Conduent Healthcare Payer Solutions

CONDUENT

The Secret to Successful CAPS Implementation?

Don’t Manage Risk – Embrace It



Introduction

A health plan's Core Administrative Processing Solution (CAPS) is the organization's foundational operations framework. It's the nucleus of operations, customer experience interactions, billing, revenue realization and workflow management.

So when an organization is ready to replace its CAPS system, there are going to be some growing pains.

Experts and consultants frequently talk about risk mitigation and how to ensure that risks are simply eradicated from the equation. But this line of thinking presents a false narrative; no CAPS implementation is — or should be — free of risks. In fact, it's the act of embracing those risks and understanding them that will lead your organization to ultimate success.

The road to success

Over the past 20 years, we've experienced first-hand all of the good and the bad involved with a CAPS implementation from projects coming in on time and under budget to those at 2-3X over budget and grossly missing business timelines. Those that missed their targets by the most suffered from insufficient project controls and underqualified personnel who were resistant to change. They compensated for these inefficiencies by adding resources in the middle of the project, often making the situation worse.

It's no surprise that a CAPS implementation is a huge undertaking for any organization. After all, it is not something companies do on a regular basis. The job of replacing the core CAPS system is complicated enough, but it's also critical to manage and integrate all the other systems — and people —with which it interacts. From web portals to pharmacy integrations to provider systems, claims intake systems and much more, there are dependencies, risks, and a lot of transitions every step of the way.

So it is critical for organizations going through a CAPS transition to embrace the risks, pivot when needed, and chisel out their best possible pathway to completing the project on time, on budget and with the highest quality outcomes.

In the following pages, we've outlined some of the key factors that can put a CAPS implementation on the road to success.

Key Factors to CAPS Implementation Success

1. Have a project champion
2. Invest in the right project team
3. Create a plan and evolve with it
4. Embrace and promote the benefits of change
5. Have (and set) realistic expectations

