

# What Pharma can Learn from **Insurance e-Business**

**SELLING HEALTHCARE INSURANCE ONLINE IS ONE OF THE MORE COMPLEX E-COMMERCE APPLICATIONS. HOW ONE INSURER, BLUE CROSS BLUE SHIELD OF FLORIDA, OVERCAME THE TECHNICAL AND CUSTOMER RELATIONSHIP CHALLENGES TO CREATE A PROFITABLE ONLINE SALES CHANNEL CAN SERVE AS A MODEL FOR THE PHARMACEUTICAL INDUSTRY.**

In the health insurance industry, legal and regulatory issues make online sales a complex process. But by applying a comprehensive customer-relationship management system and combining online and offline customer-service capabilities, one insurer found that it could streamline communications, reduce overhead, and increase efficiency of the sales cycle time.

Blue Cross Blue Shield of Florida (BCBSFL) wanted to recreate online the experience of meeting with an insurance agent face to face. With the help of Connexions, it designed and implemented an e-commerce platform as part of a comprehensive e-business solution. And in early 2001, the insurer pioneered the online health insurance sales business by launching one of the first branded initiatives in the industry.

By applying a comprehensive CRM platform and combining both offline and online customer-service capabilities, the e-commerce solution successfully emulates the offline healthcare insurance purchasing experience and provides BCBSFL with an effective and profitable sales channel.

## **THE PROCESS**

In implementing the health insurance online sales initiative, BCBSFL encountered numerous business challenges and opportunities. The healthcare industry is the largest single industry in the United States, and health insurance is the largest single category of all health expenditures. While industry reports maintain that an industry-wide investment in IT of \$18.1 billion would yield gross savings of greater than \$120 billion for the healthcare industry over a six-year period, the majority of health insurance providers have opted to join health insurance portals or to hold off on their Web initiatives. Blue Cross Blue Shield of Florida, however, was one of the first plans to launch an independent, branded Web sales initiative, capitalizing on this market opportunity and meeting tremendous customer demand.

The scope and magnitude of the initiative present-

ed BCBSFL and Connexions with various business and technical challenges. The incorporation of Web sales capabilities into BCBSFL's existing sales programs involved an intricate decision-making process and an extensive due-diligence effort. Working closely with BCBSFL, Connexions designed an e-commerce solution that is easily integrated with BCBSFL's existing platforms while avoiding sales and marketing channel conflicts. As a result, BCBSFL's Web sales capabilities involve and support its offline sales efforts, creating an innovative synergy between its various sales channels.

Breaking new ground in the industry required a forward-thinking approach and an incremental methodology. BCBSFL launched the platform as a pilot program and expanded its scope based on initial results. This implementation strategy demanded fast turnaround time and immediate customer response to prove the validity of the pilot program. The success of the pilot phase and that of the initiative as a whole is largely driven by customer response and approval.

Assembling the project's customer service team presented the insurer with an interesting staffing challenge. Unlike traditional call-center staffing, the BCBSFL's platform demanded customer-service representatives (CSRs) with an extremely high and complex skills set, requiring written, verbal, and technical skills to master blended customer service via telephone, e-mails, and chat platforms. Moreover, the CSRs had to be licensed as insurance agents, adding another layer of complexity to the staffing process.

Other challenges faced by BCBSFL were of an external nature. The insurer worked closely with Florida's Department of Insurance to navigate the legal complexities involved in the process of selling insurance online. While both the HIPAA regulation and the COBRA privacy rule were of great concern, the method of identifying and validating the identity of the prospective insured offered a serious challenge. As a result, Connexions implemented a stringent secu-

**The e-commerce solution successfully emulates the offline healthcare insurance purchasing experience and provides BCBSFL with an effective and profitable sales channel.**



Robert Panepinto

***Today's customers expect the same level of service regardless of how they contact a company. For a Web-based sales channel — in any industry, whether it be health insurance or pharmaceuticals — to be successful, efficient customer service is critical.***

rity platform and created the foundation for electronic signature processing in accordance with Florida's laws and regulations.

## **DEVELOPMENT AND INTEGRATION**

From a technical perspective, system architects viewed the BCBSFL project as a tremendous opportunity to design and implement a truly integrated platform that combines multiple sales and marketing channels with a customer-centric focus and application. The platform's capacity to provide customers with a comprehensive CRM solution while successfully incorporating multiple customer-service channels especially lends itself to the complex process of selling health insurance online.

The BCBSFL's e-commerce solution was planned as an advanced business tool and is propelled by several technical platforms that are seamlessly integrated. The integration process created both business and technical barriers.

Connexions developed the site on top of the Siebel CRM platform to seamlessly integrate with BCBSFL's upcoming internal Siebel implementation, as well as to provide consistent service by equipping Connexions' customer-service reps with the same advanced tools as BCBSFL's field agents and internal customer-care staff. At its customer care center, Connexions integrated Siebel's Call Center System with the Aspect Customer Access Portal.

The insurer chose to deploy the Siebel eHealth-care platform, the Aspect Contact Server, and Connexion's own internally developed solution to achieve an effective combination of sales automation and CRM technology. The integration of these platforms with BCBSFL's legacy systems necessitated the use of an internally developed solution that successfully connects the various platforms and the different means of communications.

## CUSTOMER-CENTRIC TOOLS

Each individual tool within the BCBSFL Web sales initiative is designed to facilitate the all-important customer-CSR interaction. The combined tools, along with the IT integration that supports them, aim to increase sales and produce customer loyalty by providing flexible service methods at every stage of the customer experience and by simplifying the sales process.

