

# SHERLOCK BENCHMARKS

*Medicaid Edition*



**Volume II**  
Operational Metrics

*Confidential & Trade Secrets*  
Copyright © 2019 Sherlock Company. All Rights Reserved.

# SHERLOCK BENCHMARKS

## Medicaid Edition - 2019

### *Volume II: Operational Metrics*



SHERLOCK COMPANY

---

October 2019

*The use of this Report and its content (including data values, survey instruments, definitions and calculation methodologies) form and layout collectively, the Report) is governed by a non-exclusive license agreement or a mutual confidentiality agreement between Sherlock Company and its client that restricts the use of the Report to the client's internal purposes. Any distribution or reproduction, intentional or unintentional, of any materials contained herein without the express written permission of Sherlock Company is prohibited except as specified in the license or mutual confidentiality agreement. The agreement between the client and Sherlock Company does not convey any right of commercial use, nor effect any transfer of the Report or any portion thereof. This Report and its contents are also protected under one or more copyrights.*

*Copyright © 2019 Sherlock Company. All Rights Reserved. Photograph by Ray K. Saunders.*

# TABLE OF CONTENTS

## **Tab 1. Introduction and Background**

Organization, conventions, applicability, and process of the Sherlock Benchmarks studies.

## **Tab 2. Operational Metrics Overview**

Summary Analysis – This section presents summary analyses of factors of costs in each functional area.

## **Tab 3. Sales and Marketing**

Includes analyses related to those functions of Rating and Underwriting, Marketing, Sales, Commissions (external) and Advertising and Promotion.

## **Tab 4. Provider Network Management and Services**

Provider Network Management and Services includes analyses of activities such as Provider Relations Services (the initial point of contact (telephonic and written) for provider inquiries), Provider Contracting, Provider Audit / Billing Validation and Other Provider Network Management and Services (including the maintenance of the provider network, orientation, on-going education, and in-services with new and existing providers).

## **Tab 5. Enrollment / Membership / Billing**

This section analyzes Enrollment / Membership / Billing. Enrollment is the processing of installation, recording and maintenance of the relationship between the plan and its members. Membership is the recording of and changes in demographic information. Billing is the process and the execution of the submission of invoices.

## **Tab 6. Customer Services**

This section analyzes Customer Services. Customer Services responds to, processes, resolves or provides information for transactions or inquiries of customers based on eligibility, contract language, benefit interpretation, medical management activities, regulatory interpretation, claims process accuracy and historical member communications used to provide and authorize service or payment.

## **Tab 7. Claim and Encounter Capture and Adjudication**

This section analyzes the Claims function. This function compares claim application and/or provider statement with policy file and other records to evaluate completeness and validity of claims and settle claims with claimants in accordance with policy provisions and also performs COB functions.

## **Tab 8. Information Systems**

This section analyzes the Information Systems function. Information Systems extends and supports the activities of other functional areas. Its own activities are divided into costs to keep it running, costs of software and support, costs to grow the business, costs to maintain security.

## TABLE OF CONTENTS, CONTINUED

### **Tab 9. Corporate Services Cluster**

This section includes metrics relating to Finance and Accounting, Corporate Services function and the subfunctions. Corporate Services subfunctions include Human Resources, Legal and Facilities.

### **Tab 10. Risk Adjustment**

This section includes metrics relating to Risk Adjustment. Risk Adjustment is the analysis of clinical data in order to match government compensation with the risk factors of members. This includes adjustment for the “three Rs”: permanent risk adjustment, transitional reinsurance and transitional risk corridors.



## INTRODUCTION AND BACKGROUND

### *Background*

This is the Operational Metrics part of Volume II of the 2019 *Sherlock Benchmarks – Medicaid Edition*. Together, these volumes provide statistics and analysis summarizing the administrative expenses and operational metrics of 12 Medicaid Plans. They are intended to facilitate comparisons for users and to assist in the management of health plan administrative expenses. They should be useful to operational and financial managers of health plans, consultants and third-party vendors. The *Sherlock Benchmarks* should also be valuable to Boards and persons charged with corporate finance responsibilities including strategic planners and investment bankers.

### *Organization of the Sherlock Benchmarks*

The 2019 *Sherlock Benchmarks - Medicaid Edition* is a carefully compiled and verified summary of the surveyed operational characteristics of leading health plans. 12 Medicaid-focused plans participated this year.

*Sherlock Benchmarks* assist in performance improvements for health plans by facilitating comparisons between plans and their universe as a whole. It quantifies health plans' relative performance and identifies sources of variance at a highly granular level. The *Sherlock Benchmarks* are unparalleled in their breadth and are a valuable analytical tool for managers and consultants.

The *Sherlock Benchmarks* are produced in two volumes:

**Volume I: Financial Metrics** includes analyses of administrative expenses through financial ratios such as percent of revenues and per member per month. Data is divided into ten product lines and approximately 70 functions. Additional descriptions are found below.

**Volume II** complements Volume I by facilitating in-depth analyses of the financial metrics. It is subdivided into four documents: Operational, Staffing, Medical Management and Utilization.

Operational metrics translate performance into expense performance, and expenses are often analyzed into factors of user demand, employee productivity, unit cost, staffing ratios and cost per employee. For instance, Claim and Encounter Capture and Adjudication is analyzed into claims per member, productivity of claims processors, cost per claim and per-employee costs of claims. Every function is analyzed by factors of staffing ratios, staffing costs per FTE and non-labor costs. Numerous drivers of costs and quality are also provided. In the claims area, for example, these include metrics of electronic submission, auto-adjudication and factors requiring manual intervention.

This document, Volume II – Operational metrics, is divided into nine sections:



## TAB 1. INTRODUCTION AND BACKGROUND

This section describes the organization and conventions of the *Sherlock Benchmarks*.

## TAB 2. OPERATIONAL METRICS OVERVIEW

This section presents summary analyses of factors of costs in each functional area. These factors are, broadly, demand, unit cost, productivity, and staffing ratios. Costs are also analyzed in terms of labor and non-labor costs per FTE.

## TAB 3. SALES AND MARKETING

This section includes analyses related to the entire group of sales and marketing activities including those functions of Rating and Underwriting, Marketing, Sales, Commissions (external) and Advertising and Promotion.

## TAB 4. PROVIDER NETWORK MANAGEMENT AND SERVICES

Metrics of services provided by this function are found here. Provider Network Management and Services includes activities such as Provider Relations Services (the initial point of contact (telephonic and written) for provider inquiries), Provider Contracting, Provider Audit / Billing Validation and Other Provider Network Management and Services (including the maintenance of the provider network, orientation, on-

going education, and in-services with new and existing providers).

## TAB 5. ENROLLMENT / MEMBERSHIP / BILLING

Analyses related to these activities are found here. Enrollment is the processing of installation, recording and maintenance of the relationship between the plan and its members. Membership is the recording of and changes in demographic information. Billing is the process and the execution of the submission of invoices.

## TAB 6. CUSTOMER SERVICES

Detailed metrics relating to customer services are included in this section. Customer Services responds to, processes, resolves or provides information for transactions or inquiries of customers based on eligibility, contract language, benefit interpretation, medical management activities, regulatory interpretation, claims process accuracy and historical member communications used to provide and authorize service or payment.

## TAB 7. CLAIM AND ENCOUNTER CAPTURE AND ADJUDICATION

Performance metrics of the claims area is found in this section. This function compares claim application and/or provider statement with policy file and other records to evaluate completeness and validity of claim,



and settle claims with claimants in accordance with policy provisions and also performs COB functions.

have employed a number of reporting conventions, which we discuss below.

#### TAB 8. INFORMATION SYSTEMS

This section contains operational metrics of information systems. Information Systems extends and supports the activities of other functional areas. Its own activities are divided into costs to keep it running, costs of software and support, costs to grow the business and the costs to maintain Information Systems security.

#### TAB 9. CORPORATE SERVICES CLUSTER

Metrics relating to Finance, Accounting, Corporate Services function and sub-functions. Corporate Services sub-functions include Human Resources, Legal and Facilities.

#### TAB 10. RISK ADJUSTMENT

Risk Adjustment is the analysis of clinical data in order to match government compensation with the risk factors of members. This includes adjustment for the “three Rs”: permanent risk adjustment, transitional reinsurance and transitional risk corridors.

### *Conventions Used in this Report*

In the *Sherlock Benchmarks*, we analyzed costs for the health plans as a whole, by functional area and also by product. We

1. The terms “high” and “low” mean the average of the *two* highest and *two* lowest values, respectively. The standard deviation is the measure of dispersion. To facilitate comparability of standard deviations, we have expressed standard deviation as a percent of the mean, commonly termed the coefficient of variation.
2. Statistical results are un-weighted. That is, each metric reflects equally the experience of each health plan that reports a functional area for a product, without regard to the plan’s size.
3. Statistical measures for each functional area are calculated independently. Accordingly, the statistical analysis of total expenses is not the sum of the statistical analysis of each component cost.
4. Results were carefully validated to identify, and correct if possible, reporting errors.
5. Within each firm, ratios based on the total scope of products (for instance in the Total and Comprehensive values) are intrinsically weighted by the relative importance of each product to that firm. For instance, a firm with a heavy commitment to Indemnity & PPO ASO will reflect that product’s weighting and its company-wide costs will be lower as a result.

