EISA™®

When Insurtech Meets Coretech

The Dental Plan Member WINS

Technology, in all its forms, is shaping peoples' patience and expectations for when and how they communicate and do business. These evolving expectations are prompting dental plans to reconsider their business models as well as their technology investments. You can see dental insurers adopt this outside-in perspective as they consider how to engage their members.

Member Centricity vs. Insurtech and its Dependencies

To create these richer and more meaningful member experiences, dental plans need the consumer knowledge and intuitive context-aware workflows that characterize insurtech.

Indeed, the promise of insurtech is that it will support innovation through contemporary member experiences and emerging business models, which is a driving factor behind the insurtech startup phenomena.

Member Centricity and the Integrations Challenge

For dental, insurance core systems are limited in their ability to connect to insurtechs and digital insurance ecosystems. While the member experience obviously benefited from digitalization, portals, and mobile, the focus was on internal efficiencies and reducing call center costs.

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Can you have core strength and insurtech innovation?

In the future, determining where to invest their technology budgets presents a conundrum for many insurers. Should they shore up their old, home-grown core systems with expensive updates, or invest in insurtechs? Either decision entails a commitment to creating and maintaining a growing number of complex integrations to systems and data to maximize the value of those investments.

But for dental insurers looking to achieve member-centricity and be more efficient in everything they do, the solution is coretech.

From 2017 to 2020, there were more than **184 insurtech closures**, but the number could be much higher.
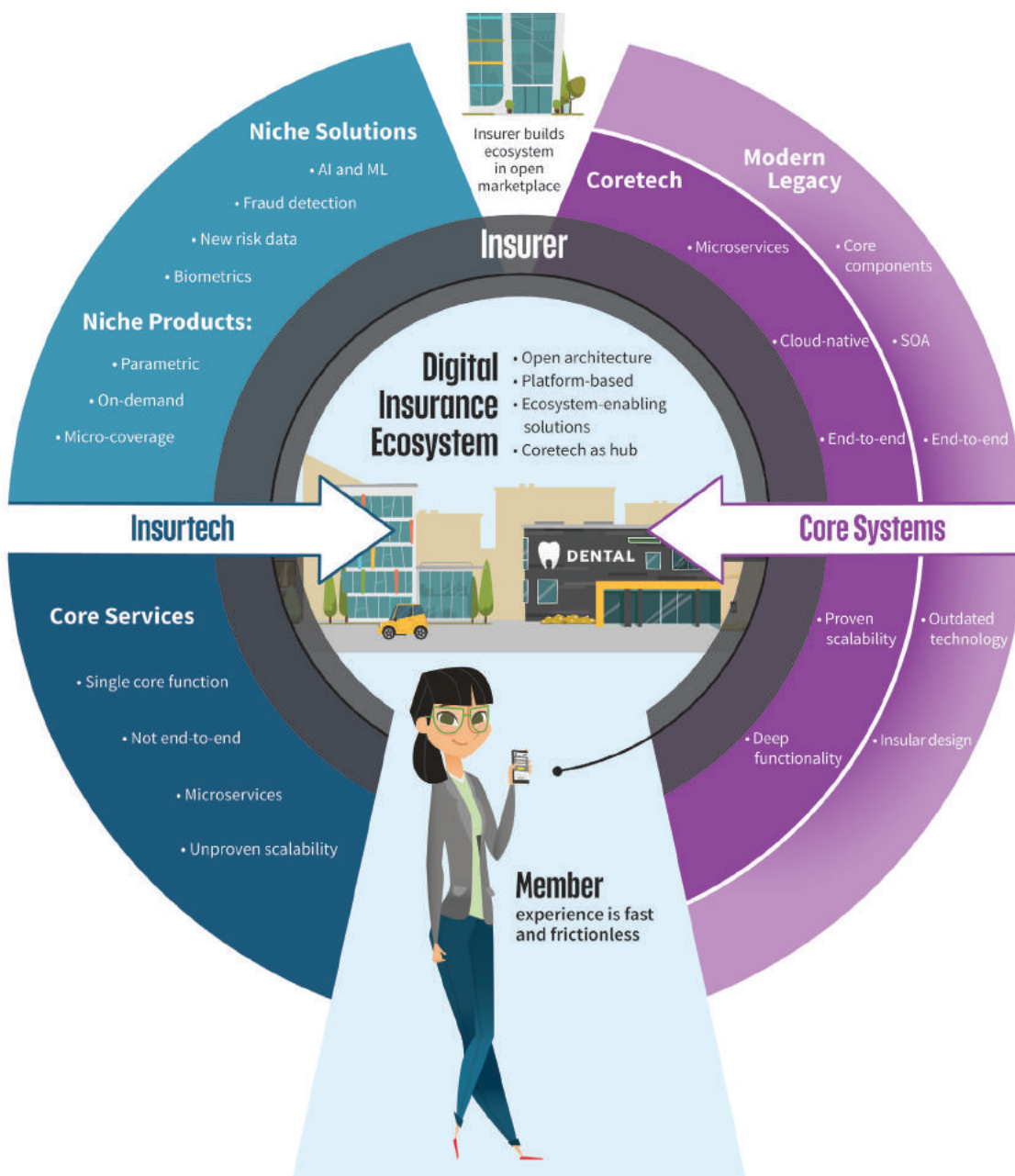
Willis Towers Watson

