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County Admin.

BeneWise Update Report March 2, 2010

Prior to BeneWise, data was inserted in a human resources program called ABRA. The program had become excessively slow and was not flexible enough to meet the billing needs. The system had no ability to move toward electronic billing. Many of the reports had to be manually manipulated prior to distribution. Staff evaluated a module of ABRA that was specifically for employee benefits; however, this program did not meet the direction of the organization for hosted and outsourced solutions and had costly licensing and maintenance fees.

Brown & Brown proposed BeneWise as an option of their employee benefit consulting contract. Staff recommended the BeneWise product based on the organizational direction for hosted and outsourced solutions, overall cost, distributed workload, employee self-service opportunity for Employee Benefits Information and Enrollment, automated billing process, automation of employee data (including some payroll functions) for Elected Officials that did not have HR software, and the recommendation from Brown & Brown.

The initial set-up of BeneWise began in late April 2009. In late August 2009, following employee training and information sessions, BeneWise went live for Open Enrollment for the October 1, 2009 benefit year. Open Enrollment was successful. It was quickly recognized that much of the information from the old ABRA program had not transferred properly or not at all. This was our first indication that we needed evaluate these shortfalls and begin working with BeneWise staff to make corrections. By October 1, it is estimated that 90 % of the employees were showing up in BeneWise with accurate basic Group Health and Life Insurance enrollment data. By December 31, this percentage had increased to approximately 97%. To date, we believe the data in BeneWise for the Group Health and Life Insurance enrollment is 99% accurate for all employees, retirees and COBRA recipients. However, there are other areas still requiring more work.

The exportation and/or extraction of data to/from the various carriers for the automated billing and reconciliation functions is estimated to be 80% complete. There have been ongoing problems with Blue Cross Blue Shield (BCBS) with the automated acceptance and accuracy of data from BeneWise. The BeneWise Developer is optimistic that these issues with BCBS, as well as the other carriers (i.e.: Florida Combined Life (FCL), Allstate, Ceridian/CobraServe, Professional Benefits Administrator (PBA), and Brown & Brown) will be resolved very soon. Internal and external billing and payments continue to be behind schedule due to the items previously noted. By the end March we anticipate being 95% current with all carriers and all internal billings.

The reconciliation element of the BeneWise program has not been fully tested to meet our groups customized needs. The reconciliation process involves being able to import the external billing invoices from all of the carriers into BeneWise and then compare the imported data to the data that exists in BeneWise. Any data from the carriers that does not match what is in BeneWise will automatically be kicked out to be evaluated for adjustments/corrections. By the end of this week, we expect this function will be in place for the Blue Cross Blue Shield for the ASO Billing. Florida Combine Life (FCL) for the Dental ASO Billing must still provide an electronic invoice so that similar functionality can be created to reconcile the external dental invoices to BeneWise. This should be complete for FCL by the end of March.

The weekly payroll deduction files are still not capturing all of the data by the needed timelines required for the various payroll clerks to maintain up to date and accurate payroll deductions. It is anticipated that this issue will be resolved over the next two weeks.

In addition to the basic employee enrollment information, BeneWise is also designed to capture salary and other information required by Risk Management and Human Resources for reporting, billing and day to day use. This information will continue to be restored from the old ABRA system, by manual input and additional BeneWise Developer and Programmer assistance over the next few months. This function is estimated to be at 90%.

The longer than anticipated implementation and past inaccuracies of BeneWise over the last six months have created a tremendous workload for Risk Management resulting in overtime; delays in the processing and payment of internal and external billings; as well as delays in meeting other ongoing timelines and deadlines. It is expected that the workload will begin to level off next month and that Risk Management will soon be back to a normal workload and be able to catch up on projects that have been pushed back or postponed such as internal training for the Safety and Loss Control Manual; drafting Wellness and Safety Incentive Programs; processing of Quarterly Workers Comp Billing formerly handled by Finance; conducting onsite safety inspections of facilities; conducting on site inspection/investigation of accident locations; and working with the BeneWise Developer and Programmer on more specialized reporting projects for Risk Management and Human Resources.

