Redpoint | ENGAGYS

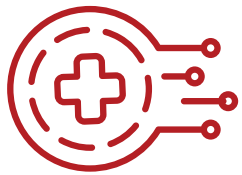
EMBRACING THE POWER OF AI:

The Ultimate Health Plan Roadmap

AI Enablement

Artificial Intelligence's (AI) rapid evolution, particularly generative AI, is reshaping how healthcare organizations manage data, interact with members, and streamline operations. While the benefits of AI are immense, from cost-savings to personalized member engagement, the adoption journey is complex and filled with challenges . The successful implementation of AI requires careful consideration of data readiness, ethical implications, and strategic deployment. As AI continues to evolve, payer organizations that proactively adopt and integrate these tools will gain a competitive edge, improving member satisfaction and driving better health outcomes in an increasingly complex and demanding healthcare environment.

> **This eBook outlines the key use cases for AI within healthcare payer organizations and provides a roadmap for how to harness AI's full potential.**



When AI models are trained on unclean or mismatched data, **accuracy can drop by up to 50-70%**.

(Harvard Business Review, 2021)

Organizations that use high-quality data can **reduce the cost of AI model development and maintenance by 25-40%**.

(Accenture, 2021)

When AI systems are trained on clean and consistent data, **organizations see a 40-50% boost in user adoption and satisfaction**.

(Gartner, 2021)

Key AI Use Cases for Healthcare Payers

AI's ability to improve payer and healthcare effectiveness is multi-faceted, ranging from member engagement to risk prediction and operational optimization. Whether it's through machine learning models that predict patient outcomes or AI-powered chatbots that handle routine queries, the impact is undeniable. Below are some of the most impactful AI use cases for healthcare payers:

1 Automated Member Interactions

One of the most immediate benefits of AI is its ability to transform member interactions by enhancing customer service across phone, digital, and other communication channels. However, a considerable portion of member interactions today still take place in contact centers, where members inquire about benefits, claims, or general support. When accurate and up-to-date data on each member interaction is available, cleaned, and ready for use, many of these interactions can be easily automated and managed by AI. By adopting AI-powered solutions to automate routine interactions, payers can achieve significant cost savings.

AI-driven solutions can automate up to 70% of routine member interactions in some instances. Automating repetitive responses and tasks, such as appointment scheduling or account inquiries, delivers fast response times to members and frees up human agents to focus on more complex issues that require a personal touch. Additionally, AI can analyze past interactions to offer personalized responses, leading to higher member satisfaction. On digital platforms, AI chatbots and virtual assistants provide 24/7 support, ensuring consistent and responsive service, ultimately enhancing the overall member experience.

- **Chatbots & Virtual Assistants:** AI-powered virtual assistants can handle routine queries, such as coverage details, claim status, or appointment scheduling, reducing call center volume.
- **Automated Enrollment Processes:** AI can simplify member onboarding by automating document verification, eligibility checks, and enrollment.
- **Personalized Communication:** AI-driven messaging tools can send personalized reminders for preventive care, renewals, or upcoming bills.
- **Multilingual Support:** AI can provide real-time language translation to support non-native speakers in understanding plan benefits or addressing concerns.
- **Self-service Portals:** AI enhances member self-service capabilities, allowing members to update information, select plans, or check benefits through intuitive platforms.

2 Predictive Analytics for Health Outcomes

Predictive analytics is one of AI's most powerful capabilities, enabling health plans to anticipate and address member health needs before they escalate. By analyzing historical data and current health trends, AI can predict which members are at risk of developing chronic conditions or facing barriers to care. While this capability has been around for a decade, newer AI models have significantly enhanced the sophistication of these predictions. For instance, AI models can predict which members may be at risk for conditions like diabetes or hypertension based on their lifestyle, claims data, and medical history. Early intervention, such as recommending preventive screenings or targeted wellness programs, can help health plans reduce costly treatments and hospitalizations down the line. By being proactive rather than reactive, health plans not only improve member health but also strengthen relationships with members and increase loyalty.

This capability aligns with the broader goals of payer organizations: reducing healthcare costs through preventive care and improving member health outcomes by addressing issues before they become severe. AI also has the potential to prioritize interventions by understanding the goals of the health plan and allocating resources where they will make the most impact.

Once at-risk groups have been identified, payers can initiate targeted outreach campaigns designed to guide members toward better health outcomes. For example, a multi-channel engagement strategy could encourage preventive cancer screenings by combining personalized direct mail with digital touchpoints. A mailed health guide tailored to different life stages might highlight the importance of screenings alongside other wellness behaviors, such as exercise and nutrition. This can be followed by an email or text reminder prompting members to schedule a mammogram or colonoscopy, reinforcing that these preventive services are fully covered by their health plan. Additionally, integrating call center outreach or in-app notifications can provide a direct path for members to take action, improving screening rates and overall population health.

