

VOLUME 2, SECTION 2.10: BILLING



2.10 Billing [C.3.6, M.3.1]

Level 3 understands the GSA requirement for three types of billing: direct billing, centralized billing, and shared tenant billing, defined as the following:

- Direct billing, where the end user agency is billed directly for all charges
- Centralized Billing, where the GSA Network Program is billed and they re-bill the end user agency
- Shared tenant billing where a service is shared by two or more agencies and billed accordingly

The agency can change the billing type at any time and at no cost to the Government. The GSA requires, and Level 3 will provide attention to disputes and adjustments adhering to the specifics defined in Billing Disputes and Adjustments RFP Section C.3.6.4.

The Level 3 billing system performs the following actions:

- Generate invoices and billing data
- Accept and process inquiries and disputes
- Handle adjustments
- Support internal Government rebilling
- Process payments
- Allocate change among agencies at shared Government switches
- Apply and settle the GSA Management Service (GMS) fee

Automation of all data transfers and information exchanges is paramount to supporting the easy loading of data and information into Government

systems. Both the GSA Networkx Program and all end user agencies require billing data to support all invoices at the level where the invoice and data can be validated against the original order and its Service Order Completion Notice (SOCN). [REDACTED]

[REDACTED] enabling the Government to create a single detail billing file, balance the detail billing file to the billing invoice file, verify billing information back to an order, validate the accuracy of each charge on each record in the detail billing file, verify adjustments at the lowest level (e.g., service period of original charge type and description), re-bill its own internal agencies and support the management of inventory.

Executing the verification of billing information, facilitating Inventory Management and supporting the service order process are all accomplished

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

2.10.1 Level 3’s Internal Systems and Processes [L.34.2.3.10]

Level 3 uses best-in-class, [REDACTED] applications that are closely integrated to meet the needs of the Government’s large, heterogeneous and geographically distributed user community creating a level playing field for all (3)Enterprise users. Each system is carefully monitored to ensure high quality Networkx services and reliable performance. In addition, our billing system and process flexibility allow for future growth to meet the changing needs of the Government and minimize the impact of any changes. Our systems were designed and built from the start as integrated systems—not as a result of mergers and acquisitions.

We use our off-the-self applications to customize our billing services based on customer needs. This proposal addresses the specific requirements of the Networx Program including the timelines, data requirements, dispute, adjustment and payment processing. With minimal additional customization, these processes and procedures ensure the delivery of optimal services to each (3)Enterprise user.

Level 3's VIP Team customer care methodology provides personalized service for each (3)Enterprise user. [REDACTED]

[REDACTED]

[REDACTED] The Team approach supports improving billing processes timely, accurate and, most importantly, making the billing processes and systems easier to use by the end user.

2.10.1.1 LEVEL 3'S INTERNAL BILLING SYSTEMS

Level 3's existing billing system (shown in Figure 2.10-1) will provide a secure, real-time, Web-based billing, invoicing, inquiry, and dispute capability that conforms to the terms of the Prompt Payment Act and the GSA Networx Program requirements documented in Section C.3.6 of the RFP. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted] The GSA or end user agency has the option of paying via check or electronic payment. After the initial invoice, the billing system creates a paper invoice on the first of each following month with the recurring charges and appropriate taxes to bill for the previous month's services. [Redacted]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[REDACTED]

The Networx PMO and user agencies may access available billing data using the billing component of the (3)Enterprise Portal. [REDACTED]

[REDACTED]

Level 3 will invoice (3)Enterprise contract users by calendar month and will generate monthly invoices in arrears for all contract line item number (CLIN) items contained in the Networx Program contract. [REDACTED]

[REDACTED]

This enables the PMO or agency users to download, access, review, and track bills and billing reports on a real-time basis. Billing and invoicing service level agreement (SLA) metrics will also be available through the (3)Enterprise Portal. As stated in the RFP requirements, the Level 3 Contractor's Program Office (CPO) will manage conformance to the SLA requirements and will compute the metrics necessary to demonstrate our performance against these requirements.

The (3)Enterprise Portal enables users to generate disputes that will be captured on Credit Authorization and Approval Forms (CAAF) [REDACTED]

[REDACTED]

The invoice display is generated using a product [REDACTED] enables Level 3 to build an invoice template that can be customized to the (3)Enterprise contract user's specifications. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] A report showing summary charges will be generated for each agency. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

In summary, the Level 3 Team will provide a full B2B interface to support (3)Enterprise billing and invoicing requirements. The B2B interface will be secure, and data will be available only to authorized users. The B2B interface will feature capabilities that include but are not limited to invoices, payment histories, monthly billing information (which will allow downloading of bills for review), dispute information, and billing reports. Monthly reports will be available at the CLIN detail and summary levels.

