

IF-1: Informatics Data Migration

Technology

Project Description

- Consolidation of core systems and migration to a centralized platform
- Develop a consistent system across the organization

Major Milestones and Activities

- Ensure that all data mapping is completed and finalized
- Perform Gap Analysis
- Complete Design
- Develop Data Model(s)
- Data Integration Build
- Perform Testing (Unit, Regression, UAT)
- Business Integration & Transition
 - Implementation of reporting system to track operational performance of new entity
 - Manual consolidation until all systems are migrated
- Consolidation of systems for each function and migration to a single platform

IF-2: Informatics Policy and Reporting

Technology

Project Description

- Establish a consistent method of reporting in Informatics

Major Milestones and Activities

- Facilitation of data migration policies and procedures
- Development of a consistent process (best practice) for working w/ customers & providers
- Evaluate Current DE reports that would need to be transitioned to run within the Highmark environment.
- Perform Gap Analysis
- Design, development & testing of critical reports, not currently available at Highmark, needing to be sourced from Highmark data source(s)
- Understanding of software, access and systems requirements of each group in new entity
- Assess report and analytic needs from DE and leverage HIM's capabilities

IF-4: Affiliated Informatics Organization

Business & Technology

Project Description

Create an integrated post-affiliation informatics organization. Reorganize key talents to achieve an optimized workforce for the end state organization.

Major Milestones and Activities

- Reorganization of talent to achieve optimized workforce for end state organizations
- Consistent Policies and Training for all Employees

IT INFRASTRUCTURE: IT-2: Security

Technology

Project Description
Expand Security Configurations

Major Milestones and Activities

- 2011 Detailed Project Plans & Critical Milestones for 2012 & 2013
- 2011 Project Forecasting
- Identify / Acquire detailed Windows Active Directory information for analysis
- Create Active Directory Affiliation Plan
- Identify System Access Req's for DE Employees and Non-employees
- Create Migration Plan for Delaware file shares to Highmark Windows file servers
- Create Security Access Migration Plan based on Organizational Structure
- Create Virus Scan Migration Plan
- Create Vulnerabilit, Scannin, Plan

IT INFRASTRUCTURE: IT-2: Security - Continued

Technology

Project Description

Expand Security Configurations

Major Milestones and Activities

- Execute Active Directory Affiliation (AD Trust)
- Execute Active Directory Integration
- Migrate DE File Shares to Highmark Servers
- Execute Virus Scan Migration Plan
- Execute Vulnerability Scanning Plan

IT INFRASTRUCTURE: IT-3: Network

Technology

Project Description

Develop network capabilities, centralize the dialing plan and communication services

Major Milestones and Activities

- 2011 Detailed Project Plans & Critical Milestones for 2012 & 2013
- 2011 Project Forecasting
- Create Transition Plan for External business connections to Data Center
- Create Plan to Refine Initial Network Affiliation
- Create Plan and Strategy for Call Center Integration
- Create Centralized Dialing Plan
- Create Plan for Centralized Communication Services and Voicemail
- Create Disaster Recovery Plan
- Transition DE External Connections to Data Center
- Execute Affiliation Network Connectivity Plan
- Execute Call Center Implementation Plan

IT INFRASTRUCTURE: IT-3: Network - Continued

Technology

Project Description

Develop network capabilities, centralize the dialing plan and communication services

Major Milestones and Activities

- Centralize the Dial Plans
- Centralize Communications Services and Voicemail
- Implement Disaster Recovery Plan
- Review Data Conversion Testing Schedule

IT INFRASTRUCTURE: IT-5: IT Infrastructure Tool Migration

Technology

Project Description

Migrate the set of IT applications from BCBSD to Highmark to establish a centralized IT structure

Major Milestones and Activities

- 2011 Detailed Project Plans & Critical Milestones for 2012 & 2013
- 2011 Project Forecasting
- Establish Shared Email Calendar
- Create Application Monitoring Migration Plan
- Create Request Management Migration Plan
- Plan DE Desktop Migration to HM Image
- DE Desktop Migration to HM Image
- Create Change Management Plan
- Create Help Desk Integration Strategy
- Create Job Scheduling Migration Plan
- Establish Shared Email Address Book