Siebel's knowledge management and CRM tool captures customer information, tracking it through the entire sales process from lead to closing. The Aspect Portal is essentially a multi-channel call router that sends incoming contacts — via phone, e-mail, or live chat support — to the appropriate agent, based on skill levels, service-level requirements, incoming volume, and work load. This ensures that customers receive consistently high service across all channels, as all contacts are prioritized and distributed in accordance with BCBSFL service-level requirements.

The Siebel and Aspect technologies create an environment where CSRs have access to real-time information when serving customers. The moment a customer contacts BCBSFL on the phone, via e-mail, or instant messaging, the CSR's computer screen provides detailed contact history, as well as the responses the customer has provided to questions about age, health history, and insurance plan preference.

To facilitate driving as many sales as possible solely over the Web, Siebel's Web Order Entry tool allows a self-service option for customers to submit enrollment information. While it steers customers toward completing an online purchase, it leaves the option for them to speak directly with a CSR or to locate a BCBSFL field sales agent for referral.

To assist in the customer-service process and to help close sales online, Aspect's Web Agent tool enables live, text-based chat between CSRs and customers. The CSR, through the Siebel interface, is able to pull up a specific Web page and guide the customer through the application process or immediately send the application to the customer via e-mail or U.S. mail. By providing a specific screen, the CSR can instantly provide detailed information, even circling and highlighting key phrases and sections.

The tool also enables collaborative form-filling and page markup; after the customer asks for help via text chat, browser synchronization allows both parties to view the same form, and, unlike most chat and browser synchronization platforms, the CSR can actually fill

in information to help the customer complete the purchase. This feature was considered particularly important for assisting customers who inquire about Blue Cross' more than 65 plans. These customers, according to the company's in-house testing, had the highest abandonment rate among site visitors.

Aspect's eGain e-mail automation tool not only enables the system to direct inquiries to the most qualified agent, but suggests scripted, yet customizable, responses. Fuzzy logic categorizes e-mails based on key words; the benefit is that CSRs can respond quickly with pre-approved text.

Connexions programming enables the site's other major interaction functions, such as rate calculations, retrieval of census data, and fulfillment of literature. Rates can be retrieved without logging in to the site, or a customer can log in to get more specific rates based on more extensive questioning.

Personalized application packets are ordered. As literature is printed and mailed, status is updated within Siebel, providing up-to-the-minute information and accommodating changes to applications, confirmation letters, and e-mails in real time.

## RAPID DEPLOYMENT

The technical hurdles and intricacies involved in the integration process were further compounded by the rapid deployment timeline. Connexions delivered BCBSFL's complex e-commerce solution in less than six months and was ready to go live well ahead of schedule. The launch of the site, however, was delayed because of legal and government requirements for stringent security measures. The health insurance industry is impacted by numerous federal and state regulations ranging from HIPAA, the privacy rule to COBRA, and state insurance regulations. The implementation of the BCBSFL's Web sales initiative required full compliance with all applicable laws and the instatement of confidence building measures aimed at BCBSFL's prospective customers. Also implemented was a complete suite of e-security products such as Check Point Firewall and redundancy solutions, intrusion detection, and SSL connections.

## RESULTS

The BCBSFL's Web sales initiative has enjoyed a tremendously successful launch and within a short period of time has become a vital sales and marketing channel. Currently, 9.6% of all people who visit the site register with BCBSFL, 32% of those who register fill out an online application, 10% of registered users use online support through the chat module. Feedback

from customers has been extremely positive, and traffic to the site has been growing at a steady and impressive rate.

The initiative also includes a product content management tool designed to provide customers with a personalized browsing experience each time they visit the BCBSFL's Website. The product content management tool allows BCBSFL to provide customers with a truly personalized experience and to utilize the tool as an effective marketing platform.

The return on investment is encouraging. Within less than three months, BCBSFL's Web sales exceeded expectations and initial sales goals. Similarly, cost per sale is inline with BCBSFL's projections and is expected

to decrease dramatically in the next few months. Interestingly, offline sales have increased dramatically in the same timeframe, leveraging qualified leads that were generated via BCBSFL's online activities.

Although selling health-care insurance online is complex, streamlining the process provides BCBSFL with a long-term cost reduction

and a significant percentage of BCBSFL's sales activities are projected to be channeled through its online initiative within the next two years.

**Each individual tool within the BCBSFL Web sales initiative is designed to facilitate the all-important customer-CSR interaction.**

## EXPECTED NEXT STEPS

In developing the Web sales capabilities site, BCBSFL has conducted numerous focus groups and offline surveys, and the current look and feel of the site, as well as its underlying functionality, reflect customer response. The addition of survey technology will provide BCBSFL with the capabilities to apply similar methods based on online activities and to react to customers' feedback proactively.

Additionally, an interface for field agents has been developed. Anecdotally, a recent informal survey indicates that many of BCBSFL's field agents use the current site to check on quotes and provide their customers with real-time information.

Through this advanced interface, field agents will have easy access to the platform and will further integrate BCBSFL various distribution channels. BCBSFL's e-business platform encompasses a wide cross section of BCBSFL's online business initiatives.

Robert Panepinto is executive VP of development of Connexions, a multi-dimensional outsourcing company that recently completed an online CRM project for Blue Cross Blue Shield of Florida. ♦

PharmaVoice welcomes comments about this article. E-mail us at [feedback@pharmavoices.com](mailto:feedback@pharmavoices.com).