



DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of Inspector General
Offices of Audit Services

OCT 04 2004

Report Number A-07-03-03043

Region VII
601 East 12th Street
Room 284A
Kansas City, Missouri 64106

Mr. Steven E. Kerr, CPA
Director, Financial Management Reporting
Blue Cross Blue Shield of Tennessee
801 Pine Street
Chattanooga, Tennessee 37402-2555

Dear Mr. Kerr:

Enclosed are two copies of the U.S. Department of Health and Human Services (HHS), Office of Inspector General (OIG) report entitled "Audit of Medicare Contractor's Pension Segmentation Blue Cross Blue Shield of Tennessee." A copy of this report will be forwarded to the action official noted below for her review and any action deemed necessary.

Final determination as to actions taken on all matters reported will be made by the HHS action official named below. We request that you respond to the HHS action official within 30 days from the date of this letter. Your response should present any comments or additional information that you believe may have a bearing on the final determination.

In accordance with the principles of the Freedom of Information Act (5 U.S.C. 552, as amended by Public Law 104-231), Office of Inspector General reports issued to the Department's grantees and contractors are made available to members of the press and general public to the extent information contained therein is not subject to exemptions in the Act which the Department chooses to exercise. (See 45 CFR Part 5.)

If you have any questions or comments about this report, do not hesitate to call me or Jenenne Tambke, Audit Manager at (573) 893-8338, ext. 21 or through e-mail at jenenne.tambke@oig.hhs.gov. To facilitate identification, please refer to Report Number A-07-03-03043 in all correspondence relating to this report.

Sincerely yours,

James P. Aasmundstad
Regional Inspector General
for Audit Services

Enclosures – as stated

Direct Reply to HHS Action Official:

Rose Crum-Johnson
Regional Administrator
Centers for Medicare & Medicaid Services
Atlanta Federal Center
61 Forsyth Street, S.W., Suite 4T20
Atlanta, Georgia 30303-8909

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**AUDIT OF MEDICARE
CONTRACTOR'S PENSION
SEGMENTATION BLUE CROSS BLUE
SHIELD OF TENNESSEE**



**AUGUST 2004
A-07-03-03043**

Office of Inspector General

<http://oig.hhs.gov>

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OAS FINDINGS AND OPINIONS

The designation of financial or management practices as questionable or a recommendation for the disallowance of costs incurred or claimed as well as other conclusions and recommendations in this report represent the findings and opinions of the HHS/OIG/OAS. Authorized officials of the awarding agency will make final determination on these matters.



EXECUTIVE SUMMARY

BACKGROUND

Blue Cross Blue Shield of Tennessee (Tennessee) administers Medicare Part A operations under a cost reimbursement contract with Centers for Medicare & Medicaid Services (CMS).

Starting with Fiscal Year 1988, CMS incorporated segmentation requirements into Medicare contracts. The contractual language specifies segmentation requirements and also provides for separate identification of the pension assets for the Medicare segment. Additionally, the Medicare contract requires that the Medicare segment assets be updated for each year after the initial allocation in accordance with Cost Accounting Standards (CAS) 412 and 413.

OBJECTIVES

The objectives were to determine if Tennessee:

- implemented our prior audit recommendation, and
- complied with the pension segmentation requirements of the Medicare contract while updating Medicare segment assets from January 1, 1993 to January 1, 2002.

SUMMARY OF FINDINGS

Tennessee did not implement our prior audit recommendation and did not comply with the pension segmentation requirements of the Medicare contract while updating Medicare segment assets from January 1, 1993 to January 1, 2002. Therefore, Tennessee overstated Medicare segment pension assets by \$610,201. The overstatement occurred because Tennessee did not have adequate controls to ensure that the Medicare segment was identified in accordance with Medicare contract and Medicare segment assets were updated in accordance with CAS 412 and 413.

RECOMMENDATIONS

Tennessee should:

- decrease the Medicare segment pension assets by \$610,201 as of January 1, 2002, and
- implement controls to ensure that the Medicare segment is identified in accordance with the Medicare contract and updated in accordance with CAS 412 and 413.

AUDITEE COMMENTS

Tennessee agreed with our report, and stated they would reduce segment assets by \$610,201 as of January 1, 2002. Additionally, Tennessee plans procedural enhancements in its identification of the Medicare segment. Tennessee's comments are shown in their entirety in Appendix B.