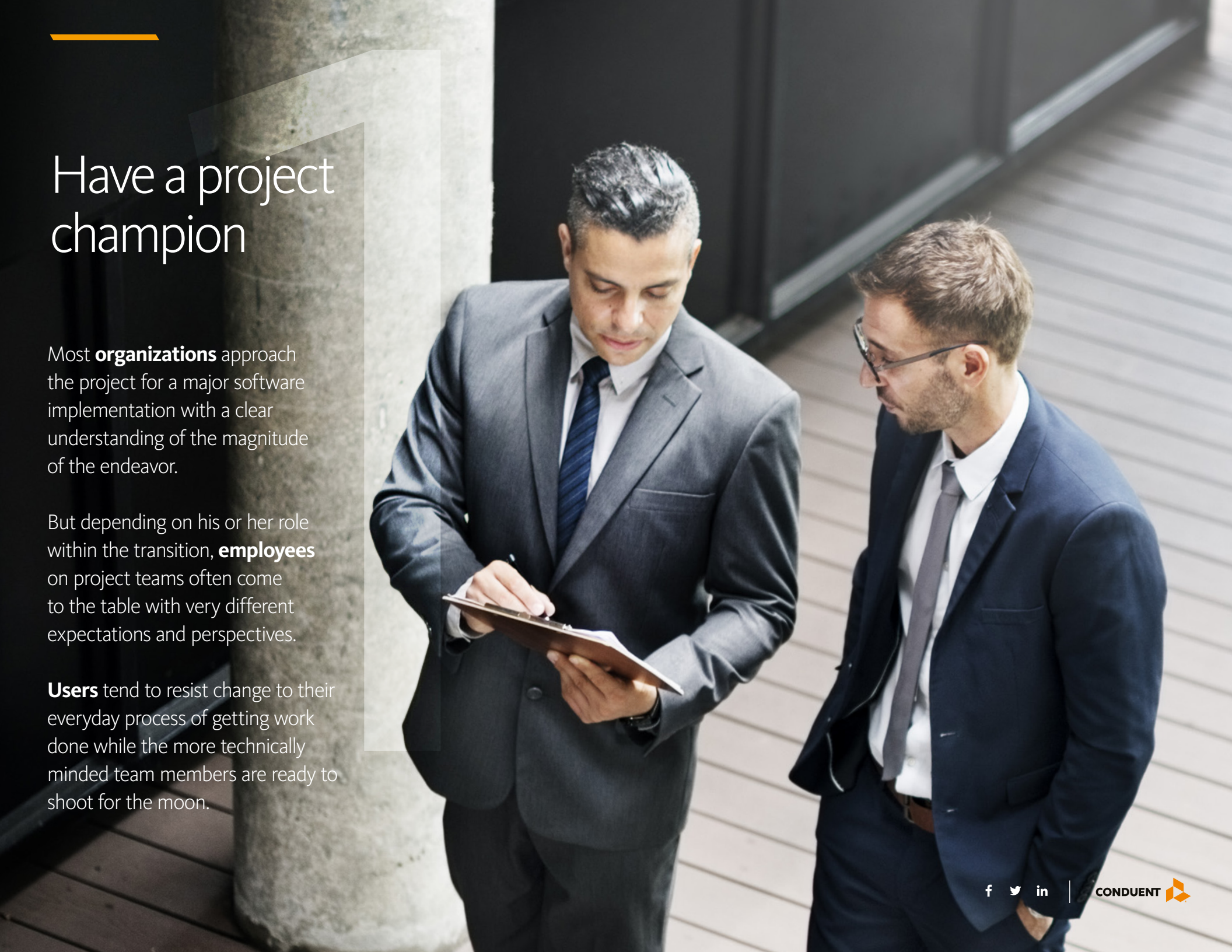


Have a project champion

Most **organizations** approach the project for a major software implementation with a clear understanding of the magnitude of the endeavor.

But depending on his or her role within the transition, **employees** on project teams often come to the table with very different expectations and perspectives.

Users tend to resist change to their everyday process of getting work done while the more technically minded team members are ready to shoot for the moon.



Have a project champion

Having a project champion is hands-down the most influential factor in the ultimate success (or failure) of implementing such a broad-sweeping organizational change. The right project champion will understand the corporate vision for the CAPS system change.



A strong leader

A strong leader in this key role will not only elevate the importance and understanding of the project throughout your organization; they will also ensure that every key stakeholder both inside and outside of your organization is aware of the project and understands their individual roles in its ultimate success.

With the right leadership sponsorship, every other important facet of the project will fall into place — from appointing the right project management staff, to sourcing the technical implementation team, to ensuring there is a change management program in place to steady every step of the implementation journey.

