

SHERLOCK EXPENSE EVALUATION REPORT

2011 MEDICAID-ORIENTED PLANS EDITION **Volume II.A: Operational Metrics**

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Sales and Marketing	3
▪ <i>Includes analyses related to those functions of Rating and Underwriting, Marketing, Sales, Commissions (external) and Advertising and Promotion.</i>	
Enrollment / Membership / Billing	4
▪ <i>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.</i>	
Customer Services	5
▪ <i>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.</i>	
Provider Network Management and Services	6
▪ <i>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).</i>	
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▪ <i>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.</i>	
Information Systems	8
▪ <i>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.</i>	
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▪ <i>This provides in-depth analyses of various metrics of human resource, including staffing ratios, functional area compensation, the composition of compensation and statistics related to employment.</i>	

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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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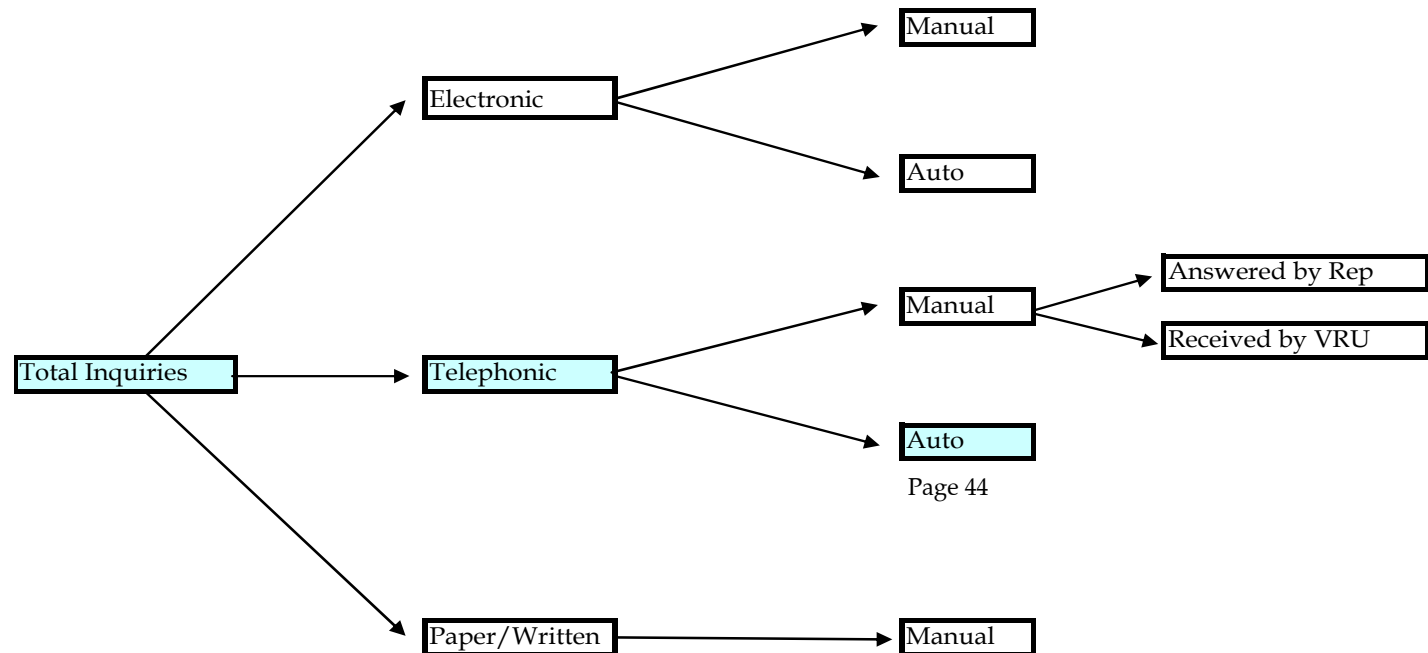
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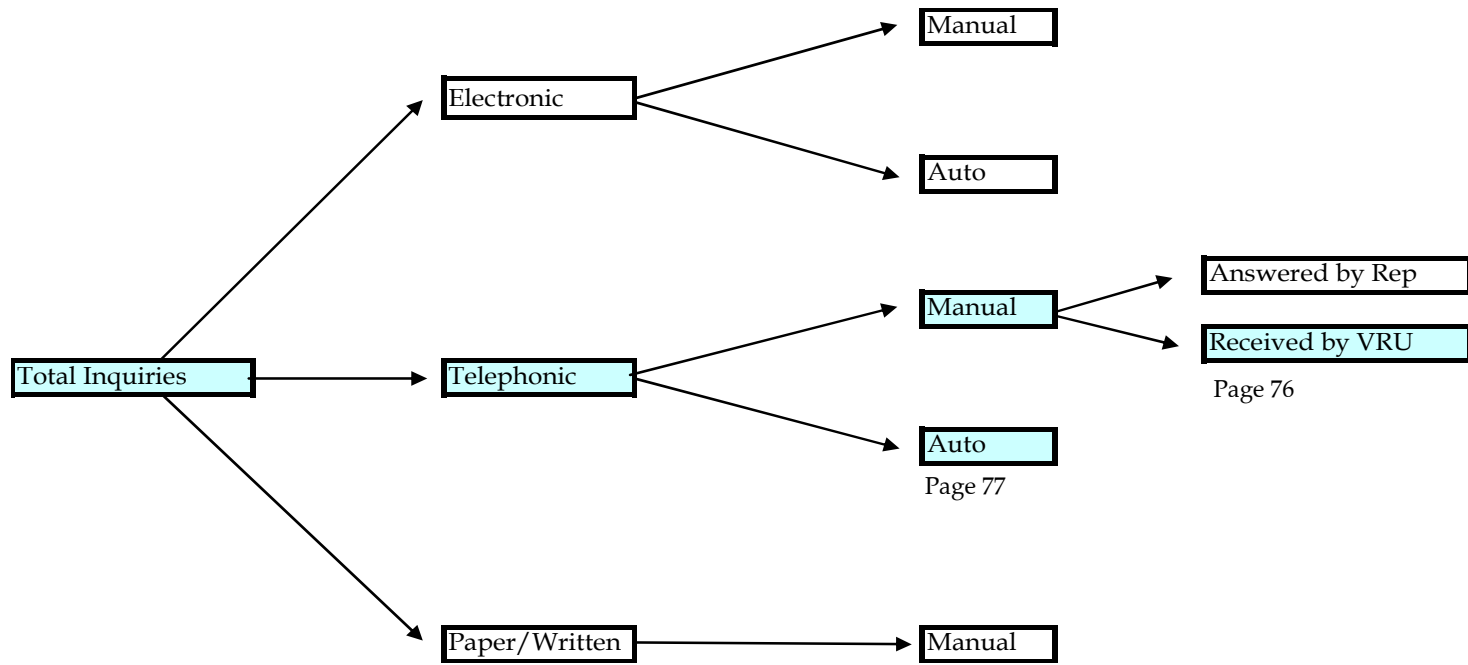
Provider Network Management & Services, continued

