services and assisted in migrating DHSS Medicaid clients from a fee-for-service to a managed care environment and helped drive e-prescribing to increase efficiency.

In 2008 DHSS needed to transform and optimize its services to integrate with e-prescribing and better follow the State Preferred Drug List (PDL). Upon receiving a \$1 million grant, HP helped develop a solution that

would reduce medication errors from hand-written prescriptions and improve adherence to the PDL to improve outcomes needed to reduce program costs.

In a two-year period, HP helped DHSS see an **increase from 7.5% to 20% of the providers community using e-prescribing**. This increase led to **14,000 medication histories**, a 1,000% increase.



Division of Medicaid & Medical Assistance

HP solutions increased e-prescribing to 20%, which generated a 1,000% increase in medication histories.



Reduce financial and procurement headcount by 15%

Preparing for patent expirations is essential for all pharmaceutical companies. When a global pharma approached HP, it needed to mitigate risk of expiring patents by reducing finance and procurement headcount.

With financial operations in 70 countries and 5 to 6 different accounting systems, **the company faced disparate, nonstandardized business processes and over 1,000 operating procedures,** emphasizing the need for **a streamlined corporate organization.**

HP implemented a detailed transformation plan to establish resources and create a new Global Standard Process for business operations. With SAP and process flow testing, roadshows, and training sessions, **HP was able to ramp up the client's resources in 3 months and stabilize the new processes in 45 days.**

With these new processes in place, the client saw a **15% reduction in finance and procurement employees and OPEX, and customer satisfaction above 90%.**

15% reduction in finance & procurement employees and OPEX



Things to think about



Business practices

- How can your IT organization be best prepared for the next acquisition or divestiture?
- How can technology reduce the time, cost, and risk in your next enterprise-level M&A transaction?
- How can you set up your organization to handle long-term goals beyond quarter-to-quarter metrics?
- How are you going to operate in an environment where you are under constant pressure to improve productivity, reduce overall operating costs, and meet consumer, partner, and regulatory demands?
- What are the major risk concerns, among others, that hinder effectively supporting customers and partners, and providing regulatory compliance?
- How can health-brand leaders communicate with their reimbursement teams to meet the demands of the pay-for-performance environment?
- How are you setting up your organization to support the pay-for-performance economic model while streamlining and strengthening your entire value chain?
- Is your organization prepared for the strategic and technological demands of safety and regulatory changes from federal and state agencies and other sources?



IT and technology

- What role does IT play in your short- and long-term plans to improve overall optimization and drive greater operating efficiency?
- How can you best secure your data while providing access to partners and keeping information flowing across the organization?
- How can you set up IT to best scale as needed for ramp up, and new projects and initiatives?
- How are you going to interact or operate in an integrated, interlinked consumer-centric environment?
- Is your organization set up to fully leverage Big Data and new analytical capabilities to capture and understand structured and unstructured outcomes-based data?
- Can your IT infrastructure provide the insights needed to compete in a more consumer-centric and personalized marketplace?
- Do you have the infrastructure needed to support a mobile, collaborative workforce as well as an online, social consumer?



Future vision

- How long can current systems support your expected growth and increased data sharing needs, and when must investments be made to stay on track?
- What are our core competencies now, and how or will those qualities have to change in the patient-centered environment?
- Do you understand the key attributes to be a successful organization in the health market with all the changes to come in two years, five years, and beyond?
- What are you doing to reduce your long-term risk profile and minimize business disruptions from legacy and stand-alone systems and application as you increase data sharing-availability?

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