

A Flexible Contract Management Framework Makes the Complex Simple for Kaiser Permanente Northwest

Kaiser Permanente is an integrated managed care consortium, based in Oakland, California. Founded in 1945, Kaiser Permanente is recognized as one of the leading health care providers and nonprofit health plans in the United States, and operates in eight states and the District of Columbia. Kaiser Permanente is made up of three distinct but interdependent groups of entities: the Kaiser Foundation Health Plan, Inc. and its regional operating subsidiaries, Kaiser Foundation Hospitals, and the regional Permanente Medical Groups. Kaiser Permanente Northwest operates in Oregon and Southwest Washington.

For Kaiser Permanente Northwest, Ecteon was engaged to implement automation to reduce the risk and time associated with member contract document creation and management. Kaiser Permanente's Northwest Contract Administration department produces Evidence of Coverage documents for hundreds of thousands of members — insurance customers and employer groups that purchase insurance coverage.

These contracts include benefit information, appeal processes, how to find a doctor, and how to enroll and terminate coverage.

As recently as 2016, most of this document creation and management was manual. Jessica John — Contracts and Benefits Administration manager for Kaiser Permanente's Health Plan Operations department — explained, "Before we started this project, we had a highly manual process. We deal with a very complex and fast-changing industry, yet we were spending weeks managing rework of our documents. The proliferation of documents was dizzying. We had to maintain over 200 hundred boilerplate templates that were then broken out into literally thousands of distinct documents for regulatory filing and production. One single change that needed to be made across cascaded documents could take weeks to implement. Compound that with dynamic federal and state mandate changes introduced throughout the year, and we found maintenance of our deliverables becoming unsustainable."

Jessica John's 12-person team at Kaiser Permanente Northwest needed a more automated system for managing documents to improve accuracy in its mission-critical work, in a fast deadline-driven environment that could scale with regulatory changes, and without adding a lot of headcount.



CUSTOMER PROFILE

Kaiser Permanente Northwest is a regional health plan operating in Oregon and Southwest Washington. Kaiser Permanente is one of the leading health care providers and nonprofit health plans in the United States.

BUSINESS SITUATION

Facing a proliferation of templates, contract options, and ever evolving regulatory requirements that they were not staffed to manage manually, Kaiser Permanente Northwest needed an automated document and contract management solution to save time and promote quality.

SOLUTION

Kaiser Permanente Northwest chose Ecteon's Contraxx for a completely new Plan Document management system, built around their unique documents, business requirements, and workflows.

BENEFITS

- Reduced document change management time from weeks to days
- Revolutionized accurate and timely regulatory filing processes
- Reduced risk exposure by improving quality and root cause management
- Improved employee satisfaction
- Lower cost of care

The Right Fit

When it came time for vendor selection, Kaiser Permanente needed an affordable, flexible, easy-to-maintain system that was robust enough to manage the complexity of their challenging regulatory environment. They ultimately went with Ecteon. “The bells and whistles on the expensive systems were attractive, but we couldn’t justify the price or the ongoing cost of ownership. Meanwhile, other software systems at the same price point as Ecteon were not as flexible, nor did they have the level of technical capabilities we needed.” Jessica John continued, “Ecteon’s product was the right price and had the technical depth to satisfy the level of complexity and customization we absolutely required.”

Flexibility: Customized for Our Unique Workflow Needs

Flexibility within the system was the key to success. The array of documents Kaiser Permanente needed to manage and unique workflows for each state were not a good fit for any out-of-the box solutions. Ecteon had to make their platform behave in an entirely new way in order to meet Kaiser Permanente’s requirements. Ecteon’s CTO and chief solutions architect, Lonnie Blackwood, was personally involved in this exacting project.

The business challenges and technical solutions that were eventually needed evolved throughout the course of the project. “We took an agile approach and spent much of our project time innovating and refining both the technical solution as well as the accompanying business processes. Ecteon started with their classic provider contract solution, but quickly learned that a patient-facing EOC (Evidence of Coverage) has a very different lifecycle and regulatory process. Our team didn’t have as many downstream document management needs as a provider contract system has, but we had a lot more complexity upstream where we build the various permutations and require different types of outputs depending on the stage of production. Ecteon came to understand how our requirements were fundamentally different, and instead of pigeonholing us in a slightly modified workaround configuration (as might have been the case with other software developers), they instead overhauled the way Contraxx operates in order for it to meet our process needs and still be efficient. Ecteon went above and beyond to make the system work for us, and overall, it’s been one of the most positive and effective software implementations I’ve experienced,” Jessica John summarized.