We offer a few additional comments regarding Volume II – Operational Metrics.

1. The information is received through our contact, typically someone in the finance area, rather than directly from the operational department themselves.
2. The response rate was considerably lower in operational metrics as compared with financial metrics. Operational metrics are largely voluntary to help assure quality of responses.
3. The components may not sum to totals, for example in the case of product line breakouts. That is because response rates varied in each of the component parts and in totals.
4. Turnover metrics supplied by the respondents, as opposed to those calculated by us, are normally calculated as average for the year, as opposed to being based on year-end and total year ratios.
5. Additional discussion about *Sherlock Benchmarks* survey procedures, data analysis and presentation is found under Tab 1 of Volume I – Financial Metrics.
6. A complete description of the characteristics of the participating plans is found in Tab 10 of Volume I – Financial Metrics.

### *Questions and Comments*

We invite questions and comments on the *Sherlock Benchmarks*.

Douglas B. Sherlock, CFA  
President  
Sherlock Company  
sherlock@sherlockco.com  
215-628-2289  
1180 Welsh Road, Suite 110  
North Wales, PA 19454

In addition, please know that we support your use of the *Sherlock Benchmarks*. We hope that you will not hesitate to contact us if you have any questions concerning classifications, calculation methodologies and the application of the benchmarks to improve the performance of your health plan.



---

## Tab 2

### Summary of Operational Metrics

This section summarizes analyses of key functional areas. If a quantifiable output is identifiable, per member per month (PMPM) costs are segmented into factors of primary demand, productivity, unit cost, cost per FTE and staffing ratios. In all cases of these functional areas, PMPM costs are segmented into staffing ratios and costs per FTE, which are divided into labor and non-labor components.

---

<b>Metric</b>	<b>Page</b>
Summary of Medians.....	<a href="#">3</a>
Sales and Marketing.....	<a href="#">5</a>
Provider Network Management & Services.....	<a href="#">6</a>
Enrollment / Membership / Billing.....	<a href="#">7</a>
Customer Services.....	<a href="#">8</a>
Claim and Encounter Capture and Adjudication.....	<a href="#">9</a>
Information Systems.....	<a href="#">10</a>
Corporate Services.....	<a href="#">11</a>
Human Resources.....	<a href="#">11</a>
Facilities.....	<a href="#">12</a>
Legal.....	<a href="#">12</a>
Risk Adjustment.....	<a href="#">13</a>

**Tab 3**  
**Sales and Marketing**

<b>Metric</b>	<b>Page</b>	<b>Definition</b>	<b>Calculation</b>
<b>Product Mix</b>			
Percentage Point Change in Mix of Membership.....	<a href="#">23</a>		
Sum of Absolute Values of Percentage Point Changes in Product Mix.....	<a href="#">23</a>		
<b>Group and Membership Growth</b>			
<u>Sources of Membership Growth</u>			
Total Membership Growth.....	<a href="#">24</a>		
= Membership Increase Due to Group Members.....	<a href="#">24</a>		
+ Membership Increase Due to Individual Members.....	<a href="#">25</a>		
Note: Group Member Persistency Rate.....	<a href="#">25</a>		
<u>Sources of Membership Growth</u>			
Percent Change in Number of Groups.....	<a href="#">26</a>		
x Percent Change in Average Group Size.....	<a href="#">26</a>		
= Change in Group Membership.....	<a href="#">27</a>		
+ Percent Change in Number of Individual Members.....	<a href="#">27</a>		
= Growth in Total Membership.....	<a href="#">28</a>		
Note: Individual Membership Increase as Percent of Total Increase or Decrease.....	<a href="#">28</a>		
<u>Sources of Group Membership Growth</u>			
Membership Increase due to New Groups.....	<a href="#">29</a>		
+ Membership Decrease due to Lost Groups.....	<a href="#">29</a>		
+ Net Membership Growth Within Retained Groups.....	<a href="#">30</a>		
= Total Growth in Group Membership.....	<a href="#">30</a>		
Note: Group Member Persistency Rate.....	<a href="#">31</a>		
Note: Average Duration of Group Membership, Years.....	<a href="#">31</a>		
Note: Growth Within Retained Groups.....	<a href="#">32</a>		
<u>Sources of Group Growth</u>			
Percent Change due to New Groups.....	<a href="#">32</a>		
Percent Change due to Groups Lost.....	<a href="#">33</a>		
Percent Change in Groups.....	<a href="#">33</a>		
+ Note: Group Persistency Rate.....	<a href="#">34</a>		
= Note: Average Duration of Groups, Years.....	<a href="#">34</a>		

**Sales and Marketing**

Metric	Page	Definition	Calculation
<b>Quote Activity</b>			
<u>All Distribution Systems</u>			
Internal and Broker Final Quotes, Per Group			
Small Group.....	<a href="#">35</a>		
Middle Market Group.....	<a href="#">35</a>		
Large Group.....	<a href="#">36</a>		
Total.....	<a href="#">36</a>		
Broker and Internal Quotes per 10,000 Members per Year.....	<a href="#">37</a>		
Internal and Broker Final Quotes, Percent of Total, by Segment			
Small Group.....	<a href="#">37</a>		
Middle Market Group.....	<a href="#">38</a>		
Large Group.....	<a href="#">38</a>		
<u>Broker Distribution System</u>			
Percent of Final Quotes that are Made by Brokers, by Segment			
Small Group.....	<a href="#">39</a>		
Middle Market Group.....	<a href="#">39</a>		
Large Group.....	<a href="#">40</a>		
Total.....	<a href="#">40</a>		
Broker Final Quotes, Per Broker Group			
Small Group.....	<a href="#">41</a>		
Middle Market Group.....	<a href="#">41</a>		
Large Group.....	<a href="#">42</a>		
Total.....	<a href="#">42</a>		
Broker Quotes per 10,000 Members Sold Through Brokers per Year.....	<a href="#">43</a>		
Close to Quote Ratio, All Broker Business.....	<a href="#">43</a>		
<u>Internal Distribution System</u>			
Percent of Final Quotes that Made by Internal Sales Reps, by Segment			
Small Group.....	<a href="#">44</a>		
Middle Market Group.....	<a href="#">44</a>		
Large Group.....	<a href="#">45</a>		
Total.....	<a href="#">45</a>		
Internal Final Quotes, Per Internal Group			
Small Group.....	<a href="#">46</a>		
Middle Market Group.....	<a href="#">46</a>		
Large Group.....	<a href="#">47</a>		
Total.....	<a href="#">47</a>		
Internal Quotes per 10,000 Internally Sold Members per Year.....	<a href="#">48</a>		
Close to Quote Ratio, All Internal Business.....	<a href="#">48</a>		
Internal Final Quotes per Sales FTE.....	<a href="#">49</a>		

**Sales and Marketing**

Metric	Page	Definition	Calculation
<b>Importance and Characteristics</b>			
<u>All Distribution Systems</u>			
Percent of Total Membership by Segment			
Individual.....	<a href="#">50</a>		
Small Group.....	<a href="#">50</a>		
Middle Market Group.....	<a href="#">51</a>		
Large Group.....	<a href="#">51</a>		
Percent of Total Groups by Segment			
Individual Contracts.....	<a href="#">52</a>		
Small Group.....	<a href="#">52</a>		
Middle Market Group.....	<a href="#">53</a>		
Large Group.....	<a href="#">53</a>		
Average Group Size			
Individual Contracts.....	<a href="#">54</a>		
Small Group.....	<a href="#">54</a>		
Middle Market Group.....	<a href="#">55</a>		
Large Group.....	<a href="#">55</a>		
Large and Middle Group.....	<a href="#">56</a>		
Total, Including Individual.....	<a href="#">56</a>		
Note: Average Group Size This Year, Unsegmented, Excluding Individuals.....	<a href="#">57</a>		
Note: Average Size Last Year, Unsegmented, Excluding Individuals.....	<a href="#">57</a>		
<u>Broker Distribution System</u>			
Percent of Members Sold Through Brokers			
Individual.....	<a href="#">58</a>		
Small Group.....	<a href="#">58</a>		
Middle Market Group.....	<a href="#">59</a>		
Large Group.....	<a href="#">59</a>		
Total, Including Individual.....	<a href="#">60</a>		
Percent of Groups Sold Through Brokers			
Individual.....	<a href="#">60</a>		
Small Group.....	<a href="#">61</a>		
Middle Market Group.....	<a href="#">61</a>		
Large Group.....	<a href="#">62</a>		
Total, Including Individual.....	<a href="#">62</a>		

