

SHERLOCK BENCHMARKS

*Independent/Provider-Sponsored
Plans Edition*



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SHERLOCK EXPENSE EVALUATION REPORT

Independent / Provider-Sponsored Edition - 2018

Volume II: Operational Metrics



SHERLOCK COMPANY

September 2018

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

INTRODUCTION AND BACKGROUND

Background

This is the Operational Metrics part of Volume II of the 2018 *Sherlock Benchmarks – Independent / Provider-Sponsored Plans Edition*. Together, these volumes provide statistics and analysis summarizing the administrative expenses and operational metrics of 20 Independent / Provider-Sponsored 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 2018 *Sherlock Benchmarks – Independent / Provider-Sponsored Plans Edition* is a carefully compiled and verified summary of the surveyed operational characteristics of leading health plans. 20 Independent / Provider Sponsored 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 twelve product lines and more than 50 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.

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.

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

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

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*.

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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.

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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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Provider Network Management and Services

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Provider Network Management and Services

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

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Provider Network Management and Services

Provider Contracting Metrics (continued):

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

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Enrollment / Membership / Billing

Metric	Page	Definition	Calculation
Transaction Processing (continued)			
<u>Composition of Total Group Transactions</u>			
New Group.....	129		
Renewal/Maintenance.....	130		
Total Group.....	130		
<u>Member Transactions per Member</u>			
Manual			
Electronic Transactions Requiring Manual Intervention.....	131		
All Other Manual.....	131		
Total Manual Transactions.....	132		
Automated			
Direct to System.....	132		
Other.....	133		
Total Automated Electronic.....	133		
Total Member Transactions.....	134		
Note: Total Enrollment Transactions per Member per Year.....	134		
<u>Composition of Total Member Transactions</u>			
Manual			
Electronic Transactions Requiring Manual Intervention.....	135		
All Other Manual.....	135		
Total Manual Transactions.....	136		
Automated			
Direct to System.....	136		
Other.....	137		
Total Automated Electronic.....	137		
Total Member Transactions.....	138		
Note: Percent of Member Transactions Submitted Electronically that Require Manual Intervention.....	138		
Average Enrollment Processing Days			
Groups.....	139		
Members.....	139		
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Groups.....	140		
Members.....	140		
ID Cards			
Percent of Members that Received Card Before Effective Date.....	141		
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Number of Cards Issued per Member.....	142		

Enrollment / Membership / Billing

Metric	Page	Definition	Calculation
Billing			
Percent of Bills Sent on Time.....	143		
Total Number of Bills Sent per Member.....	143		
<u>Percent of Number Invoices Paid, by Type</u>			
Credit Card.....	144		
ACH and Wire.....	144		
Paper Checks.....	145		
Cash.....	145		
Total			
<u>Percent of Dollars of Invoices Paid, by Type</u>			
Credit Card.....	146		
ACH and Wire.....	146		
Paper Checks.....	147		
Cash.....	147		
Total			
<u>Dollars of Invoices Paid per Invoice, by Type</u>			
Credit Card.....	148		
ACH and Wire.....	148		
Paper Checks.....	149		
Cash.....	149		
Total			
Demographics			
Percent of Membership in the Following Age Categories			
< 21.....	150		
21 - 29.....	150		
30 - 34.....	150		
35 - 39.....	150		
40 - 44.....	150		
< 45 (sum of above).....	150		
45 - 49.....	150		
50 - 54.....	150		
55 - 59.....	150		
60 - 65.....	150		
> 65.....	150		
Total.....	150		
Average Age of Membership.....	152		

Enrollment / Membership / Billing

Metric	Page	Definition	Calculation
Group and Membership Characteristics Affecting Total Transactions			
Percent Change in Number of Groups.....	153		
Net Membership Growth Within Retained Groups.....	153		
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Average Size of Group, Including Individuals.....	154		

