Leveraging Business Architecture Models for Agile Transformation
Prime Therapeutics

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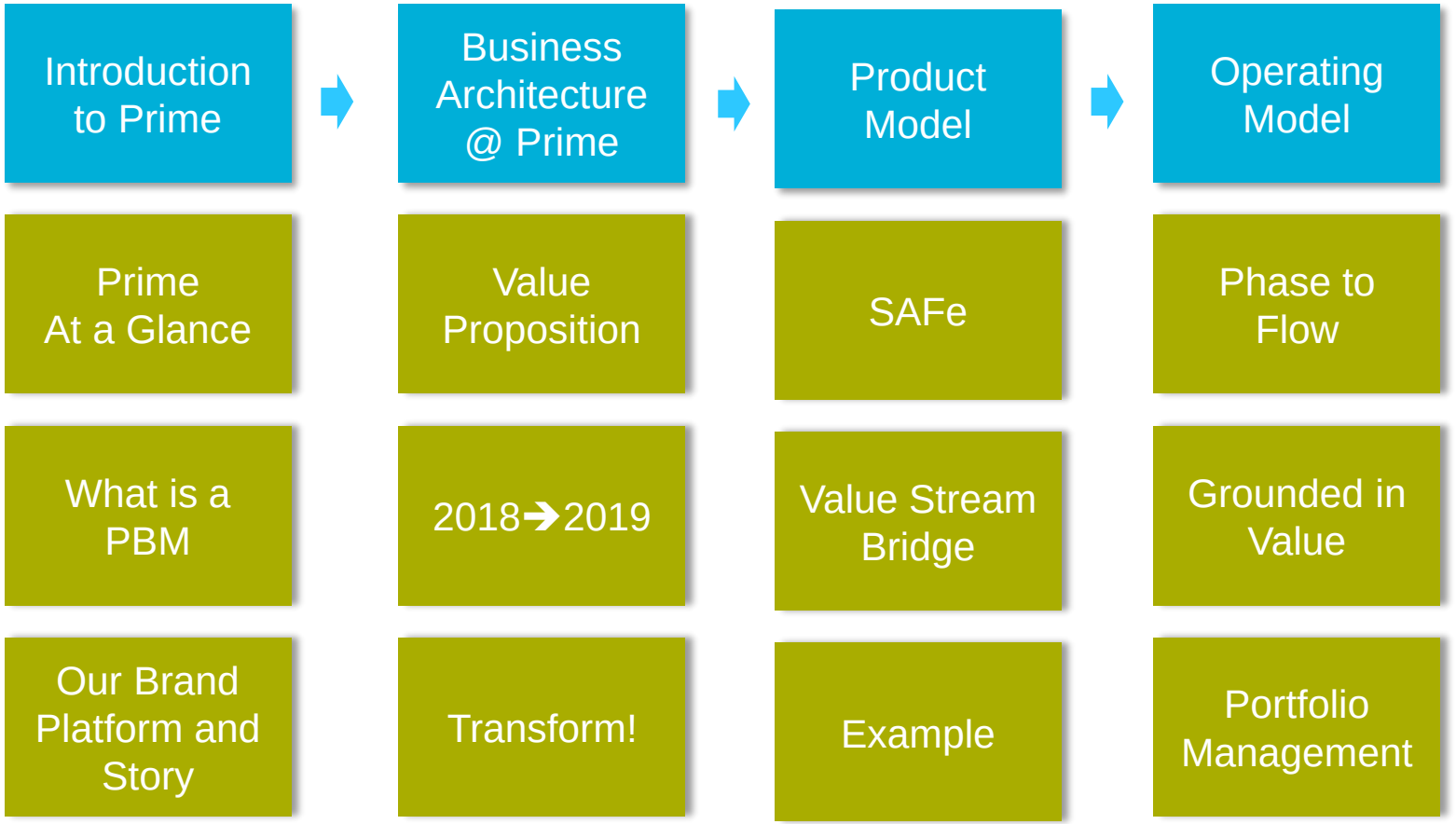
Session overview

The need to respond quickly to market and consumer demands is driving many organizations to adopt Agile delivery models across their IT and operations areas.

This shift can also drive changes to how resources are aligned, moving from a capability-centric organization model focused on delivery via projects, to a product-centric model focused on continuous and rapid delivery of value.

This presentation will review how business architects can use models like Value Streams and Capability Maps to help identify the impacts of the project-to-product changes and the Scaled Agile Framework to support the transition to a Agile-based organization.

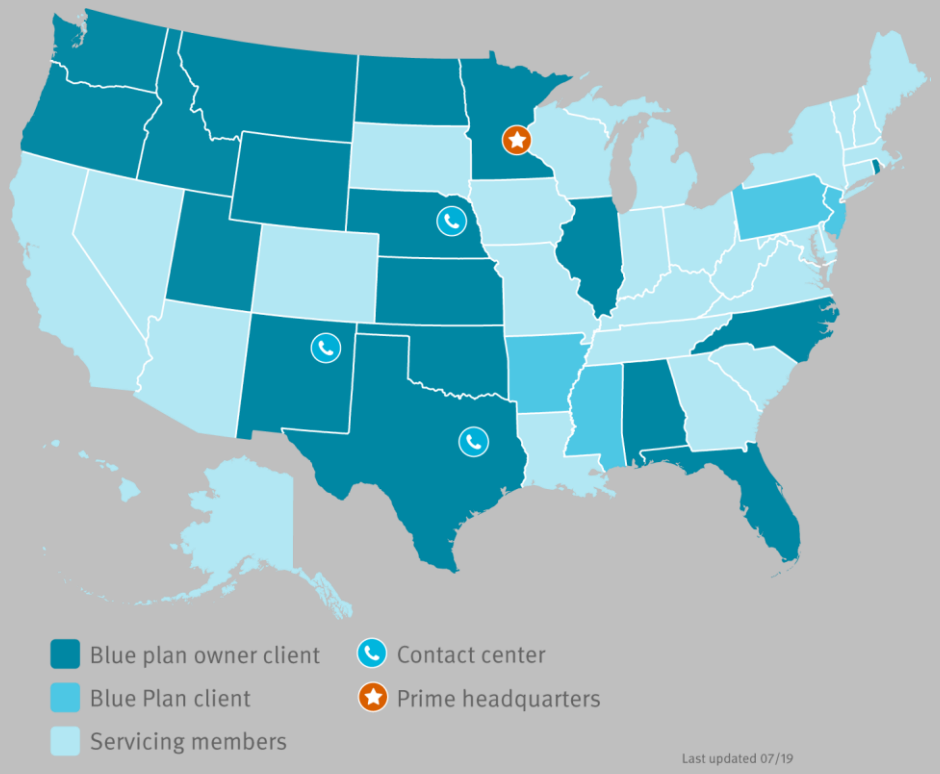
Our story for today



An introduction to Prime Therapeutics

Prime at a glance

Prime is the fifth largest pharmacy benefit manager in the nation*



18 Blue Plan owners

23 Blue Plan clients

28 million members

351 million annual claim volume (2018)

$29 billion drug spend managed (2018)

3,300+ employees

What is a PBM?

A pharmacy benefit manager **administers pharmacy benefits**

- For plan sponsors, including employers, health plans, individuals and public sector customers
- Helping members get:
  - the right *drugs,*
  - at the right *place,*
  - for the right *cost*
- Effectively manage the amount health plans and employers spend on prescription drugs (drug spend) using:
  - Drug list (formulary) management
  - Rebate negotiations with pharmaceutical manufacturers
  - Pharmacy network negotiations
  - Benefit design
  - Clinical programs
  - Specialty program management
  - Trend analysis

Our brand platform and story

WHY WE EXIST	**We make health care work better by helping people get the medicine they need to feel better and live well.**
WHO WE CONNECT WITH	Member Health Plan Employer Consultant Pharmacist Prescriber
THE SPACE WE'RE IN	Total Drug Management
OUR STRATEGY FOR SUCCESS	**Lead the market in total drug management solutions that put people first.**
OUR DIFFERENTIATION	**Total Drug Management** **Consumer-Centric Innovation** **Superior Partnership Model**
WHAT WE DO	• Drug and pharmacy benefit expertise • Specialty drug and clinical management • Care delivery and access • Consumer-centric solutions • Data and analytics • Quality and compliance
OUR CULTURE	**People** We are focused on serving our employees, members and clients. **Purpose** We are motivated to make health care work better. **Possibilities** We are empowered to look beyond today and define what's next.

