

Sherlock Company

Sherlock Benchmarks

Blue Cross Blue Shield Edition - 2026

Volume II

Operational Metrics

Confidential & Trade Secrets
Copyright © 2026 Sherlock Company. All Rights Reserved.

This Page Intentionally Left Blank.

SHERLOCK BENCHMARKS

Blue Cross Blue Shield Edition - 2026

Volume II: Operational Metrics



SHERLOCK COMPANY

August 2026

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 © 2026 Sherlock Company. All Rights Reserved. Photograph by Jay Fleming. Copyright © Jay Fleming.

This Page Intentionally Left Blank.

TABLE OF CONTENTS

Tab 1. Introduction and Background

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

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 (including Provider Configuration).

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 claim and settles claims with claimants in accordance with policy provisions and 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 and the costs to maintain security.

This Page Intentionally Left Blank.

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 sub-functions 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.

This Page Intentionally Left Blank.

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.

Metric	Page
Summary of Medians	3
Sales and Marketing	5
Provider Network Management & Services	6
Enrollment / Membership / Billing	7
Customer Services	8
Claim and Encounter Capture and Adjudication	9
Information Systems	10
Corporate Services	11
Human Resources	11
Legal	12
Facilities	12

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Tab 3

Sales and Marketing

	Metric	Page	Definition	Calculation
	Product Mix			
	Percentage Point Change in Mix of Membership	18		
	Sum of Absolute Values of Percentage Point Changes in Product Mix	18		
	Group and Membership Growth			
	Sources of Membership Growth			
	Total Membership Growth	19		
+	Membership Increase Due to Group Members	19		
=	Membership Increase Due to Individual Members	20		
	Sources of Membership Growth			
	Percent Change in Number of Groups	21		
x	Percent Change in Average Group Size	21		
=	Change in Group Membership	22		
+	Percent Change in Number of Individual Members	22		
=	Growth in Total Membership	23		
	Note: Individual Membership Increase as Percent of Total Increase or Decrease	23		
	Sources of Group Membership Growth			
	Membership Increase due to New Groups	24		
	Membership Decrease due to Lost Groups	24		
	Total Growth in Group Membership	25		
	Sources of Group Growth			
	Percent Change due to New Groups	25		
	Percent Change due to Groups Lost	26		
	Percent Change in Groups	26		
+	Note: Group Persistency Rate	27		
=	Note: Average Duration of Groups, Years	27		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Sales and Marketing

Metric	Page	Definition	Calculation
Importance and Characteristics			
All Distribution Systems			
Percent of Total Membership by Segment			
Individual	28		
Small Group	28		
Middle Market Group	29		
Large Group	29		
Percent of Total Groups by Segment			
Small Group	30		
Middle Market Group	30		
Large Group	31		
Average Group Size			
Small Group	31		
Middle Market Group	32		
Large Group	32		
Total, Including Individual	33		
Note: Average Group Size This Year, Unsegmented, Excluding Individuals	33		
Note: Average Size Last Year, Unsegmented, Excluding Individuals	34		
Broker Distribution System			
Percent of Members Sold Through Brokers			
Small Group	34		
Middle Market Group	35		
Large Group	35		
Total, Including Individual	36		
Percent of Groups Sold Through Brokers			
Small Group	36		
Middle Market Group	37		
Large Group	37		
Total, Including Individual	38		
Average Size of Broker Groups			
Small Group	38		
Middle Market Group	39		
Large Group	39		
Total, Including Individual	40		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Sales and Marketing

Metric	Page	Definition	Calculation
Importance and Characteristics			
Broker Distribution System (continued)			
Percent of Members Sold Through Brokers that are New			
Small Group	40		
Middle Market Group	41		
Large Group	41		
Total, Including Individual	42		
Percent of Groups Sold Through Brokers that are New			
Small Group	42		
Middle Market Group	43		
Large Group	43		
Total, Including Individual	44		
Average Duration of Broker Members, by Segment, in Years			
Small Group	44		
Middle Market Group	45		
Large Group	45		
Total, Including Individual	46		
Average Size of New Broker Groups			
Small Group	46		
Middle Market Group	47		
Large Group	47		
Total, Including Individual	48		
Percent of Broker Members, by Category of Group			
Small Group	48		
Middle Market Group	49		
Large Group	49		
Total, Including Individual	50		
Internal Distribution System			
Percent of Members Sold Internally			
Small Group	50		
Middle Market Group	51		
Large Group	51		
Total, Including Individual	52		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Sales and Marketing