**Sales and Marketing**

Metric	Page	Definition	Calculation
<b>Importance and Characteristics</b>			
<u>Broker Distribution System (continued)</u>			
Average Size of Broker Groups			
Individual.....	63		
Small Group.....	63		
Middle Market Group.....	64		
Large Group.....	64		
Total, Including Individual.....	65		
Percent of Members Sold Through Brokers that are New			
Individual.....	65		
Small Group.....	66		
Middle Market Group.....	66		
Large Group.....	67		
Total, Including Individual.....	67		
Percent of Groups Sold Through Brokers that are New			
Individual.....	68		
Small Group.....	68		
Middle Market Group.....	69		
Large Group.....	69		
Total, Including Individual.....	70		
Average Duration of Broker Members, by Segment, in Years			
Individual.....	70		
Small Group.....	71		
Middle Market Group.....	71		
Large Group.....	72		
Total, Including Individual.....	72		
Average Size of New Broker Groups			
Individual.....	73		
Small Group.....	73		
Middle Market Group.....	74		
Large Group.....	74		
Total, Including Individual.....	75		
Percent of Broker Members, by Category of Group			
Individual.....	75		
Small Group.....	76		
Middle Market Group.....	76		
Large Group.....	77		
Total, Including Individual.....	77		



**Sales and Marketing**

Metric	Page	Definition	Calculation
<b>Importance and Characteristics (continued)</b>			
<u>Internal Distribution System</u>			
Percent of Members Sold Internally			
Individual.....	<a href="#">78</a>		
Small Group.....	<a href="#">78</a>		
Middle Market Group.....	<a href="#">79</a>		
Large Group.....	<a href="#">79</a>		
Total, Including Individual.....	<a href="#">80</a>		
Percent of Groups Sold Internally			
Individual Contracts.....	<a href="#">80</a>		
Small Group.....	<a href="#">81</a>		
Middle Market Group.....	<a href="#">81</a>		
Large Group.....	<a href="#">82</a>		
Total, Including Individual.....	<a href="#">82</a>		
Average Size of Groups Sold Internally			
Individual Contracts.....	<a href="#">83</a>		
Small Group.....	<a href="#">83</a>		
Middle Market Group.....	<a href="#">84</a>		
Large Group.....	<a href="#">84</a>		
Total, Including Individual.....	<a href="#">85</a>		
<b>Compensation</b>			
<u>All Distribution Systems</u>			
Sales and Marketing Costs PMPM.....	<a href="#">85</a>		
Sales and Marketing Costs per Quote.....	<a href="#">85</a>		
<u>Broker Distribution System</u>			
Broker Commission Costs			
Broker Commissions per Broker Member per Month.....	<a href="#">86</a>		
Broker Commissions as a Percent of Broker Premium Equivalents.....	<a href="#">86</a>		
Broker Commissions Excluding Overrides and Bonuses as a Percent of Broker Premium Equivalents.....			
Broker Commissions Excluding Overrides and Bonuses per Broker Member per Month.....	<a href="#">87</a>		
Broker Commissions per Broker Quote.....			
Broker Commissions per Broker Quote.....	<a href="#">88</a>		
Broker Overrides and Bonuses			
Broker Overrides and Bonuses per Broker Member per Month.....	<a href="#">88</a>		
Broker Overrides and Bonuses as a Percent of Total Commissions.....	<a href="#">89</a>		

**Sales and Marketing**

Metric	Page	Definition	Calculation
<b>Compensation (continued)</b>			
<u>Internal Distribution System</u>			
		Sales and Marketing Costs, Excluding Commissions, per FTE.....	<a href="#">89</a>
x		Sales and Marketing FTEs per 10,000 Internally Sold Members.....	<a href="#">89</a>
=		Sales and Marketing Costs, Excluding Commissions, Per Internally Sold Member Per Month.....	<a href="#">89</a>
		Internal Commissions per Member Sold by Internal Sales Rep per Month.....	<a href="#">89</a>
		Internal Commissions per Quote Made by Internal Sales Rep.....	<a href="#">89</a>
<b>Sales and Marketing Cost Summary</b>			
<u>Total Distribution System</u>			
		Final Quotes per Sales and Marketing FTE.....	<a href="#">90</a>
x		Groups per Final Quote.....	<a href="#">90</a>
=		Groups Sold Per Sales and Marketing FTE.....	<a href="#">90</a>
x		Average Group Size.....	<a href="#">90</a>
=		Group Members Sold per Total Sales FTE.....	<a href="#">90</a>
x		Sales and Marketing Costs per Total Sales FTE.....	<a href="#">90</a>
=		Sales and Marketing Costs per Group Member per Month.....	<a href="#">90</a>
<u>Internal Sales Force</u>			
		Internally Sold Groups Per Sales FTE.....	<a href="#">90</a>
x		Average Internally Sold Group Size.....	<a href="#">90</a>
=		Internally Sold Group Members per Sales FTE.....	<a href="#">90</a>
x		Sales Costs per Sales FTE.....	<a href="#">90</a>
=		Sales Costs per Internally Sold Group Member per Month.....	<a href="#">90</a>
<u>Rating and Underwriting</u>			
		Final Quotes per FTE .....	<a href="#">91</a>
x		Groups per Final Quote.....	<a href="#">91</a>
=		Groups per FTE .....	<a href="#">91</a>
x		Cost per Group.....	<a href="#">91</a>
=		Cost per FTE.....	<a href="#">91</a>
x		FTEs per 10,000 Group Members.....	<a href="#">91</a>
=		Cost per Group Member per Month.....	<a href="#">91</a>
		Acquisition Cost per New Enrollment.....	<a href="#">91</a>

**Sales and Marketing**

Metric	Page	Definition	Calculation
<b>Sales and Marketing Cost Summary (continued)</b>			
<u>Staffing vs. Non-Labor</u>			
Sales and Marketing Total Non-Labor Cost per Total FTE.....	<a href="#">92</a>		
+ Sales and Marketing Total Staffing Costs per Total FTE.....	<a href="#">92</a>		
= Sales and Marketing Total Costs per Total FTE.....	<a href="#">92</a>		
x Sales and Marketing Total FTEs per 10,000 Members.....	<a href="#">92</a>		
= Sales and Marketing Cost per Member per Month.....	<a href="#">92</a>		
Percent of Sales and Marketing Costs that are Staffing.....	<a href="#">92</a>		
Percent of Sales and Marketing Costs that are Non-Labor.....	<a href="#">92</a>		
Percent of Sales and Marketing Costs that are Outsourced.....	<a href="#">92</a>		
Percent of Sales and Marketing Staffing that is Outsourced.....	<a href="#">92</a>		

Tab 4

**Provider Network Management and Services**

Provider Network Management & Services responds to inquiries from providers, contracts with providers for care delivered to members, is the liaison for provider appeals (whose coordinating responsibility resets with customer services), credentials providers for eligibility for contracts, issues report cards to provider and audits and validates provider activity.

Metric	Page	Definition	Calculation
--------	------	------------	-------------

*Provider Relations Service Metrics:*

This sub-function responds to inquiries from providers.

**Provider Relations Services Cost Summary**  
Per Member

Manual Inquiries			
	Manual Inquiries per Member.....		<a href="#">99</a>
x	Members per FTE.....		<a href="#">99</a>
=	Manual Inquiries per FTE per Year.....		<a href="#">99</a>
x	Provider Relations Services Cost per Manual Inquiry.....		<a href="#">99</a>
=	Provider Relations Services Cost per FTE.....		<a href="#">99</a>
x	FTEs per 10,000 Members.....		<a href="#">99</a>
=	Provider Relations Services Costs PMPM.....		<a href="#">99</a>

Total Inquiries			
	Total Inquiries per Member.....		<a href="#">99</a>
x	Members per FTE.....		<a href="#">99</a>
=	Total Inquiries per FTE per Year.....		<a href="#">99</a>
x	Provider Relations Services Cost per Total Inquiry.....		<a href="#">99</a>
=	Provider Relations Services Cost per FTE.....		<a href="#">99</a>
x	FTEs per 10,000 Members.....		<a href="#">99</a>
=	Provider Relations Services Costs PMPM.....		<a href="#">99</a>

Per Provider

Manual Inquiries			
	Manual Inquiries per Provider.....		<a href="#">100</a>
x	Providers per FTE.....		<a href="#">100</a>
=	Manual Inquiries per FTE per Year.....		<a href="#">100</a>
x	Provider Relations Services Cost per Manual Inquiry.....		<a href="#">100</a>
=	Provider Relations Services Cost per FTE.....		<a href="#">100</a>
x	FTEs per 10,000 Providers.....		<a href="#">100</a>
=	Provider Relations Services Costs per Provider per Year.....		<a href="#">100</a>

Total Inquiries			
	Total Inquiries per Provider.....		<a href="#">100</a>
	Providers per FTE.....		<a href="#">100</a>
	Total Inquiries per FTE per Year.....		<a href="#">100</a>
	Provider Relations Services Cost per Total Inquiry.....		<a href="#">100</a>
	Provider Relations Services Cost per FTE.....		<a href="#">100</a>
	FTEs per 10,000 Members.....		<a href="#">100</a>
	Provider Relations Services Costs Per Provider per Year.....		<a href="#">100</a>

