

2019 Underwriting Issues & Innovation Seminar
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EHRs

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2019 Underwriting Issues & Innovation Seminar

EHR Myths & Truths

Top 10 Countdown

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SOCIETY OF ACTUARIES

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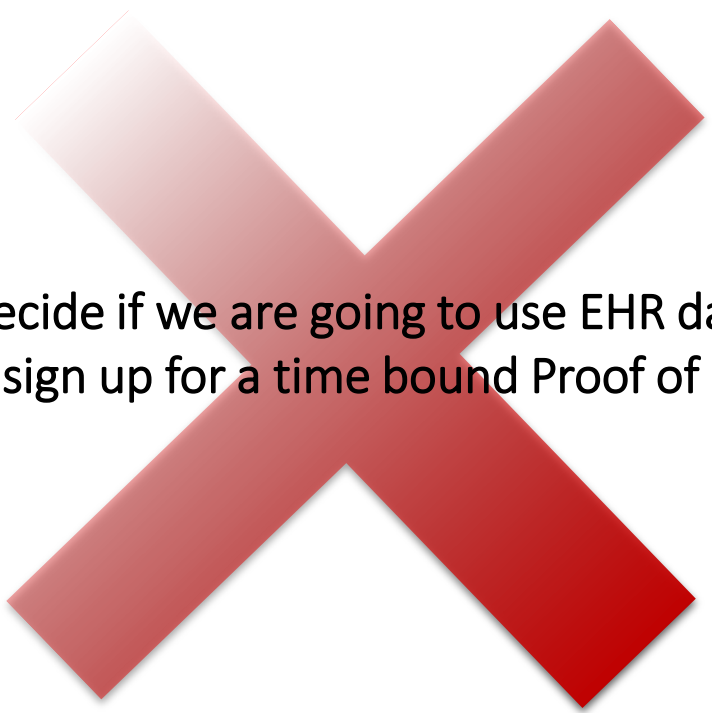
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EHR Myths



Myth Number 10



The only way to decide if we are going to use EHR data is to perform a retro-study or sign up for a time bound Proof of Concept/Pilot.

Myth Number 10 Busted

Part 1

- ✓ Digital Health Data is here to stay. We are not returning to paper.

Stop asking: "IF WE USE THIS?"

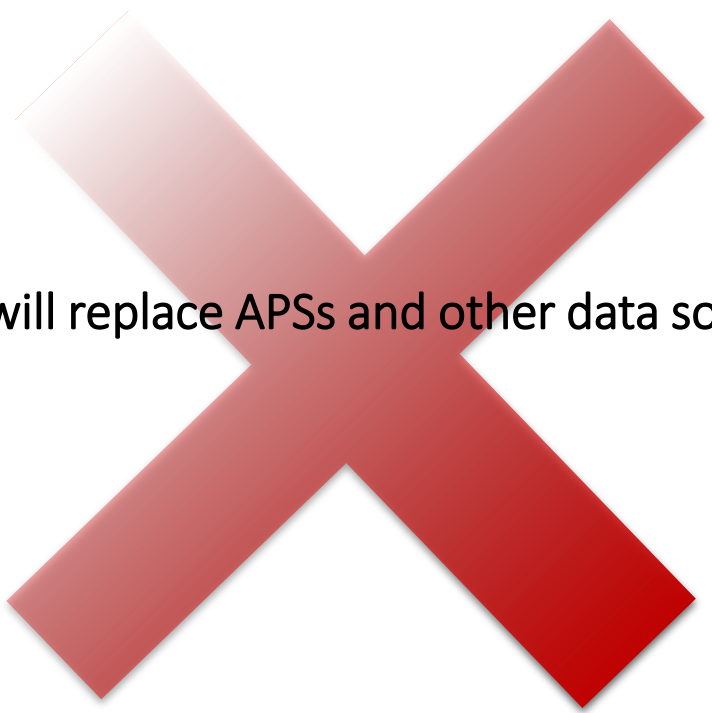
Start asking: "HOW DO WE USE THIS?"