Tab 6

Customer Services

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

Metric	Page	Definition	Calculation
Customer Services Cost Summary			
Manual Inquiries per Member.....	159		
x Members per FTE.....	159		
= Manual Inquiries per FTE per Year.....	159		
x Customer Service Cost per Manual Inquiry.....	159		
= Costs per FTE.....	159		
x FTEs per 10,000 Members.....	159		
= Costs per Member per Month.....	159		
<u>Staffing vs. Non-Labor</u>			
Customer Services Total Non-Labor Cost per Total FTE.....	159		
+ Customer Services Total Staffing Costs per Total FTE.....	159		
= Customer Services Total Costs per Total FTE.....	159		
x Customer Services Total FTEs per 10,000 Members.....	159		
= Customer Services Cost per Member per Month.....	159		
Percent of Customer Services Costs that are Staffing.....	159		
Percent of Customer Services Costs that are Non-Labor.....	159		
Percent of Customer Services Costs that are Outsourced.....	159		
Percent of Customer Services Staffing that is Outsourced.....	159		
Inquiries			
<u>Inquiries per Member per Year, by Mode and Product</u>			
Manual			
Manual Calls.....	160		
Paper/Written Inquiries	160		
Manual Electronic Inquiries.....	161		
Total Manual Inquiries.....	161		
Automated Calls.....	162		
Total Member Inquiries	162		
Customer Services Inquiries per 100 Claims.....	163		

Customer Services

Metric	Page	Definition	Calculation
Inquiries (continued)			
<u>Percent of Total Inquiries, 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		
Percent of Total Calls Received that are Manual.....	167		
<u>Product Mix of Inquiries</u>			
Manual			
Manual Calls.....	168		
Paper/Written Inquiries	168		
Manual Electronic Inquiries.....	169		
Total Manual Inquiries.....	169		
Automated Calls.....	170		
Total Member Inquiries	170		
<u>Reasons for Inquiries Per Member Per Year, by Product</u>			
Benefit Lookup.....	171		
Eligibility.....	171		
Claims Status.....	172		
Provider Check.....	172		
Billing & ID Cards.....	173		
Complaints / Grievances.....	173		
Financial Information.....	174		
Other.....	174		
Total Inquiries.....	175		
<u>Reasons for Inquiries as a Percent of Total Inquiries</u>			
Benefit Lookup.....	176		
Eligibility.....	176		
Claims Status.....	177		
Provider Check.....	177		
Billing & ID Cards.....	178		
Complaints / Grievances.....	178		
Financial Information.....	179		
Other.....	179		
Total Inquiries.....	180		

Customer Services

Metric	Page	Definition	Calculation
Member Portal			
Percentage of Plans with a Provider Portal.....	181		
Name and Vendor of Portal Used.....	181		
Percent of Members with Registered Accounts.....	181		
Number of Portal Sessions / Logins per Member with an Account per Year.....	181		
Call Center			
Average Speed of Answer (ASA), in Seconds.....	182		
ASA Service Level, at 30 Seconds.....	182		
Abandonment Rate.....	183		
Percent Transfer.....	183		
Percent Hold.....	184		
Handle Time, in Seconds.....	184		
Timeliness of Customer Services Response			
Days to Resolve Inquiries.....	185		
First Call Resolution Rate.....	185		
Member Appeals			
Percent of Adverse Decisions Overturned on Appeal.....	186		
Percent of Adverse Decisions Upheld on Appeal.....	186		
Appeals per 10,000 Members.....	187		

Tab 7

Claim and Encounter Capture and Adjudication

Metric	Page	Definition	Calculation
Claims Cost Summary			
<u>Suspended Claims</u>			
Suspended Claims per Member.....	193		
x Members per FTE.....	193		
= Suspended Claims Processed per FTE per Year.....	193		
x Cost per Suspended Claim.....	193		
= Costs per FTE.....	193		
x FTEs Per 10,000 Members.....	193		
= Costs per Member Per Month.....	193		
<u>Total Claims</u>			
x Claims Processed Per Member.....	193		
= Members Per FTE.....	193		
x Claims Processed Per FTE Per Year.....	193		
= Cost per Claims Processed.....	193		
x Costs Per FTE.....	193		
= FTEs Per 10,000 Members.....	193		
Costs Per Member Per Month.....	193		
<u>Staffing vs. Non-Labor</u>			
Claims Processing Total Non-Labor Cost per Total FTE.....	193		
+ Claims Processing Staffing Costs per Total FTE.....	193		
= Claims Processing Total Costs per Total FTE.....	193		
x Claims Processing Total FTEs per 10,000 Members.....	193		
= Claims Processing Cost per Member per Month.....	193		
Percent of Claims Processing Costs that are Staffing.....	193		
Percent of Claims Processing Costs that are Non-Labor.....	193		
Percent of Claims Processing Costs that are Outsourced.....	193		
Percent of Claims Processing Staffing that is Outsourced.....	193		
Volume of Claims			
<u>Receipts</u>			
Total Receipts Per Member Per Year.....	194		

