

The New Data Interface Provides Solid Foundation



Abstract

This large Pittsburgh-based health insurance company currently manages 2.3 million prescription members, 30 million prescription drug claims, and over \$3 billion in drug therapy expenditures through its third-party Pharmacy Benefit Manager (PBM). Rapidly changing pharmacy demands from the company's clients challenged the organization's ability to efficiently and effectively accommodate new benefit designs. The company was seeking to redesign their automated benefit data feed which provides critical operational data to their PBM. With the assistance of SDLC Partners, the company effectively designed, developed, and implemented the new benefit data interface.

The Challenge

The current data interface process between the company and their PBM is inefficient and inflexible, causing delays in implementing new pharmacy product and benefit designs. The convergence of these challenges puts the company at a competitive disadvantage and at risk of losing potential sales opportunities. Major obstacles include:

- A growing number of clients where pharmacy benefits are increasing in complexity, resulting in manual administration because they cannot be accommodated by the existing automated data interface process
- New product and benefit designs that require data interface enhancements, currently taking six months or longer to implement, due to an overly complex and convoluted interface design compounded by an outdated application and database architecture
- Significant levels of analysis, design, development, and testing are required for each modification
- Data interface business rules are currently embedded within the COBOL program logic, requiring programming changes and testing by technical staff each time the business rules change
- The inability of the current process to filter benefit changes in order to capture only relevant pharmacy benefit updates for transmission to the PBM.

The Solution

SDLC Partners structured and managed a program that reengineered the data interface process to utilize a template approach, added a business rules engine to the interface process/application, converted flat files to an Oracle DBMS, and re-architected the application to make it modular. Also included in the first phase of implementations will be a significant regression testing effort to ensure the new interface process' compatibility with organizations and applications both upstream and downstream of the data interface procedure. A new Web-based user interface will also be included allowing the Pharmacy Department analysts to better manage the data interface. The final phase of the initiative will involve incorporating an automated reconciliation process which will ensure data consistency between the client and their PBM.

The Results

Successful implementation of the overall solution required a structured and well managed process improvement program. Vendor management and coordination of dependent project activities was also critical to achieving the program's goals. Incorporating the new data interface will drive significant cost savings, as well as enhance the client's competitive position by providing the framework to support the increasingly complex benefit designs demanded by the pharmacy marketplace.

