

Case Study

Health Insurance

Major health insurance provider cuts costs while modernizing its telecommunications infrastructure.

Challenge

This large regional health insurance provider was formed through the consolidation of several entities. The resulting organization had 4,500 employees, over 3 million customers, and an outdated telecommunications infrastructure that had been built up over time without a coherent strategy. Not only were they using 20th-century technology, they suspected they were paying much more than they needed to.

With margins being squeezed across the entire industry, the insurer was under pressure to reduce costs across the board. They took a snapshot of their inventory and found there was a lot of infrastructure that had been in place for a decade or more that they didn't need. Because they were getting over 250 bills every month for those services, it was impossible to get a handle on what they had and how much of it was actually needed to support their business requirements.

Solution

BCM One worked with the insurance provider to realign their telecommunications infrastructure and to use our wholesale purchasing power to get the best possible rates. Because we understood their business needs—for example, what “normal” call volumes look like and how they increase during the busy open enrollment season—we were able to ensure sufficient capacity in the peak months but still cut where needed to save money.

BCM One continues to manage the infrastructure on a day-to-day basis. If something goes down, we instantly know where the problem is and which carrier to contact so we can get it fixed quickly. If something needs to be moved, we know exactly what to move, how much time it will take, and the impact to the business if the timeline isn't met. We are the organization's single point of contact. And because our dedicated team of project managers have stayed consistent throughout the entire relationship, the insurer knows they can trust BCM One to take care of the telecommunications infrastructure so they can focus their attention on other issues.

BCM One is also helping the organization plan for the future and migrate to modern technology. With our expertise and carrier-agnostic approach, we are helping to guide them through the complex maze of carrier options and network technologies—to streamline their call centers, adopt SIP and hosted VoIP, move away from legacy layer 2 private lines, and design a more efficient MPLS network or even move to SDWAN—to ensure their infrastructure supports their five-year strategic business roadmap.

Result

BCM One helped the insurance company identify and eliminate unnecessary and duplicate services to reduce their average monthly telecommunications costs from roughly \$980,000 to around \$470,000—an astounding 50% cost reduction. We did this without having to move them to smaller, aggressively priced tier 3 providers—they were able to continue using the same tier-one suppliers.

To say that billing has gotten easier is a vast understatement. They now only have five bills to process every month. It could have all been consolidated down to one single monthly invoice, but the five—and the 1,200 sub-accounts they cover—are structured to align with their business requirements. Because the invoices provide an easy-to-understand sum line item, variances on a monthly basis are effortless to see and understand.

And they now have access to information about their infrastructure. Case in point: a recent resilience review for a HIPAA audit required a comprehensive set of documentation that could have taken months to compile, but because BCM One had that information readily available, we were able to deliver it to them within two weeks.

Client:

- › Health insurance provider

Number of sites:

- › 20 stores nationwide

Solution:

- › Technology Expense Optimization
- › Private WAN/MPLS Connectivity