

Blue Cross & Blue Shield of Rhode Island
Direct Pay - Comparison of CY10 Budget to CY09 Projected Actual by Natural Account

	<u>CY2009 Projected</u>	<u>CY 2010 Budget</u>	<u>Increase (Decrease)</u>	<u>%</u>
Salaries And Wages	\$1,848,432	\$2,006,207	\$157,775	8.5
Temporary Empl Serv	7,194	1,718	(5,476)	(76.1)
Fringe Benefits	790,329	805,397	15,068	1.9
Outside Services	359,036	407,481	48,445	13.5
Legal	223,623	175,353	(48,270)	(21.6)
Facilities & Occupancy	254,196	296,081	41,885	16.5
Equipment	102,413	114,787	12,374	12.1
Software	200,387	205,060	4,673	2.3
Insurance	19,900	21,553	1,653	8.3
Travel	32,972	32,383	(589)	(1.8)
Printing/Office Supplies	73,766	78,485	4,719	6.4
Postage	171,874	186,446	14,572	8.5
Telephone	82,773	71,306	(11,467)	(13.9)
Advertising & Public Relations	130,278	89,637	(40,641)	(31.2)
Corporate & Civic Dues	52,703	49,697	(3,006)	(5.7)
Vendor Fees	1,612,859	1,664,500	51,641	3.2
Other	<u>185,512</u>	<u>120,056</u>	<u>(65,456)</u>	(35.3)
Subtotal	<u>\$6,148,247</u>	<u>\$6,326,146</u>	<u>\$177,899</u>	2.9
Change In Claims Handling	21,489	12,275	(9,214)	(42.9)
Pharmacy Benefit Management	46,295	45,760	(535)	(1.2)
Radiology Vendor Fee	<u>41,729</u>	<u>41,248</u>	<u>(481)</u>	-
Net Operating Expense	<u>\$6,257,760</u>	<u>\$6,425,429</u>	<u>\$167,669</u>	2.7
Contract Months	117,395	120,018	2,623	
PCPM	\$53.31	\$53.54	\$0.23	0.4

Budget Methodology

The 2010 expenses were developed by using the 2009 projections (January - June 2008 actual and annualizing for a full year) and adding inflation factors by department. The expenses were then adjusted for known activities.

- ♦ Rate filing costs will be similar to 2009.
- ♦ Enrollment increased slightly.

Blue Cross & Blue Shield of Rhode Island
Direct Pay - Comparison of CY11 Budget to CY10 Budget by Natural Account

	<u>CY 2010 Budget</u>	<u>CY 2011 Budget</u>	<u>Increase (Decrease)</u>	<u>%</u>
Salaries And Wages	\$2,006,207	\$2,062,253	\$56,046	2.8
Temporary Empl Serv	1,718	1,770	52	3.0
Fringe Benefits	805,397	838,457	33,060	4.1
Outside Services	407,481	431,395	23,914	5.9
Legal	175,353	180,614	5,261	3.0
Facilities & Occupancy	296,081	313,552	17,471	5.9
Equipment	114,787	118,231	3,444	3.0
Software	205,060	211,212	6,152	3.0
Insurance	21,553	22,199	647	3.0
Travel	32,383	33,503	1,120	3.5
Printing/Office Supplies	78,485	79,241	756	1.0
Postage	186,446	194,406	7,960	4.3
Telephone	71,306	74,236	2,930	4.1
Advertising & Public Relations	89,637	93,834	4,197	4.7
Corporate & Civic Dues	49,697	52,187	2,491	5.0
Vendor Fees	1,664,500	1,711,901	47,401	2.8
Other	<u>120,056</u>	<u>124,658</u>	<u>4,602</u>	3.8
Subtotal	\$6,326,146	\$6,543,650	\$217,504	3.4
Change In Claims Handling	12,275	12,000	(275)	(2.2)
Pharmacy Benefit Management	45,760	47,133	1,373	3.0
Radiology Vendor Fee	<u>41,248</u>	<u>42,485</u>	<u>1,237</u>	3.0
Net Operating Expense	\$6,425,429	\$6,645,268	\$219,839	3.4
Contract Months	120,018	121,404	1,386	
PCPM	\$53.54	\$54.74	\$1.20	2.2

Budget Methodology

The 2011 expenses were developed by multiplying 2010 budget by department with inflation factors. The 2010 Direct Pay

- ◆ Small enrollment increase for 2011 in comparison to 2009.
- ◆ Rate filing costs will be similar to 2010