# Contract and Benefit Implementation Update

Board of Trustees Meeting

January 27, 2017

A Division of the Department of State Treasurer

Implementation Update: New Contracts & Benefits

Implementation	Current Status	Objectives	Issues At Go-Live
CVS Enrollment BF ⟶ CVS	🟩	• All members accurately enrolled and able to pick up prescriptions on January 1 • Daily enrollment change files accurately maintaining enrollment	• Multiple defects impacting several hundred members • Impacted members are being updated manually until all fixes are implemented • BF processes were not aligned which was causing a one-day delay sending new enrollment information to CVS
Deductible/OOPs CVS ⇄ BCBSNC	🟨	• Deductibles and out-of-pocket (OOP) cross accumulate appropriately in both CVS and BCBSNC systems	• By day two of Go-Live, BCBSNC identified an issue that turned out to be an enrollment issue related to split contracts. This defect was fixed by the end of week one. • CVS is not adjudicating Tier 6 claims which is negatively impacting the Ded/OOP accumulations
Deductible/OOPs CVS ⇄ Medcost	🟩	• Deductibles and out-of-pocket cross accumulate appropriately in both CVS and BCBSNC systems	• None
Health Engagement Program Expansion: **Rival Health** BF ⟶ Rival Health	🟨	• CDHP members would be set up at RivalHealth and able to enroll in the RivalHealth benefit on January 1	• RivalHealth, a BCBSNC subcontractor, did not map EDI appropriately; therefore, these members were not able to enroll

Implementation Update: New Contracts & Benefits

Implementation	Current Status	Objectives	Issues At Go-Live
New Plan Design Features BCBSNC	🟢	• All new copays, deductibles, out-of-pockets coded and benefit changes coded and ready to pay claims on January 1	• None
New Plan Design Features CVS	🟡	• All new copays, deductibles, out-of-pockets coded and benefit changes coded and ready to pay claims on January 1	• Claims audit determined Tier 3 copays were not processing accurately
Closed Formulary CVS	🟢	• Formulary is set up accurately and claims are adjudicating at the appropriate tier • Exception process for excluded medications is working as designed	• No set-up issues • Providers are not always using the correct exception form which is causing delays and member frustration • CVS is not always applying the correct exception criteria or sending the correct letters which is also causing delays and frustrations
HRA Incentives BCBSNC	🟡	• Members in the CDHP are appropriately awarded incentive funds in their HRAs	• In certain scenarios, members are receiving duplicate incentives

North Carolina **State Health Plan** FOR TEACHERS AND STATE EMPLOYEES

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Implementation Update: New Contracts and Benefits

Implementation	Current Status	Objectives	Issues At Go-Live
Member ID Cards BCBSNC	➤ (green)	• All members should have new ID cards with updated Plan Design and pharmacy information prior to January 1	• BCBSNC failed to issue ID cards for three groups prior to January 1. Issue was uncovered the first week of January and cards were immediately triggered. Members had access to temporary ID cards in the interim.
Rx Debit Card BCBSNC	➤ (green)	• All new CDHP members should have had an Rx debit card prior to January 1 • Card should be fully operational	• Because of a set-up issue with the HRA subcontractor, 279 members were unable to use the card during the first week of 2017 which resulted in the members having to pay out of pocket at the pharmacy for their medications. The issue was corrected, the members were sent apology letter and reimbursement instructions.
Medicare COB – Specialty Medications	➤ (red)	• CVS should coordinate Medicare Part B specialty medications with CMS to reduce Plan claims liability	• Their system was not set up correctly and their staff did not understand the process. • Upon further review, they are not able to adjudicate Medicare COB real time.

North Carolina **State Health Plan** FOR TEACHERS AND STATE EMPLOYEES

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Implementation Update: Process Improvements

Initiative	Current Status	Objective	Issues
Retiree Billing Process Improvements (Phase III of Benefitfocus Re-Implementation) 1. *SRS ⇄ BF 2. BF ⇄ iTEDIUM 3. iTEDIUM → SRS	🔴	Redesign the retiree billing process to eliminate the need for manual intervention which should: • Increase Accuracy • Reduce Costs	• Multiple BF defects have delayed the project which is impacting our ability to complete this project and move to the next • Resource drain on Plan, SRS and Plan Vendors
Automate Dual Enrollment Business Rules BF	🟢	Fully automate dual enrollment functionality in the BF System. While the system currently supports this statutory requirement for subscribers, dual enrollment for dependents is managed through reports and corrected after the enrollment has already occurred. This enhancement should: • Improve the member experience • Increase enrollment accuracy	• None at this time.

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*State Retirement Systems (SRS)

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