

BROCACEF DRAMATICALLY SIMPLIFIES HEALTHCARE REIMBURSEMENTS AND PRICE AGREEMENTS WITH PROGRESS CORTICON



Client



Challenge

Implementing a complex healthcare reimbursement system involving more than ten million price calculations per year

Solution

Progress Corticon Business Rules Management System

Benefit

Can now determine the correct healthcare reimbursement and the invoice amount quickly, easily and accurately; slashed time to implement rule changes from 1.5 weeks to 1.5 hours; increased profitability and customer satisfaction and decreased costs and errors

Background

Headquartered in the Netherlands, Brocef Group is a distributor of pharmaceuticals and the owner of the leading BENU Apotheek chain of pharmacies. The organization has replaced its complex system for managing and implementing the reimbursements of insurance companies with the Progress® Corticon® Business Rules Management System (BRMS). Using Corticon, BENU Apotheek now invoices fast and accurately based on 4,000 different factors, such as the purchase price of a drug or the reimbursement rules of individual insurers.

Challenge

The liberalization of the Dutch market radically changed the process for determining healthcare prices. No longer established by the State, healthcare costs are now decided during annual negotiations between healthcare providers and health insurers. Each insurer maintains its own systems and rules for the payment of reimbursements to patients and pharmacies for drugs and other medical products. For example,

some insurers require pharmacies to issue generic prescription drugs or specific brand drugs wherever possible. This differentiation across individual price level agreements has created significant complexity within the healthcare reimbursement system.

For BENU Apotheek, implementing the numerous changes each year in time to ensure the correct reimbursement claims were submitted to health insurers was a tremendous challenge. In addition, the company is expected to keep up with the monthly updates to the Taxelijst, the price list for drugs and medical aids. The updates required include changes in prices, reimbursements, legislation and regulations for approximately 106,000 products. The organization determined that its manual approach to reimbursements could no longer scale effectively with the frequency and volume of changes. “Brocacef runs some 872,000 price calculations per month, which is more than ten million per year,” said Jeroen Anbeek, Business Information Analyst with Brocacef. “The existing Excel spreadsheets we were using could not handle the increased complexity; we needed a new solution.”

Solution

Brocacef sought a more automated approach to reimbursements and believed a BRMS was the best way to manage this new complexity moving forward. The company conducted a thorough evaluation of the market, focusing primarily on cost, functionality and the user experience. The new BRMS needed to scale with the complexity of the Dutch healthcare market, and Brocacef wanted to work with an organization that offered local Help Desk and implementation support.

When compared with the other solutions they evaluated, Brocacef was most impressed with the Progress proof of concept (POC) and selected Progress Corticon. “The ease with which business

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Jeroen Anbeek, Business Information Analyst
Brocacef Group

analysts were able to create decision rules was unrivalled,” said Anbeek. “Progress Corticon was able to integrate all rules without requiring any programming. Our IT specialists also found Corticon to be the easiest solution to work with.”

According to Anbeek, the rule verification system in Corticon surpassed expectations. “We deliberately inserted two logical rule errors into the POC to test the vying software vendors,” he said. “Progress Corticon was the only BRMS system able to find the errors. In fact, it found a third error, as there was another, undeliberate error in the specification.”

Finally, Progress Corticon delivered optimal performance and the environment was extremely stable and scalable. “The system was up and running in the shortest possible time thanks to automatic detection of the errors between the rules and an automated solution finder for resolving these inconsistencies,” said Anbeek

Progress Corticon delivers high-quality, high-fidelity, high-performance automated business decisions. With Corticon organizations can make better faster decisions. Its patented “no coding” rules engine is used by many of the world’s largest financial services, insurance, healthcare, and ecommerce companies as well as federal and state government organizations to automate their most sophisticated decision processes, reducing development and change cycles by 90%.

Results

Brocacef has realized significant bottom-line results with Progress Corticon, reducing costs while increasing the company's profitability and customer satisfaction. "We were able to implement Progress Corticon extremely quickly," says Anbeek. After only two months, Brocacef had a completely automated process for invoicing health insurers that processed changes quickly, easily and without errors. "Thanks to Progress Corticon, we're completely in control of the business," said John Feimann, Commercial Director of BENU Apotheek. "Mainly because we can now implement rule changes with less IT resources and less human error. It also helps that the decisions are fully traceable. We can see which rules are applied in the decision-making process and when and by whom."

"Progress Corticon enables non-IT experts to document and manage business logic outside the application code," said Anbeek. "That way, our business users can now implement changes to the agreements with the insurers within hours versus weeks."

"With our previous process it took us 1.5 weeks to implement changes in automated decisions. With Progress Corticon we can do it in 1.5 hours," said Feimann. "Errors in the application of the agreements have been reduced to a minimum. Miscalculations and incorrectly applied agreements led to an enormous amount of extra work and so significantly higher costs. Not to mention the annoyance this causes the customers and the reduced confidence this entails."

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Brocacef plans to leverage Corticon across other areas of its operations. The company will integrate the BRMS with BENU Apotheek's sales systems to enable smarter customer interactions based on rules created within Corticon. For example, they could create a business rule to identify patients using a specific drug for longer than three months to trigger an optional prescription for stomach discomfort. Not only will this boost the company's sales, but also enable the pharmacy chain to improve its level of customer service.

About Brocacef Group

Brocacef Group, established in Maarssen, is a group of companies active in the healthcare sector. Alongside distributing drugs and medical products, Brocacef Group also develops and implements pharmacy and healthcare concepts. Brocacef Group employs some 2,200 people. Brocacef Group is part of the PHOENIX Group with headquarters in Mannheim, which has branches in 25 counties and 29,000 employees, and Celesio AG, established in Stuttgart. Celesio is active in 14 countries and has some 39,000 employees. Both PHOENIX and Celesio are leading international healthcare service providers.

For more information, please visit: www.brocacef.nl

About Progress

Progress (NASDAQ: PRGS) is a global software company that simplifies the development, deployment and management of business applications on-premise or in the cloud, on any platform or device, to any data source, with enhanced performance, minimal IT complexity and low total cost of ownership. Progress can be reached at www.progress.com or 1-781-280-4000.

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Rev 16/3