[REDACTED]

2.10.1.1.1 Providing Billing Flexibility to the Networx Program

The Level 3 suite of systems in support of invoicing and disputes is designed to provide flexibility, speed to market, and minimum code changes with maximum mechanization. This suite of applications and processes are applied to all Level 3 services. [REDACTED]

[REDACTED]

[REDACTED]

2.10.1.1.2 Service Order Entry System (SES) [C.3.6.1.2]

The Level 3 fully-integrated SES application begins the billing process.

[REDACTED]

[REDACTED]

[REDACTED]

2.10.1.1.3 [REDACTED] Billing Application [C.3.6.1, C.3.6.2, C.3.6.3, C.3.6.4]

The [REDACTED] billing application is a powerful [REDACTED] billing platform [REDACTED] for the telecommunications industry.

[REDACTED]



[REDACTED]

[REDACTED]

2.10.1.1.4 CREDIT APPROVAL AND AUTHORIZATION FLOW (CAAF)
[C.3.6.3]

CAAF supports the Networx Program functional requirements for dispute tracking. This web based application tracks all aspects of a dispute including approval, and authorization. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

2.10.1.1.5 Level 3 Business Tools [REDACTED]
[REDACTED] [C.3.6.1, C.3.6.2, C.3.6.3, C.3.6.4]

Level 3 uses these products to support invoice design, payment application, usage processing, reporting and accounting. These [REDACTED] products provide us with the flexibility to quickly implement any Networx Program specific business rules, report requirements and ad-hoc inquiries.

2.10.1.1.6 Summary

Level 3's efficient, fully integrated design employs one systematic approach for all services billing disputes. With these highly customizable and fully integrated systems and products, Level 3 can ensure the effective management of the full range of Networx Program services. Additionally, these systems allow Level 3 to ensure the quality of billing operations for all Networx Program services. Finally, the (3)Enterprise Portal will ensure the real-time access to information regarding the health and performance of mission-critical services.

2.10.1.2 LEVEL 3'S BILLING OPERATIONS PROCESS

[REDACTED]

[REDACTED]

The Billing Operations Team is a group of billing and dispute experts who partner with all organizations from service order entry to bill payment to ensure a first class experience for all Level 3 customers, an accurate and timely invoice, minimum disputes, and on-time payments. The Billing Operations Team works closely with the dispute organization, revenue assurance, credit and collections and most importantly the VIP Team. All of whom are part of the Level 3 Finance Organization.

The Billing Operations Team has the responsibility to ensure that the following activities occur:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The team is accountable for the on-time delivery and accuracy of the content of the files and the tracking of all metrics in support of customer SLAs.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The Level 3 billing and dispute processes are all Sarbanes-Oxley- (SOX) compliant. This means they have been processed flowed, documented and examined, tested, and passed the scrutiny of an outside auditor. The auditor's test ensures that Level 3 meets the ethical and financial standards required by SOX.

2.10.1.3 LEVEL 3'S BILLING, DISPUTES AND ADJUSTMENTS SYSTEM CHANGE CONTROL

Level 3 understands the critical nature of the billing dispute and adjustment process to the Networx Program and has developed a rigorous and robust billing change control process designed to allow integrated system changes accurately and in a timely manner.



[Redacted text block]

The billing disputes and adjustment systems are modified and enhanced using the Level 3 SOX-compliant global change process. [Redacted]

[Redacted text block]

The Level 3 customer notification process for change control informs both internal and external customers of any upcoming changes or system outages.

[Redacted text block]

[Redacted] We will work closely with the PMO to ensure that the right level of support is provided as changes are tested and implemented.

