

# **Payers seize opportunities to manage, forecast sales**

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Every healthcare payer organization needs the ability to manage sales opportunities. Payers also are facing changing business models, additional product offerings in new geographies with new sales distribution channels, the need for member retention capabilities and the need to be more effective and efficient.

Technology-enabled selling (TES) is the application of technology to enable selling through all desired sales channels, including selling partners and the Web. However, an opportunity management system (OMS) is the framework for a TES application solution. An OMS combines business planning, forecasting and account management. It is the backbone of a multichannel TES system enabling business-to-business field sales, inside sales and external sales. Payers must integrate an OMS within the context of an overall vision and plan for a TES application architecture. This ensures that current technology can be leveraged for the future.

## **Market implications**

The OMS vendor market is in an early market stage for the industry. This stage is characterized by little or no public awareness, many vendors and indiscernible vendor marketshare.

Evaluating OMS vendor solutions in an early environment presents unique challenges and requires an assessment process reflecting the dynamics of the OMS market and its evolutionary stage.

**Healthcare Experience:** Only two suite vendors have established a healthcare vertical with dedicated healthcare resources. Although all OMS vendors have superiority in horizontal applications, most possess only fundamental knowledge of healthcare and lack a detailed understanding of processes, stakeholder relationships and the business value of the applications. Some OMS vendors have targeted healthcare as a growth market and are rapidly increasing efforts to gain healthcare expertise. Payers must look for OMS vendors that are hiring executives with extensive healthcare experience and that have healthcare-focused partnerships and strategic alliances.

**Healthcare Payer References:** As noted, none of the major OMS vendors have more than five referenceable payer clients using OMS capabilities. The absence of a solid client reference base or company track record in healthcare makes for a challenging assessment of a vendor's ability to execute.

**Functionality:** Minimally, OMS vendors should be able to demonstrate claimed functionality on a robust test system, provide output from test cases or beta clients and provide a clear summary of functionality evolution and time frames (and plans/resources to achieve these objectives). A representative list of OMS functionality includes: call scripting, account/contact management, event tracking, lead distribution, forecasting and pipeline management, collateral materials, reporting, commissions and campaign management. As the OMS market matures, vendors will be forced to compete on functionality. Payers should assess development plans for unique, focused functions that will differentiate OMS vendors.

Healthcare payers must adjust assessment processes to reflect the market environment. Payers face risks associated with vendors lacking experience in the healthcare and few healthcare-experienced resources available for implementations, training and development efforts. To mitigate the risks, payers should follow best-practice contracting approaches, execute more

exhaustive due diligence and identify short-term tactical decisions and long-term strategies to reflect the early OMS environment. Payers also must evaluate and implement an OMS within the context of an overall vision and plan for a TES application architecture.