Alacriti

Case Study

Health Insurance Company Accommodates Membership Surge with New Automated Capabilities

Client

In Brief

Challenge: When the new healthcare law took effect and the insurance exchanges opened nationwide, the health insurance company's membership enrollments swelled, and its call center was flooded with customer inquiries. Customers had to wait as long as two hours just to make a payment.

Solution: The company knew that an automated payment solution was the only way to feasibly meet its customers' needs. A customized solution with the flexibility and options it needed was readily available from Alacriti and within two weeks, a new automated payment solution was in place.

Results: Since implementing OrbiPay, the health insurance company has processed over 2 million payments and customers no longer have to reach an agent to make their payments.

Background

One of the largest customer-owned health insurance companies in the U.S. offers a wide variety of health and life insurance products and related services through its operating divisions and subsidiaries, which includes several other health insurance entities across various states. The company employs nearly 20,000 people and serves almost 14 million members.

Business Challenge

Until open enrollment in the Health Insurance Marketplace began on October 1, 2013, the health insurance company accepted payments from its Individual Retail members, easily and efficiently. Some 80% of payments were made by ACH, 6% by credit card, and the rest by check. But when the new healthcare law took effect and the insurance exchanges opened nationwide, the company's membership enrollments immediately swelled, and its call center was flooded with customer inquiries. The call volume escalated even further as the federal government continued to tweak the rules and regulations associated with the ACA. Ordinarily, the company had been able to answer and resolve most customer calls within two minutes, but now customers had to wait as long as two hours just to make a payment.

How We Helped

Our client scrambled to accommodate its customer call volume by adding more customer service agents, but the company knew that an automated payment solution was the only way to feasibly meet its customers' needs. Having previously spoken with Alacriti about supporting one of its insurance brokers, the health insurance company was familiar with Alacriti's speed and accuracy in developing and implementing effective payment solutions. Our client needed an automated payment solution as soon as possible, and the company knew that Alacriti could implement one in an accelerated time frame.

Technical staff from the health insurance company and Alacriti met to develop a carefully considered solution that would respond to urgent needs. The flexibility and options our client needed for a customized solution were readily available from Alacriti; no new coding was needed. And so within just two weeks, our client had in place a new automated payment solution, OrbiPay, which allows customers to make payments online or via IVR.

Results

Since implementing OrbiPay, our client has processed over 2 million payments, with an average monthly payment volume of 60,000 in the first six months. In 2015, the average monthly payment volume increased to over 100,000. Customers no longer have to reach an agent to make their payments; now they can pay via IVR or the company web site by simply entering their account and bank information, and then executing a payment. The information is routed to Alacriti, which processes the payments on the back end. The company can now ensure customer satisfaction by giving customers the ability to make payments anytime and anywhere.

The health insurance company's check volumes spiked after the call center became too inundated to handle payments efficiently, but now ACH payments are back on the rise while checks are on the wane, resulting in significant cost savings. To gain even greater efficiency, the company plans to add an automated recurring payment capability so that customers can set up recurring ACH payments.

Our client is confident that Alacriti and OrbiPay will continue to meet and exceed its expectations. A Sr. Director of Financial Operations at the health insurance company concludes, "When I think of Alacriti, I think of speed and accuracy. I know how difficult it can be to implement a payments solution, and we needed a solution right away. Alacriti was able to come up with a careful, methodical plan to implement a customized solution for us in just two weeks. No other vendor could offer us that kind of flexibility. Whenever we took a challenge to Alacriti, they figured out how to respond and address our needs – fast."