

DRAFT



Diversified Business Group Innovation Overview

June, 2014

Internal Observations and Insights

Insight #1

Limited budgets to pilot/test solutions

Insight #2

Decentralized Process

Insight #3

Top Hospitals and Payers have Innovation departments

Insight #4

Imperative to stay competitive

Insight #5

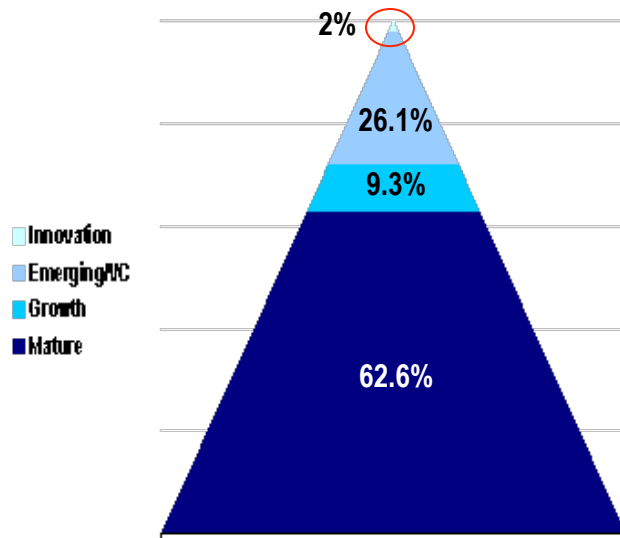
Potential to identify offerings that add value to BCBSMA stakeholders

Insight #6

Infuse innovation into the corporate culture

Innovation Today

Current Investment Allocation



Innovation. It Happens Here...



**19 Start-Ups from
2012 and 2013 programs**

Associate Engagement

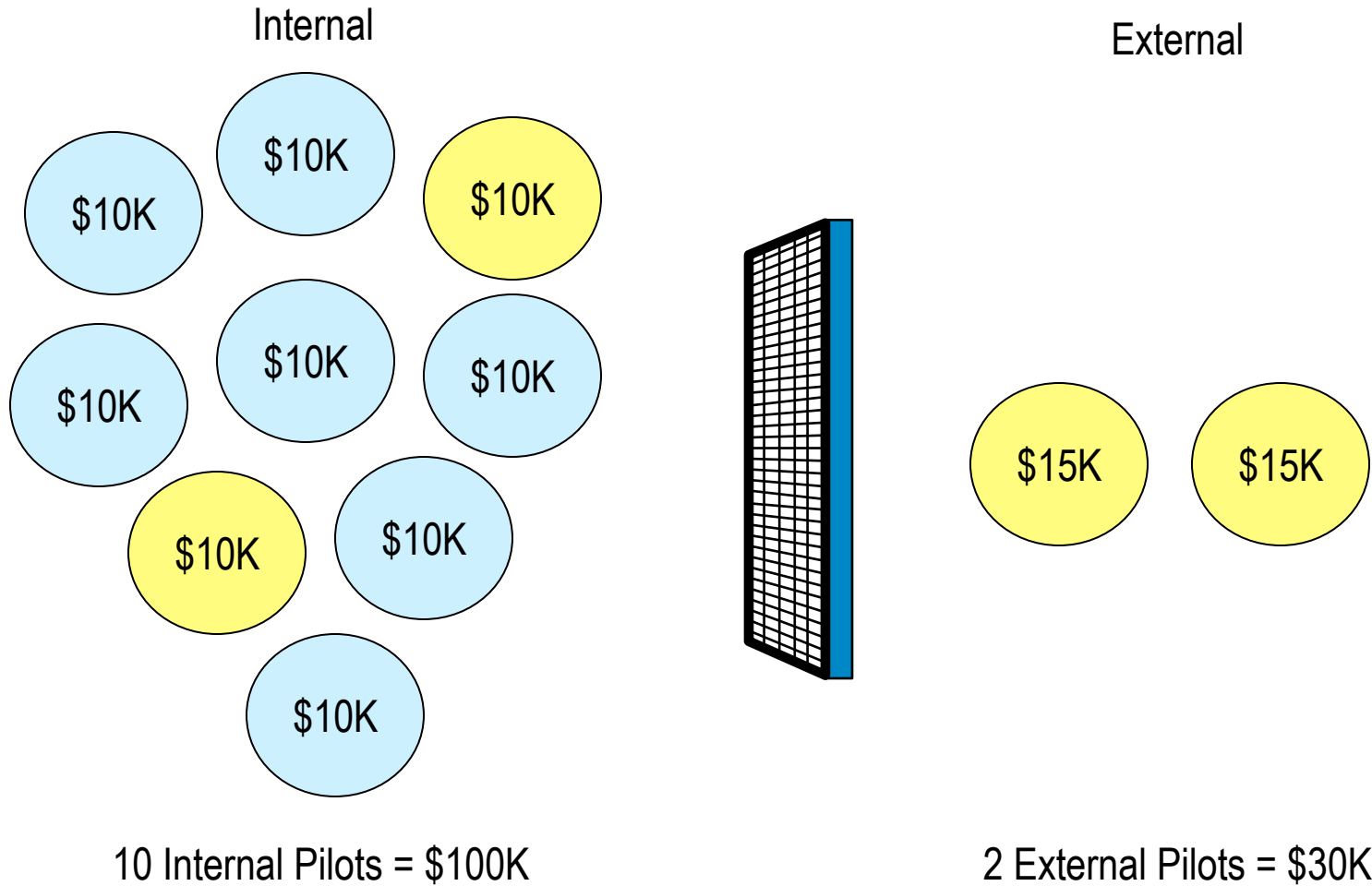
2012: 5% of Workforce
2013: 10% of Workforce

And there is opportunity to do more...