Business architecture @ Prime

the essence of business architecture

At its core, business architecture provides a representation of:

- What a business does – capability
- How it delivers stakeholder value – value stream
- The vocabulary it uses to communicate – information
- Business structure – organization

Source: Business Architecture Guild (Business Architecture Overview)

What it is

What it is used for

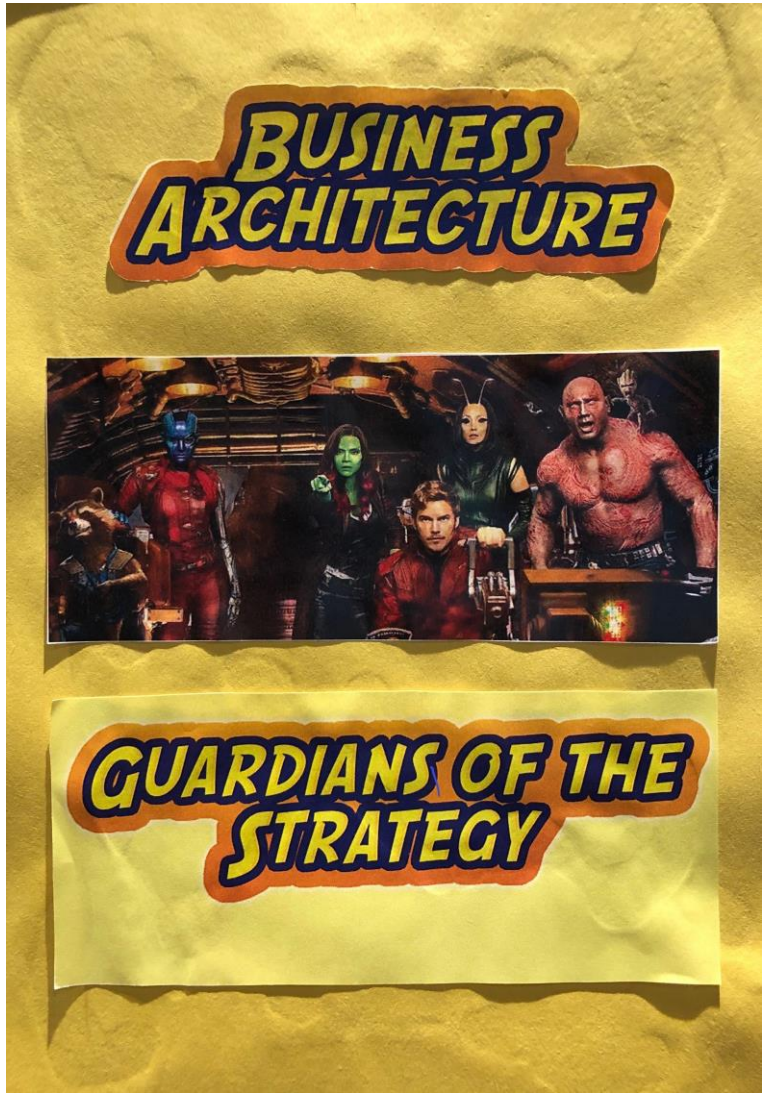
Accelare defines business architecture as:

A strategy to execution framework for

- Clarifying strategy
- Building an inspired business model
- Getting the right things done quickly

Source: Accelare (S2E Guide R3.1)

What is our value proposition?



Business Architecture Product Box

with apologies to Marvel Studios…

Our closing slide last year…Our closing slide last year……signaled our 2019 focus

Looking Forward: Prime's move to Agile

- Today, Prime leverages Waterfall for most program and project delivery
- Modernization of systems driving Prime to adopt more Agile methods
- Doesn't change the fundamental need to align strategy and execution

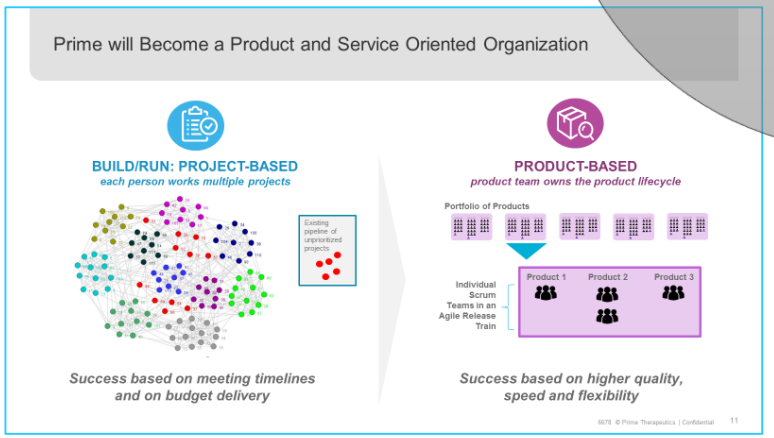
- But, it is driving changes to how we think about
  - Products – what are "products" and how are they delivered? (map to Value Streams!)
  - Funding of investments – align to Capabilities or Value Streams or both?
  - Organizational design – departmental hierarchy grouped by function vs cross-functional teams aligned to value streams and products

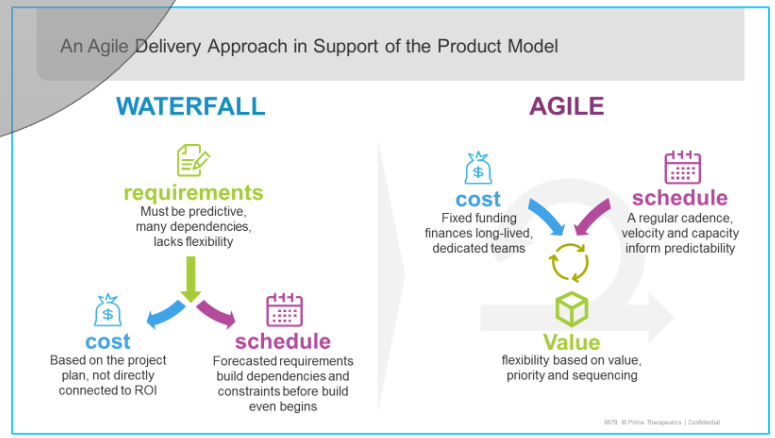
Perhaps we'll have an update at the 2019 TCBAF Summit!