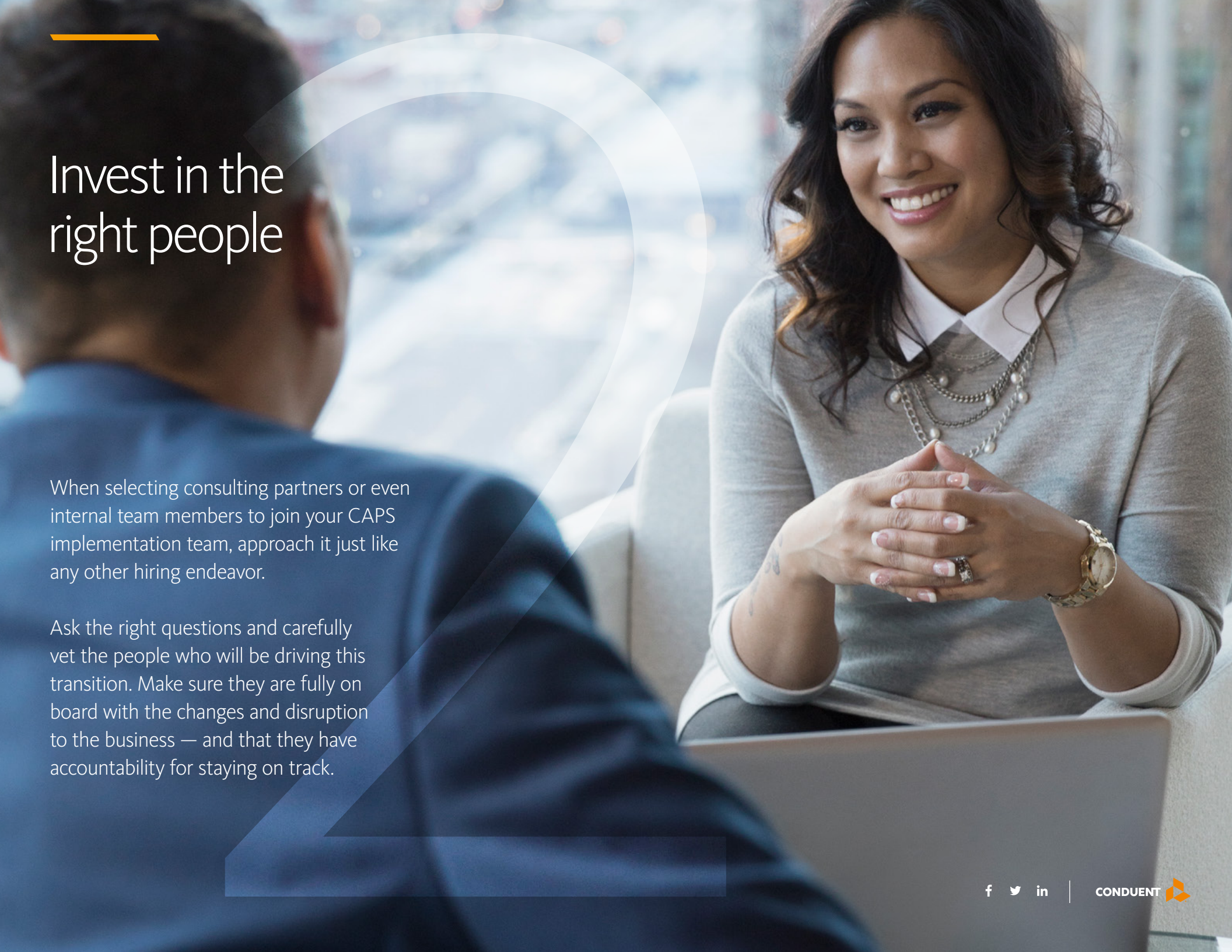
Influence and decision-making power

The project champion must be a person within your organization who has influence and decision-making power. This is key because decision points, especially in long-term or multi-faceted projects, can become the albatross to project success. To move swiftly, pivot as needed and keep on track, the project champion must be a leader who embraces change, gets involved, and helps the entire organization get on the bus and keep riding in the proper direction — no matter what the stops may be along the way.

Invest in the right people

When selecting consulting partners or even internal team members to join your CAPS implementation team, approach it just like any other hiring endeavor.

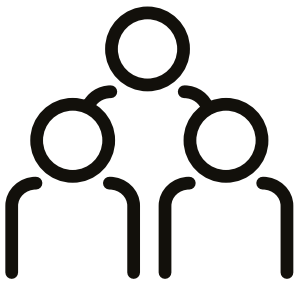
Ask the right questions and carefully vet the people who will be driving this transition. Make sure they are fully on board with the changes and disruption to the business — and that they have accountability for staying on track.



Invest in the right people

Particularly with third party consultants, it's important that they understand up front the need to attain certain project goals and timeframes so that your implementation doesn't turn into an annuity project.

Manage your consultants with clear goals and financial incentives — and consider up front specifying contract terms with aggressive dependencies.



The program manager

With any major software implementation, having at least one certified, trusted, project manager is necessary for success. Effective project management will ensure that the implementation team has a solid plan for both execution and continuous project measurement. Whether the project manager is an internal employee or a consultant, it's mission-critical for them to be the star quarterback in keeping the project on track.

We've seen a lot of examples of projects that fail or go on way too long when there is a lack of appropriate goal-setting and tracking. Simply having a start and end to a project is not a plan for success. You need to set milestones along the way — and the project manager needs to have strong communication skills to ensure that all team members are staying in sync.

Collaboration with project champion

It is also fundamental for the project manager to work closely with the project champion from the start — communicating clearly about the big and small milestones and any barriers to staying on track. Doing so ensures a clear understanding of the top-line business goals and a continual sense of urgency to stay on track.

Don't allow yourself to fall into an endless cycle of change orders. Although change is an integral part of the CAPS implementation process; it is not the end result. Instead, it is a process that requires constant care and feeding to stay on track and within budget.

Create a plan and evolve with it

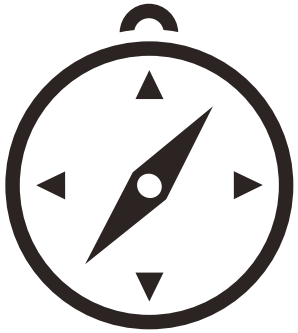


Often with software implementation projects, there is an illusion that all the tasks can be identified at the beginning of the project and tied up with a pretty bow — or worse yet, set in stone. This is not a realistic expectation.

You will discover change along the entire journey that needs to be integrated into the solution. In fact, we have found that for a typical project, 50% of what you plan never comes to fruition — and that 50% is replaced by all the other critical tasks the project team uncovers along the way.

