



How to Build Unwavering Operational Resilience

Improving payments efficiency
produces a positive ripple effect
across channels





This is a particularly challenging time for health plans, and leaders are facing it head-on, managing the effects of an economic downturn, ongoing provider burnout and compliance with regulatory changes. At the same time, many legacy payment technologies are aging, which can lead to operational fragmentation, security issues and higher costs.

Health plans must stay nimble yet solid, ready for swift changes in technology or industry regulations. One of the keys to resilience amid these challenges is the right payments technology infrastructure. To succeed now and in the future, health plan leaders need to optimize their network performance while streamlining payment operations and driving down costs. The best way for plans to address these operational challenges is to consolidate legacy payment systems into one platform—effectively improving efficiency, provider satisfaction and security in a single change.

Top 5 Key Payment Technology Challenges

1. Administrative burdens

Technology investments have added new processes and workflows in an effort to meet digital demands, but they tend to accumulate rather than replace one another. The result is a collection of inefficient systems, errors and delays and opportunities for data and fraud attacks. This makes the need for more efficient systems even more urgent.

2. System fragmentation and accumulation of point solutions

Half of health plan leaders in a Deloitte survey (54%) said disparate systems have challenged digital transformation.¹ And in a recent report from Healthcare Dive that evaluated payer organizations, 67% of payers agree their reliance on legacy platforms inhibits efficiencies and 74% of payers say it increases their risk exposure when it comes time to regulatory fines and penalties.² While modernizing payment and claims management platforms is important, a piecemeal approach is far from effective.

3. Members demand an optimized experience

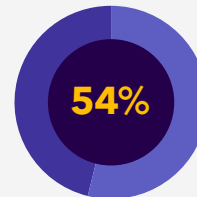
A majority of US healthcare consumers expect their health insurer to guide their understanding of the cost (including out of pocket) for procedures, prescriptions, annual plan costs and other critical information they need as healthcare consumers.³ An optimized payments experience can drive patient financial awareness and provide further transparency.

4. Cybersecurity and privacy

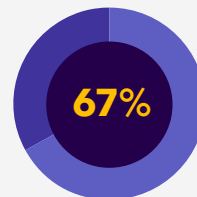
Data at rest and data in transit are at risk of compromise. Cyberattacks will expand as healthcare organizations continue to adopt technology, according to Chris Bowen, founder and CISO at data security firm ClearData.

A recent IBM report revealed a 53% increase in the cost of healthcare data breaches since 2020, with the average cost of a breach reaching \$11 million.⁴ The lack of comprehensive federal data privacy legislation is viewed

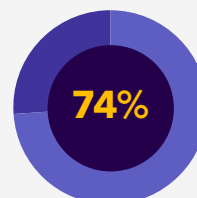
Challenges by the Numbers



of health plan leaders cited disparate systems and the lack of defined vision



of payers say their reliance on legacy platforms inhibits efficiencies



of payers say their reliance on legacy platforms increases their risk exposure when it comes time to regulatory fines and penalties.

as a major oversight in today's digital age, and the HIPAA privacy legislation has notable gaps in the data it protects. Keeping data under one roof helps eliminate the security risk associated with moving data between vendors.

5. Keeping up with digitalization and innovation

Optimizing operations using digital processes is at the forefront for payers and providers, and plans are likely to trial a variety of digital and technological options. There is also a focus on how to better empower healthcare consumers with price-comparison tools and retail healthcare/cash payments on-site.



Why legacy payments systems should be consolidated

Accumulating challenges can have an outside impact on the efficiency of a health plan's payments infrastructure. Technology bloat occurs when a payer has too many different tools, technologies and platforms, resulting in an unwieldy tech stack. Legacy payments systems create excessive costs to maintain payments infrastructure, a lack of visibility into system performance, and difficulty managing vendors and point solutions with limited resources.

Meanwhile, regulatory compliance challenges have been particularly hefty in recent years. Legacy platforms weren't designed to stay compliant indefinitely (or to solve for certain regulations at all), and overall complexity can hamper adherence to new regulations. Payers have spent considerable time and resources analyzing new regulatory requirements, including the Transparency Rules and the No Surprises Act. Streamlining payments processes into a single source can create a nimble infrastructure when new regulatory changes inevitably arise.

Security concerns also escalate with multiple technology and systems. Maintenance costs and resources increase to keep up with patches and system updates. There is a greater possibility for data exfiltration. If a breach occurs, it can bring staggering costs, as well damaging effects to an insurer's reputation, and can lead to member and provider attrition.

