



Vermont Health Exchange: Assessment of Call Center Operations

August 24, 2012

Table of Contents

- Deliverables Review
- Interview Participation List
- Category & Observation Areas
- Observations, Impacts & Recommendations
- Gap Analysis – Technology
- Gap Analysis – Process
- Impact & Opportunity Review
- Support Slides

Call Center Assessment - Deliverables

- Vermont requested technical assistance to provide in-depth analysis of key strategy and operational decisions the state faces in designing its exchange.
- Key Call Center Assessment Deliverables:
 - ✓ Review current call center contract and inventory current call center functions
 - ✓ Review federal requirements for a call center that will serve both the Exchange and other publicly-funded health care programs, such as Medicaid
 - ✓ Identify modifications to the current call center necessary to assure full compliance with Exchange requirements, including additional staff and technology resources
 - Support drafting of an amendment to the contract with the current call center vendor

Interview Participant List

Call Center interviews were conducted the week of 2/20/12 to 2/24/12.

Name	Division	Identified Role
Bill Clark	DVHA	State Contract Manager
Trinka Kerr	Office of the Healthcare Ombudsman	Consumer Advocate
Paul Madden	DCF-ESD	Call Center Management
Lena Hemingway	DCF-ESD	Call Center Operations
Sonia Tagliento	Maximus	Call Center Project Manager
Susan Bauer	Maximus	Call Center – Vice President
Alexis Perkins	Maximus	Call Center Operations Manager
Mike Kontrovitz	Maximus	Call Center Systems Admin

Categories and Observation Areas

General

- Call Center Organization and Governance
- Service Delivery
- Eligibility Determination
- Organizational Analysis
- Business Continuity

People

- Leadership
- Staffing
- Training
- Utilization
- Performance Management
- Customer Satisfaction
- Career Development
- Attrition

Process

- Contract Management
- Service Management
- Change Management
- Issue Management
- Quality Assurance
- Call/Case Management
- Language Support
- Knowledge Management
- Customer Satisfaction

Technology

- Contact / Case Management
- Self Service
- Telephony
- Knowledgebase

Metrics & Measurements

- Volumetrics
- Reporting
- Internal Service Level Agreements (SLAs)
- External SLAs

Financial

- Invoice Verification
- Consumption and Cost Projections

See findings log v4 for details on all observations

Observations, Impacts & Recommendations

GENERAL

Key Observations - General

Call Center Organization and Governance

OBSERVATION:

Formal written vendor governance practices (Contract Change Control, Service Management, Financial Management, Issue Management, Consumption Validation, Invoice Verification), are lacking in relationship to the call center services delivered by the current service provider, and we observed no evidence of formal governance over the various programs supported by DCF ESD or OMB. Interaction between the three organizations pertaining to the associated call center services and administration programs for affected members appears decentralized.

POTENTIAL IMPACT:

The ability to manage costs and services is dependent upon the standards for which they are tracked and measured. Because of the decentralization of the call center services, no one group appears to have a clear understanding of the costs required to support today's users. Such support will likely only become more complex with the establishment of the Exchange. This may result in higher costs and significant value leakage.

RECOMMENDATION:

Consider consolidation of all call center program support under one organization to drive potential cost savings and efficiencies. Implement formal, structured governance over the existing service provider and internal call centers to help quantify verifiable service performance and planned vs. actual call center spend. Compare to the business case created in selection of the existing provider of call center services on an ongoing basis to track and achieve benefit realization.

Key Observations - General

Service Delivery

OBSERVATION:

Members currently call four separate numbers to obtain support for State sponsored programs:

- 1) Current Service Provider for Health Care related support – 1-800-250-8427
- 2) Department for Children and Families (DCF) Economic Services Division (ESD) – Level I support for multiple programs (e.g. Snap, Fuel, Medicaid, etc) - 1-800-479-6151
- 3) DCF ESD Level 2 support for interviews and application processing – 1-877-403-7668. (Some members call a separate 800 number if language support other than English is required - 1-855-247-3092)
- 4) Office of the Health Care Ombudsman (OMB) for issues and complaints 1-800-917-7787.

POTENTIAL IMPACT:

The ability to track and measure overall program support from the point of contact to closure appears de-centralized and seems to hinder a clear view into the overall contact volume, response and resolution rates, and user satisfaction. Lack of a single point of contact may result in both over-taxing support resources in areas they may not be presently equipped to manage, as well as creating a level of frustration for the caller.

RECOMMENDATION:

Consider consolidation of the toll free numbers members use to reach each of the support call centers and/or leverage the current service provider as the single point of contact. Configure the ACD menu options so that a caller can opt to use self help (IVR) or route to the appropriate support group through a series of sub prompts. Utilize one language service to gain economy of scale.

Key Observations - General

Program Eligibility Determination

OBSERVATION:

Today eligibility is officially managed through the DCF ESD. Calls into other support centers specific to eligibility determination also occurs and must be routed back to the DCF ESD. General questions pertaining to eligibility are addressed by both the current service provider and OMB. There is no clear understanding however of what State agency or function will manage eligibility calls going forward. A determination on whether State regulation's pertaining to supported programs would allow for the automation of eligibility decisions through an Interactive Voice Response (IVR) system is not yet known.

POTENTIAL IMPACT:

The recently modified first call resolution expectations placed on the DCF ESD was cited as a driver for increases in analyst call handling times and member wait time. Call volumes and answers rates for the OMB and the current service provider are higher due to the misrouting of eligibility determination calls that require redirection back to the DCF ESD.

RECOMMENDATION:

Evaluate the possibility of automating the eligibility process through the Maximus IVR with the ability of a caller to be transferred to the DCF ESD or to a Maximus MSR for questions. For online determinations, utilize Maximus MSR to assist beneficiary with any questions but triage exception processing directly to the Health Access Eligibility Unit (HAEU) as this group is staffed with specific health insurance skill set. If the MSR can not resolve the question, establish the DCF ESD as the Level II escalation point that the caller could be transferred to. Consider leveraging the use of the Maximus CRM for DCF ESD analysts to receive, resolve and close tickets in order to maintain a single repository for metrics and measurement of contact types and volumes.

Key Observations - General

Business Continuity

OBSERVATION:

The current service provider maintains processes within the online knowledgebase and also in printed copies. Procedures are reviewed and tested annually to validate preparedness, with the next scheduled review expected in April, 2012. The service provider's ACD/IVR is hosted and available from any location in the event the current facility is not available. The Case tracking system maintains redundancy with their corporate server to prevent data loss. The current service provider is actively preparing to use their Reston, VA location as a redundant site with expected completion in April, 2012. A Disaster Recovery document has been created for the DCF-ESD reflecting 5 separate emergency scenarios. Messages have been created to post on the ESD Website for further communication to the member community in the event of a major service disruption. There is no standard for process review and testing of the DCF ESD Disaster Recovery Plan, and as such, testing is not accomplished with any regularity. The DCF ESD has expediently partnered with the current service provider in the past during emergency situations, but no formal continuity plan exists between the two groups.

