

6 Ways to Improve Health Care Operations with Business Rules Management

Pharmacy benefit management (PBM) companies face a unique blend of product and service challenges. Like insurance companies, they represent individuals and corporations; but at the same time, they also represent the interests and products of pharmaceutical companies. Managed properly, this dichotomy can generate successful business results for all parties. But, when operational imbalances predominate, the result can be system-wide inefficiencies, greater costs and reduced profits.

To run an effective and profitable PBM, core operations must be responsive and agile. For example, if claims management, product delivery/fulfillment, price determination or client-pharmacy drug interaction services cannot continually be enhanced to accommodate flexibly and allowed to be market-driven, the customer experience likely will suffer, negatively impacting profit margins.

Add real business control back into the operation

FICO has a long history of helping PBMs reduce these kinds of risks and improve operating margins by providing business rules technology products that allow better control over business operations. One key tool many PBMs turn to is FICO® Blaze Advisor® business rules management system, FICO's flagship product for managing, administering and executing business rules for operational policies, guidelines and directives.

The following examples show some of the operational output challenges many PBMs have faced and results they've achieved after incorporating Blaze Advisor.

BUSINESS RULES FOR VERIFICATION: prescription reorder automation

One FICO PBM client recently was looking to reduce costs by improving the automation of its rule-checking process for prescription reorders. They configured Blaze Advisor rules to identify authorized refill scripts and validate script holders without the typical delays encountered when pharmacists are backlogged. This solution provided inline processing of Rx orders for complete automation of refill orders. Among the benefits they experienced were greater flexibility and easier use of business rules technology with the business owning and administering the refill rules and guidelines.

Other potential projects and re-write applications that are good candidates for business rule adaptation for time savings and efficient cost management include:

- Drug Pricing
- Mail Order
- Underwriting
- Adjudication
- Client Contracting

Easy and intuitive rule editing with FICO® Blaze Advisor® business rules management system

The screenshot displays the FICO Rule Maintenance Center interface. The left pane shows a tree view of rule categories: PBR, AdultAgeCriteria, PBR Rules, StateReportInformation, and PBR Testing. The main area shows rule details for 'BusinessRule1', including its effective dates (14-Feb-13 to 14-Feb-16) and a list of conditions: 'Test Number 0020089', 'Client State' (Alabama, Alaska, Arizona, Arkansas, Iowa, Nevada), 'The Patient is Adult', and 'Gender' (male, female). The right pane shows a decision simulator comparing two strategies. The 'Baseline Strategy' uses production Policy Underwriting rules, resulting in a pie chart with three tiers: Tier1 (red), Tier2 (blue), and Tier3 (green). The 'Updated Strategy' uses updated Policy Underwriting rules, resulting in a pie chart with four tiers: Tier1 (red), Tier2 (blue), Tier3 (green), and Tier4 (yellow).

Decision Simulator provides graphics and reports for various types of business impact analysis.

BUSINESS RULES FOR OPERATIONAL EFFICIENCY: streamlining mail order

Another PBM was looking for ways to improve its mail-order process. Typically, this type of processing is performed by multiple systems on a variety of platforms and is categorized to support the order-processing sites and the fulfillment pharmacies. These systems are tightly coupled and as a result, the dispensing (fulfillment) pharmacy cannot operate when the order-processing system is down. Furthermore, each order-processing site is coupled with a specific dispensing site. Routing between order processing systems and dispensing systems is possible but limited. In addition, accepting dispensing requests from external order-processing sites is not possible without extensive customization.

The company used Blaze Advisor to introduce business rules into its mail-order process so dispensing pharmacies could work independently of the order-processing systems. The result is an independent middle tier that is readily available and not dependent on the availability of the order-processing or the dispensing systems. These systems can operate independently since the business logic is embedded into each system.

USING EDITABLE RULES: Improve customer satisfaction with drug interaction automation

Determining drug conflicts for customers was once a “value-add” service, but is now considered part of standard customer interactions. This is typically made easier because when a client submits a claim, the PBM can assess at that time whether there currently is or could be a drug interaction/conflict. The biggest operational challenge is giving pharmacists the ability to create and maintain their own conflict rules in an easy-to-use environment with little or no IT involvement required.

Blaze Advisor rules determine which drugs might be in conflict. For example, drug interaction rules could be based on patient age, other drugs being taken, length of dosage and time between dosages, etc. Using Blaze Advisor, rules can be designed that will automate this process, providing a big cost savings. And PBM client satisfaction goes up because pharmacists now can create and maintain their own conflict rules in an easy-to-use environment with little or no IT involvement.

DRIVEN BY BUSINESS RULES: online health questionnaires

Many PBMs use rules to upgrade questionnaire frameworks for their various benefits groups. A PBM online questionnaire application might have as many as 290 questionnaires, each containing dozens

of questions (some contain 300 or more questions). Since most of the questions relate to various pharmaceuticals and prescriptions, and can be didactic, they are good candidates for business rules, where the plain language text is managed by medical professionals and automatically executed electronically on any system.

One PBM facing this situation found that its questions and answers often would change several times per month with one or two major changes per year. They needed a means to provide a more flexible and rapid response framework and found it using the FICO® Blaze Advisor® business rules management system. The PBM reaped considerable savings: Approximately 60 nurses who previously labored on such tasks now are able to spend time performing other crucial functions every day.

FIELD EDITS EASILY ADMINISTERED BY BUSINESS, NOT IT: claim adjudication management

Some PBMs find it difficult to manage field edits for complicated claim adjudications. For example, their eligibility setup analysts who use field edit tables during a new client implementation or during a client update, struggle to present user-friendly administration screens that can handle both the complexity of the claims adjudication process (various states, various clients and products) and ensure quick delivery of these changes. Blaze Advisor delivers on these competing objectives by using a flexible, browser-based administration user interface with multiple types of views including “if-then-else”, decision tables, formula edits and decision trees. Business rule logic can also be extended to help determine whether a claim has the correct eligibility information and if a claim can be adjudicated, to name just two examples.

COMPLEX LOGIC HANDLED WITH BUSINESS RULES: rebate eligibility and rebate price protection

PBM companies often need to manage rebates to drug manufacturers based on volume, market share or special promotions. These complex governances are typically automated to a degree, but many, such as price-protection (floor pricing) and managing claims processing against global or manufacture eligibility, prove quite complex. For example:

- An eligibility contract for a manufacturer might incorporate certain exclusions in its rebate eligibility processing.
- They might require business rules that exclude a rebated claim from the aggregate based on an expiration date.
- It might be a possible eligible special client **non-formulary** claim that can only be eligible within a specific timeline for select drugs and then it can be assigned base rate +2%.

If any aspect of the above rules were to be changed, extended or referenced, administration could be time-consuming, or worse, only performed manually. Blaze Advisor can improve the operational efficiency of the administration of these rules and governances by saving up to 75% of the maintenance required when using traditional code.

Many PBMs have leveraged the FICO Blaze Advisor business rules management system to handle complex business logic and governance challenges, taking advantage of the intuitive interfaces, seamless integration to existing systems and superb performance on all system platforms that Blaze Advisor provides. To learn more, or to discuss a particular business challenge you face, please contact inside@fico.com.



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