A Contracting Process Renovated: Ecteon's Contraxx Increases Productivity and Improves Contract Completion, Quality and Cycle Time for Blue Shield of California

Situation

Blue Shield of California (BSCA), an independent member of the Blue Cross Blue Shield Association, is a nonprofit health plan with four million members, 6,800 employees, and more than $13 billion in annual revenue. Founded in 1939 and headquartered in San Francisco, BSCA and its affiliates provide health, dental, vision, Medicaid and Medicare healthcare service plans in California. The company's mission is to ensure all Californians have access to high-quality care at an affordable price.

With the organization's growing member base, BSCA needed a better way to consistently create, manage, and store post-sale artifacts for its members. Manual changes had to be made to source documents and be reconciled to appropriate customer documents. However, constant changes to various versions yielded inconsistencies and inaccuracies in document management. Additionally, contract fulfillment to customized groups required mostly manual entry of group-specific content to the contracts. More than 100 templates required manual customization for production, and completed contracts were stored in non-centralized locations— all negatively effecting overall productivity and time management.

As its member groups increased, contract inventory piled up, preventing contract managers from efficiently developing, modifying, and storing contract versions. Over time, BSCA leadership noticed a discrepancy between time spent managing contracts and return on investment.

BSCA concluded it needed an enterprise contract management system that would solve for inconsistency and inaccuracy, and eliminate redundancies in document creation. The Tools and Technology Team issued a Request for Proposal (RFP) to begin the search for a customer configurable contract management software solution that fit their current and growing contract requirements.

Ecteon's deep track record of serving other large, complex healthcare organizations, its diverse client portfolio, and positive reputation with long term customers made the vendor selection process easier for BSCA. "The company's experience with complex contracting processes, competitive pricing, and rapid implementation timeline in their proposal made them the obvious choice," said Kunal Dharia, project manager for BSCA. Differentiated advantages over other proposals included their system's inventory, trend, and ad hoc query reports, and its customizable dashboard for improved tracking and reporting.

Customer Profile

Blue Shield of California (BSCA) is a nonprofit health plan founded in 1939, headquartered in San Francisco and is an independent member of the Blue Cross Blue Shield Association.

Business Situation

Blue Shield of California needed a centralized contract management system that could customize documents, streamline workflow and reduce its excess of in-process document inventory in order to support the organization's need for custom contracts.

Solution

Blue Shield of California chose Ecteon's Contraxx, internally renamed ConDocs, a browser-based, contract lifecycle management (CLM) solution that offered customizable templates, intuitive user interfaces, workflow managed process control and one-click document creation

Benefits

- Established Clause portfolio
- Increased custom contract production
- Reduced document inventory from 1,500 to 150
- Reduced document creation time from weeks to days
- Improved contract finalization and distribution
- Improved tracking and reporting

Solution

Ecteon and BSCA teamed closely to define all of the system's requirements and Ecteon proceeded to configure that system based on those parameters. A multi-week pilot was carefully tested and, upon formal acceptance, introduced to the organization's contract management user base. As contract needs evolved over the following months, Ecteon made configuration adjustments through multiple iterations to account for changing industry regulations and internal processes.

Dharia describes the development and installation process of BSCA 'ConDocs' as a team effort on behalf of both BSCA and Ecteon. As subsequent business process configuration and new software functionality were introduced, the system provided greater value, and broader and easier user adoption. "The more we did, the more we learned, and the better we got at identifying all the functionality we needed in the system," said Dharia. From early stage RFP to actual implementation with Ecteon, BSCA experienced numerous personnel changes so the overall project timeframe had to accommodate organizational shifts in staff.

Multiple departments were going to use the system, so BSCA needed to establish clear policy and system development lifecycle discipline with its user base in order for the system to be used effectively and achieve its full potential. One of the biggest challenges during development and implementation was prioritizing the various contract management needs from an end-user perspective. Dharia notes "as we realized numerous opportunities to improve and expand the initial solution, they [Ecteon] would work with our team to implement them…they were a very good partner."

Ecteon's Contraxx solution (BSCA relabeled "ConDocs") was initially implemented in 2014, with numerous innovations in business process made over time. By December 2015, the system was fully implemented across multiple user groups. "Ecteon had supported our need for changes as we went along," said Michael Antonini, Product and Marketing Operations Manager for the Core and Custom team of BSCA. "They were understanding and flexible and came with the right attitude and intent to help us and make our system more successful."

Antonini adds "Ecteon took the time to understand the contracting business process that we go through to create our documents and that helped our team get our system aligned with evolving contracting practices, using Ecteon's Contraxx native software features plus unique features developed for Blue Shield of California."

After the completion of implementation, BSCA ConDocs managed thousands of contracts, evidence of coverage documents, specialty product documents, and filing documents.

The Results
Today, thousands of contracts are managed in ConDocs and more than 150 people use the system to generate contracts and produce customer-facing documents.

BSCA continues to grow the full potential of ConDocs and all its capabilities. Antonini reports he has been able to reduce his contract inventory from 1500 to 150 documents, which has allowed his team to better track document modifications while extending ConDocs directed workflow through other departments and incorporating new users into the system.

Prior to ConDocs, document creation was a manual process and would take two to three weeks to get through a single version. Now, Antonini says, it can be done within 24-48 hours. "It's transformed the way we do our work," he notes.

Benefits
Established language library for document production
With multiple work streams using the same language, ConDocs pulls documents directly from 16 Portfolio Representative Bases, a series of contract templates, for production. Because ConDocs is a centralized source of contract language units and document metadata, documents are easily searchable and retrievable.

Increased production
With ConDocs, the Custom Contracts team's current inventory is 258 documents, which is a record low, despite a net increase of 85 groups since July 2016. In addition, the Custom Contracts team completed a record 90 documents in just one day and reduced the outstanding inventory by 330 documents in six business days. ConDocs has reduced the team's effort and time to generate and customize documents, which increased production and decreased in-process inventory. Finally, the system's user interface allows for faster training of new users.

Improved finalization and distribution
Prior to using ConDocs, all contracts and booklets had to be manually converted to PDF files and there was a two-step process for emailing and uploading documents into Spark, BSCA's business integration tool. Following implementation, teams could easily generate document packages to streamline document consolidation and filing. ConDocs provides for a one-step process for emailing and storing communication.

What's Next?
BSCA recently added metrics, subtasks, in-depth search functionality, bulk copy of existing records, and cycle change trackers to ConDocs. Doing so saved analysts time composing contracts because features were automated and integrated with other software platforms, including its salesforce tool. The organization also added live order group links, radio button defaults, out of state mandate options, read-only profiles, and complexity drop-down menu options.

Conclusion
During a challenging time of enormous regulation and staff changes, Blue Shield of California's contract management community and Ecteon delivered significant innovation to the organization. Ecteon's flexibility and feature-rich software seamlessly adapted to the organization's influx of changes, new requirements and requests, delivering a custom program that drastically improved the team's contract creation, amendment, and version control processes.

"Before we were guessing; now we don't have to guess anymore," concludes Antonini. "Before, contracts and teams were siloed to individual projects and tasks. With ConDocs in place, day-to-day operations are executed in a more holistic fashion," notes Dayna Bryant, senior business analyst for ConDocs.

Today, BSCA more efficiently produces a far greater volume of customer contracts, tracks contract inventories, and better manages changes, keeping member agreements organized and internal teams aligned. As BSCA grows, ConDocs and Ecteon are now ready to meet any contracting challenge.