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Glossary of Abbreviations and Acronyms

CAS	Cost Accounting Standards
CMS	Centers for Medicare & Medicaid Services
FAR	Federal Acquisition Regulations
OIG	Office of Inspector General
WAV	Weighted Average Value

INTRODUCTION

BACKGROUND

Medicare

Tennessee administers Medicare Part A operations under cost reimbursement contracts. In claiming costs, contractors are to follow cost reimbursement principles contained in Federal Acquisition Regulations (FAR), CAS, and the Medicare contract. Since its inception, Medicare has paid a portion of the annual contributions made by contractors to their pension plan. These payments represented allowable pension costs under the FAR and CAS.

CMS incorporated segmentation requirements into Medicare contracts starting with Fiscal Year 1988. The contractual language specifies segmentation requirements and also provides for the separate identification of the pension assets for a Medicare segment.

The Medicare contract defines a segment, and specifies the methodology for the identification and initial allocation of pension assets to the Medicare segment. Furthermore, the contract requires that the Medicare segment assets be updated for each year after the initial allocation in accordance with CAS 412 and 413.

Regulations

CAS 412 regulates the determination and measurement of the components of pension costs. It also regulates the assignment of pension costs to appropriate accounting periods.

CAS 413 regulates the valuation of pension assets, allocation of pension costs to segments of an organization, adjustment of pension costs for actuarial gains and losses, and assignment of gains and losses to cost accounting periods.

OBJECTIVES, SCOPE AND METHODOLOGY

Objectives

The objectives were to determine if Tennessee:

- implemented our prior audit recommendation, and
- complied with the pension segmentation requirements of the Medicare contract while updating Medicare segment assets from January 1, 1993 to January 1, 2002.

Scope

We reviewed Tennessee's identification of the Medicare segment, and its update of Medicare assets from January 1, 1993 to January 1, 2002. Achieving our objectives did not require a review of Tennessee's internal control structure.

We performed site work at Tennessee's office in Chattanooga, Tennessee.

Methodology

In performing this review, we used information provided by Tennessee's actuarial consulting firm. The information included assets, liabilities, normal costs, contributions, benefit payments, investment earnings, and administrative expenses. We reviewed Tennessee's accounting records, pension plan documents, annual actuarial valuation reports, and the Department of Labor/Internal Revenue Service Form 5500s. Using these documents, CMS pension actuarial staff calculated Medicare segment assets as of January 1, 2002. We reviewed the methodology and calculations.

We performed this review in conjunction with our audits of unfunded pension costs (Report Number: A-07-04-00165) and pension costs claimed for Medicare reimbursement (Report Number: A-07-04-03054). The information obtained and reviewed during those audits was also used in performing this review.

Details for the updated pension assets of the Medicare segment from January 1, 1993 to January 1, 2002 are presented in Appendix A.

We conducted our audit in accordance with generally accepted government auditing standards.

FINDINGS AND RECOMMENDATIONS

Tennessee overstated Medicare segment assets by \$610,201 as of January 1, 2002. The overstatement occurred because Tennessee did not implement our prior recommendation and did not update its Medicare segments from January 1, 1993 to January 1, 2002 in accordance with CAS 413. As a result, Tennessee overstated Medicare segment pension assets by \$610,201 (\$1,487,026 overstated in update less \$876,825 understated from prior audit) as of January 1, 2002.

PRIOR AUDIT RECOMMENDATION

Tennessee did not implement the audit recommendation from our prior audit report. Our previous segmentation review (Report Number: A-07-94-00805) addressed the computation of the asset fraction, the identification of the segment's assets as of January 1, 1986, and the update of the segment's assets to January 1, 1993. In that report, we recommended that Tennessee increase Medicare segment assets from \$1,076,525 to \$1,953,350 (an increase of \$876,825) as of January 1, 1993.

UPDATE OF MEDICARE SEGMENT ASSETS FROM JANUARY 1, 1993 TO JANUARY 1, 2002

Tennessee's update of Medicare segment pension assets from January 1, 1993 to January 1, 2002 overstated assets by \$1,487,026. The overstatement occurred because Tennessee:

- overstated contributions allocable to the segment (\$973,787 asset overstatement),
- understated Medicare segment benefit payments (\$531,472 asset overstatement),
- overstated participant asset transfers into the segment (\$361,296 asset overstatement), and
- understated earnings and expenses allocable to the Medicare segment (\$379,529 asset understatement).