Claim and Encounter Capture and Adjudication

Metric	Page	Definition	Calculation
Volume of Claims (continued)			
<u>Receipts Rejected as Incomplete</u>			
Total Receipts Rejected Per Member Per Year.....	195		
Total Rejected Receipts as a Percent of Total Receipts.....	195		
<u>Processed Claims</u>			
Paper Claims Processed Per Member Per Year.....	196		
Paper Claims Processed as a Percent of Total Claims.....	196		
Electronic Claims Processed Per Member Per Year.....	197		
Electronic Claims Processed as a Percent of Total Claims.....	197		
Total Claims Processed Per Member Per Year.....	198		
Total Claims Processed as a Percent of Total Receipts.....	198		
Cost per Processed Claim.....	199		
<u>Autoadjudicated Claims</u>			
Paper Claims Autoadjudicated Per Member Per Year.....	200		
Paper Auto-Adjudication Rate.....	200		
Paper Claims Autoadjudicated as Percent of Total Claims Autoadjudicated.....	201		
Electronic Claims Autoadjudicated Per Member Per Year.....	202		
Electronic Autoadjudication Rate.....	202		
Electronic Claims Autoadjudicated as Percent of Total Claims Autoadjudicated.....	203		
Total Claims Autoadjudicated Per Member Per Year.....	204		
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<u>Suspended Claims (Claims Requiring Manual Intervention)</u>			
Paper Claims Suspended Per Member Per Year.....	205		
Paper Suspension Rate.....	205		
Electronic Claims Suspended Per Member Per Year.....	206		
Electronic Suspension Rate.....	206		
Total Claims Suspended Per Member Per Year.....	207		
Total Suspension Rate.....	207		
Cost per Suspended Claim.....	208		

Claim and Encounter Capture and Adjudication

Metric	Page	Definition	Calculation
Volume of Claims (continued)			
<u>Adjusted Claims</u>			
Total Claims Adjusted Per Member Per Year.....	210		
Total Adjustment Rate.....	210		
Percent of Adjusted Claims, by Type			
Plan Error.....	210		
All Other.....	210		
Total Number of Adjusted Claims.....	210		
<u>Denials</u>			
Denied Claims Per Member Per Year.....	211		
Denied Claims Rate.....	211		
Paid Claims Per Member Per Year.....			
Paid Claims Rate.....	212		
<u>Capitation</u>			
Encounters Paid via Capitation Per Member Per Year.....	213		
Encounters Paid via Capitation as a Percent of Total Claims.....	213		
Healthcare Expenses per Encounter paid via Capitation.....			
Healthcare Expenses paid via Capitation as a Percent of Total Healthcare Expenses.....	214		
Speed of Claims Processing			
Average Payment Period in Days.....	215		
Average Inventory in Days.....	215		
Average Claims Inventory as a Percent of Total Claims Processed.....	216		
<u>Percent of Claims Processed Within the Following Days of Receipt:</u>			
0 - 14 days.....	217		
15 - 30 days.....	217		
31 - 60 days.....	218		
> 60 days.....	218		
Total.....	219		
<u>Timing of Claims Payment</u>			
Average Days Incurred to Receipt of Claim.....	220		
Average Days Receipt of Claim to Payment Approved.....	220		
Average Days Payment Approved to Payment.....	221		
Average Days Incurred to Payment.....	221		
Claims Turn Around Time (TAT).....	222		

