

Pega's customer engagement platform:

The fast track to a superior digital experience



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Consumers expect more

Today's world is digital first; people expect seamless experiences delivering the knowledge and service-levels they require, at exactly the right time and place. Cutting-edge "as-a-service" firms have set new expectations for customer experience by connecting all their customers, data, and channels – then integrating analytics to ensure each interaction is seamless. They've built new digital business models centered on customer empathy, and have committed to knowing each individual, and adapting to their needs. That investment has been exceptionally popular, driving tremendous levels of awareness, loyalty, and growth.

It has also made things much more difficult for other industries, especially healthcare.

Whether it's the instant gratification delivered by a Google search, the mobile-driven simplicity of ride-share providers like Lyft, or the anywhere, anytime accessibility of music, content, and shopping delivered by Amazon – connected digital experiences have become the new normal, and are the de facto lens through which patients, members, and customers view healthcare organizations (HCOs).

Members and patients don't care that HCOs are large, complex organizations with lots of moving parts. They don't care about silos in data, products, people, and channels. And they don't care that these organizations are held to exceedingly rigorous standards and forced to operate within tight profitability thresholds. They just know that their health is an incredibly personal and essential issue and can't understand why healthcare is not as simple and seamless as everything else in their lives.

To compete on a level with digital disruptors, HCOs must provide the same connected, frictionless experiences. This requires an overhaul in the standard HCO approach to customer engagement: it means HCOs need to become more than just outcome providers – these organizations must become intelligent experience builders, with the agility and horsepower required to execute digitally.

Think journey before technology

When executives at an HCO realize that they need to reinvent their patient and member experiences and enable modern digital engagement, they often assume the worst – that it will require a complete replacement of their legacy stack, including backend support operation systems (BSOs) and customer interfacing frontend systems (CIFs). The problem with that approach is it's just too big, too overwhelming, and too risky. Studies by McKinsey show that 45 percent of large legacy system replacement projects fail, and 60 percent deliver less value than expected. Worse, 17 percent of these projects end up being catastrophic to the organizations that undertake them.

Would you take a flight on a plane that had a 17% chance of a catastrophic failure?

We've experienced that these projects take anywhere from two to five years to complete, often costing tens of millions of dollars. Often HCOs will start a replacement or consolidation project and then abandon it, because it was ultimately deemed too costly or involved too much risk to the business.

"In our experience, many technology transformations fail because they do not produce results that the rest of the organization can see until the end of the trip. Too many IT transformations focus on the technology to the exclusion of the customer experience."

Generating Value While Transforming Legacy Technology, Boston Consulting Group, December 2016

Instead of rebuilding from scratch, HCO executives need to focus first on the specific patient, member, and customer journeys they want to enhance. In addition to decoupling from legacy BSOs/CIFs, HCOs need to determine the outcomes they want to achieve and enable iterative digital engagement improvements. Using Pega's technology as the core of the customer engagement platform, HCOs can integrate data-driven experiences quickly and efficiently, by combining key data and processes from legacy applications with adaptive marketing, sales, and service actions.

Comparing hearts and brains

To understand this better, think of your BSOs/CIFs playing the role of the heart within the human body. To stay alive we must breathe air to oxygenate our blood, which is then circulated to sustain life. We don't have to consciously think about performing this vital activity; the heart and lungs just make it happen.

But engagement is different. To interact intelligently with the world around us, we need to gather data, process information, make decisions, and execute them consciously – using our brain.

A company's BSOs/CIFs should function as our heart and lungs do: they are a fundamental requirement to running the business, but should not require conscious effort. But engaging with patients, members, and partners in meaningful experiences is a function of the brain, and requires analysis of many, many data points to determine what action should be performed next.

Orchestrating seamless execution

HCOs can't create a brain simply by adopting a bigger and better BSOs/CIFs stack. What is needed is something innovative: an engagement platform that centralizes patient or member analytics, manages real-time decision-making, and functions as a brain that's "always-on" – constantly analyzing what's happening, processing data and context, and making individual-level decisions as events occur.

This kind of platform isn't like older systems that require sales and support agents to sift through screens of data to figure out what patients, members, and customers need. Instead, it pulls information from required systems across the organization, and delivers insights at the precise moment they're needed. This allows for seamless execution of intelligent, informed processes – processes designed with the individual in mind, not dictated by organizational structures or limited by legacy capabilities. Insights are constantly provided by the brain, and the actions it recommends are executed by "muscles" – like automated tasks or straight-through processing.

