

Revenue Management Modernization Clears Obstacles to Growth for Mid-Market Healthcare Payers



It's complicated for mid-market healthcare payers. On one hand, [73 percent of U.S. commercial health insurance](#) markets are highly concentrated—and a single insurer holds at least a [50 percent share](#) in nearly half of all markets. At the same time, there's a proliferation of payers in the individual market. For example, [94 percent of counties](#) have more than one insurer participating in the individual market. And, consumers in [87 percent of counties](#) have access to three or more plans.

Within this evolving landscape, mid-market players find themselves at a crossroads of both opportunity and challenges. Their unique strengths—solid customer bases, excellent customer loyalty, and the ability to offer highly differentiated products—set the stage for expanding geographically or by product line. However, they have limited resources to expand and need to get it right on the first try. To overcome these formidable barriers of high entry costs and risks, they must embark on the path of revenue management system modernization.

Paving the path to success: The need for an advanced revenue management system

A modern revenue management solution can advance two critical objectives—improve the bottom line through process automation and reduce IT management costs, allowing payers to carve out capital to support expansion.

Additionally, these advanced solutions often feature streamlined end-to-end process automation, along with readily adaptable out-of-the-box APIs, ensuring seamless integration into the evolving healthcare ecosystem. Furthermore, their integrated analytics capabilities are pivotal in enhancing customer performance tracking, optimizing revenue, and enabling agile responses to evolving business and customer needs, including the implementation of innovative revenue-sharing models.

A perfect match: Oracle Revenue Management and Billing

For healthcare payers, Oracle Revenue Management and Billing (ORMB) delivers on all of these requirements and more. It combines Oracle's deep domain experience, operational expertise, and proven cloud solutions to deliver an optimal solution for mid-market healthcare payers—one that automates, integrates, and standardizes pricing, billing, and revenue realization on a single platform. It also delivers the convenience and efficiency of rapid implementation and effortless upgrades, and the peace of mind that comes with a mature and financially sound brand.

Achieve extreme flexibility

ORMB is built on adaptive, configurable business rules—empowering payers to quickly change their billing operations as business needs evolve. As a result, its flexible rating engine and seamless configurability empower payers to navigate dynamic market shifts, meet evolving customer demands, support new products, and comply with new regulations as they arise—all while improving operational efficiency. With ORMB, payers gain workflow-based capabilities to set up customer structures—such as billing hierarchy, invoicing accounts, policies, and plans—for greater efficiency.

Optimize the member experience

Mid-market payers are renowned for their ability to deliver high levels of customer service to their members. ORMB helps payers ensure and elevate service excellence as they continue to grow. Not only does the flexible solution support the development of personalized pricing and products, it also delivers advanced self-service capabilities that boost customer service while reducing operational costs associated with live agent responses.

ORMB enables payers to support all lines of business, including group, individual, Medicaid, Medicare, and Pharmacy Benefits Manager (PBM), with a single solution. It enables the creation of a single, consolidated bill that shows a member's complete coverage and supports member reconciliation capabilities for self-billed customers.

Improve plan management

Mid-market payers can bring new levels of efficiency to plan management with ORMB. The solution enables payers to optimize revenue with accounts receivable consolidation across multiple lines of business and the ability to process group bills and list bills with the utmost precision. Further, payers can accelerate reconciliation and reduce manual processing with advanced automation. And, self-service options help to reduce bill inquiries, back-office activity, field audits, and bill adjustments—while boosting customer satisfaction.

Gain value in the cloud

Oracle's revenue-management-and-billing-in-a-box solution is pre-configured with industry-standard setup on the cloud to lower overall project costs and risk by accelerating implementation timelines and enabling configuration over customization. Cloud enablement also reduces ongoing management and maintenance costs. In addition, payers benefit from effortless upgrades and



access to the latest functionality without the cost and risk of traditional initiatives.

Achieve effortless scale

ORMB has the ability to scale seamlessly as a payer's business grows. It can support high transaction volumes, billing more than \$500 million annually. Additionally, its benchmarks include processing bills for 17 million members in less than five hours and calculating pricing for 1 million members in less than an hour.

Benefit from built-in insight

ORMB is the only solution in the market that provides a true 360-degree view of client hierarchies in a single reference system, allowing payers to manage customer and/or partner relationships efficiently and intelligently. Payers can track and drill down to detailed billing reports for a comprehensive view of their sub-ledger, AR/AP process, and/or adapted revenue allocation, yielding clear insight for better decision-making.

Pioneer the future with ORMB/

Oracle has more than a decade of deep-domain experience in pricing, revenue management, and billing, as well as more than 200 product engineers and Oracle's expansive partner ecosystem that encompasses some of the world's leading IT consulting organizations.

Oracle works with industry leaders to understand and develop capabilities around industry best practices. As a result, ORMB delivers several first-in-industry features that are available out-of-the-box.

Oracle Revenue Management and Billing at Work

Unifying processes and customer experience while reducing risk

A healthcare payer wanted a unified processes across eight lines of business and consolidated four billing systems to a single enterprise platform to support greater efficiency and flexibility.

Earlier, the organization had accumulated a variety of custom, home-grown enrollment, membership, and billing platforms, which were increasingly expensive to manage. They also prevented the payer from tracking membership across lines of business and delivering a consistent customer experience. Complicated manual processes contributed to system errors and revenue leakage. Further, the cost and risk of deploying new products, services, and payment models were high—slowing innovation.

The client implemented ORMB and achieved:

- One billing solution for all regions that greatly reduced technology costs and risk
- Standardized billing, finance, and reconciliation processes that simplified onboarding and sharing of resources and ensured best practices across the enterprise
- Faster creation and launch of new products, services, and payment models

Breaking boundaries with ORMB (First-in-industry features)

- Newborn waiver management
- 9/10 monthly billing
- COBRA management
- Student plan management
- Split billing
- Level funded cash flow management
- Minimum premium program management
- Retiree and employer contribution management

Gaining business agility; reducing financial and operational risk

A regional healthcare plan wanted to create a modern Administrative Services Only (ASO) healthcare platform to achieve greater business agility and insight to respond to rapidly changing customer and market needs. The payer also needed to minimize financial and operational risk during and after deployment.

The payer modernized revenue management with Oracle to achieve:

- More rapid and less complex onboarding of new and renewing groups
- Unmatched pricing capabilities with a highly configurable stop loss, level-funded, and discount arrangement rating engine
- Revenue optimization with granular fee structures
- Lower operational costs and improved process efficiency with advanced automation



Learn more about how ORMB can power growth, boost operational efficiency, reduce risk, and optimize customer relationships [here](#).

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