



## ***Service Center Budget and Staffing Review***

***November 7, 2014***

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# Topics



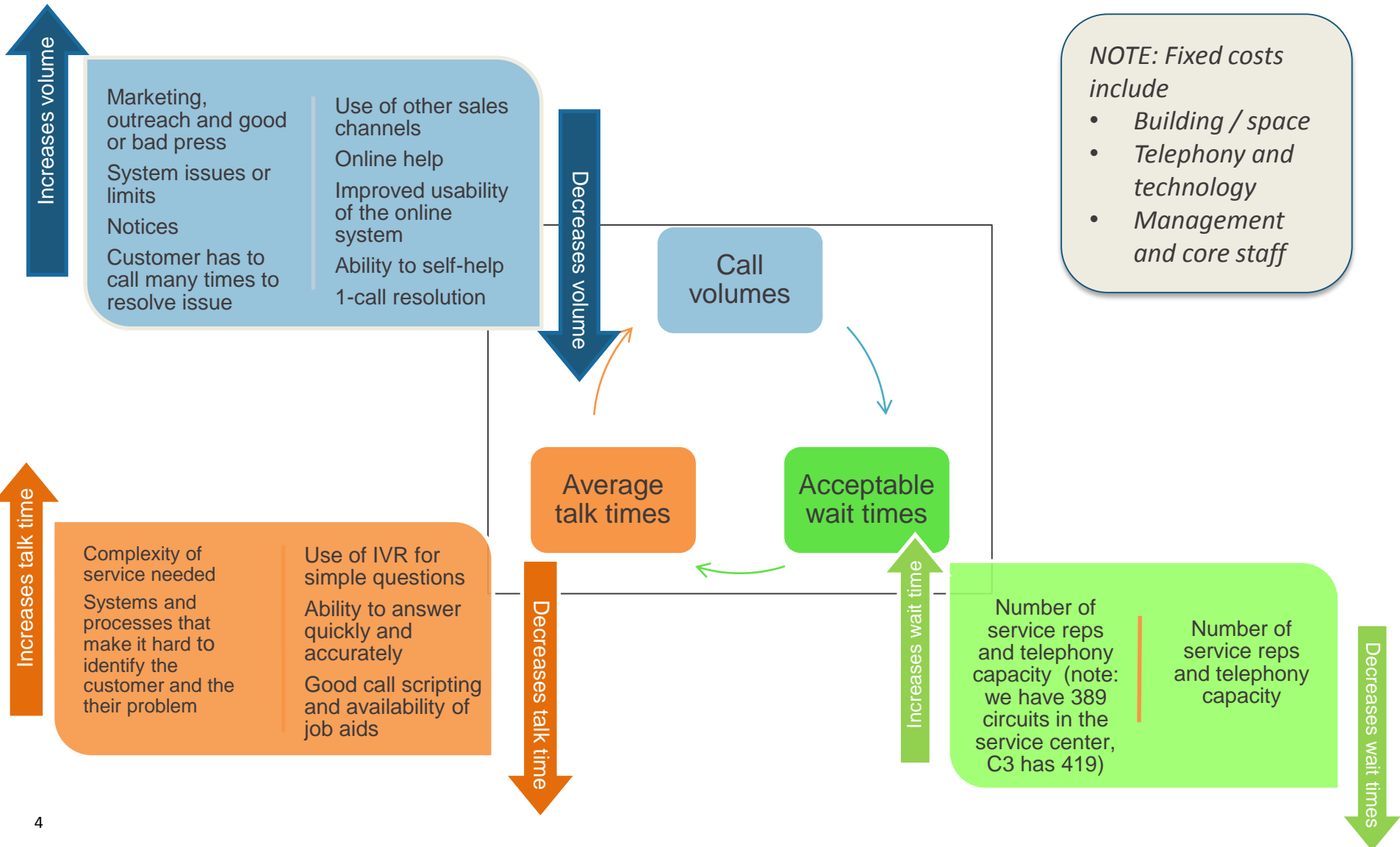
- Background
- Call center cost factors
- FY 2015 budget and assumptions
- Current environment
- Impact, revised forecast and recommendations

# Background



- In September, the Operations and Finance Committee considered variances relative to the original 2015 budget
- At that point in time, it was recognized there were new factors that could drive up costs in the service center including renewal activity, IRS reporting requirements and staffing up based on actual call volume seen during the first open enrollment period
- While there were commitments made by the vendor regarding 30% efficiency gains over time, it was recognized there would likely be a cost variance by the end of June 2015
- At that point, the Committee recommended driving towards efficiencies but recognized that in order to be properly staffed for open enrollment the service center may continue to run a variance
- The Committee agreed to continue to monitor the forecast relative to budget regularly through open enrollment and address variances at a future point

