

State Employees' Insurance Board

AGREED-UPON PROCEDURES

December 31, 2016



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Board of Directors
State Employees' Insurance Board
Montgomery, Alabama

We have performed the procedures, as described in the supplement to this report, which were agreed to by the State Employees' Insurance Board's (SEIB) management, solely to assist you with respect to evaluating the information in the Blue Cross Blue Shield (BCBS) performance guarantee reports provided to the State Employees' Health Insurance Plan (SEHIP) for the period January 1, 2016 through December 31, 2016. SEIB's management is responsible for the criteria against which the BCBS performance guarantee reports can be evaluated. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described in the supplement to this report either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are described in the supplement to this report.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the BCBS performance guarantee reports. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the SEIB and is not intended to be and should not be used by anyone other than those specified parties.

Carr, Riggs & Ingram, L.L.C.

Montgomery, Alabama
March 10, 2017

State Employees' Insurance Board
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Procedures	Results / Findings SEHIP
I. Medical and Dental Performance Guarantees	
<p>A. Claims Processing Timeliness</p> <p>We reviewed the monthly SEIB specific claims timeliness reports generated by the BCBS Plan Performance Auditors (BCBS internal audit function) for selected months and recalculated the quarter to date amounts reported on the third quarter 2016 performance reports for SEHIP without further verification of the underlying data.</p>	<p>Reviewed 2016 reports. No exceptions noted.</p>
<p>B. Claims Processing Accuracy</p> <p>We reviewed the weekly SEIB specific claims sample testing results generated by the BCBS Plan Performance Auditors for selected months and recalculated the quarter to date amounts reported on the third quarter 2016 performance reports for SEHIP without further verification of the underlying data.</p>	<p>Reviewed 2016 reports. No exceptions noted.</p>
<p>C. Financial Accuracy</p> <p>We reviewed the weekly SEIB specific claims sample testing results generated by the BCBS Plan Performance Auditors for selected months and recalculated the quarter to date amounts reported on the third quarter 2016 performance reports for SEHIP without further verification of the underlying data.</p>	<p>Reviewed 2016 reports. No exceptions noted.</p>

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Procedures	Results / Findings SEHIP
D. Member Satisfaction We requested a copy of the most recent annual Medical and Dental Member Satisfaction Survey for 2016 to verify it was performed.	No exceptions noted.
E. Account Management Satisfaction We inquired of SEIB management to verify that the annual Medical and Dental Account Management Satisfaction Survey was performed for 2016.	No exceptions noted.
F. Customer Service - Average Speed to Answer We reviewed the monthly testing results substantiated by reports from the BCBS phone system for selected months for the average speed to answer phone calls and recalculated the quarter to date amounts reported on the first and third quarter 2016 performance reports for SEHIP without further verification of the underlying data.	Reviewed 2016 reports. No exceptions noted.
G. Customer Service - Abandonment Rate We reviewed the monthly testing results substantiated by reports from the BCBS phone system for selected months for the percentage of abandoned calls and recalculated the quarter to date amounts reported on the third quarter 2016 performance reports for SEHIP without further verification of the underlying data.	Reviewed 2016 reports. No exceptions noted.

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Procedures	Results / Findings SEHIP
<p>H. Report Production</p> <p>We inquired of SEIB management to verify that the monthly reporting packages were received within 45 days.</p>	<p>Reviewed 2016 reports. No exceptions noted.</p>
II. Pharmacy Performance Guarantees	
<p>A. System Availability</p> <p>We reviewed the monthly reporting generated by Prime Therapeutics for selected months and recalculated the quarter to date amounts reported on the third quarter 2016 performance reports for SEHIP without further verification of the underlying data.</p>	<p>Reviewed 2016 reports. No exceptions noted.</p>
<p>B. Claims Processing Accuracy</p> <p>We reviewed the weekly SEIB specific claims sample testing results generated by the BCBS Plan Performance Auditors for selected months and recalculated the quarter to date amounts reported on the third quarter 2016 performance reports for SEHIP without further verification of the underlying data.</p>	<p>Reviewed 2016 reports. No exceptions noted.</p>

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Procedures	Results / Findings SEHIP
<p>C. Customer Service - Average Speed to Answer We reviewed the monthly testing results substantiated by reports from the BCBS phone system for selected months for the average speed to answer phone calls and recalculated the quarter to date amounts reported on the third quarter 2016 performance reports for SEHIP without further verification of the underlying data.</p>	<p>Reviewed 2016 reports. Second quarter goal not met per review of the information provided by BCBS. However, as of the third quarter, the year to date performance was met.</p>
<p>D. Customer Service - Abandonment Rate We reviewed the monthly testing results substantiated by reports from the BCBS phone system for selected months for the percentage of abandoned calls and recalculated the quarter to date amounts reported on the third quarter 2016 performance reports for SEHIP without further verification of the underlying data.</p>	<p>Reviewed 2016 reports. No exceptions noted.</p>
<p>E. Response to Member Written Inquiries We reviewed the monthly SEIB specific inquiry timeliness reports generated by the BCBS Plan Performance Auditors for selected months and recalculated the third quarter 2016 performance reports for SEHIP without further verification of the underlying data.</p>	<p>Reviewed 2016 reports. No exceptions noted.</p>

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Procedures	Results / Findings SEHIP
<p>F. Initial Contact Resolution</p> <p>We reviewed the monthly SEIB specific inquiry timeliness reports generated by the BCBS Plan Performance Auditors for selected months and recalculated the third quarter 2016 performance reports for SEHIP without further verification of the underlying data.</p>	<p>Reviewed 2016 reports. No exceptions noted.</p>
<p>G. Eligibility Processing Timeliness</p> <p>We reviewed the monthly results of the BCBS Eligibility Process Notification for selected months and recalculated the quarter to date amounts reported on the third quarter 2016 performance reports for SEHIP without further verification of the underlying data.</p>	<p>Reviewed 2016 reports. No exceptions noted.</p>
<p>H. ID Card Production</p> <p>We reviewed the monthly SEIB specific sample by the Plan Performance Auditors for selected months and recalculated the quarter to date amounts reported on the third quarter 2016 performance reports for SEHIP without further verification of the underlying data.</p>	<p>Reviewed 2016 reports. No exceptions noted.</p>
<p>I. Report Timeliness</p> <p>We inquired of SEIB management to verify that the monthly reporting packages were received within 45 days.</p>	<p>Reviewed 2016 reports. No exceptions noted.</p>

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Procedures	Results / Findings
	SEHIP
J. Account Management Satisfaction We inquired of SEIB management to verify that the annual Pharmacy Account Management Satisfaction Survey was performed for 2016.	No exceptions noted.
K. Member Satisfaction Survey We requested a copy of the most recent annual Pharmacy Member Satisfaction Survey for 2016 to verify it was performed.	No exceptions noted.

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