CRITERIA: MEDICARE CONTRACT & CAS

Medicare Contract

The Medicare contracts identify a Medicare segment as:

“...any organizational component of the contractor, such as a division, department, or other similar subdivision, having a significant degree of responsibility and accountability for the Medicare contract/agreement, in which:

1. The majority of the salary dollars is allocated to the Medicare agreement/contract;
or,

2. Less than a majority of the salary dollars is allocated to the Medicare agreement/contract, and these salary dollars represent 40 percent or more of the total salary dollars allocated to the Medicare agreement/contract.”

Furthermore, determining segments assets is addressed by the Medicare contract, which states: “...the pension assets allocated to each Medicare segment shall be adjusted in accordance with CAS 413.50(c)(7).”

CAS

CAS 413.50(c)(7) requires that the asset base be adjusted by contributions, income, benefit payments, and expenses. In addition, CAS 413.50(c)(8) requires an adjustment should also be made for transfers (participants who enter or leave the segment) if the transfer materially affects the segment’s ratio of pension plan assets to actuarial accrued liabilities.

Furthermore, CAS 412.50(a)(4) states for contractors with prepayment credits, these credits represent funds available to the contractors at the beginning of plan years. These funds should be applied first to satisfy funding requirements in order to reduce interest costs to the Government.

CONDITION: UPDATE METHODOLOGY

Contributions Overstated

Tennessee’s update methodology did not equitably assign pension contributions to the Medicare segment. As a result, Tennessee overstated Medicare segment assets by \$973,787.

For years 1995 to 2001, Tennessee’s assigned contributions exceeded the required funding of CAS pension costs. According to CAS, amounts funded in excess of pension costs (or prepayments) shall be carried forward with interest to fund future CAS pension costs. Our computations considered these excess contributions and made prepayment adjustments to fund CAS pension costs of the Medicare segment.

The audited update of Medicare segment assets assigned contributions to the Medicare segment using the pension costs as calculated by CMS Office of the Actuary. The Medicare segment assets decreased by \$973,787 in the audited update due to differences in assigned contributions. A comparison of Tennessee’s and our calculation of pension contributions follows:

Contributions

Year	OIG	Tennessee	Difference
1993	\$129,017	\$71,009	\$58,008
1994	56,473	86,792	(30,319)
1995	83,361	84,698	(1,337)
1996	211,212	269,340	(58,128)
1997	149,940	449,396	(299,456)
1998	217,996	382,999	(165,003)
1999	283,289	361,681	(78,392)
2000	264,554	394,841	(130,287)
2001	397,342	666,215	(268,873)
Totals	\$1,793,184	\$2,766,971	(\$973,787)

Benefit Payments Understated

Tennessee understated Medicare segment benefit payments by \$531,472. Since benefit payments reduce segment assets, the effect was an overstatement of segment assets.

The audited update of Medicare segment assets included the actual retirement benefits paid to Medicare segment participants to December 31, 2001 and assigned these payments to the Medicare segment. A comparison of OIG and Tennessee benefit payment amounts are shown on the following schedule:

Benefit Payments

Year	OIG	Tennessee	Difference
1993	\$4,082	\$4,082	\$0
1994	0	0	0
1995	495,592	497,553	(1,961)
1996	62,424	2,880	59,544
1997	0	0	0
1998	388,421	0	388,421
1999	49,695	0	49,695
2000	65,421	42,644	22,777
2001	64,903	51,907	12,996
Totals	\$1,130,538	\$599,066	\$531,472

Transfers Overstated

Tennessee made adjustments for transfers (representing the movement of participants in and out of the segment each year) in its update of segment assets from January 1, 1993 to January 1, 2002. However, Tennessee incorrectly identified the participants that

transferred in and out of the segment resulting in an overstatement of Medicare segment assets of \$361,296. Transfers for the audited update of Medicare segment assets have been adjusted based on our revisions to the Medicare segment.

A comparison of OIG and Tennessee net asset transfers into the Medicare segment is shown in the schedule below.

