



# Technology

## Not just serving the business, it *is* the business

If your health plan is like most businesses, information technology is one of your biggest capital budget lines and one of your least visible functions. With the goals of driving efficiency up and costs down, IT has typically served the business. Now, IT is the business — and to make this change, technology needs to come out of the back office. Innovation and differentiation should become a focus in how your health plan leverages technology.

New market forces are bringing analytics and instant collaboration to the forefront of health care. But technology cannot deliver on market demands until IT works on an equal footing with your other business functions. New physical capabilities and new rules are part of the solution, but so are new attitudes and relationships. On the web, in the office, and in their hands, today's consumers have great expectations of technology and your organization's transformation to a retail mindset should accommodate that expectation.

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Put IT at the center  
of your business:  
focus on the  
business of IT and  
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business innovation.

### Toward an “as one” culture

#### Bringing functions together starts with bringing people together.

Traditionally, technology was the “how” and business units were the “what,” and these functions were divided. Information flowed down the assembly line and adjustments took time to implement. In the new retail environment, health plans don't have that kind of time anymore. The result of a given IT process can no longer be the end of a chain that runs from a business team to an IT team to a programmed outcome. Now, the IT and business people can work together to achieve the needed result collaboratively, in real time.

That's a cultural shift. Methods are changing, but so are ways of thinking — for example, with respect to security, or with respect to more responsive customer relations. Your old talent structure may have handled technology professionals as a commodity. Instead, your organization may need high-value IT competencies, such as user experience designers, data scientists, and integration architects to deliver new capabilities with greater agility.

### IT: your strategic differentiator

Putting technology at the center of a health plan's business requires a two-pronged approach: focusing on the business of IT and becoming a partner in business innovation.

Before technology can ramp up its contribution to the business, the function must have its house in order. The technology must consistently be stable, efficient, and secure because everyone who interacts with it will expect it to “just work.” Your organization's IT leaders should anticipate problems and make the investments to solve them in real time. There's less room to push improvements down the road.

In its new role as a partner in business innovation, IT can drive agility as well as efficiency. If your organization can support 24x7 global delivery, reduce delivery cycle times, and make secure use of the cloud — while keeping quality up and cost down — it can be more responsive to customer needs. IT has the power to turn data into insights and insights into action, helping your health plan pioneer emerging techniques and introduce leading innovations.



Technology can be transformed from a back-office function to a strategic differentiator, but not by itself. It takes leadership to sanction an innovation ecosystem of controlled risk-taking — one that replaces the long-cycle, “big bang” approach with the rapid iteration necessary to succeed in the retail environment.

### **Paving a path to business innovation**

**Pick the technology battles that mean the most to your business transformation efforts.**

It's easy to write a technology wish list that soars past your available means. Instead, choose the investments that will lead to meaningful change. What technology investments will help you engage with customers, derive value from them, or change their behavior?

One place to start is with member-facing changes that help build trust. Plans traditionally have had low contact with individual members — they dealt with their doctors, pharmacists, or group administrators. In a retail-oriented environment, a “mobile-first” mentality backed up by the right technology can help your health plan build these new relationships.

Another fertile focus area is care delivery, because providers will need help with new responsibilities of their own such as reimbursement, Management Services Organizations (MSOs), and population health management. Plans can use technical and analytics experience to provide products and services to the provider community in order to get closer to care delivery.

In practice, your organization will have a lot of choices to make. Shoring up your IT capabilities can involve commitments like capability maturity model integration, upgrades to legacy components, cloud-based virtualization, global delivery mechanisms, and tighter security protocols. To apply IT muscles to the business, you'll have to embrace “post-digital” thinking, service-oriented architecture, advanced analytics, remote self-monitoring, and mobile. Wherever your organization invests in technology, it will be important to focus on specifics, including measuring, monitoring, and quantifying results.

### **Bottom line benefits**

Historically, IT success was marked by efficiency, cost control, and other metrics that facilitated strong business outcomes. Now, technology is the business outcome. A retail-minded, consumer-centric view of your available tools can deliver benefits, such as:

- A higher return on infrastructure spending
- The ability to create an “envelope” of service and trust around members
- More agility in serving customer needs, adopting innovation, and outflanking competition
- A more seamless organizational culture on both the personal and business unit level
- New revenue streams derived from selling technology capabilities directly to members and business partners

To learn more, including steps you may take right now, please contact us.

### **Contact us**

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