Prime's transformation has two key aspects

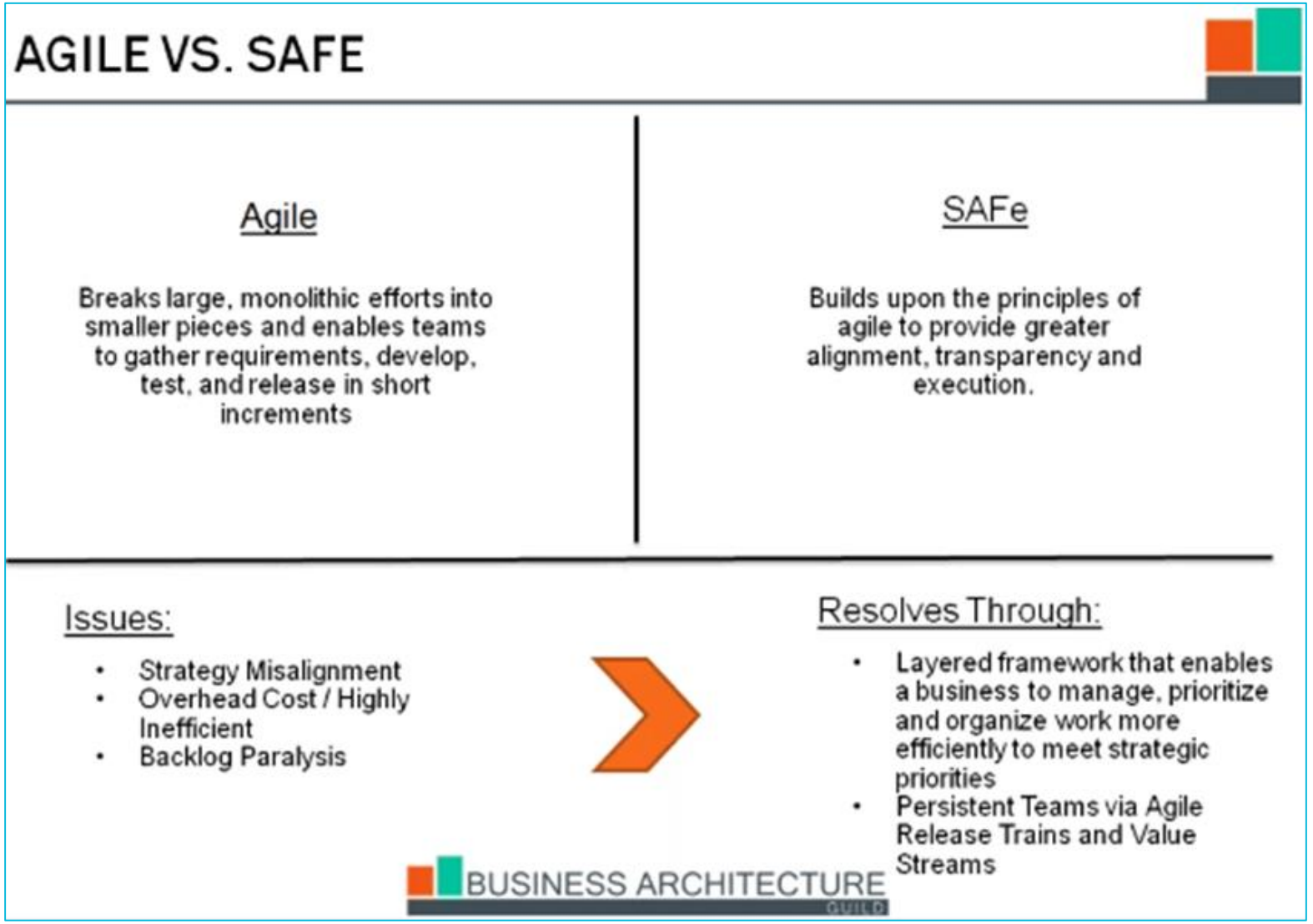
Project to Product

Waterfall to Agile

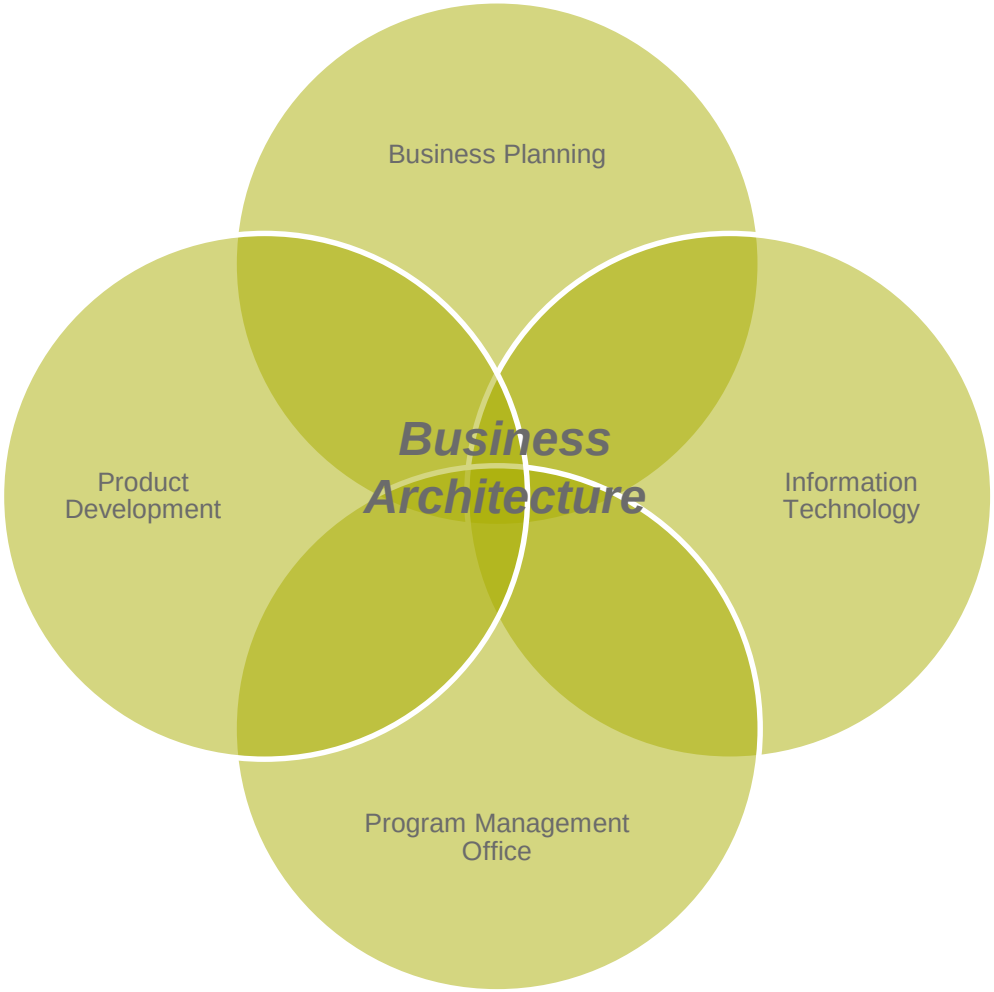




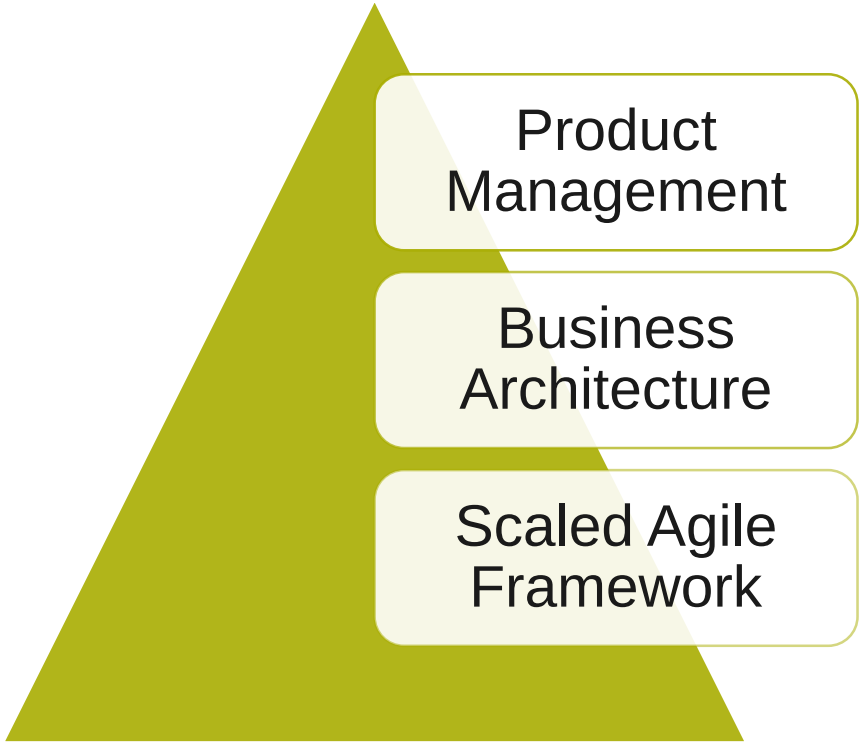
Scaling scrum

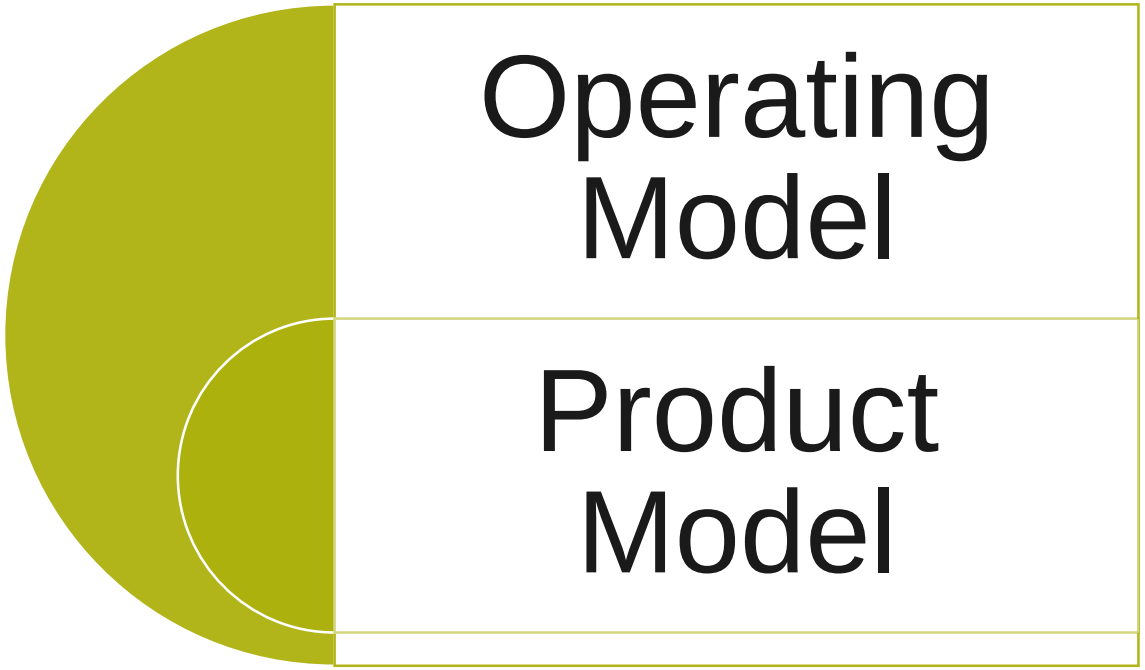


Where does business architecture fit?