For example, when patients or members today need to resolve an issue – like a problem with online prescription fulfillment – they start with the organization's website to see if they can find a resolution. They'll scroll through multiple support pages, search knowledge-base articles, provide data about themselves, denote their script, and describe the issues they're experiencing. They'll spend a lot of time and energy before getting irritated and calling the contact center – which they would have rather avoided – generating incremental costs for the HCO and massive frustration for the individual.

This is a broken process – where neither the individual nor the organization benefits.

Instead, relevant information should automatically be extracted from each system of record, providing the HCO with a complete picture of that individual's profile and context at the current moment. That individual's issues should be anticipated, and when a need arises, that person should be directed to relevant content or guided through a troubleshooting process and presented with an action that facilitates a resolution. If the patient still needs service, the contact center would have the full context of the previous encounter, enabling the agent to pick up exactly where the patient left off on another channel. This not only reduces the average handle time (AHT), but it also provides a significant boost to the patient or member experience with a much more satisfying outcome.

Pega's customer engagement platform

This vision can become a reality with Pega's customer engagement platform. The platform acts as the brain, sitting in the center of all systems and channels; it integrates with legacy BSOs/CIFs to extract critical customer information, using it to make engagement decisions, before applying context to orchestrate end-to-end journeys that stretch across the healthcare lifecycle. Each system is interconnected by Pega, which shields support agents, providers, care teams, and pharmacists from all the associated complexity, instead providing simple, straightforward recommendations within the systems they already use.

The platform can also be deployed in a modular, journey-centric way, where HCOs integrate or deprecate systems iteratively, as needs, time, and budget allow. This enables organizations to quickly show results and earn the right to funding for the next phase, rather than investing in a risky total systems replacement.

"Pega makes it really easy and seamless, from a plugging-into-existing or new-technology perspective."

– **Gabrielle Shone**, Associate Director, Campaign Technology, Optus

With the customer engagement platform, HCOs no longer need to rely on extensive training or agent intuition to deliver a superior experience. The platform anticipates each individual's needs within the current context, and intelligently guides agents through every step of the interaction. Using a combination of propensity modeling, lifetime value calculations, and a unique next-best-action arbitration process, Pega suggests recommendations for each individual, at the specific moment, across wellness, marketing, service, and sales channels.

As a result, patients and members experience journeys that are personalized and seamless, which deliver the outcomes they expect. HCOs, meanwhile, can grow their profit margins by serving up the most relevant, timely recommendations. They can also cut costs by empowering patients, members, and customers with effective self-service capabilities and increasingly efficient live agent interactions.

Getting faster time to value

HCOs can also quickly improve time to value. The customer engagement platform comes with the ability to support individual journeys quickly, across wellness, program, marketing, sales, customer service, and fulfillment use-cases. HCOs can configure rules and strategies, quickly adapting them as new actions become available or as other needs arise. The solutions allow users to get started right away – saving months of time normally spent building process maps, gathering requirements, developing logic, or architecting data models outside the platform. As a result, HCOs can begin to realize a customer-centric vision in months instead of years, transforming at a pace that suits the organization, minimizing both cost and risk – with clients realizing huge savings through 8-10 percent decreases in AHT, and 25-50 percent improvements in Net Promoter Score (NPS).

“We stood up Pega in a few short months - and very quickly transitioned to having centralized intelligence, cross-channel suppression, and triggers that could determine the right offer, channel, and timing for each customer.”

- Jason Charlebois, SVP Global Retail Banking Technology, Scotiabank

The anatomy of a customer engagement platform

Built on Pega Infinity™, the customer engagement platform combines multiple capabilities to provide HCOs with the agility to make incremental changes and begin realizing measurable benefits quickly.

The platform consumes patient and member interaction data from wherever it originates – claims, EHR, care teams, in-facility/store, chat sessions, phone calls, mobile, social, or the web. HCOs can start with a single use-case and expand over time – including the full healthcare lifecycle crossing service, customer care, wellness, member or patient acquisition, retention, cross-sell/upsell, utilization management, B2B sales, and operations.

