

Appetite for apps

How the emergence of mobile applications will impact health insurance

There's an app for that.

That's become a popular expression, as mobile phones/computers/smart phones become more commonplace and consumers spend more time with them and become more comfortable using them for a wider range of tasks. Not surprisingly, therefore, health insurers are also looking to mobile applications to enhance the way they connect with their members.

"Mobile platforms present a real opportunity to engage people in ways that haven't been possible before," said David Passavant, senior director, Consumer Innovation, UPMC Health Plan. "There are some exciting ventures that will be coming into the market that will supercharge the connection between members and health insurers."

Smart Business spoke with Passavant about mobile applications and their increasing presence in health insurance.

How can mobile applications impact health insurance?

We are seeing the emergence of the mass adoption of smart phones and smart phone technology. One of the advantages of that is that it gives health insurers new opportunities to engage their members. It's truly a new channel.

More than 40 percent of U.S. adults now have smart phones, and that number will double in the next three to five years. These phones are essentially mini-computers in the pockets of millions of consumers. Health insurance can be incredibly complex and confusing, and mobile apps are one tool for empowering people to better understand and improve their health and their use of health care.

How can members use mobile applications?

To begin with, a mobile app should make it easy to search for health care providers and to contact your insurer. Most health insurers will reach that point sometime in 2012. Then we'll start to see some exciting innovation. Insurers will provide real time updates on claims status, tools to help members better understand the cost and quality of care, customized health tips for each individual, and many types of health tools and trackers. The opportunities these devices provide are endless; we're just scratching the surface.



David Passavant

Senior director, Consumer Innovation
UPMC Health Plan

Can't members simply get the same information online?

For many services, that is true. But what health insurers have learned over the years is that most members, for whatever reasons, do not like to interact with their insurers online. It could be that the time commitment is too much, but industry-wide, fewer than 20 percent of members tend to use the Internet to conduct their health insurance business. In contrast, a much higher percentage of, say, bank customers choose to do their banking business online.

When companies first started to build websites, they spent very little time on the research and design component. The important thing was to build and launch as quickly as possible. But over time, we learned that the most important part of delivering great technology is taking the time to understand people's needs and motivations, then to design your site around the needs of your customers.

Hopefully, we can learn from past experience and tread new ground with mobile apps. These devices are fundamentally different from websites for two reasons: one, people always have the devices with them, and, two, because the screens are so small, you have to be incredibly judicious about what you put on them.

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How do you see use of these apps evolving?

Initially, they will be used for the basics. Members can be introduced to using the devices to access their personal health record, view claims, locate network providers and pharmacies using the device's internal global positioning system, and to access a virtual identification card.

Once the use of mobile technology is accepted and members are able to let us know how they want to use it and how it can best fit their needs, we will evolve. Soon it will be possible to include, for example, technology that could collect blood glucose level readings and send them directly to a member's physician. It's possible that members might see a value in spending a few minutes while they are, for instance, waiting for a bus, to answer health questions that can be used to earn health incentive points or some other financial incentive from their insurer.

Would use of mobile apps be extended to physicians?

Absolutely, yes. We see these devices as a conduit for empowering the relationship among physician, patient, and insurer. For example, a good app will give the member quick access to an accurate and understandable health history that will allow them to maximize their time with their doctor. Because physicians have been so enthusiastic about using smart phones, it makes sense for them to be involved and able to take advantage of these tools. For instance, it's possible that physicians could be alerted to possible gaps in a patient's care, such as when that patient is due for a test or screening of some kind.

What do you see as the future for mobile apps in this area?

There is no question that the adoption of smart devices and the maturity of the app marketplace are creating fundamentally different opportunities to engage our membership. This is a redux of the excitement felt at the birth of the Internet. The plans that innovate and win in this space will borrow the best ideas from other industries (travel, banking, retail, gaming) and engage members in ways that websites never could. <<

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