

Operations

Financial Recovery

Client Type:

Blue Cross Blue Shield Plan

Project Scope:

Backlog Recovery

Duration:

51 Weeks

Team Size:

3 Full-Time Employees



Problem

A major Blue Cross Blue Shield plan's inventory for unallocated cash was at an extremely unsatisfactory stage: \$29.3 million dollars in January. This caused multiple issues including dissatisfied providers and complaints to the Department of Insurance. Moreover, this inventory was reported to the Blue Cross Blue Shield Association. The scope of the project was to reduce inventories of unallocated cash, solicited/unsolicited refunds, and voucher deducts in MHS and ITS.

Response

In mid-January, Jacobson sent a team of contractors to help with the backlog. **After only three weeks of training, the team was ready to tackle the inventory.** Subsequently, more resources were provided to assist with the backlog. Our success was due to our ability to deliver a self-sufficient team: we provided our own auditor team, subject matter expert, team lead, trainers and recovery specialists.

Solution

By December the inventory dropped significantly from 54,717 items to 32,519. It continued to decrease and at the end of the year, the backlog was at 9,191 items. The following year, we also transitioned half of our team from finance to the Blue Cross InterPlan Program (also known as Bluecard). We aggressively attacked the IPP backlog and **by March of the following year, the inventory was reduced from 28,000 items to 2,000.** Currently, both finance and IPP inventories are under 30 days and are maintainable by BCBS employees.