POTENTIAL IMPACT:

Lack of formal and coordinated planning between the two organizations may result in longer delays during a large scale emergency or outage. In the event that a facility is not accessible during business hours, procedures in hard copy or on internal systems may be unavailable to support staff. Any system (Automatic Call Distributor (ACD), IVR, Customer Relationship Management (CRM)-Case Tracking system) that does not have remote redundancy may result in longer delays in re-establishing services to members.

RECOMMENDATION:

Consolidating systems (ACD, IVR and CRM) with remote redundancy and web access, managed in conjunction with established service levels for system and service response times, may help minimize an inability to provide support to members during emergency or outage situations. Online access to support procedures for all personnel allows for availability of information in the event internal systems are inoperative or access to the normal work environment is prohibitive.

Observations, Impacts & Recommendations

PEOPLE

Key Observations - People

Staffing

OBSERVATION:

Staffing in a leading practice call center is often established based on hours of support, average speed of answer and call volume. The current service provider staffs its call center with 26 MSRs to address the existing call volumes and business requirements, and they have repeatedly met or exceeded contracted service levels. Requests for changes or modifications to contracted service delivery are not formally documented, tracked or approved by the Department of Vermont Health Access (DVHA) or the Service Provider to formally manage resource levels associated with additional service requirements. Turnover appears higher than leading practice would suggest among both permanent staff and contractors within the service provider's local call center.

DCF ESD does not staff to service targets and currently has 13 permanent and 5 temporary staff to manage call volumes. They utilize the remote resources within the DCF ESD district offices to assist with call volume peaks, however they have no visibility into performance measurements associated with these remote staff members (e.g. Time to Resolve and After call work).

POTENTIAL IMPACT:

Without a collective understanding of the DCF ESD performance measurements for internal and remote support staff (Talk Time (TT), After Call Work (ACW) and Analyst Utilization), number of resources required to manage the projected call volumes following creation of the Exchange.

RECOMMENDATION:

Utilizing a single point of contact strategy to help manage call volume through a standard ACD, coupled with a shared case tracking tool, might more accurately capture the amount of effort expended in support of members. In addition, a Single Point of Contact strategy could better depict response and resolution times from the point of case initiation through closure, thereby allowing for service performance and delivery decisions that align with the State of Vermont's Exchange objectives.

Key Observations - People

Hiring / Training

OBSERVATION:

Hiring new resources often costs an employer approximately 16-20% of the average FTE salary. The inability to train new employees so that they can be successful in their role is frequently one of the leading reasons for failure to meet performance expectations, and results in both voluntary and involuntary attrition. It is extremely important that hiring standards exist to help insure the call center can sustain high rates of first call resolution. Resources hired by the state's current service provider must be high school graduates and possess strong communication skills. A formal 3 week training program is in place for new hires which includes testing and evaluation of readiness before an analyst is permitted to take calls from the public. Updates and refresher sessions are made available to legacy staff as needed.

DCF ESD resources must possess a bachelors degree. While training is informal and accomplished mostly via reading materials and on the job training (OJT), analysts are expected to take initiative in order to become well versed in all available training materials for all supported programs. Once trained, updates and refresher sessions are made available as needed. No formal testing is conducted to measure readiness.

POTENTIAL IMPACT:

Lack of necessary training and failure to align resource skill levels to expected business results likely drives higher employee turnover and increase costs associated with resource retention.

RECOMMENDATION:

Consider leveraging the capabilities of the current service provider in terms of processes and technology. Standardize the required training of level I and level II resources within the DCF ESD and all other State Call Centers, in order ensure such individuals are prepared to step into their assigned roles. Test, measure and validate training results before allowing an analyst to provide support to members.

Key Observations - People

Utilization

OBSERVATION:

Leading practice suggests a resource utilization factor of 65% is often needed to meet contracted call center service levels. This utilization factor is based on the number of hours an analyst is logged into the ACD and ready to take calls. Analyst utilization within the current service provider environment averages 60-65%. The utilization within the General Queue of DCF ESD averages 42.29% and in the Interview Queue the average is 24.55%. OMB does not measure utilization.

POTENTIAL IMPACT:

Low utilization is often indicative of longer call wait times, member dissatisfaction and productivity losses, frequently resulting in value leakage and higher costs to deliver service.

RECOMMENDATION:

Implement performance standards across all call centers to help ensure utilization aligns with business requirements. Consider using more costly resources in a second level support capacity and seek to improve knowledge and permissions at level I to allow for higher first call resolution. Calls that require more skill or time to resolve could be transferred to Level II resources, yet tracked and measured through a Single Point of Contact solution, potentially allowing for optimization of utilization across all resource levels.

Key Observations - People

Performance Management

OBSERVATION:

Individual performance of an analyst is captured through qualitative measurements such as the number of calls/contacts handled during an 8 hour shift, average talk time, average wrap up time by analyst and individual first call resolution rates. These metrics help the call center manage business expectations and drive improvement in service delivery. The current service provider actively measures individual performance and has created an environment where exceptional performance is acknowledged. They also record all calls to use in training scenarios and also to validate and correct customer service issues. The DCF ESD does not however, currently measure or recognize individual performance, or provide any quality monitoring.

POTENTIAL IMPACT:

Most employees like to know when they are doing a good job, and conversely, they need to know when their performance requires improvement. Without measuring at the individual level, at best, this feedback is not easy to deliver or becomes subjective at worst.

RECOMMENDATION:

Consistent employee evaluations that offer constructive feedback are good mechanisms both for employee recognition and when warranted performance improvement. A sound employee evaluation system can also help reduce overall attrition in a high turnover environment such as a call center. Maintaining the level of measurement currently exercised by the current service provider, and/or developing a consistent approach across all call centers within the State may be a way to help minimize the high attrition rate often observed within the environment..

Key Observations - People

Attrition

OBSERVATION:

Call Center attrition in leading practice organizations ranges between 18-22% due to the intense environment in which a call center analyst must perform. The attrition rate for the current service provider environment for permanent staff at 63% and for temporary staff is 24%. With regard to internal attrition, there is a one year commitment to staff the service desk before a resource is eligible to move into an available position elsewhere within the organization. Attrition is not measured or reported within the DCF ESD or within the OMB.

