

**SOFTHEON**

# Marketplace Shopping Enrollment, and Billing RFP Guide for Health Plans

Make More Informed Decisions for  
Public & Private Health Insurance  
Exchange Technology

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“No one ever got fired for buying IBM.” An old phrase that still rings true, especially regarding health insurance technology. When considering ACA shopping, enrollment, and billing platforms, finding your IBM can be a challenge. How do you make an informed decision regarding your ACA offerings when carriers consider this of equal importance to their core claims administration system?

This guide shares insights from dozens of carrier RFPs and our expertise in the Exchange dating back to designing, building, and operating critical parts of RomneyCare in 2006.

Having partnered with more than 90 licensed carriers, we understand the need for a holistic health insurance platform that provides a collection of vertically integrated cloud modules that eliminate the need for maintenance of multiple solutions.

Gain the confidence to not only pick the right technology vendor but know how to pick the right partner that grows with the needs of your health plan.

With solutions that promise the world but fail to explain how, Softheon composed a guide to selecting the right shopping, enrollment, and billing solution vendor. **This guide serves as your outline, complete with key areas to focus on, questions you should ask, and what to look for in a response.**

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# 1

## Partner with Industry Experts to Avoid Post-RFP Surprises

Expanding into the ACA Marketplace brings complexities health plans wouldn't be exposed to in the commercial market. From data integration with Exchanges and CMS to member outreach, new entrants should lean on the guidance of trusted advisors.

The ACA Marketplace can be complicated and features rapid regulation changes that require a deep level of understanding and proactive responses.

Invest in experts early in the process to help build a solicitation request designed to adapt to the changing needs of the ACA Marketplace. For example, the lack of a policy expert can lead to a prematurely dated solution that fails to adapt to the shifting legislative requirements. If you don't have a policy expert on staff, reach out to potential vendors with a proven track record of success. Insight regarding local and federal legislation, technology trends, and member experience will help ensure your health plan's success and prevent common pain points.

Terry Burke, Senior Healthcare Leader and Strategic Advisor at Oliver Wyman and interim President of Exchange Business at AmeriHealth Caritas, proved the value of having an expert's opinion regarding ACA Marketplace success



### 1 A Core Team of HEROs for Culture Fit and Know-How

Curating a culture of HEROs—highly empowered retail operatives—helps to produce a holistic solicitation that understands the importance of creating a solution that prioritizes user experience.

Capitalizing on internal personnel that have a VOTE—voice of the empowered consumers—will help avoid future pain points by garnering the opinion of individuals who will be most impacted by proposed changes. Consider that your new solution won't exist in a vacuum and establish a core team devoted to the success of your ACA Marketplace solution.



### 2 Lean on Technology Vendors—No Strings Attached

Seeking the advice and recommendations of experts in the health-technology field will guide the questions you ask in the RFP. Whether you build a solution from scratch or from a legacy infrastructure, you need someone who understands how to establish an end-to-end consumer journey.

Partnering with a technologically advanced partner who understands the complex needs of health plans will provide a sense of perspective crucial to the solicitation process.

# 2

## Build the Business Case for Investing in Technology Advancements

Entering the ACA Marketplace is an all-hands-on-deck effort, so prove to c-suite executives that investing in ACA solutions will yield a positive return on investment (ROI) in the first year.

Consider the following factors when building your business case:

### Cost of Investment

- 1 Net New Membership
- 2 Members Retained from Other Business Lines
- 3 Reduced Operational Costs

### Financial Gains

- 1 Build & Project Change Order (PCO) Costs
- 2 Implementation Costs & Downtime
- 3 Maintenance Fees

Provide as much detail and clarity when describing the scope of your solution to potential vendors. Uncertainty surrounding the resources needed to meet service-level agreements will cause vendors to inflate pricing to account for the associated risk. Vendors that include variations and ranges in their prices will negatively impact ROI as health plans scale.

### The Value of Coverage Options for Every Step of the Member Journey

The value of retaining members transitioning between different health coverage types should not be overlooked. Large health plans like Aetna CVS Health that entered or reentered the ACA cite offering a holistic member experience as a top motivation.

With the cost of enrolling a new customer being seven to nine times more than retaining an existing one, being able to transition Medicaid recipients to the ACA and vice versa would grant massive financial gains.