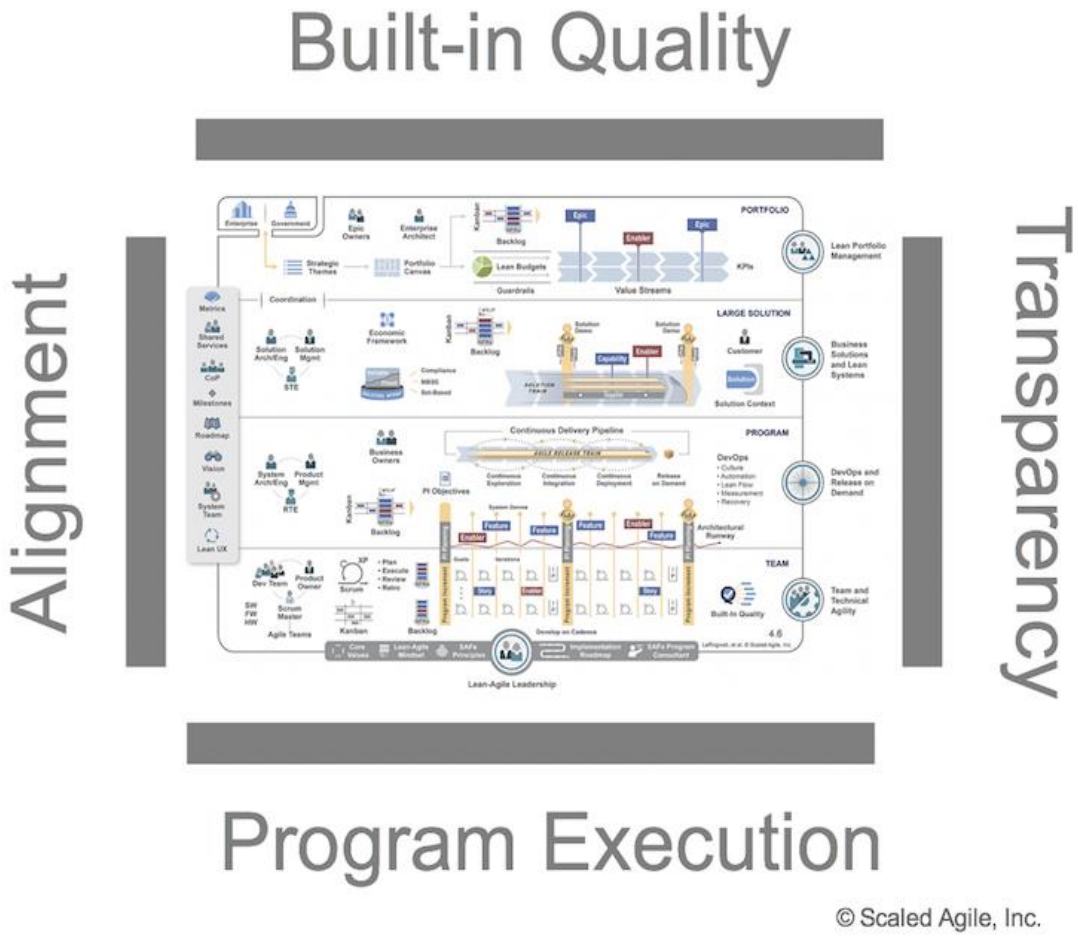
Scaling Agile with a product emphasis





Product model

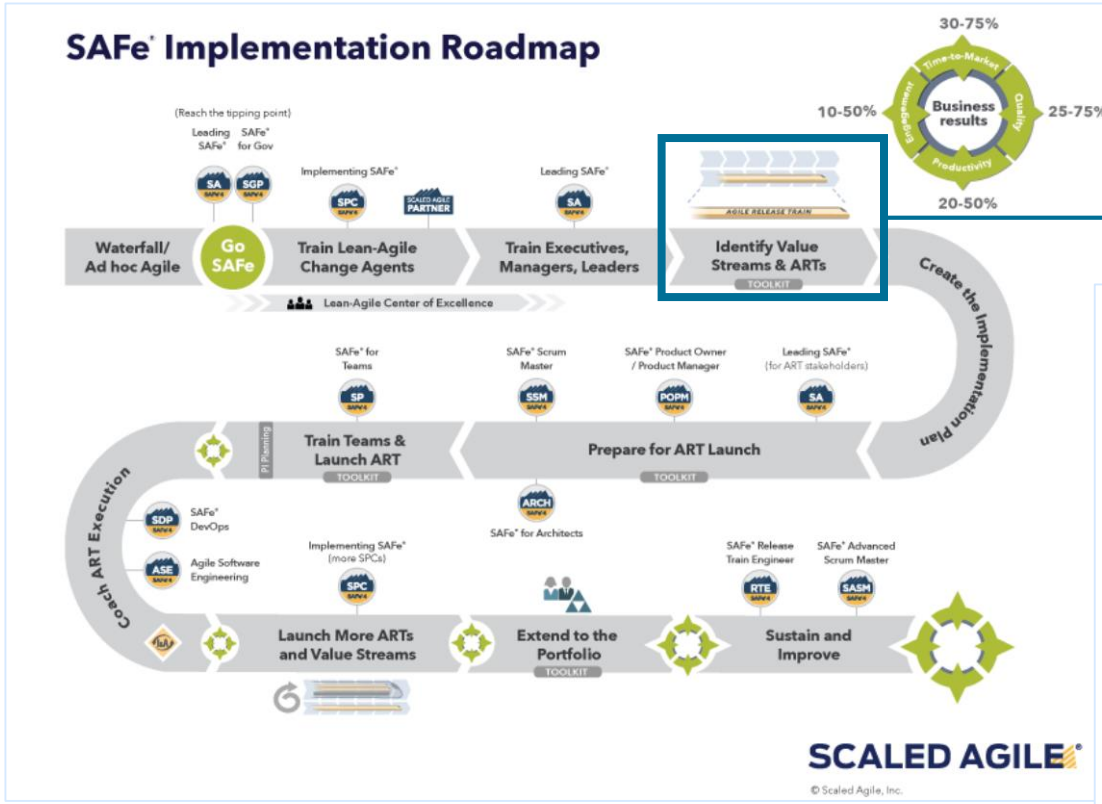
Scaled Agile - SAFe



Scaled Agile is a freely revealed knowledge base of integrated, **proven patterns for scaling agile development** and lean practices in large enterprises.

Scaled Agile synchronizes alignment, collaboration, and delivery for large numbers of teams.

