



A LITTLE SERENDIPITY GOES A LONG WAY

Blue Cross and Blue Shield of Florida makes smart business discoveries and decisions with SAS®

Industry

Health Insurance

Business Issue

Control healthcare costs by making internal reporting more efficient, reliable and accessible to nontechnical business users.

Solution

SAS® software provides a unified view of intelligence by accessing data from any source, in any format.

Benefits

Reduced marketing and administrative costs.

Like the heroes of the ancient Persian tale “The Three Princes of Serendip,” Blue Cross and Blue Shield of Florida (BCBSF) makes unexpected discoveries every day. Unlike their royal highnesses, though, BCBSF doesn’t rely on pure luck or happenstance. Instead, the health insurance provider relies on business intelligence from SAS.

“With SAS, we can disseminate information to vast numbers of staff around the company; with access to all the right data, they can serendipitously discover details that reveal the root causes of problems with retention, medical costs or any number of things,” says Rich Pratesi, BCBSF’s Director of Product Performance Analysis. “All of this is available at their fingertips instantly – our nontechnical business partners don’t have to put in a request for a report and then wait several days to get it back.”

That’s how Pratesi describes the capabilities of his Product Marketing Dynamic Inquiry System (PMDIS), an application built with SAS that extends reporting capabilities to more than 150 users involved in the sales, actuarial, operational and financial realms of the Jacksonville, Florida-based company that has served the state for 60 years.

Blue Cross and Blue Shield of Florida is an independent licensee of the Blue Cross and Blue Shield Association serving residents and businesses of Florida.

Saving time for users, costs for IT

Before BCBSF developed PMDIS, the ability to discover root causes of problems was anything but lucky. In fact, it was time-consuming and expensive, Pratesi says. “Before the application, we were an ad hoc request center. We’d talk to the users, get their requirements, run their reports and wait for the reports to sit on the mainframe in the queue. Once you do a report, people often want to add this or change that, so there’s another day’s turnaround, plus all the programming time and EDP (mainframe chargeback) expense.”

Users can look at financial information, marketing activity and enrollment information. In a matter of seconds, they can witness the monthly growth of a product over five years. They can view state population statistics and provider data down to the county level. Queries are point-and-click and can be easily downloaded into other applications, such as Excel, for analysis.



BlueCross BlueShield of Florida

An Independent Licensee of the Blue Cross and Blue Shield Association
Serving Residents and Businesses of Florida.

All the data is stored at various levels of detail so that, for example, a user can see how many Blue Options health insurance contracts exist in a particular county or ZIP code. “Users can get all of this in PMDIS without going to five or six different places to

“We’ve been able to reduce our EDP chargeback by nearly 50 percent.”

Rich Pratesi

Director of Product Performance Analysis
Blue Cross and Blue Shield of Florida

find it,” Pratesi says. “I call PMDIS one-stop shopping for data.”

It’s also one-stop shopping for data integrity, Pratesi says. For example, BCBSF retired some of its products a few years ago. So if new sales of those products show up in the system, Pratesi knows that there is either a data integrity issue or coding problems. “We’re not only able to spot trends in the marketplace with products or geographical business units,” Pratesi says, “but we’re also able to spot problems with data as soon as it’s released, because people have immediate access and are able to find things that might otherwise go uncovered until the next production cycle.”

Data access from any source

Pratesi updates the PMDIS data monthly. Most of it comes from the corporate data mart, which includes information on all of BCBSF’s products and the associated financial information, state population data, provider information and Florida Bureau of Business data – among other sources. “We’ve got tons of different sources, in different formats, and that’s the value of SAS,” Pratesi says. “We can take things all the way from an Excel spreadsheet, from a CD, from one of our in-house legacy systems or from

our data mart, either in Oracle or DB2. The strength of our using SAS is that we can get information from any source we need.”

Several years ago, BCBSF purchased Principal Financial Group and wanted a report that segregated its organic growth from its acquired growth. Using PMDIS, all Pratesi had to do was add a single variable that segregated the two, rather than separating them by group number. “People could easily look at business growth with and without Principal Financial Group in there. All I had to do was add a couple of lines of code into PMDIS – and there it was,” Pratesi says. “People don’t realize how quickly and easily you can do things like that.”

Stephen Tonguis gets it. He’s BCBSF’s new Market Development Manager. “The application is reliable, consistent and easy to use,” he says. “Most importantly, we have relied on it countless times to be the official source when access to data was not available to nontechnical business users.”

Pratesi credits SAS for providing data access, slice-and-dice capabilities, and dynamic reporting and report modification. “Because of SAS, people can do all of these things

themselves in PMDIS instead of asking me for a report,” Pratesi says. “Instead of having multiple people applying their own versions of business rules to data, you have the business rules built into the data. In other words, if someone in sales pulls the same data that someone in actuarial is pulling, they’re going to get the same thing.”

The data access and querying capabilities that SAS offers PMDIS have brought about even bigger savings, thanks to immediate turnaround on reports. “We’ve been able to reduce our EDP chargeback by nearly 50 percent,” Pratesi says.

In the end, the real winners are the customers. As product intelligence becomes more readily available, BCBSF can reduce associated marketing costs and other administrative expenses, Pratesi says. And that helps keep medical costs under control.

“Whenever we can find answers quickly or find answers that are not obvious by serendipitously looking at the data, that goes into reducing costs,” Pratesi says. “Anytime we can find things that are wrong or right with a product, that has a beneficial effect on costs. SAS helps us achieve those savings.”



THE
POWER
TO KNOW

SAS INSTITUTE INC. WORLD HEADQUARTERS 919 677 8000 WWW.SAS.COM
U.S. & CANADA SALES 800 727 0025 SAS INTERNATIONAL +49 6221 416-0

SAS and all other SAS Institute Inc. product or service names are registered trademarks or trademarks of SAS Institute Inc. in the USA and other countries. ® indicates USA registration. Other brand and product names are trademarks of their respective companies. Copyright © 2006, SAS Institute Inc. All rights reserved. 101931_420115.1106