IT INFRASTRUCTURE: IT-5: IT Infrastructure Tool Migration - Continued

Technology

Project Description

Migrate the set of IT applications from BCBSD to Highmark to establish a centralized IT structure

Major Milestones and Activities

- Create VDI Remote Access Strategy
- Establish VDI Environment for DE Users
- Grant Highmark Email Addresses to BCBSDE Staff
- Develop Email Policies and Procedures
- BCBSDE Exchange Migration
- Change Email Routing Path
- Execute Change Management Migration Plan
- Execute Help Desk Integration Plan
- Execute Job Scheduling Migration Plan
- Execute Application Monitoring Migration Plan
- Execute Request Management Migration Plan

IT INFRASTRUCTURE: IT-5: IT Infrastructure Tool Migration - Continued

Technology

Project Description

Migrate the set of IT applications from BCBSD to Highmark to establish a centralized IT structure

Major Milestones and Activities

- Migrate BCBSD Archive Email Data
- Migrate BCBSD Mailbox Data to Highmark
- Good Application Implementation

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IT INFRASTRUCTURE: IT-6: Capacity Planning

Technology

Project Description	
<p>Review infrastructure current capacities, utilization forecast</p>	
<p>Major Milestones and Activities</p> <ul style="list-style-type: none">• Identify initial data loads/volumes/frequency• Review infrastructure current capacity and future forecast• Identify Storage Requirements• Create Disaster Recovery Transition Plan• Execute Storage Integration Migration• Installation of Additional Capacities• Implementation of Disaster Recovery Integration• Review Data Conversion Testing Schedule	

IT INFRASTRUCTURE: IT-7: Affiliated IT Infrastructure Organization

Technology

Project Description

Create an integrated post-affiliation IT infrastructure organization. Reorganize key talents to achieve an optimized workforce for the end state organization.

Major Milestones and Activities

- Identify discrepancies in roles and responsibilities between Highmark and BCBSD
- Develop end state reporting relationships and create affiliated organization structure
- Ensure training needs for employees are met on new applications

LACEA-1: Affiliated Legal Organization & Processes

Business

Project Description

Consolidation of Legal organization processes and creation of an affiliated organization structure

Major Milestones and Activities

- Identify and implement opportunities for Highmark to provide assistance to Delaware (Leverage existing capacity of Highmark's Legal services to Delaware to reduce use of external services)
- Coordinate and standardize management reporting across Legal Departments
- To the extent possible, implement consistent policies and training across all employees
- Obtain access and training for BCBSD legal staff on systems used by Highmark Legal
- Review contracts with outside entities and identify opportunities for savings (All sub-teams) – *Part of Vendor Management project*

LACEA-2: Affiliated Audit Organization & Processes

Business

Project Description

Consolidation of Audit organization processes and creation of an affiliated organization structure

Major Milestones and Activities

- Understanding of discrepancies in roles
- Coordinate and standardize management and Audit Committee reporting (All sub-teams)
- Development of consistent org structure (All sub-teams)
- Adoption of consistent policies and training across all employees (All sub-teams) (re-align reporting structure for resources below manager level)
- Review contracts/retainers with outside entities and identify opportunities for savings – *Part of Vendor Management project*
- Secure licenses and roll out miscellaneous systems to Audit, see LACEA 6,
 - Understand software, access and systems requirements
 - Coordinate and identify systems to be used

LACEA-3: Affiliated Admin Oversight Organization & Processes

Business

Project Description

Admin functions will apply a mixture of Shared Services Model and Centralized Support Services Model . It is important to define and develop the affiliated organization structure and standardized processes aligned with the end state operating model.