- **Chronic Disease Prediction:** Identify members at risk of developing chronic conditions, like diabetes or hypertension, enabling early intervention and reducing future claim costs.
- **Readmission Risk Prediction:** Predicting which members are at risk of hospital readmission, allowing for preemptive care coordination.
- **Behavioral Health Insights:** Analyze behavioral patterns to predict mental health issues, facilitating early intervention through targeted support services.
- **Preventive Care Gaps:** Identify members who are missing critical preventive screenings (e.g., mammograms, colonoscopies), boosting early detection and reducing high-cost treatments.
- **Comorbidity Risk Assessment:** Analyzing multiple risk factors in members with comorbidities to help create personalized care plans and reduce adverse events.

3 Next Best Action for Member Engagement

AI's ability to identify patterns in member behavior enables health plans to drive deeper member engagement through "next best action" frameworks. These models determine what the optimal next step for a member should be, whether it's suggesting a wellness program tailored to their needs, scheduling a follow-up with a specialist, or helping with therapy adherence.

A Customer Data Platform (CDP) plays a crucial role in enabling these frameworks by unifying and activating member data across multiple touchpoints. By consolidating claims data, clinical interactions, engagement history, and social determinants of health (SDoH), a CDP ensures that AI models have a comprehensive, real-time view of each member. This allows the system to continuously refine recommendations, adapting to new information and shifting member needs.

By assessing multiple factors—such as clinical risks, prior behavior, and social and demographic influences— the AI-driven framework prioritizes the most relevant next step, ensuring members receive timely and personalized support. By flagging members who require more attention, these predictive models can improve outcomes but also enhance satisfaction and retention. Surfacing tailored actions at the right time helps members both maintain their best health while strengthening their connection with their health plan—a critical factor in reducing member churn.

- **Personalized Health Campaigns:** Tailor campaigns to individual members based on health history and SDoH, encouraging specific actions or lifestyle changes.
- **Cross-Channel Engagement:** Identify the best communication channel for different individuals based on member preferences and engagement history, improving outreach effectiveness.
- **Real-Time Health Alerts:** Send notifications and reminders for critical actions such as refilling prescriptions or attending follow-up appointments.
- **AI-Driven Wellness Programs:** Suggest personalized wellness activities (e.g., walking, diet changes) based on members' historical health patterns and preferences.
- **Behavior Change:** Leverage engagement best practices and proven behavioral science techniques to accelerate the development of copy driving positive behavioral change using simple prompts.

4 AI for Tailored Content Generation

One of the most recent AI innovations are content-generating large language models (LLMs), such as ChatGPT. While these tools have the potential to reduce time spent on content creation, their output often isn't effective for many healthcare-specific use cases. The challenge with using available LLM's is that content is non-verticalized. This skews output to leverage best practices learned outside healthcare. This approach is not only ineffective but is also likely to create a poor member experience. However, LLM tools specifically tailored for healthcare have the power to deliver customized, behavioral science backed messaging with the specific aim of driving member behavior change to improve health outcomes.

Healthcare-centric LLMs offer a solution that scales personalization, automates and speeds content generation, and ensures members receive the right message at the right time . This approach goes beyond traditional marketing, focusing on health-related content that is empathetic, behaviorally informed, and data-driven.

By leveraging healthcare-centric LLMs, health plans can automate the process of drafting emails, text messages, and portal notifications, making it easier to deliver personalized health tips, care reminders, or wellness program invitations at scale. This not only saves time but also ensures consistency in messaging across all communication channels.

Tailored content can be used in various ways:

- **Engagement-Focused Content:** New healthcare-centric LLM tools, such as Engagys AI, are built on decades of healthcare consumer engagement expertise, and incorporate healthcare-specific engagement strategies and behavioral science techniques to craft personalized, impactful messages that deliver a positive member experience.

- **Support for Chronic Disease Management:** For members living with chronic conditions, LLM-generated content can provide ongoing support and education. By delivering personalized advice on diet, exercise, medication adherence, and symptom management, health plans can help members better manage their conditions and avoid costly complications.