**Provider Network Management and Services**

Metric	Page	Definition	Calculation
<b>Provider Relations Services Cost Summary (continued)</b>			
<u>Staffing vs. Non-Labor</u>			
	<a href="#">100</a>		
Provider Relations Services Total Staffing Cost per Total FTE.....			
+ Provider Relations Services Total Non-Staffing Costs per Total FTE.....	<a href="#">100</a>		
= Provider Relations Services Total Costs per Total FTE.....	<a href="#">100</a>		
x Provider Relations Services Total FTEs per 10,000 Members.....	<a href="#">100</a>		
= Provider Relations Services Cost per Member per Month.....	<a href="#">100</a>		
Percent of Provider Relations Services Costs that are Staffing.....	<a href="#">100</a>		
Percent of Provider Relations Services Costs that are Non-Labor.....	<a href="#">100</a>		
Percent of Provider Relations Services Costs that are Outsourced.....	<a href="#">100</a>		
Percent of Provider Relations Services Staffing that is Outsourced.....	<a href="#">100</a>		
<b>Inquiries</b>			
<u>Inquiries per Member per Year, by Mode and Product</u>			
Manual			
Manual Calls.....	<a href="#">101</a>		
Paper/Written Inquiries .....	<a href="#">101</a>		
Manual Electronic Inquiries.....	<a href="#">102</a>		
Total Manual Inquiries.....	<a href="#">102</a>		
Automated Calls.....	<a href="#">103</a>		
Total Provider Inquiries .....	<a href="#">103</a>		
Provider Services Inquiries per 100 Claims.....	<a href="#">104</a>		
<u>Inquiries per Provider per Year, by Mode</u>			
Manual			
Manual Calls.....	<a href="#">105</a>		
Paper/Written Inquiries .....	<a href="#">105</a>		
Manual Electronic Inquiries.....	<a href="#">105</a>		
Total Manual Inquiries.....	<a href="#">105</a>		
Automated Calls.....	<a href="#">105</a>		
Total Provider Inquiries .....	<a href="#">105</a>		



**Provider Network Management and Services**

<b>Metric</b>	<b>Page</b>	<b>Definition</b>	<b>Calculation</b>
<b>Inquiries (continued)</b>			
<u>Percent of Total Inquiries, by Mode and Product</u>			
Manual			
Manual Calls.....	<a href="#">106</a>		
Paper/Written Inquiries .....	<a href="#">106</a>		
Manual Electronic Inquiries.....	<a href="#">107</a>		
Total Manual Inquiries.....	<a href="#">107</a>		
Automated Calls.....	<a href="#">108</a>		
Total Provider Inquiries .....	<a href="#">108</a>		
Percent of Total Calls Received that are Manual.....	<a href="#">109</a>		
<u>Product Mix of Inquiries</u>			
Manual			
Manual Calls.....	<a href="#">110</a>		
Paper/Written Inquiries .....	<a href="#">110</a>		
Manual Electronic Inquiries.....	<a href="#">111</a>		
Total Manual Inquiries.....	<a href="#">111</a>		
Automated Calls.....	<a href="#">112</a>		
Total Provider Inquiries .....	<a href="#">112</a>		
<b>Provider Portal</b>			
Percentage of Plans with a Provider Portal.....	<a href="#">113</a>		
Name and Vendor of Portal Used.....	<a href="#">113</a>		
Percentage of Providers with Portal Access.....	<a href="#">113</a>		
Number of Portal Sessions / Logins per Provider Per Month.....	<a href="#">113</a>		
<b>Accessibility of Provider Services</b>			
Average Speed of Answer (ASA), in Seconds.....	<a href="#">114</a>		
ASA Service Level, at 30 seconds.....	<a href="#">114</a>		
Abandonment Rate.....	<a href="#">115</a>		
Handle Time, in Seconds.....	<a href="#">115</a>		
<b>Provider Appeals</b>			
Percent of Adverse Decisions Overturned on Appeal.....	<a href="#">116</a>		
Percent of Adverse Decisions Upheld on Appeal.....	<a href="#">116</a>		
Appeals per 10,000 Members.....	<a href="#">117</a>		

**Provider Network Management and Services**

*Provider Contracting Metrics:*

This sub-function recruits and credentials providers such as physicians and hospitals.

<b>Metric</b>	<b>Page</b>	<b>Definition</b>	<b>Calculation</b>
<b>Provider Contracting Summary</b>			
Providers per 1,000 Members.....	<a href="#">118</a>		
x Members per Contracting FTE.....	<a href="#">118</a>		
= Providers per Contracting FTE.....	<a href="#">118</a>		
x Provider Contracting Cost per Provider.....	<a href="#">118</a>		
= Provider Contracting Cost per Contracting FTE.....	<a href="#">118</a>		
x Contracting FTE per 10,000 Members.....	<a href="#">118</a>		
= Provider Contracting Costs PMPM.....	<a href="#">118</a>		
<u>Staffing vs. Non-Labor</u>			
Provider Contracting Total Non-Labor Cost per Total FTE.....	<a href="#">118</a>		
+ Provider Contracting Total Staffing Costs per Total FTE.....	<a href="#">118</a>		
= Provider Contracting Total Costs per Total FTE.....	<a href="#">118</a>		
x Provider Contracting Total FTEs per 10,000 Members.....	<a href="#">118</a>		
= Provider Contracting Cost per Member per Month.....	<a href="#">118</a>		
Percent of Provider Contracting Costs that are Staffing.....	<a href="#">118</a>		
Percent of Provider Contracting Costs that are Non-Labor.....	<a href="#">118</a>		
Percent of Provider Contracting Costs that are Outsourced.....	<a href="#">118</a>		
Percent of Provider Contracting Staffing that is Outsourced.....	<a href="#">118</a>		
<b>Number of Providers</b>			
<u>Providers per 1,000 Members</u>			
Primary Care Physicians.....	<a href="#">119</a>		
Professional Specialists.....	<a href="#">119</a>		
Facility.....	<a href="#">119</a>		
Ancillary.....	<a href="#">119</a>		
Total.....	<a href="#">119</a>		
Percentage Change in Number of Providers from Prior Year.....	<a href="#">119</a>		
Providers per Contract.....	<a href="#">119</a>		
<u>Percent of Total Providers</u>			
Primary Care Physicians.....	<a href="#">119</a>		
Professional Specialists.....	<a href="#">119</a>		
Facility.....	<a href="#">119</a>		
Ancillary.....	<a href="#">119</a>		
Total.....	<a href="#">119</a>		

**Provider Network Management and Services**

*Provider Contracting Metrics (continued):*

This sub-function recruits and credentials providers such as physicians and hospitals.

<b>Metric</b>	<b>Page</b>	<b>Definition</b>	<b>Calculation</b>
<b>Number of Provider Contracts</b>			
<u>Provider Contracts per 10,000 Members</u>			
Capitation.....	<a href="#">120</a>		
Risk Sharing.....	<a href="#">120</a>		
Shared Savings.....	<a href="#">120</a>		
Fee-for-Service.....	<a href="#">120</a>		
Total.....	<a href="#">120</a>		
New Contracts Signed During 2017, But Not Yet Effective in 2017 per 10,000 Members.....			
	<a href="#">120</a>		
Percentage Change in Provider Contracts from Prior Year			
<u>Percentage Change in Provider Contracts from Prior Year, by Type</u>			
Capitation.....	<a href="#">120</a>		
Risk Sharing.....	<a href="#">120</a>		
Shared Savings.....	<a href="#">120</a>		
Fee-for-Service.....	<a href="#">120</a>		
Total.....	<a href="#">120</a>		
<u>Percent of Provider Contracts by Type - 2017</u>			
Capitation.....	<a href="#">121</a>		
Risk Sharing.....	<a href="#">121</a>		
Shared Savings.....	<a href="#">121</a>		
Fee-for-Service.....	<a href="#">121</a>		
Total.....	<a href="#">121</a>		
<u>Percent of Provider Contracts by Type - 2018</u>			
Capitation.....	<a href="#">121</a>		
Risk Sharing.....	<a href="#">121</a>		
Shared Savings.....	<a href="#">121</a>		
Fee-for-Service.....	<a href="#">121</a>		
Total.....	<a href="#">121</a>		
<u>Percent of Provider Contracts: New vs. Renewed</u>			
New Contracts.....	<a href="#">121</a>		
Renewed Contracts.....	<a href="#">121</a>		
Total Contracts.....	<a href="#">121</a>		
Percent of Provider Contracts with a Pay-for-Performance Arrangement			
<b>Provider Credentialing Time.....</b>	<a href="#">122</a>		

Tab 5

Enrollment / Membership / Billing

Enrollment / Membership / Billing processes group and membership transactions, processes invoices and maintains population demographics.