Major Milestones and Activities

- Define Affiliated Admin Oversight Organization
 - Understand discrepancies in roles
 - Develop a consistent org structure (All sub-teams)
 - Coordinate and standardize management reporting (All sub-teams)
- Develop Processes
 - Review travel policies, vendor rates, utilization and determine best practices
 - Become familiar with types of events, venues and culture to move to centralized meeting function
 - Review inventory levels, reorder points and costs and courier contracts
 - Determine need for mail between locations and method and leverage contracts
 - Review transportation routes for optimization and leverage vehicle replacement through established buying contracts
 - Review switchboard processes, routing numbers, volumes and capacity. Move to single switchboard
 - Centralize scheduling of conference and video conference rooms
 - Test current state access credentials to determine interoperability
 - Budget, plan and implement projects to replace incompatible systems with single or compatible system
 - Determine branding plan for Delaware
 - Create Delaware access credential template
 - Budget, plan and implement projects to replace incompatible systems with single or compatible system
- Secure licenses and roll out miscellaneous systems to Admin
 - Understand software, access and systems requirements; Coordinate and identify systems to be used
 - Upgrade to BCBSD's current AutoCAD version

LACEA-4: Affiliated Compliance Organization & Processes

Business

Project Description

Consolidation of Compliance organization processes and creation of an affiliated organization structure for both Privacy Office and Integrity Office.

Major Milestones and Activities

- Understanding of discrepancies in roles
- Coordinate and standardize management reporting (All sub-teams)
- Develop uniform, consistent, org structure (All sub-teams)
- Adopt consistent policies with respect to HIPAA and HITECH compliance
- Adoption of consistent policies and training across all employees (All sub-teams)
- Secure licenses and roll out miscellaneous systems to Compliance (see LACEA 6)
 - Understand software, access and systems requirements
 - Coordinate and identify systems to be used

LACEA-5: Affiliated External Affairs Organization & Processes

Business

Project Description

Consolidation of External Affairs organization processes and creation of an affiliated organization structure

Major Milestones and Activities

- Understanding of discrepancies in roles and development of consistent org structure (All sub-teams)
- Coordination of position on legislative and regulatory issues (External Affairs)
- Coordinate and standardize management reporting (All sub-teams)
- Adoption of consistent policies and training across all employees (All sub-teams)
- Review of corporate priorities / guidelines for giving / funding in each organization
- Determination of how to handle Political Action Committee (PAC)
- Review contracts with outside entities and donations provided to outside organizations (All sub-teams) – *Part of Vendor Management Project*
- Develop communications plan for communications to community organizations
- Develop communications plan to announce the affiliation to legislators and other elected officials in both Delaware and Pennsylvania
- Secure licenses and roll out miscellaneous systems to External Affairs
 - Review GIFT system for utilization at BCBSD

LACEA-6: Miscellaneous IT

Technology

Project Description

Systems and application consolidation and migration for the Legal, Audit, Compliance, External affairs and Admin Oversight functions

Major Milestones and Activities

- Complete BlueSTAR, performance measurement reporting, migration
 - Preliminary and Detailed Requirements
 - Design
 - Development
 - Validation / Testing
 - Implementation
 - Post – Implementation
- Complete roll out of other miscellaneous systems
 - FIRST, Highmark's fraud system
 - FICO Case Management system
 - Breach Case Tracking System
 - Medicare C & D
 - PHI Disclosure Tracking

