

FOR IMMEDIATE RELEASE

## **BlueCross BlueShield of Vermont Saves Nearly a Half-Million Dollars with a Microsoft Partner Compensation Management Solution**

*Health plan streamlines incentive compensation and broker management processes and goes paperless.*

REDMOND, Wash. — Nov. 18, 2008 — Microsoft Corp. today announced that BlueCross BlueShield of Vermont (BCBSVT), Vermont's largest private health carrier, has saved nearly a half-million dollars with a Microsoft partner compensation management system. Implemented to overhaul incentive compensation and agent management capabilities, Computer Solutions & Software International's (CSSI) VUE Compensation Management, a Microsoft .NET Framework-based application, will also enable BCBSVT to decouple broker commissions from insurance premiums, reduce manual interventions by 97 percent and go paperless with broker commission statements.

"Since the start of the implementation in March 2007, VUE Compensation Management has enabled us to examine every broker compensation arrangement in place, identifying out-of-date incentive programs and recognizing cases where broker commissions were not leveraging the desired business result," said Ellen Yakubik, marketing director, BlueCross BlueShield of Vermont. "As a result of this data cleanup and improved processing controls, BCBSVT has saved nearly half a million dollars. Over the next few years, we expect VUE Compensation Management to help us further refine our broker payment processes and focus our commission costs on maximizing the value from our distribution channels."

Before it used VUE Compensation Management, BCBSVT paid brokers a percentage of insurance premiums, and as these premiums rose, commission payouts increased from \$3 million to more than \$10 million. Now, BCBSVT has the flexibility needed to curb these rising costs by structuring commissions on the basis of subscriber contracts or pay-for-performance agreements, rather than having commissions tied only to medical premiums.

In addition, VUE Compensation Management has created a single data store for all broker information and has facilitated BCBSVT to disburse 85 percent of broker payments electronically. By next quarter, BCBSVT expects to process 50 percent of the commission statements electronically. The time spent processing commissions has gone from 65 hours per month to only six, and as the organization continues to go paperless, it expects further savings.

Based on the Microsoft .NET Framework, VUE Compensation Management has delivered a solid platform to streamline BCBSVT's complex commission and incentive programs. The solution integrates with Microsoft SQL Server 2005, a scalable and highly secure database providing the capabilities needed to store and access large volumes of data present in BCBSVT's commission and incentive programs. BCBSVT utilizes SQL Server Reporting Services to provide comprehensive reporting and the intelligence needed to efficiently run their organization.

"Processing broker commissions in a favorable way is one of the biggest challenges plaguing the payer industry today," said Dennis Schmuland, U.S. health plan industry solutions director at Microsoft. "The implementation of VUE Compensation Management exemplifies the need for health payers to drive out administrative inefficiencies to free up the capital needed to focus on what the market is demanding: healthier members, affordable care that's consistently high-quality, and a first-class customer experience."

"We're very proud of the results we've delivered with the BCBSVT project," said Stephen Bruno, president and chief executive officer of CSSI. "Its story underscores the operational challenges of commissions and incentives inherent in the health insurance market. Since insurance is our focus, we were able to bring business expertise and deep technical knowledge to secure a successful deployment. As a result of VUE Compensation Management, the BCBSVT team now has the system flexibility and business intelligence to build stronger, more effective partnerships with its producer channel."

## **About BCBS Vermont**

BlueCross BlueShield of Vermont is the state's oldest and largest private health insurer, providing coverage for about 180,000 Vermonters. It employs over 350 Vermonters at its headquarters in Berlin and its full-service field office in Williston, and has offered group and individual health plans to Vermonters for more than 60 years. BlueCross BlueShield of Vermont is an independent licensee of the BlueCross BlueShield Association, an association of independent BlueCross BlueShield Plans.

## **About CSSI and VUE Software®**

VUE Software® is the product division of Computer Solutions and Software International (CSSI) dedicated to providing industry-specific business technology solutions to companies in the insurance, healthcare, and construction verticals. Because they are tailored to the needs of these particular industries, our solutions are different from one-size-fits-all performance management and compensation suites such as enterprise incentive management (EIM) and sales performance management (SPM) solutions. VUE Software's solutions allow companies to manage strategic incentive plans, automate producer administration and organize complex data and contractor policies, resulting in greater administrative efficiency and improved sales performance. For more information about VUE Software, please call 1.877.4.VUESOFT or visit [www.vuesoftware.com](http://www.vuesoftware.com).

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## **About Microsoft in Health**

Microsoft is committed to improving health around the world through software innovation. Over the past 12 years, Microsoft has steadily increased its investments in health, with a focus on addressing the challenges of health providers, health and social services organizations, payers, consumers and life sciences companies worldwide. Microsoft closely collaborates with a broad ecosystem of partners and develops its own powerful health solutions, such as Amalga and HealthVault. Together, Microsoft and its industry partners are working to advance a vision of unifying health information and making it more readily available, ensuring the best quality of life and affordable care for everyone.

## **About Microsoft**

Founded in 1975, Microsoft (Nasdaq "MSFT") is the worldwide leader in software, services and solutions that help people and businesses realize their full potential.

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