POTENTIAL IMPACT:

High turnover in call center staff may impact first call resolution metrics due to ramp up time required to train new employees and the knowledge absorption levels required in support of various programs within the State.

RECOMMENDATION:

Consider developing a primary and secondary skill base for each analyst and allow the ACD to promote calls to the primary knowledge expert when available. Seek means to select the secondary expert as needed based on call arrival patterns. Reducing the amount of information any one analyst must master in order to satisfy performance objectives helps to alleviate the burn-out that is inherent in call center environments. Utilize the existing DCF ESD as a Level II resource pool for calls that cannot be resolved at Level I.

Observations, Impacts & Recommendations

PROCESS

Key Observations - Process

Contract Management

OBSERVATION:

Contract Management is a process used to manage changes necessary to ensure service agreement language reflects the operational realities between the Client and Service Provider. We did not observe a documented and standardized contract management process between DVHA and the current Service Provider. The current relationship appears to be informal. While both parties acknowledge changes to business requirements have occurred, the current Service Provider has readily absorbed them without changes to the current contract. The incumbent Provider indicated that they do make a note to the file upon receipt of a new business requirement, but would only formally document such a change if it necessitated an increase in the resources needed to deliver to the new requirement.

POTENTIAL IMPACT:

The absence of undocumented, yet requested business requirements, may limit the State's ability to fully understand the market cost for the level of service being delivered by the current Service Provider. Similarly this condition may hamper the State's ability to obtain a comparative price for services at the point that a re-bid is warranted.

RECOMMENDATION:

It is recommended that DVHA develop a formal contract management process to help ensure that as additional business requirements are identified, they are properly scoped, evaluated, priced and approved by both parties before services commence. As new business needs are identified, they should be incorporated into the initial set of requirements used to solicit bids and the supporting business case should be updated and validated with each change.

Key Observations - Process

Service Management

OBSERVATION:

Service Management is the ability to define, track, measure, report and monitor the degree of service delivery. Service Management is now practiced at varying degrees by both the current service provider and the DCF ESD. Performance measurement and reporting is conducted by the current service provider against contracted service levels on a weekly, monthly and annual basis. Information is used by the provider to help drive improvements and address gaps as they arise. Reports are also generated by the DCF ESD, however they are not typically shared with the leadership within DVHA. Measurements within the DCF ESD did not appear to be used to drive process improvements or promote efficiencies. Performance management targets are not formally documented and resources are not measured or evaluated based on results.

POTENTIAL IMPACT:

Understanding the existing performance is important, but value is normally not gained unless performance is analyzed against specific service targets to determine whether the level of service provided meets the strategic business objectives.

RECOMMENDATION:

Establish a standard for service delivery within the Call Center environments. Use the service levels defined in the current provider contract as a leading practice guideline for internal call center performance. Establish, document and report on service targets to measure performance and provide the information on a standard schedule to all stakeholders so as to better allow for qualified and informed business decisions pertaining to future call center support requirements. Such a practice may promote more qualified and informed business decisions pertaining to future call center support requirements.

Key Observations - Process

Change Management

OBSERVATION:

Change Management provides for the initiation, review, and approval of change requests not specifically set forth in a service contract and do not constitute the size or scope of a Strategic Change. Examples could include a change to a specific governance or call management process. Tactical Changes that may impact the cost to deliver services typically do NOT include day-to-day operating changes (such changes are processed using operational change procedures and are typically infrastructure related). Today, a formal change management process is not followed between DVHA and the current service provider, or within the DCF ESD.

POTENTIAL IMPACT:

Without a standard process for the documentation, review and approval of any business change, the potential for reactive management vs. pro-active management exists. Understanding how change affects the organization and the direct impact the change may have upon to people, processes and financials should be considered and weighed against the strategic direction of any organization.

RECOMMENDATION:

Consider implementing formal business change management processes and include participation from all relevant stakeholders. Considerations should include the development of a change review board, change calendar, change definitions, change workflow, and change metrics . A meaningful change management process can help leadership better understand the impact of changes to the business environment and potentially help reduce the financial impact of unscheduled changes to the business environment.

Key Observations - Process

Issue Management

OBSERVATION:

Issue Management involves the disciplined tracking, resolution, and status reporting on issues escalated from internal or external support organizations. Relevant issues may include business related topics (project scope, contract discrepancies, resource constraints, etc). Our data analysis and interviews did not reveal a formal issue management process between either DVHA and the current service provider nor in or amongst DVHA and the DCF ESD or the OMB. When issues arise, each organization takes action to follow up and gain resolution. If the issue pertains to a specific member, documentation of the case facts are entered in either Access for DCF ESD, in MaxStar for the current service provider, or in the Legal Ease tool used by OMB. No comprehensive holistic view of issues and their resolutions are available for review at a senior leadership level.

POTENTIAL IMPACT:

Visibility into issues and their timely resolution is not only critical to the effective management of an outsourced relationship, but to internal organizations as well. Lack of consolidated issue documentation and management reduces leadership's ability to identify trends that may be systemic and require a more strategic decision to fully resolve the issue.

RECOMMENDATION:

Consider the implementation of a formal Issue Management process as part of an established governance protocol over the current service provider.

Key Observations - Process

Quality Assurance

OBSERVATION:

Quality Assurance provides ongoing oversight of business and service delivery processes to ensure they remain standard, repeatable and accurate . Validating that processes continue to be applicable to the operational environment helps to maintain effectiveness and efficiencies in the delivery of service. Policies pertaining to the creation, documentation, review, management and archival of obsolete processes were not identified within DVHA, DCF ESD or OMB. The current outsourced service provider indicated that they conduct periodic (at least annual) reviews of all operating processes to ensure accuracy and applicability within their Knowledge Management process.

POTENTIAL IMPACT:

Validating that processes and procedures remain relevant to the environment is necessary in order to meet expected levels of service. Policies and procedures used by the call center must be accurate and relevant to the business environment. The lack of well documented policies that support standardization and maintenance of knowledge, may create the risk for potential inefficiencies through redundancy, misinterpretation and costly reinvention when standards are not in place.

RECOMMENDATION:

Consider developing policies to address document creation, standardization, retention and review specific to operational procedures used in all call center environments. Define standards for quality reviews. Measure and report on progress annually.

Key Observations - Process

Call/Case Management

OBSERVATION:

Call/ Case management is the standard by which one measures the validation, documentation, resolution and closure of service tickets based on user solution acceptance. The current service provider validates and document a ticket/case for each contact received. The contractor may however close a ticket without user concurrence that the solution met with their satisfaction. The DCF ESD uses MS Access to validate and capture information from their customer contacts. The current service provider has visibility into the DCF ESD system and is able to add notes when needed, however the systems are not integrated.