2017

2020
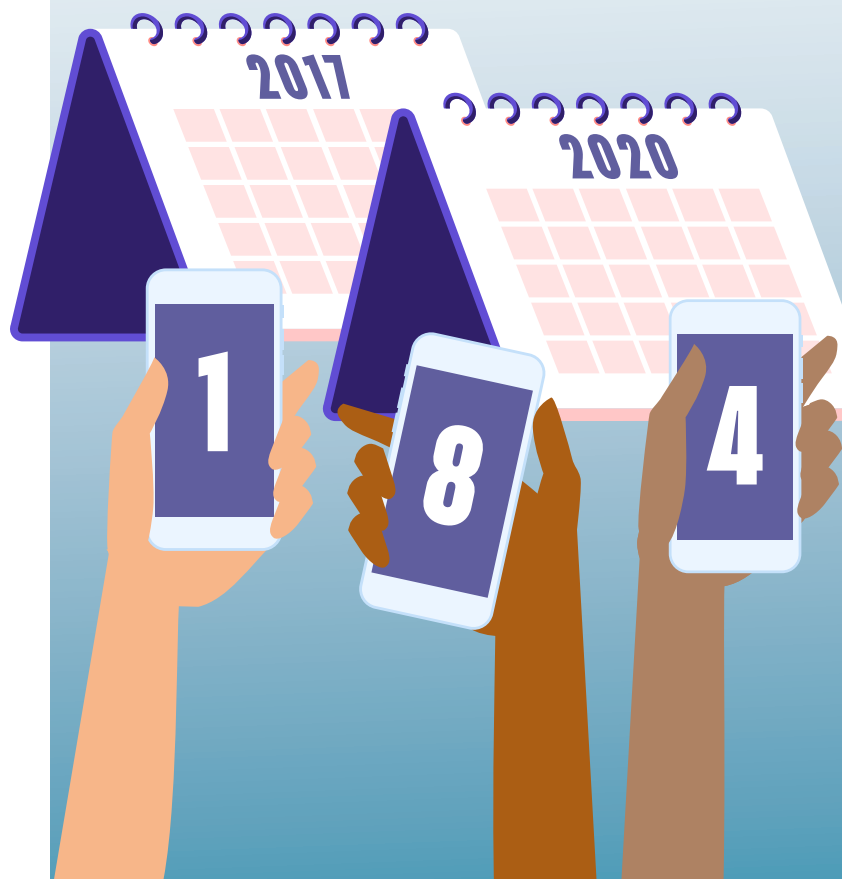
What is Coretech?

