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# How Health Plans Can Simplify and Digitize to Respond To Industry Shifts





Inflation, cybersecurity concerns and pending court decisions loom large for health plans in 2025. But automation and streamlining measures can help them maximize resources and better serve members, experts said during a [recent webinar](#).

"Inflation has a lot of downstream effects, including on health care infrastructure, medical research and public health initiatives," said Dr. Timothy Garrett, chief medical officer at Zelis. "It increases operational costs for hospitals and physician practices; there are supply chain disruptions; there is a higher cost of debt for capital investments; and there are fewer elective procedures and routine checkups."

Garrett noted that 2022 was the most difficult year financially for providers in recent memory. Those difficulties extended into early 2023. “Non-positive margins mean providers can’t invest in new technologies, replace crumbling infrastructure, build adequate reserves or prepare for community disasters,” Garrett added.

Health plans can help their networks by collaborating, simplifying payments and investing in updated technology. However, they will need to do so with an eye on regulatory and legislative changes.

The coming year is likely to bring a slew of bills and proposed regulations at both the state and federal level, although many may not be finalized, said Matthew Albright, chief legislative affairs officer at Zelis.

Albright advised audience members to “buckle up,” as 2025 is likely to bring new life to policy issues that have been bubbling under the surface for the past few years. These include interoperability, the No Surprises Act, transparency policies and various issues surrounding health care data.



### Staying in the know

Zelis Legislative Weekly helps professionals stay up to date on the most important bills and rules affecting the health care industry, including:

- **The No Surprises Act.** On Oct. 30, 2024, a Federal Appeals court issued an opinion in the TMA III lawsuit, clarifying that QPA calculation can include “ghost rates” but must exclude single case agreements and incentive-based payments. The court also ruled that the 30-day payment deadline starts upon bill transmission and that plans need only provide QPA information as outlined in the regulation. Notably, each plan must have “sufficient information” to calculate its QPA or rely on a third-party eligible database, as aggregation of rates by a TPA is not permitted.
- **The NSA’s Independent Dispute Resolution Process.** A final rule is supposed to be issued in November, although Albright told attendees that sometime after November but within the next six months is more likely.
- **The NSA’s advanced explanation of benefits.** A proposed rule is expected in March 2025.
- **Medicare reimbursement for providers.** This is likely to be one focus of Congress in both the lame duck session and probably into next year, Albright said.

Meanwhile, a policy push on data issues, including interoperability, cybersecurity, consumer privacy, use of AI and exchange of clinical data, is picking up speed. "Consumer data privacy legislation is being passed at a rapid rate at the state level, although most states' privacy laws exempt HIPAA-covered entities or HIPAA data," Albright said. "But we do have to continue to read these bills carefully as health plans collect data about members that may not always fall under HIPAA."

Health care organizations will need to follow the courts, as well, Albright advised. "Due, in part, to a number of decisions made this past summer by the Supreme Court, litigation is going to play more and more of a role in laws, regulations and their respective compliance. Going forward, it's going to be harder for health plans to understand what requirements need to be followed and what requirements might still be in litigation."

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**- Dr. Timothy Garrett,**  
Chief medical officer at Zelis



## Payer response

As plans grapple with the implications of new rules, ongoing litigation and rising premiums, they can take several steps to mitigate the impact and lower health care costs, said Eugene Hahn, senior vice president of sales at Zelis. These include:

- Exploring automation and AI
- Leveraging outside expertise and strategic partnerships
- Collapsing complexity and tech stacks
- Moving from print resources to digitalization
- Finding new ways to support members facing increasing bills.

“The average American cannot afford health insurance without a subsidy,” Hahn told attendees. “This is going to be a rising challenge as we go through the period of adjusting to inflation, adjusting to premium increases and to the impact of out-of-network bills.”

Technologies like [Zelis Health Bill Assist](#) helps plans by allowing members to reach out to Zelis directly for education on their plan or guidance on how to reduce the cost of a nonparticipating provider’s claim. It also

engages providers to negotiate on behalf of members, creating a new opportunity to help plan members access more affordable care.

Plans can also see significant benefits from tech stack reduction, particularly around [payment integrity](#) strategies. “These are areas where multiple files are being transmitted to multiple organizations,” Hahn noted. “Moving as much as possible into prepayment strategies will ultimately allow payers to go from reacting to leading the charge and addressing the true cause of overpayment. We continue to see payment integrity as a rising strategy to be able to reduce costs and create simplifications.”

Finally, elimination of printed documentations can save money while addressing the lack of a centralized hub for payments and communication. Technologies like the [Zelis Advanced Payments Platform \(ZAPP\)](#) can bring those two components of the communication process into a digital strategy.

“The simplest strategies have some of the greatest impacts for all stakeholders,” Hahn said.

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**- Eugene Hahn,**  
Senior Vice President,  
Sales, Zelis





### ABOUT ZELIS

Zelis is modernizing the healthcare financial experience by providing a connected platform that bridges the gaps and aligns interests across payers, providers, and healthcare consumers. This platform serves more than 750 payers, including the top 5 national health plans, BCBS insurers, regional health plans, TPAs and self-insured employers, and millions of healthcare providers and consumers. Zelis sees across the system to identify, optimize, and solve problems holistically with technology built by healthcare experts - driving real, measurable results for clients.

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