Metric	Page	Definition	Calculation
Importance and Characteristics			
Internal Distribution System (continued)			
Percent of Groups Sold Internally			
Small Group	52		
Middle Market Group	53		
Large Group	53		
Total, Including Individual	54		
Average Size of Groups Sold Internally			
Small Group	54		
Middle Market Group	55		
Large Group	55		
Total, Including Individual	56		
Compensation			
Broker Distribution System			
Broker Commission Costs			
Broker Commissions per Broker Member per Month	57		
Broker Commissions as a Percent of Broker Premium Equivalents	57		
Internal Distribution System			
Sales and Marketing Costs, Excluding Commissions, per FTE	58		
Sales and Marketing FTEs per 10,000 Internally Sold Members	58		
Sales and Marketing Costs, Excluding Commissions, Per Internally Sold Member Per Month	58		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Sales and Marketing

	Metric	Page	Definition	Calculation
	Sales and Marketing Cost Summary			
	Total Distribution System			
	Final Quotes per Sales and Marketing FTE	58		
x	Groups per Final Quote	58		
=	Groups Sold Per Sales and Marketing FTE	58		
x	Average Group Size	58		
=	Group Members Sold per Total Sales FTE	58		
x	Sales and Marketing Costs per Total Sales FTE	58		
=	Sales and Marketing Costs per Group Member per Month	58		
	Internal Sales Force			
	Internally Sold Groups Per Sales FTE	59		
x	Average Internally Sold Group Size	59		
=	Internally Sold Group Members per Sales FTE	59		
x	Sales Costs per Sales FTE	59		
=	Sales Costs per Internally Sold Group Member per Month	59		
	Rating and Underwriting			
	Final Quotes per FTE	59		
x	Groups per Final Quote	59		
=	Groups per FTE	59		
x	Cost per Group	59		
=	Cost per FTE	59		
x	FTEs per 10,000 Group Members	59		
=	Cost per Group Member per Month	59		
	Staffing vs. Non-Labor			
	Sales and Marketing Total Non-Staffing Costs per Total FTE	60		
+	Sales and Marketing Total Staffing Costs per Total FTE	60		
=	Sales and Marketing Total Costs per Total FTE	60		
x	Sales and Marketing Total FTEs per 10,000 Members	60		
=	Sales and Marketing Cost per Member per Month	60		
	Percent of Sales and Marketing Costs that are Staffing	60		
	Percent of Sales and Marketing Costs that are Non-Staffing	60		
	Percent of Sales and Marketing Costs that are Outsourced	60		
	Percent of Sales and Marketing Staffing that is Outsourced	60		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

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	65		
x	Members per FTE	65		
=	Manual Inquiries per FTE per Year	65		
x	Provider Relations Services Cost per Manual Inquiry	65		
=	Provider Relations Services Cost per FTE	65		
x	FTEs per 10,000 Members	65		
=	Provider Relations Services Costs PMPM	65		
	Total Inquiries			
	Total Inquiries per Member	65		
x	Members per FTE	65		
=	Total Inquiries per FTE per Year	65		
x	Provider Relations Services Cost per Total Inquiry	65		
=	Provider Relations Services Cost per FTE	65		
x	FTEs per 10,000 Members	65		
=	Provider Relations Services Costs PMPM	65		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Provider Network Management and Services

