

Blue Cross and Blue Shield of Illinois

Medicaid Managed
Care Health Plan
State of Illinois
2019 BEP Report



BlueCross BlueShield
of Illinois

Report Date: 03/20/2020



BEP Report

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The administrative expenses paid to the Medicaid managed care health plan.

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State of Illinois BEP Report

Blue Cross and Blue Shield of Illinois (BCBSIL), a Division of Health Care Service Corporation, is contracted with IHFS as a MCO and operates a Medicaid plan, the Blue Cross Community Health Plan (BCCHP) in the state of Illinois. As a requirement of this contract our goal is to work with Business Enterprise Program Suppliers (BEP). BCBSIL is committed to working to enhance business prospects for all entities by providing equal opportunities for the inclusion of minority-, women-, and persons with disabilities-owned businesses to participate in applicable BCBSIL Medicaid managed care health plan related contracts.

Please see the BCBSIL Medicaid website for more details:

https://www.bcbsil.com/provider/network/medicaid_index.html

In accordance with 305 ILCS 5/5-30.11, which require Medicaid managed care health plans to annually report Business Enterprise Program (BEP) diversity spend to the Illinois Department of Healthcare and Family Services (HFS), BCBSIL is submitting the following report. For purposes of the report the reporting period is January 1, 2018 through December 31, 2019.

01 Administrative Expenses

Reporting Requirement: Report the administrative expenses paid to the Medicaid managed care health plan.

BCBSIL Response: Each month BCBSIL receives administrative fees reflecting the dollars that we have been paid from the State of Illinois to administer benefits management for Medicaid Members who are under the Blue Cross Community Health Plan (BCCHP). For the 2018 calendar year a total of \$127,316,574 and in 2019 a total of \$122,086,456 in administrative expenses were paid to the BCBSIL Medicaid managed care health plan.

02 Spend with Business Enterprise Programs Suppliers

Reporting Requirement: Report the amount of money the Medicaid managed care health plan has spent with Business Enterprise Program certified businesses.

BCBSIL Response: BCBSIL reputation is built on building and maintaining trust. We are committed to managing our business with values to represent the highest standards of quality, integrity, excellence and respect. The Medicaid contract provides a great opportunity for BCBSIL to collaborate with BEP suppliers to bring a strong value proposition to our Medicaid members with providing products and services that meet their needs.

Each month BCBSIL utilizes BEP suppliers to help execute the contract and provide services for our members. For the 2018 calendar BCBSIL spent a total of \$5,856,775 with BEP certified businesses. For the 2019 calendar BCBSIL spent a total of \$9,577,300 with

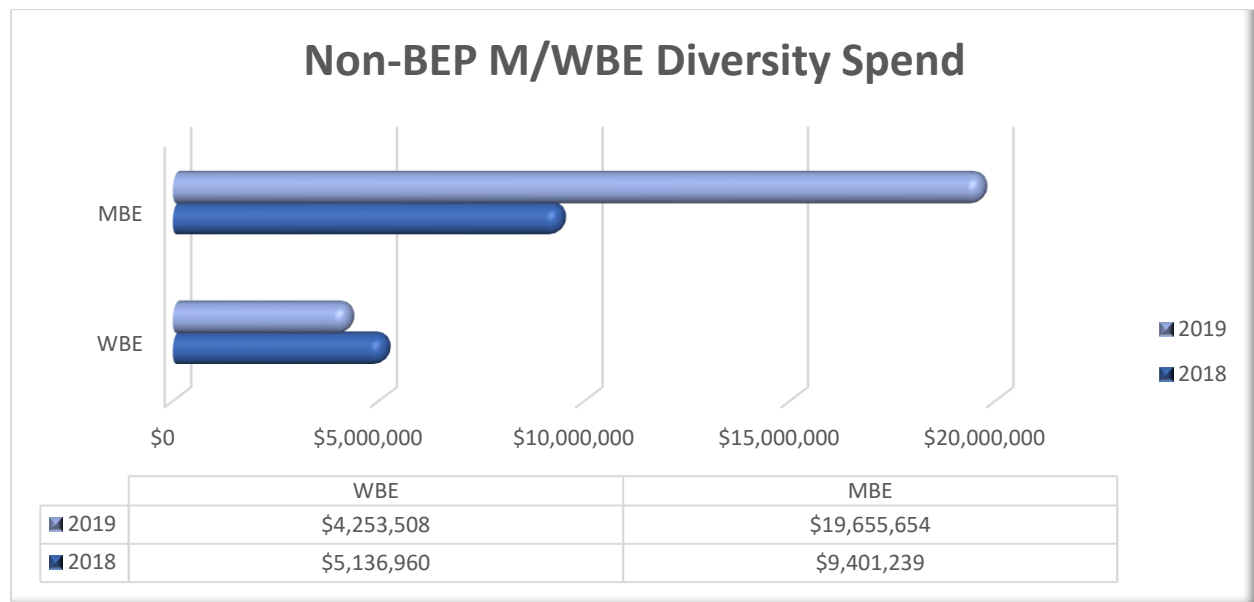
BEP certified businesses. For the 2020 calendar through March 13, 2020, BCBSIL spent a total of \$1,806,498 with BEP certified businesses.