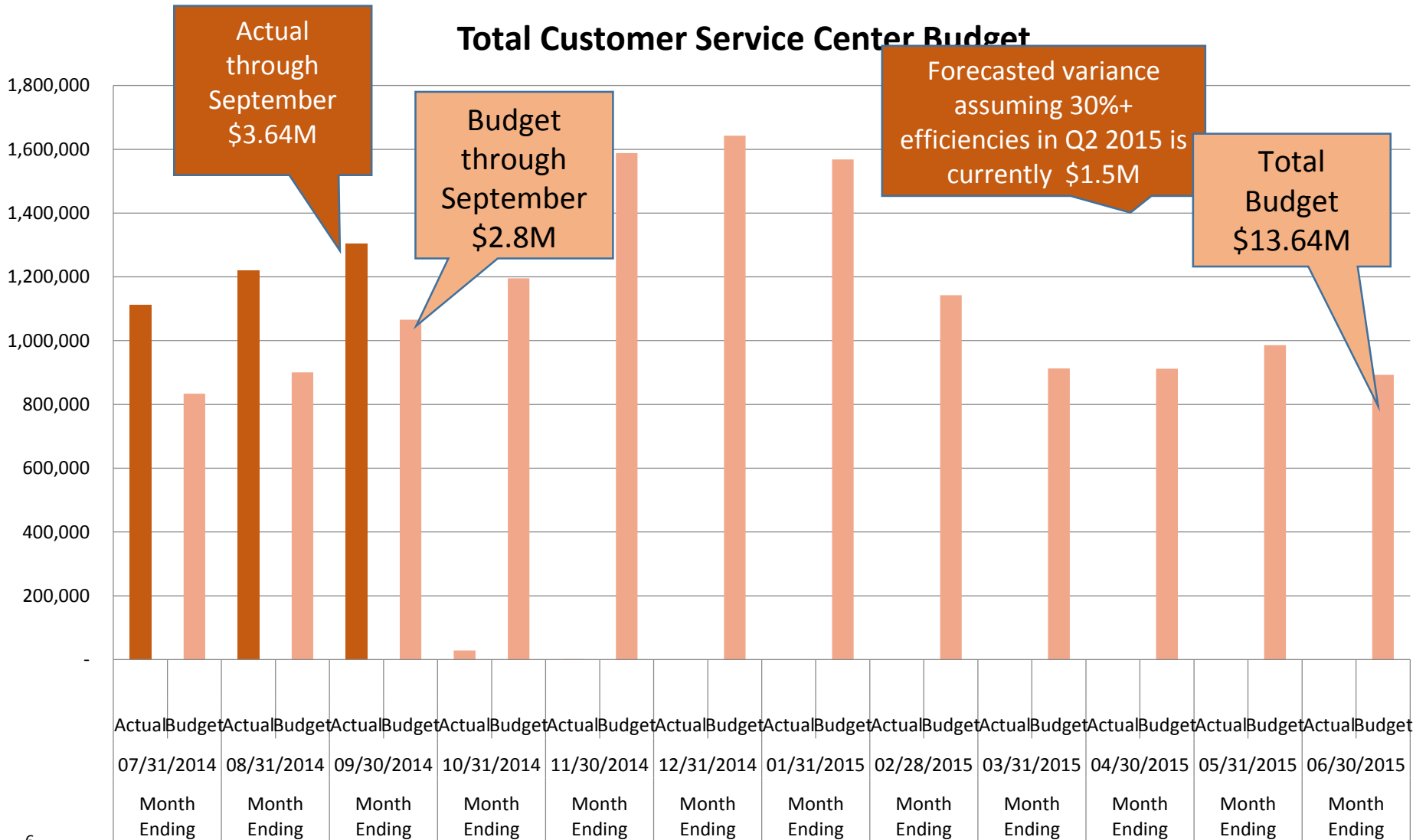
# Overview: Variable factors that affect call center costs