	Metric	Page	Definition	Calculation
	Provider Relations Services Cost Summary (continued)			
	Staffing vs. Non-Labor			
	Provider Relations Services Total Non-Staffing Costs per Total FTE	66		
+	Provider Relations Services Total Staffing Costs per Total FTE	66		
=	Provider Relations Services Total Costs per Total FTE	66		
x	Provider Relations Services Total FTEs per 10,000 Members	66		
=	Provider Relations Services Cost per Member per Month	66		
	Percent of Provider Relations Services Costs that are Staffing	66		
	Percent of Provider Relations Services Costs that are Non-Staffing	66		
	Percent of Provider Relations Services Costs that are Outsourced	66		
	Percent of Provider Relations Services Staffing that is Outsourced	66		
	Inquiries			
	Inquiries per Member per Year, by Mode and Product			
	Manual			
	Manual Calls	67		
	Paper/Written Inquiries	67		
	Manual Electronic Inquiries	68		
	Total Manual Inquiries	68		
	Automated Calls	69		
	Total Provider Inquiries	69		
	Provider Services Inquiries per 100 Claims	70		
	Percent of Total Inquiries, by Mode and Product			
	Manual			
	Manual Calls	71		
	Paper/Written Inquiries	71		
	Manual Electronic Inquiries	72		
	Total Manual Inquiries	72		
	Automated Calls	73		
	Total Provider Inquiries	73		
	Percent of Total Calls Received that are Manual	74		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Provider Network Management and Services

Metric	Page	Definition	Calculation
Inquiries (continued)			
Product Mix of Inquiries			
Manual			
Manual Calls	75		
Paper/Written Inquiries	75		
Manual Electronic Inquiries	76		
Total Manual Inquiries	76		
Automated Calls	77		
Total Provider Inquiries	77		
Provider Portal			
Name and Vendor of Portal Used	78		
Percent of Contracted Providers with Portal Access	78		
Accessibility of Provider Services			
Average Speed of Answer (ASA), in Seconds	79		
ASA Service Level, at 30 seconds	79		
Abandonment Rate	80		
Handle Time, in Seconds	80		
Provider Appeals			
Percent of Appeals Adverse Decisions Overturned	81		
Percent of Appeals Adverse Decisions Upheld	81		
Appeals per 10,000 Members	82		
Appealed Claims			
Provider Appeals as a Percent of Total Claims	82		
Provider Appeals as a Percent of Denied Claims	83		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Provider Network Management and Services

Provider Contracting Metrics:

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

	Metric	Page	Definition	Calculation
	Provider Contracting Summary			
	Provider Contracts per 1,000 Members	84		
x	Members per Contracting FTE	84		
=	Provider Contracts per Contracting FTE	84		
x	Provider Contracting Cost per Provider Contracts	84		
=	Provider Contracting Cost per Contacting FTE	84		
x	Contracting FTE per 10,000 Members	84		
=	Provider Contracting Costs PMPM	84		
	Staffing vs. Non-Labor			
	Provider Contracting Total Non-Staffing Costs per Total FTE	84		
+	Provider Contracting Total Staffing Costs per Total FTE	84		
=	Provider Contracting Total Costs per Total FTE	84		
x	Provider Contracting Total FTEs per 10,000 Members	84		
=	Provider Contracting Cost per Member per Month	84		
	Percent of Provider Contracting Costs that are Staffing	84		
	Percent of Provider Contracting Costs that are Non-Staffing	84		
	Percent of Provider Contracting Costs that are Outsourced	84		
	Percent of Provider Contracting Staffing that is Outsourced	84		
	Number of Provider Contracts			
	Provider Contracts by 1,000 Members			
	Primary Care Physicians	85		
	Professional Specialists	85		
	Facility	85		
	Ancillary	85		
	Total	85		
	Percent of Provider Contracts by Type			
	Primary Care Physicians	85		
	Professional Specialists	85		
	Facility	85		
	Ancillary	85		
	Total	85		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Tab 5

Enrollment / Membership / Billing

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

	Metric	Page	Definition	Calculation
	Enrollment Cost Summary			
	Manual Transactions			
	Manual Member Transactions per Member	91		
x	Members per FTE	91		
=	Manual Member Transactions per FTE per Year	91		
x	Enrollment Cost per Manual Member Transaction	91		
=	Costs per FTE	91		
x	FTEs per 10,000 Members	91		
=	Costs per Member per Month	91		
	Total Transactions			
	Total Transactions per Member	91		
x	Members per FTE	91		
=	Total Transactions per FTE per Year	91		
x	Enrollment Cost per Total Transaction	91		
=	Costs per FTE	91		
x	FTEs per 10,000 Members	91		
=	Costs per Member per Month	91		
	Staffing vs. Non-Labor			
	Enrollment Total Non-Staffing Costs per Total FTE	91		
+	Enrollment Total Staffing Costs per Total FTE	91		
=	Enrollment Total Costs per Total FTE	91		
x	Enrollment Total FTEs per 10,000 Members	91		
=	Enrollment Cost per Member per Month	91		
	Percent of Enrollment Costs that are Staffing	91		
	Percent of Enrollment Costs that are Non-Staffing	91		
	Percent of Enrollment Costs that are Outsourced	91		
	Percent of Enrollment Staffing that is Outsourced	91		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Enrollment / Membership / Billing

