

# NASCO NEWS FLASH

## **Blue Cross Blue Shield of Michigan and NASCO Achieve Major Migration Milestone**

More than two years ago, NASCO began a multi-year initiative with Blue Cross Blue Shield of Michigan (BCBSM) to process all of their commercial business on the NASCO platform.

While most of 2007 and 2008 were about the system enhancements, testing, training and migration planning required for the new Michigan Operating System (MOS), NASCO and BCBSM reached a number of milestones in 2009. There were 10 IT code releases and seven account migrations, which included migrating BCBSM's individual business, 100 percent of BCBSM's BlueCard Host business and a pilot of their small group contracts over to NASCO. The significance of the small group pilot is that it includes the use of a new integrated benefit configuration and explanation solution that creates a single source for benefit information that drives claims payment logic and the explanation of these benefits.

I am very excited to report that both BCBSM and NASCO have met the 2009 account migration goal set earlier this year to move at least 27 percent of the Plan's business off the legacy platform and onto NASCO. This has been a challenging and rewarding project for NASCO, and we are poised to migrate the bulk of BCBSM's small, medium and large group business in 2010 and 2011.

In the words of Chris Maier, BCBSM V.P., Claims, Enrollment and Billing Operations, "No system implementation of this scale is problem free, and I've been impressed with NASCO's commitment and responsiveness when working with us and other partners to resolve issues as they occur. NASCO has demonstrated their commitment to driving a cost-effective successful implementation. We continue to maintain very high automation rates in the NASCO Processing System. We have achieved auto adjudication rates for the new business migrated to NASCO of over 96 percent."

At NASCO, the growth we expect for 2010 and beyond will continue to drive business value for both NASCO and our BCBS Plan customers through reduced costs, enhanced capabilities, operating efficiencies and improved quality and reliability.

Sincerely,



John Ladaga  
President and CEO  
NASCO