POTENTIAL IMPACT:

The current case management process may result in tickets being closed after an initial contact that did not satisfy the callers question or concern, potentially skewing the First Call Resolution Rate. Lack of visibility into the end to end process to ensure that an issue resolution is difficult and often not completely performed due to the separation of systems and data.

RECOMMENDATION:

In the course of transitioning to an Exchange, it may be beneficial for the State to consider a single point of contact approach to all supported programs. Leveraging processes and tools for case management provides standardization and visibility into the case lifecycle. Such an approach could also lend itself to more efficient information management if all call center personnel could view the tickets generated for each member as well as have visibility into the details of each ticket.

Key Observations - Process

Language Support

OBSERVATION:

The current service provider utilizes AT&T's Language Line to support a variety of languages, with the African, Bosnian and Croatian languages being the most common. The DCF ESD also provides language services through TII, with a separate number dedicated to non-English calls printed on all distributed notices that go out. 1-855-247-3092.

POTENTIAL IMPACT:

Language Support is an expensive add on to call center services. Utilizing two separate language services may result in higher costs to provide this support based on any minimum contract requirements.

RECOMMENDATION:

Consider leveraging one language service between the DCF call centers and the current service provider as a method for potential cost reduction through economies of scale.

Key Observations - Process

Knowledge Management

OBSERVATION:

Knowledge Management (KM) includes the identification, vetting, prioritization, publishing, feedback mechanism, quality reviews and reporting on knowledge elements relevant to the resolution of a case(s). Utilization of an online knowledgebase (KBase) could allow for automation and enhanced efficiency within a call center environment and may lead to a reduction in total case handling time. The current service provider manages an online KBase with a structured KM process. However, there is no process step for capturing new knowledge or updating knowledge based on input from the DCF ESD or OMB. The DCF ESD does not maintain a formal KM process. Knowledge that is captured for reuse is created and stored in the Contact Database within Outlook.

POTENTIAL IMPACT:

The lack of a reliable feedback mechanism to gather ticket resolution information inhibits the call center's ability to improve knowledge content and increase First Call Resolution . If standard KM metrics are not regularly captured to better understand the frequency, applicability and accuracy of these data elements, retained knowledge may become obsolete and lengthen call center analyst research time.

RECOMMENDATION:

Standardize the KM process across all call centers. Develop a step within the current service provider KM process that solicits feedback from both the DCF ESD and the OMB on cases escalated for resolution.

Key Observations - Process

Customer Satisfaction

OBSERVATION:

Customer Satisfaction in the call center environment is currently measured through a survey mechanism to gauge the level of satisfaction pertaining to overall service and case resolution. Leading practices suggest an average rate of return of 25% or greater, depending on frequency and level of automation used to survey respondents. Leading practice call centers who survey their callers as part of their standard service expect a 90% or greater of service satisfaction rate. At present, the current service provider is not contractually obligated to perform customer satisfaction surveys, however they indicated an interest in the use of surveys in the near future. The DCF ESD does not administer customer satisfaction surveys to its members and there are no known plans to do so.

POTENTIAL IMPACT:

Without measuring the level of satisfaction members have with the current service provider, there is little opportunity to validate whether any improvements to service are in fact resulting in a more positive experience or providing value.

RECOMMENDATION:

Consider a standard approach to measuring customer satisfaction within each call center to address potential service degradation or performance concerns in order to help improve upon the overall caller experience.

Observations, Impacts & Recommendations

TECHNOLOGY

Key Observations - Technology

Contact / Case Management

OBSERVATION:

In the call center environment today, a members contact information and associated cases are tracked and recorded in varying degrees of detail within different systems. The existing Service Provider accesses contact information to validate a caller, and utilizes an internal tool (MaxStar) to document, resolve and close tickets. The DCF-ESD captures communications with members in an Access database, and the OMB documents communications within a custom tool (Legal Ease). The service provider does have Read/Write permissions within the DCF ESD tool to add notes into cases, but does not have the ability to create cases within the database. There is no end to end view into the number of contacts or the number of cases received.

POTENTIAL IMPACT:

Members may call one or all three centers for support on the same issue, but there is no single system view into the issue or the communications that may have taken place to help with its resolution. Often times this occurrence can result in redundancy and lack of efficiency leading to frustration on the part of the member. Without a comprehensive view into the communications taking place, the State is limited in its ability to improve the level of service offered.

RECOMMENDATION:

In order to validate that a 1:1 relationship exists between a contact and a case, or to insure that all cases are documented, standard tools and processes are necessary. It is recommended that all call centers use a single system as a source for contact validation, and case tracking in order to have a clear understanding of the issues and concerns being raised by members on a day to day basis. Sharing one system should help promote efficiencies and reduce time to respond and resolve member issues and concerns, resulting in more cost effective service delivery.

Key Observations - Technology

Self Service

OBSERVATION:

The existing Service Provider offers a hosted integrated voice response (IVR) system callers may use to register and complete an application for most health benefits. Eligibility determinations are still performed through the DCF ESD.; there is no self service is available . There appears to be more opportunities through self service to reduce the response and resolution time of contacts to all call centers. Act 48 allowed for responsibility of Eligibility Determination to move from the DCF to DVHA, but this has not happened.

POTENTIAL IMPACT:

It takes upward of 30 minutes to conduct the eligibility process through the DCF ESD, resulting in longer response times for callers who must speak to an analyst to determine which benefits they may apply for.

RECOMMENDATION:

Evaluate use of the IVR to conduct and receive eligibility status, with an opt/out option to speak with the Service Provider MSRs as the first point of contact for questions and issues. Allow the DCF ESD to be the second level support team where more difficult eligibility questions (those taking longer than 10 minutes to resolve) could be dispatched/escalated.

Key Observations - Technology

Telephony

OBSERVATION:

Telephony refers to the Automated Call Distributor (ACD), the Integrated Voice Response (IVR) and Computer Technical Interface (CTI). These systems provide for varying levels of support, from menu prompting and skills based routing, allowing calls to route to the proper call center analyst to self service for application completion. The existing service provider does have a hosted ACD and IVR, but does not have CTI functionality. The DCF ESD has a hosted ACD, but it is not currently utilized for skills based routing. The DCF ESD does not have an IVR. The OMB has an internal phone system for support by a small group. All three have different 800 numbers that members must call in order to reach each center.

POTENTIAL IMPACT:

Non leveraged systems results in higher telephony costs. Limited self service ability leads to longer delays in order to reach an analyst. Multiple numbers result in misdirected calls and member frustration with no end to end view of volume.