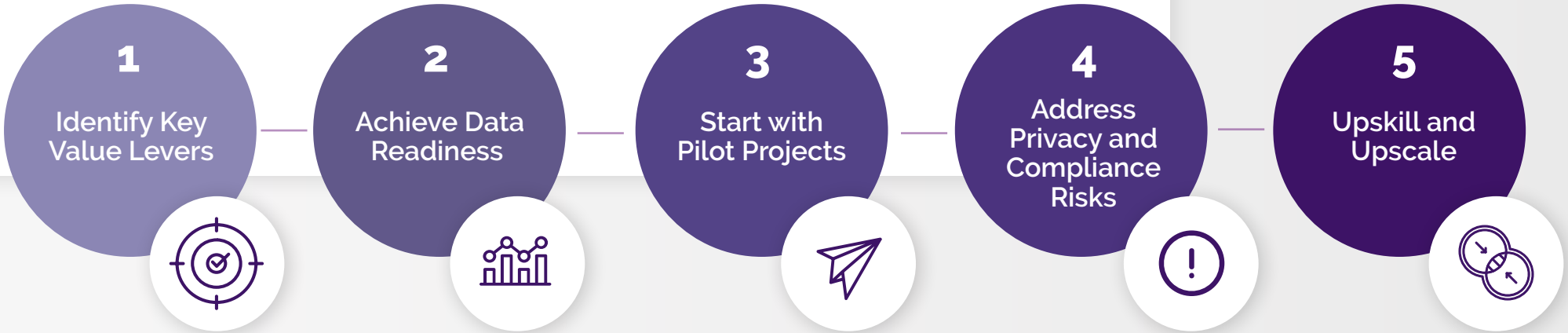
- **Behavior Change Messaging:** Encourage behavior change by providing targeted content that nudges members toward healthier habits. For example, members at risk for hypertension could receive content focused on reducing salt intake, increasing physical activity, and managing stress.

- **Increase Efficiency:** AI-powered content-generation tools can accelerate the content creation process, reducing effort and costs to create each intervention. By using these solutions, health plans can experience an estimated 50% or more in labor cost-savings.

- **Deliver Personalization at Scale:** With LLMs, health plans can generate personalized content for thousands or even millions of members without the need for manual content creation. This

Roadmap for AI Effectiveness in Payer Organizations

AI adoption is not a simple plug-and-play solution; it requires a strategic approach, strong data infrastructure, and cross-functional collaboration. Below is a roadmap for how payer organizations can prepare for and maximize AI effectiveness.



A Roadmap for AI Effectiveness in Payer Organizations

1. Identify Key Value Levers
2. Achieve Data Readiness
3. Start with Pilot Projects
4. Address Privacy and Compliance Risks
5. Upskill and Upscale

1 Identify Key Value Levers

While there are a lot of moving pieces and the technology landscape is constantly evolving, starting by identifying key value levers that align with broader business goals is key. Where in those goals could you derive value from AI implementation, and what metrics would indicate success? This strategy should outline how AI will be integrated into key operations—member engagement, claims management, risk prediction—and what success looks like in the context of improving member outcomes and operational efficiency.

From there payers should prioritize AI use cases based on business value, ease of implementation, and the availability of clean data. Healthcare payer leaders need to outline where they want their organization to go, over what time frame, and for what reason. This will guide the roadmap and inform AI adoption priorities.

A Roadmap for AI Effectiveness in Payer Organizations

1 Identify Key Value Levers — **2 Achieve Data Readiness** — 3 Start with Pilot Projects — 4 Address Privacy and Compliance Risks — 5 Upskill and Upscale

2 Achieve Data Readiness

The success of AI hinges on clean, organized data. Payers typically manage vast amounts of member data that is often siloed across different systems—claims data in one place, clinical data in another, and member engagement data elsewhere. Even the greatest AI application won't succeed unless the data is fit and complete to serve its purpose. If the data is a mess, so too will be the results. This is not an acceptable risk in healthcare.

To effectively leverage AI, payer organizations must focus on consolidating and cleansing these datasets. This is where a customer data platform such as the Redpoint CDP has proven its value in matching disconnected records, meticulously removing duplicates, addressing inconsistencies, and ensuring that the data is accurate and up to date. By improving data readiness, payer leaders ensure AI tools can be deployed effectively and efficiently, driving better decision-making, enhancing member engagement, and improving overall outcomes.

A Roadmap for AI Effectiveness in Payer Organizations

Start with Pilot Projects

3

As AI adoption accelerates, payer organizations that proactively integrate these tools will gain a competitive advantage. Delaying AI integration risks falling behind competitors who are already leveraging the technology. Given the complexity and scale of AI implementation, once clear priorities are established, payer organizations should start with small, targeted pilot projects. Pilots allow health plans to test AI capabilities on a small scale before rolling them out organization-wide.