[Redacted text block]

[Redacted text block]

2.10.2 Level 3 Network Billing Systems

The Level 3 billing and dispute suite of systems is ideally suited for the GSA Network Program requirements as specified in RFP Section C.3.6. The systems are scalable and configurable [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



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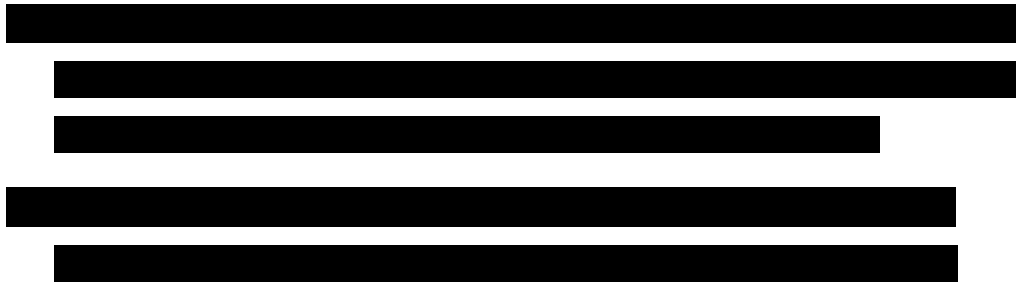
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2.10.2.1 GSA BILLING REQUIREMENTS [C.3.6.1, C.3.6.1, C.3.6.1.1.2, C.3.6.1.2.2, C.3.6.1.2.1, C.3.6.1.2.4, C.3.6.1.3.3.1, C.3.5.1.2.1, C.3.6.2.1.2, C.3.6.2.2.1)

GSA requires direct billing and centralized billing; the ability to have shared tenant billing is a component of each.

Agencies will select billing type at order entry time.

Centralized billing sends the invoice to the GSA for all agency charges and is paid by the GSA.

Direct billing sends the invoice to the agency directly for all agency charges and is paid by the agency. When an agency has direct billing, the GSA will also be provided reports which show the agency's disputes, payment record, aging reports and any other reports agreed upon between GSA and Level 3.

By the last business day of a calendar month the GSA will receive a current list of all agencies with direct-billed charges.

The agency can change from centralized billing to direct billing at any time at no cost to the Government. Centralized billing also has the hierarchical billing and reporting requirements.

The shared tenant billing capability is when tenants in a building or complex share a service. The shared tenant information will automatically flow to the billing system through the SES application. [C.3.5.1]

The Government will designate shared and non-shared NON-ANI channels where necessary to ensure correct billing for the Networx Program.

There are two methods of allocation percentage billing, fixed and dynamic.

[REDACTED]

Reports and data feeds are discussed in Section 2.10.4, Information Exchange.

2.10.2.1.1 Bill Invoice – Dates [C.3.6.1.1, C.3.6.1.2.3, C.3.6.2.1, C.3.6.2.1.2]

The billing period will run from the first through the last day of the calendar month. Invoices will be sent directly to the designated recipients. Recipients and addresses will be provided at the time the order is placed. Invoicing will be complete within 15 business days after the close of the billing period. Invoices, detail billing, and adjustments files will be sent to all Government recipients by the 15th business day of the month.

2.10.2.1.2 Invoice – Content [C.3.6.1.1.1, C.3.6.1.2.3.5, C.3.6.2.2.3, J.12.4.2]

All services will be billed on a consolidated invoice with GSA-provided contract numbers on the invoices. GSA and agency users will be notified in writing 60 days prior to implementing invoice format changes. Any changes to the invoice content, including changes resulting from the inclusion of future services or enhancements that are in accordance with commercial invoicing capabilities will be provided at no additional cost to the Government, and within an agreed upon timeframe.

Each invoice will include the delivery/task order number and billing data as agreed between the Government and Level 3. The TP number will be included on the centralized invoices only. Information required for the Government to make payment by wire transfer in accordance with the Electronic Funds Transfer Payment clause will also be included.

The invoice will adhere to the requirements specified in the Prompt Payment clause. [REDACTED]

[REDACTED]

The invoice will display summary charges by agency. [REDACTED]

[REDACTED]

[REDACTED]

Invoices will clearly highlight any new charges for that month and associate the charges to a specific SOCN and CLIN.

2.10.2.1.3 GSA Management Service Fee (GMS) [C.3.6.1.1.2, C.3.6.1.2.5, C.3.6.2.2.4, C.3.6.2.2.5, C.3.6.2.4.1.3]

The GMS fee will be assessed and collected monthly for the duration of the contract. The fees may be a percentage, a set fee, or combination and will be applied to equipment, services, or any other designated charges. The fee will be based on amounts billed by AHC for each service. The GSA will provide the initial GMS fee structure and will evaluate the fee at least once on an annual basis. GSA can adjust the GMS fee at any time during the life of the contract. Revised fees will be effective within two complete billing cycles from the date of written notice of the GSA Contracting Officer. There will be no cost to the Government for fee changes.