Coretech is a new category of insurance software that is designed to support an insurance future that is member focused. It has all the characteristics of insurtech but with more end-to-end capability and ability to scale than off-the-shelf insurtech applications. Unlike the modern legacy systems, coretech is functionally rich. But because of its open, cloud-native architecture, it's continuously updated and laden with the microservices and open APIs (application programming interfaces) necessary to readily consume internal and external data and connect with insurtechs.

Most importantly, with the member record at its center, coretech is designed—from the ground up—to serve as the hub for digital insurance ecosystems and deliver excellent consumer experiences, even as member expectations continue to evolve. Coretech allows insurers to take greater advantage of insurtech and data partners to deliver benefits to members and prospects.

A New Digital Insurance Ecosystem

Niche Solutions
- AI and ML
- Fraud detection
- New risk data
- Biometrics

Niche Products:
- Parametric
- On-demand
- Micro-coverage

Insurtech

Core Services
- Single core function
- Not end-to-end
- Microservices
- Unproven scalability

Insurer builds ecosystem in open marketplace

Coretech

Insurer

Digital Insurance Ecosystem
- Open architecture
- Platform-based
- Ecosystem-enabling solutions
- Coretech as hub

DENTAL

Member experience is fast and frictionless

Modern Legacy
- Microservices
- Core components
- Cloud-native
- SOA
- End-to-end
- End-to-end
- Proven scalability
- Outdated technology
- Deep functionality
- Insular design

Core Systems

Insurtech and Coretech Solutions Move to the Center to Create New Digital Insurance Ecosystems

The evolution of insurance technology toward a next-generation, open and flexible architecture is well underway. From one direction, insurtech in its many forms—from niche to core functionality—is providing microservices-based solutions. From the other, some core system platform vendors are breaking free of the limitations of modern legacy solutions and recomposing their offerings as microservices-based solutions—a new category we call coretech. The two mirror each other, different only—at this evolutionary stage—in the ability of coretech to provide proven scalability and deep functionality in contrast to the less complete functionality and scalability of insurtech solutions.

EIS

Member Experience Depends on Knowing the Member and Acting Like it

Member knowledge is key to the member experience challenge. Magnifying the challenge is that many aspects of the member experience are new for dental plans. Not long ago, the idea that the dental plan member would use the internet to access and update their own information was implausible. To do it on a mobile device was radical. Consequently, many dental plans are not able to act on the member data that they do have, and so they add CRM—and more integrations and layers—into the mix.

And yet, there's a real opportunity for insurers. Members with connected devices interact with their insurers 19 times per year—more than four times the frequency of members who don't use connected devices.** And they tend to be more loyal and own more insurance products.

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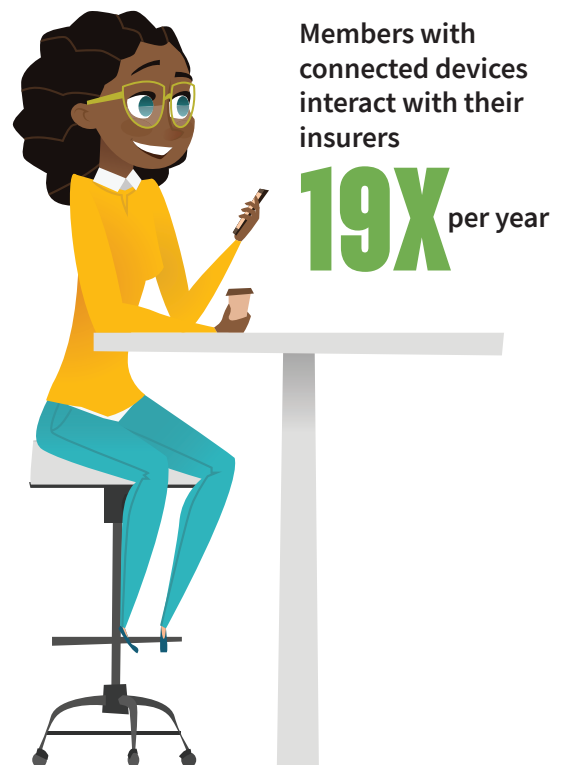
**Bain & Co, "Insurers: How to Lead in the New Era of Connectivity, Customer Behavior and Loyalty in Insurance: Global Edition 2018

