



Harvard Pilgrim Health Care

The oldest nonprofit health plan in New England and one of the top-rated health plans in the country.

Industry: Healthcare

Geography: United States

Deployment Summary

- As part of an enterprise application integration (EAI) initiative, Harvard Pilgrim uses TIBCO's messaging software and business integration software to replace batch-driven point-to-point interfaces.
- TIBCO's business-to-business (B2B) integration software enables the real-time transfer of data between Harvard Pilgrim and healthcare providers.
- The revolutionary TIBCO-based B2B communications infrastructure is the first of its kind in the healthcare industry.

Benefits

- Harvard Pilgrim believes that its ability to communicate directly with providers without the use of third-party clearinghouses results in better service, fewer claims rejections, and significant cost savings for both providers and the health plan.
- Improved quality and timeliness of data for providers reduces errors and speeds service, improving customer satisfaction for Harvard Pilgrim plan members.



“Clearinghouses charge a fee for each transaction they deliver, but the new TIBCO architecture offers Harvard Pilgrim and its providers a new and efficient way to exchange electronic transactions. Hard dollar savings will accrue to providers, as well as to Harvard Pilgrim, by the reduction or elimination of transaction fees for millions of transactions each year.”

—Matthew Kristin, Perot Systems, Chief Architect on the Harvard Pilgrim Account

TIBCO Enables Revolutionary Real-Time B2B Infrastructure for Harvard Pilgrim

Harvard Pilgrim Health Care – the oldest nonprofit health plan in New England – is consistently rated as one of the top health plans in the country. For 35 years, the organization has been delivering exceptional medical care and service. Currently, about 800,000 members are enrolled in Harvard Pilgrim plans.

In an ongoing effort to provide high-quality service, Harvard Pilgrim sought to improve its infrastructure by creating a more efficient method of communicating both internally and with other companies. Harvard Pilgrim also aimed to lower costs and simplify healthcare administration for the 22,000 doctors and 130 hospitals that comprise its provider network.

In late 1999, Harvard Pilgrim hired Perot Systems to manage its IT process. The IT environment at the time contained many older systems, including COBOL applications, which were connected through batch-driven, point-to-point interfaces. Perot Systems' first initiatives were aimed at stabilizing the current infrastructure. Following that, Harvard Pilgrim began key initiatives to build an infrastructure to support its e-health agenda. A core component of that strategy was an EAI project to enable employees to share information seamlessly in a very short timeframe across the enterprise.

A second major undertaking involved optimizing the data flow between Harvard Pilgrim and its provider network. Harvard Pilgrim adopted a channel strategy for the provider marketplace, knowing that one size would not fit all. Some providers use web portals; others need more integration with their practice-specific workflows. For sophisticated providers with business processes automated around their practice management systems, machine-to-machine connectivity enabled through TIBCO makes the most sense. “For everyday tasks, such as checking a patient’s eligibility and claim status, administrative staff at doctors’ offices would have to look at data files that could be several days old, hop from web portal to web portal, or make a phone call,” says David Querusio, senior architect at Perot Systems on the Harvard Pilgrim account. “We knew that by fundamentally improving the quality and timeliness of data for providers across all of the electronic transaction platforms, we would in turn be improving the quality of service for the members themselves.”

Harvard Pilgrim Selects TIBCO

To select the right business integration software provider for these strategic initiatives, the Perot Systems team created a matrix of more than 25

companies, and then narrowed the list to those that demonstrated superior scalability and flexibility as well as reusability across the enterprise and a quick time to market. The top three vendors were invited inhouse for a direct evaluation.

“TIBCO met all of our requirements and possesses a very reliable, stable architecture, providing significant flexibility because of its ability to work with various technologies,” Querusio says. “We were impressed that TIBCO has proven itself in many industries that have even higher reliability or scalability demands than healthcare, which showed us that we could successfully use TIBCO in our industry.”