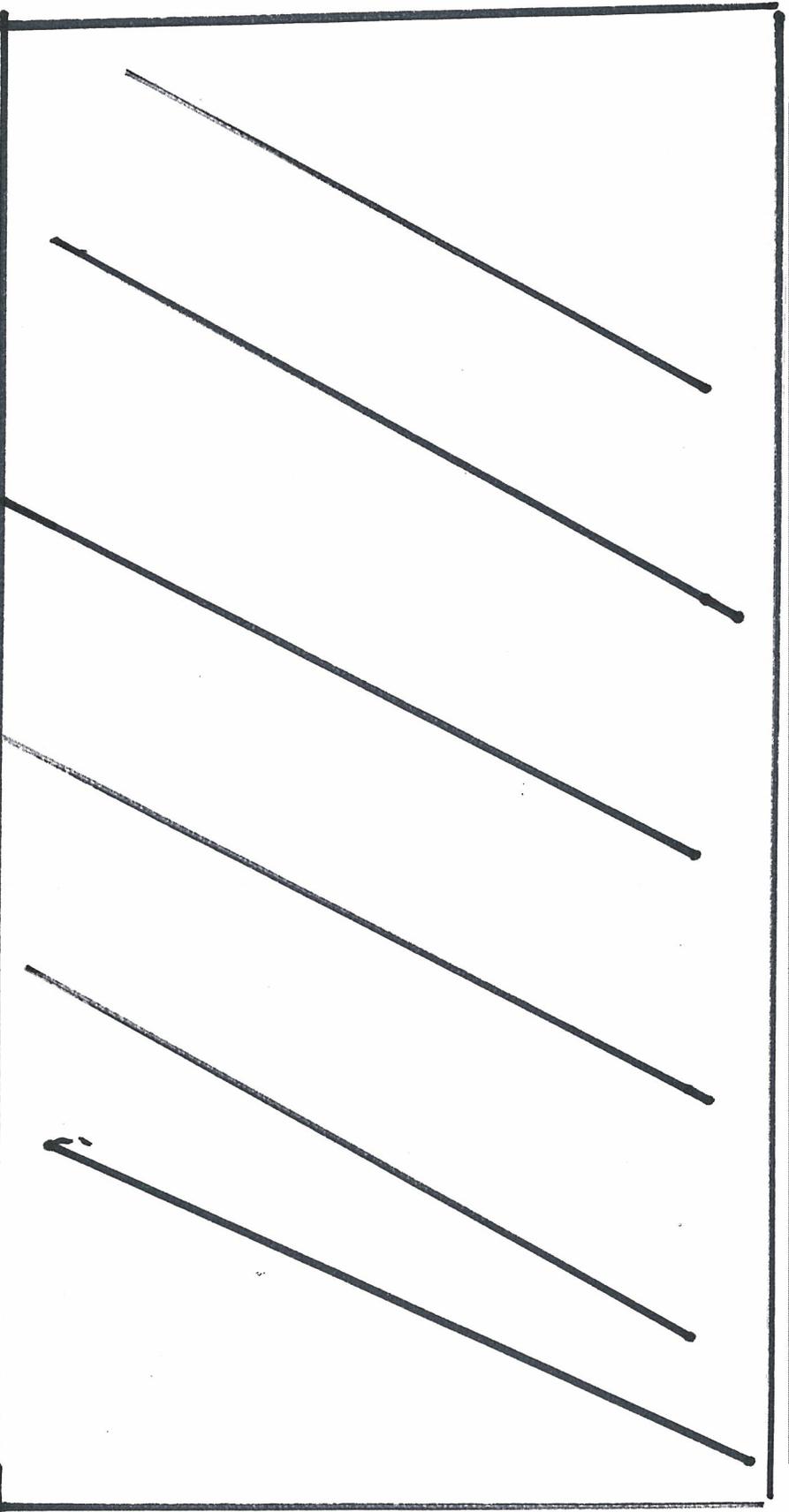
All other LACEA miscellaneous IT requirements will be captured within the sub-function project summaries

MM-1 Pharmacy Management

Business & Technology

Project Description

Assessment of BCBSO Pharmacy Management and transition to Highmark Pharmacy management program and platform as soon as possible following regulatory approval



MM-2: Affiliated Medical Management Organization Structure

Business

Project Description

Create an effective post-affiliation medical management organization

Major Milestones and Activities

- Integration of Operating model (people and talent)
 - Establish role definition (position mapping)
 - Reorganize talent/skill set mix to optimize end state organizational structure
 - Complete training of staff on any new policies/procedures
 - Complete staff training for any new systems
- Integration of Identified Highmark committee structures
 - Identify current Highmark committees that warrant BCBSD representation
 - Recruit for BCBSD representation
 - Orient BSBCD representatives
 - Add BCBSD representatives to identified Highmark committees

MM-3: Medical Management Program & Policy Strategy

Business & Technology

Project Description

To assess, define and integrate BCBSB and Highmark Medical Management programs and policies and incorporate Vision 2014 strategies and Health Care Reform anticipated mandates