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Claims & Encounter Capture & Adjudication, continued

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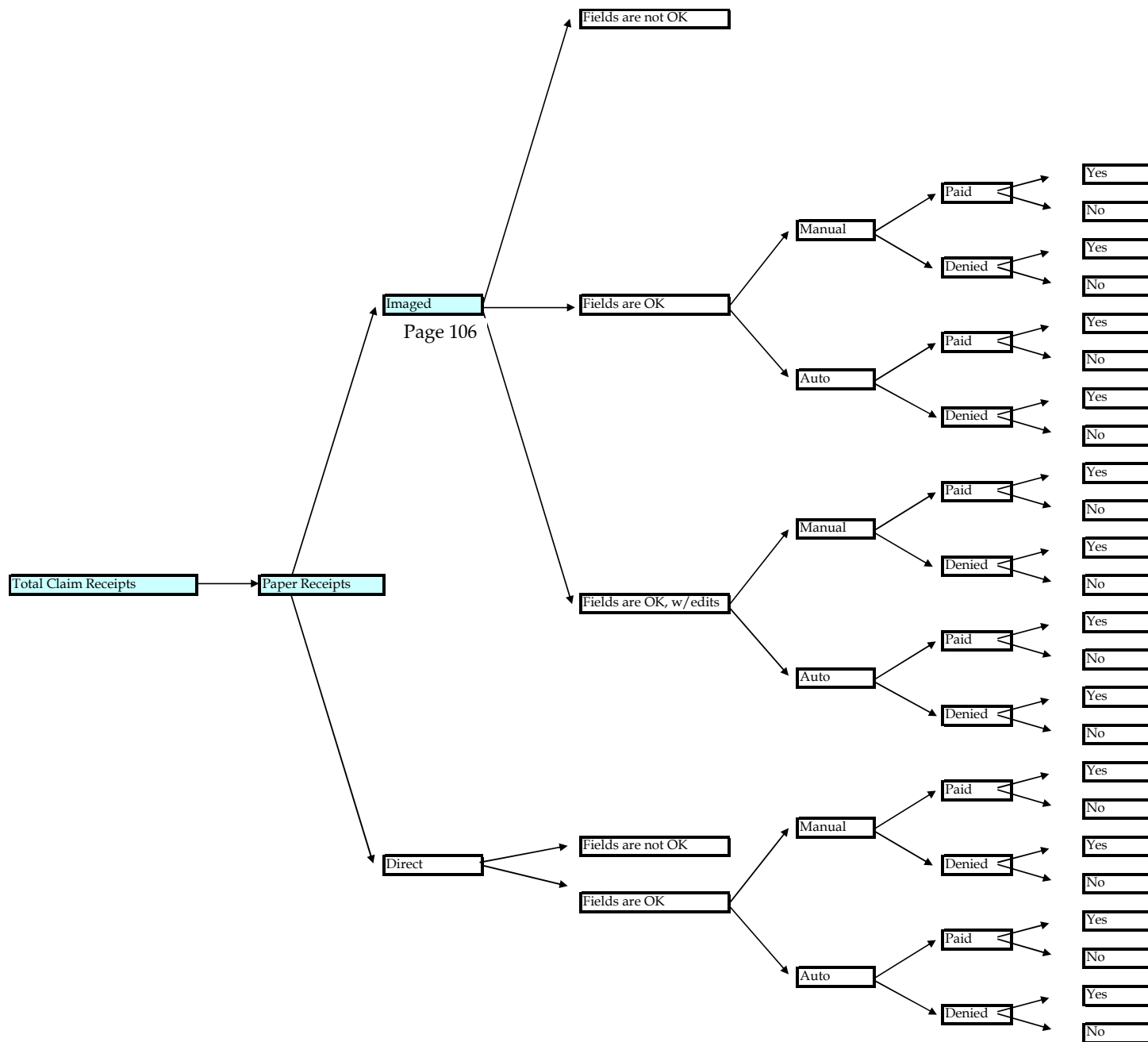
Claims & Encounter Capture & Adjudication, continued

