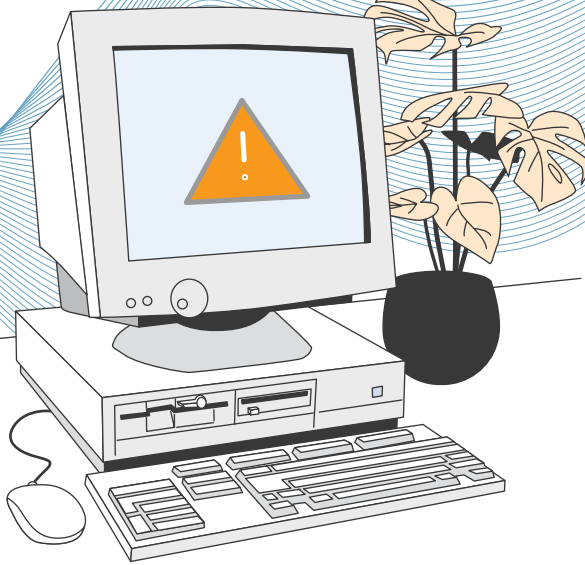# The Increasing Risk of Operating on an Outdated or Under-Supported Claims Administration System

In this rapidly evolving market, healthcare payers need to consider these questions:

1 *Where will your claims administration technology vendor be in five years?*

2 *And what does that mean for your business?*

Technology is evolving faster than ever before with the explosion of generative AI and large language models, as well as serverless computing and APIs. Meanwhile, the health insurance market is becoming increasingly competitive with the rise in demand for alternatives to traditional insurance such as health sharing plans and primary care direct to consumer plans. Innovative startup companies are entering the market and transforming the typical insurance business model by focusing on process optimization through automation and expedited claims handling.

Transitioning to a next-generation administration system can help you automate business processes, reduce administrative costs, respond to changing regulations and benefit trends, and grow your business.

VBASOFTWARE.COM

Are You Operating on an Outdated or Under-Supported Platform?

Outdated administrative processing systems lack the capabilities of modern platforms, and the gap is only getting wider. Under-supported systems may provide essential functionality, but they are quickly falling behind in terms of compliance with government regulations and benefit trends. Sticking with an outdated or under-supported system places your organization at a severe disadvantage and puts you in danger of getting left behind on the technological curve.

If any of these situations describe your current claims administration system, you may be putting your business at risk:

You are using a vendor's claims processing system that was developed more than 20 years ago

Your current vendor is not keeping up with the latest regulations and government mandates, which is causing compliance issues for your organization

You have built a complex infrastructure around an outdated claims processing system to make up for the lack of functionality in that system

You are operating on a proprietary claims processing system that requires significant in-house IT resources to update and maintain

You are operating on a hybrid solution that has leveraged cloud technology but does not offer full next-generation capabilities

Older claims processing systems are difficult to support due to their old code, outdated architecture, underlying technology and sub-optimal design. It takes a significant resource investment to support new lines of business, respond to changing regulations and enable interoperability, and in some cases, your outdated or under-supported system simply cannot accomplish what your business needs.

The bottom line is this: Systems that don't seamlessly work together introduce problems. **And those problems will only get worse with time**.

What Has Your Technology Vendor Done for You Lately?

Vendors providing outdated or under-supported claims administration systems make a lot of promises for future improvements, but they rarely deliver. The truth is that there are insurmountable limitations on what their systems can provide, and they simply can't keep up.

Outdated Claims Systems/Vendors

- ❌ Do not invest in new technologies

- ❌ Provide one or two releases per year

- ❌ Releases are complex and require support from IT for on-premises hosted solutions

- ❌ Configuration changes require assistance from the vendor or in-house IT staff

- ❌ Inability to share data in real time with other internal and external systems

- ❌ Significant cost investment for very little return in terms of functionality or efficiency

The VBA Difference

- ✓ Leverages the latest technologies like AI, APIs and serverless computing

- ✓ Multiple releases per year with the input and ideas of 80+ clients

- ✓ Releases are completely managed by VBA on our cloud-based, hosted solution

- ✓ On-demand configurability by the users, not your IT staff or software vendor

- ✓ Thousands of APIs to share data in real time and enable interoperability

- ✓ Immediate gains in efficiency and tangible return on investment

Where is Your Technology Vendor Going to be in Five Years?

If you've been in a long-term relationship with your claims administration system vendor, you may have become complacent and stopped evaluating their capabilities. Or perhaps you have considered switching vendors, but you haven't been able to get traction on the project or it gets deferred due to competing priorities.

As you think about your current vendor, ask yourself these questions:

TECHNOLOGICAL

From a technological perspective, is your vendor making the right investments in new technology to support your future business needs?

COMPLIANCE

From a compliance perspective, is your vendor keeping up with the latest government regulations and updating their software in a timely manner?

OPERATIONAL

From an operational perspective, does your vendor have the right infrastructure in place to provide the training, consultation and operational support you need?

FINANCIAL

From a financial perspective, does your vendor have the financial backing to be competitive in the rapidly changing software and technology industry, or will they soon become extinct?

