

# Making a Statement

## A Case Study

Humana has increased member loyalty and retention by 17% by delivering a unique health-care benefits statement to more than 4.5 million customers.<sup>1</sup>

**HUMANA**  
*Guidance when you need it most*

Louisville, Kentucky-based Humana Inc., one of North America's largest health benefits companies, serves more than 11.3 million medical members. Throughout its 46-year history, Humana has seized opportunities to meet changing customer needs through proactive and leading-edge solutions. Thanks to innovative thinking and the ability to implement solutions quickly and effectively, Humana has become a leader in consumer engagement, and in providing expert guidance that leads to lower costs and a better experience for members.

<sup>1</sup> Compared to members who did not receive the SmartSummary statement. Source: Humana 2006 Annual Report.

# At a glance

**Company**  
Humana Inc.

**Industry**  
Health-care benefits

**Challenge**  
Respond to research that suggested customers were dissatisfied with the company's Explanation of Benefits statements.

**Solution**  
SmartSummary™—an industry-first, quarterly statement that clarifies customer communication while integrating CRM technology to deliver targeted, actionable messages.

- Benefits**
- Elevated levels of customer satisfaction
  - Increased program membership
  - Reduced burden on customer service
  - Enhanced brand awareness and reinforcement of corporate image

- New Statement Features**
- New charts and icons to draw members' attention to key information
  - Dynamic, personalized and relevant messages and articles
  - Used full-colour printing technology to reinforce corporate brand and enhance visibility

## Diagnosis: unclear communications

With the ever-expanding range of health plans, options and coverage—and the growing number of confusing industry-specific terms—it's not surprising that the health-care industry is facing more than a few challenges when it comes to communicating with consumers. And, as individuals assume an increasingly greater portion of health-care costs, these challenges have become even more pronounced. Consumers' demands for clear and timely communication continue to rise dramatically as they strive to make smart health-care decisions that protect their finances and well-being.

Humana is committed to helping its members make these important decisions with confidence by providing the information they need, when they need it. That's why Humana decided to make a few changes when it discovered that many members were frustrated by the lack of clarity in the company's Explanation of Benefits (EOB) statement.

Humana members cited two shortfalls with the EOB: the statement was difficult to understand, and the payment service process outlined within it was unclear. This lack of clarity meant that members were paying more than they should have—and so was Humana, through increased call volume to its customer contact centre.

## The right prescription: teamwork, exceptional design and personalization

Driven by customer feedback and motivated by its vision to become the most trusted name in health solutions, Humana chose to improve its customer experience by creating an industry first: a detailed quarterly health-care statement.

Humana's Strategic Communications team engaged a leading information design and development firm, Prinova, Inc., to create a powerful, award-winning communication tool called SmartSummary™.

## Making things happen through a concerted, collaborative effort

To ensure that the new statement could be implemented rapidly, Humana secured buy-in and support from key stakeholders within the organization, including the Print Operations, Data Centre, IT Development, Marketing and Call Centre teams.

## Getting the message across with exceptional design elements

Statement redesign began with the integration of Humana's corporate colours to create a full-colour branded statement. Consistent and intelligent use of typography, colours and icons ensured that all design elements on the SmartSummary were aligned to lead the reader through the statement. Custom icons were employed to help Humana's members navigate the statement, to provide guidance on benefits and to highlight opportunities to save money. Visual charts were also included to provide a quick snapshot of plan coverage, history, disbursements and remaining coverage limits.

## Personalized communication through customer statements

With the design phase complete, Humana implemented a dynamic message process to place personalized messages onto the statements of individual members. Advanced systems now pull relevant data from multiple databases, and clearly worded personalized messages anticipate and avoid common customer support centre calls—saving customers time and Humana money.

## Just what the doctor ordered: positive business results

### Increased membership and brand awareness

SmartSummary proved so successful that Humana increased member loyalty by 17 per cent and expanded its private Smart Product membership by an impressive 52 per cent in 2005. The company has also leveraged the frequency of statement mailings to reinforce its brand and their plan to educate members on offers and opportunities to save money.

For members, the benefits are equally compelling. Through SmartSummary, customers receive a fully integrated, clear view of their health-care

expenses—reducing confusion, frustration and time-consuming calls to customer service. Statements also include a history of phone calls made to the call centre, assuring members that Humana has heard them and is addressing their requests. A reference number is also included, enabling customers to easily track their issue.

**An award-winning design: easily and quickly adaptable to market changes**

Development of client statements is usually one of the main barriers in rapid implementation of services into new markets. However, SmartSummary's quarterly statement structure, design concepts and data hierarchy proved so flexible that Humana was able to quickly adapt it for individual seniors when new health-care legislation was enacted in January 2006. The new product, called SmartSummary Rx, received the Stevie Award for Best Product from the American Business Association.