Create a plan and evolve with it

Plan, embrace, evolve



The key

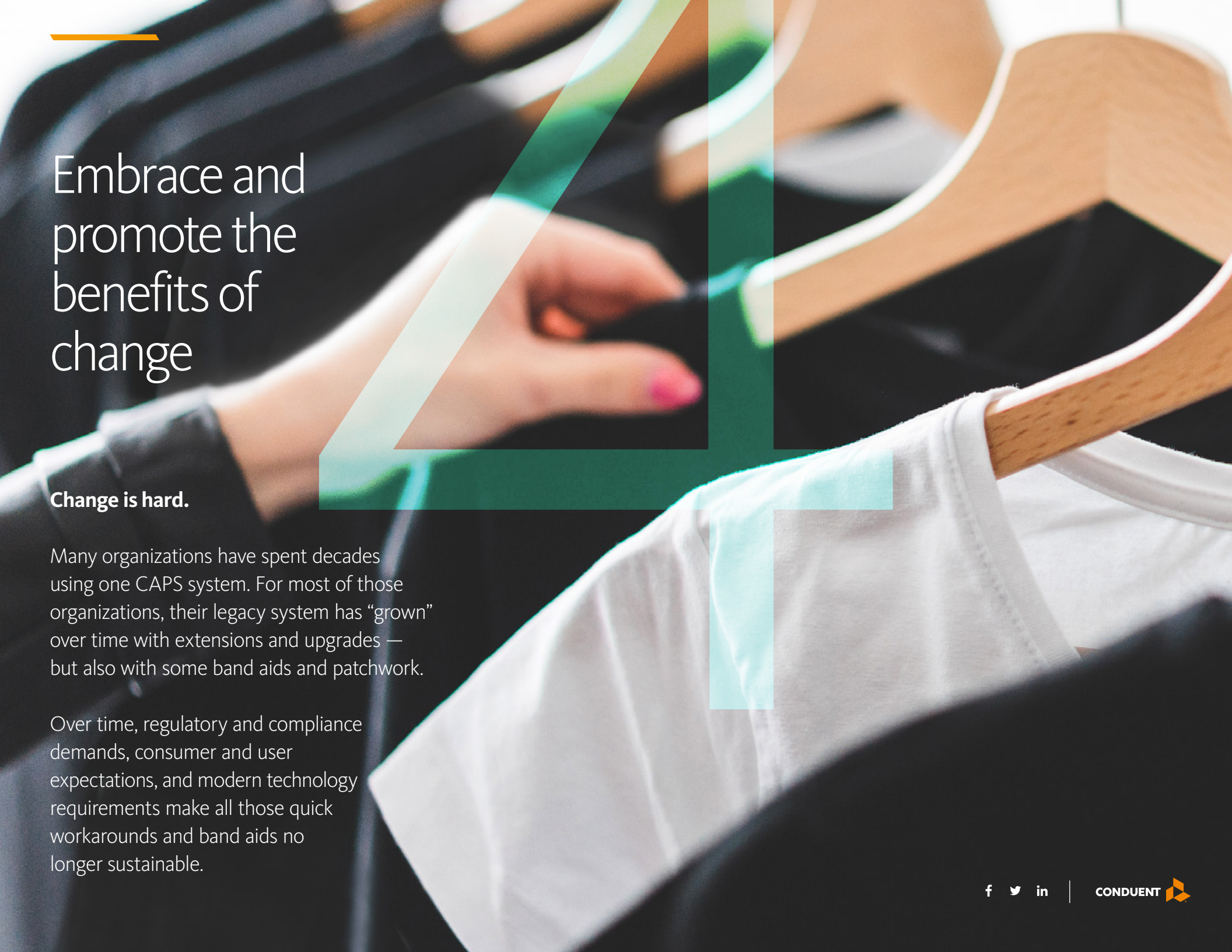
The key here is to plan for the fact that this kind of change will occur, embrace it and then keep evolving and managing your plan accordingly. For example, when you're dealing with integrations in multiple workstreams, there are many dependencies. It's important for the project manager to set mini-goals and milestones to keep every piece of the project on track. Simply having a huge list of tasks with a "start" and "end" date can create a false sense of security between the project manager and plan champion because that method of tracking doesn't consider all the stops along the way.

In reality, there are (and need to be) a series of checkboxes for each task to ensure that any delays to a given project task are properly factored into the project timeline. A simple delay of a day or two may not seem like a big deal — but with the many dependencies and workstreams involved in a project of this magnitude, a few days can spiral into weeks or months.

The bottom line?