Process



Pilot Budget



Total Year One Budget = \$130K

Sourcing

DRAFT
MASSACHUSETTS



ALEXANDRIA.



How will we measure success?

- Associate engagement
- Total number of opportunities sourced
- Number of internal and external pilots
- Account adoption/implementation (beyond pilot phase)
- Investments made

Next Steps

- ☐ Model team staffing
 - ✓ Blue Express
 - ☐ FDP
 - ☐ FTE – Innovation Analyst
- ☐ Complete due diligence and finalize proposed budgets for:
 - ☐ Pilots
 - ☐ Hackathon
 - ☐ Speaker Series
- ☐ Further refine metrics for success
 - ✓ Florida Blue
 - ☐ Independence BCBS
 - ☐ Healthbox (parent company and teams)
- ☐ Articulate Innovation connections with OLM process
- ☐ Identify Innovation Review Committee (InnoCom?)
- ☐ Add other opportunities

DRAFT



Appendix

Roadmap (1)

Talent Management

- Resource needs
 - 1 FTE, 1 FDP, 1 Blue Express
 - Develop qualifications for each

Resources

- Support tools: Innovation Leader, Capital IQ, etc.
- Budget for conferences and events
- Technology? (iPads, portable tools?)

Tracking

- Create a pipeline organizer tool for Innovation with prioritization
- Develop tool to track pilots:
 - Applications
 - Stage of review
 - Internal External

Roadmap (2)

Innovation Branding

- Develop a branding approach for team
 - Build-out LinkedIn and Twitter profiles and enhance social media usage
 - Opportunity for branding/logo?
 - Create events such as a Hackathon, quarterly Speaker Series and team newsletter to heighten team activities and awareness of Innovation

Pilots

- Develop application (web-based? Mobile app?)
- Define vetting and selection process (InnoCom?)
- Refine budget proposal
- Create a sourcing plan beginning with direct-to-consumer solutions

Roadmap (3)

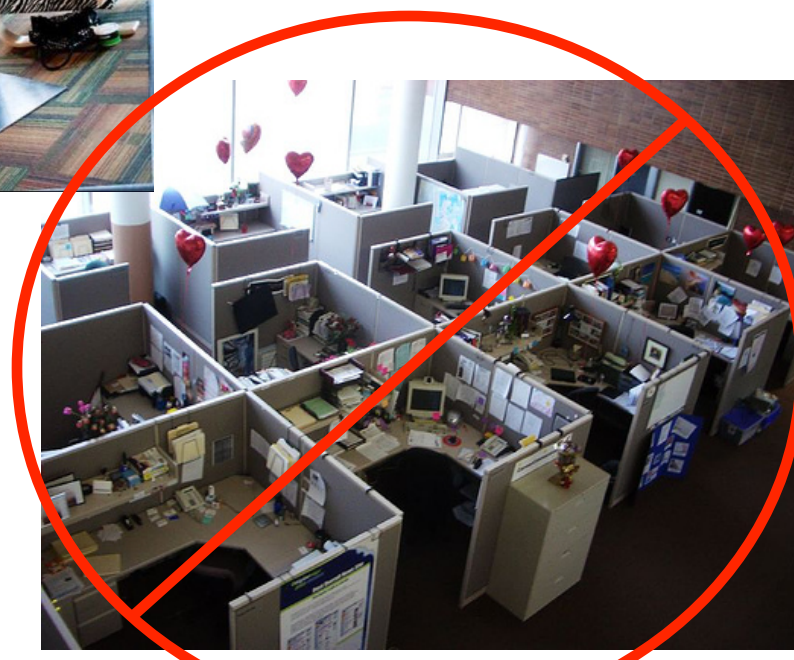
Hackathon

- Further research the process
- Develop process
 - Who participates?
 - What problem is solved?
 - Timeline?

Associate Engagement

- Develop method for ideas (submission, review, selection, reward)
- Create mechanism for associates to review current and upcoming pilot opportunities and volunteer

Workspace “Dos and Don’ts”



Due Diligence Process

Thoughtful and appropriate research techniques will be critical to identify opportunities, including:

- Market assessment
- Competitive analysis
- Deep-dive into the product/service itself
- Benchmarking with other Blue Plans
- Capturing and analyzing all data collected
- Create a repository to document pipeline opportunities, companies reviewed, and current portfolio companies