Enabling SAFe builds on the value streams



Source: *www.scaledagileframework.com*

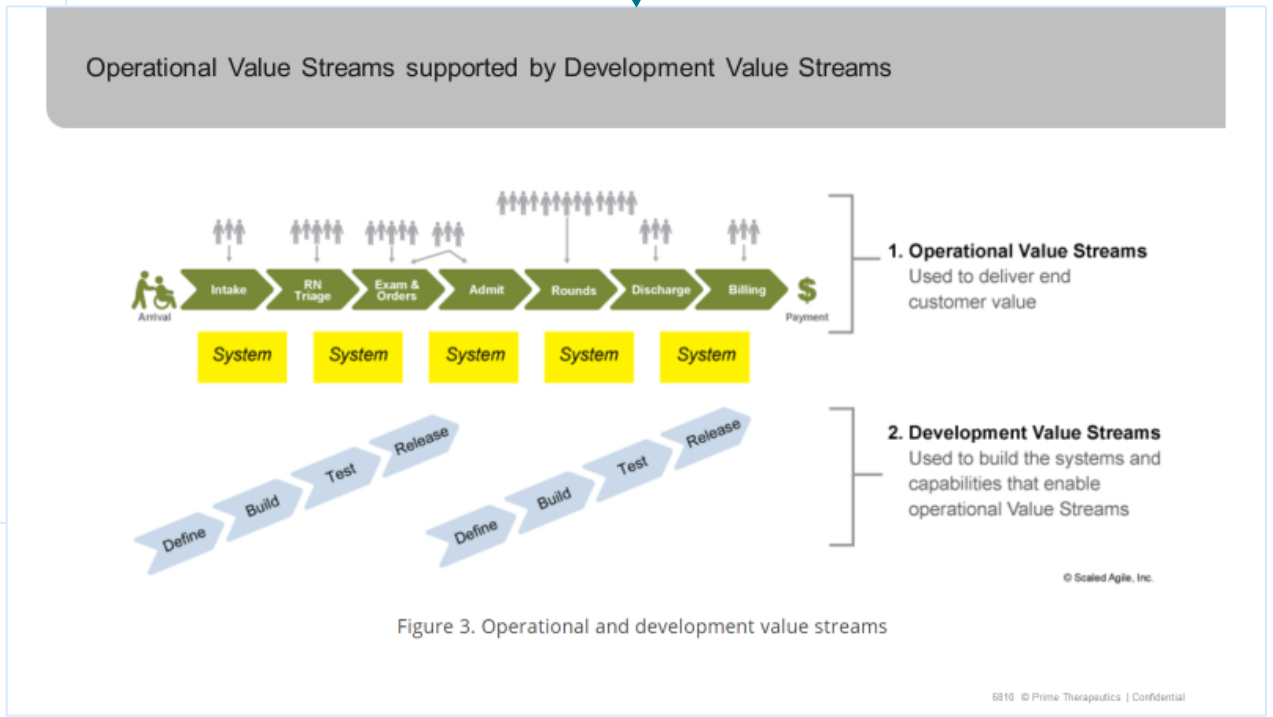


Figure 3. Operational and development value streams

Operational value streams example

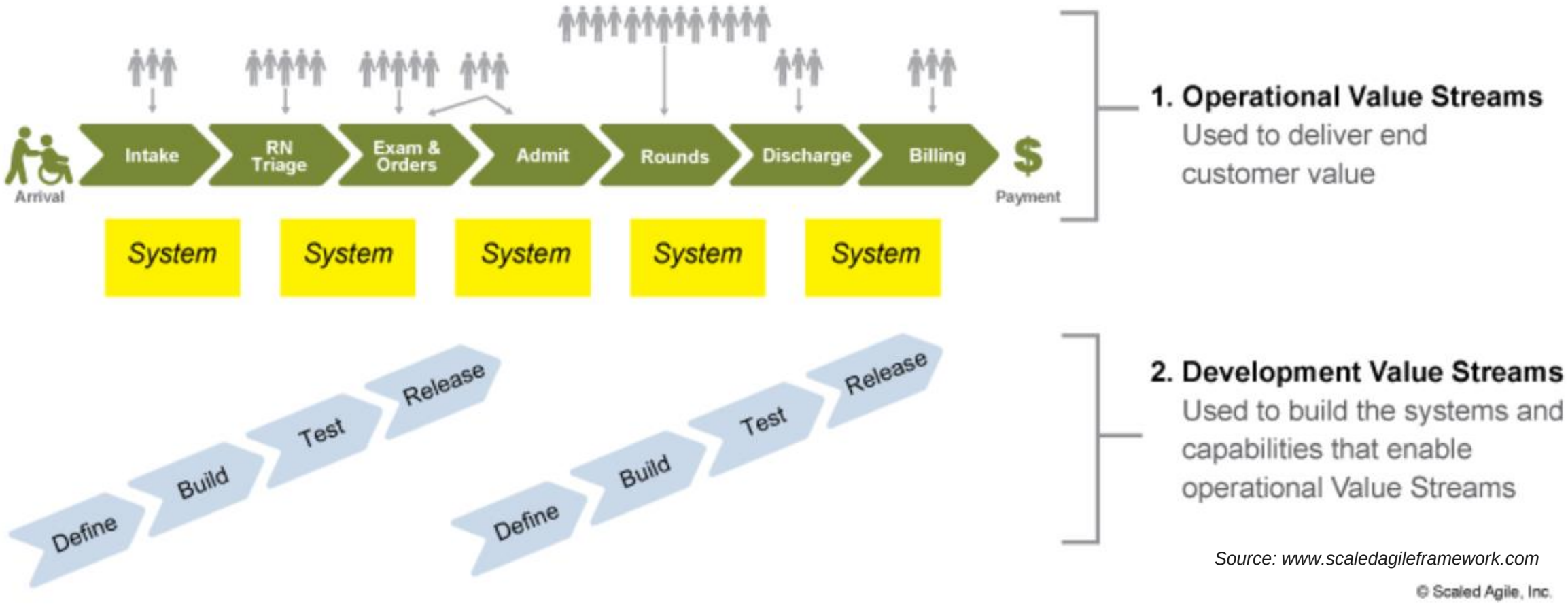
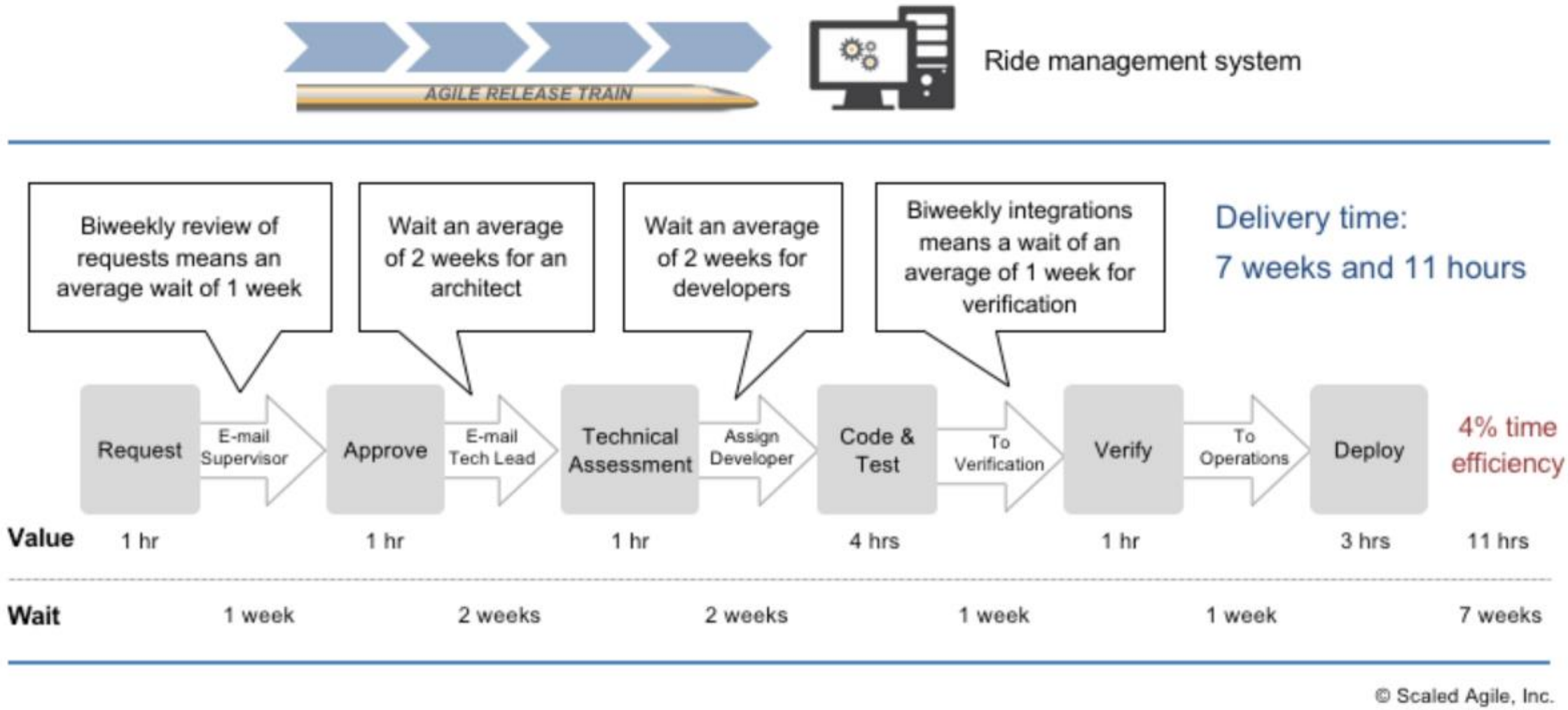