Health plans already have access to member data and contact information, so acquisition costs would be minimal.

Benefits beyond the immediate financial gain of transferring individuals between different coverage types include a positive user experience. Losing Medicaid coverage or transitioning from an employee-sponsored plan can be confusing for individuals new to the ACA. Your health plan can be their constant.

## Experienced Vendors Provide Financial Security and Expertise

As the ACA Marketplace grows more competitive, so do technology vendors. Technology solutions and their prices have come a long way since 2013. Dedicated vendors that spent the last decade perfecting their individual coverage solutions have raised the bar.

With the rise of configurable, out-of-the-box solutions, deployment timeframes and implementation costs have dramatically dropped. Experienced vendors should be able to provide case studies and ROI proof points.

Be cautious of technology vendors that don't specialize in healthcare and are taking advantage of the market boom. Inexperience in a complicated industry can lead to extended implementation times and PCO costs that eat into your bottom line.

Softheon has been serving health plans on the Exchange since 2006 with RomneyCare and continues to improve its ROI largely due to industry expertise.

In a partnership with a new Marketplace entrant, Softheon generated:



**73% reduction**  
in deployment time



**Over 1,075% ROI on**  
operational costs alone

Affordable and great solutions aren't designed overnight. Look for a vendor that understands the value it brings and has already spent years working out pain points.

“ [Softheon has] a fantastic solution and its performance has been great...  
the strength of the vendor relationship isn't whether you have problems or not,  
it's how you go about solving them and those issues ”

**Paul Wingle,**  
Vice President, Individual & Family Plans at Aetna CVS Health

# 3

## Ensure the Ability to Integrate with Your Existing Ecosystem while Providing Innovative Solutions

Health plan issuers continue to move **toward composable, modular solutions**, moving away from monolithic platforms. Such technology eventually proves to be unadaptable and difficult if not unfeasible to change. The right solution should work well with legacy, new, and future systems alike.



**Question 1:** Describe how the proposed solutions will integrate with existing core system infrastructure.

**What Matters in a Response:** Partner with a vendor that offers a custom approach to integration that makes the most of your existing infrastructure. Plan for future enhancements by ensuring that the proposed solution can integrate with current and future technology.



**Question 2:** Outline the process to make changes to the solution following implementation. Do changes come at an additional cost?

**What Matters in a Response:** Due to shifting demand and upcoming legislative changes, a solution that interacts with the Marketplace will require modifications. The product change order procurement requirement also ties to your budget. Ideally, vendors will guarantee most project change orders at no extra cost and on schedule with regulatory requirements.



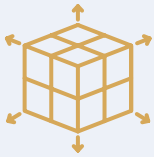
**Question 3:** How does the solution utilize advancing technologies such as, but not limited to, hyperautomation, system integration, scalability, edge computing, and APIs?

**What Matters in a Response:** Confirm that your selected vendor prioritizes adaptability and continually improves solution offerings to exceed industry standards. Investing early in automation reduces administrative overhead.



**Question 4:** Provide a product roadmap that highlights the future advancements of your product offerings.

**What Matters in a Response:** Select a vendor that proactively plans and adapts to the changing landscape of the health insurance field by constantly improving their product offerings. Look for specifics regarding the return on investment (ROI) following the implementation period.



**Question 5:** How will this integration scale as our ACA membership grows?

**What Matters in a Response:** Prepare for future growth by ensuring your vendor possesses the technology needed to scale with your ACA membership. Due to the rapid rate that the health insurance technology field evolves, health plans must always have their sights set years in advance, constantly on the lookout for what will put them ahead of the competition.

# 4

## Confirm Robust Communication, Transition, and Vendor Experience for a Seamless Cutover

Inquire about the logistics of the implementation period to ensure potential vendors hit the ground running.

Past performance can indicate future success. Find the right track for your ACA Marketplace solutions by asking vendors about their specific experience implementing similar products. By gathering information on similar implementations, you can ensure that the vendor's approach meets industry standards.

Pay extra attention to provided project plans, specifically regarding implementation and onboarding. Be on the lookout for plans lacking details regarding specific personnel working on the project and unrealistic hours dedicated to each phase.



**Question 1:** Provide a detailed project plan outlining the main phases of the implementation including post-go-live maintenance and a staffing plan.

