



Taxport

Information Reporting Services

Blue Cross Blue Shield of Kansas Streamlines Information Reporting Processes with Convey's Solutions



In 2006 Blue Cross Blue Shield of Kansas (BCBSKS) made the decision to outsource their information processing to concentrate more fully on core business functions. After extensive research, the company decided that by choosing Convey's subscription-based services, they could process their information efficiently with guaranteed compliance, less cost, and less risk.

Business Profile

As the state's largest health insurer, BCBSKS is a billion dollar company that serves more than 1.6 million people in the Kansas area. The company has surpassed \$3 billion in annual claims payments to health care providers and members for many years. Additionally, BCBSKS contributes more than \$100 million a year to the economy through payroll and taxes.

Manual Process Consumed Too Many Internal Resources

BCBSKS needed a centralized, automated information processing solution. Their current process was time consuming. They were utilizing an internal mainframe system that fed directly into a third-party software-based solution. With limited internal resources, they needed a solution that streamlined their processes and automated their workflows.

Their current third-party vendor informed BCBSKS that they were running a system that was soon to become obsolete and were forcing them to switch to a new solution.

BCBSKS thought they had three viable options moving forward

Option	Decision
BCBSKS could remain with their current vendor and be forced into upgrading to the new system.	Because BCBSKS was not entirely satisfied with their current solution, they decided to explore other options.
BCBSKS could update their mainframe system.	With limited time and internal resources, BCBSKS decided that this option would take too much time and too many resources and they weren't able to accomplish this task in a reasonable timeframe.
BCBSKS could evaluate other vendors.	BCBSKS decided that outsourcing the entire process would allow them to redirect their internal focus to core business initiatives.

The Right Solution for a Forward-Thinking Organization

BCBSKS outsourced their entire information reporting process to Convey. By utilizing Taxport, Convey's BPO solution, BCBSKS was able to free up their internal resources for core business functions, gain access to Convey's industry knowledge and support, and control operating costs. BCBSKS projects a cost savings of nearly 50% by outsourcing this non-core process to Convey.

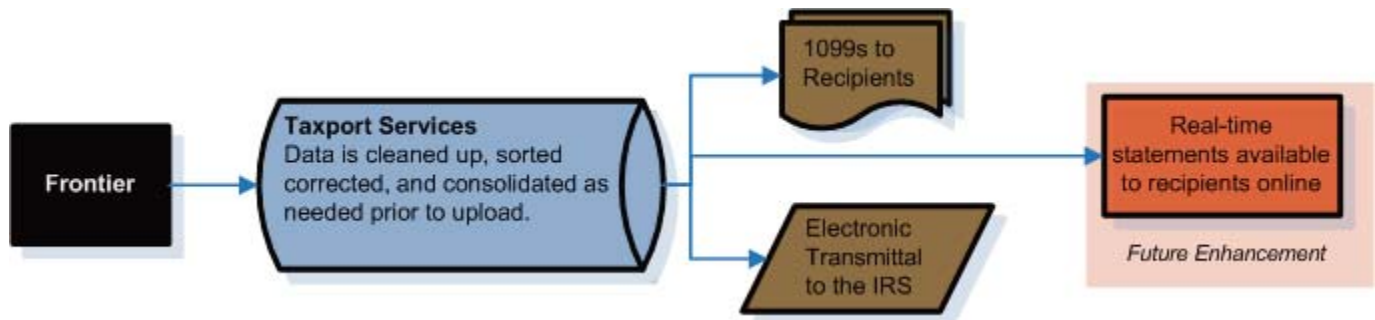
Customer Story - Blue Cross Blue Shield of Kansas

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BCBSKS has access to their data at any time, from any location, with a secure login over the web. Convey provides BCBSKS complete system administration, data management, TIN compliance, federal transmittal service, statement printing and report production. BCBSKS maintains control of the processes through monthly audit reports.

Data is imported from a single feeder system, Frontier, and fed directly into Taxport. Upon upload, Taxport cleans the data so only correct data is filed. 1099-MISC Forms are printed and mailed to the recipients before regulatory deadlines. Data is electronically transmitted to the IRS. BCBSKS plans to integrate Web Services into their solution which offers recipients the ability to view & print their real-time statements online.



TIN Compliance Services

Year after year, BCBSKS was at risk for incurring costly IRS penalties for non-compliance with the IRS requirements to report correct Taxpayer Identification Numbers (TINs). Through Convey's TIN Compliance Services, BCBSKS is able to utilize the benefits of the IRS TIN Matching Program to actively eliminate incorrect TINs before they are filed. This process will significantly reduce the number of incorrectly filed TINs and subsequent IRS B-Notices and Penalty Notices. BCBSKS's W-9 data will be "perfected" while their exposure to potential IRS penalties will be virtually eliminated.

NCOA Processing

Historically, BCBSKS has been burdened with returned mail due to bad addresses. By utilizing Convey's Print Services, BCBSKS can take advantage of NCOA processing. NCOA processing allows every print job to run through a database of postal addressing information. Through this process, zip codes, address abbreviations and forwarding requests can be updated on records prior to mailing. By utilizing NCOA processing, BCBSKS will see a reduction of misdirected or returned mail and ultimately eliminate the postage costs of resending forms to bad addresses.

Web Services

BCBSKS plans to integrate Web Services into its solution. BCBSKS realized the need to offer 1099 recipients the ability to securely view and print their real-time tax statements online (e-Statements). This service will reduce their customer service time and the costs involved with handling statement inquiries and reprints. At the same time, their 1099 recipients will conveniently have access to their account information 24/7.

BCBSKS also plans to cut costs by eliminating some of their printing and mailing costs through utilizing the IRS approved Opt-In/Opt-Out service. This allows 1099 recipients who consent, or Opt-In, to receive e-Statements in lieu of having them mailed. BCBSKS projects an additional 25% cost savings in the first year alone.

The quality and delivery of Convey's BPO services will allow BCBSKS to focus on core capabilities and processes. This in turn will free up capital and resources to allow BCBSKS future growth and performance elevation.