Major Milestones and Activities

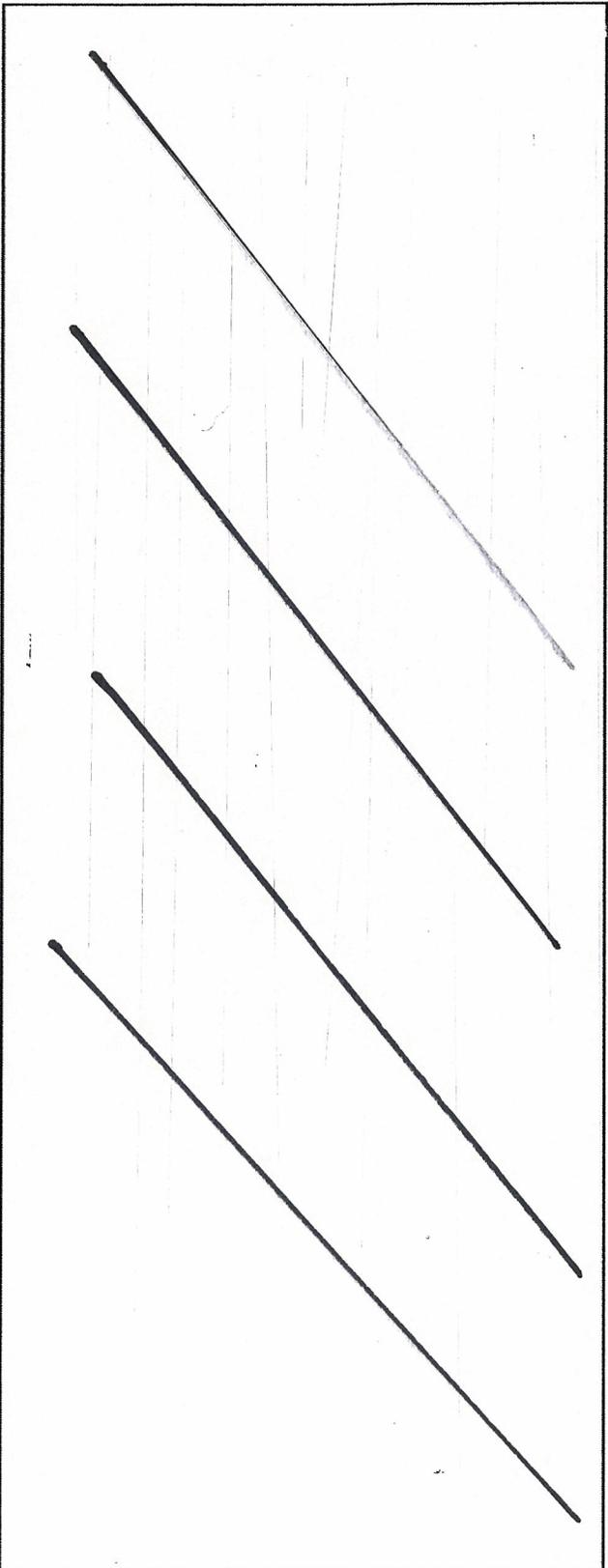
- Integration of medical policies
- Integration of Regulatory Requirements-Federal
- Integration of Care Management policies (UM, CM, DZM, Wellness, CCR, Quality, Operations and Support)
- Assessment and implementation of state mandated regulatory requirements
- Integration of Medical Programs (UM, CM, Cond Management, Health Promotion, Depression Management, Quality)
- Integration of Quality Reporting
- Integration of Process Reporting
- Integration of Outcome/Effectiveness Reporting
- Implementation of Account Facing Programs (CCR)
- Integration of Medical Management Vendor Programs (ie: Radiology UM, Neonatal Management Radiation Oncology...)

MM-4: Medical Management Platform & Systems Integration

Technology

Project Description

Integrate medical management platforms and systems and migrate BCBSO data to Highmark systems



MM-5: Contract Management

Business & Technology

Project Description

Assessment and consolidation of BCBSD and Highmark contracts to recommended vendors for improved pricing and efficiency.

Major Milestones and Activities

- Assess all existing vendor contracts;
- Identify contract synergies and efficiencies
- Conduct Network and pricing comparison
- Evaluate contract language
- Conduct gap analysis
- Formulate plan to transition contracts as appropriate based on pricing, efficiencies
- Expand contracts such as Verisk, HEDIS audit firm and CAHPS survey vendor to include BCBSD
- Implement procurement process to negotiate pricing with vendors.
- Work with Legal to amend contracts as appropriate

MPD-1: Product Management & Development

Business & Technology

Project Description

BCBSD and Highmark will work to create centralized product management and development processes to ensure we meet market and customer demands.

