

# INTER OFFICE MEMO



Blue Cross  
of Florida



Blue Shield  
of Florida

TO: T. A. Laidlaw

AT: Planning

DATE May 23, 1973

FROM: Dick Warner

AT: Planning

SUBJECT: STATUS OF LAKE CITY DATA RECORDING OFFICE PROJECT

The implementation of the satellite office data recording operation is proceeding smoothly. The target for the start of keypunch operations remains at June 4, 1973. The schedule after this date has been modified somewhat. August 1 is now scheduled for the addition of ten (10) key disc stations rather than the installation of five (5) on October 1 and five (5) on December 3.

## MANPOWER

- Personnel: Six (6) keypunch operators have been hired. Diane Blewett has been hired as office manager and will start on the payroll May 29.
- Training: The five (5) operators have started training on our applications at Lake City Community College. The sixth was trained in Jacksonville.

## COMMUNICATIONS

- Telephones: Arrangements for two (2) telephones will be made by Derald Smart now that the locations have been recommended and approved.
- Transportation: Jim Myrick has completed his review of transportation requirements for the Lake City Data Recording operation.

I concur with Jim's recommendation that the courier service be conducted by our own personnel - namely mail operations. I have developed a schedule which will fit the needs of EDP Operations, Data Recording, Quality Control and the availability of an existing vehicle. A copy is attached.

## PUBLIC RELATIONS

- I have discussed with Dave Mancini possible opening ceremonies for our new office. He indicated he would present my recommendations at the May 21 Senior Staff meeting.

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EQUIPMENT

- The equipment listed in the last status report (dated May 11, 1973) has been ordered and is ready for shipment on one (1) day's notice.
- Ron Tipton will coordinate with Derald Smart to assure in-house equipment will be transferred.

FACILITIES

- The lease for the office was signed on May 14, 1973. This has an effective date of June 1, 1973. We will have access to the facility before that time, however.
- The office layout has been approved by Mr. Adams and Mr. Rivers.
- Derald Smart has offered to coordinate directly with the building owner on:
  1. Installing the manager's office and other partitions;
  2. Modifying electrical circuits; and,
  3. Modifying one (1) door to an emergency exit.

RW/car

cc: Derald Smart  
Jim Williams  
John Nunn  
Chuck Gibson  
Ed Keiser  
Jim Myrick  
Bob Batie  
Alice Smith  
Jack Masters  
Frazier Sinclair ✓  
Dave Mancini

attachments

May, 1973

RECOMMENDED SCHEDULES

TIME

PLAN

8:00 a.m. - 4:30 p.m. Lake City Office Hours

7:00 a.m. - 3:30 p.m. Lake City Courier Work Day

TRANSPORTATION

7:00 a.m. Courier reports for work

7:00 a.m. - 7:15 a.m. Courier load all material for delivery for Lake City including:

- Claims
- Tapes
- Cards
- Office supplies.

7:15 a.m. Departs for Lake City

8:30 a.m. Arrives at Lake City

8:30 a.m. - 8:45 a.m. Unloads/Loads car

8:45 a.m. Departs for Jacksonville

10:00 a.m. - 10:15 a.m. Unloads car in Jacksonville

10:15 a.m. Releases car for bank deposits

10:30 a.m. Delivers material to Quality Control including:

- Claims
- Cards
- Tapes

10:30 a.m. Courier available for other duties.

TRANS

PREPARATION OF MATERIAL

Claims will continue to be received at third floor Data Recording. Claims for Lake City will be segregated and stored in covered plastic mail buckets which will be picked up by a mail clerk at the end of the day. They will be placed at a yet to be designated location (either loading dock in mail room) for loading the next morning.

Office supplies, cards and tapes will be sent to the mail room and collated with the claims.

May, 1973

SCHEDULE FOR IMPLEMENTING  
LAKE CITY PROJECT

<u>DATE</u>	<u>SCHEDULED MILESTONES</u>
May 21	Five (5) employees started training on our applications at Lake City Community College
June 1	Effective date of lease
June 1 - 3	Transfer of six (6) keypunch machines to Lake City
June 4	Start production with six (6) keypunch operators
June 18	Add six (6) employees
June 21 - 22	Brenda Shepard, lead operator, trains in Miami
June 22	Arrival of six (6) Inforex key disk machines
June 25	Start training of six (6) new employees
June 25 - 26	Testing of equipment
June 27, 28, and 29	Inforex training specialist to be on location in Lake City
July 2	Turnover of equipment to Blue Cross and Blue Shield
July 2 - 3	Start of production
*August 1	Addition of ten (10) Inforex machines

\* Change in schedule

TRANSPORTATION COMPARISON

	IN-HOUSE COURIER	OUTSIDE COURIER	BUS SERVICE
<u>Annual Cost</u>	<ul style="list-style-type: none"> <li>- Manpower "C" Clerk half time (includes fringe benefits) \$3,055</li> <li>- 33,800 miles (gas &amp; oil) @\$ .06/mile 2,028</li> <li>- Mail Buckets approx. (50) <u>\$5,133</u></li> </ul>	<ul style="list-style-type: none"> <li>- Charges June 95# @\$16.24/day \$ 324.80</li> <li>- Charges July 151# @\$21.24/day 446.04</li> <li>- Charges Aug.-May 250# @\$32.24/day <u>7,060.56</u></li> <li><u>\$7,831.40</u></li> </ul>	<ul style="list-style-type: none"> <li>- Charges June @\$8.50/day \$ 170.00</li> <li>July @\$12.75/day 267.75</li> <li>Aug. @\$21.25/day <u>4,653.75</u></li> <li>thru May \$5,091.50</li> <li>- Manpower half time A clerk (Lake City - to pick up and deliver claims and recorded material to bus station) <u>\$2,730.00</u></li> <li><u>\$7,821.50</u></li> </ul>
<u>Requirements</u>	<ul style="list-style-type: none"> <li>- Equipment</li> <li>- Existing lease car. This is used for bank deposits after 10:00 a.m.</li> <li>- Manpower</li> <li>- "C" Clerk driver half time</li> <li>- Packaging</li> <li>- Available containers</li> </ul>	<ul style="list-style-type: none"> <li>- None</li> <li>- None</li> <li>- Pouches</li> </ul>	<ul style="list-style-type: none"> <li>- Use of vehicle for pickup and delivery at bus stations.</li> <li>- Part time clerk to pickup and deliver material</li> <li>- Taped packages with address labels</li> </ul>
<u>Advantage/Disadvantage</u>	<ul style="list-style-type: none"> <li>- Fixed costs - Amount carried limited only by capacity of vehicle</li> <li>- Lowest Annual Cost</li> <li>- Provides closest Control/Security</li> <li>- Most flexible - runs can be rescheduled if necessary</li> </ul>	<ul style="list-style-type: none"> <li>- Cost increases as weight increases</li> <li>- Higher Annual Cost than in-house operation</li> <li>- Provides Close Control/Security</li> <li>- Inflexible-only one run to Lake City in a.m. and one to Jacksonville in p.m.</li> </ul>	<ul style="list-style-type: none"> <li>- Cost increases as weight increases</li> <li>- Higher Annual Cost than in-house operation</li> <li>- Provides low Control/Security</li> <li>- Limited flexibility-three runs to Lake City and two to Jacksonville</li> </ul>