



CARRIER COORDINATION TEAM

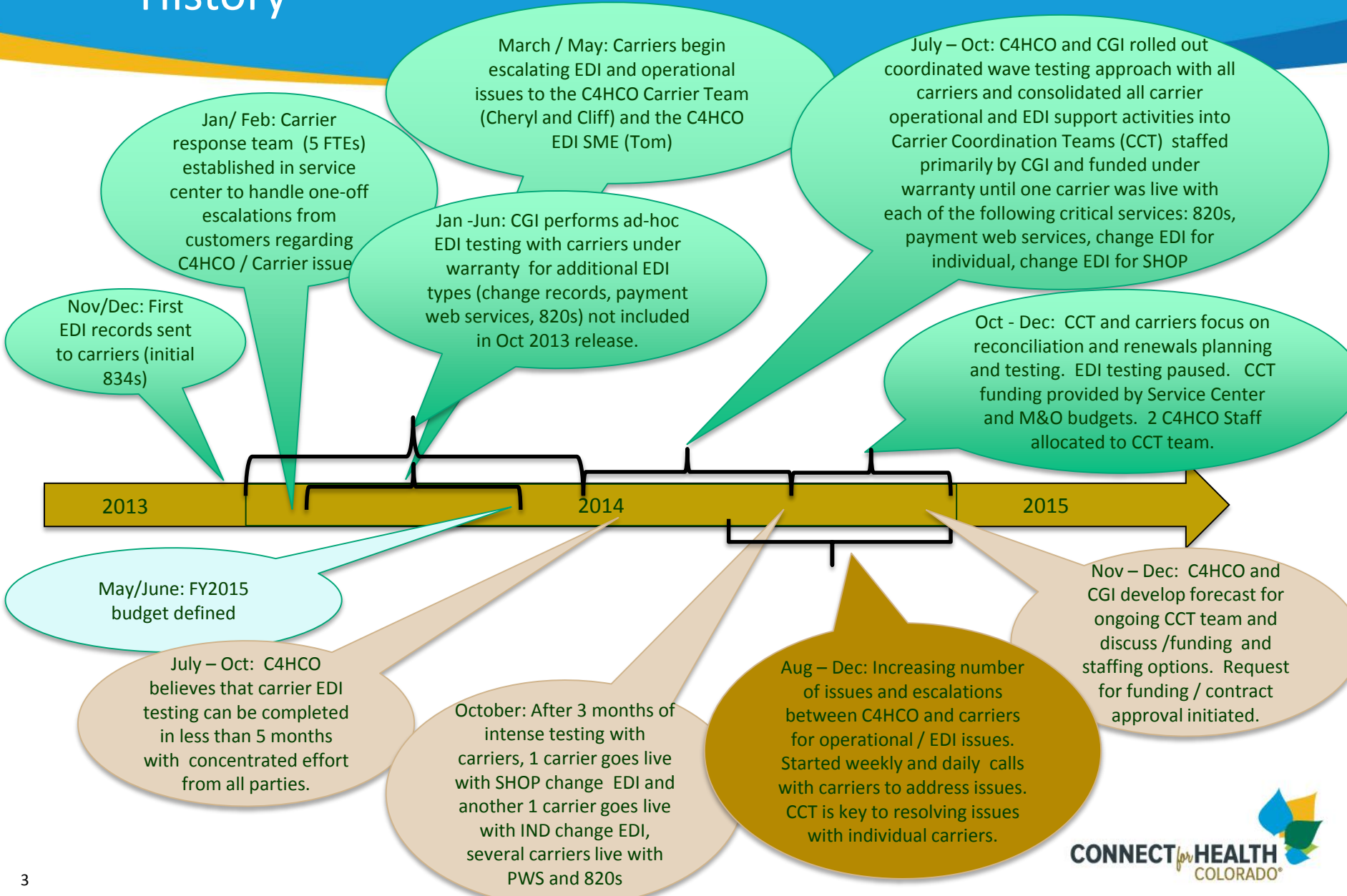
2015 Plan for Operations Committee

Overview

- The CCT supports the technical and transactional interfaces for our carrier business partners
- In 2015, we plan to transition responsibilities for the CCT from CGI to C4 staff where:
 - We can build the capability in a reasonable time
 - There is a long term need for this capability and we are not recruiting personnel we will not need in futures
 - We can reduce cost
- CGI has committed to supporting C4 in this, with limited training, handover and technical support
 - Goal is for C4 to be self-sufficient in the areas it needs

NOTE: This team will not be responsible for correction or testing of defects in CGI's code, nor will we be billed for support hours needed to assist carriers in working through issues related to these defects