“Lonnie’s implementation team was able to conceptualize our business requirements in a very deep way, and he was able to suggest further innovation beyond a basic Contract Management system solution scope. We pushed the bounds of the framework and had the Ecteon team untangling a lot of new requirements. We were able to meet our business goals because of how much Kaiser Permanente-specific tailoring was introduced. Part of the reason we liked this solution so much is that the flexibility to meet our criteria proved to be of such a strong value,” Jessica John explained. “We would be exploring a vague concept or problem, and sure enough Ecteon came back with a couple of different technical solutions. It has allowed us to develop new processes that work entirely with the system, with no workarounds. This system has completely and truly changed our world.”

Dramatic Reduction in Document Lifecycle Time — and Risk

One of the major results of Ecteon’s solution for Kaiser Permanente was the reduction in document lifecycle time. After go-live in January 2017, the team was able to realize a drastic reduction in contract preparation cycle time — literally from weeks to a matter of days — representing, on average, an 80% reduction! Previously, a single post-handoff change to a document could take weeks to finish implementing, requiring staff overtime and an increased risk for errors. Now, changes can be made to templates and regenerated in a matter of minutes. With less time spent on manual updates, the overall quality and accuracy of their documents have improved as well. Jessica John summarized: “Processes have become so much more efficient, and the time we previously spent manually manipulating documents can now be spent on more valuable work.”

Positive Change Management

After implementation, Jessica John realized the new processes were demanding a different set of skills and putting strain on unexpected parts of her team, so she reassessed her staffing model and was able to redeploy personnel resources to where they were now needed. Jessica John said, “Organizationally, it was a big change but as far as getting the team to buy in, it was one of the easier solutions to implement. We had a learning curve, and it had a major effect on how we worked with one another, but these were good problems to have. There was an almost immediate consensus from the staff that Contraxx was going to be a positive thing for us, and there wasn’t any looking back.”

The time of launch also coincided with a key personnel departure and the department was down a filing coordinator. “Filing and obtaining regulatory approval is mission critical — failure to meet state deadlines means we don’t get to sell insurance. Without Contraxx, we would not have hit our deadlines that year without burning out the rest of the staff. There was no way we would have been able to file on time with this team, if we did not have this system in place. This was easily the best money spent to ensure continuity.”

Lower Cost of Care

In terms of maintenance, Ecteon's solution is very low-demand and doesn't require any interdepartmental resources. "Because we could manage and maintain the system ourselves — and work with the vendor directly if needed — we didn't have to engage our IT department or hire programmers for ongoing support. This was a huge benefit: no hidden costs, extra overhead, or delays waiting on other support teams. We wanted control of the software on our terms and did not want to have to stand up an app dev team that didn't share our interests or priorities."

The solution has also proven to be self-sustaining. There is minimal to no system downtime, and the contracts team spends little time troubleshooting. "I'd say the hardest part is understanding the nuances of the document 'tagging,' which is challenging due to the complexity of our documents. In spite of what we've thrown at it, however, the system is elegant in its simplicity."

Ease of Access

Ecteon's system allows for ease of access so all interested parties are able to retrieve information quickly and easily. Jessica John stated: "One of the custom solution features Ecteon introduced for us is 'Batch Generation.' We can make a change in one place in a template, select the applicable criteria in the Batch dashboard, and with one click, regenerate and download affected documents en masse. When we're talking about hundreds of documents, this functionality is a huge, huge timesaver for us."

Increased Quality and Accuracy Reduces Exposure to Risk

Ecteon's Contraxx reduces time and risk incurred because of manual quality errors. "Our templates are now the source of truth, and changes are automatically applied to all of the affected documents. No more risk of a missed manual update or typo, and troubleshooting/validating source of issue when there are problems has become a one-step process. Our Compliance Department loves this!" Jessica John explained.

Improved Employee Satisfaction and Engagement

Something that's hard to measure, but has a big impact on an organization, is employee satisfaction and engagement. Following the implementation of Contraxx, employee engagement scores went up dramatically. Thanks to the system, Jessica John's team was able to spend less time on minutiae and more time refining processes, conducting research, proactively interfacing with business partners, and figuring out ways to make their work more efficient. "It allows our people to use their brains in a more productive and effective way, which improves job satisfaction."

WHAT'S NEXT?

Ecteon stays very engaged post-launch. As the health care industry and insurance market evolve, so does the system. As Jessica John explained, "Ecteon has continued to stay involved, troubleshooting as needed and helping accommodate technical modifications due to market changes. They have continued to be responsive long after the project closed. I've never had a system with vendor support as stable as this. Ecteon is a rare kind of supplier partner."

"Hands down the easiest change management ever, and one of the best value investments our team could have made."