Metric	Page	Definition	Calculation
<b>Enrollment Cost Summary</b>			
<u>Manual Transactions</u>			
		Manual Member Transactions per Member.....	<a href="#">127</a>
x		Members per FTE.....	<a href="#">127</a>
=		Manual Member Transactions per FTE per Year.....	<a href="#">127</a>
x		Enrollment Cost per Manual Member Transaction.....	<a href="#">127</a>
=		Costs per FTE.....	<a href="#">127</a>
x		FTEs per 10,000 Members.....	<a href="#">127</a>
=		Costs per Member per Month.....	<a href="#">127</a>
<u>Total Transactions</u>			
		Total Transactions per Member.....	<a href="#">127</a>
x		Members per FTE.....	<a href="#">127</a>
=		Total Transactions per FTE per Year.....	<a href="#">127</a>
x		Enrollment Cost per Total Transaction.....	<a href="#">127</a>
=		Costs per FTE.....	<a href="#">127</a>
x		FTEs per 10,000 Members.....	<a href="#">127</a>
=		Costs per Member per Month.....	<a href="#">127</a>
<u>Staffing vs. Non-Labor</u>			
		Enrollment Total Non-Labor Cost per Total FTE.....	<a href="#">127</a>
+		Enrollment Total Staffing Costs per Total FTE.....	<a href="#">127</a>
=		Enrollment Total Costs per Total FTE.....	<a href="#">127</a>
x		Enrollment Total FTEs per 10,000 Members.....	<a href="#">127</a>
=		Enrollment Cost per Member per Month.....	<a href="#">127</a>
		Percent of Enrollment Costs that are Staffing.....	<a href="#">127</a>
		Percent of Enrollment Costs that are Non-Labor.....	<a href="#">127</a>
		Percent of Enrollment Costs that are Outsourced.....	<a href="#">127</a>
		Percent of Enrollment Staffing that is Outsourced.....	<a href="#">127</a>
<b>Transaction Processing</b>			
<u>Group Transactions per Member</u>			
		New Group.....	<a href="#">128</a>
		Renewal / Maintenance.....	<a href="#">128</a>
		Total Group.....	<a href="#">129</a>
<u>Group Transactions per Group</u>			
		New Group Transactions per New Group.....	<a href="#">129</a>
		Renewal/Maintenance Transactions per Renewal Group.....	<a href="#">130</a>
		Total Group.....	<a href="#">130</a>
		Note: Total Enrollment Transactions per Group per Year.....	<a href="#">131</a>

**Enrollment / Membership / Billing**

<b>Metric</b>	<b>Page</b>	<b>Definition</b>	<b>Calculation</b>
<b>Transaction Processing (continued)</b>			
<u>Composition of Total Group Transactions</u>			
New Group.....	<a href="#">131</a>		
Renewal/Maintenance.....	<a href="#">132</a>		
Total Group.....	<a href="#">132</a>		
<u>Member Transactions per Member</u>			
Manual			
Electronic Transactions Requiring Manual Intervention.....	<a href="#">133</a>		
All Other Manual.....	<a href="#">133</a>		
Total Manual Transactions.....	<a href="#">134</a>		
Automated			
Direct to System.....	<a href="#">134</a>		
Other.....	<a href="#">135</a>		
Total Automated Electronic.....	<a href="#">135</a>		
Total Member Transactions.....	<a href="#">136</a>		
Note: Total Enrollment Transactions per Member per Year.....	<a href="#">136</a>		
<u>Composition of Total Member Transactions</u>			
Manual			
Electronic Transactions Requiring Manual Intervention.....	<a href="#">137</a>		
All Other Manual.....	<a href="#">137</a>		
Total Manual Transactions.....	<a href="#">138</a>		
Automated			
Direct to System.....	<a href="#">138</a>		
Other.....	<a href="#">139</a>		
Total Automated Electronic.....	<a href="#">139</a>		
Total Member Transactions.....	<a href="#">140</a>		
Note: Percent of Member Transactions Submitted Electronically that Require Manual Intervention.....	<a href="#">140</a>		
<b>Average Enrollment Processing Days</b>			
Groups.....	<a href="#">141</a>		
Members.....	<a href="#">141</a>		
<b>Enrollment Accuracy</b>			
Groups.....	<a href="#">142</a>		
Members.....	<a href="#">142</a>		
<b>ID Cards</b>			
Percent of Members that Received Card Before Effective Date.....	<a href="#">143</a>		
Percent of Members that Received Card Within 30 Days of Plan Receiving Paperwork.....	<a href="#">143</a>		
Number of Cards Issued per Member.....	<a href="#">144</a>		



**Enrollment / Membership / Billing**

Metric	Page	Definition	Calculation
<b>Billing</b>			
Percent of Bills Paid Before Due Date.....	<a href="#">145</a>		
Average Number of Days that Bills Were Sent Prior to Due Date.....	<a href="#">145</a>		
Total Number of Bills Sent per Member.....	<a href="#">146</a>		
<u>Percent of Number Invoices Paid, by Type</u>			
Credit Card.....	<a href="#">147</a>		
ACH and Wire.....	<a href="#">147</a>		
Paper Checks.....	<a href="#">148</a>		
Cash.....	<a href="#">148</a>		
Cash			
<u>Percent of Dollars of Invoices Paid, by Type</u>			
Credit Card.....	<a href="#">149</a>		
ACH and Wire.....	<a href="#">149</a>		
Paper Checks.....	<a href="#">150</a>		
Cash.....	<a href="#">150</a>		
Cash			
<u>Dollars of Invoices Paid per Invoice, by Type</u>			
Credit Card.....	<a href="#">151</a>		
ACH and Wire.....	<a href="#">151</a>		
Paper Checks.....	<a href="#">152</a>		
Cash.....	<a href="#">152</a>		
Cash			
<b>Demographics</b>			
Percent of Membership in the Following Age Categories			
< 21.....	<a href="#">153</a>		
21 - 29.....	<a href="#">153</a>		
30 - 34.....	<a href="#">153</a>		
35 - 39.....	<a href="#">153</a>		
40 - 44.....	<a href="#">153</a>		
< 45 (sum of above).....	<a href="#">153</a>		
45 - 49.....	<a href="#">153</a>		
50 - 54.....	<a href="#">153</a>		
55 - 59.....	<a href="#">153</a>		
60 - 65.....	<a href="#">153</a>		
> 65.....	<a href="#">153</a>		
Total.....	<a href="#">153</a>		
Average Age of Membership.....	<a href="#">155</a>		

**Enrollment / Membership / Billing**

<b>Metric</b>	<b>Page</b>	<b>Definition</b>	<b>Calculation</b>
<b>Group and Membership Characteristics Affecting Total Transactions</b>			
Percent Change in Number of Groups.....	<a href="#">156</a>		
Net Membership Growth Within Retained Groups.....	<a href="#">156</a>		
Percent Change in Number of Individual Members.....	<a href="#">157</a>		
Average Size of Group, Including Individuals.....	<a href="#">157</a>		

Tab 6

Customer Services

The Customer Services function responds to customer inquiries and coordinates appeals.

Metric	Page	Definition	Calculation
<b>Customer Services Cost Summary</b>			
Manual Inquiries per Member.....	163		
x Members per FTE.....	163		
= Manual Inquiries per FTE per Year.....	163		
x Customer Service Cost per Manual Inquiry.....	163		
= Costs per FTE.....	163		
x FTEs per 10,000 Members.....	163		
= Costs per Member per Month.....	163		
<u>Staffing vs. Non-Labor</u>			
Customer Services Total Non-Labor Cost per Total FTE.....	163		
+ Customer Services Total Staffing Costs per Total FTE.....	163		
= Customer Services Total Costs per Total FTE.....	163		
x Customer Services Total FTEs per 10,000 Members.....	163		
= Customer Services Cost per Member per Month.....	163		
Percent of Customer Services Costs that are Staffing.....	163		
Percent of Customer Services Costs that are Non-Labor.....	163		
Percent of Customer Services Costs that are Outsourced.....	163		
Percent of Customer Services Staffing that is Outsourced.....	163		
<b>Inquiries</b>			
<u>Inquiries per Member per Year, by Mode and Product</u>			
Manual			
Manual Calls.....	164		
Paper/Written Inquiries.....	164		
Manual Electronic Inquiries.....	165		
Total Manual Inquiries.....	165		
Automated Calls.....	166		
Total Member Inquiries.....	166		
Customer Services Inquiries per 100 Claims.....	167		

**Customer Services**

Metric	Page	Definition	Calculation
<b>Inquiries (continued)</b>			
<u>Percent of Total Inquiries, by Mode and Product</u>			
Manual			
Manual Calls.....	<a href="#">168</a>		
Paper/Written Inquiries .....	<a href="#">168</a>		
Manual Electronic Inquiries.....	<a href="#">169</a>		
Total Manual Inquiries.....	<a href="#">169</a>		
Automated Calls.....	<a href="#">170</a>		
Total Member Inquiries .....	<a href="#">170</a>		
Percent of Total Calls Received that are Manual.....	<a href="#">171</a>		
<u>Product Mix of Inquiries</u>			
Manual			
Manual Calls.....	<a href="#">172</a>		
Paper/Written Inquiries .....	<a href="#">172</a>		
Manual Electronic Inquiries.....	<a href="#">173</a>		
Total Manual Inquiries.....	<a href="#">173</a>		
Automated Calls.....	<a href="#">174</a>		
Total Member Inquiries .....	<a href="#">174</a>		
<u>Reasons for Inquiries Per Member Per Year, by Product</u>			
Benefit Lookup.....	<a href="#">175</a>		
Eligibility.....	<a href="#">175</a>		
Claims Status.....	<a href="#">176</a>		
Provider Check.....	<a href="#">176</a>		
Billing & ID Cards.....	<a href="#">177</a>		
Complaints / Grievances.....	<a href="#">177</a>		
Financial Information.....	<a href="#">178</a>		
Other.....	<a href="#">178</a>		
Total Inquiries.....	<a href="#">179</a>		
<u>Reasons for Inquiries as a Percent of Total Inquiries</u>			
Benefit Lookup.....	<a href="#">180</a>		
Eligibility.....	<a href="#">180</a>		
Claims Status.....	<a href="#">181</a>		
Provider Check.....	<a href="#">181</a>		
Billing & ID Cards.....	<a href="#">182</a>		
Complaints / Grievances.....	<a href="#">182</a>		
Financial Information.....	<a href="#">183</a>		
Other.....	<a href="#">183</a>		
Total Inquiries.....	<a href="#">184</a>		