# Assumptions used to develop forecast

Variable	Assumptions used to develop forecast								
Call Volumes	<ul style="list-style-type: none"> <li>• Renewals: 98K calls in Nov / Dec</li> <li>• New enrollments: 133K calls, mainly in Nov/ Dec</li> <li>• IRS reporting: 26K calls in Feb / Mar / April</li> <li>• Other (maintenance, etc): 108K calls throughout the year</li> </ul> <p>TOTAL: 365K calls</p>								
Acceptable Wait Time	<p>Average Speed to Answer (ASA) SLA</p> <ul style="list-style-type: none"> <li>• 80% of all calls handled in 90 seconds or less</li> </ul>								
Average Talk time	<table border="1" data-bbox="653 892 1593 1125"> <thead> <tr> <th data-bbox="653 892 1122 949">Last Years OEP Actual</th> <th data-bbox="1122 892 1593 949">Planned for this OEP</th> </tr> </thead> <tbody> <tr> <td data-bbox="653 949 1122 1006">November 19:46</td> <td data-bbox="1122 949 1593 1006">November 11:46</td> </tr> <tr> <td data-bbox="653 1006 1122 1063">December 21:28</td> <td data-bbox="1122 1006 1593 1063">December 11:57</td> </tr> <tr> <td data-bbox="653 1063 1122 1120">January 18:37</td> <td data-bbox="1122 1063 1593 1120">January 12:24</td> </tr> </tbody> </table> <p>Average talk time in September was 12:00 minutes</p>	Last Years OEP Actual	Planned for this OEP	November 19:46	November 11:46	December 21:28	December 11:57	January 18:37	January 12:24
Last Years OEP Actual	Planned for this OEP								
November 19:46	November 11:46								
December 21:28	December 11:57								
January 18:37	January 12:24								

# Actuals Continue to Trend Above Budget



# New Information Merits a Discussion to Add More Staff to Handle Volumes

Since the last discussion with the Committee, several challenges have arisen that are expected to drive call volumes much higher than expected:

- Renewal activity: we are seeing that 45% more people are eligible for renewals than originally projected
- Renewal rating information: many customers are receiving notices that will stimulate questions about current coverage and prices, we are expecting over 30K people will require assistance during the renewal process and that the average customer will call us twice
- Several manual processes have been identified as we have fully tested the system that require labor in the service center

Mitigations we have already initiated :

- Empowered brokers and assistance networks with tools and training to proactively outreach to renewing customers
- Outbound call campaigns
- Modified on hold messaging to direct customers to local brokers, agents, sales centers, assistance sites, etc
- Changed the interactive voice response (IVR) system to provide scripted information to customers calling in with questions about auto renewals

Variable	New Assumptions
Call Volumes	<ul style="list-style-type: none"> <li>• Renewals: 158K calls in Nov / Dec – an addition of 60K calls</li> <li>• New enrollments: 133K calls, mainly in Nov/ Dec</li> <li>• IRS reporting: 26K calls in Feb / Mar / April</li> <li>• Other (maintenance, etc): 108K calls throughout the year</li> </ul> <p>TOTAL: 425K calls</p>

## Details on changes to assumptions regarding renewals calls

Item	Original Assumptions	Current Data and Assumptions	Net change
Total renewal population	69,835	101,147	45%
Auto renew population	41,901	77,005	84%
Auto Renew Non-Financial Assistance (NFA)	18,855	29,262	55%
Auto Renew Financial Assistance (FA)	23,046	47,743	107%
Non-Auto Renew population	27,934	24,142	-14%
Renewals calls to Service Center			
Assumptions	50% of all auto renew population will call for help 90% of non-auto renew population will call for help	90% of all FA auto renew population will call for help 50% of all NFA auto renew population will call for help 90% of all non-auto renew population will call for help	
Total number of customers calling for assistance with renewal	46,091	79,328	72%
Number of calls/customer	2	2	
Total number of renewal calls	98,182	158,656	72%