Re-architecting Modern Legacy Systems

Re-architecting legacy core systems to support contemporary member experiences is proving to be difficult, expensive, and time-consuming. Simply put, dental plans designed and implemented systems that perfectly reflected the dental industry of yesterday: product-centric, inefficient, and siloed. Core systems, even those deployed as recently as three years ago, are being replaced. They simply were not designed to be easily upgradeable or to support emerging business models. Nor do they have the APIs necessary to support quick and easy integration with third-party services providers in the cloud and participate in digital insurance ecosystems.

> **API:** An application program interface (API) is a set of routines, protocols, and tools for building software applications. An API specifies how software components should interact. Additionally, APIs are used when programming graphical user interface (GUI) components. A good API makes it easier to develop a program by providing all the building blocks. A programmer then puts the blocks together. ~ *Webopedia*

Why wait for cloud native?

That many insurance core systems now operate in the cloud is great. But that doesn't change the fact that many cannot yet take full advantage of cloud-native benefits. That's unsettling for many insurers, and it should be.

Many vendors now market themselves as "SaaS solutions providers" to mask the effort required to maintain what is, in fact, a cloud-hosted modern-legacy architecture. While this approach does alleviate some of the friction of maintenance and security, it does not change the fact that the dental insurer will still be challenged by update cycles and continue to be limited by the architecture in all the ways previously described.

Why implement a system that's already falling behind? What's the roadmap and the update path? And what's the cost of waiting, only to put your business on a new and unproven platform? For dental plans, the answer is to update and break free of outdated legacy systems to save time, money, and resources.
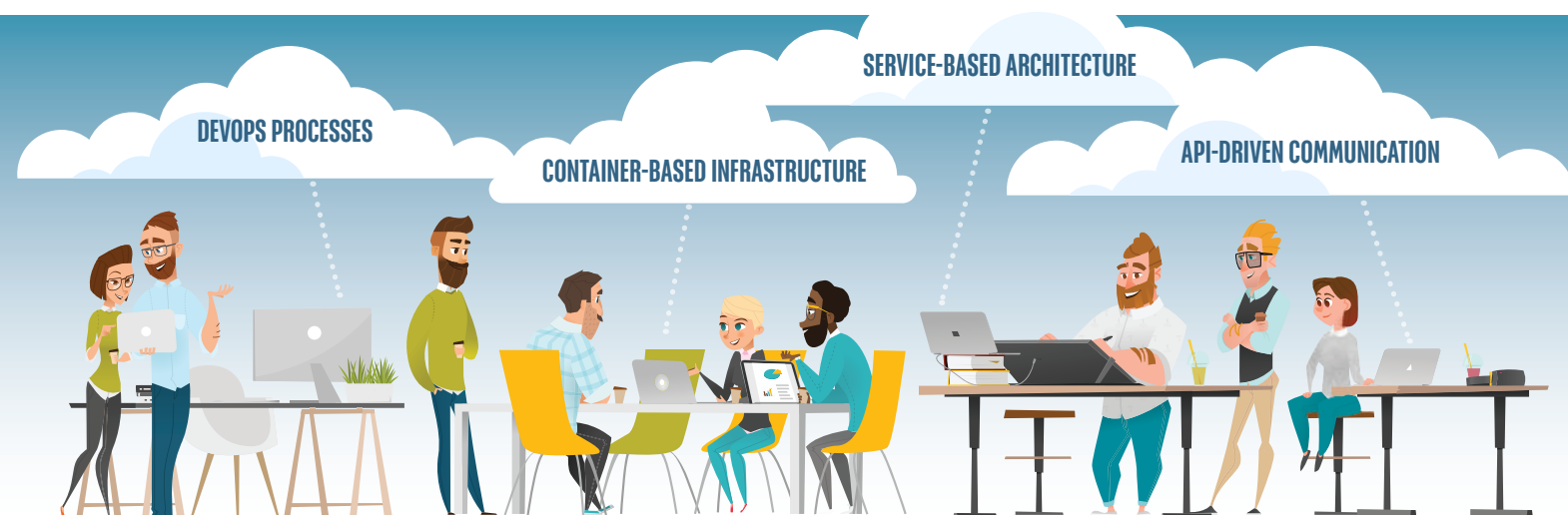
Coretech: The path to member-centricity