Harvard Pilgrim and Perot Systems selected TIBCO’s business integration software as the enterprise method for application integration. The shift from a compartmentalized IT structure has allowed Harvard Pilgrim to move data within the enterprise in a timely and cost-effective manner. The TIBCO-based EAI project also enabled an e-health initiative to produce convenient self-service portals that major outside constituencies, such as providers and members, can use – directly as well as through other vendor solutions.

Revolutionary TIBCO-based Infrastructure Lowers Cost

In its second major project for Harvard Pilgrim, Perot Systems used TIBCO’s B2B integration software to enable the real-time transfer of data between Harvard Pilgrim and the providers in its network. The revolutionary B2B communications infrastructure is the first of its kind in the healthcare industry. “Clearinghouses charge a fee for each transaction they deliver, but the new TIBCO architecture offers Harvard Pilgrim and its providers

a new and efficient way to exchange electronic transactions. The internet-based service developed using TIBCO was a critical component of Harvard Pilgrim’s ‘no-click-fee’ strategy in a post-HIPAA (Health Insurance Portability and Accountability Act) era. Hard dollar savings will accrue to providers, as well as to Harvard Pilgrim, by the reduction or elimination of transaction fees for millions of transactions each year,” says Matthew Kristin of Perot Systems, chief architect on the Harvard Pilgrim account. “In addition, business process efficiencies will be realized because critical information and the complete set of HIPAA electronic data interchange (EDI) transactions will be handled machine to machine. Provider staff will be able to access Harvard Pilgrim directly from within the systems on their desktops rather than going to payer-specific or clearinghouse web sites.”

Harvard Pilgrim also expects real-time B2B and business-to-business-to-consumer (B2B2C) communication to reduce the time and money spent resolving disputes caused by erroneous data, such as an incorrect eligibility status. For most providers, disputes are resolved by accessing a payer-specific web portal – or, worse, through time-consuming written and telephone interactions. The improved accuracy and timeliness of B2B transactions should ultimately benefit not only providers but also members. Fewer problems and faster service should generate more satisfying interactions with Harvard Pilgrim.

Harvard Pilgrim Uses Standards-based Approach to its Solutions

Many of the providers that Harvard Pilgrim works with do not have the same technology. With the help of TIBCO’s

software, Harvard Pilgrim uses web services, which is a standards-based approach to B2B connectivity, to work with providers directly as well as through other vendor solutions. The company receives EDI payloads – the standard mandated by HIPAA – using certificate-based security. TIBCO validates transactions and responds to provider systems within seconds. The fact that providers can avail themselves of Harvard Pilgrim’s TIBCO-based service without needing to adopt TIBCO’s software significantly increases the utility of this solution. Both Harvard Pilgrim and its providers can realistically expect the new system will substantially lower transaction costs.

Harvard Pilgrim Sees TIBCO as Part of Long-term Strategy to Improve IT Efficiency

The flexibility that TIBCO provides in connecting incompatible systems is an important consideration in the healthcare industry, in which providers use a wide variety of healthcare management applications. Harvard Pilgrim is also now using TIBCO for integration projects unrelated to HIPAA-compliant EDI functions.

“TIBCO helps us deal with a variety of technologies that providers have, and also achieve a less complex and costly infrastructure within the enterprise,” says Lawrence Rapisarda, CTO for Harvard Pilgrim Health Care. “Our new, more reliable and maintainable environment is expected to yield ongoing savings in IT operational costs. For us, TIBCO was not merely a way to solve our communication issues – it is part of a long-term strategy to improve IT efficiency.”



TIBCO Software Inc. (NASDAQ: TIBX) is a provider of infrastructure software for companies to use on-premise or as part of cloud computing environments. Whether it’s optimizing claims, processing trades, cross-selling products based on real-time customer behavior, or averting a crisis before it happens, TIBCO provides companies the two-second advantage™ – the ability to capture the right information at the right time and act on it preemptively for a competitive advantage. More than 4,000 customers worldwide rely on TIBCO to manage information, decisions, processes and applications in real time. Learn more at www.tibco.com

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