# Options to add more Tier 2 staff

## Option 1:

Add enough staff to maintain service level; cost ~\$1.4M

Pros – expected to maintain SLA

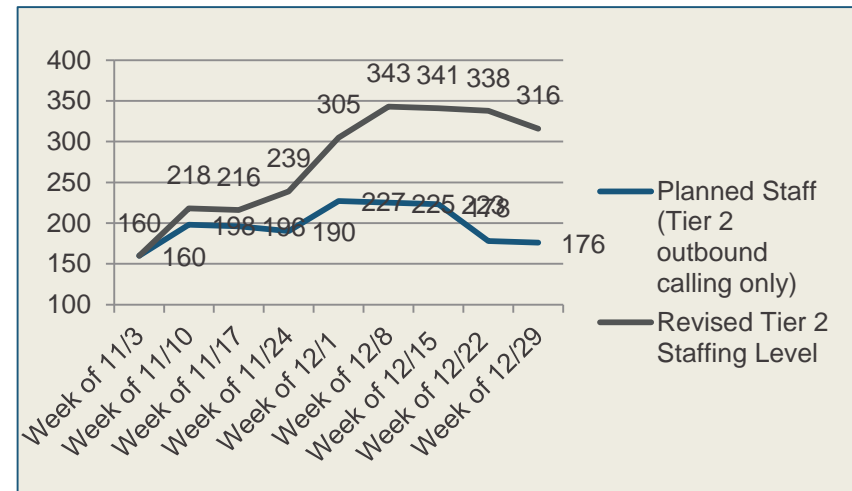
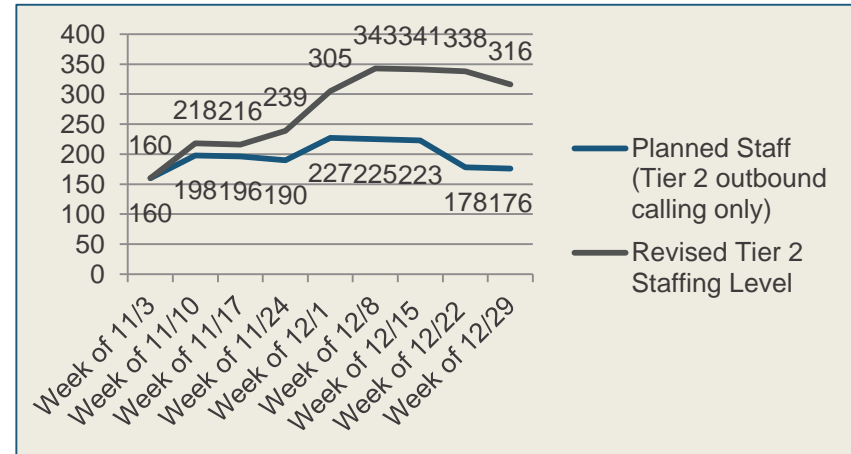
Cons – unrealistic, no space for staff, very costly

## Option 2:

Utilize all available CGI staff with overtime and bring on 2 new classes of C3 staff; cost \$875K

Pros – achievable if we move quickly, improves preparedness and reduces risk that we will be overwhelmed in early December with no options

Cons – no way to predict SLAs



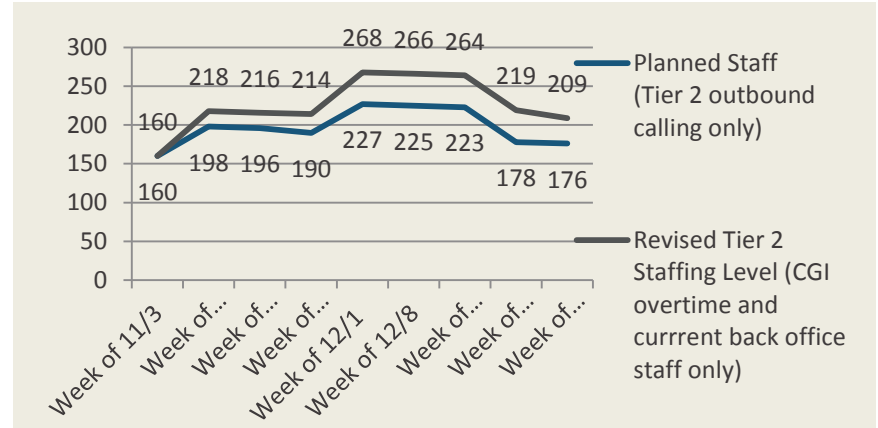
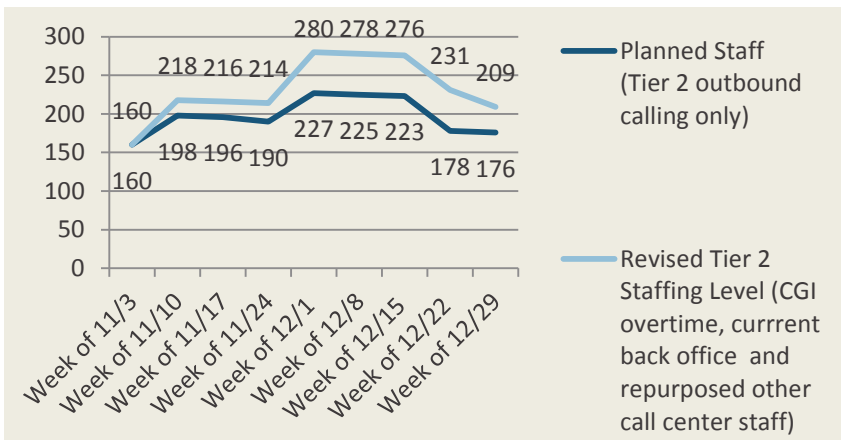
NOTE: ways to 'add more FTEs to the Tier 2 'front line':