Figure 3. Operational and development value streams

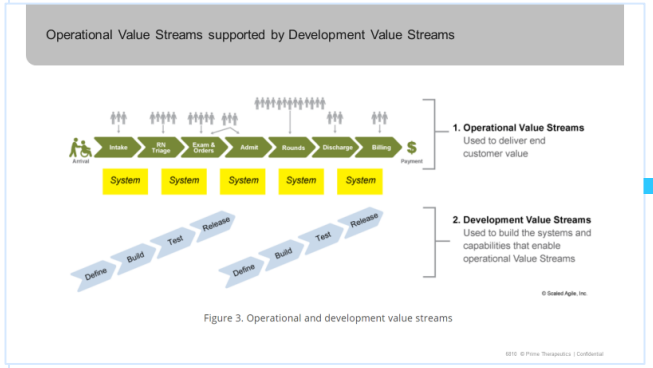
Development value stream example

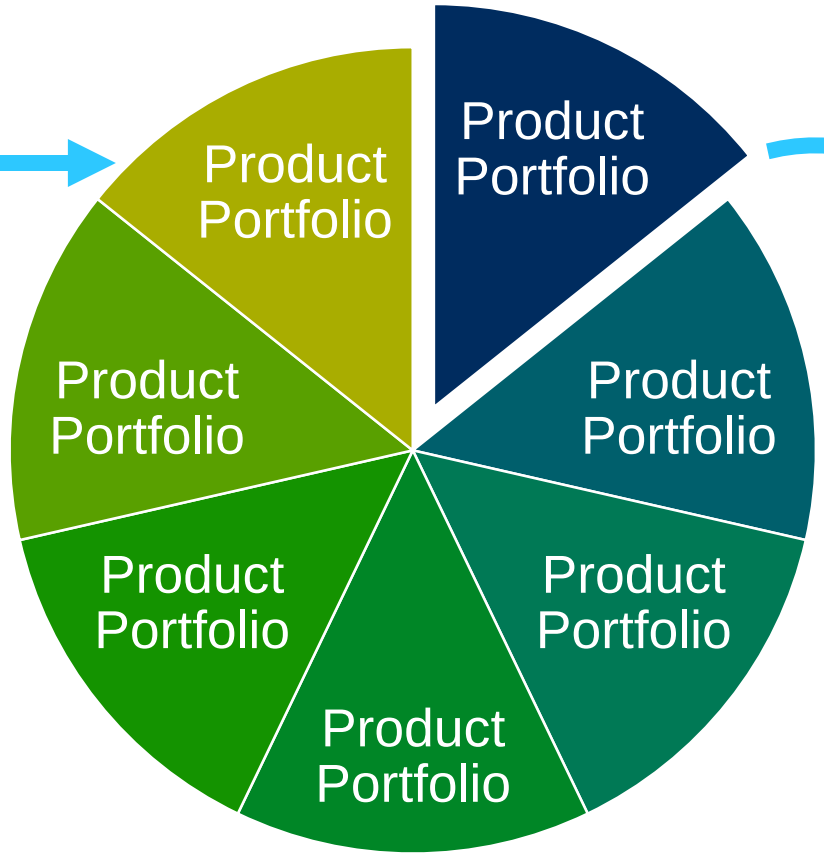


Source: www.scaledagileframework.com

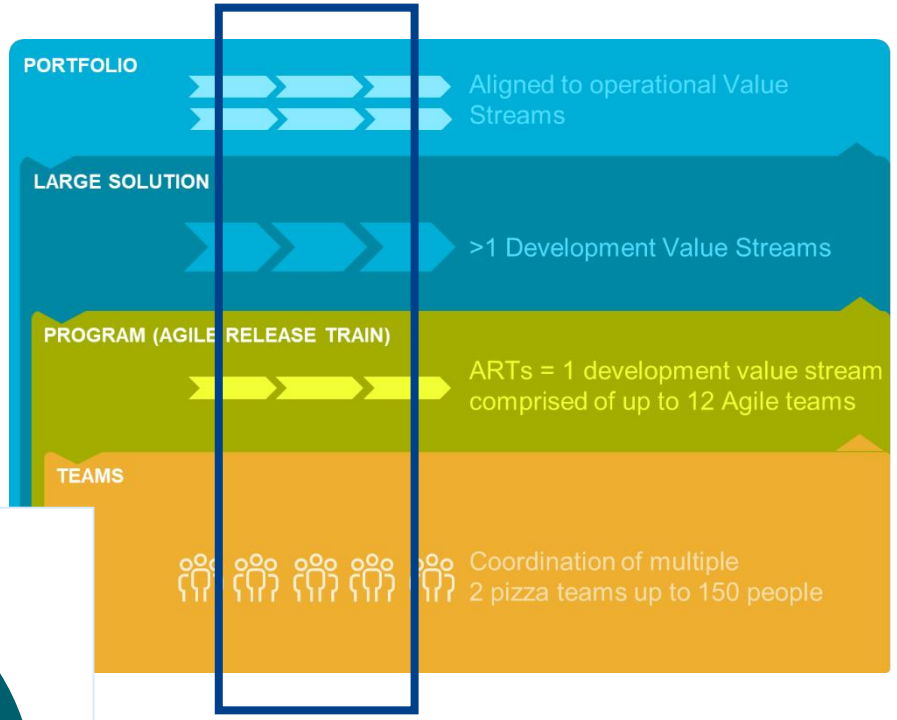
Bridges from value streams to portfolios

How we organized our products from a value stream point of view





What is a SAFe slice?



What is a product model?

A set of Product Portfolios

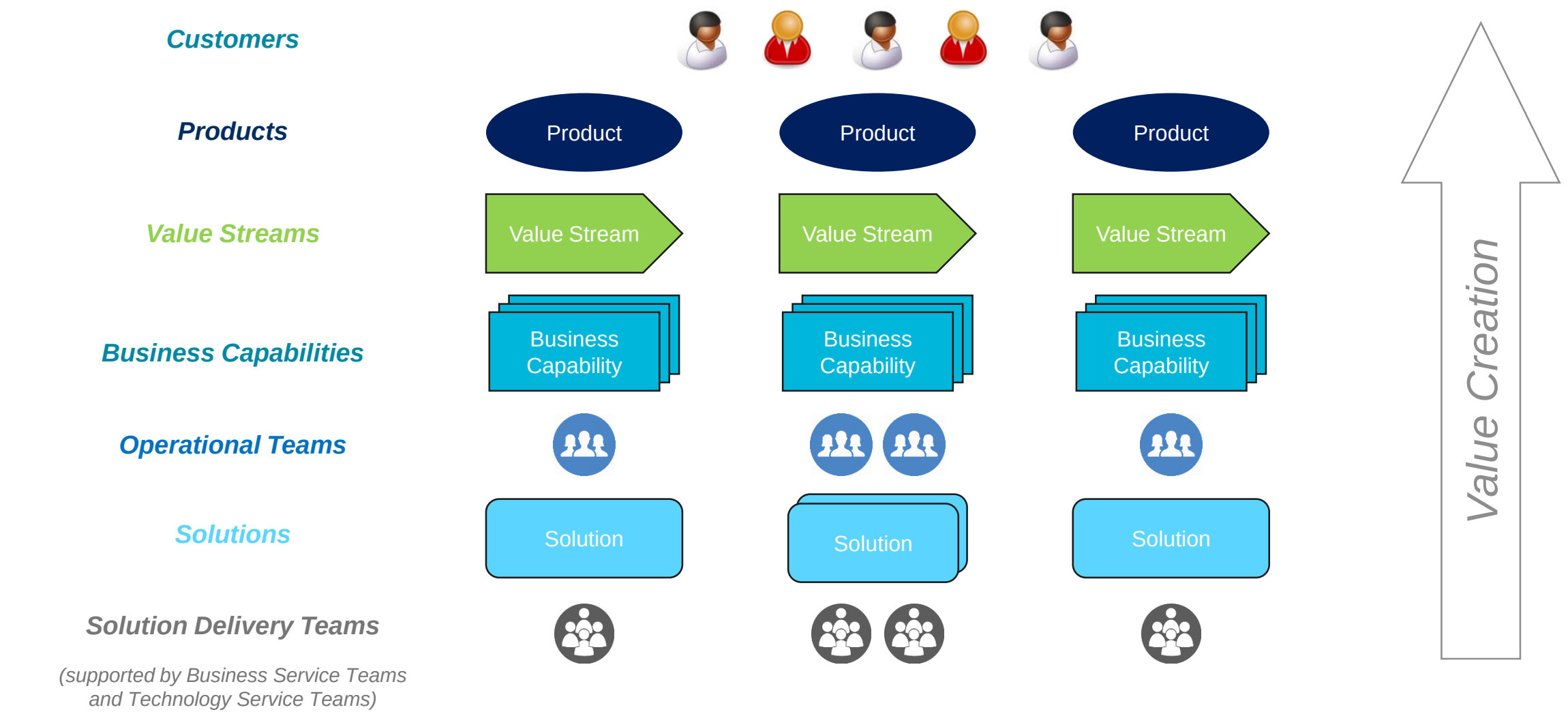
For each Product Portfolio

- Operational Value Streams that operationalize the products
- Strategy to Execution Operating Model based on SAFe

For each Operational Value Stream

- Business Capabilities orchestrated by the Operational Value Stream, mapped to functional areas
- Applications enabling those Business Capabilities
- Development Value Streams, designed with lean principles
- Programs (Agile Release Trains), comprising a set of Product Development Teams

Anatomy of a product portfolio



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Value stream map for …..