Metric	Page	Definition	Calculation
Transaction Processing			
Member Transactions per Member			
Manual			
Electronic Transactions Requiring Manual Intervention	92		
All Other Manual	92		
Total Manual Transactions	93		
Automated			
Direct to System	93		
Received on a File	94		
Total Automated Electronic	94		
Total Member Transactions	95		
Composition of Total Member Transactions			
Manual			
Electronic Transactions Requiring Manual Intervention	96		
All Other Manual	96		
Total Manual Transactions	97		
Automated			
Direct to System	97		
Received on a File	98		
Total Automated Electronic	98		
Total Member Transactions	99		
Note: Percent of Member Transactions Submitted Electronically that Require Manual Intervention	99		
Average Enrollment Processing Days			
Group	100		
Members	100		
Average Enrollment Processing Days			
Group	101		
Members	101		
ID Cards			
Number of Cards Issued per Member	102		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Enrollment / Membership / Billing

Metric	Page	Definition	Calculation
Demographics			
Percent of Membership in the Following Age Categories			
< 21	103		
21 - 29	103		
30 - 34	103		
35 - 39	103		
40 - 44	103		
< 45 (sum of above)	103		
45 - 49	103		
50 - 54	103		
55 - 59	103		
60 - 65	103		
> 65	103		
Total	103		
Group and Membership Characteristics Affecting Total Transactions			
Percent Change in Number of Groups	104		
Percent Change in Number of Individual Members	105		
Average Size of Group, Including Individuals	105		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

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	111		
x	Members per FTE	111		
=	Manual Inquiries per FTE per Year	111		
x	Customer Service Cost per Manual Inquiry	111		
=	Costs per FTE	111		
x	FTEs per 10,000 Members	111		
=	Costs per Member per Month	111		
	Staffing vs. Non-Labor			
	Customer Services Total Non-Staffing Costs per Total FTE	111		
+	Customer Services Total Staffing Costs per Total FTE	111		
=	Customer Services Total Costs per Total FTE	111		
x	Customer Services Total FTEs per 10,000 Members	111		
=	Customer Services Cost per Member per Month	111		
	Percent of Customer Services Costs that are Staffing	111		
	Percent of Customer Services Costs that are Non-Staffing	111		
	Percent of Customer Services Costs that are Outsourced	111		
	Percent of Customer Services Staffing that is Outsourced	111		
	Inquiries			
	Inquiries per Member per Year, by Mode and Product			
	Manual			
	Manual Calls	112		
	Paper/Written Inquiries	112		
	Manual Electronic Inquiries	113		
	Total Manual Inquiries	113		
	Automated Calls	114		
	Total Member Inquiries	114		
	Customer Services Inquiries per 100 Claims	115		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Customer Services

Metric	Page	Definition	Calculation
Inquiries (continued)			
Percent of Total Inquiries, by Mode and Product			
Manual			
Manual Calls	116		
Paper/Written Inquiries	116		
Manual Electronic Inquiries	117		
Total Manual Inquiries	117		
Automated Calls	118		
Total Member Inquiries	118		
Percent of Total Calls Received that are Manual	119		
Product Mix of Inquiries			
Manual			
Manual Calls	120		
Paper/Written Inquiries	120		
Manual Electronic Inquiries	121		
Total Manual Inquiries	121		
Automated Calls	122		
Total Member Inquiries	122		
Reasons for Inquiries Per Member Per Year, by Product			
Benefits	123		
Eligibility	123		
Claims Status	124		
Provider Check	124		
Billing & ID Cards	125		
Complaints / Grievances	125		
Other	126		
Total Inquiries	126		
Reasons for Inquiries as a Percent of Total Inquiries			
Benefits	127		
Eligibility	127		
Claims Status	128		
Provider Check	128		
Billing & ID Cards	129		
Complaints / Grievances	129		
Other	130		
Total Inquiries	130		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Customer Services