To truly become member-centric, dental plans need something different. They need coretech.

Coretech shares the DNA of insurtech with open APIs, microservices, and event-based transactions, and workflows to simplify integrations and accelerate speed-to-value.

In its design and delivery, coretech is different from modern legacy core systems. It's the logical and evolutionary combination of next-generation technologies, methodologies, and insurance core systems that easily connects with insurtech, data, and plan members in all their forms. It acts as a hub to digital insurance ecosystems. And it offers the rapid and continuous delivery of new business capabilities using Agile approaches and DevOps methodologies, and the on-demand, scalable, and secure infrastructure of the cloud.

Insurtech and coretech collaborate for a member-centric ecosystem.

Member-centricity is realized as innovative insurtech and core capabilities converge within an open ecosystem. Insurers rethink their traditional roles and offer superior and value-added services. At the same time, insurers gain an iterative, test-and-learn approach to innovation, a quicker path to market, and distribution within new and emerging B2C and B2B ecosystems.

Coretech helps dental plans deliver on their promise of member-centricity and do everything faster.

**Delivering the Future of Insurance:
Fast, Simple, and Agile**

Coretech is critical to speedy delivery and performance of new insurance capabilities. That brings us to another essential element of a successful project: the ability to deliver on both functionality and scalability.

It's no secret that creating a functional test-and-learn environment can be challenging for some vendors and insurers. It takes vision, effort, strategy, and planning. And then, when your project is successful, the next logical requirement is taking it beyond the innovation group. Because, remember, the goal is eventually to run a business on it, not just a pilot, which can mean scaling up literally by orders of magnitude. But ramping up production volumes can be an issue for insurtech, as well as for services teams that don't have a track record of managing to enterprise-level requirements.

