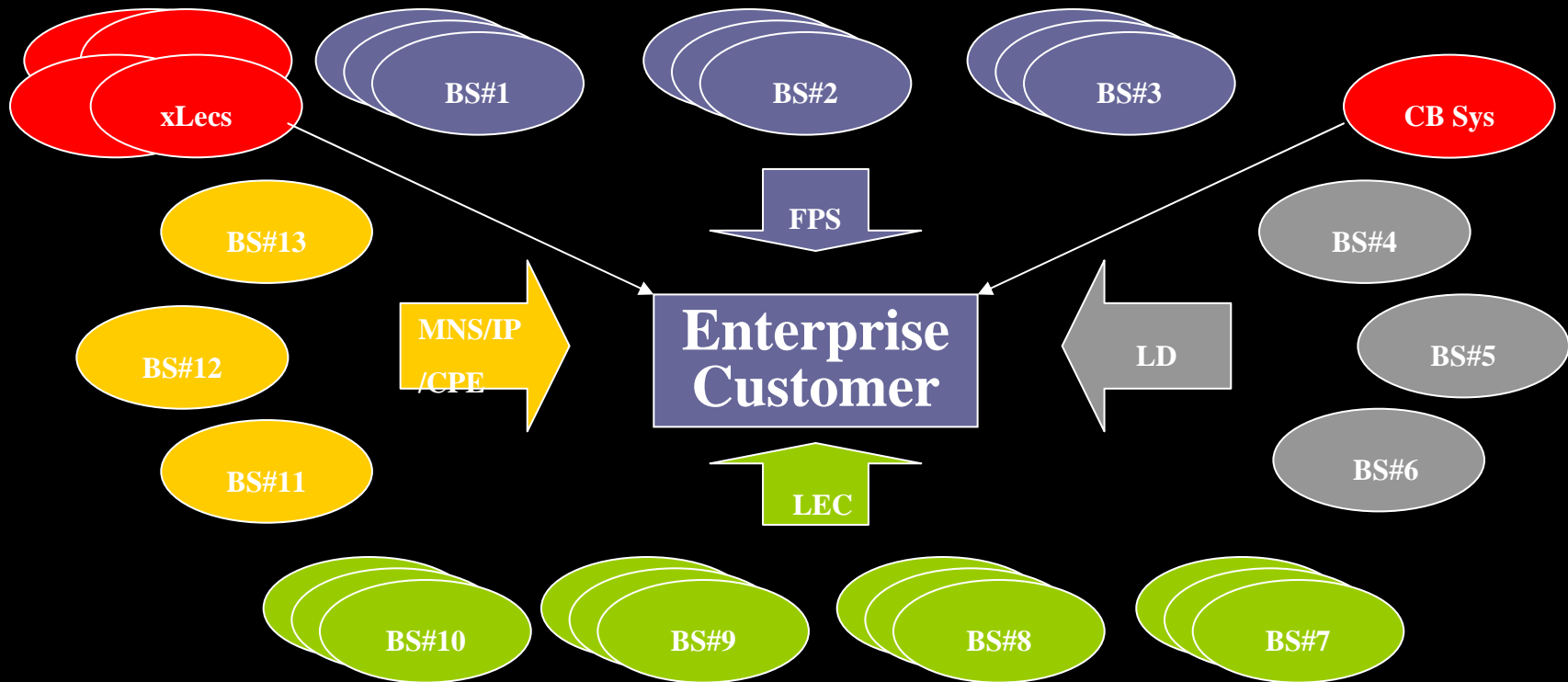# Another Look Inside
The Carrier's Billing Playbook

Steve Arocho
President & CEO, EBSTel Corp.

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Typical Enterprise Billing Environment

Billing Systems x Carriers x Invoices x Billing Formats = Confusion/Mess!

Root Cause of Billing Problems – Carrier

- Divestiture of AT&T in 1984
- Recent consolidation of telecom industry
- Legacy billing environment built for simple/non-enterprise market
- New complex products (IPVPN, SONET, LD, etc.)
- Lack of centralized inventory systems
- Wireless enterprise billing deficiencies
- Complex order process with few validations
- Fallout from layoffs/retirements – lack of billing knowledge
- State/federal regulation, surcharges & taxes
- Billing system conversions
- Billing not interesting/important – too complex
- Disparate organizations supporting multiple billing functions

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Root Cause of Billing Problems – Enterprise

- Mergers & acquisitions
- Sarbanes-Oxley compliance
- Ineffective processes for ordering
- Customer-specific contract pricing
- Customer demands for specific Ts & Cs
- Customer transformation to eMedia
- Not enough time to review bills/perform audits
- Non-centralized processing of invoices
- Lack of inventory/historical perspective
- Non-existent or ineffective TEM
- Billing not interesting/important – too complex
- Disparate organizations supporting multiple billing functions

4

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Carrier – Short-/Long-Term Billing Solutions

- Revenue assurance
- Improved order quality
- Electronic bill of record
- Customer advocacy
- Contract auditing
- Simplified billing of complex products
- Centralization of billing functions
- Claims & adjustments process improvements
- Billing given more focus/respect!

