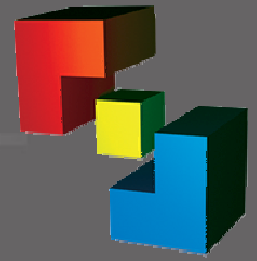




Case Study

Horizon Blue Cross Blue Shield of New Jersey



QBlue Project (Host Integration Server)

Award-winning Microsoft Gold Certified Partner **The Henson Group, Inc. (THG)** provided expert consulting services regarding several Microsoft products that were implemented at Horizon Blue Cross/Blue Shield as part of the QBlue initiative: a massive, multi-year deployment of a new system for processing managed, indemnity and traditional claims, capitation processing, as well as Authorization and Medical Management.



Project Vitals

Industry: Health Insurance

Customer Profile: Horizon Blue Cross Blue Shield of New Jersey is the only licensed Blue plan in the state, providing health insurance to nearly two million people throughout all of North, Central, and South New Jersey.

Business Situation: Horizon needed expert assistance implementing and testing a series of Microsoft products, as part of a massive, multi-year deployment of a new system for claims processing.

Results: Horizon successfully brought QNXT into full production on schedule and simultaneously extended THG's contract indefinitely to provide testing and modification services.

BUSINESS SITUATION

Horizon Blue Cross Blue Shield of New Jersey is the only licensed Blue plan in the state, providing health insurance to nearly two million people throughout all of North, Central, and South New Jersey. To process the tens of thousands of claims submitted by plan members annually, Horizon relied upon legacy mainframe technology. This antiquated system is no longer suitable to support the increasingly needs of the insurer's growing network of Horizon members, nor could it provide the level of data integration or functionality that the insurer's IT administrators now require.

Considering the scope of Horizon's claims processing—accessed on a regular basis by nearly 2,000 Horizon employees—migrating from the incumbent mainframe system, architecting a new solution, and the actual deployment and testing, were not taken lightly. In fact, while the QBlue initiative was officially launched in 2000, it is still ongoing, with several minor components slated for final completion throughout 2005.

The QBlue architecture involves implementing several Microsoft products, including SQL 2000, Host Integration Server 2000 (HIS), Windows Server 2000, BizTalk Server 2002, and the .NET Framework. Though Horizon has a sizable IT force, the insurer approached Microsoft seeking consultants with expert Microsoft product knowledge to assist in the deployment, customization, and testing of the products in the QBlue environment. As THG was hand-picked by the Redmond-based HIS product group as a "Go-To" Certified Partner for Systems Integration, Microsoft recruited THG to provide expert consulting services to Horizon for the QBlue project.

SOLUTION

QBlue was architected as Horizon's new system for processing managed, indemnity and traditional claims, capitation processing, and Authorization and Medical Management. QBlue was designed to enable Horizon to have a common system for local managed, traditional and indemnity, as well as the New York products. The system replaced the operational functions that were supported by HSII and BCL, the two incumbent mainframe-based systems.

The actual claims engine component of the overall QBlue initiative was dubbed QNXT, with THG providing expert assistance on the deployment of the various Microsoft products that support QNXT. Leveraging Microsoft Windows tools, QNXT offers user-friendly functionality, such as click to open, drag and drop, cut and paste, highlight, pop-ups; user icons for ease of navigation through modules and functions; flexibility in the ability



to administer multiple lines of business; database driven by tables which makes extractions of data reporting easier; and supports Horizon's E-business strategy through the use of XML.

THG also provided extensive services testing for the QBlue component that adjudicates Inter-plan Telecommunication System (ITS) claims, also known as QITS. QITS is the engine behind Horizon's BlueCard Program, which enables members to receive healthcare services while traveling or living in another Plan's service area (i.e. out-of-state). It uses Provider and Plan arrangements, which capture local discounts from the participating provider in the area for out-of-area subscribers, while delivering consistent benefits and excellent service to subscribers.

The BlueCard program also links participating providers and the independent Blue Plans across the country through a single electronic network for claims processing and reimbursement. THG was responsible for testing the topology of QITS to ensure that it interacts successfully with the rest of the QNXT and that it performs to its maximum potential.

The THG team was also required to run production claims through a topology that mimics production as closely as possible and ascertain what volume the system can handle.

RESULTS

Horizon successfully brought QNXT into full production near the end of 2003. The insurer simultaneously extended THG's contract to provide continuous testing of QNXT, with particular emphasis on validating QITS.

Today, QBlue, through the QNXT engine, offers many features that make the system attractive to users, including an edit window that displays the processing details of claim adjudication, provider contract and amount, benefit plan and term, out of pocket expenses, validation (age, sex, diagnosis etc.), payment, and edits.

At the same time, QBlue's ease-of-use reduces the time needed for claims training, offers the ability to administer challenging benefits and provider contracts, and provides HIPAA compliance through standard code sets and ANSI transactions.

Meanwhile, THG conducted extensive testing and provided the necessary recommendations to ensure that QITS successfully adjudicates inter-plan claims.

And, THG's continuous testing enabled Horizon to achieve the standards in QITS transactional processing required for membership in the Blue Cross/Blue Shield Association, a national consortium of Blue insurers.

Based on THG's performance to date, Horizon retained the consultancy well beyond the initial contract to provide additional testing, such as evaluation of the technology supporting automated resolution of capitation-related transactions. (Capitation is a predetermined monthly rate paid to the physician regardless of the actual services rendered.)

Though this particular phase of testing was completed by the end of 2004, Horizon extended THG's contract indefinitely to manage additional initiatives associated with the ongoing QBlue project.

About The Henson Group



Founded: June, 2000

Headquarters: New York City

Consultants: 37 (including both full-time and part-time professionals)

Partners: MS, HP, IBM, Cisco, Avicode, Dell, EMC, eXc Software, K2.net, Netscaler, Network Engines

Certifications: Microsoft Gold Certified and Cisco Certified

Official Microsoft Competencies:

Advanced Infrastructure Solutions
Information Worker Solutions
Integrated E-Business Solutions
Learning Solutions
Networking Infrastructure Solutions

History: Founded by former Microsoft employees from the development teams in Redmond and Microsoft Consulting Services

Consultants: All MS Certified, most former Microsoft engineers, and each have a minimum of three years of vertical-specific experience

Annual Client-Retention Rate: (2000 through 2004) 98%

Annual Client-base Growth: (2000 through 2004) 50%

Company Description: THG is an award-winning Microsoft Gold Certified Partner specializing in deploying Microsoft technologies for U.S. and international companies across 20 industry categories.

Founded by former Microsoft employees from the development groups in Redmond and Microsoft Consulting Services, THG offers clients direct access to Microsoft's product groups and technical information often not publicly available.

THG's competencies include .NET application development, infrastructure deployments, Line-Of-Business solutions, security, product training, and strategic consulting.

Delivering projects in a fraction of the time it takes competitors, THG's proprietary project management process and attention to detail consistently produces a 98% client-retention rate.

Everywhere clients need THG to be, the consultancy has operations, engineers, and partners located in countries around the world that are committed to the highest level of client satisfaction.

To learn more about THG, please visit www.HensonGroup.com. For more information on how THG can deploy this type of solution in your environment, please call 800.980.1130 or e-mail Info@HensonGroup.com.