Pega Infinity™

Revolutionary software that unifies customer engagement and digital process automation



Key capabilities of the customer engagement platform

- **Individual decisioning with real-time, omni-channel AI:** Pega Customer Decision Hub™ provides HCOs with a powerful decision engine that automatically calculates the next best action for each patient, member, and moment, and delivers it to the appropriate channel in real time.
- **End-to-end automation and robotics:** Pega's industry-leading case management and robotics capabilities help get more work done, with less effort – automating the mundane, tedious, time-consuming, manual work that hampers productivity and efficiency.
- **Patient and member journey focus with journey-centric, rapid delivery:** Pega has developed the only customer engagement solution that spans sales, service, marketing, and care management journeys, in a single unified platform.
- **Software that empowers your teams:** The platform enables business and IT teams to design software together, using groundbreaking visual tools that automatically code the application. Rather than developing requirements, everything is captured directly in Pega's visual models – and Pega integrates with existing systems using configurable connectors (such as SAP and Salesforce), standards-based protocols (like SOAP and REST), and the open Pega API.
- **Scale management through our Situational Layer Cake™:** Pega's Situational Layer Cake allows users to manage variation at scale. It's possible to define a business process, experience, user interface, or recommended action just once, and then reuse it throughout the enterprise.
- **Cloud choice:** HCOs can start development on the Pega Cloud™ and deploy on-premise, mixing and matching applications deployed on different clouds. HCOs get the flexibility to build the cloud deployment model that works best for the business, powered by the Amazon Web Services infrastructure and a certified, global operations team.
- **Healthcare best-practice foundation:** Out of the box, Pega delivers common components shared across our healthcare application suite, such as our digital product catalog and data model. The catalog's easy-to-use interface is designed for marketers and product managers to define offers, bundles, products, pricing, and configuration rules. The data model aligns with HIPAA EDI and transactional requirements (v5010), as well as the HL7 FHIR Standard.
- **Care management integration with customer service:** Because Customer service is a key component of care management, Pega Care Management™ is built on top of Pega Customer Service™ for Healthcare. Care management capabilities include population health management, such as wellness and disease management, as well as health assessments, automated care plans, pre-authorization capabilities, and beyond.

“I've been part of several technology releases even with United and I've never seen this level of success.”

- Wayne White Vice President, Medicare & Retirement, UnitedHealth Group

Evolution vs. revolution

Healthcare customers today expect to engage seamlessly and effortlessly in their channel of choice. Operating in an intensively competitive environment, it has become essential for HCOs to develop the capabilities to more intelligently engage with customers – or risk losing them altogether.

HCOs can transform the member and patient experience only by overcoming complexities and enabling more personalized and proactive interactions. This requires agility in business and technology, orchestrated across channels and journeys.

When adopting Pega's customer engagement platform, we recommend that HCOs take an incremental approach. A good way to start is to identify three to five key customer journeys. Users can then leverage the capabilities applied to those journeys, such as Pega Customer Service™ for Healthcare and Pega Customer Decision Hub™, to deliver them for a specific experience. Each transformation phase is time-bound, typically between 90 and 120 days, and designed to deliver measurable business benefits upon completion of each stage of the project.

Some phases can be delivered in parallel with the next set of customer journeys. This way, more functionality is delivered, allowing HCOs to begin the processes and interactions that result in successful member and patient outcomes and achievement of business objectives.

The good news is that this is actually the best time to seize this opportunity, because in today's business landscape, what's good for the customer also drives shareholder value. A reinvented digital experience not only makes patients and members happy; it's also good for the bottom line.

Our commitment

Pega is the software leader and innovative partner for customer engagement and operational excellence. Our customers include the biggest healthcare companies in the world including United Healthcare, Anthem, CVS, Optum, NASCO, Pfizer, and Express Scripts. The healthcare team at Pega is comprised of seasoned industry thought leaders, consultants, and product leaders who have decades of experience delivering intelligent, agile, and scalable applications – on the only truly unified platform to enable breakthrough business outcomes, empower employees, and revolutionize customer experience.



ABOUT PEGASYSTEMS

We are Pegasystems, the leader in software for customer engagement and operational excellence. Our adaptive, cloud-architected software – built on the unified Pega Platform™ – empowers people to rapidly deploy, and easily extend and change applications to meet strategic business needs. Over our 30-year history, we've delivered award-winning capabilities in CRM and BPM, powered by advanced artificial intelligence and robotic automation, to help the world's leading brands achieve breakthrough results.

For more information, please visit us at WWW.PEGA.COM