After you have assessed your claims administration technology vendor, **you can start to look at the impact on your operations.**

And What Does That Mean for Your Business?

Having confidence in your technology vendor's capabilities, as well as their long-term financial viability, is critical in today's ever-changing environment. As you consider where your business needs to be in the next three to five years, you need to have the right administration platform in place to support your business goals. That means you will have to make some tough decisions about your current administration platform.

As you think about your business, the most important question to ask is:

If you were starting from scratch and building your business from the ground up, would you still choose your current claims administration system?

If the answer is no, then what is holding you back from making a change?

Don't Let Fear Hold You Back from Doing What is Needed for Your Business

Fear of the unknown is the number one factor that prevents business leaders from making a change, even when they know they need to do so. Change is perceived as risky, while the status quo is perceived as a safer choice. But inaction comes with its own set of risks in terms of increased administrative costs, reduced operational inefficiencies and lost business opportunities.

The Magic Wand

One of the most common things we hear from healthcare payers is "If I could wave a magic wand, I would switch to VBA right now." And we completely understand the sentiment. It would be amazing to show up at work one morning to find your company operating on a new claims administration system with perfectly documented processes and a fully trained staff.

Unfortunately, we do not have a magic wand, either. **But we do have a highly skilled and dedicated implementation team to guide you through the process.** They will work their magic to make sure you have a successful implementation.

Here are some of the most common fears expressed by healthcare payers as it relates to claims administration system replacement and how VBA can help to alleviate those concerns:

FEAR #1: TIME CONSTRAINTS

"It will take years to implement a new claims administration system."

FACT: It does take time to implement a new claims administration system, but it may not take as long as you think. With proper planning and the right resources allocated to the project, VBA can help you achieve a rapid implementation.

FEAR #2: EXCESSIVE COSTS

"Implementations are costly and there are always unforeseen circumstances that can lead to additional charges."

FACT: VBA takes the uncertainty out of your implementation with our proven approach. Planning for your implementation begins during the sales process with a deep discovery and the creation of a joint impact plan to gain alignment on your business goals and ensure that you achieve full value from VBA's solutions as quickly and effectively as possible.

FEAR #3: BUSINESS DISRUPTION

"We don't want to deal with the business disruption that comes with a new claims system implementation."

FACT: Business disruption happens today on your current system. Enrollment files are late, wrong ID cards are sent to groups and claims files are delayed. Converting to a modern claims administration platform can actually reduce business disruption in the long term. VBA's implementation team will provide a solid testing plan and help you move through the transition with minimal disruption to your business.

FEAR #4: LOSS OF CUSTOMERS

"If our customers are not satisfied with service levels during the implementation, we will lose business."

FACT: Customers appreciate it when their partners make improvements that will benefit them in the long term. With the proper communication and change management processes, you can successfully transition your customers to the new system. With a modern technology platform in place, you will be able to grow your business and gain more customers.

FEAR #5: RESOURCE ALLOCATION

"I can't take my most seasoned employees away from their day jobs to work on the implementation."

FACT: If you need more than a traditional train-the-trainer approach, VBA has you covered. We have relationships with experienced business process outsourcing partners that can supplement your existing staff or full-service implementation consultants that will come on-site and manage the implementation for you.

What Will You Gain from Modernizing Your Claims Administration System?

As you contemplate replacing your claims administration system, it's easy to get caught up in all of the perceived risks surrounding the implementation and lose sight of the end result. At the end of the implementation, you will have transformed your operations into a well-oiled machine that can quickly adapt to any challenges you may face in the future.

Here are some of the benefits you'll experience with VBA:

ENHANCED SECURITY AND COMPLIANCE

Next generation claims administration platforms that leverage APIs for real-time data sharing are more secure than outdated systems and offer the flexibility to adapt to changing regulations.

INTEGRATED SOLUTION SUITE

With VBA's cloud-based technology platform, you can experience seamless integration and real-time data exchange by adding our user experience portals, analytics solution and customer support solution.

UNLIMITED POTENTIAL TO GROW YOUR BUSINESS

When you are operating on a modern administration platform, you will have the ability to quickly pivot and respond to changing regulations and evolving market needs to grow your business.

REDUCED TECH DEBT

Transitioning to a modern claims administration platform allows you to retire outdated code and streamline processes for data transmission. With a cloud-based solution, your IT infrastructure will be much easier to maintain.

MORE EFFICIENT PROCESSES

With a modern claims administration system, you will be able to automate manual processes and supplement your staff with AI-enabled assistance to make every employee a system expert.

Choose a technology partner that is going to be there for you in five years and beyond. VBA has the technology, operational expertise and financial backing to remain a strong, growing company for many years to come. We can help you upgrade your administration platform to the latest cloud-based technology with the flexibility and functionality you need to scale and grow your business.

Begin Your Digital Transformation Today. VBA makes it easy to get started.

Email us at **vbasales@vbasoftware.com** or visit our website at **vbasoftware.com** to learn more.

VBA | We make the healthcare experience **better for everyone.**