RECOMMENDATION:

Consider consolidation of telephony systems and language line services, which may allow the state to take advantage of economies of scale, improved call routing, member self service expansion and improved response times. Utilizing only one toll free number to access all services should further improve response times, reduce misdirected calls, and help to alleviate customer frustration from long wait time or misrouted calls.

Key Observations - Technology

Knowledgebase

OBSERVATION:

The existing service provider uses a professional knowledge service/tool (KnowledgeNet) to document processes, phone scripts, solutions and information to help analysts with member question and issues resolution. The DCF-ESD does not have a formal knowledge system but does capture some level of information within the contact database in Outlook. The OMB does not have a knowledge system.

POTENTIAL IMPACT:

Limited access to knowledge can result in delays and/or escalation of issues and concerns by members that could be resolved if the user knowledge were readily available.

RECOMMENDATION:

Consider utilization of a shared knowledge system across all call centers with a robust search functionality. Such a system should also have a feedback mechanism to continuously help validate accuracy and applicability of existing knowledge as well introduce new data elements for assimilation. This system should provide metrics on frequency of use, history on updates, and top knowledge elements searched to help improve first call resolution rates. Such an enhancement may result in improved efficiency and cost of overall service delivery through reduced call handle times and improved utilization of more skilled resources within the level II environment.

Observations, Impacts & Recommendations

METRICS & MEASUREMENTS

Key Observations - Metrics & Measurements

Service Levels – First Call Resolution

OBSERVATION:

Service levels have been contractually defined for existing call center support however these service levels do not currently include customer satisfaction indicators. While the existing service provider reflects a high First call Resolution (FCR) of all contacts received, the criteria used to define FCR appears inconsistent with industry standards.

POTENTIAL IMPACT:

The number of actual contacts resolved by the current call center may be misleading as a result of the method used to define FCR. In the current environment, cases are considered resolved even if they are only providing alternative contact information, such as in the case of eligibility. Leading practice defines this as FCR on “Resolvable Contacts.” vs. FCR on “all contacts”. Without a clear understanding of FCR on all contacts, it is difficult to determine if the level of knowledge available to Call Center analysts is sufficient to meet the business objectives.

RECOMMENDATION:

Establish Criteria to differentiate contacts that are closed/resolved (meaning no further action is needed on the part of the member) from calls that are closed but require additional action on the part of the member to answer their question or concern (e.g. misdirected calls, or calls that the Call Center does not have the knowledge or authorization to resolve). Begin reporting on FCR for all contacts as well as FCR for resolvable contacts in order to fully understand the effectiveness of the existing or future call center services.

Key Observations - Metrics & Measurements

Service Levels – Performance Targets

OBSERVATION:

No formal performance targets are in place for the DCF ESD.

POTENTIAL IMPACT:

The inability to measure performance against established service level targets limits understanding of whether the performance by the DCF ESD analysts is actually effective in meeting strategic business objectives.

RECOMMENDATION:

Define the target response and resolution performance targets for the DCF ESD and evaluate staffing levels in support of those targets. Determine whether adjustments are needed to continue using the DCF ESD as a Level I Call Center, or consider allowing calls to initiate through the existing service provider and provide the level of knowledge required at level I to reduce volume and alleviate long wait times for members. Consider use of the DCF ESD as a Level II resolver group for more complex contacts requiring significant time to resolve and/or a higher degree of knowledge or data security.

Key Observations - Metrics & Measurements

Service Levels – Customer Satisfaction

OBSERVATION:

Service levels have been contractually defined for call center support by the existing service provider, however these service levels do not currently include customer satisfaction indicators.

POTENTIAL IMPACT:

Lack of CSI survey information in order to understand the user communities perception of the service being provided inhibits opportunities for improvement.

RECOMMENDATION:

Begin formally surveying the members utilizing the existing call centers to gain a measurable understanding of the performance provided in order to evaluate opportunities for improvement of services.

Key Observations - Metrics & Measurements

Reporting

OBSERVATION:

Weekly, Monthly and Annual reports are generated by the existing call center providers to indicate the types and volumes of contacts coming into the call centers, but there is no clear understanding of how each report is used and by whom to evaluate and improve service performance. DVHA does not receive standard DCF ESD performance reports.

POTENTIAL IMPACT:

Without clearly defined reporting objectives, reports may be continuously generated without providing value to the organization. Lack of visibility into service provider performance may leave perception as the driver for business decisions as opposed to empirical source information.

RECOMMENDATION:

Evaluate existing reports and develop a formal report management program which clearly articulates the purpose of each report being generated, the data inputs, any associated algorithms, report frequency, and distribution channels and recipients. Evaluate each report with stakeholders to validate it's applicability and usefulness in managing business objectives. Gain formal approval of each report through established workflow before it is introduced into service. Insure that all report stakeholders have an understanding of the purpose and intent of the report in managing service performance. Evaluate all reports on an annualized basis to continuously monitor their applicability and usefulness within the environment.

Key Observations - Metrics & Measurements

Observations

Volumetrics	Current Provider	DCF ESD General	DCF ESD Interview	OMB
Annual Inbound Call Volume (Handled) (260 working days)	361,234	333,580	35,880	3348
Other Contacts & Communications (Inbound/Outbound Emails, Walk-Ins, Outbound Calls, invoices, payments, TPL's, releases, enrollments)	1,177,887	Unknown	Unknown	NA
Call Center 2012 Annual Budget (based on inbound contacts)	\$2,902,343	Unknown	Unknown	Unknown
Current Cost per Call (Budget / inbound calls)	\$8.03	Unknown	Unknown	Unknown
Current Cost per Contact –All Other contacts (Budget / Other contact & communication)	\$2.46	Unknown	Unknown	Unknown
Average Cost per Contact	\$5.25	Unknown	Unknown	Unknown
Current Level I Call Center Analysts (Full Time Permanent + Temps 8x5 service (excluding holidays)	26	18		4
Additional Staff (Managers, Supervisors, Administrative, Other)	13	3		1

Key Observations - Metrics & Measurements

Observations

Future Exchange Volumetrics	Estimate ⁽¹⁾	Leading Practice
Projected Exchange Annual Call Volume – Year 1 (Low vs. High Estimate)	771,120 vs. 864,720	Same
Projected Exchange Annual Call Volume – Year 2 (Low vs. High Estimate)	513,408 vs. 576,480	Same
Projected Start Up Costs Low Volume vs. High Volume	\$200,000 - \$400,000	Same
Projected Year 1 Budget (Low vs. High Volumes)	\$4,626,720-\$5,188,320	\$3,084,480 ⁽²⁾ - \$5,188,320
Projected Year 2 Budget (Low vs. High Volumes)	\$3,084,080 - \$3,458,880	\$2,053,632 ⁽²⁾ - \$3,458,880
Hours of Support Recommended	24x7	24 x 7
Assume Leading Practice Average Speed of Answer	Undefined	00:00:20
Assume Leading Practice Abandon Rate	Undefined	<5%
Avg. Cost Per Contact Year 1 Low vs. High Volume (includes start up costs)	\$6.26 vs. \$6.46	\$4-\$6
Avg. Cost Per Contact Year 2 Low vs. High Volume	\$6.00 vs. \$6.08	\$4-\$6