To date Brown & Brown/BeneWise has billed Sumter County "zero" dollars for the BeneWise product/service and they do not intend to back bill the county for any services received to date. With the most recent improvements and successes taking place over the past two weeks, I anticipate we could begin receiving monthly invoices for services from BeneWise as early as April 1, 2010.

This document was prepared by Sumter County Risk Management on March 2, 2010.

See comments below from the BeneWise Developer Jeff Torczon's perspective regarding the current status of BeneWise.

From: "Jeff Torczon" <jeff.torczon@infinity-ss.com>
Date: February 26, 2010 4:58:03 PM EST
To: "Brian Brooks" <Brian.Brooks@bblesburg.com>
Cc: "Maria Olavarria" <maria.olavarria@infinity-ss.com>
Subject: Update

Hi Brian. Below is an update on the various items for SCBOCC. This continues to be a priority for us as we understand the importance. This also continues to be a challenge but we have made significant strides over the past two weeks as we have added additional resources to the project. The billing reports have consumed a great deal of development time but it appears that the work has been successful. To date, we have spent 122 hours of development time alone on this project. Total costs are approaching \$15,000. Nevertheless, we are committed to seeing this through to completion.

The BCBSFL has been delayed a great deal due to the apparent "once-a-week" window with BCBS. This is not what we typically experience with a carrier and continues to frustrate. I don't know how much of that you might wish to communicate to the client, but any assistance in getting them to respond more quickly would be a tremendous help.

As you know we have yet to charge a single dime for the work completed for SCBOCC. We hope this is not lost on them and also hope that it shows a strong commitment to their success on BeneWise.

I will check my email throughout the weekend, so if you need additional information, please don't hesitate to let me know. I will do all I can to help you.

Details:

1. BCBSFL 834 Medical File and Invoice Reconciliation - We are expecting the approval of this file for production today. BCBSFL moves files into the production environment on Thursdays. This will stabilize eligibility and Sumter BOCC will be able to use the automated invoice reconciliation process to reconcile the BCBSFL invoice on a monthly basis.
2. PBA is Sumter County FSA administrator. This file is in production for adds, terms and changes.
3. FCL Invoice Recon – We are waiting for an electronic copy of the invoice to complete the automation of this invoice.
4. Monthly Billing Reports
 - a. Group Health – We have worked through all the discrepancies and will be submitting the February invoice today for processing. The March invoice will be generated and processed in the normal processing time.
 - i. The March billing period will be the County's first opportunity, in real time, to use the new adjustment screens created for SCBOCC
 - b. Voluntary Term Life – November invoice has been distributed to all employers. This will be the benchmark to identify any discrepancies, if any. Any discrepancies found will be address this week and all monthly billing reports will be completed by the end of this coming week.
 - c. Allstate – This will be the focus this coming week. It is anticipated that all invoices through February will be distributed by the end of week.
 - d. FSA – The effective date of the County's FSA plans is January 1st. We will be focusing on January and February invoices this week. Since this is the first export of the FSA report there may a request for minor changes.

Great strides have been made in the last 2 weeks to work through discrepancies in these reports. It is anticipated that moving forward this process will be less labor intensive for SCBOCC. We are committed to ensuring the process is in accordance with the Sumter County's requirements.

5. Payroll Files – are automated to transmit to each employer on a monthly basis. We have been working diligently to ensure the format of the files are in accordance with the County’s requirements as well as to ensure the integrity of the data in the files.
6. Ceridian Exports – Sumter County’s COBRA administrator is Ceridian. We are working with Ceridian in an effort to automate the New Hire Notification process as well as COBRA eligibility process.
 - a. As the work on the Monthly Billing process winds down the focus is getting this process automated.
 - b. The target date for this is (??).

On a final note, creditability in BeneWise continues to grow as the administrators feel more confident in navigating the system and using it complete their daily tasks.

Thanks

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Principal

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