

SHERLOCK BENCHMARKS

Medicare Plans Edition



Volume II
Operational Metrics

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SHERLOCK BENCHMARKS

Medicare Edition - 2023

Volume II: Operational Metrics



SHERLOCK COMPANY

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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.

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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.

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--------	------	------------	-------------

Provider Relations Service Metrics:

This sub-function responds to inquiries from providers.

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Per Member

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

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Tab 7

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	191		
x	191		
=	191		
x	191		
=	191		
x	191		
=	191		
<u>Total Claims</u>			
x	191		
=	191		
x	191		
=	191		
x	191		
=	191		
<u>Staffing vs. Non-Labor</u>			
	191		
+	191		
=	191		
x	191		
=	191		
	191		
	191		
	191		
	191		
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Claim and Encounter Capture and Adjudication

Metric	Page	Definition	Calculation
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Claim and Encounter Capture and Adjudication

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> 60 days.....	219		
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Claim and Encounter Capture and Adjudication

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Tab 8
Information Systems

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= IS Costs per IS FTE.....	235		
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Effect of IS Allocated by Supported Functional Area			
IS After Allocation as a Percent of Total IS.....	235		
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Staffing vs. Non-Labor			
Information Systems Total Non-Labor Cost per Total FTE.....	236		
+ Information Systems Total Staffing Costs per Total FTE.....	236		
= Information Systems Total Costs per Total FTE.....	236		
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Percent of Information Systems Costs that are Staffing.....	236		
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(c) Consultants.....	237		
(d) Hardware Depreciation and Maintenance.....	237		
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(a) Internal Personnel, Including Travel and Training.....	237		
(b) Outsourced Employees and Contractors.....	237		
(c) Consultants.....	237		
(d) Hardware Depreciation and Maintenance.....	237		
(e) Software Amortization and Maintenance.....	237		
(f) All Other, Including Office Supplies.....	237		
Total Information Systems Expenses.....	237		

Information Systems

Metric	Page	Definition	Calculation
Total Information Systems Costs, Natural Accounting Categories (continued)			
<u>Percent of Total Information Systems Costs</u>			
(a) Internal Personnel, Including Travel and Training.....	237		
(b) Outsourced Employees and Contractors.....	237		
(c) Consultants.....	237		
(d) Hardware Depreciation and Maintenance.....	237		
(e) Software Amortization and Maintenance.....	237		
(f) All Other, Including Office Supplies.....	237		
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<u>Inquiries per Total FTE per Year, by Type</u>			
Phone.....	238		
Online.....	238		
Total.....	238		
<u>Percent of Total Helpdesk Inquiries, by Type</u>			
Phone.....	238		
Online.....	238		
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Information Systems

Metric	Page	Definition	Calculation
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= IS Cost per IS FTE.....	244		
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Yearly Claims Processed per Daily Production Job.....	245		
Percent of Total Production Jobs Run Daily.....	246		

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
Corporate Services Function			
<u>Corporate Services Function Cost Summary</u>			
Total FTEs per Corporate Services FTE.....	253		
x Corporate Services Costs per Total FTE.....	253		
= Cost of Corporate Services per FTE.....	253		
x FTEs per 10,000 Members.....	253		
= Cost per Member per Month.....	253		
<u>Staffing vs. Non-Labor</u>			
Corporate Services Function Total Non-Labor Cost per Total FTE.....	253		
+ Corporate Services Function Total Staffing Costs per Total FTE.....	253		
= Corporate Services Function Total Costs per Total FTE.....	253		
x Corporate Services Function Total FTEs per 10,000 Members.....	253		
= Corporate Services Function Cost per Member per Month.....	253		
Percent of Corporate Services Function Costs that are Staffing.....	253		
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Corporate Services Cluster

Metric	Page	Definition	Calculation
Human Resources			
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Supervisors to Managers.....	254		
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<u>EEO-1 Job Categories as a Percent of Total Employees</u>			
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Professional.....	254		
Clerical.....	254		
Technical.....	254		
Sales Worker.....	254		
Service Worker.....	254		
Laborer.....	254		
Craft Worker.....	254		
Operatives Worker.....	254		
Total Employees.....	254		
<u>Span of Control- Call Centers</u>			
Member Services			
Line Staff to Support Employees.....	255		
Support Employees to All Other (Supervisors and Managers).....	255		
Total Call Center Employees to All Other (Supervisors and Managers).....	255		
Line Staff and Support Employees to All Other (Supervisors and Managers).....	255		
Provider Services			
Line Staff to Support Employees.....	255		
Support Employees to All Other (Supervisors and Managers).....	255		
Total Call Center Employees to All Other (Supervisors and Managers).....	255		
Line Staff and Support Employees to All Other (Supervisors and Managers).....	255		
<u>Call Centers Job Categories as a Percent of Total Call Center Employees</u>			
Member Services			
Line Staff	255		
Support Employees	255		
All Other (Supervisors and Managers).....	255		
Total Call Center Employees.....	255		
Provider Services			
Line Staff	255		
Support Employees	255		
All Other (Supervisors and Managers).....	255		
Total Call Center Employees.....	255		