Interoperability issues also increase operating expenses and result in error rates that affect a plan's reputation, and member and provider churn. On average, organizations manage more than ten vendor relationships for a single initiative, leading to suboptimal data sharing, increased provider abrasion, diminished member experience and a higher likelihood of data loss.

Downsides of Legacy Payments Systems



Operational discord

Maintenance costs, lack of visibility into system performance, multiple vendors to manage



Compliance challenges

Old systems not designed for new regulation, over-complexity, extra costs & resources to meet regulatory changes




Security concerns

Multiple systems = multiplied concerns, data exfiltration, constant patches and updates



Interoperability issues

Increased error rates, suboptimal data sharing, provider & member abrasion, higher likelihood of data loss



Benefits of shifting to a single payments solution

By migrating to a single platform, payers can reduce the risks and consequences associated with a complex and fragmented legacy payments infrastructure.

1. Deliver faster payments based on providers' preferences

Providers want choice in payment delivery, and they want to receive their payments faster. A single payments platform simplifies the process and allows payers to improve provider satisfaction with a modern healthcare payment platform. Shifting to a single payments solution helps providers get paid more quickly and easily in the way they prefer.

2. Reduce or eliminate check printing and mail costs and administrative spend

Automation, paperless billing, digital communications and consolidated mailings reduce print needs. Internal operations are then reduced, lowering operational costs previously used for paper, equipment, print facilities and labor.

3. Payment & transaction visibility to help simplify the processes for members and providers

Member and provider expectations for straightforward digital experiences are met. A single platform facilitates easy management of billing, collecting and reconciling payments, and changes are much simpler to make when there is a single source for all information.

4. Lower risk for fraud or security breaches

Data governance is consolidated through a single platform. Optimized digital payment delivery systems reduce opportunities for fraud as paper checks and communications are eliminated.

Solution: Zelis Advanced Payments Platform (ZAPP™)



Why ZAPP?

ZAPP intelligently manages payments and communications through one integrated platform. This streamlines operations, reduces complexity, and keeps payers compliant, all while delivering the payments experience that providers need and members demand - now, and in the future.

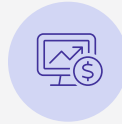
ZAPP's robust, rule-based engine is purpose-built for healthcare and supports all payment modalities (check, ACH, virtual credit cards) and communications, while keeping payers compliant. Reinforced by an expansive partner ecosystem, using ZAPP, payers offer providers and members customized, efficient, and intuitive payments and communications.

Why Choose ZAPP



Unlock payments efficiency

ZAPP is the only platform that consolidates all healthcare payment modalities and communications into a single hub, delivering a customized and transparent payments and communications experience.



Accelerate payments modernization

Innovation in payments is happening at breakneck speed. Leveraging ZAPP means tapping into a platform with modern payments capabilities and deep integrations with leading consumer companies to accelerate modernization.



Scale with ease

ZAPP manages and stores more than 1M+ rules to help payers seamlessly maintain compliance. It also enables them to scale and continue to deliver a modern and forward-looking payments experience to providers and members.

Learn how we can help you reach your unique payment goals.

To learn more about ZAPP, visit zelis.com or contact a Zelis representative.



About Zelis

Zelis is modernizing the healthcare financial experience by providing a connected platform that bridges the gaps and aligns interests across payers, providers and healthcare consumers: the Zelis Advanced Payments Platform (ZAPP). Zelis sees across the healthcare system to identify, optimize and solve problems holistically with technology built by healthcare experts - driving real, measurable results for clients.

Learn more at [zelis.com](https://www.zelis.com) and follow us on LinkedIn to get the latest news.

References:

1. Future-proofing the business. Preston, B., Kaye, M. et.al. Deloitte. 2021.
<https://www2.deloitte.com/us/en/insights/industry/health-care/transforming-the-health-plan-experience-with-technology.html>
2. How Can Healthcare Payers Reduce Risk and Boost Efficiencies? Zelis & Healthcare Dive. 2024.
https://experience.zelis.com/payments-consolidation-whitepaper?_gl=1*135dqcz*ga*NTg1MzYwMTkzLjE2OTYzNjg5OTM.*_ga_7QH489RBNX*MTcxODExOTQ0Mi4yOTkuMS4xNzE4MTE5Njg1LjI2LjAuMA
3. The Importance Of Reducing Friction In Healthcare Providers' Financial Journeys. Forrester consulting. May 2023.
<https://www.zelis.com/white-papers/the-importance-of-reducing-friction-in-healthcareprovider-financial-journeys/>
4. Cost of a Data Breach Report 2023. IBM. 2023. <https://www.ibm.com/reports/data-breach>



Modernizing the healthcare
financial experience for all.