Claim and Encounter Capture and Adjudication

Metric	Page	Definition	Calculation
Quality of Claims Processing			
Dollar Accuracy Percent.....	223		
Frequency Accuracy Percent.....	223		
Interest Paid per Claim Processed.....	224		
Interest Paid as a Percent of Total Health Benefits.....	224		
COB and Subrogation			
COB and Subrogation Recoveries Per Dollar of COB Cost.....	225		
COB and Subrogation Recoveries as a Percent of Health Benefits, Plus Recoveries.....	225		
Net Recoveries as a Percent of Health Benefits, Plus Recoveries.....	226		

Tab 8
Information Systems

Metric	Page	Definition	Calculation
Information Systems Cost Summary			
Total FTEs per IS FTE.....	231		
x IS Costs per Total FTE.....	231		
= IS Costs per IS FTE.....	231		
x IS FTEs per 10,000 Members.....	231		
= Cost per Member per Month.....	231		
Effect of IS Allocated by Supported Functional Area			
IS After Allocation as a Percent of Total IS.....	231		
x Total IS PMPM.....	231		
= IS Costs PMPM, After Allocation.....	231		
x Non-IS Costs PMPM, After Allocation.....	231		
= Total Administrative Cost PMPM.....	231		
Internal vs. Outsourced FTE Costs			
Internal IS Expenses per Internal FTE.....	231		
Outsourced IS Expenses per Outsourced FTE.....	231		
Staffing vs. Non-Labor			
Information Systems Total Non-Labor Cost per Total FTE.....	232		
+ Information Systems Total Staffing Costs per Total FTE.....	232		
= Information Systems Total Costs per Total FTE.....	232		
x Information Systems Total FTEs per 10,000 Members.....	232		
= Information Systems Cost per Member per Month.....	232		
Percent of Information Systems Costs that are Non-Labor.....	232		
Percent of Information Systems Costs that are Staffing.....	232		
Percent of Information Systems Costs that are Outsourced.....	232		
Percent of Information Systems Staffing that is Outsourced.....	232		
Total Information Systems Costs, Natural Accounting Categories			
<u>Per Member Per Month</u>			
(a) Internal Personnel, Including Travel and Training.....	233		
(b) Consultants / Contractors.....	233		
(c) Hardware Depreciation and Maintenance.....	233		
(d) Software Amortization and Maintenance.....	233		
(e) All Other, Including Office Supplies.....	233		
Total Information Systems Expenses.....	233		
<u>Percent of Premium Equivalents</u>			
(a) Internal Personnel, Including Travel and Training.....	233		
(b) Consultants / Contractors.....	233		
(c) Hardware Depreciation and Maintenance.....	233		
(d) Software Amortization and Maintenance.....	233		
(e) All Other, Including Office Supplies.....	233		
Total Information Systems Expenses.....	233		

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.....	233		
(b) Consultants / Contractors.....	233		
(c) Hardware Depreciation and Maintenance.....	233		
(d) Software Amortization and Maintenance.....	233		
(e) All Other, Including Office Supplies.....	233		
Total Information Systems Expenses.....	233		
Total Information Systems Costs, Functional Areas			
<u>Per Member Per Month</u>			
11 (a) Operations and Support.....	234		
(1) Voice and Data Network.....	234		
(2) Data Center.....	234		
(3) Engineering.....	234		
(4) Desktop Services.....	234		
(5) Help Desk.....	234		
(6) Storage and Capacity Management.....	234		
(7) Business Continuity Planning (BCP) and Disaster Recovery (DR).....	234		
(8) Other.....	234		
11 (b) Applications Maintenance.....	234		
11 (c) Applications Acquisition and Development.....	234		
(1) Project Management Office and Support (PMO).....	234		
(2) Other.....	234		
11 (d) Security Administration and Enforcement.....	234		
Total Information Systems Expenses.....	234		
<u>Percent of Premium Equivalents</u>			
11 (a) Operations and Support.....	234		
(1) Voice and Data Network.....	234		
(2) Data Center.....	234		
(3) Engineering.....	234		
(4) Desktop Services.....	234		
(5) Help Desk.....	234		
(6) Storage and Capacity Management.....	234		
(7) Business Continuity Planning (BCP) and Disaster Recovery (DR).....	234		
(8) Other.....	234		
11 (b) Applications Maintenance.....	234		
11 (c) Applications Acquisition and Development.....	234		
(1) Project Management Office and Support (PMO).....	234		
(2) Other.....	234		
11 (d) Security Administration and Enforcement.....	234		
Total Information Systems Expenses.....	234		