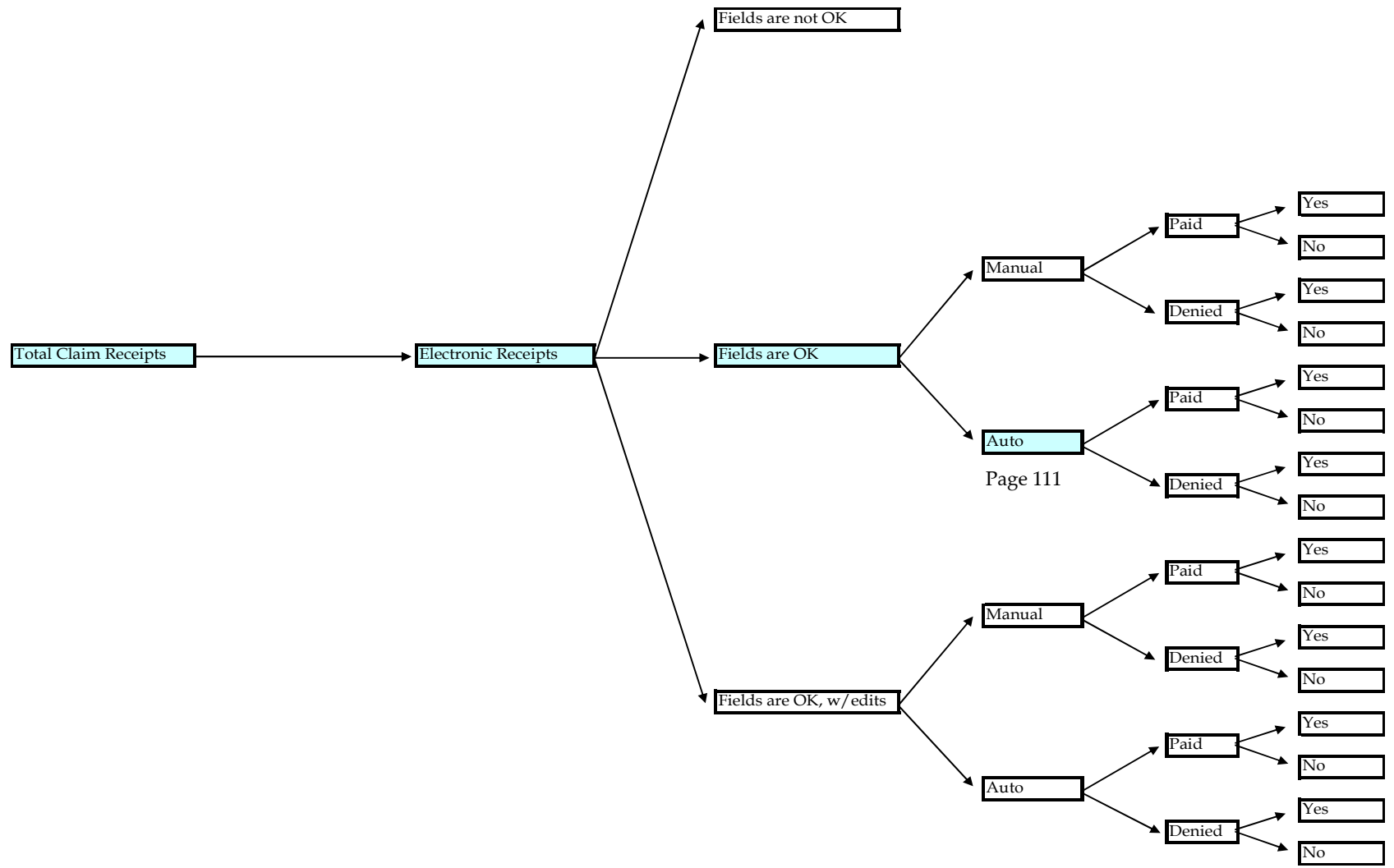
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