**Customer Services**

Metric	Page	Definition	Calculation
<b>Member Portal</b>			
Number of Portal Sessions / Logins per Member with an Account per Year.....	<a href="#">185</a>		
Percent of Members with Registered Accounts.....	<a href="#">185</a>		
Name and Vendor of Portal Used.....	<a href="#">185</a>		
Percentage of Plans with a Member Portal.....	<a href="#">185</a>		
<b>Call Center</b>			
Average Speed of Answer (ASA), in Seconds.....	<a href="#">186</a>		
ASA Service Level, at 30 Seconds.....	<a href="#">186</a>		
Abandonment Rate.....	<a href="#">187</a>		
Percent Transfer.....	<a href="#">187</a>		
Percent Hold.....	<a href="#">188</a>		
Handle Time, in Seconds.....	<a href="#">188</a>		
<b>Timeliness of Customer Services Response</b>			
Days to Resolve Inquiries.....	<a href="#">189</a>		
First Call Resolution Rate.....	<a href="#">189</a>		
<b>Member Appeals</b>			
Percent of Adverse Decisions Overturned on Appeal.....	<a href="#">190</a>		
Percent of Adverse Decisions Upheld on Appeal.....	<a href="#">190</a>		
Appeals per 10,000 Members.....	<a href="#">191</a>		



Tab 7

Claim and Encounter Capture and Adjudication

Metric	Page	Definition	Calculation
<b>Claims Cost Summary</b>			
<u>Suspended Claims</u>			
Suspended Claims per Member.....	197		
x Members per FTE.....	197		
= Suspended Claims Processed per FTE per Year.....	197		
x Cost per Suspended Claim.....	197		
= Costs per FTE.....	197		
x FTEs Per 10,000 Members.....	197		
= Costs per Member Per Month.....	197		
<u>Total Claims</u>			
x Claims Processed Per Member.....	197		
= Members Per FTE.....	197		
x Claims Processed Per FTE Per Year.....	197		
= Cost per Claims Processed.....	197		
x Costs Per FTE.....	197		
= FTEs Per 10,000 Members.....	197		
Costs Per Member Per Month.....	197		
<u>Staffing vs. Non-Labor</u>			
Claims Processing Total Non-Labor Cost per Total FTE.....	197		
+ Claims Processing Staffing Costs per Total FTE.....	197		
= Claims Processing Total Costs per Total FTE.....	197		
x Claims Processing Total FTEs per 10,000 Members.....	197		
= Claims Processing Cost per Member per Month.....	197		
Percent of Claims Processing Costs that are Staffing.....	197		
Percent of Claims Processing Costs that are Non-Labor.....	197		
Percent of Claims Processing Costs that are Outsourced.....	197		
Percent of Claims Processing Staffing that is Outsourced.....	197		
<b>Volume of Claims</b>			
<u>Receipts</u>			
Total Receipts Per Member Per Year.....	198		

## Claim and Encounter Capture and Adjudication

Metric	Page	Definition	Calculation
<b>Volume of Claims (continued)</b>			
<u>Receipts Rejected as Incomplete</u>			
Total Receipts Rejected Per Member Per Year.....	<a href="#">199</a>		
Total Rejected Receipts as a Percent of Total Receipts.....	<a href="#">199</a>		
<u>Processed Claims</u>			
Paper Claims Processed Per Member Per Year.....	<a href="#">200</a>		
Paper Claims Processed as a Percent of Total Claims.....	<a href="#">200</a>		
Electronic Claims Processed Per Member Per Year.....	<a href="#">201</a>		
Electronic Claims Processed as a Percent of Total Claims.....	<a href="#">201</a>		
Total Claims Processed Per Member Per Year.....	<a href="#">202</a>		
Total Claims Processed as a Percent of Total Receipts.....	<a href="#">202</a>		
Cost per Processed Claim.....	<a href="#">203</a>		
<u>Autoadjudicated Claims</u>			
Paper Claims Autoadjudicated Per Member Per Year.....	<a href="#">204</a>		
Paper Auto-Adjudication Rate.....	<a href="#">204</a>		
Paper Claims Autoadjudicated as Percent of Total Claims Autoadjudicated.....	<a href="#">205</a>		
Electronic Claims Autoadjudicated Per Member Per Year.....	<a href="#">206</a>		
Electronic Autoadjudication Rate.....	<a href="#">206</a>		
Electronic Claims Autoadjudicated as Percent of Total Claims Autoadjudicated.....	<a href="#">207</a>		
Total Claims Autoadjudicated Per Member Per Year.....	<a href="#">208</a>		
Total Claims Auto-Adjudication Rate.....	<a href="#">208</a>		
<u>Suspended Claims (Claims Requiring Manual Intervention)</u>			
Paper Claims Suspended Per Member Per Year.....	<a href="#">209</a>		
Paper Suspension Rate.....	<a href="#">209</a>		
Electronic Claims Suspended Per Member Per Year.....	<a href="#">210</a>		
Electronic Suspension Rate.....	<a href="#">210</a>		
Total Claims Suspended Per Member Per Year.....	<a href="#">211</a>		
Total Suspension Rate.....	<a href="#">211</a>		
Cost per Suspended Claim.....	<a href="#">212</a>		

**Claim and Encounter Capture and Adjudication**

<b>Metric</b>	<b>Page</b>	<b>Definition</b>	<b>Calculation</b>
<b>Volume of Claims (continued)</b>			
<u>Adjusted Claims</u>			
Total Claims Adjusted Per Member Per Year.....	<a href="#">214</a>		
Total Adjustment Rate.....	<a href="#">214</a>		
Percent of Adjusted Claims, by Type			
Plan Error.....	<a href="#">214</a>		
All Other.....	<a href="#">214</a>		
Total Number of Adjusted Claims.....	<a href="#">214</a>		
<u>Denials</u>			
Denied Claims Per Member Per Year.....	<a href="#">215</a>		
Denied Claims Rate.....	<a href="#">215</a>		
Paid Claims Per Member Per Year.....			
Paid Claims Rate.....	<a href="#">216</a>		
<u>Capitation</u>			
Encounters Paid via Capitation Per Member Per Year.....	<a href="#">217</a>		
Encounters Paid via Capitation as a Percent of Total Claims.....	<a href="#">217</a>		
Healthcare Expenses per Encounter paid via Capitation.....			
Healthcare Expenses paid via Capitation as a Percent of Total Healthcare Expenses.....	<a href="#">218</a>		
<b>Speed of Claims Processing</b>			
Average Payment Period in Days.....	<a href="#">219</a>		
Average Inventory in Days.....	<a href="#">219</a>		
Average Claims Inventory as a Percent of Total Claims Processed.....	<a href="#">220</a>		
<u>Percent of Claims Processed Within the Following Days of Receipt:</u>			
0 - 14 days.....	<a href="#">221</a>		
15 - 30 days.....	<a href="#">221</a>		
31 - 60 days.....	<a href="#">222</a>		
> 60 days.....	<a href="#">222</a>		
Total.....	<a href="#">223</a>		
<u>Timing of Claims Payment</u>			
Average Days Incurred to Receipt of Claim.....	<a href="#">224</a>		
Average Days Receipt of Claim to Payment Approved.....	<a href="#">224</a>		
Average Days Payment Approved to Payment.....	<a href="#">225</a>		
Average Days Incurred to Payment.....	<a href="#">225</a>		
Claims Turn Around Time (TAT).....	<a href="#">226</a>		

**Claim and Encounter Capture and Adjudication**

<b>Metric</b>	<b>Page</b>	<b>Definition</b>	<b>Calculation</b>
<b>Quality of Claims Processing</b>			
Dollar Accuracy Percent.....	<a href="#">227</a>		
Frequency Accuracy Percent.....	<a href="#">227</a>		
Interest Paid per Claim Processed.....	<a href="#">228</a>		
Interest Paid as a Percent of Total Health Benefits.....	<a href="#">228</a>		
<b>COB and Subrogation</b>			
COB and Subrogation Recoveries Per Dollar of COB Cost.....	<a href="#">229</a>		
COB and Subrogation Recoveries as a Percent of Health Benefits, Plus Recoveries.....	<a href="#">229</a>		
Net Recoveries as a Percent of Health Benefits, Plus Recoveries.....	<a href="#">230</a>		
Primary COB Approach.....	<a href="#">230</a>		
Pay-Then-Pursue.....	<a href="#">230</a>		
Pursue-Then-Pay.....	<a href="#">230</a>		