Net Asset Transfers into the Medicare Segment

Year	OIG	Tennessee	Difference
1993	(\$317,913)	(\$109,756)	(\$208,157)
1994	(373,252)	(32,777)	(\$340,475)
1995	53,735	424,528	(\$370,793)
1996	155,357	1,030,981	(\$875,624)
1997	(257,722)	(2,363,280)	\$2,105,558
1998	(13,733)	(99,997)	\$86,264
1999	(204,364)	(160,987)	(\$43,377)
2000	107,018	1,802,012	(\$1,694,994)
2001	(279,445)	(1,259,747)	\$980,302
Totals	(\$1,130,319)	(\$769,023)	(\$361,296)

Earnings and Expenses Understated

Tennessee’s investment earnings, less administrative expenses, were understated by \$379,529. The understatement was due primarily to incorrect beginning of year asset values. It was Tennessee’s practice to allocate investment income and expenses to the Medicare segment based on beginning of year asset values. Additionally, for plan years beginning after March 30, 1995, CAS requires investment income and expenses to be allocated among segments based on the ratio of the segment’s weighted average value (WAV) of assets to total company WAV of assets. The audited update of Medicare segment assets reflects the required change in methodology.

CAUSE: LACK OF ADEQUATE CONTROLS

Tennessee did not have adequate controls to ensure that the Medicare segment was identified in accordance with the Medicare contract and the Medicare segment pension assets were updated in accordance with CAS 412 and 413.

EFFECT: OVERSTATEMENT OF MEDICARE SEGMENT ASSETS

As of January 1, 2002, Tennessee overstated Medicare segment pension assets by \$610,201.

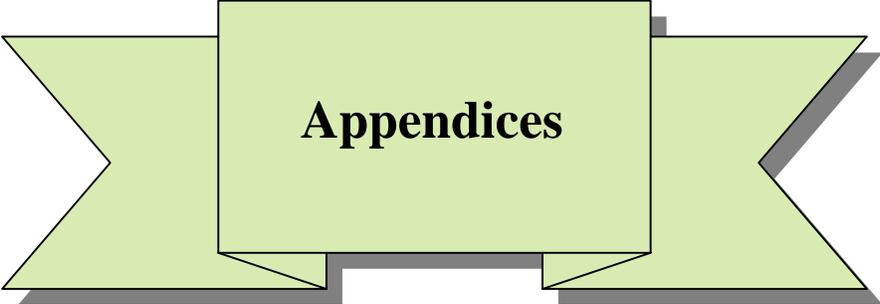
RECOMMENDATIONS

Tennessee should:

- decrease the Medicare segment pension assets by \$610,201 as of January 1, 2002, and
- implement controls to ensure that the Medicare segment is identified in accordance with the Medicare contract and updated in accordance with CAS 412 and 413.

AUDITEE COMMENTS

Tennessee agreed with our report, and stated they would reduce segment assets by \$610,201 as of January 1, 2002. Additionally, Tennessee plans procedural enhancements in its identification of the Medicare segment. Tennessee's comments are shown in their entirety as Appendix B.



Appendices

BLUE CROSS BLUE SHIELD OF TENNESSEE
STATEMENT OF MEDICARE PENSION ASSETS
FOR THE PERIOD
JANUARY 1, 1993 TO JANUARY 1, 2002

Description		Total Company	Other Segment	Medicare
Assets January 1, 1993	<u>1/</u>	\$33,636,034	\$31,682,684	\$1,953,350
Contributions	<u>2/</u>	3,531,305	3,402,288	129,017
Earnings	<u>3/</u>	3,451,289	3,250,862	200,427
Benefits	<u>4/</u>	(1,259,615)	(1,255,533)	(4,082)
Expenses	<u>5/</u>	(241,721)	(227,684)	(14,037)
Transfers	<u>6/</u>	0	317,913	(317,913)
Assets January 1, 1994		\$39,117,292	\$37,170,530	\$1,946,762
Contributions		4,848,508	4,792,035	56,473
Earnings		265,036	251,846	13,190
Benefits		(2,322,367)	(2,322,367)	0
Expenses		(197,243)	(187,427)	(9,816)
Transfers		0	373,252	(373,252)
Assets January 1, 1995		\$41,711,226	\$40,077,869	\$1,633,357
Prepayment Transfers	<u>7/</u>	0	(80,568)	80,568
Contributions		6,492,097	6,489,304	2,793
Earnings		9,602,693	9,208,116	394,577
Benefits		(14,716,825)	(14,221,233)	(495,592)
Expenses		(181,472)	(174,015)	(7,457)
Transfers		0	(53,735)	53,735
Assets January 1, 1996		\$42,907,719	\$41,245,738	\$1,661,981

BLUE CROSS BLUE SHIELD OF TENNESSEE
STATEMENT OF MEDICARE PENSION ASSETS
FOR THE PERIOD
JANUARY 1, 1993 TO JANUARY 1, 2002