That's not an issue with coretech. In the digital insurance ecosystem, everything — from solutions and capabilities to services and product offerings — needs to be interconnected to support the member experience. And coretech makes that possible with speed, simplicity, and agility.
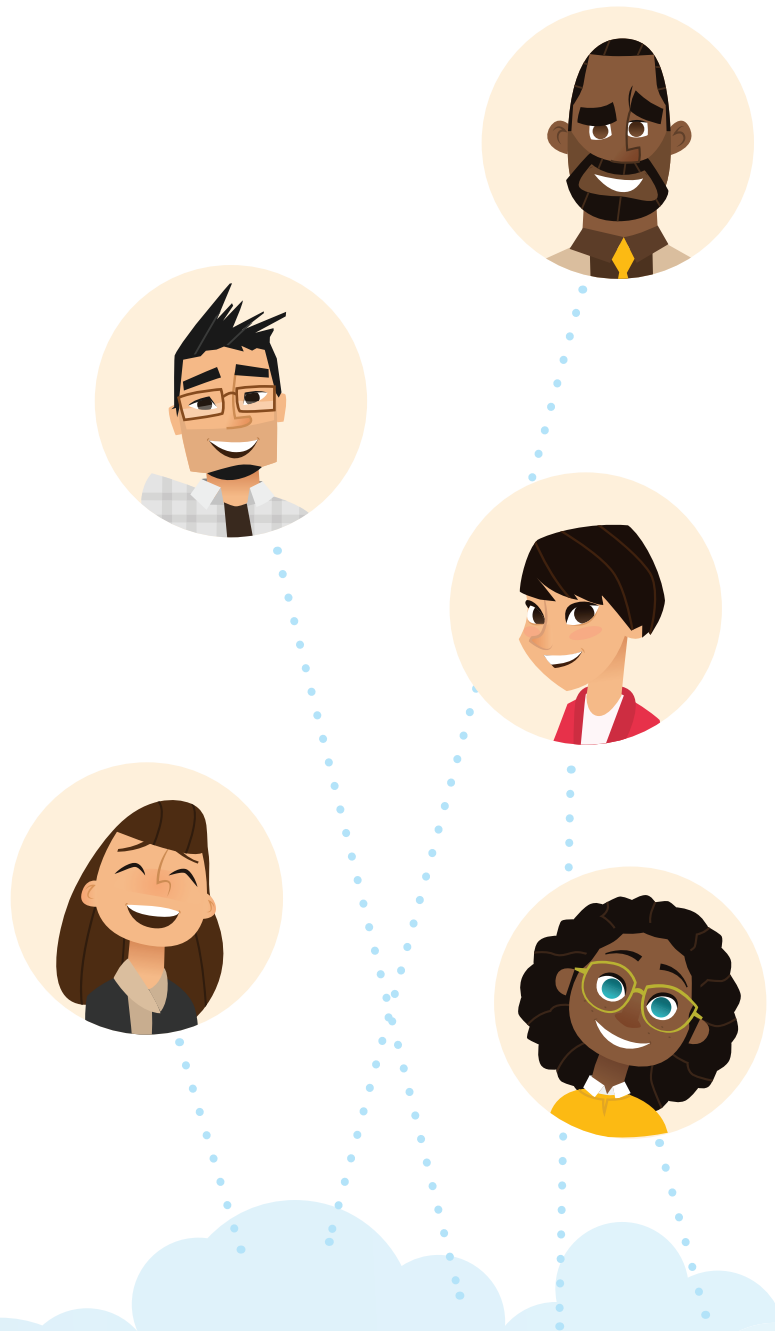
Why EIS and Coretech?

There's a lot to it. But our coretech provides a digital insurance platform that allows insurers to:

- Leverage cloud-native capabilities for unlimited scalability

- Understand what makes each member unique via CustomerCore™

- Act on that knowledge via rich and built-in CRM capabilities in EIS Suite™

- Deliver persona-based member experiences via EIS DXP™—our digital experience platform

- Join new and emerging B2B and B2C ecosystems through our open architecture and thousands of APIs

- Use a hub to gather insurtech and data capabilities into new digital ecosystems

> At EIS, our objective is simple: to help insurers operate like tech companies so they can deliver exceptional member experiences and join digital insurance ecosystems. To solve the integration pain that insurtechs, incumbents, and vendors encounter, our coretech solutions are designed with integration in mind, and to support your needs for speed, agility, and simplicity. And that's the EIS coretech manifesto.

Jill Parks
Healthcare and Group Benefits Industry Marketing Lead
EIS

About EIS

At EIS, we provide a next-gen insurance platform for future-focused carriers looking to launch new digital offerings with insurtech capabilities. Our modern, cloud-based, infrastructure and product platform stands independent from your legacy systems but also offers a transformation path for integrating with legacy functions and extracting customer data. Its digital experience management, using open architecture, the industry's richest set of APIs, and integrated AI/ ML, delivers a rich user experience across its full insurance lifecycle capabilities. It is the most complete, next-generation platform for insurance innovation available today.

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