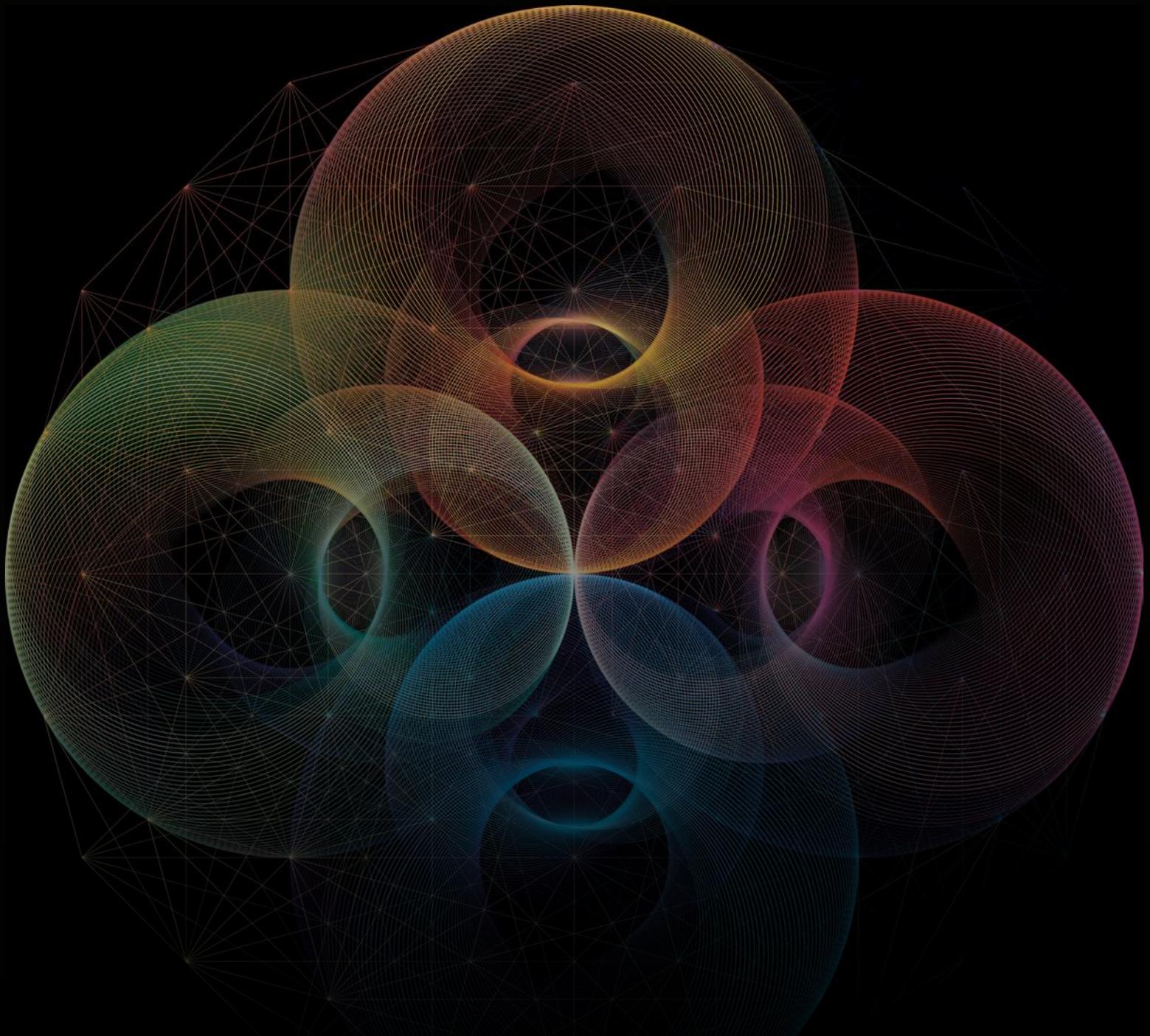# Elevating Utilization Management: A Digitally Powered Model for Cost, Compliance, and Care

Foreword

The healthcare industry is undergoing rapid change and new regulations. Health plans face mounting pressure to reduce administrative expenses while simultaneously improving the patient experience and complying with new regulatory requirements. Traditional approaches to utilization management (UM) are often rooted in manual workflows and legacy systems and are no longer sustainable due to their inability to quickly adapt and change to meet new patient and provider needs.

At WNS-HealthHelp, we believe that the path forward lies in combining advanced digital technologies with deep clinical expertise. By integrating artificial intelligence (AI), automation, and human intelligence (HI) into UM workflows, health plans can unlock efficiency, scalability, and quality improvements that were previously out of reach.

This paper explores the challenges payers face today, outlines a next-generation UM operating model, and demonstrates how this approach has delivered measurable impact for leading U.S. health plans.

Authors
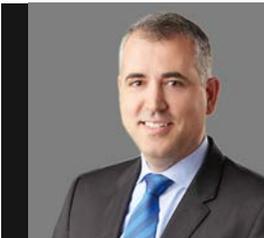
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The Challenge in Today's Utilization Management

Most health plans continue to operate UM workflows that rely heavily on manual labor, paper and fax processing, and fragmented intake channels. These inefficiencies create significant challenges including:

- **High administrative costs:** Plans spend millions annually on staffing and operational overhead.
- **Regulatory restrictions:** Some plans don't allow offshoring, limiting cost-reduction strategies.
- **Limited digital adoption:** Fax-based submissions are still in process and there is low web utilization.
- **Staffing pressures:** Shortages in skilled nurses and administrative staff, coupled with attrition and new H1B visa challenges increase operational risk.