- Consolidation of billing systems
- Single media platform
- Additional electronic options
- Flexible billing options
- Simplified products/pricing
- Improved functionality of portal
- MSA automation
- Additional billing services (TEM)
- Contract billing
- Integration of wireline/wireless
- Improved hierarchy support
- Tariff changes

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Common Billing Errors

- Custom contracts
  - Rates not implemented within specified timeframe
  - Zero-rated elements are invalid or rated
  - SLA & deliverables not met
- Usage plans
- Discounts (line, bottom of bill, category, etc.)
- Taxes/surcharges
- New products/services (optical, FPS, etc.)
- Disconnected or inactive lines/circuits
- Termination/shortfall/late fee penalties
- Casual billing
- Features/options
- Maintenance plans
- Customer premise equipment

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Enterprise Demands to Carrier!

- MSA umbrella contract with billing SLAs
- Interest on monies used (including past claims where appropriate)
- Improved efficiencies/processes
- Short-paying invoices is always an option
- Electronic access – go paperless
- Consolidate accounts as needed to simplify structures
- Ask for a billing advocate/SME
- Copy of all contracts – preferably online
- Understanding of claims process
- Negotiate under-billings immediately
- Negotiate all late fees, term liabilities, shortfall penalties, etc.
- Timely communication of all system changes
- Users forum to discuss issues with other customers!

7

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Carrier Culture

- Billing not as important as other functions
- Not data-oriented
- Few visionaries/mavericks
- Time/resources are plentiful
- Money is not the only driving factor
- Products/services can be supported differently
- Very hierarchical organizationally
- Quick decisions are not easily attainable
- Very limited systems availability/flexibility
- Many disparate organizations with separate systems/processes
- Diligent/focused when they need to be
- Can be extremely accommodating to customers
- Monopolistic tendencies

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Claims Process – Enterprise Strategy

- Demand single interface/lead on all claims nationwide
- Request claim # /lead assignments within 24 hours of submission
- Claim correspondence must be in writing
- Conduct status meetings – frequency depends on claim amount
- Publish meeting minutes always
- Escalate as necessary and often if required
- Demand kick-off meeting with senior executives if high-profile claim
- Trust your gut – be persistent with carrier
- Calculate amount of claim including estimations based on real data
- Choose a reasonable claim resolution end date and stick to it
- Always aim toward maximizing claim amount
- Responsibility is on carrier to disprove your results
- Use the tariff/contract language as appropriate to prove claim
- Keep legal advised of claim status/issues

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Claims Process – Roadblocks to Success

- Never allow excuses to hinder process (i.e.: SOX compliance, regulatory issue, etc.)

- Don't ever let up – press carrier to expedite resolution

- Don't allow low-level employees to make decisions for senior executives

- Never accept a "No" without a reasonable explanation in writing

- Tariffs are important to understand – don't let carrier interpret tariffs to suit what they intended

- Don't be shy about being forceful or too aggressive – this is business

- Caution to business suppliers of carrier – hire independent auditor and get agreement in place with carrier on potential findings (under/over billings)

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Claims Process – Leverage Everything

- Relationship with carrier account team
- Current and future telecom spend (all carriers)
- Service history and familiarity with personnel
- Billing history (claims, payments, etc.)
- CPE (non-regulated) purchases
- Contract expirations/renewals/extensions
- Contract service period start/end dates
- Senior executive relationships
- Validity of claim based on real data
- Non-discrimination & gross negligence by carrier
- Tariff/contract language ambiguity

Claims Process – Maximize Compensation

- Allow carrier to provide support in working claim details
- Request interim payoff amount while claim is processed
- Negotiate improved rates/discounts on new contracts in lieu of processing claim
- Interest is an added bonus in certain jurisdictions – validate rate
- Interest can be requested even if not part of tariff – carrier or PUC
- Request current inventory from carrier
- Demand improved service and support
- Short pay accounts if appropriate
- Statute of limitations might/might not be clear in tariff/contract
- Understand the tariff even if under contract
- Request compensation on non-regulated product purchases
- Settlements are always a better option!

12

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Strategies for Improving Billing Services

- **Establish immediate processes to insure integrity of orders**
  - 5 W's (who, what, when, where, why) of ordering
  - Policy statement in all communications to carriers
  - Billing SLAs in contracts or MSA
- **Collaborate with carriers to resolve issues**
  - Escalate when necessary/appropriate
  - Utilize an advocate/resource
  - Review past claims
  - Request aging reports for all accounts
  - Consolidate account hierarchy
- **Implement TEM solution**
  - Understand spend by type of service
  - Maintain inventory of lines/circuits/services
  - Understand root cause of billing problems
  - Pay bills on time
  - Perform audits every few years
  - Electronically bond with carrier – if available

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Your Turn!

Questions

How to contact me:
steve@ebstel.com

www.ebstel.com
www.enterprisebilling.com

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