For instance, AI can streamline complex member segmentation by analyzing diverse data sources—such as demographics, claims history, and engagement patterns—to create highly targeted member cohorts. A pilot project could focus on using AI-driven segmentation to identify members at risk of disengagement and tailor outreach strategies accordingly. This approach not only enhances personalization but also improves operational efficiency by automating what would otherwise be a labor-intensive process.

By evaluating the results, payers can refine their approach and scale up successful initiatives. This allows for experimentation and learning, ensuring that AI initiatives align with broader organizational goals while mitigating risks.

A Roadmap for AI Effectiveness in Payer Organizations

4 Address Privacy and Compliance Risks

While AI technology offers significant potential to enhance member experiences, automate workflows, and provide advanced insights, it also introduces privacy and compliance risks. AI relies on large datasets, including Protected Health Information (PHI), which are subject to strict regulations under HIPAA.

Health plans and their business associates must ensure they have the proper authorization to use PHI for AI purposes. AI-driven models need vast amounts of data, but HIPAA's data minimization rule mandates that only the necessary amount of PHI is used. This requires robust governance practices to avoid "data overreach". Additionally, using a "human-in-the-loop" approach can help health plans address compliance and risk objectives, ensuring that AI-powered solutions still have human oversight.

Navigating AI compliance means updating policies, agreements, and training programs to address these risks while reaping the benefits of technological innovation.

A Roadmap for AI Effectiveness in Payer Organizations

1 Identify Key Value Levers — 2 Achieve Data Readiness — 3 Start with Pilot Projects — 4 Address Privacy and Compliance Risks — **5 Upskill and Upscale**

5 Upskill and Upscale

The key to a successful member-centric strategy is ensuring that both human and technology resources are aligned to deliver a seamless experience. Invest in training programs that upskill employees in digital tools, AI, and data analytics to ensure they can efficiently leverage new technologies. But be sure to maintain the human element, which plays a critical role in an empathetic, personalized member experience. Implementing new technologies requires strong change management practices to reduce risks such as miscommunication, operational inefficiencies, or employee disengagement. A well-planned change management process can create a smooth transition, making it easier for staff to incorporate new tools while maintaining high member satisfaction.

While digital solutions and AI can automate tasks and offer personalized recommendations, human interactions remain essential for building trust and addressing complex or emotional concerns. Strike the right balance between automated digital services and personalized human interactions not only externally for members, but internally, so employees feel empowered by technology, not fear being replaced by it.

Real Results

Lower Operational Costs

Reduced Medical Loss Ratio

Member Lifetime Value (LTV) Growth

Improved Fraud Detection and Prevention

90% CDP-powered automation of manual data processes.

Up to 50% reduction of labor costs with Engagys' AI-powered, member-centric content creation solutions.

79% increase in conversions through real-time interactions and recommendations.

Securing competitive advantage by promoting customer intimacy as your primary competitive strategy.

AI is set to revolutionize how industries operate, but success will depend on careful planning, data readiness, and continuous experimentation. In this era of rapid technological change, healthcare payers that embrace AI early will position themselves as leaders, ready to meet the evolving needs of their members and the demands of a competitive marketplace.

By focusing on data quality and strategic deployment, health plans can harness the transformative power of AI to automate routine tasks, anticipate member needs, and enhance engagement, ultimately improving the member experience and driving greater operational efficiency.

Where to Start

To unlock the transformative potential of AI, lay the groundwork by simply enabling data, systems, people, and processes for AI applications. Clean, unified data is essential for generating meaningful insights, while robust system integration ensures that new AI tools work seamlessly with existing infrastructure. Foster cross-functional collaboration and equip teams with the training necessary to embrace AI-driven processes.

A practical approach to implementation is to start with a **PILOT approach** (Prepare, Implement, Learn, Optimize, and Thrive).

PILOT APPROACH

- **P** **Prepare:** Lay the groundwork by ensuring data readiness, system integration, and team alignment.
- **I** **Implement:** Roll out a focused pilot initiative targeting a specific, high-impact use case.
- **L** **Learn:** Gather insights from the pilot to evaluate performance, identify challenges, and refine the approach.
- **O** **Optimize:** Adjust strategies based on findings to enhance effectiveness and address barriers.
- **T** **Thrive:** Achieve long-term success by leveraging insights and optimized strategies to expand AI initiatives, driving transformative outcomes and fostering sustainable growth across the organization.

Start by choosing a focused, high-impact use case—such as enhancing personalized member outreach or automating routine member inquiries—that allows you to test AI's capabilities on a smaller scale. Use the pilot to assess performance, identify challenges, and gather actionable insights.