- Overtime for current staff
- Repurpose trained back office /QA staff to be Tier 2 reps
- Bring on new staff
- Use trained staff available from other related call centers

# Alternative Ramp up strategies

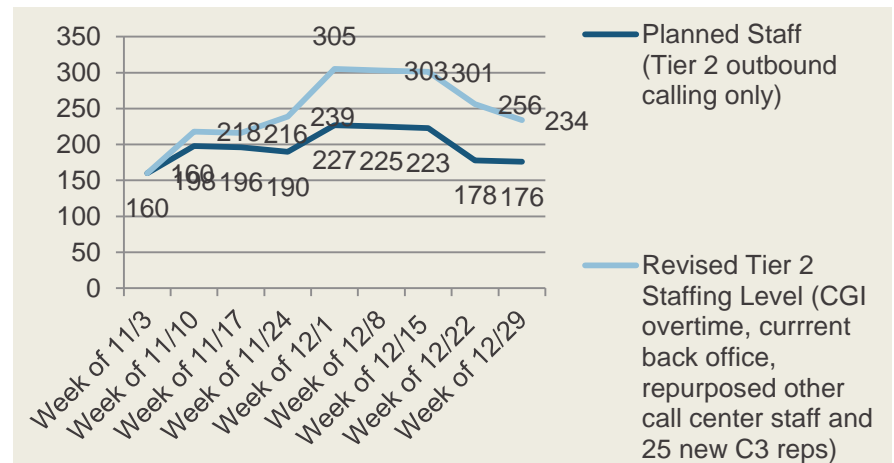
## Option 2A:

More overtime and move current CGI back office staff to Tier 2 positions; cost \$275K  
 (Note: we are preparing to implement this option starting next week)



## Option 2B:

More overtime and move current CGI back office staff to Tier 2 positions; redirect trained CGI call center staff from KY call center to CGI call center; cost 325K



## Option 2C:

More overtime and move current CGI back office staff to Tier 2 positions; redirect trained CGI call center staff from KY call center to CGI call center, add only one new C3 class of 25 people ; cost \$550K