Metric	Page	Definition	Calculation
Call Center			
Average Speed of Answer (ASA)	131		
ASA Service Level, at 30 Seconds	131		
Abandonment Rate	132		
Handle Time in Seconds	132		
Quality			
Customer Service Inquiry Accuracy	133		
Member Appeals			
Percent of Appeals Adverse Decisions Overturned	134		
Percent of Appeals Adverse Decisions Upheld	134		
Appeals per 10,000 Members	135		
Appealed Claims			
Number of Appeals as a Percent of Total Claims	136		
Number of Appeals as a Percent of Denied Claims	136		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Tab 7

Claim and Encounter Capture and Adjudication

	Metric	Page	Definition	Calculation
	Claims Cost Summary			
	Suspended Claims			
	Suspended Claims per Member	141		
x	Members per FTE	141		
=	Suspended Claims Processed per FTE per Year	141		
x	Cost per Suspended Claim	141		
=	Costs per FTE	141		
x	FTEs Per 10,000 Members	141		
=	Costs per Member Per Month	141		
	Total Claims			
x	Claims Processed Per Member	141		
=	Members Per FTE	141		
x	Claims Processed Per FTE Per Year	141		
=	Cost per Claims Processed	141		
x	Costs Per FTE	141		
=	FTEs Per 10,000 Members	141		
	Costs Per Member Per Month	141		
	Staffing vs. Non-Labor			
	Claims Processing Total Non-Staffing Costs per Total FTE	141		
+	Claims Processing Total Staffing Costs per Total FTE	141		
=	Claims Processing Total Costs per Total FTE	141		
x	Claims Processing Total FTEs per 10,000 Members	141		
=	Claims Processing Cost per Member per Month	141		
	Percent of Claims Processing Costs that are Staffing	141		
	Percent of Claims Processing Costs that are Non-Staffing	141		
	Percent of Claims Processing Costs that are Outsourced	141		
	Percent of Claims Processing Staffing that is Outsourced	141		
	Volume of Claims			
	Claims Received			
	Total Receipts Per Member Per Year	142		
	Total Receipts Rejected Per Member Per Year	142		
	Total Rejected Receipts as a Percent of Total Receipts	143		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Claim and Encounter Capture and Adjudication (continued)

Metric	Page	Definition	Calculation
Volume of Claims (continued)			
Processed Claims			
Paper Claims Processed Per Member Per Year	144		
Paper Claims Processed as a Percent of Total Claims	144		
Electronic Claims Processed Per Member Per Year	145		
Electronic Claims Processed as a Percent of Total Claims	145		
Total Claims Processed Per Member Per Year	146		
Total Claims Processed as a Percent of Total Receipts	146		
Cost per Processed Claim	147		
Autoadjudicated Claims			
Paper Claims Autoadjudicated Per Member Per Year	148		
Paper Auto-Adjudication Rate	148		
Paper Claims Autoadjudicated as Percent of Total Claims Autoadjudicated	149		
Electronic Claims Autoadjudicated Per Member Per Year	149		
Electronic Autoadjudication Rate	150		
Electronic Claims Autoadjudicated as Percent of Total Claims Autoadjudicated	150		
Total Claims Autoadjudicated Per Member Per Year	151		
Total Claims Auto-Adjudication Rate	151		
Suspended Claims (Claims Requiring Manual Intervention)			
Paper Claims Suspended Per Member Per Year	152		
Paper Suspension Rate	152		
Electronic Claims Suspended Per Member Per Year	153		
Electronic Suspension Rate	153		
Total Claims Suspended Per Member Per Year	154		
Total Suspension Rate	154		
Cost per Suspended Claim	155		
Adjusted Claims			
Total Claims Adjusted Per Member Per Year	156		
Total Adjustment Rate	156		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Claim and Encounter Capture and Adjudication (continued)