03 Spend with Other Certifying Agencies

Reporting Requirement: Report the amount of money the Medicaid managed care health plan has spent with minority-owned and women-owned businesses that are certified by other agencies or private organizations.

BCBSIL Response: BCBSIL not only spends with BEP companies for the Medicaid contract, we also ensure diverse spend across our supply chain with diverse companies who have third party certification with other verifying organizations. BCBSIL has developed an aggressive engagement plan to outreach minority-owned and women owned businesses that are certified by other agencies to become BEP certified for Illinois Medicaid where appropriate.

The following graph reflects spend for our Medicaid managed care health plan with Non-BEP M/WBEs that have been certified by other third-party agencies for 2018 and 2019 calendar years.



04 Spend with Not-for-Profit Agencies

Reporting Requirement: Report the amount of money the Medicaid managed care health plan has spent with not-for-profit community-based organizations serving predominantly minority communities, as defined by HFS.

BCBSIL Response: BCBSIL's community involvement is rooted in one of our core values: corporate citizenship. We are committed to the well-being of the communities in which we do business through focused health and wellness efforts. As an organization who prides itself in standing with our members in sickness and in health, philanthropy is inextricably woven into the fabric of our organization.

For the 2018 calendar BCBSIL spent a total of \$1,342,643 with not for profit community-based organizations serving predominantly minority communities.

For the 2019 calendar BCBSIL spent a total of \$1,134,211 with not for profit community-based organizations serving predominantly minority communities.

It is worth noting that in 2019 there was a decrease in WBE spend overall due to a BCBSIL and supplier agreement with contract terms from 2014-2018. After 2018, the spend for this service is captured in the 2019 MBE category.

05 Workforce Composition

Reporting Requirement: Report the proportion of minorities, people with disabilities, and women that make up the staff of the Medicaid managed care health plan.

BCBSIL Response: BCBSIL has a very diverse workforce. We support an environment where all employees feel valued, empowered and recognized for their unique talents, perspectives, and differences. We strive to maintain an inclusive work environment where all employees experience equity. Employees know when they come to work each day they will be treated fairly and with the respect they deserve. We see our organization as one united by our differences and empowered by the strengths each employee brings to the table.

The following chart reflects the portion of minorities, persons with disabilities and women that make up the staff of the Medicaid managed care health plan.

Diversity	Percentage
Minorities	40.82%
Persons w/Disabilities	18.37%
Women	34.69%

06 Initiatives to Increase Opportunities



Reporting Requirement: Report recommendations for increasing expenditures with minority-owned and women-owned businesses.

