

# VHC Premium Processing

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February 10, 2016

**We'll see you through.**



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# What's important to customers:

- Accurate and reliable billing process
- Timely payment posting and remittance to health plans
- Reasonable business rules
- Accurate delinquency “status”

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# Customer Feedback:

- Don't receive bills
- Bills are incorrect
- Payments “lost” or not posted timely
- Untimely refunds
- Coverage cancelled for non-payment when all bills have been paid
- Unreasonable business rules

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# Impacts of System's Current Functionality

- Downstream impacts of customer billing and payment problems - health plans do not consistently receive premiums for coverage provided to customers. BCBSVT currently has \$3.8 million in premiums receivable from 2015.
- Financial controls insufficient
- System integration issues between Benaissance and VHC have created periodic disruptions weekly premium remittances to BCBSVT, and large recoupments of premiums previously remitted.

# Summary

- Transfer of billing and payment responsibility to health plans, without resolving underlying VHC technology problems and control gaps, would only transfer the problem, not solve it.
  - While there is complexity in the current process, complexity is not the driver of current problems
  - If underlying systems functioned properly, and appropriate controls were in place, current processes could function effectively.
- Financial controls must be implemented which are suitable for such a significant cash flow stream: \$75 million/year (BCBSVT-only).
- We support the analysis currently underway between VHC and Benaissance to identify root cause issues with data integration; and encourage quick action to address root causes.