Tab 8  
Information Systems

Metric	Page	Definition	Calculation
<b>Information Systems Cost Summary</b>			
Total FTEs per IS FTE.....	<a href="#">235</a>		
x IS Costs per Total FTE.....	<a href="#">235</a>		
= IS Costs per IS FTE.....	<a href="#">235</a>		
x IS FTEs per 10,000 Members.....	<a href="#">235</a>		
= Cost per Member per Month.....	<a href="#">235</a>		
<b>Effect of IS Allocated by Supported Functional Area</b>			
IS After Allocation as a Percent of Total IS.....	<a href="#">235</a>		
x Total IS PMPM.....	<a href="#">235</a>		
= IS Costs PMPM, After Allocation.....	<a href="#">235</a>		
x Non-IS Costs PMPM, After Allocation.....	<a href="#">235</a>		
= Total Administrative Cost PMPM.....	<a href="#">235</a>		
<b>Internal vs. Outsourced FTE Costs</b>			
Internal IS Expenses per Internal FTE.....	<a href="#">235</a>		
Outsourced IS Expenses per Outsourced FTE.....	<a href="#">235</a>		
<b>Staffing vs. Non-Labor</b>			
Information Systems Total Non-Labor Cost per Total FTE.....	<a href="#">236</a>		
+ Information Systems Total Staffing Costs per Total FTE.....	<a href="#">236</a>		
= Information Systems Total Costs per Total FTE.....	<a href="#">236</a>		
x Information Systems Total FTEs per 10,000 Members.....	<a href="#">236</a>		
= Information Systems Cost per Member per Month.....	<a href="#">236</a>		
Percent of Information Systems Costs that are Non-Labor.....	<a href="#">236</a>		
Percent of Information Systems Costs that are Staffing.....	<a href="#">236</a>		
Percent of Information Systems Costs that are Outsourced.....	<a href="#">236</a>		
Percent of Information Systems Staffing that is Outsourced.....	<a href="#">236</a>		
<b>Total Information Systems Costs, Natural Accounting Categories</b>			
<u>Per Member Per Month</u>			
(a) Internal Personnel, Including Travel and Training.....	<a href="#">237</a>		
(b) Consultants / Contractors.....	<a href="#">237</a>		
(c) Hardware Depreciation and Maintenance.....	<a href="#">237</a>		
(d) Software Amortization and Maintenance.....	<a href="#">237</a>		
(e) All Other, Including Office Supplies.....	<a href="#">237</a>		
Total Information Systems Expenses.....	<a href="#">237</a>		
<u>Percent of Premium Equivalents</u>			
(a) Internal Personnel, Including Travel and Training.....	<a href="#">237</a>		
(b) Consultants / Contractors.....	<a href="#">237</a>		
(c) Hardware Depreciation and Maintenance.....	<a href="#">237</a>		
(d) Software Amortization and Maintenance.....	<a href="#">237</a>		
(e) All Other, Including Office Supplies.....	<a href="#">237</a>		
Total Information Systems Expenses.....	<a href="#">237</a>		

**Information Systems**

Metric	Page	Definition	Calculation
<b>Total Information Systems Costs, Natural Accounting Categories (continued)</b>			
<u>Percent of Total Information Systems Costs</u>			
(a) Internal Personnel, Including Travel and Training.....	<a href="#">237</a>		
(b) Consultants / Contractors.....	<a href="#">237</a>		
(c) Hardware Depreciation and Maintenance.....	<a href="#">237</a>		
(d) Software Amortization and Maintenance.....	<a href="#">237</a>		
(e) All Other, Including Office Supplies.....	<a href="#">237</a>		
Total Information Systems Expenses.....	<a href="#">237</a>		
<b>Total Information Systems Costs, Functional Areas</b>			
<u>Per Member Per Month</u>			
11 (a) Operations and Support.....	<a href="#">238</a>		
(1) Voice and Data Network.....	<a href="#">238</a>		
(2) Data Center.....	<a href="#">238</a>		
(3) Engineering.....	<a href="#">238</a>		
(4) Desktop Services.....	<a href="#">238</a>		
(5) Help Desk.....	<a href="#">238</a>		
(6) Storage and Capacity Management.....	<a href="#">238</a>		
(7) Business Continuity Planning (BCP) and Disaster Recovery (DR).....	<a href="#">238</a>		
(8) Other.....	<a href="#">238</a>		
11 (b) Applications Maintenance.....	<a href="#">238</a>		
11 (c) Applications Acquisition and Development.....	<a href="#">238</a>		
(1) Project Management Office and Support (PMO).....	<a href="#">238</a>		
(2) Other.....	<a href="#">238</a>		
11 (d) Security Administration and Enforcement.....	<a href="#">238</a>		
Total Information Systems Expenses.....	<a href="#">238</a>		
<u>Percent of Premium Equivalents</u>			
11 (a) Operations and Support.....	<a href="#">238</a>		
(1) Voice and Data Network.....	<a href="#">238</a>		
(2) Data Center.....	<a href="#">238</a>		
(3) Engineering.....	<a href="#">238</a>		
(4) Desktop Services.....	<a href="#">238</a>		
(5) Help Desk.....	<a href="#">238</a>		
(6) Storage and Capacity Management.....	<a href="#">238</a>		
(7) Business Continuity Planning (BCP) and Disaster Recovery (DR).....	<a href="#">238</a>		
(8) Other.....	<a href="#">238</a>		
11 (b) Applications Maintenance.....	<a href="#">238</a>		
11 (c) Applications Acquisition and Development.....	<a href="#">238</a>		
(1) Project Management Office and Support (PMO).....	<a href="#">238</a>		
(2) Other.....	<a href="#">238</a>		
11 (d) Security Administration and Enforcement.....	<a href="#">238</a>		
Total Information Systems Expenses.....	<a href="#">238</a>		

## Information Systems

Metric	Page	Definition	Calculation
<b>Total Information Systems Costs, Functional Areas (continued)</b>			
<u>Percent of Total Information Systems Costs</u>			
11 (a) Operations and Support.....	239		
(1) Voice and Data Network.....	239		
(2) Data Center.....	239		
(3) Engineering.....	239		
(4) Desktop Services.....	239		
(5) Help Desk.....	239		
(6) Storage and Capacity Management.....	239		
(7) Business Continuity Planning (BCP) and Disaster Recovery (DR).....	239		
(8) Other.....	239		
11 (b) Applications Maintenance.....	239		
11 (c) Applications Acquisition and Development.....	239		
(1) Project Management Office and Support (PMO).....	239		
(2) Other.....	239		
11 (d) Security Administration and Enforcement.....	239		
Total Information Systems Expenses.....	239		
<b>Capabilities of Hardware</b>			
<u>Utilization</u>			
Average Utilization for Processors, 24/7 Capacity.....	239		
Average Utilization for Processors, Prime Shift.....	239		
Peak Utilization for Processors, Prime Shift.....	239		
<u>Data Center Storage Capacity</u>			
Total Terabytes.....	239		
Terabytes per 10,000 Members.....	239		
<b>Internal Help Desk</b>			
Average Speed to Answer, Seconds.....	240		
Call Abandonment Rate.....	240		
Average Handle Time, Seconds.....	240		
First Call Resolution Rate.....	240		
Satisfaction, Scale of 1 to 10.....	240		
Number of Calls per Helpdesk FTE per Year.....	240		
Number of Calls per Total FTE per Year.....	240		
Number of Calls as a Percent of All Inquiries (Calls plus Online).....	240		
Total FTEs per Helpdesk FTE.....	240		
Helpdesk FTEs per 10,000 Members.....	240		
Percentage of plans with the option for employees to generate tickets online.....	240		
Number of Tickets Opened Online per Helpdesk FTE per Year.....	240		
Number of Tickets Opened Online per Total FTE per Year.....	240		
Number of Tickets Opened Online as a Percent of All Inquiries (Calls plus Online).....	240		
Desktop Management Software and Vendors.....	240		

**Information Systems**

Metric	Page	Definition	Calculation
<b>Core Systems</b>			
Applications by Function.....	<a href="#">241</a>		
<u>Availability</u>			
System Availability - 24 / 7 Average.....	<a href="#">244</a>		
Time to Resolve Critical Outage, Hours.....	<a href="#">244</a>		
Production Job Cost Summary			
Production Jobs per 1,000 Members.....	<a href="#">245</a>		
x Members per IS FTE.....	<a href="#">245</a>		
= Daily Production Jobs per IS FTE.....	<a href="#">245</a>		
x IS Cost per Production Job.....	<a href="#">245</a>		
= IS Cost per IS FTE.....	<a href="#">245</a>		
x IS FTEs per 10,000 Members.....	<a href="#">245</a>		
= IS Costs per Member per Month.....	<a href="#">245</a>		
<u>Production and Test Jobs</u>			
Daily Production Jobs per 10,000 Members.....	<a href="#">246</a>		
Yearly Claims Processed per Daily Production Job.....	<a href="#">246</a>		
Yearly Enrollment Transactions Processed per Daily Production Job.....	<a href="#">246</a>		
Yearly Member and Provider Inquiries Processed per Daily Production Job.....	<a href="#">246</a>		
Percent of Total Production Jobs Run Daily.....	<a href="#">247</a>		
Production Jobs as a Percent of Total Jobs.....	<a href="#">247</a>		
Daily Test Jobs per 10,000 members.....	<a href="#">248</a>		
Percent of Total Test Jobs Run Daily.....	<a href="#">248</a>		
Test Jobs as a Percent of Total Jobs.....	<a href="#">249</a>		
<b>Projects</b>			
Percent of Number of Total Projects.....	<a href="#">250</a>		
Percent of Total Project Dollars Spent.....	<a href="#">250</a>		
Percent of Total Project Hours.....	<a href="#">251</a>		
Projects per FTE.....	<a href="#">251</a>		
Spend per Project.....	<a href="#">252</a>		
Spend per FTE.....	<a href="#">252</a>		
FTEs per 10,000 Members.....	<a href="#">253</a>		
Spend PMPM.....	<a href="#">253</a>		
<i>Each of the above metrics are provided for the following types of projects:</i>			
Strategic Projects			
Infrastructure Projects			
Process Improvement Projects			
Support Projects			
Other Projects			
Total			



Tab 9

**Corporate Services Cluster**

The Corporate Services Cluster is comprised of the functions of Finance and Accounting, Actuarial, Corporate Executive and Governance and the Corporate Services function. The Corporate Services function includes subfunctions like Facilities, Legal and Human Resources. This tab includes metrics of those subfunctions.