**What Matters in a Response:** Ensure that the vendor possesses a thorough understanding of the necessary requirements and a realistic plan on how to achieve the proposed go-live date. Post-go-live maintenance shows commitment to a flexible and scalable solution. Continuity with staffing through the onboarding and post-go-live maintenance provides stability and prevents errors during phase transitions.



**Question 2:** Describe the approach to staff training and attach examples of training resources.

**What Matters in a Response:** Ensure that potential vendors provide a comprehensive training plan that ensures you have the tools needed for a successful open enrollment period with the opportunity for ongoing learning as users interact with the platforms.



**Question 3:** Provide 3 client case studies to whom similar services were provided and associated success and challenges of that partnership.



**Question 4:** Provide an overview of the vendor including year established, revenue, client base, areas of specialization and expertise, etc.

**What Matters in a Response:** Understanding lessons learned from similar implementations can help mitigate risk. Experienced vendors will be able to highlight the cause of successes and challenges while ensuring that your implementation will not suffer from similar missteps.

**What Matters in a Response:** Get a sense of vendors' experience by inquiring about their past clients, specializations, and past growth. These factors should give you a clear understanding of if the vendor possesses the experience and expertise needed for your implementation.

# 5

## Demand Actionable Insights to Protect Your System and Provide Future Guidance

Automated processes, intuitive interfaces, and robust reporting can save you time to focus on providing quality health care to members. Robust reporting can improve and expand your health plan offerings. In addition to providing crucial information on individual members, a good reporting platform will provide insight regarding how your product functions and additional steps you can take to get the most out of the provided solution.



**Question 1:** Describe timeframes regarding data availability and how the system conveys data to the client.

**What Matters in a Response:** Ideally, vendors should provide data to the reporting platform in near-real-time. When the enrollment and reporting portions of a solution work in parallel, the vendor understands the importance of integration and seamless communication between solution components.



**Question 2:** Describe the customization features of the vendor's reporting solution.

**What Matters in a Response:** The more that the vendor lets you customize and modify reports to best suit your needs, the greater your ease of use will be and the more you'll get out of the reports overall. Features such as data filtering, user-created reports, and a variety of graph formats, increase the usability of data.



**Question 3:** Describe the vendor's ability to report on and utilize KPIs.

**What Matters in a Response:** Look for a vendor that provides real-time updates to KPIs. Monitoring and comparing changes to effectuation and retention rates would allow you to identify pain points in the member journey.



**Question 4:** What does client onboarding for your reporting solution look like?



**Question 5:** Provide service-level agreements (SLA) currently utilized and detail how SLAs are tracked and reported.

**What Matters in a Response:** Prioritize solutions that offer a painless onboarding plan. Universal tools, such as reporting platforms, should be intuitive and require limited training.

**What Matters in a Response:** Set expectations and responsibilities that deliver clear goals that set the vendor and client up for success. An SLA defines the level of service expected by a customer from a vendor, laying out KPIs, remedies, and potential penalties should the agreed-upon service levels not be achieved. It ensures both sides have the same understanding of requirements and eliminates the risk that comes with uncertainty.

# 6

## Produce a Holistic Solution with Softheon's Sample Requirements Traceability Matrix

Ensure that potential vendors hold the technology and experience needed to fully service your transition into the ACA Marketplace.

Softheon provides a sample traceability matrix to emphasize the key components health plans need to successfully enter the ACA and effortlessly adapt to ever-shifting requirements and member needs. When issuing an RFP, explore the full scope of what a vendor could do across your organization:

### Features to Include in Your Marketplace Solution

#### Enhance Qualifying Health Plan (QHP) Management

##### Design and Implement Plan Catalog

- 1 Manage Medical, Vision, Dental, Group Product, Service Area, and Rate
- 2 Manage Rating, Service Area, Network Adequacy
- 3 Upload and Store Plan Compliance (Summary of Benefits & Coverage)
- 4 Automate Generation of Plan Certification Requirements
- 5 Retrieve Plan Data Through CMS Application Programming Interfaces (APIs) for Plan Shopping
- 6 Launch Plan Management Portal
- 7 Continuous Product Launches of Improved Solutions
- 8 Configurable Benefit Designs
- 9 Utilize Actuarial Analysis
- 10 Utilize Risk Adjustments
- 11 Ensure Continuous Quality Improvements
- 12 Utilize STAR Rating