The fees will be included in the billed price of equipment, services, or any other billed charges. GSA must approve exceptions. The GMS fee will not be assessed on tax nor will it be taxed. Direct billed invoices and invoice detail files will show the GMS fee as part of the product or service price.

Centralized billing will reflect the GMS fee as a credit, as well as in the service price.

Level 3 will collect the fees from the direct billed agencies. [REDACTED]

[REDACTED]

[REDACTED]

The GMS Fee Reconciliation report will be generated on a monthly basis for both direct and centralized billing. The report will contain a breakdown of all the GMS fees, separated by billing type and showing any exceptions by service or product.

2.10.2.1.4 Billing Disputes and Adjustments [C.3.6.1.1.2, C.3.6.1.2.3, C.3.6.1.2.6, C.3.6.1.2.7, C.3.6.3, C.3.6.2.2.6, C.3.6.3.1, C.3.6.3.2]

The Government is required to validate all invoices each month. Level 3 will provide “read only” access to the pricing tool to enable pricing verification of billed charges. Pricing history will be available through all contract years.

Level 3 will support billing inquiries which turn into disputes. Level 3 will maintain a web-based system and database to manage any billing disputes. Government system generated billing disputes will be received in files and accepted by the Level 3 dispute application using an automated process. The billing disputes system will allow agency users access to directly and immediately enter new billing disputes and inquire, view, track, and print existing disputes for their agency only. Agency users will be able to download disputes that apply to their agency. [REDACTED]

[REDACTED] Level 3 will accept and update the database with the Monthly New GSA Disputes file provided by GSA containing new GSA initiated disputes and agency initiated disputes escalated to GSA. Level 3 will accept new disputes from the GSA in the media types specified in Section C.3.6.3.3.1.1, Monthly New GSA Dispute file, as mutually agreed upon by the contractor and the GSA. Level 3 will accept new disputes from the GSA, containing the data elements specified in

Section C.3.6.3.3.1.1, Monthly New GSA Disputes File. As a part of the contract, Level 3 will provide the specified amount of training and user documentation to the DARs and Network Operators using the (3)Enterprise Portal.

Government billing inquiries will be researched by people knowledgeable in Level 3 system configuration and procedures in support of Government billing. Billing inquiries will be accepted during normal business hours. Along with a complete description, all billing inquiries will include invoice number, date of invoice, Level 3 account number, and other service number as required in RFP Section C.3.6.3. The name of the person making the inquiry and preferred method of communication, date of inquiry and contact information will also be included. Level 3 will capture and keep a record of all inquiries including informal phone calls to the Level 3 customer care VIP team. The Level 3 dispute application will assign a tracking number and will retain the agency Government dispute number as well.

Level 3 will confirm receipt of each dispute with the agency. We will respond to all disputes within one business day of receipt. Level 3 will provide resolution of disputes less than or equal to [REDACTED] within 60 calendar days and disputes greater than [REDACTED] within 90 calendar days.

Level 3 will work with the agency to resolve billing disputes. The disputes will be resolved in one of three ways.

1. If the dispute is valid, Level 3 will issue a dispute resolution for the full amount followed by an adjustment on the next invoice.
2. Level 3 will provide sufficient proof to the agency that the disputed amount should be reduced, issue a dispute resolution, and generate an adjustment for the reduced amount on the next invoice.

3. Level 3 will provide evidence acceptable to the agency, GSA, and Contracting Officer that the dispute is not valid and issue a dispute resolution confirmation. If resolution can't be reached between the agency and Level 3, the dispute will become an agency Escalated Dispute.

When Level 3 issues an adjustment it will be within 15 days after the conclusion of the billing period. Adjustments applied to direct billed or centralized billed invoices will be detailed in the Agency Adjustment File or the GSA Adjustment File [C.3.6.3.3]. Level 3 will send the Agency Adjustment File as specified in Section C.3.6.3.3.5.3 as mutually agreed upon by the contractor and the agency, and the GSA Adjustment File as specified in Section C.3.6.3.3.4.1, as mutually agreed upon by the contractor and the GSA. Level 3 will provide detailed information on any adjustments applied to GSA invoices in the GSA Adjustment File. GSA and the agency will know whether the adjustment was the result of a dispute or generated by overfilling or missed SLA. The adjustment file will also contain the service period and each separate charge type, monthly recurring charge (MRC), non-recurring charge (NRC), tax or surcharges, duties, Universal Service Fund (USF) etc.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The dispute process begins with an agency submitting a complaint via the (3)Enterprise Portal or by phone to the Customer Support Office. The dispute is acknowledged in the Dispute Receipt Acknowledgement file with date/time stamp and transmitted to the government agency with a copy going to the GSA for its records via the (3)Enterprise Portal. All documentation

concerning the dispute continues to be captured in the dispute file throughout the investigation until a resolution is agreed upon between the agency and Level 3. Once consensus is reached, invoice corrections are made in the adjustments file, and credit or debit dates added to the Dispute Resolution Confirmation file. All disputes must be reconciled within their agreed upon SLA and filed within 90 days of the billing error.