Call Center Leading Practices – Service Levels

Measurement	Definition	Leading Practice	DCF ESD General	DCF ESD Interview Unit	Maximus	OMB
Hours of Operation	The number of hours the call center is staffed to manage the volume received during normal business hours and after hours.	24x7	8:00-5:45 M-Th 8:00-3:15 F	8:00-4:15 M-F	7:45 – 4:30 M-F	8:30-4:00 M-F
Average Speed of Answer	Length of time for which a call is connected to the ACD System before Service Desk analyst answered the call. (Also referred to as Time in Queue) – Example - 85% within 20 seconds	00:00:20	00:2:38	00:27:10	00:00:25	NA
Abandon Rate	Number of calls in the Automated Call Distribution (ACD) queue which were terminated by the caller after the Average Speed to Answer time had elapsed.	<5%	19.79%	37%	2.2%	NA
First Call Resolution (All Calls)	Percentage of all Level 1 tickets resolved and closed by Analysts on initial call with end user.	65%	NA	NA	NA	4%
First Call Resolution (Resolvable Calls)	Percentage of Level 1 resolvable tickets resolved and closed by Analysts on initial call with end user.	85%	NA	NA	98%	NA
Customer Satisfaction Index (CSI)	Customer Satisfaction Indicator (CSI) provided users of the support center rating the experience as Outstanding, Highly Satisfactory, or Satisfactory.	> 90% Satisfactory	NA	NA	NA	NA

Call Center Leading Practices – Service Levels

Measurement	Definition	Leading Practice	DCF ESD General	DCF ESD Interview Unit	Maximus	OMB
Average Handle Time Ref: Queue Stat Averages	Average talk time before a call is resolved or closed at Level 1 or transferred to Level 2 plus the average time taken to finish ticket documentation before closing or dispatching.	NA	00:26:02	02:08:00	00:04:02	NA
Analyst Auxiliary Time Ref: Queue Stat Averages	Target time an analyst spends daily in which they are not logged in and available to take calls. (research on the call, training, administrative work during work hours etc.	01:36:00	04:53:01	05:34:57	00:35:00	NA
Analyst Utilization ACD Login / Total Log In	Average amount of time an agent is available to work their scheduled hours, assumes 2080 hours per year.	65%	42.29%	24.55%	60-65%	NA
Attrition	Average rate of external turnover experienced by a Level 1 Call Center annually.	16-22%	NA	Na	63% Perm 24% Overall	NA
Annual Call Volume	The average number of calls received annually . DCF (avg. daily x 260 days*)	NA	333,580*	35,880*	379,501	
Average Cost Per Contact	Average cost of an inbound contact based on the level of technology automation and process standardization. Total Annual Call Center budget / total annual call volume	\$4-\$6	NA	NA	\$5.25	NA

Observations, Impacts & Recommendations

FINANCIAL

Key Observations - Financial

Invoice Verification

OBSERVATION:

This process involves the verification of Service Provider invoices against contracted volumes, rates, and approved project documentation, then ensures timely payment of fees due consistent with payment terms, conditions, and method contemplated in the Agreement. DVHA contract manager reviews the invoices each month from the service provider and as long as the billing (less pass through for postage) does not exceed \$5000 per month invoices are approved for payment. Contract cannot exceed \$\$4,467,045.04 during the two year term. No evidence provided that standard reviews take place to validate that invoices in aggregate stay in line with cap.

POTENTIAL IMPACT:

Estimated monthly fees based on the contractual cap would equate to \$186,126.87 per month plus pass through charges for postage. Without documented evidence that the contract is tracking to the business case, it is difficult to ascertain whether value leakage has or is occurring.

RECOMMENDATION:

Consider initiation of formal Financial Benefits Realization Tracking - This process involves tracking the benefits of outsourcing that have been realized, comparing realized benefits to the benefits anticipated in the outsourcing base case, and locking in those benefits into the respective budgets.

Key Observations - Financial

Consumption and Cost Projections

OBSERVATION:

This process addresses how Governance will solicit and capture the demand forecast of business units beforehand, and how services consumption will be analyzed after the fact. There was no evidence of standardized consumption tracking in the current environment, however in preparation for the Exchange, a one time analysis was completed to build a business case for the planning and development of the future call center environment: Hbe-financial-functions-report-08-30-11.pdf.

POTENTIAL IMPACT:

Without a continuous review and understanding of current and future business requirements through the use of standard and repeatable processes and metrics that measure performance end to end across the enterprise, it is difficult to understand the changing landscape and properly forecast budget needs and financial impacts.

RECOMMENDATION:

Establish formal financial governance and reporting that evaluates the end to end processes specific to call center support and other member specific support programs, against a documented and continuously updated business case in order to understand performance trends and allow for proactive vs. reactive response to the potential changes in the business landscape.

Gap Analysis

TECHNOLOGY

Technology – Gap Analysis

Functionality	Definition	DCF ESD General	DCF ESD Interview Unit	Maximus	OMB
Governance/ Reporting Dashboard	Web based access to information specific to Financial Performance; Process, Risk and Compliance; Contract and Change Management; Service Quality & Performance Management and Relationship Management.	NA	NA	NA	NA
Knowledge Base	An online repository of knowledge elements used to respond and resolve inbound questions and concerns raised by authorized users of the service. Knowledge elements are scripted to provide accurate and validated solutions and information.	NA	NA	✓	NA
System Integration	CRM can be easily integrated with all required systems for notifications and interaction on programs and services, including execution and retrieval of historic data files.	NA	NA	NA	NA
Self Help / Self Service	Member access to FAQs, External K-base, Web Applications, Forms Access, Auto Eligibility Processing)	NA	NA	✓	NA

Technology – Gap Analysis

Functionality	Definition	DCF ESD General	DCF ESD Interview Unit	Maximus	OMB
Workflow Enabled	Built in workflow for routing of dispatched cases/tickets, approvals, change control and issue management.	NA	NA	NA	NA
Content Management	Supports variability of copy, images, and individual profile data submitted with a combination of individual and program attribute data.	NA	NA	NA	NA
CRM / Ticketing System	CRM systems and equivalent are used to manage a case from initiation through closure. The CSR is able to validate authorized users of the support within the system, document issues and resolution, track history and dispatch to higher skill levels based on the incorporation of intelligent routing driven by pre-selected drop down menus.	✓	✓	✓	✓
Automated Call Distributor (ACD)	Used to manage calls into a support center and intelligently route to the appropriate skill group or first available CSR based on pre-defined definitions via skill based routing capability.	✓	✓	✓	✓

