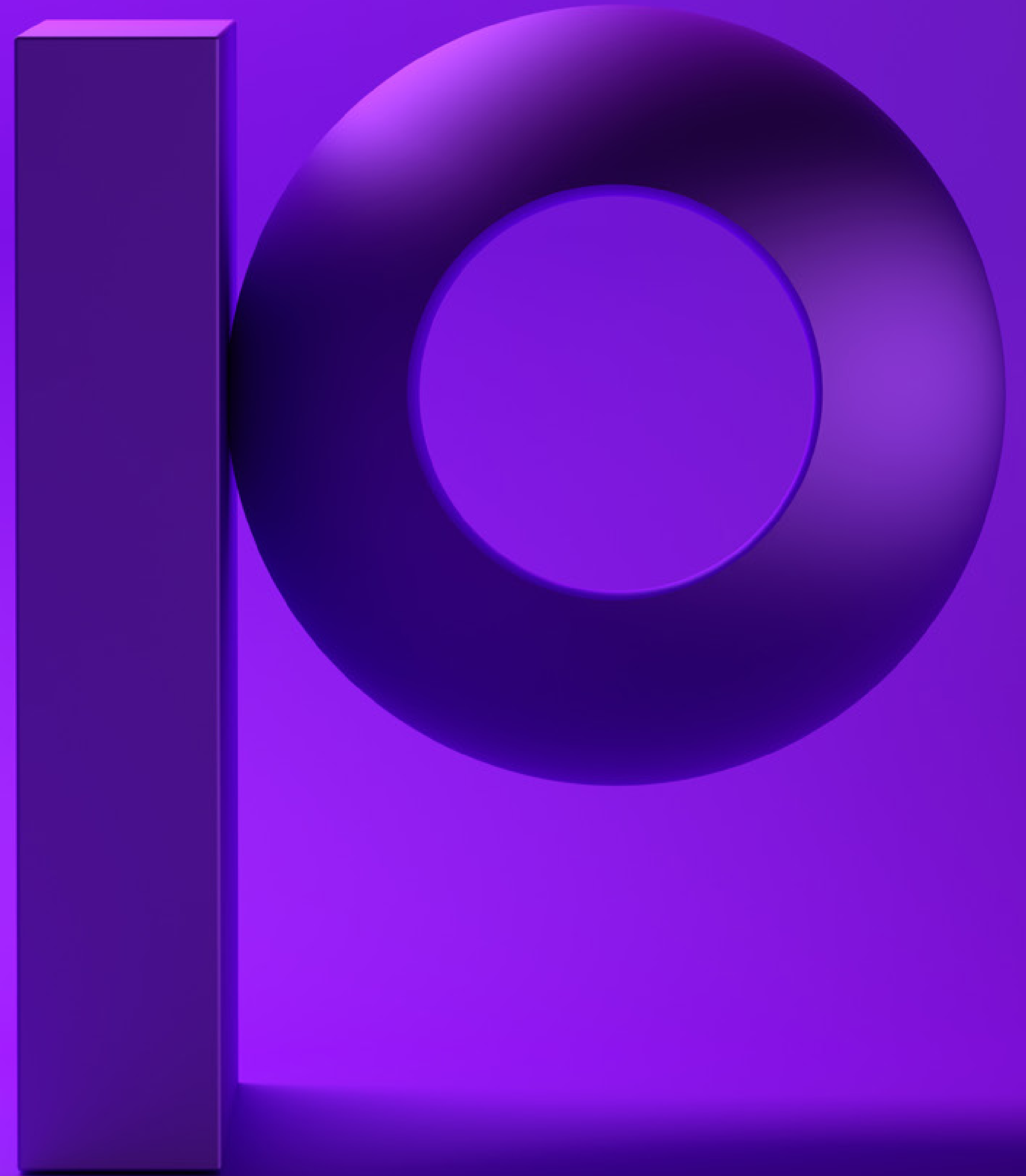


precisely

Addressing in Healthcare

A foundational capability for treatment and compliance



The importance of an accurate address

Setting the foundation for effective coverage

Health insurance is experiencing a time of rapid change in payment systems, care-delivery models, digital transformation and machine learning. These changes impact different systems, departments and functions. Yet, they all have one thing in common: Data.

The most ubiquitous data element is the address.

Addresses are more than a destination for mail. They're an essential geographic identifier for providers, members and prospects. With increased home drug delivery and privacy regulations, an insurer's reputation and profitability depends on the accuracy of each address.

An address is at the heart of key healthcare questions:

- How can I better secure my member's protected health information (PHI)?
- Where can I reduce operational costs?
- How can I ensure provider network adequacy?
- Where should I target my marketing spend?



A single returned package can cost a carrier thousands of dollars.



Address accuracy isn't easy.

- 71 Atlanta streets named "Peachtree"
- 900+ US streets named after Martin Luther King
- 40M people move each year

You need to match the right person to the right address.

With the volume and value of the drugs and information insurers mail, tiny errors can be costly.



A 0.1 percent improvement
in addressing accuracy can
add millions to a carrier's
bottom line.

Essential processes require accurate addressing

As the basic building block of both location information and personal identification, addresses are the foundation for critical health-plan initiatives.