Having a plan is important even if it changes (and it will). Your plan needs to be fluid and flexible. But if you have no plan, you won't know when you've missed dates or key milestones, and you can end up paying your consultants for idle time.

Embrace and promote the benefits of change



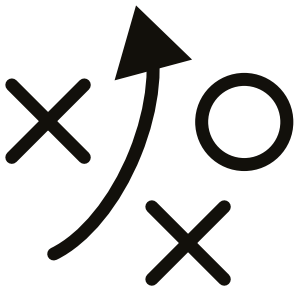
Change is hard.

Many organizations have spent decades using one CAPS system. For most of those organizations, their legacy system has "grown" over time with extensions and upgrades — but also with some band aids and patchwork.

Over time, regulatory and compliance demands, consumer and user expectations, and modern technology requirements make all those quick workarounds and band aids no longer sustainable.

Embrace and promote the benefits of change

Learn, grow, embrace



When an organization makes the decision to switch CAPS platforms, it must be done with the complete understanding that major changes are on the horizon throughout every aspect of plan administration. While anyone involved with the project would likely agree that achieving the implementation on time, within budget and according to scope are the top priorities, the foundation for a successful transition is that everyone involved in the project — and the entire organization — is willing to learn, grow and embrace what is typically a highly disruptive period of change.

This is one of the areas where having the right consultant on board with expertise in change management can make for a much smoother transition.

Once an organization commits to making a change, everyone needs to fully commit to doing what it takes to embrace that change to job roles, processes and software. Senior management must ensure that targeted employee training is in place through every step of the journey and that the transition to a new platform is positively and consistently reinforced throughout the organization at every touch point — in employee meetings, emails, learning opportunities and on the job training.

Have (and set) realistic expectations

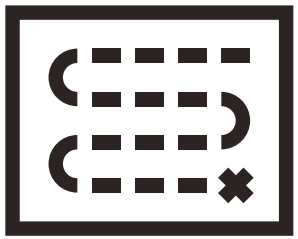


Undertaking a systemic change of this magnitude requires both senior management and all project team members to go into an implementation project with their eyes wide open.

It requires opening up your mind and thinking about your world and the way the organization works in a whole new way — and it's not something that's going to happen overnight.

Have (and set) realistic expectations

A well thought-out plan



The pitfall of having unrealistic expectations most often afflicts the highest level project sponsors, who may not always think through the sweeping changes that will be required from throughout the organization, nor the level of time and human resources commitment that will be involved in the project.

Falling into the trap of hiring a consultant, setting a deadline and telling the IT resources to figure it out is most certainly a recipe for disaster. But even with a reasonably well thought-out plan in place, everyone involved in the implementation must fully buy into the fact that the process can take months (and sometimes years) to complete.

Conclusion

The secret to a successful CAPS implementation is having an appetite for disruption — and ensuring that your organization and all of your partners are ready to embrace the risks and changes that inevitably come along with it.

Many organizations have spent decades using the same system. However, savvy health plan executives realize that, to meet growing business challenges and customer demands, a modern and flexible CAPS solution is a new requirement. By keeping in mind these key factors (and discovering your own), you can set up your implementation project and your organization up for success.

For more support in charting your course, Conduent is here to help.

The Conduent HSP Payer Suite is built on a 20-year history of successful software implementations. Our team has direct experience in supporting and managing hundreds of implementations and delivering systems on time and within budget. The HSP Payer Suite is uniquely positioned to make health plan administration both incredibly easy and entirely state-of-the-art. As a partner to the entire healthcare ecosystem, Conduent advances healthcare every day by enhancing health experiences, optimizing the cost of care, and improving patient outcomes.

About Conduent

As one of the largest business process companies in the world, Conduent manages mission-critical digital interactions at massive scale – helping businesses and governments around the world stay ahead of rapidly accelerating expectations. We leverage the power of cloud, mobile and IoT, combined with innovations in automation, cognitive and blockchain technologies, to elevate every constituent interaction, driving modern digital experiences that are more efficient, seamless and satisfying. It's why a majority of the Fortune 100 companies and over 500 government entities depend on Conduent to manage essential interactions on their behalf and move their operations forward.

Conduent's differentiated offerings touch millions of lives every day, including two-thirds of all insured patients in the U.S., 10 million employees who use our HR Services, and nearly nine million people who travel through toll systems daily. Whether it's digital payments, medical claims administration, eligibility and enrollment, transportation and mobility systems, end-user engagement or benefit administration – Conduent makes every interaction more individualized, immediate and intelligent.

Learn more at conduent.com/healthcare-payer-solutions.

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