Metric	Page	Definition	Calculation
Volume of Claims (continued)			
Denials			
Denied Claims Per Member Per Year	157		
Denied Claims Rate	157		
Paid Claims Per Member Per Year	158		
Paid Claims Rate	158		
Claims Processing Steps, Percent of Previous			
Total Claims Processed, PMPY	159		
Denied Claims	159		
Total Appeals	160		
Overturned	160		
Upheld	161		
Percent of Claims by Business Line			
Local	162		
BlueCard Host	162		
NASCO	163		
FEP	163		
Government / Public	164		
Total Claims Processed	164		
Speed of Processing			
Average Inventory in Days	165		
Average Claims Inventory as a Percent of Total Claims Processed	166		
Percent of Claims Processed Within the Following Days of Receipt:			
0 - 14 days	166		
15 - 30 days	166		
31 - 60 days	166		
> 60 days	166		
Total	166		
Quality			
Dollar Accuracy Percent	167		
Frequency Accuracy Percent	167		
Interest Paid per Claim Processed	168		
Interest Paid as a Percent of Total Health Benefits	168		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Tab 8

Information Systems

	Metric	Page	Definition	Calculation
	Information Systems Cost Summary			
	Total FTEs per IS FTE	171		
x	IS Costs per Total FTE	171		
=	IS Costs per IS FTE	171		
x	IS FTEs per 10,000 Members	171		
=	Cost per Member per Month	171		
	Internal vs. Outsourced FTE Costs			
	Internal IS Expenses per Internal FTE	171		
	Outsourced IS Expenses per Outsourced FTE	171		
	Staffing vs. Non-Labor			
	Information Systems Total Non-Staffing Costs per Total FTE	171		
+	Information Systems Total Staffing Costs per Total FTE	171		
=	Information Systems Total Costs per Total FTE	171		
x	Information Systems Total FTEs per 10,000 Members	171		
=	Information Systems Cost per Member per Month	171		
	Percent of Information Systems Costs that are Staffing	171		
	Percent of Information Systems Costs that are Non-Staffing	171		
	Percent of Information Systems Costs that are Outsourced	171		
	Percent of Information Systems Staffing that is Outsourced	171		
	Total Information Systems Costs, Natural Accounting Categories			
	Per Member Per Month			
	(a) Internal Employees, Including Travel and Training	172		
	(b) Outsourced Employees and Contractors	172		
	(c) Consultants	172		
	(d) Hardware Depreciation and Maintenance	172		
	(e) Software Amortization and Maintenance	172		
	(f) Other Information Systems	172		
	Total Information Systems Expenses	172		
	Percent of Premium Equivalents			
	(a) Internal Employees, Including Travel and Training	172		
	(b) Outsourced Employees and Contractors	172		
	(c) Consultants	172		
	(d) Hardware Depreciation and Maintenance	172		
	(e) Software Amortization and Maintenance	172		
	(f) Other Information Systems	172		
	Total Information Systems Expenses	172		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Information Systems

Metric	Page	Definition	Calculation
Total Information Systems Costs, Natural Accounting Categories (continued)			
Percent of Total Information Systems Costs			
(a) Internal Employees, Including Travel and Training	172		
(b) Outsourced Employees and Contractors	172		
(c) Consultants	172		
(d) Hardware Depreciation and Maintenance	172		
(e) Software Amortization and Maintenance	172		
(f) Other Information Systems	172		
Total Information Systems Expenses	172		
Internal Help Desk			
Average Speed to Answer, Seconds	173		
Call Abandonment Rate	173		
Average Handle Time, Seconds	173		
First Call Resolution Rate	173		
Inquiries per Helpdesk FTE per Year, by Type			
Phone	173		
Online	173		
Total Inquiries	173		
Inquiries per Total FTE per Year, by Type			
Phone	173		
Online	173		
Total Inquiries	173		
Percent of Total Help Desk Inquiries by Type			
Phone	173		
Online	173		
Total Inquiries	173		
Total FTEs per Helpdesk FTE	173		
Helpdesk FTEs per 10,000 Members	173		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

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, Mailroom, Legal and Human Resources. This tab includes metrics of these subfunctions plus those of Finance and Accounting.