Description	Total Company	Other Segment	Medicare
Assets January 1, 1996	\$42,907,719	\$41,245,738	\$1,661,981
Prepayment Transfers	0	(211,212)	211,212
Contributions	4,519,658	4,519,658	0
Earnings	6,712,593	6,420,378	292,215
Benefits	(1,506,872)	(1,444,448)	(62,424)
Expenses	(213,228)	(203,946)	(9,282)
Transfers	0	(155,357)	155,357
Assets January 1, 1997	\$52,419,870	\$50,170,811	\$2,249,059
Prepayment Transfers	0	(146,199)	146,199
Contributions	6,602,708	6,598,967	3,741
Other Transaction	<u>8/</u> 29,572,952	29,572,952	0
Earnings	10,320,496	9,840,403	480,093
Benefits	(2,458,635)	(2,458,635)	0
Expenses	<u>9/</u> NA	NA	NA
Transfers	0	257,722	(257,722)
Assets January 1, 1998	\$96,457,391	\$93,836,021	\$2,621,370
Prepayment Transfers	0	(211,898)	211,898
Contributions	21,778,325	21,772,227	6,098
Earnings	14,744,498	14,319,910	424,588
Benefits	(11,711,546)	(11,323,125)	(388,421)
Expenses	(493,266)	(479,062)	(14,204)
Transfers	0	13,733	(13,733)
Assets January 1, 1999	\$120,775,402	\$117,927,806	\$2,847,596

BLUE CROSS BLUE SHIELD OF TENNESSEE
STATEMENT OF MEDICARE PENSION ASSETS
FOR THE PERIOD
JANUARY 1, 1993 TO JANUARY 1, 2002

Description	Total Company	Other Segment	Medicare
Assets January 1, 1999	\$120,775,402	\$117,927,806	\$2,847,596
Prepayment Transfers	0	(283,289)	283,289
Contributions	2,476,195	2,476,195	0
Earnings	17,851,102	17,359,286	491,816
Benefits	(16,075,486)	(16,025,791)	(49,695)
Expenses	(523,995)	(509,558)	(14,437)
Transfers	0	204,364	(204,364)
Assets January 1, 2000	\$124,503,218	\$121,149,013	\$3,354,205
Prepayment Transfers	0	(264,554)	264,554
Contributions	18,972,287	18,972,287	0
Earnings	(4,631,317)	(4,489,211)	(142,106)
Benefits	(15,366,327)	(15,300,906)	(65,421)
Expenses	(696,801)	(675,421)	(21,380)
Transfers	0	(107,018)	107,018
Assets January 1, 2001	\$122,781,060	\$119,284,190	\$3,496,870
Prepayment Transfers	0	(397,342)	397,342
Contributions	23,300,000	23,300,000	0
Earnings	(5,335,000)	(5,153,801)	(181,199)
Benefits	(18,160,509)	(18,095,606)	(64,903)
Expenses	(583,044)	(563,241)	(19,803)
Transfers	0	279,445	(279,445)
Assets January 1, 2002	\$122,002,507	\$118,653,645	\$3,348,862
Per Tennessee	<u>10/</u> \$122,002,507	\$118,043,444	\$3,959,063
Asset Variance	<u>11/</u> \$0	\$610,201	\$610,201

BLUE CROSS BLUE SHIELD OF TENNESSEE
STATEMENT OF MEDICARE PENSION ASSETS
FOR THE PERIOD
JANUARY 1, 1993 TO JANUARY 1, 2002

FOOTNOTES

- 1/ We determined the Medicare segment assets as of January 1, 1993 in our prior review of Tennessee's pension segmentation (Report Number: A-07-94-00805). The amounts shown for the other segment represent the difference between the total company and the Medicare segment. All pension assets are shown at market value.
- 2/ We obtained total company contribution amounts from the actuarial valuation reports. We allocated total company contributions to the Medicare segment based on the ratio of the Medicare segment funding target divided by the total company funding target. Contributions in excess of the funding targets were treated as prepayments credits and allocated to the "other" segment until needed to fund pension cost in future.
- 3/ We obtained investment earnings from actuarial valuation reports. Tennessee allocated its investment earnings based on a ratio of beginning of year segment assets to total company assets. We allocated investment earning for years prior to 1996 using Tennessee's methodology. For years starting with 1996 we allocated investment earnings based on the ratio of the segment's WAV of assets to total company WAV of assets as required by CAS.
- 4/ We based the Medicare segment's benefit payments on actual payments to Medicare retirees. Tennessee provided us with supporting documentation for benefit payment amounts to plan retirees. We used actual benefit payments for Medicare segment retirees.
- 5/ We allocated administrative expenses to the Medicare segment in proportion to investment income. Tennessee used the same methodology.
- 6/ We identified participant transfers between segments by comparing valuation data files provided by Tennessee. Our transfer adjustment considered each participant's actuarial liability and the funding level of the segment from which the participant transferred. We calculated the funding leveling as the assets divided by the liabilities. If the funding level was greater than one, we transferred assets equal to the participant's liability. For transfers occurring prior to the 1996 plan year, asset transfers reflected the funding level of the segment from which the participant transferred, based on the actuarial liability and the asset value used for cost purposes. For plan years starting with 1996, asset transfers were equal to the actuarial liability determined under the accrued benefit cost method in accordance with CAS.