Technology – Gap Analysis

Functionality	Definition	DCF ESD General	DCF ESD Interview Unit	Maximus	OMB
Interactive Voice Response (IVR)	Menu capability within the telephony system that allows Self Service Automation via interactive response to questions. Can provide auto generated feedback and/or routes a caller to the appropriate resolver group to address their particular question or issue.	✓	✓	✓	NA
Compute Technology Interface (CTI)	An incoming call which auto populates a CSR's screen with contact information for quick validation (typically integrated with ticketing system to provide name, address, and any other data stored in the users profile.)	NA	NA	NA	NA
Multi-Channel Enablement (CHAT, WEB, Social Media, Email, Facsimile)	Varying avenues in which a person can reach the support center in order to address a question or concern. Promotes more options for times when inbound call traffic peaks can result in long hold times.	✓	✓	✓	✓
Automated Workforce Management	Used to schedule and manage multiple support shifts cost effectively and efficiently to meet contact volumes.	NA	NA	NA	NA

Gap Analysis

PROCESS

Process Capability Gap Analysis

Internal Delivery

- **Viability** – refers to the availability of internal resources to perform the functions being evaluated.
 - **Core** – refers to the degree to which the functions are core to the business. Call Center work is considered critical to the operation of The Exchange, but it is not considered a core competency of the State.
 - **Capability** – refers to the degree to which the functions have already been fully utilized by in house talent.
-

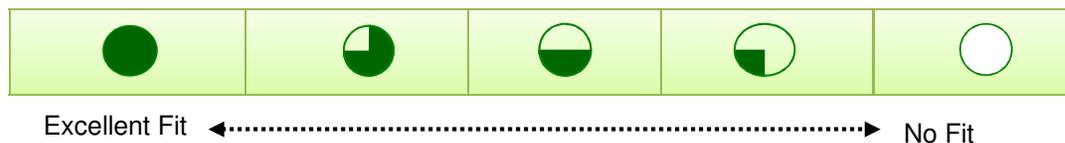
External Delivery

- **Complexity** – refers to the technical and/or business process complexity of the functions and the ability of an outsourcer to assume management responsibility and control.
- **Risk** – is an assessment of the technical and business risk associated with outsourcing of the functions under consideration.
- **Compatibility** – is an assessment of the State’s ability to source and govern an external service provider in order to effectively deliver Exchange Services.
- **Savings Potential** – is the assessment of the potential for financial savings that would accrue to the State of Vermont as a result of consolidating and instituting process standards.



Process Capability Analysis

Function	Internal Delivery Capability			External Delivery Capability			
	Viability	Core	Capability	Complexity	Risk	Compatibility	Savings Potential
Call Center Performance - Maximus							
Standard Operating Procedures	●	●	●	●	◐	◐	○
Knowledge Management	●	●	◐	◐	◐	◐	○
Business Continuity	●	●	◐	◐	◐	◐	○
Physical / Logical Security	●	●	◐	◐	◐	◐	○
Call Center Performance – DCF - ESD							
Standard Operating Procedures	◐	●	◐	●	◐	◐	◐
Knowledge Management	◐	●	◐	◐	◐	◐	◐
Business Continuity	◐	●	◐	◐	◐	◐	◐
Physical / Logical Security	◐	●	◐	◐	◐	◐	◐



Process Capability Analysis – Maximus

Function	Internal Delivery Capability			External Delivery Capability			
	Viability	Core	Capability	Complexity	Risk	Compatibility	Savings Potential
Business Operations/Exchange Functions (minimum functions of an Exchange per IE-HBE-11-004 CFDA:93.525): Exchange Website							
Enrollment Process							
Plan Certification, recertification, decertification							
Premium Tax Credit and Cost Sharing calculator							
Health Plan Quality Rating System							
Navigator Program							
Eligibility Determinations for Exchange participation, advance payment of premium tax credits, cost sharing reductions and Medicaid							



Excellent Fit



No Fit

Process Capability Analysis – Maximus

Function	Internal Delivery Capability			External Delivery Capability			
	Viability	Core	Capability	Complexity	Risk	Compatibility	Savings Potential
Seamless eligibility and enrollment process with Medicaid and applicable State health subsidy programs							
Applications and Notices							
Individual Responsibility Determination							
Administration of premium tax credits and cost sharing reductions							
Adjudication of appeals of eligibility determinations							
Notification and appeals of employer liability							
Information reporting to IRS and enrollees							
Outreach and Education							
Risk adjustment and transitional reinsurance							
SHOP Exchange specific functions							



Excellent Fit ← → No Fit

Process Capability Analysis – Maximus

Function	Internal Delivery Capability			External Delivery Capability			
	Viability	Core	Capability	Complexity	Risk	Compatibility	Savings Potential
Subpart C – General Functions of an Exchange							
155.200 Functions of an Exchange (b) Certificate of Exemption							
(d) Quality Activities (satisfaction surveys)							
155.205 Consumer assistance tools and programs of an Exchange							
(a) Call Center							
(b) Internet Website (assisting users navigate eligibility, enrollment, invoicing, complaints, change in circumstance, etc)							
(c) Accessibility (plain language, translation services)							
(d) Consumer Assistance (accessibility and referrals)							
(e) Outreach							



Excellent Fit ← → No Fit

Process Capability Analysis – Maximus

Function	Internal Delivery Capability			External Delivery Capability			
	Viability	Core	Capability	Complexity	Risk	Compatibility	Savings Potential
155.210 Navigator program standards (e) Duties (Assessed only on comparable call center duties not on performing as a Navigator) (1) Maintain expertise in eligibility, enrollment, and program specifications and conduct public education activities to raise awareness about the Exchange							
(2) Provide information and services in a fair, accurate and impartial manner. Such information must acknowledge other health programs							
(3) Facilitate selection of a QHP							
(4) Provide referrals to any applicable office of health insurance consumer assistance or health insurance ombudsman established under section 2793 of the PHS Act, or any other appropriate State agency or agencies, for any enrollee with a grievance, complaint, or question regarding their health plan, coverage, or a determination under such plan or coverage							
(5) Provide information in a manner that is culturally and linguistically appropriate to the needs of the population being served by the Exchange, including individuals with limited English proficiency							