	Metric	Page	Definition	Calculation
	Corporate Services Function			
	Corporate Services Cost Summary			
	Total FTEs per Corporate Service FTEs	181		
x	Corporate Services Costs per Total FTE	181		
=	Cost of Corporate Services per FTE	181		
x	Corporate Services FTEs per 10,000 Members	181		
=	Corporate Services Cost per Member per Month	181		
	Staffing vs. Non-Labor			
	Corporate Services Function Total Non-Labor Cost per Total FTE	181		
+	Corporate Services Function Total Staffing Costs per Total FTE	181		
=	Corporate Services Function Total Costs per Total FTE	181		
x	Corporate Services Function Total FTEs per 10,000 Members	181		
=	Corporate Services Function Cost per Member per Month	181		
	Percent of Corporate Services Function Costs that are Staffing	181		
	Percent of Corporate Services Function Costs that are Non-Labor	181		
	Percent of Corporate Services Function Costs that are Outsourced	181		
	Percent of Corporate Services Function Staffing that is Outsourced	181		
	Human Resources			
	Span of Control			
	Middle Management to Top Management	182		
	Managers to Middle Management	182		
	Supervisors to Managers	182		
	Staff to Supervisors	182		
	Total Employees to Top Management	182		
	Employees Other than Top Management to Top Management	182		
	Middle Management, Managers and Supervisors to Top	182		
	Staff to Middle Management, Managers and Supervisors	182		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Corporate Services Cluster

Metric	Page	Definition	Calculation
Human Resources, continued			
EEO-1 Job Categories as a Percent of Total Employees			
Managerial	182		
Professional	182		
Clerical	182		
Technical	182		
Sales Worker	182		
Service Worker	182		
Laborer	182		
Craft Worker	182		
Operatives Worker	182		
Total Employees	182		
Turnover			
Recruitment Costs and Frequencies			
External Hires Percent Total Hires	183		
Internal Hires Percent Total Hires	183		
Days to Fill, External Hires	183		
Days to Fill, Internal Hires	183		
Employee Separations			
Voluntary Separations Percent of Total	183		
Involuntary Separations Percent of Total	183		
Retirements Percent of Total	183		
Other Separations Percent of Total	183		
Total Turnover	183		
Retention	183		
PTO			
PTO Days Based on Years of Employment			
1 year	184		
3 years	184		
5 years	184		
10 years	184		
15 years	184		
20 years	184		
25 years	184		
Total	184		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Corporate Services Cluster

	Metric	Page	Definition	Calculation
	Human Resources, continued			
	PTO, continued			
	Percent of Employees Based on Years of Employment			
	1 year	184		
	3 years	184		
	5 years	184		
	10 years	184		
	15 years	184		
	20 years	184		
	25 years	184		
	Total	184		
	Does your plan offer a PTO system?	184		
	Human Resources Cost Summary			
	HR Costs per Total FTE	185		
x	Total FTEs per HR FTE	185		
=	HR Costs per HR FTE	185		
x	HR FTEs per 10,000 Members	185		
=	HR Cost per Member per Month	185		
	Staffing vs. Non-Labor			
	Human Resources Non-Labor Costs per Human Resources FTE	185		
+	Human Resources Staffing Costs per Human Resources FTE	185		
=	Human Resources Costs per Human Resources FTE	185		
x	Human Resources FTEs per 10,000 Members	185		
=	Cost per Member per Month	185		
	Percent of Human Resources Costs that are Non-Labor	185		
	Percent of Human Resources Costs that are Staffing	185		
	Percent of Human Resources Costs that are Outsourced	185		
	Percent of Staff that is Outsourced	185		
	Employee Tenure			
	Percent of Employees With Less Than One Year of Tenure	186		
	Percent of Employees With One to Five Years of Tenure	188		
	Percent of Employees With Six to Ten Years of Tenure	190		
	Percent of Employees With More Than Ten Years of Tenure	192		
	Average Employee Duration in Years	194		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Corporate Services Cluster