BLUE CROSS BLUE SHIELD OF TENNESSEE
STATEMENT OF MEDICARE PENSION ASSETS
FOR THE PERIOD
JANUARY 1, 1993 TO JANUARY 1, 2002

- 7/ Prepayment credits represent funds available to satisfy future funding requirements and are applied to future funding requirements before current year contributions in order to reduce interest costs to the Government. Prepayment credits are transferred to the Medicare segment as needed to cover funding requirements.
- 8/ Other Transactions represent a merger with Memphis and did not impact the Medicare segment as shown.
- 9/ Tennessee did not separately calculate earnings and expenses for plan year 1998. As such the expenses are shown as not applicable (NA) for the total company and the earnings are net of any expenses.
- 10/ We obtained total asset amounts as of January 1, 2002 from Tennessee's actuarial valuation report.
- 11/ The asset variance represents the difference between the OIG calculation of Medicare segment assets and Tennessee's market value of assets shown in its valuation report.



**BlueCross BlueShield
of Tennessee**

801 Pine Street
Chattanooga, Tennessee 37402-2555

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August 16, 2004

Mr. James P. Aasmundstad
Regional Inspector General for Audit Services
DHHS/OIG/OAS
601 East 12th Street, Room 284A
Kansas City, Missouri 64106

Subject: Contractor (BlueCross BlueShield of Tennessee) Responses to Draft Audit Reports

Dear Mr. Aasmundstad:

We have reviewed and are responding to the following draft audit reports:

Pension Segmentation (Report No. A-07-04-0343) - Our pension actuaries, Chicago Consulting Actuaries (CCA) and our Human Resources personnel have reviewed this report. We agree with the report. CCA has supplied their response to this report with the following commitment: "...CCA intends to apply the recommendation that Medicare segment assets be reduced by this amount in the future cost reimbursement calculations". BlueCross BlueShield of Tennessee (BCBST) has already outlined procedural enhancements that will provide several levels of review for Medicare personnel listings being sent to CCA for use in the segmentation calculation process.

Unfunded Pension Costs (Report No. A-07-04-00165) - The CCA actuaries have reviewed this report and have responded as follows: "We agree with the findings described in report 00165...CCA intends to apply the recommendation that these amounts be reflected in future cost reimbursement calculations." BCBST will be following up with reviews and discussions with CCA to assure that all changes are completed.

Pension Costs Claimed (Report No. A-07-04-03054) - Taking into consideration the issues and conclusions drawn from the Segmentation Report, BCBST agrees with this report. We are ready to make appropriate FACP adjustments to clear all outstanding pension cost variances upon receipt of final directions. With the corrective actions associated with the Segmentation Report, differences of this nature will be self-correcting. We await further feedback from the actuaries associated with this audit, who indicated during their onsite visit that the unclaimed undercharges from the previous audit (CIN: A-07-94-00815) would be taken into account and addressed in this audit.

Supplemental Executive Retirement Program (SERP) Costs Claimed (Report No. A-07-04-00164) - We have reviewed the report and the quoted Cost Accounting Standards and we concur with the audit finding. We will be adjusting the appropriate FACPs for the fiscal years 1994 through 2002. We are modifying our financial procedures to include an on-going tracking report that will provide amortization data for our Medicare cost reporting.

We appreciate the professionalism exhibited by the OIG team association with this audit. Please keep us informed as to any revisions to these draft reports.

Sincerely,

Harold H. Cantrell, Jr.
Vice President, Finance

cc: Steve Kerr, Dir., Financial Mgmt. Rptg.
David Deal, Sr. VP and CFO