Information Systems

Metric	Page	Definition	Calculation
Total Information Systems Costs, Functional Areas (continued)			
<u>Percent of Total Information Systems Costs</u>			
11 (a) Operations and Support.....	235		
(1) Voice and Data Network.....	235		
(2) Data Center.....	235		
(3) Engineering.....	235		
(4) Desktop Services.....	235		
(5) Help Desk.....	235		
(6) Storage and Capacity Management.....	235		
(7) Business Continuity Planning (BCP) and Disaster Recovery (DR).....	235		
(8) Other.....	235		
11 (b) Applications Maintenance.....	235		
11 (c) Applications Acquisition and Development.....	235		
(1) Project Management Office and Support (PMO).....	235		
(2) Other.....	235		
11 (d) Security Administration and Enforcement.....	235		
Total Information Systems Expenses.....	235		
Capabilities of Hardware			
<u>Utilization</u>			
Average Utilization for Processors, 24/7 Capacity.....	235		
Average Utilization for Processors, Prime Shift.....	235		
Peak Utilization for Processors, Prime Shift.....	235		
<u>Data Center Storage Capacity</u>			
Total Terabytes.....	235		
Terabytes per 10,000 Members.....	235		
Internal Help Desk			
Average Speed to Answer, Seconds.....	236		
Call Abandonment Rate.....	236		
Average Handle Time, Seconds.....	236		
First Call Resolution Rate.....	236		
Satisfaction, Scale of 1 to 10.....	236		
Number of Calls per Helpdesk FTE per Year.....	236		
Number of Calls per Total FTE per Year.....	236		
Number of Calls as a Percent of All Inquiries (Calls plus Online).....	236		
Total FTEs per Helpdesk FTE.....	236		
Helpdesk FTEs per 10,000 Members.....	236		
Percentage of plans with the option for employees to generate tickets online.....	236		
Number of Tickets Opened Online per Helpdesk FTE per Year.....	236		
Number of Tickets Opened Online per Total FTE per Year.....	236		
Number of Tickets Opened Online as a Percent of All Inquiries (Calls plus Online).....	236		
Desktop Management Software and Vendors.....	236		

Information Systems

Metric	Page	Definition	Calculation
Core Systems			
<u>Availability</u>			
System Availability - 24 / 7 Average.....	237		
Time to Resolve Critical Outage, Hours.....	237		
Production Job Cost Summary			
Production Jobs per 1,000 Members.....	238		
x Members per IS FTE.....	238		
= Daily Production Jobs per IS FTE.....	238		
x IS Cost per Production Job.....	238		
= IS Cost per IS FTE.....	238		
x IS FTEs per 10,000 Members.....	238		
= IS Costs per Member per Month.....	238		
<u>Production and Test Jobs</u>			
Daily Production Jobs per 10,000 Members.....	239		
Yearly Claims Processed per Daily Production Job.....			
Yearly Enrollment Transactions Processed per Daily Production Job.....	239		
Yearly Member and Provider Inquiries Processed per Daily Production Job.....	239		
Percent of Total Production Jobs Run Daily.....			
Production Jobs as a Percent of Total Jobs.....	240		
Daily Test Jobs per 10,000 members.....			
Percent of Total Test Jobs Run Daily.....	241		
Test Jobs as a Percent of Total Jobs.....	242		
Projects			
Percent of Number of Total Projects.....	243		
Percent of Total Project Dollars Spent.....	243		
Percent of Total Project Hours.....	244		
Projects per FTE.....	244		
Spend per Project.....	245		
Spend per FTE.....	245		
FTEs per 10,000 Members.....	246		
Spend PMPM.....	246		
<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
Corporate Services Function			
<u>Corporate Services Function Cost Summary</u>			
Total FTEs per Corporate Services FTE.....	251		
x Corporate Services Costs per Total FTE.....	251		
= Cost of Corporate Services per FTE.....	251		
x FTEs per 10,000 Members.....	251		
= Cost per Member per Month.....	251		
<u>Staffing vs. Non-Labor</u>			
Corporate Services Function Total Non-Labor Cost per Total FTE.....	251		
+ Corporate Services Function Total Staffing Costs per Total FTE.....	251		
= Corporate Services Function Total Costs per Total FTE.....	251		
x Corporate Services Function Total FTEs per 10,000 Members.....	251		
= Corporate Services Function Cost per Member per Month.....	251		
Percent of Corporate Services Function Costs that are Staffing.....	251		
Percent of Corporate Services Function Costs that are Non-Labor.....	251		
Percent of Corporate Services Function Costs that are Outsourced.....	251		
Percent of Corporate Services Function Staffing that is Outsourced.....	251		