These realities conflict with the growing demand from regulators and executives to lower administrative expenses while ensuring timely, accurate, and compliant UM decisions.

Why Traditional Fixes Fall Short

For years, payers have sought relief by switching vendors, outsourcing functions, or adding staff. These tactics, however, only address symptoms and not root causes. Without digitalization, automation, and robust governance, cost reduction is temporary, and process inefficiencies persist.

A future-ready UM strategy requires a fundamental shift: from manual, fragmented workflows to digitally powered operations that combine AI-enabled recommendations with clinical oversight and clinical resources.

Traditional Approach	Future Ready Approach
Manual, Faxing, Staffing	Integrated AI+HI+digital intake

A Smarter Model: Digital UM Powered by AI + Human Intelligence

WNS-HealthHelp has developed a model that blends advanced digital tools with skilled clinical expertise. This approach is designed to improve cost, compliance, and care outcomes. Key elements of the approach include:

- **Digital intake tools:** Consolidation of all channels: web, phone, fax into a single streamlined process.
- **AI clinical engine:** Alignment of requests with evidence-based medical guidelines (e.g., InterQual, MCG) to provide real-time recommendations.
- **Nurse review teams:** U.S.-based and global RNs provide oversight and clinical validation to ensure fairness, accuracy, and compliance.
- **Governance framework:** Comprehensive quality assurance, compliance checks, and audit readiness used to ensure success.
- **Analytics and dashboards:** Tracking performance, managing exceptions, and ensuring SLA adherence with key metrics is also critical.

This "AI + HI" operating model enables scalability without sacrificing quality, ensuring that plans can meet regulatory mandates while reducing costs and improving service.

Digital intake + analytics + provider/member notifications

Nurse reviewers + governance

AI clinical engine

Proof of Impact – Case Studies

Case Study 1: National Health Plan

A Large National Health Plan's utilization management (UM) operations were burdened by inefficiencies that made scaling and cost control increasingly difficult. The plan relied heavily on **manual workflows, low web adoption, and fax-based processing**, which tied up nearly 90 full-time employees and created unnecessary administrative expense. With Medicaid operations restricted from offshore processing, they lacked a viable path to digitize internally. At the same time, leadership faced a mandate to achieve steep reductions in administrative spend while ensuring compliance and maintaining quality of care decisions.

To address these challenges, the plan partnered with WNS-HealthHelp to implement a digitally powered UM model that combined **AI-driven clinical recommendations with experienced U.S. and global nurse reviewers.** The solution unified intake channels, streamlined documentation, and leveraged automation to improve efficiency without compromising compliance. This "AI + HI" model not only reduced costs but also enhanced quality, eliminated rushed approvals, and positioned the plan for sustainable scalability.

- Consolidated 89 FTEs worth of manual effort into a streamlined digital workflow.
- Delivered **$2.5M in immediate annual savings** and **~$18M projected over five years.**
- Achieved **up to 1% improvement in MLR,** strengthening financial performance.
- Reduced provider abrasion by eliminating rushed, end-of-week approvals.

Case Study 2: Top 5 Health Plan Clinical Operations

One of the nation's largest health plans faced a daunting challenge: scaling its utilization management and clinical operations to meet rising member demand while keeping costs under control and maintaining compliance. The organization relied on fragmented processes that made it difficult to achieve consistency, efficiency, and accuracy at scale. Leadership needed a model that could not only expand capacity but also improve quality and ensure strict HIPAA compliance.

By implementing WNS-HealthHelp's **AI + Human Intelligence (AI+HI) model**, the plan was able to streamline intake, automate clinical review processes, and empower its nurse workforce with digital tools that improved decision-making and reduced errors. This combination of intelligent automation and clinical expertise created a scalable operating framework that delivered measurable value year after year.

- Grew clinical operations tenfold over five years while maintaining compliance.
- Reduced operational costs by 10–15% annually.
- Improved HIPAA compliance with a 30% reduction in error rates.
- Met or exceeded service-level agreements year-over-year.

"Really great results these past months, well done!!"

Why This Matters for Health Plan Leaders

This operating model directly addresses priorities at the top of every health plan executive's agenda including:

- **Lower total cost of care:** Sustainable administrative savings create room for investment in member health.
- **Enhanced member and provider experience:** Faster, more accurate decisions mean fewer care delays and less friction.
- **Regulatory readiness:** AI governance ensures compliance with emerging federal and state regulations.
- **Scalable growth:** Repeatable, modular implementation supports plans of all sizes and lines of business.

Conclusion

The future of utilization management requires more than incremental change. It demands a new model—one that fuses technology and human intelligence to achieve transformative results.

UM Transformation Journey

Manual ▶ Digitally Enabled ▶ AI + HI Powered ▶ Patient Journey Enhanced

WNS-HealthHelp's digitally powered UM solution has already delivered measurable value for some of the largest health plans in the U.S. The model is **repeatable, scalable, and proven**—equipping payers to reduce costs, enhance patient journeys, and ensure compliance in a rapidly evolving healthcare environment.