Once the pilot demonstrates measurable value, scale incrementally, expanding the initiative to additional use cases and areas of the organization. This phased approach minimizes risk while building confidence in AI's potential to deliver tangible outcomes. By starting small, learning from early experiences, and growing strategically, healthcare payers can harness AI's power to drive operational efficiency, improve member engagement, and achieve better health outcomes.

P I L O T

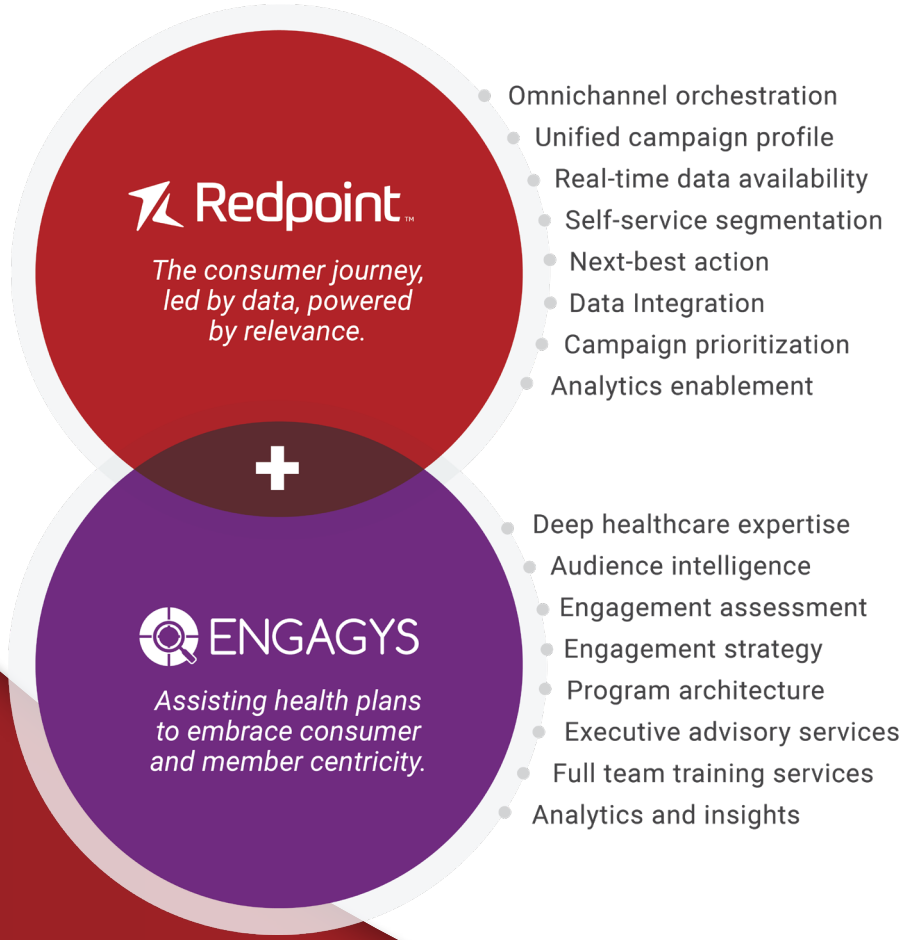
Start your AI Implementation Journey Today

Don't let the complexities of AI hold your health plan back.

Partner with Engagys and Redpoint for a low-commitment pilot and experience the benefits of AI-driven engagement without the risks.

REDPOINT & ENGAGYS

Driving Value at Scale



- Omnichannel orchestration
- Unified campaign profile
- Real-time data availability
- Self-service segmentation
- Next-best action
- Data Integration
- Campaign prioritization
- Analytics enablement

- Deep healthcare expertise
- Audience intelligence
- Engagement assessment
- Engagement strategy
- Program architecture
- Executive advisory services
- Full team training services
- Analytics and insights

Redpoint Global empowers healthcare leaders to solve member and patient engagement challenges across data, insights, and actions. The Redpoint Customer Data Platform (CDP) and engagement technology offer a deeper customer understanding and scalable personalization in a HIPAA-compliant environment. The no-code segmentation and omnichannel orchestration optimize acquisition, engagement, and retention strategies for measurable ROI and better outcomes for healthcare organizations and the communities they serve.

Engagys is the leading healthcare consumer engagement consulting and advisory firm. With decades of experience in healthcare, including having deployed hundreds of marketing and engagement projects, Engagys has driven significant improvement in consumer behavior change, to drive lower costs, greater satisfaction, higher revenue and improved health outcomes.

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