Corporate Services Cluster

Metric	Page	Definition	Calculation
Human Resources			
<u>Span of Control</u>			
Middle Management to Top Management.....	252		
Managers to Middle Management.....	252		
Supervisors to Managers.....	252		
Staff to Supervisors.....	252		
Total Employees to Top Management.....	252		
Employees Other than Top Management to Top Management.....	252		
Middle Management, Managers and Supervisors to Top.....	252		
Staff to Middle Management, Managers and Supervisors.....	252		
<u>EEO-1 Job Categories as a Percent of Total Employees</u>			
Managerial.....	252		
Professional.....	252		
Clerical.....	252		
Technical.....	252		
Sales Worker.....	252		
Service Worker.....	252		
Laborer.....	252		
Craft Worker.....	252		
Operatives Worker.....	252		
Total Employees.....	252		
<u>Human Resources Cost Summary</u>			
HR Costs per Total FTE.....	253		
x Total FTEs per HR FTE.....	253		
= HR Costs per HR FTE.....	253		
x HR FTEs per 10,000 Members.....	253		
= HR Cost per Member per Month.....	253		
<u>Staffing vs. Non-Labor</u>			
Human Resources Non-Labor Costs per Human Resources FTE.....	253		
+ Human Resources Staffing Costs per Human Resources FTE.....	253		
= Human Resources Costs per Human Resources FTE.....	253		
x Human Resources FTEs per 10,000 Members.....	253		
= Cost per Member per Month.....	253		
Percent of Human Resources Costs that are Non-Labor.....	253		
Percent of Human Resources Costs that are Staffing.....	253		
Percent of Human Resources Costs that are Outsourced.....	253		
Percent of Staff that is Outsourced.....	253		

Corporate Services Cluster

Metric	Page	Definition	Calculation
Facilities			
<u>Facilities Cost Summary</u>			
			254
x			254
=			254
x			254
=			254
			254
x			254
=			254
x			254
=			254
			254
x			254
=			254
<u>Staffing vs. Non-Labor</u>			
			254
+			254
=			254
x			254
=			254
			254
			254
			254
			254
<u>Facilities Management</u>			
Square Feet per Total FTE			
			255
			255
Square Feet per On-Site FTE			
			255
			255
			255
Usable Square Footage by Type			
			255
			255
			255

Corporate Services Cluster

Metric	Page	Definition	Calculation
Facilities, continued			
<u>Facilities Management, continued</u>			
Gross Square Footage by Type			
Percent Owned.....	255		
Percent Leased.....	255		
Total Facilities Costs per Square Foot			
Gross.....	255		
Usable.....	255		
Legal			
<u>Normal Business Legal Costs vs. Litigation Legal Costs</u>			
PMPM			
Normal Business Legal Costs.....	256		
Litigation Legal Costs.....	256		
Total Legal costs.....	256		
Percent of Total Legal Costs			
Normal Business Legal Costs.....	256		
Litigation Legal Costs.....	256		
Total Legal costs.....	256		
<u>Staffing vs. Non-Labor</u>			
Legal Non-Labor Cost per Legal FTE.....	256		
Legal Staffing Costs per Legal FTE.....	256		
+ Legal Costs per Legal FTE.....	256		
= Legal FTEs per 10,000 Members.....	256		
x Cost per Member per Month.....	256		
= Percent of Legal Costs that are Non-Labor.....	256		
Percent of Legal Costs that are Staffing.....	256		
Percent of Legal Costs that are Outsourced.....	256		
Percent of Staff that is Outsourced.....	256		

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Volume II – Operational Metrics