Οππορτυνιτιεσ ιδεντιφιεδ φρομ ρετρο–δατα αναλψσισ

Μαναγε Χυστομερ Ρεθυεστ

Προτοτψπε Προγραμ

Μαρκετ Προγραμ

Εξεχυτε Προγραμ

Ιντερωενε Οππορτυνιτψ

Συππορτ Προγραμ

Ρεπορτ ον Περφορμανχε & Ουτχομεσ

Ηελπ Χλιεντσ μαναγε ηιγη πηαρμαχψ ανδ μεδιχαλ χοστσ τηρουγη ιμπροωεδ ηεαλτη ουτχομεσ

Primary Business Capabilities

- ΡΔΥΡ Προδυχτ Μαναγεμεντ
  - Ρεθυεστ Ιντακε Μαναγεμεντ
- ΡΔΥΡ Προδυχτ Μαναγεμεντ
  - Δατα Αναλψσισ
  - Θυαλιτψ Ασσυρανχε
- Χλινιχαλ Αναλψτιχσ & Ηεαλτη Ουτχομεσ
- ΡΔΥΡ Προδυχτ Μαναγεμεντ
  - Χολλατεραλ Μαναγεμεντ
  - Προγραμ Ρεπορτινγ
  - Προγραμ Πριχινγ
- Χλιεντ Ρελατιονσηιπ Μαναγεμεντ
- ΡΔΥΡ Προδυχτ Μαναγεμεντ
  - Σερωιχε Αγρεεμεντσ Οπερατιονσ
  - ΡΔΥΡ Προγραμ Δεω &Μαιντενανχε
  - Προγραμ Αττριβυτεσ Μαναγεμεντ
  - Προγραμ Ρεπορτινγ
- Χλινιχαλ Χαρε Χασε Μαναγεμεντ
  - Χλινιχαλ Χασε Δοχυμεντατιον
  - Χαμπαιγν Χομμυνιχατιον
- ΡΔΥΡ Προδυχτ Μαναγεμεντ
  - Χολλατεραλ Μαναγεμεντ
- ΡΔΥΡ Προδυχτ Μαναγεμεντ
  - Προγραμ Βιλλινγ
  - Προγραμ Φεεδβαχκ
  - Χαμπαιγν Συππορτ Δοχυμεντατιον
- ΡΔΥΡ Προδυχτ Μαναγεμεντ
  - Προγραμ Ρεπορτινγ

Solutions

- ΓΗκμνπ
  - Σχρυμ Μαστερ
  - Προδυχτ Οωνερ
  - Δεω Τεαμ
  - Προδυχτ Αρχηιτεχτ
- ΓΗ Χαρε
  - Σχρυμ Μαστερ
  - Προδυχτ Οωνερ
  - Δεω Τεαμ
  - Προδυχτ Αρχηιτεχτ

Key

- In Portfolio
- Not in Portfolio
- L2 Business Capability
- L3 Business Capability

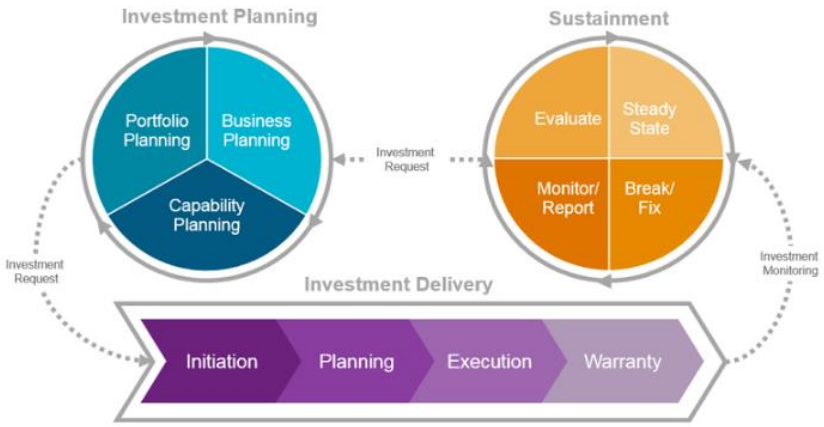
Primary Applications

- Σερωιχε Νοω
- Αλτερψξ/Ταβλεαυ
  - ΣΑΣ
- Χλινιχαλ Πορταλ
- ΓΗ δσρφω
  - Χλινιχαλ Πορταλ
- Αγαδια
  - Θυιχκβασε ΠΑΟ
  - Θυιχκβασε ΠΧΑ
  - Αδοβε Χαμπαιγν
- ΘΒ Χαμπαιγν Συππορτ
- Χλινιχαλ Πορταλ
  - Αλτερψξ/Ταβλεαυ

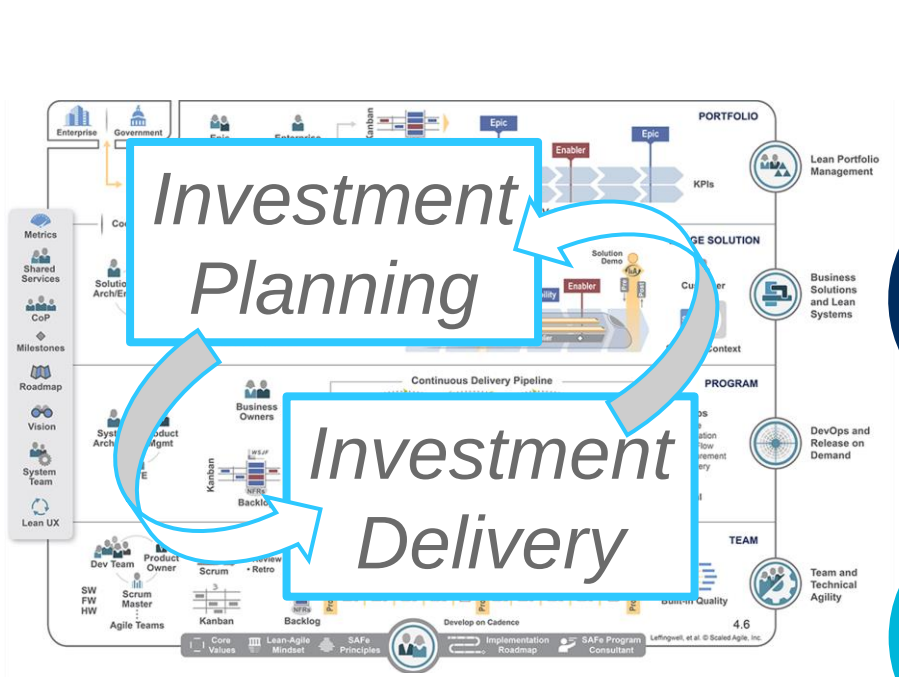
Operating model

Evolving from phases to flow

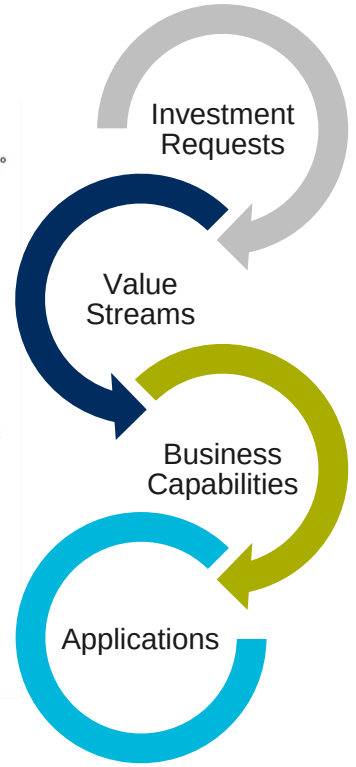
Prime Investment Lifecycle



Prime Investment Flow



Scaled Agile Framework (SAFe)



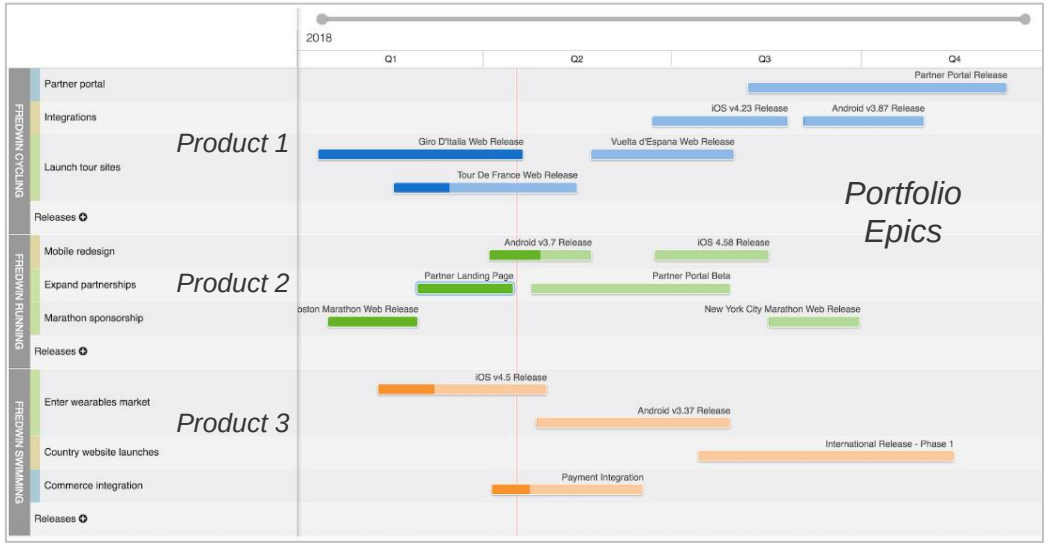
Prime Product Model (in today's vocabulary)