Monthly, within 5 days from the end of the month, Level 3 will provide to GSA the Level 3 disputes file. This file will contain all disputes opened in the month, closed in the month, and all disputes that remain open. Each agency will also receive this report and file reflecting only those disputes for that agency. Level 3 will provide the Contractor Disputes file in the media types specified in Section C.3.6.3.3.3.1, as mutually agreed upon by the contractor and the GSA. Level 3 will provide the Contractor Disputes file, containing the data elements specified in Section C.3.6.3.3.3.1.

[REDACTED]

All reports, files, memorandums from Level 3 to GSA or the agency will adhere to the procedures discussed in the Information Exchange Section of this volume, 2.10.4.

The dispute database will be kept current and updated daily with the status changes and new disputes received.

2.10.2.1.5 Agency Hierarchies [C.3.6, Attachment J.11]

The AHC designates the agency to which services are to be invoiced and the level within the agency where these costs are grouped. Except for the first 4 characters, the AHC is a 28 character string that belongs solely to the agency. The AHC can not be changed by Level 3 or any other outside organization. The AHC is determined by the agency and should follow that agency's rules concerning the setup of their own budgetary accounting codes, and reporting requirements. The AHC may also be identified with whoever is actually receiving the service being provided. Level 3 will comply with the Network Enterprise Amendment 5 requirement and use the single-valued data element for AHC in the Detail Billing File for the billed organization.

Every order submitted will contain one or more AHCs. This allows the Government to account internally for charges. No payments will be made without a valid AHC. Level 3 will verify the AHC based on authorized user information provided by the agency specifying the services. AHCs will be verified for each authorized user.

2.10.2.1.6 Contract Line Item Number (CLIN) and Service Order Completion Notice. (SOCN) [C.3.6.1.2.3, C.3.6.2.2.3]

The CLIN is critical to the Government's effort to automate ordering, billing, and inventory verification. The SOCN is the Government's record of the order. The SOCN will show every CLIN which is intended to bill and all the data elements required to verify that the correct CLIN has been used. All CLINs will be provided in the SOCN even when the price is zero or the item is not separately priced. The billing start date will not precede the completion date in the SOCN and will be the actual disconnect date.

2.10.2.1.7 Unique Billing Identifier (UBI) [C.3.6.1.2.2, C.3.6.2.2.3]

The purpose of a UBI is to uniquely identify a single service and all associated components, including service type, service location and owning agency. Each service will have a unique UBI [REDACTED]

[REDACTED]

2.10.2.1.8 Usage [C.3.6.1.2.3, C.3.6.2.2.3]

Where a service is billed using a CDR the detailed billing records for usage charges will be at the lowest level captured from the network and contain sufficient data to define the billed transaction.

[REDACTED]

2.10.2.1.9 Monthly Recurring Charges [C.3.6.1.2.3, C.3.6.2.2.3]

MRCs will be billed in advance [REDACTED]

[REDACTED]

2.10.2.1.10 Non Recurring Charges [C.3.6.1.2.3, C.3.6.2.2.3]

NRCs will be billed in the month they are incurred [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

2.10.2.1.11 Taxes, Duty, Surcharges and Other Regulatory Fees [C.3.6.1.2.3, C.3.6.2.2.3]

Taxes, surcharges duties and all other regulatory fees will be assessed

[REDACTED] Tax exempt certificates will be honored if provided by the GSA. The contractor will obtain written approval from the GSA Contracting Officer (CO) to initiate an emergency change in the invoice or detail billing file.

2.10.2.1.12 Payments [C.3.6.3, C.3.6.2.2.7 C.3.6.3, C.3.6.2.2.7]

Level 3 is enrolled in the Central Contractor Registration system (CCR).

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

GSA will adjust payment amounts as necessary for any interest accrued due to the Prompt Payment clause, over-30-day payment clause, and any dispute amounts.