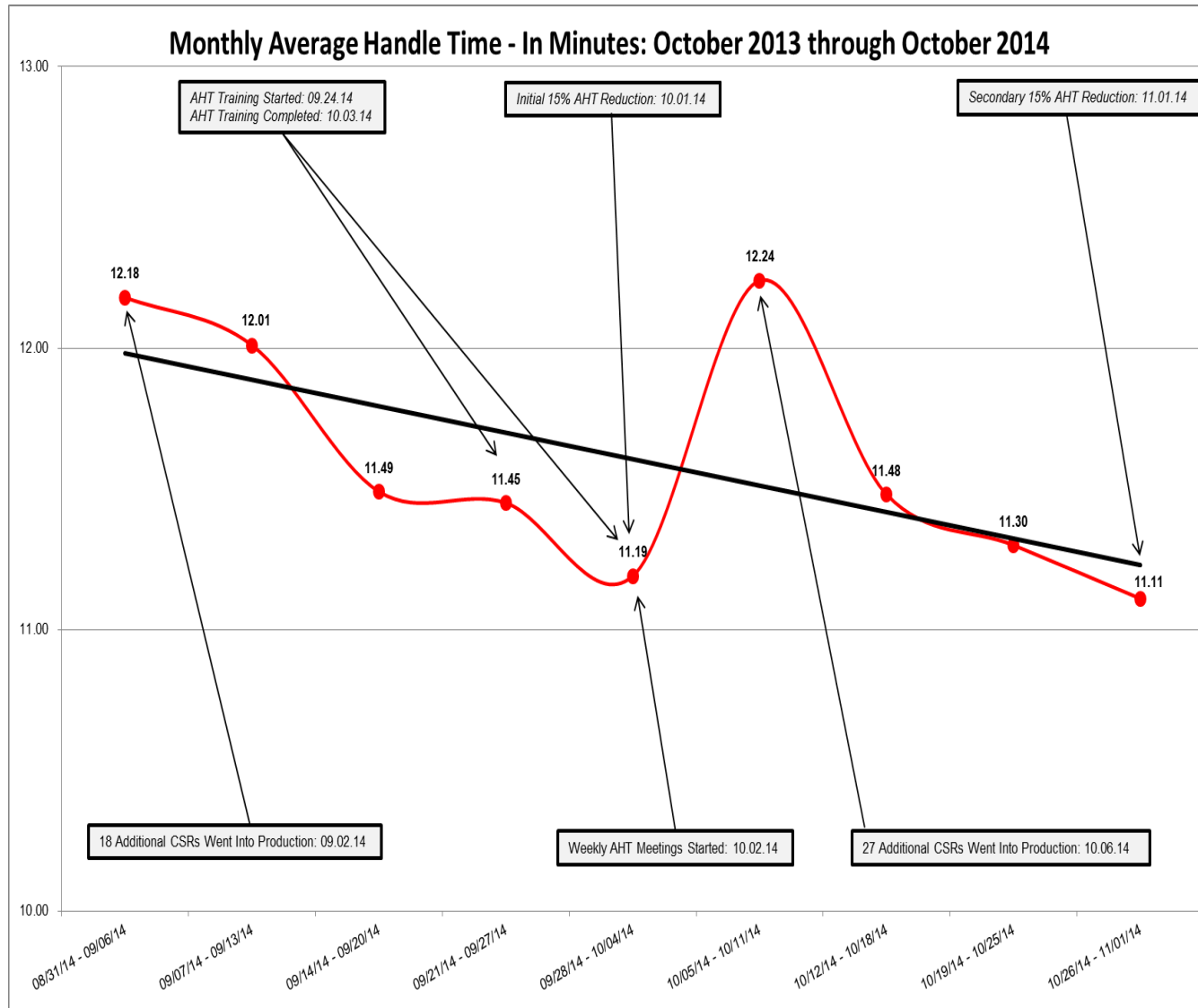
## *What is our ask?*



### Staff recommendations:

- Our overarching service philosophy has been to provide responsive, but cost effective customer service and to manage to the current SLAs as volume permits
- We request adoption of Option 2 which means negotiation of Change Requests with CGI and C3 for a total cost of approximately \$875K.
- We will continue to aggressively monitor activity, strategies, forecasts and opportunities for efficiencies within the service center, and accelerate deployment of the avatar and other low-cost tools to improve customer self-service capabilities.

# AHT Since September Reduced 5% While Significant Number of New Agents Brought On Board



# Update on Projects to Achieve 30% Efficiencies

- Self Serve Through IVR – **Messaging revised and on Track for 11/10/2014. Self service component in development for January 2015 implementation**
  - Customers can self serve 24X7 via IVR to receive renewal and enrollment information, reset passwords, unlock accounts etc.
- Modifications to Scripting – **Complete with continued ongoing refinements**
  - Quickly identify and refer Medicaid customers to the appropriate agency
  - Minimize disclosure language
  - Redirects to website
- Incorporate Specific Information into CRM Tool – **Development activities on-going**
  - Enables faster look-ups regarding items like renewals, verification data, adds text templates that can be cut and paste into a customer communication
- Move Channels to Self Serve – **C4 team conducted webinars with other service channels**
  - Uptesting for specific organizations and individuals that drive calls
- Refined Communications to Drive Self Service – **Completed via C4 communications emphasizing the Marketplace site, Broker/HCG assistance, and other channels of service.**
  - Target communications to promote self service and consider messaging that tackles different issues at the appropriate time (e.g., tax time)
- Agentless Campaigns – **Agentless Dialer testing successfully completed. On track for first campaign to Brokers within the next week.**
  - Reduces headcount need
  - Provides up-front communication
- Level of Support During a Call – **Training for all the existing staff completed as of 10/3/14. Incorporated into new hire training**
  - Increased focus on efficiency of a call while balancing customer service need
- Efficient and Appropriate Transfer of Medicaid Related Calls – **Job aid developed and distributed to staff**
  - Increased focus on transferring calls that pertain to Medicaid benefits .
- Employee Performance – **Continual monitoring and coaching resulted in a 90% occupancy rate in October**
  - Scorecards, desktop timers and focus on Quality Assurance as a reinforcement tool
- Chat - **Expanded the Chat team's scope and updated procedures to enable**
  - Open chat to more extensive services including enrollments
- Employee Recognition – **New recognition programs developed and in place**
  - Reward behavior that encourages lower AHT and first call resolution