From project portfolios to product portfolios

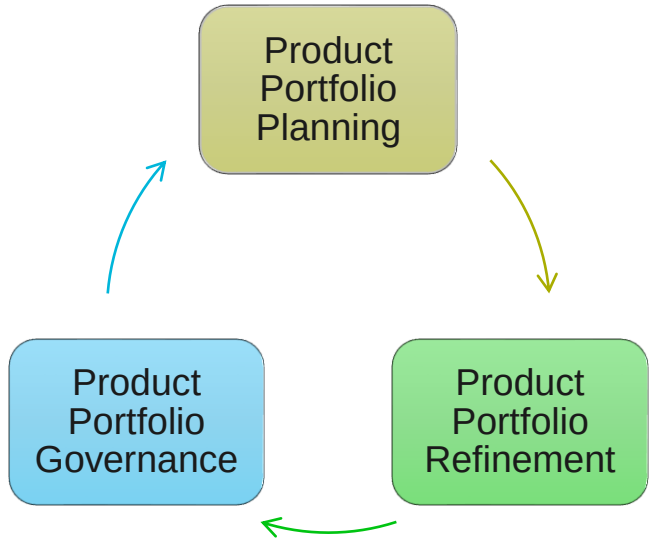
Pivot from planning project portfolios to planning product portfolios

- Avoid treating every request as an independent project
- Collate requests into a product plan using ‘portfolio epics’

Product Portfolio Roadmap



Product Portfolio Process Overview



From funding projects to funding product portfolios

Pivot from funding projects to funding product portfolios

- Avoid fragmenting work by project by business driver
- Flow work into cohesive teams with allocation by business driver

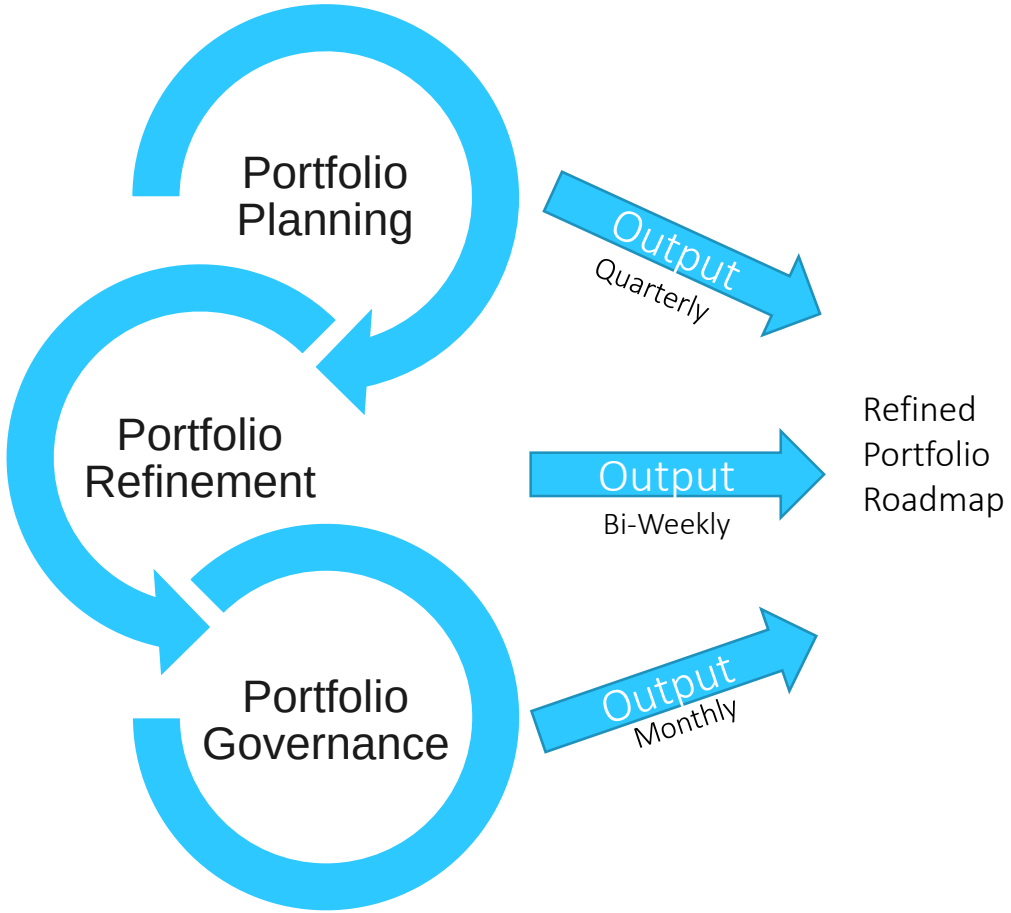
	Product Portfolio Operating Budget				
Product Portfolio	Maintenance & Support	Product Implementations	Operational Improvements	New Product Features	Strategic Change
	Compliance Requirements	Client Requests	Quality Improvements	Technology Infrastructure	

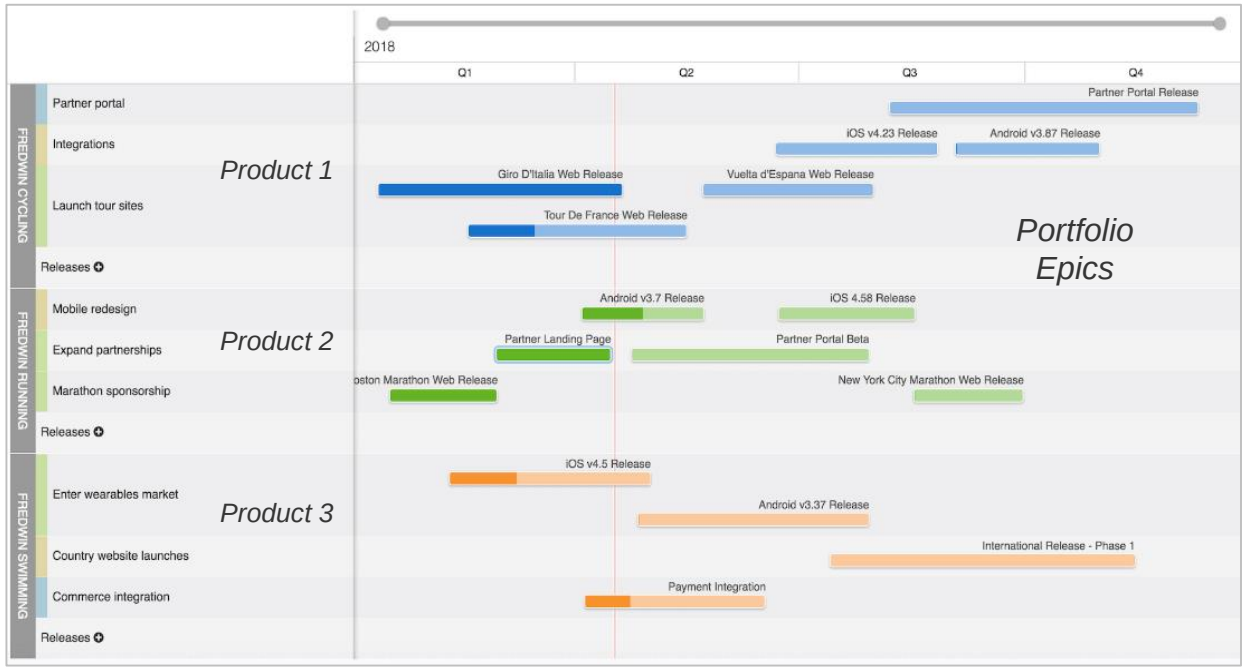
Steady State
'value maintenance budget'

Target State
'value creation budget'

Prime's version of lean portfolio management.

Product Portfolio Process Overview





There may be different views of the portfolio roadmap that contains different time horizon (e.g. 3 year vs. 3 Program Increments).

In conclusion

Conclusion

Business Transformation NEEDS business architecture

Agile does NOT remove the need for business architecture

The Blueprints of Business Architecture transcend planning and delivery methodologies

Q & A

Thank you