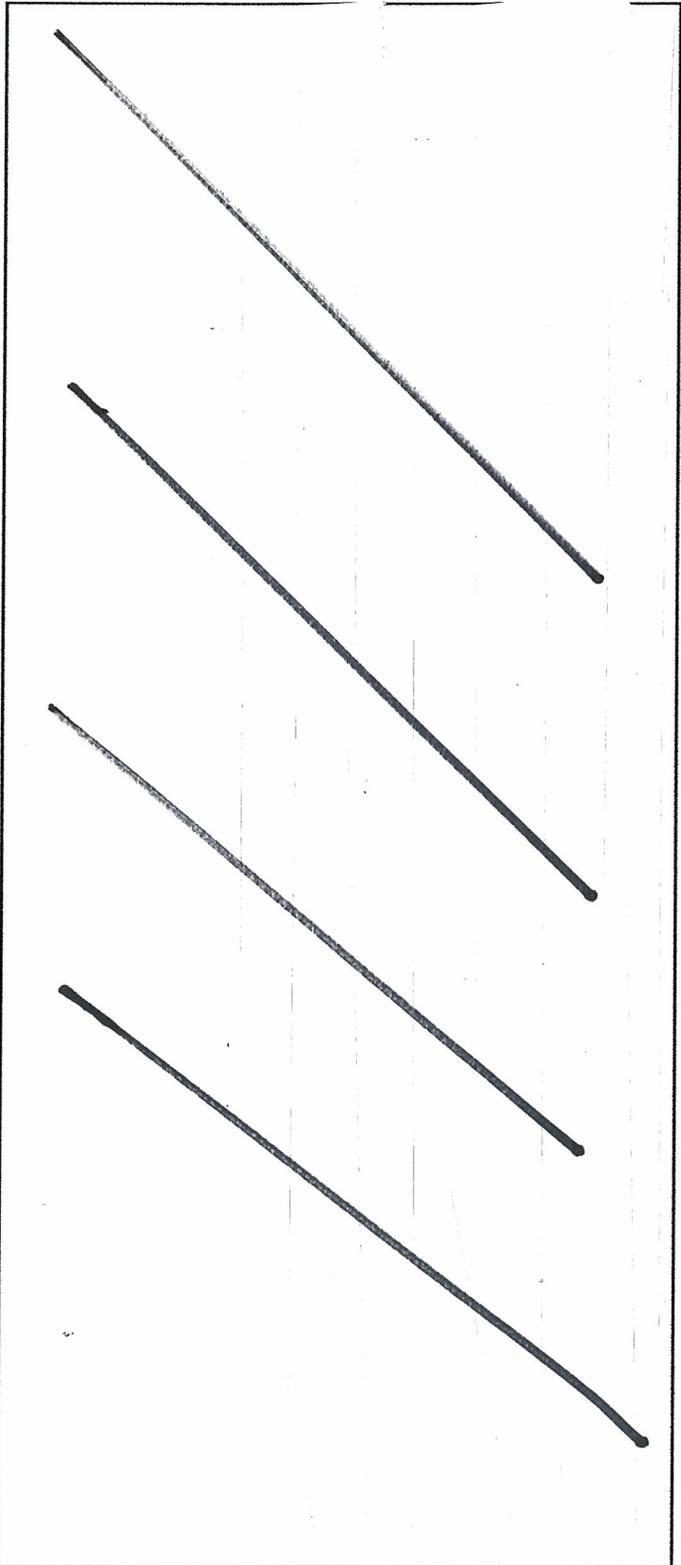
Major Milestones and Activities

- Establish centralized product development and product management processes
- Review the preliminary product strategy for implementation opportunities in 2012
- Complete evaluation of product portfolio:
 - Evaluation
 - Identify Gaps
 - Develop product strategy
- Utilize common product development process to design and implement new products (to coincide with new business on Highmark's platform).