Part 2

- ✓ Short term studies can be helpful but they won't provide you with a full picture.

EHR providers onboard/off board clinics and HCO's constantly and coverage is evolving every day. Additionally, some data sources will only release records on very recent authorizations.

Myth Number 9



EHRs will replace APSs and other data sources.

Myth Number 9 Busted

- ✓ Because of our healthcare infrastructure there is no longitudinal medical history available for a specific individual; therefore, EHRs are but a snapshot in time – from individual providers
- ✓ However, this does not mean the information is not valuable or useful
- ✓ It may be possible to replace some records with EHRs
- ✓ *Consider your Use Case*

Myth Number 8



EHRs will dramatically decrease the cost of underwriting.

Myth Number 8 Busted

- ✓ Cost reduction is possible, especially for very high volume carriers. EHR vendors know their data has value. They are also investing time/resources supporting the services they provide. Data sources are not providing a charity service, they need to charge money. That cost will be passed along.
- ✓ EHRs are likely to impact the customer experience by improving time service and allowing for carriers to stage the ordering of requirements by cost.
- ✓ As availability improves, cost savings may be realized in mortality (vs. efficiency) as the asymmetry of information between applicant and insurer decreases.

Myth Number 7



All EHR records are upcoded and filled with duplicate information.

Myth Number 7 Busted

- ✓ Duplicate information is a risk
 - BUT it is not as bad as some will have you believe
 - It is a solvable risk

- ✓ Systems were made for patient information exchange and billing
 - Excessive upcoding is an outdated notion
 - Physicians are now being encouraged to keep patients healthy
 - If upcoding is happening – the picture would be more conservative

Myth Number 6

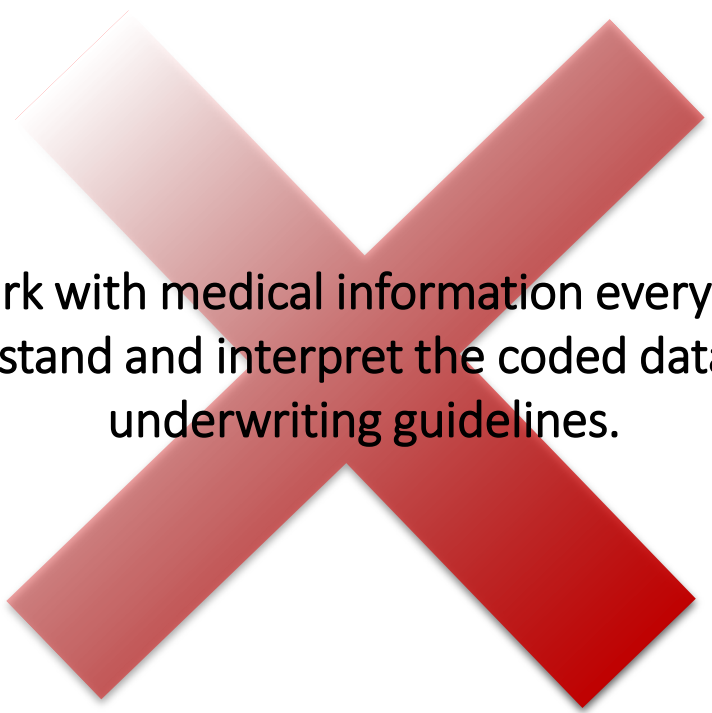


EHR is better than claims data.

Myth Number 6 Busted

- ✓ This is not a zero sum game
- ✓ There is use for claims data and EHR data
- ✓ Think holistically: claims data will provide breadth of coverage to fill gaps, while EHR data will provide the depth for assessment
- ✓ *Consider your Use Case*

Myth Number 5




Underwriters work with medical information everyday ... so they will be able to understand and interpret the coded data and easily apply underwriting guidelines.

