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## 6 ways to save on member communications

March, 27 2014

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The "cost to do business" doesn't have to be so expensive for government-sponsored health plans. Most payers are overspending on their annual print and fulfillment budget for member communications by 10-15 percent.



For plans with 250,000 members, for example, reducing 15 percent of overspend factors to could save \$1.2 million a year. There are a number of ways health plans can cut unnecessary expenses, both before hiring a print and fulfillment vendor and during the course of the relationship.

### **Get your process workflow in order**

If your health plan is providing its print and fulfillment vendor files that have errors, do not have all necessary approvals or are not in compliance with CMS, you have problems right out of the gate. Errors in data grids and crosswalks alone lead to costly reprints.

Make sure your marketing communications and compliance departments have the right tools to streamline workflow, track materials and ensure compliance. That way, your materials are in the best possible order before they go to the printer. This also helps set a good example for the vendor and implies you have high expectations for them, as well.

### **Understand the vendor's true capabilities**

Select a vendor that matches your level of success. The larger the health plan, the greater the complexity of its printing needs – especially for government-sponsored plans with the additional risks that the Annual Notification of Change (ANOC) bring.

If you hired a local vendor when your health plan had 15,000 members and it now has 50,000 members, seriously consider investigating whether that vendor is still the best fit. A smaller vendor simply may not be able to handle the numerous checks and balances required to meet CMS regulations.

### **In the RFI, ask questions specifically about Medicare and Medicaid**

In your Request for Information, ask the vendor questions that allow you to confirm they understand and have the ability to handle the complexities of CMS, such as: "Can you give an example of how you have handled the ANOCs in the past, including how you addressed challenges with deadlines for these document?"

Consider hiring an unbiased, independent consultant to do the RFI for you, and ask them to use a weighted scale based on importance to find the vendor that best meets your needs.

### **Ensure the vendor is flexible enough to handle delays caused by CMS**

A Service Level Agreement (SLA) is a timeline of all tasks associated with a print job. It's especially important for government-sponsored health plans to make sure, before hiring, that the vendor is flexible enough to handle delays and complications presented by CMS that will impact production timelines.

Your vendor must understand that they may have either 10 days or two days to produce materials, and they must be able to manage their workflow to accommodate expedited jobs. Make sure the vendor's SLA is flexible enough to meet your deadlines before hiring them.

After you hire the vendor, regularly review the SLA to ensure the vendor is meeting your deadlines. A vendor's ability to meet its SLA is a direct indication of its performance. If your vendor was not able to meet the tight deadlines of recent jobs, it may not be the best fit for your needs.

### **Be strategic in how you handle the change order process**

Change orders can get very expensive, and unfortunately, they are going to happen, even if you've done all you can to avoid them. You must plan and prepare for change orders.

Most importantly, always budget for change orders. Pull print and fulfillment orders from the past couple years and calculate the average amount you spent on change orders. Then include that amount in the budget for your next job.

### **Hold quarterly business reviews and challenge the vendor to add value**

Once a quarter, meet with your print and fulfillment vendor to debrief and discuss potential areas of savings. Talk about what went well and what didn't go well during the past quarter, and what should be done differently in the future.

Don't be afraid to ask your vendor how they can add more value. For example, pose the following question and see what kind of answer you receive: "If I told you we need to reduce our spend by 10 percent, what would you do to make that happen?"

If the vendor is truly your partner, they will continually look for and suggest solutions to achieve better integration of workflows, which will translate into savings for your health plan.

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