MPD-2: Customer Engagement & Marketing Communications

Project Description

For Day One, BCBSD and Highmark will create a strong customer engagement strategy for its members, employers, consultants, and brokers to better understand the demands of the market.



MPD-3: Product Branding Strategy

Business & Technology

Project Description

BCBSD and Highmark will define / create a product branding strategy that is consistent with the enterprise branding strategy. We will work in lockstep with CC&SP.

Major Milestones and Activities

- Define a branding strategy and timeline for all health and ancillary
- Create product branding strategy: 1) Naming architecture and 2) Brand look and feel and socialize options with CC&SP
- Create implementation plan for select options ensuring alignment with CC&SP (to inform/share with CC&SP)
- As part of the branding strategy it is critical to understand how BCBSD will be legally bound to Highmark.
 - For example, is it an “Highmark affiliate,” “a Highmark Company,” “a Highmark subsidiary,” or some other attribution.
 - this will be critical to note in the naming and will have a significant directionally impact.

MPD-4: Digital Strategy

Business & Technology

Project Description

BCBSD and Highmark will create an even more robust digital strategy that will include improving the portal functionalities, platforms and technical capabilities. This will also align with Healthcare Reform mandates.

Major Milestones and Activities

- Create Digital Roadmaps and Strategies that align across the core health markets
- Implement portal functionality and technical capabilities so that they are consistent market to market (e.g., a patient can review their EOBs, or Health Lifestyles Program online)
 - This would include the employer, producer (broker), and member portals and would be aligned with Healthcare Reform. The market is moving to a more consultative approach to the individual and coach consumers to make more informed decisions
- Define future use of mobile applications.

MPD-5: Affiliated M&PD Organization

Business & Technology

Project Description

THIS WILL BE INCORPORATED INTO THE OVERALL HR/EE PROJECT

Major Milestones and Activities

- Define Staffing Requirements; Review current Organization's and define capabilities gaps
- Training on Highmark products for BCBSO Salesforce) / refresher training for Highmark Salesforce
- Training on Highmark tools for BCBSO Salesforce) / refresher training for Highmark Salesforce

PV-1: Affiliated Provider Organization

Business

Project Description

Create an integrated post-affiliation provider organization. Reorganize key talents to achieve an optimized workforce for the end state organization.

Major Milestones and Activities

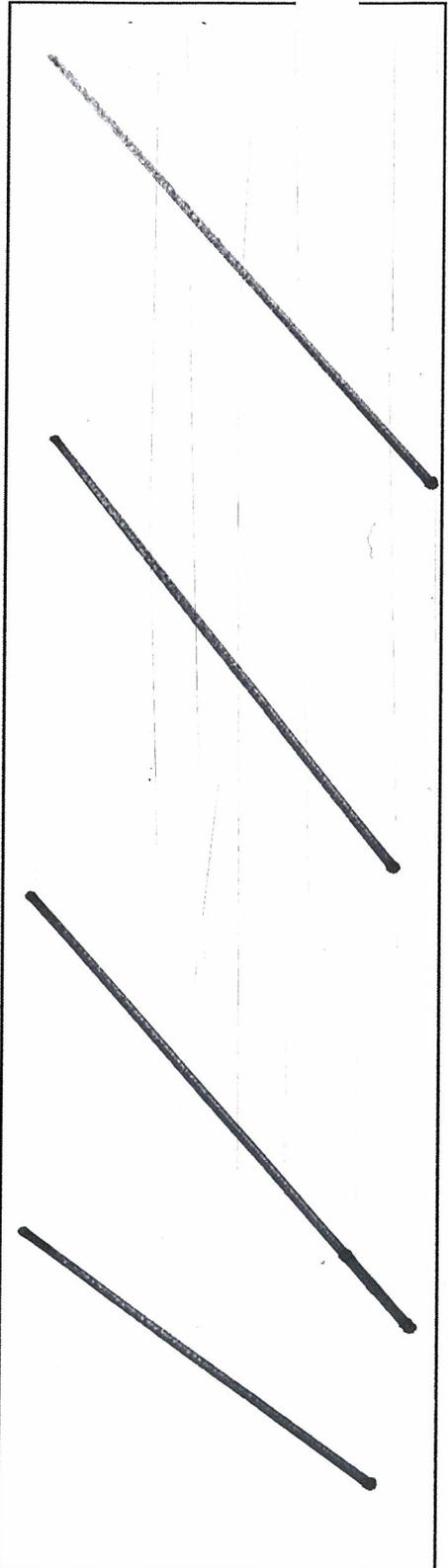
- Reorganization of talent to achieve optimized workforce for end state organizations
- Understanding of discrepancies in roles and development of consistent org structure
- Transition of staff as needed for carve-out functions to corresponding centralized services
- Training of staff on new policies and processes