	Metric	Page	Definition	Calculation
	Legal			
	Staffing vs. Non-Labor			
	Legal Non-Labor Cost per Legal FTE	196		
+	Legal Staffing Costs per Legal FTE	196		
=	Legal Costs per Legal FTE	196		
x	Legal FTEs per 10,000 Members	196		
=	Cost per Member per Month	196		
	Percent of Legal Costs that are Non-Labor	196		
	Percent of Legal Costs that are Staffing	196		
	Percent of Legal Costs that are Outsourced	196		
	Percent of Legal Staff that is Outsourced	196		
	Normal Business vs. Outside Litigation Costs			
	Per Member Per Month			
	Normal Business Legal Costs	196		
	Outside Litigation Costs	196		
	Total 14 (b) Legal costs	196		
	Percent of Premiums and Fees			
	Normal Business Legal Costs	196		
	Outside Litigation Costs	196		
	Total 14 (b) Legal costs	196		
	Percent of Total Legal Costs			
	Normal Business Legal Costs	196		
	Outside Litigation Costs	196		
	Total 14 (b) Legal costs	196		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Corporate Services Cluster

	Metric	Page	Definition	Calculation
	Facilities			
	Facilities Cost Summary			
	Facilities Costs per Total FTE	197		
x	Total FTEs per Facilities FTE	197		
=	Facilities Costs per Facilities FTE	197		
x	Facilities FTEs per 10,0000 Members	197		
=	Facilities Costs per Member per Month	197		
	Facilities Cost Summary - On-Site or Internal FTEs Only			
	Facilities Costs per Total FTE	197		
x	Total FTEs per Facilities FTE	197		
=	Facilities Costs per Facilities FTE	197		
x	Facilities FTEs per 10,0000 Members	197		
=	Facilities Costs per Member per Month	197		
	Staffing vs. Non-Labor			
	Total Non-Staffing Costs per Total FTE	198		
+	Total Staffing Costs per Total FTE	198		
=	Total Costs per Total FTE	198		
x	Total FTEs per 10,000 Members	198		
=	Cost per Member per Month	198		
	Percent of Facilities Costs that are Staffing	198		
	Percent of Facilities Costs that are Non-Labor	198		
	Percent of Facilities Costs that are Outsourced	198		
	Percent of Facilities Staff that is Outsourced	198		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

Corporate Services Cluster

	Metric	Page	Definition	Calculation
	Purchasing			
	Staffing vs. Non-Labor			
	Purchasing Non-Labor Cost per Purchasing FTE	199		
+	Purchasing Staffing Costs per Purchasing FTE	199		
=	Purchasing Costs per Purchasing FTE	199		
x	Purchasing FTEs per 10,000 Members	199		
=	Cost per Member per Month	199		
	Percent of Purchasing Costs that are Non-Labor	199		
	Percent of Purchasing Costs that are Staffing	199		
	Percent of Purchasing Costs that are Outsourced	199		
	Percent of Purchasing Staff that is Outsourced	199		
	Total Non-Labor Costs per Total Total Purchasing Costs	199		
	Subtotal Non-Labor Costs to Total Purchasing FTEs	199		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

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	203		
x	Members per FTE	203		
=	Chart Reviews per FTE per Year	203		
x	Cost per Chart Review	203		
=	Costs per FTE	203		
	FTEs per 10,000 Members	203		
	Costs per Member per Month	203		
	Staffing vs. Non-Labor - Risk Adjustment			
	Risk Adjustment Non-Labor Cost per Total FTE	203		
+	Risk Adjustment Total Staffing Costs per Total FTE	203		
=	Risk Adjustment Total Costs per Total FTE	203		
x	Risk Adjustment Total FTEs per 10,000 Members	203		
=	Risk Adjustment Cost per Member per Month	203		
	Percent of Risk Adjustment Costs that are Staffing	203		
	Percent of Risk Adjustment Costs that are Non-Labor	203		
	Percent of Risk Adjustment Costs that are Outsourced	203		
	Percent of Risk Adjustment Staffing that is Outsourced	203		
	Number of Chart Reviews			
	Per 1,000 Members			
	Internal	204		
	Outsourced	204		
	Total	205		
	Percent of Charts Subject to Multiple Passes			
	Internal	205		
	Outsourced	206		
	Total	206		
	Percent of Charts Reviews: Internal vs. Outsourced			
	Internal	207		
	Outsourced	207		
	Total	208		

COPYRIGHT © 2026 SHERLOCK COMPANY. ALL RIGHTS RESERVED. CONFIDENTIAL AND TRADE SECRETS.

SHERLOCK BENCHMARKS

Blue Cross Blue Shield Edition - 2026

Volume II – Operational Metrics