History

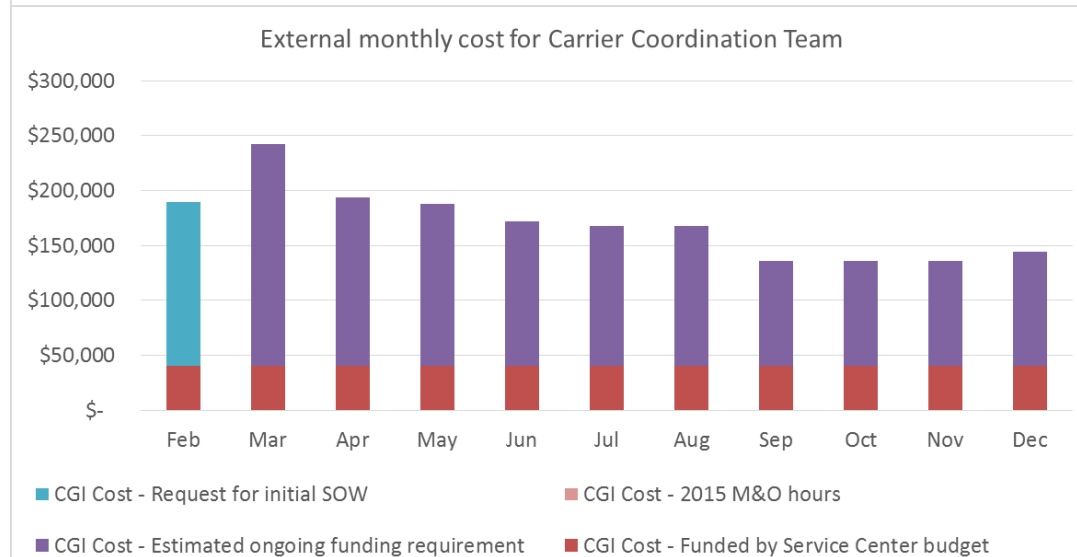
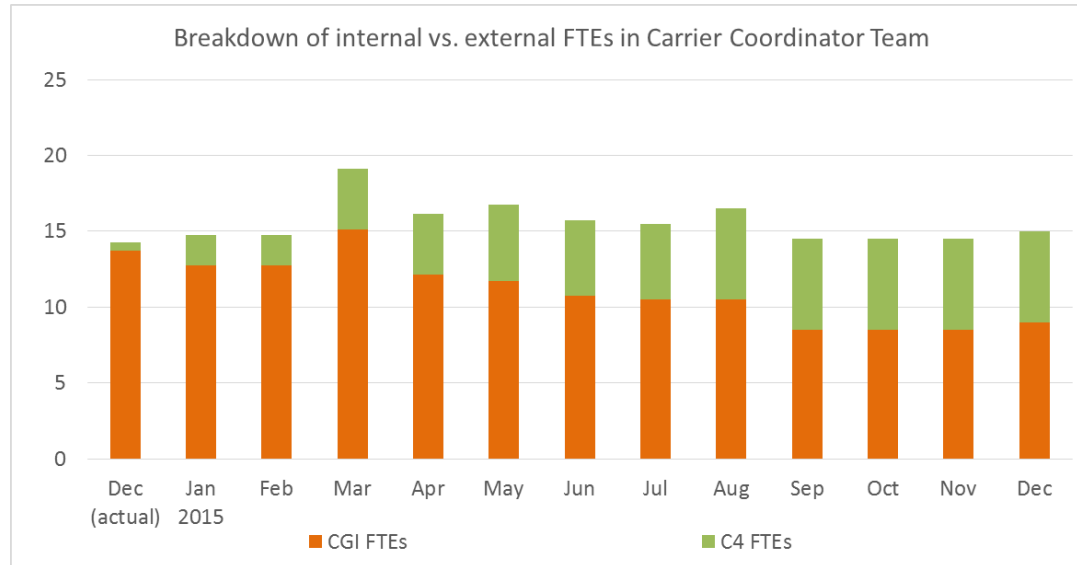


The resource need for the Carrier Coordinator Team will vary through 2015

Activity	Current FTEs	Potential for transition to C4	CGI resource cost	Notes
Carrier coordinator lead	3.00	High	High	Relationship with carriers should be owned by C4. Requires PM expertise. Resource need constant.
Carrier validation and transition to production (EDI Change, 820, Carrier Fee Billing, PWS testing, 834 audit)	2.75	High	High	Resource need will rise after OE. Good candidate to transition but support for C4 will be needed initially. EDI Change currently being performed by C4.
Carrier response team	5.00	Low	Medium	Related to service center, difficult to separate responsibilities. Resource need will fall outside of OE and data reconciliation.
Data reconciliation	3.25	Low	High	Long-term FTE need will fall with EDI improvements. 834 Audit will need ongoing support, though requires in-depth system expertise (database level changes).
Production EDI monitoring	0.75	Low	High	Needs in-depth system expertise. Closely related to development tasks. Resource need will increase as more carriers use more EDI features.
EDI regression testing	0.25	Low	Low	Related to other system development/ test functionality. Requires in-depth system expertise. Resource need will fall over time.

We will reduce the ongoing cost of the CCT over time

- The overall demand for CCT personnel will not vary much within 2015
- We will transition to a steady-state of approximately 6 C4 and 9 CGI resources
- Given the limited maturity of the EDI processes between C4 and the Carriers, we do not feel it is appropriate to outsource the operational aspects of the EDI processes at this point
- It would be appropriate to consider this in 2016



Approximate costing for CCT through 2015

Option	Description	Internal FTE cost	External spend (net increase)	Total cost	Notes
1.	Transition subset of CCT responsibilities to C4	\$400K	\$1.5M	\$1.9M	This is the option described in this report
2.	CGI operates the CCT in its entirety	n/a	\$2.3M	\$2.3M	CGI would continue to own carrier relationship
3.	Abandon the CCT	n/a	n/a	n/a	C4 would be unable to fulfill essential operations

Monthly spend (option 1)

	Dec (actual)	Jan 2015	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Internal FTE cost	3,346	13,383	13,383	26,767	26,767	33,458	33,458	33,458	40,150	40,150	40,150	40,150	40,150
External spend (net increase)	-	-	150,000	202,000	154,000	148,000	132,000	128,000	128,000	96,000	96,000	96,000	104,000

Working assumptions

- The same set of carriers will be continue to partner with C4 through 2015
- Carriers will be ready and able to test, bug fix and transition interfaces to production to a fairly aggressive schedule
- CGI will continue to be contracted to operate Carrier Response Team