# Provide a Complete Shopping & Enrollment Experience

## Design a Tailored Retail Experience

- 1 Support Anonymous Shopping – ACA, Individual & Family, Small Group, Medicare
- 2 Support Member Shopping – Dental & Vision
- 3 Supply Provider & Pharmacy Lookup Tool on Member Portal
- 4 Supply Subsidy Estimator & Affordability Calculator on Member Portal
- 5 Tailor a Shopping Experience for Specific Associations & Affiliations
- 6 Manage Branding and Creation of a White-Labeled Shopping Experience
- 7 Provide Net Promotor Score Achieved through Customer Surveys
- 8 Maintain Web Content Accessibility Guidelines (WCAG) AA Compliance
- 9 Secure Documentation Access for Members
- 10 Optimize the Eligibility Process
- 12 Accept and Apply Individual & Family ACA APTC (On-Exchange)
- 13 Process Individual & Family Commercial Plans (Off-Exchange)

## Facilitate Payload Management

- 1 Establish Secure File Transfer
- 2 Integrate with Needed Exchanges (Trade Partner)
- 3 Integrate with Issuer (Carrier)
- 4 Normalize and Validate Electronic Data Interchange (EDI) Files (1)
- 5 Confirm Non-EDI File Processing (Flat-file, CSV, OEC)
- 6 Establish Connectivity through Real Time API
- 7 Provide Data Integrity & Normalization
- 8 Generate PDFs of an Individual's Application

## Automate Enrollment and Status Changes

- 1 Output and Store Subscriber (Policy) Pre-Enrollment
- 2 Create Subscriber (Policy) Post-Enrollment Effectuation
- 3 Process Subscriber Changes
- 4 Process Subscriber Term/Cancel
- 5 Process Subscriber Reinstatement
- 6 Enable Members to Add/Change/Term/Cancel Dependents
- 7 Configure Subscriber Delinquency, Grace Period, etc. Rules
- 8 Manage Sponsorships (Third Parties)
- 9 Manage Broker Experience
- 10 Manage Agencies
- 11 Manage Enrollment Exceptions
- 12 Automate Annual Renewals
- 13 Process Active Annual Renewals

## Configure Broker Portal

- 1** Support Onboarding and Certification of New Agents
- 2** Ensure a Higher Effectuation Rate through Intuitive Documentation Management for Brokers
- 3** Provide Custom URLs for Brokers
- 4** Automate Generation of Quotes
- 5** Allow Brokers to Save Quotes
- 6** Allow Brokers to Download and Email Quotes
- 7** Facilitate Broker Assisted On-Exchange Enrollment through Enhanced Direct Enrollment (EDE)
- 8** Facilitate Broker Assistance Off-Exchange Enrollment
- 9** View and Search Book of Business
- 10** Manage Membership by Enabling Brokers to Update Enrollment Information
- 11** Make Payments on Behalf of the Client
- 12** Manage Communication Preferences
- 13** Support Broker Book of Business
- 14** Automate Renewal Processing
- 15** Provide Robust Reporting for Brokers
- 16** Provide Insight Regarding Delinquency Status
- 17** Filter and Customize Book of Business for Ease of Use
- 18** Alert Brokers Regarding Members Aging into Medicare
- 19** Alert Brokers Regarding Dependent Age Out
- 20** Provide Broker Performance and Agency Functionality Tracking

# Collect Revenue as a Merchant of Record

## Facilitate Billing and Reporting

- 1 Collect Premium Payments through a Variety of Payment Methods
- 2 Ensure Subsidy (APTC) / HRA Reconciliation
- 3 Ensure Carrier Reimbursement
- 4 Ensure Bank Reconciliation
- 5 Calculate Agent / Broker Commissions
- 6 Generate Premium Revenue Recognition
- 7 Manage Payments Received from Sponsorships (Third Parties)
- 8 Facilitate Monthly Reconciliation (Dunning, AR Aging, Revenue Recognition)
- 9 Detail A/R Rollforward
- 10 Provide Payment Summary and Details
- 11 Output General Ledger Posting
- 12 Support Custom (SQL) Interface
- 13 Provide RCNI/RCNO Processing for FFM/SBE
- 14 Automate Claims System Reconciliation with Billing/Enrollment
- 15 Process 820/Subsidy Reconciliation with CMS
- 16 Manage 820 Disputes