BCBSIL Response: BCBSIL has a proactive outreach program to engage BEP Suppliers that are aligned to our Illinois Medicaid program goals. We have a process to ensure that minority suppliers are considered for new and existing procurement opportunities. Additionally, through our diverse spend program we aim to partner prime suppliers with diverse suppliers to offer opportunities to increase diversity spend with minority-owned and women-owned businesses through a mentor-protégé model. Our program provides on-going education and assistance to suppliers to assist with state BEP certification and other business certification requirements within BCBSIL. Lastly, in 2019, BCBSIL developed a reporting process to capture diverse spend from medical providers that are registered with the state as a diverse supplier.

Please see the following table summarizing BCBSIL's recommendations to increase spend with Minorities, Persons with Disabilities, and Women.

<p>BEP Recommendations</p>	<p>Supply Chain Tier 2 Recommendation – Engaging prime suppliers to have them report their Tier 2 Spend.</p> <p>Staffing Cohort Recommendation – BCBSIL created a cohort for all Medicaid resources and we are partnering with our prime contractors to also utilize this cohort for any Medicaid Initiatives.</p> <p>Provider Recommendation – Developed a approach to begin including providers who are BEP certified by the State of Illinois.</p> <p>Large Scale RFPs – Working to engage BEP Suppliers on large scale opportunities that will generate significant opportunities for BEP Spend.</p> <p>Education & Development – Working on removing barriers to entry for BEPs suppliers. BCBSIL has held several educational forums and workshops.</p>
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07 Services Being Added for Future Opportunities

Required Reporting: Report a list of the types of services to which the Medicaid managed care health plan is contemplating adding new vendors.

BCBSIL Response:



Services to which BCBSIL is contemplating adding new vendors include:

- a) Transportation Services
- b) Vision Services
- c) Dental Services
- d) Technology Services

08 Accepted diversity Certifications

Required Reporting: Report the certifications the Medicaid managed care health plan accepts for minority-owned and women-owned businesses.

BCBSIL Response *The following is the guideline that BCBSIL provides diverse suppliers regarding the types of certifications and certifying agencies that BCBSIL accepts.*

Certifications

For disadvantaged businesses and for disadvantaged business owners. Some certifications are federal. Some are state or municipal—city, town, county, or other. National councils, listed on this page, and private agencies offer other certifications. Each certification has its own requirements and a fee is typically associated with a certification.

Most Common Certifications

Disadvantaged Business Enterprise (DBE)
Minority-Owned Business or Minority Business Enterprise (MBE)
Minority and Women Business Enterprises (MWBE)
Women-Owned Business Enterprise (WBE)
Female Business Enterprise (FBE)
Lesbian Gay Bisexual Transgender Business Enterprise (LGBTBE)
Veteran-Owned Business Enterprise (VET)
Veteran Business Enterprise (VBE)
Veteran-Owned Small Business (VOSB)
Service-Disabled Veteran-Owned Small Business (SDVOSB)
Business Enterprises Owned by People with Disabilities (BEPD)
Disability-Owned Business Enterprise (DOBE)
Airport Concessions Disadvantaged Business Enterprise (ACDBE)
HUBZone Business
Small Business Enterprise (SBE)
Small Business Administration 8(a) Program or SBA 8(a) Program

National Councils

National Minority Supplier Development Council (NMSDC) for minorities



Women's Business Enterprise National Council (WBENC) for women
National LGBT Chamber of Commerce (NGLCC) for gay, lesbian, bisexual, and
transgender people
Disability: IN for persons with disabilities
National Veteran Business Development Council (NVBDC) for veterans

09 Point of Contact for Diverse-Owned Businesses

Required Reporting: Report the point of contact for potential vendors seeking to do business with the Medicaid managed care health plan.

BCBSIL Response: The BCBSIL Supplier Diversity Program is managed and operated by the Supplier Diversity Team. The point of contact regarding any opportunities for BEP Suppliers is LaTonya Fourte'-Lyles (supplier_diversity@bcbsil.com).