Corporate Services Cluster

Metric	Page	Definition	Calculation
Human Resources (Continued)			
<u>Human Resources Activities</u>			
Total Turnover.....	256		
Retention.....	256		
<u>Human Resources Cost Summary</u>			
HR Costs per Total FTE.....	256		
x Total FTEs per HR FTE.....	256		
= HR Costs per HR FTE.....	256		
x HR FTEs per 10,000 Members.....	256		
= HR Cost per Member per Month.....	256		
<u>Staffing vs. Non-Labor</u>			
Human Resources Non-Labor Costs per Human Resources FTE.....	256		
+ Human Resources Staffing Costs per Human Resources FTE.....	256		
= Human Resources Costs per Human Resources FTE.....	256		
x Human Resources FTEs per 10,000 Members.....	256		
= Cost per Member per Month.....	256		
Percent of Human Resources Costs that are Non-Labor.....	256		
Percent of Human Resources Costs that are Staffing.....	256		
Percent of Human Resources Costs that are Outsourced.....	256		
Percent of Staff that is Outsourced.....	256		
Legal			
<u>Normal Business Legal Costs vs. Litigation Legal Costs</u>			
PMPM			
Normal Business Legal Costs.....	257		
Litigation Legal Costs.....	257		
Total Legal Costs.....	257		
Percent of Premiums and Fees			
Normal Business Legal Costs.....	257		
Litigation Legal Costs.....	257		
Total Legal Costs.....	257		
Percent of Total Legal Costs			
Normal Business Legal Costs.....	257		
Litigation Legal Costs.....	257		
Total Legal Costs.....	257		

Corporate Services Cluster

Metric	Page	Definition	Calculation
Facilities (Continued)			
<u>Staffing vs. Non-Labor</u>			
			259
			259
+			259
=			259
x			259
=			259
			259
			259
			259
			259
<u>Size of Facilities</u>			
Square Feet per Total FTE			
			259
			259
Square Feet per On-Site FTE			
			259
			259
			259
Usable Square Footage by Type			
			259
			259
Usable Square Feet as a Percent of Gross Square Feet			
			259
Gross Square Footage by Type			
			259
			259
Total Facilities Costs per Square Foot			
			259
			259

Corporate Services Cluster

Metric	Page	Definition	Calculation
Facilities (Continued)			
<u>Facilities Costs by Type</u>			
<i>Per Member Per Month</i>			
(a) Rent.....	260		
(b) Depreciation.....	260		
(c) Heat, Light and Taxes.....	260		
(d) Security.....	260		
(e) Maintenance.....	260		
(f) Leasehold Improvements.....	260		
(g) All Other.....	260		
Total.....	260		
 <i>Percent of Total</i>			
(a) Rent.....	260		
(b) Depreciation.....	260		
(c) Heat, Light and Taxes.....	260		
(d) Security.....	260		
(e) Maintenance.....	260		
(f) Leasehold Improvements.....	260		
(g) All Other.....	260		
Total.....	260		

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
Risk Adjustment Cost Summary			
Chart Reviews per 1,000 Members.....	263		
x Members per FTE.....	263		
= Chart Reviews per FTE per Year.....	263		
x Cost per Chart Review.....	263		
= Costs per FTE.....	263		
FTEs per 10,000 Members.....	263		
Costs per Member per Month.....	263		
Staffing vs. Non-Labor - Risk Adjustment			
Risk Adjustment Non-Labor Cost per Total FTE.....	263		
+ Risk Adjustment Total Staffing Costs per Total FTE.....	263		
= Risk Adjustment Total Costs per Total FTE.....	263		
x Risk Adjustment Total FTEs per 10,000 Members.....	263		
= Risk Adjustment Cost per Member per Month.....	263		
Percent of Risk Adjustment Costs that are Staffing.....	263		
Percent of Risk Adjustment Costs that are Non-Labor.....	263		
Percent of Risk Adjustment Costs that are Outsourced.....	263		
Percent of Risk Adjustment Staffing that is Outsourced.....	263		
Number of Chart Reviews			
Per 1,000 Members			
Internal.....	264		
Outsourced.....	264		
Total.....	265		
Percent of Charts Subject to Multiple Passes			
Internal.....	265		
Outsourced.....	266		
Total.....	266		
Percent of Charts Reviews: Internal vs. Outsourced			
Internal.....	267		
Outsourced.....	267		
Total.....	268		
Internal Charts Reviewed per Risk Adjustment FTE Reviewing Charts.....	268		

Risk Adjustment

Metric	Page	Definition	Calculation
Risk Adjustment Staffing			
Risk Adjustment Staffing FTEs per 10,000 Members			
Employees Reviewing Charts.....	269		
Other Risk Adjustment Employees.....	269		
Total.....	270		
Percent of Risk Adjustment Staffing			
Employees Reviewing Charts.....	270		
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Total.....	271		
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Internal.....	272		
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PMPY			
Internal.....	274		
Outsourced.....	274		
Total.....	275		
Per Chart Review			
Internal.....	275		
Outsourced.....	276		
Total.....	276		
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Internal.....	277		
Outsourced.....	277		
Total.....	278		
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