## Enhance Member Communications

- 1** Automate Shopping or Application Abandonment Reminder Email
- 2** Automate Application Completion Email
- 3** Generate Binder Invoices
- 4** Generate Binder Reminder Notices
- 5** Generate Recurring Invoices
- 6** Generate Financial Change Invoices
- 7** Automate Open Enrollment Letters (Renewal, Redetermination, Discontinuation)
- 8** Generate Termination Notices
- 9** Generate Cancellation Notices
- 10** Generate Late Payment Notices
- 11** Improve Member Relationships through Rules-Based Fulfillment & Mailing
- 12** Offer Paperless Preference Management
- 13** Offer Paperless Delivery
- 14** Offer Text Messaging Correspondence
- 15** Offer Chatbot Feature
- 16** Provide ID Card, Welcome Kit

## Process Payments

### 1 Accept Online Credit & Debit Card Payments

- One-time payment
- Schedule a payment
- Schedule recurring (auto) payment

### 2 Accept Online ACH (eCheck) Payments

- One-time payment
- Schedule a payment
- Schedule recurring (auto) payment

### 3 Accept Check Payments

- Lockbox Management
- NACHA file processing

### 4 Accept IVR Voice Payments

### 5 Store Member Payment Methods with the Digital Wallet and Ensuring PCI Compliance

### 6 Process Credit Memo/Refunds

### 7 Accept Mobile Payment

### 8 Enable 3rd Party Data Payment Authorization

### 9 Configure Merchant APIs to Enable Payment Collection Anywhere Payments are Offered

## Seamless Portal Interfaces

### General Functionalities

#### 1 Offer Role Based Access to Portals

#### 2 Support for Member, Broker, Agency, CSR

#### 3 Provide Customer Relationship Management Tracking

#### 4 Employ HICS Management

## Intelligence Management

- 1 Supply Enterprise Data Management
- 2 Supply Fraud and Abuse Management
- 3 Supply Knowledge Management
- 4 Supply Third Party Payment Detection & Management
- 5 Ensure Industry Compliance & Robust Reporting
- 6 Report on Enrollment & Finance Referential Integrity
- 7 Achieve Digital Transformation by Changing Paper-Based Processes into Automated, Rule-Based Processes
- 8 Supply Enterprise Risk Management

## Claims Management

- 1 Receive and Process Incoming Claims
- 2 Calculate Cost Share Reduction
- 3 Record Max Out-Of-Pocket Accumulators
- 4 Automate Claims Adjudication
- 5 Automate Claims Adjustment
- 7 Automate Claims Payment
- 8 Provide Coordination of Benefits (COB)
- 9 Supply Encounter Data Management
- 10 Employ Payment Integrity Module of Claims System
- 11 Automate Cost Share Reduction

## Client Support

- 1 Manage Consumer, Employer, Broker, Agency, Issuer Relationships
- 2 Facilitate Appeals & Grievances
- 3 Automate Marketplace & Issuer Reconciliation
- 4 Enable FFM Enrollment
- 5 Automate Reconciliation
- 6 Facilitate Enrollment Discrepancy Resolution

## Provider Management

- 1 Custom Network Design and Analysis
- 2 Supply Competitor Network Research
- 3 Store Provider Credentialing
- 4 Store Provider Contracting
- 5 Store Provider Payments
- 6 Manage Provider Data
- 7 Provide Configurable Provider Portal
- 8 Automate Provider Interactive Voice Response (IVR)

# SOFTHEON

## About Softheon

Founded in 2000, Softheon's Software-as-a-Service (SaaS) and Business Process-as-a-Service (BPaaS) solutions solve complex operational and service challenges.

Softheon enables Medicaid systems and state-based exchanges (SBE) to spend more time on their mission and less time managing multiple vendors and disjointed infrastructure.

Whether you're looking to enhance legacy systems or establish new solutions, our modular technology can adapt to ever-changing state and federal policies. A close-knit partnership with CMS and 10 state agencies stems from our 20+ years of experience streamlining state offerings through flexible technology.

From protecting states from fraud, waste, and abuse through batch eligibility processing to running your entire SBE, Softheon offers solutions tailored to meet the needs of your state.

Visit our website below

**[www.softheon.com](http://www.softheon.com)**

Health Plan Solutions

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