Metric	Page	Definition	Calculation
<b>Corporate Services Function</b>			
<u>Corporate Services Function Cost Summary</u>			
	<a href="#">259</a>		
x	<a href="#">259</a>		
=	<a href="#">259</a>		
x	<a href="#">259</a>		
=	<a href="#">259</a>		
<u>Staffing vs. Non-Labor</u>			
	<a href="#">259</a>		
+	<a href="#">259</a>		
=	<a href="#">259</a>		
x	<a href="#">259</a>		
=	<a href="#">259</a>		
	<a href="#">259</a>		
	<a href="#">259</a>		
	<a href="#">259</a>		
	<a href="#">259</a>		

**Corporate Services Cluster**

Metric	Page	Definition	Calculation
<b>Human Resources</b>			
<u>Span of Control</u>			
Middle Management to Top Management.....	260		
Managers to Middle Management.....	260		
Supervisors to Managers.....	260		
Staff to Supervisors.....	260		
Total Employees to Top Management.....	260		
Employees Other than Top Management to Top Management.....	260		
Middle Management, Managers and Supervisors to Top.....	260		
Staff to Middle Management, Managers and Supervisors.....	260		
<u>EEO-1 Job Categories as a Percent of Total Employees</u>			
Managerial.....	260		
Professional.....	260		
Clerical.....	260		
Technical.....	260		
Sales Worker.....	260		
Service Worker.....	260		
Laborer.....	260		
Craft Worker.....	260		
Operatives Worker.....	260		
Total Employees.....	260		
<u>Human Resources Cost Summary</u>			
HR Costs per Total FTE.....	261		
x Total FTEs per HR FTE.....	261		
= HR Costs per HR FTE.....	261		
x HR FTEs per 10,000 Members.....	261		
= HR Cost per Member per Month.....	261		
<u>Staffing vs. Non-Labor</u>			
Human Resources Non-Labor Costs per Human Resources FTE.....	261		
+ Human Resources Staffing Costs per Human Resources FTE.....	261		
= Human Resources Costs per Human Resources FTE.....	261		
x Human Resources FTEs per 10,000 Members.....	261		
= Cost per Member per Month.....	261		
Percent of Human Resources Costs that are Non-Labor.....	261		
Percent of Human Resources Costs that are Staffing.....	261		
Percent of Human Resources Costs that are Outsourced.....	261		
Percent of Staff that is Outsourced.....	261		



**Corporate Services Cluster**

Metric	Page	Definition	Calculation
<b>Facilities, continued</b>			
<u>Facilities Management, continued</u>			
Gross Square Footage by Type			
Percent Owned.....	<a href="#">263</a>		
Percent Leased.....	<a href="#">263</a>		
Total Facilities Costs per Square Foot			
Gross.....	<a href="#">263</a>		
Usable.....	<a href="#">263</a>		
<b>Legal</b>			
<u>Normal Business Legal Costs vs. Litigation Legal Costs</u>			
PMPM			
Normal Business Legal Costs.....	<a href="#">264</a>		
Litigation Legal Costs.....	<a href="#">264</a>		
Total Legal Costs.....	<a href="#">264</a>		
Percent of Total Legal Costs			
Normal Business Legal Costs.....	<a href="#">264</a>		
Litigation Legal Costs.....	<a href="#">264</a>		
Total Legal Costs.....	<a href="#">264</a>		
<u>Staffing vs. Non-Labor</u>			
Legal Non-Labor Cost per Legal FTE.....	<a href="#">264</a>		
Legal Staffing Costs per Legal FTE.....	<a href="#">264</a>		
+ Legal Costs per Legal FTE.....	<a href="#">264</a>		
= Legal FTEs per 10,000 Members.....	<a href="#">264</a>		
x Cost per Member per Month.....	<a href="#">264</a>		
=	<a href="#">264</a>		
Percent of Legal Costs that are Non-Labor.....	<a href="#">264</a>		
Percent of Legal Costs that are Staffing.....	<a href="#">264</a>		
Percent of Legal Costs that are Outsourced.....	<a href="#">264</a>		
Percent of Staff that is Outsourced.....	<a href="#">264</a>		

## Tab 10

### Risk Adjustment

Risk Adjustment is the analysis of clinical data in order to match government compensation with the risk factors of members. This includes adjustment for the “three Rs”: permanent risk adjustment, transitional reinsurance and transitional risk corridors.

Metric	Page	Definition	Calculation
<b>Risk Adjustment Cost Summary</b>			
Chart Reviews per 1,000 Members.....	<a href="#">267</a>		
x Members per FTE.....	<a href="#">267</a>		
= Chart Reviews per FTE per Year.....	<a href="#">267</a>		
x Cost per Chart Review.....	<a href="#">267</a>		
= Costs per FTE.....	<a href="#">267</a>		
FTEs per 10,000 Members.....	<a href="#">267</a>		
Costs per Member per Month.....	<a href="#">267</a>		
<b>Staffing vs. Non-Labor - Risk Adjustment</b>			
Risk Adjustment Non-Labor Cost per Total FTE.....	<a href="#">267</a>		
+ Risk Adjustment Total Staffing Costs per Total FTE.....	<a href="#">267</a>		
= Risk Adjustment Total Costs per Total FTE.....	<a href="#">267</a>		
x Risk Adjustment Total FTEs per 10,000 Members.....	<a href="#">267</a>		
= Risk Adjustment Cost per Member per Month.....	<a href="#">267</a>		
Percent of Risk Adjustment Costs that are Staffing.....	<a href="#">267</a>		
Percent of Risk Adjustment Costs that are Non-Labor.....	<a href="#">267</a>		
Percent of Risk Adjustment Costs that are Outsourced.....	<a href="#">267</a>		
Percent of Risk Adjustment Staffing that is Outsourced.....	<a href="#">267</a>		
<b>Number of Chart Reviews</b>			
Per 1,000 Members			
Internal.....	<a href="#">268</a>		
Outsourced.....	<a href="#">268</a>		
Total.....	<a href="#">269</a>		
Percent of Charts Subject to Multiple Passes			
Internal.....	<a href="#">269</a>		
Outsourced.....	<a href="#">270</a>		
Total.....	<a href="#">270</a>		
Percent of Charts Reviews: Internal vs. Outsourced			
Internal.....	<a href="#">271</a>		
Outsourced.....	<a href="#">271</a>		
Total.....	<a href="#">272</a>		
Internal Charts Reviewed per Risk Adjustment FTE Reviewing Charts.....	<a href="#">272</a>		

**Risk Adjustment**

Metric	Page	Definition	Calculation
<b>Risk Adjustment Staffing</b>			
Risk Adjustment Staffing FTEs per 10,000 Members			
Employees Reviewing Charts.....	<a href="#">273</a>		
Other Risk Adjustment Employees.....	<a href="#">273</a>		
Total.....	<a href="#">274</a>		
Percent of Risk Adjustment Staffing			
Employees Reviewing Charts.....	<a href="#">274</a>		
Other Risk Adjustment Employees.....	<a href="#">275</a>		
Total.....	<a href="#">275</a>		
<b>Revenue Yields and Returns</b>			
Risk Score Improvement Percentage			
Internal.....	<a href="#">276</a>		
Outsourced.....	<a href="#">276</a>		
<b>Dollar Reimbursement Yield</b>			
PMPY			
Internal.....	<a href="#">277</a>		
Outsourced.....	<a href="#">277</a>		
Total.....	<a href="#">278</a>		
Per Chart Review			
Internal.....	<a href="#">278</a>		
Outsourced.....	<a href="#">279</a>		
Total.....	<a href="#">279</a>		
As a Percent of Health Care Costs			
Internal.....	<a href="#">280</a>		
Outsourced.....	<a href="#">280</a>		
Total.....	<a href="#">281</a>		
Name of vendor used for outsourced risk-adjustment services.....	<a href="#">281</a>		

# SHERLOCK BENCHMARKS

*2019 Medicaid Edition*

Volume II – Operational Metrics