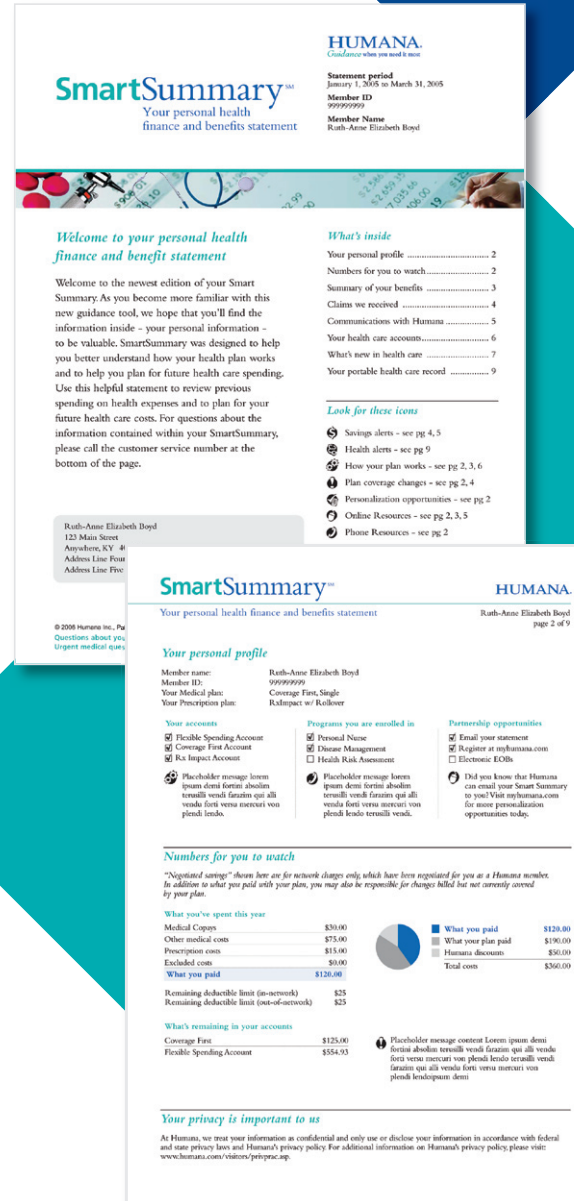
**Great statements work**

Humana is one company that has leveraged the predictability, frequency and "welcomeness" of customer statements to create a highly effective marketing tool. In addition to increasing membership and customer loyalty, Humana's SmartSummary statement has led to cost savings in the form of lower marketing-related expenses and fewer customer calls. The company has also seen members change their behaviour, moving toward the use of more preventive services and away from reliance on costly after-the-fact interventions—thanks to the clarity and design of SmartSummary.

SmartSummary is clear proof of how companies can extend the value of an existing delivery medium—the customer statement—to build brand awareness, cement customer loyalty, increase revenue and reduce costs.

By engaging outside information design, plain language writing, and document development expertise, we were able to get our statements to market quickly. We especially appreciated Prinova's integrated approach, which married design and development into a unified process."

**Chris Nicholson**  
 Director of Strategic Communications, Humana



**Canada Post offers value-added services that can maximize the value of your communications.**

**For more information on how you can make a Great Statement work for your business, visit [www.canadapost.ca/greatstatements](http://www.canadapost.ca/greatstatements), email [greatstatements@canadapost.ca](mailto:greatstatements@canadapost.ca) or contact your account executive.**

# How to make a Great Statement

In the increasingly competitive business landscape, companies continue to look for innovative ways to grab and hold their customers' attention, and gain a competitive advantage. And yet, every month, many companies overlook a valuable communications channel to the customers: customer statements.

TransPromo Marketing is the use of attractive, customer-centric transactional documents to deliver relevant promotional messages. Customer statements that employ the principles of TransPromo Marketing can increase revenues, decrease overhead costs, improve the customer experience, and enhance brand awareness and loyalty. The most effective statements can even become the cornerstone of an organization's brand strategy and marketing mix. All in all, a Great Statement, delivered directly to households and businesses, just makes good business sense.

To transform your customer statements into powerful marketing and communications tools:

## Statement assessment

1. Identify the statements you currently have, and how often they go out. Compare them to other forms of communication the customer may receive containing your brand. Are your statements consistent with these other communications—in terms of tone, product and service offerings, look and feel, and branding?

2. Measure your existing documents against quantitative criteria of statement quality. See how your statements rate by going through the *Take the Test* exercise at [www.canadapost.ca/greatstatements](http://www.canadapost.ca/greatstatements).

## Planning for more effective communications

3. Identify the customer knowledge (CRM data) that can be incorporated into these statements such as purchase history, demographics and usage patterns.
4. Create a plan to incorporate this information into your statements. Make sure the information is accurate, relevant, targeted and respectful.
5. Contact a specialist statement design firm to assist with the redesign project.
6. Evaluate the redesigned statements by reapplying the *Take the Test* criteria. If the statement passes the test, proceed to implementation.

## Implement, assess, and improve

7. Establish methodology and metrics against which to measure the success of the new statements, and the incremental benefits incurred as a result of this new approach. Examples could include reduced call volume to call centres, additional revenue generated by cross-sell or upsell promotions on statements, and reduced billing and payment cycles.
8. Execute and track.
9. Review and improve.

## About Canada Post

Canada Post is committed to helping Canadian organizations more effectively communicate with their customers. We believe that strong transactional documents can be a valuable part of an organization's integrated marketing mix.

Canada Post is pleased to provide the tools and resources our customers need to get the most out of their transactional documents. Learn more by visiting [www.canadapost.ca/greatstatements](http://www.canadapost.ca/greatstatements).

## About Prinova, Inc.



Founded in 1998, Prinova provides strategic consulting, innovative design and systems integration solutions for companies in the financial services, insurance, healthcare, retail and utilities industries.

Prinova has developed a unique integrated design and development approach that allows companies to experience faster time to market, reduced development costs and—most important—more profitable customer relationships.