Myth Number 5 Busted

- ✓ EHRs are not merely digitized APSs
- ✓ Think about:
 - Structured vs. unstructured data
 - Clinical vs. reimbursement
 - A myriad of medical classifications and vocabularies
 - Formatted for physicians and payers
- ✓ Spend the time required for education – it's not as easy as it seems

Myth Number 4




There are different types of access to EHR data, some are more valuable than others.

Myth Number 4 Busted

Patient Portal vs. HIE vs. EHR Vendor vs. Aggregator

- ✓ We exist in a multi-solution universe
- ✓ Each access type has pros and cons
- ✓ Creative integration of data sources is the best option
- ✓ *Consider your Use Case*

Myth Number 3




The usefulness of an EHR product can be judged by its hit rate.

Myth Number 3 Busted

- ✓ “Hit Rate” is a meaningless, out of context, out-dated term fueled by STP and other automated underwriting concepts from the 90’s and 00’s
- ✓ “Hit Rate” will vary by distribution channel, age, sex and location
- ✓ Think in terms of Geographic Saturation or Data Saturation
 - Where does my EHR provider have coverage today vs. tomorrow?
 - Where do I sell my cases?
 - Who am I selling to? *AND*
- ✓ *Consider your Use Case*

Myth Number 2

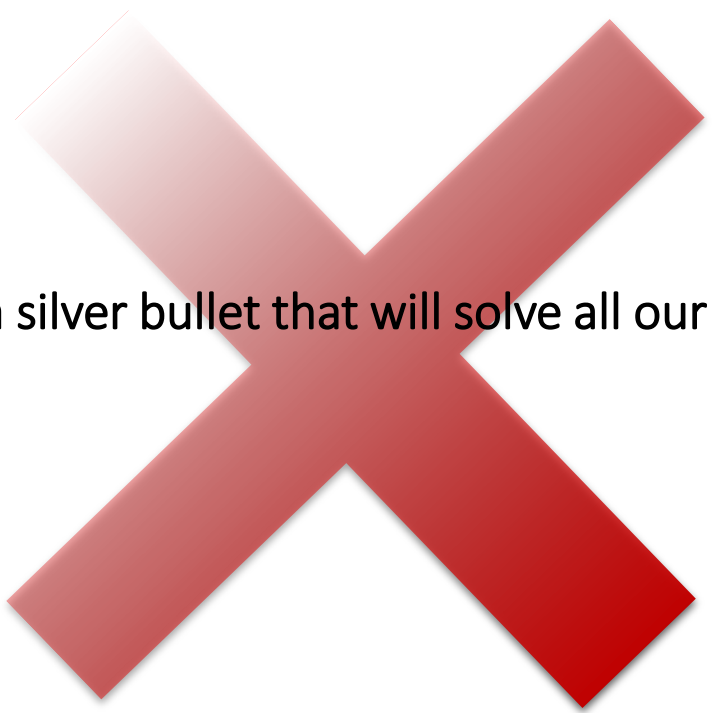


One of the EHR providers will have this solved in the next 18 to 24 months.

Myth Number 2 Busted

- ✓ It is highly unlikely we will have a single solution panacea in the next 24 months.
- ✓ Solutions conceived by EHRs vendors will be geared toward the healthcare sector vs. for life insurance.
- ✓ EHRs are an evolution – rather a revolution – in life insurance where each step in the journey will evolve our thinking and processes.

Myth Number 1



EHRs are a silver bullet that will solve all our problems.

Myth Number 1 Busted

- ✓ We've got a lot of other problems

The Top 10 Truths of EHR

1. The future is here – stop waiting for it to arrive
2. EHRs are a journey vs. a destination
3. Be patient and flexible; don't overreact, *BUT*
4. Know that the situation is constantly [and quickly] evolving
5. Focus on improving your turnaround time and customer experience
6. Data sources/partnerships are not a zero sum game
7. At present, this data is additive to the existing process and may not replace other items
8. Check your expectations
9. Think in terms of data and geographic saturation
10. Let your *Use Case* guide your decisions

Questions / Comments

Thank you

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