PV-2: Provider Policies and Processes

Business

Project Description

Development of a single, consistent process for working with providers, and ensure alignment in reimbursement and other policies



PV-3: Provider Systems Migration

Technology

Project Description

For Day One, migration of systems and applications used within the provider organization, and by Providers within the network. Seamless migration is essential to ensure no impact is felt outside the companies.

Major Milestones and Activities

- Demographic Data Mapping
- Pricing and Contracting Gap Analysis
- Data Fields and Network comparison, and conversion of all data to CPR
- Ensure ability to house all data and images in one system
- Integrate DE into Highmark's image/paperless process - analyze gaps existing in software needs, policy and queues to integrate all workflow
- Evaluate effort needed to add DE pricing data and pricing elements to EDW and current reimbursement database extracts
- Mi_rate all provider file functions to CPR
- Need to consider provider data verification process at BCBSD

PV-4: Contract Management (Provider)

Business

Project Description

Shift of all Delaware provider contracts into Highmark contract management system, and consolidation of vendor relationships for improved pricing and efficiency. Ultimately develop a contract that is consistent with methodology, language and policies of Highmark

Major Milestones and Activities

- Transition Contract and Development functions to centralized Highmark functions
- Consolidate Global Contracting and Service
- Migrate all contract templates into Highmark Contract Management System
- Transition capitated arrangement to Highmark Systems

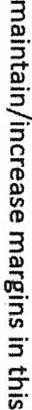
SL-2: Salesforce Automation

Business & Technology

Project Description

BCBSD and Highmark will utilize Highmark's sales automation tools and quoting and rating tools. Please note that there are two phases to this project: Phase1) CRM Management and Phase 2) Institutionalizing Back Office

Major Milestones and Activities

- Phase 1 :  management, and retention, performance metric tracking and reporting:
 - Critical success factors:  maintain/increase margins in this segment; maintain/increase enrollment in this segment
- Phase 2: Automated quoting and rating tools for Quoting, Policy Issuance, Rating, Automated Underwriting, and Business Intelligence
 - Integrate small group underwriting into merged platform.
 - Common enrollment platforms.
 - Regional (WPA & CPA):  renewal and NTB quoting automation via producer portal. Portal systems need updating to allow this function.

*While planning of the project may start earlier, implementation of the project will only start post-close

SL-3: Distribution Strategy

Business & Technology

Project Description

BCBSD and Highmark will work to create a distribution strategy, leveraging all media to promotes Sales. This will align with the Sales Retention Strategy.

Major Milestones and Activities

- Enhance commissions structure
- Alignment of producer and agency structure
- ACS setup of DE information
- Commission statement branding for DE

*While planning of the project may start earlier, implementation of the project will only start post-close

SL-4: Sales Support / Marketing Administration

Business & Technology

Project Description

BCBSD and Highmark will work to build a strong sales support and marketing administration model.

Major Milestones and Activities

- Consolidated RFP Management:
 - Build BCBSD database
 - utilize common production
- Contract / Booklet Production: Conversion to Highmark production services for collateral production
- Incentive calculations:
 - At BCBSD, this is performed in Finance at DE; at Highmark, it is performed in Marketing Admin

*While planning of the project may start earlier, implementation of the project will only start post-close

SL-5: Affiliated Sales Organization

Business & Technology

Project Description

THIS WILL BE INCORPORATED INTO THE OVERALL HR/EE PROJECT

Major Milestones and Activities

- Define Staffing Requirements; Review current organizations and define capabilities gaps
- Training on Highmark products
- Training on Highmark tools

*While planning of the project may start earlier, implementation of the project will only start post-close