Home drug delivery

Delivery errors can result in:

- Unnecessary costs
- Decreased customer satisfaction
- Potentially dangerous gaps in care

Provider directories

Many providers work from multiple locations.

They also frequently change locations.

Consumer marketing

Addresses enable direct mail.

They also link to additional datasets that enable more targeted messaging.

Compliance

Every EOB delivered to the wrong address is both wasted spend and a security breach.

Analytical models

From social determinants to market projections, accurate models require accurate locations.

Home drug delivery

Lower costs and superior service require better address quality

With average per capita drug costs of approximately \$1000 per year, many carriers are utilizing home delivery to manage costs and improve service.

This places billions of dollars worth of prescription drugs into the mail stream.

For most companies, the cost of dealing with returned mail is a few dollars per piece. This goes up dramatically when the envelope contains an expensive drug rather than a letter.

Direct costs of returned mail are high

An address error rate of 0.1 percent yields a million dollars in direct cost for each billion dollars of medications shipped.

Indirect costs can be even higher

Return mail results may include:

- Dissatisfied members
- Gaps in prescription compliance
- Potentially dangerous substances placed into the wrong hands

Key considerations:

- What is the dollar value of the medications I'm shipping annually?
- What percent of my mail is returned?
- What is the potential liability of failing to get medicine to someone who needs it?
- What is the risk if my mail is misdelivered to a household with a child or someone else who can't read the instructions?



Provider directories

Can your members find your doctors? Can you?

Effective customer service requires accurate locations

Sometimes it can seem like your provider network is deliberately trying to avoid you: Working out of multiple offices, changing hours or moving without notice.

Even when you nail down where a doctor is, that's not enough. You also need to know where they are relative to your member population.

Tracking providers within large boundaries like ZIP Codes or counties can generate misleading information

Example: A member near a county line may be directed to a specialist in the same county miles away, while there's one nearby in the next county.

Analytics such as network adequacy require address accuracy, too

Vague or outdated location information can lead to compliance issues and missed bonuses.

Accurate addresses are the backbone of your provider network

Key considerations:

- Can I provide precise mileage and drive time between any member and any provider in my network?
- Can I reconcile providers who practice or round in multiple locations to obtain a single view of the truth for that provider's location?



Consumer marketing

Maximize your marketing spend in the individual and Medicare Advantage markets

Medicare Advantage plans cover one-third of all Medicare recipients today

This amount has doubled in just a few years.

Every year more workers transition from employer-provided coverage to Medicare

Each transitioning worker represents an opportunity, if you can reach them.

With accurate addressing, you can connect with them via direct mail—and more

A mailing address is an identifier you can use to link an individual to:

- Demographic profiles
- Email addresses
- Social media profiles

Key considerations:

- Do I have a reliable way to contact prospects in the individual or Medicare Advantage markets if they are not already members?
- How many channels can I use to reach a prospective member? Do I know which one is best?
- Can I reasonably estimate a prospect's propensity to buy?

This wealth of information gives marketers the ability to reach the right person with the right message via the right channel



Compliance

Do you know where your data is?

Every single EOB mailed to the wrong address represents a potential breach of PHI

A single misplaced letter can be both embarrassing and expensive.

- Each security incident must be documented.
- Required remediation may also include written notification, creation of breach logs and informing appropriate authorities.

When a carrier is sending millions of mailings a year, even a small percentage of errors adds up to major costs and risks

There is also a web of privacy law and regulation to be complied with at the state and local level

This can be violated by an error as simple as substituting “Street” for “Drive” in an address.

Key considerations:

- What is my current return-mail rate?
- What does it cost to investigate, document, and send the appropriate notifications for a security breach?
- What is the indirect cost in liability and customer satisfaction for a breach of PHI?

Effective compliance is impossible without accurate address information



Analytical models

Avoid garbage in, garbage out

Machine learning, neural networks and a host of other analytic methods promise to open new frontiers in the practice and business of healthcare. However, they can only be as good as the data that goes into them.

Countless fields of study in healthcare require a location component

These range from epidemiology to social determinants to underwriting.

The fundamental baseline for this location information is an address

Your cutting-edge research relies on one of the oldest sources of data.

Key considerations:

- How many models in the company are using location data right now?
- How much time is currently spent cleansing data rather than analyzing it?
- How many data elements could be linked through a persistent, accurate, location ID?

Accurate models require accurate addresses



Digital transformation

Enhance your digital-transformation strategies with a comprehensive and accurate address database

Addresses are more than relics of the snail-mail era

A properly validated address serves as a powerful location identifier and an important referential key to other digital datasets.

- Linking individuals within a household and their associated digital channels (e.g., email addresses and social media profiles)
- Linking demographic insights used for population health or social determinants

Addresses provide the baseline for analytics

From comprehensive telehealth strategies to Non-Emergency Medical Transport networks, accurate addressing holds the key to valuable insights.





About Precisely

Precisely is the global leader in data integrity, providing accuracy and consistency in data for 12,000 customers in more than 100 countries, including 90 percent of the Fortune 100. Precisely's data integration, data quality, location intelligence, and data enrichment products power better business decisions to create better outcomes. Learn more at [precisely.com](https://www.precisely.com).

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