Excellent Fit ←-----→ No Fit

Process Capability Analysis - Maximus

Function	Internal Delivery Capability			External Delivery Capability			
	Viability	Core	Capability	Complexity	Risk	Compatibility	Savings Potential
155.230 General standards for Exchange notices (a) General requirement. Any notice required to be sent by an Exchange to applicants, qualified individuals, qualified employees, qualified employers, and enrollees must be written and include: (1) Contact information for available customer service resources; (2) An explanation of appeal rights, if applicable; and (3) A citation to or identification of the specific regulation supporting the action, including the reason for the intended action. (Assessed on ability to generate mailings and assist callers with questions regarding notices)							
155.240 Payment of premiums (Assessed on ability to assist beneficiaries using the web portal to make electronic payments and explain premium paying process)							
155.260 Privacy and security of personally identifiable information							
155.270 Use of standards and protocols for electronic transactions (Assessed on ability to receive electronic files from the State)							



Excellent Fit ←-----→ No Fit

Process Capability Analysis - Maximus

Function	Internal Delivery Capability			External Delivery Capability			
	Viability	Core	Capability	Complexity	Risk	Compatibility	Savings Potential
Subpart D – Exchange Functions in the Individual Market: Eligibility Determinations for Exchange Participation and Insurance Affordability Programs							
155.310 Eligibility process (a) Application. (1) Accepting applications. The Exchange must accept applications from individuals in the form and manner specified in §155.405. (b) Applicant choice for Exchange to determine eligibility for insurance affordability programs. The Exchange must permit an applicant to request only an eligibility determination for enrollment in a QHP through the Exchange; however, the Exchange may not permit an applicant to request an eligibility determination for less than all insurance affordability programs. (c) Timing. The Exchange must accept an application and make an eligibility determination for an applicant seeking an eligibility determination at any point in time during the year. (d) Determination of eligibility. (1) The Exchange must determine an applicant’s eligibility, in accordance with the standards specified in §155.305.							



Excellent Fit ←-----→ No Fit

Process Capability Analysis - Maximus

Function	Internal Delivery Capability			External Delivery Capability			
	Viability	Core	Capability	Complexity	Risk	Compatibility	Savings Potential
<p>§155.315 Verification process related to eligibility for enrollment in a QHP through the Exchange (a) General requirement. Unless a request for modification is granted in accordance with paragraph (h) of this section, the Exchange must verify or obtain information as provided in this section in order to determine that an applicant is eligible for enrollment in a QHP through the Exchange</p>							
<p>f) Inconsistencies. For an applicant for whom the Exchange cannot verify information required to determine eligibility for enrollment in a QHP, advance payments of the premium tax credit, and cost-sharing reductions the Exchange: (1) Must make a reasonable effort to identify and address the causes of such Inconsistency by contacting the application; (2) If unable to resolve the inconsistency (i) Provide notice to the applicant regarding the inconsistency; and (ii) Provide the applicant with a period of 90 days from the date on which the notice is sent to the applicant to either present satisfactory documentary evidence via the channels available for the submission of an application), except for by telephone through a call center, or otherwise resolve the inconsistency</p>							



Excellent Fit



No Fit

Process Capability Analysis - Maximus

Function	Internal Delivery Capability			External Delivery Capability			
	Viability	Core	Capability	Complexity	Risk	Compatibility	Savings Potential
<p>§155.320 Verification process related to eligibility for insurance affordability programs</p> <p>(a) General requirements. (1) The Exchange must verify information only for an applicant or tax filer who requested an eligibility determination for insurance affordability programs</p> <p>(b) Verification of eligibility for minimum essential coverage other than through an eligible employer-sponsored plan.</p> <p>(c) Verification of household income and family/household size</p> <p>(d) Verification related to enrollment in an eligible employer-sponsored plan</p> <p>(e) Verification related to eligibility for qualifying coverage in an eligible employer sponsored Plan</p> <p>(f) Additional verification related to immigration status for Medicaid and CHIP</p>							
<p>§155.330 Eligibility redetermination during a benefit year</p> <p>(a) General requirement. The Exchange must re-determine the eligibility of an enrollee in a QHP through the Exchange during the benefit year if it receives and verifies new information reported by an enrollee or identifies updated information through the data matching described in paragraph (d) of this section.</p> <p>(b) Requirement for individuals to report changes. (4) The Exchange must allow an enrollee, or an application filer, on behalf of the enrollee, to report changes via the channels available for the submission of an application, as described in §155.405(c).</p>							



Excellent Fit ← → No Fit

Process Capability Analysis - Maximus

Function	Internal Delivery Capability			External Delivery Capability			
	Viability	Core	Capability	Complexity	Risk	Compatibility	Savings Potential
§155.335 Annual eligibility redetermination b) Updated income and family size information. (c) Notice to enrollee. (d) Timing (e) Changes reported by enrollees (f) Verification of reported changes (g) Response to redetermination notice (h) Redetermination and notification of eligibility (i) Effective date of annual redetermination. (j) Renewal of coverage (k) Authorization of the release of tax data to support annual redetermination (l) Limitation on redetermination							
§155.340 Administration of advance payments of the premium tax credit and cost-sharing reductions (a) Requirement to provide information to enable advance payments of the premium tax credit and cost-sharing reductions (b) Requirement to provide information related to employer responsibility (c) Requirement to provide information related to reconciliation of advance payments of the premium tax credit (d) Timeliness standard							



Excellent Fit ←-----→ No Fit

Process Capability Analysis - Maximus

Function	Internal Delivery Capability			External Delivery Capability			
	Viability	Core	Capability	Complexity	Risk	Compatibility	Savings Potential
<p>§155.345 Coordination with Medicaid, CHIP, the Basic Health Program, and the Preexisting Condition Insurance Plan</p> <p>(a) Agreements. (b) Responsibilities related to individuals potentially eligible for Medicaid based on other information or through other coverage groups. (c) Individuals requesting additional screening. (d) Notification of applicant and State Medicaid agency. (e) Treatment of referrals to Medicaid on eligibility for advance payments of the premium tax credit and cost-sharing reductions (f) Special rule (g) Determination of eligibility for individuals submitting applications directly to an agency administering Medicaid, CHIP, or the BHP (h) Standards for sharing information between the Exchange and the agencies administering Medicaid, CHIP, and the BHP (i) Transition from the Pre-existing Condition Insurance Plan (PCIP)</p>	●	●	●	◐	◐	◐	○



Excellent Fit ←



→ No Fit

Process Capability Analysis - Maximus

Function	Internal Delivery Capability			External Delivery Capability			
	Viability	Core	Capability	Complexity	Risk	Compatibility	Savings Potential
Subpart E – Exchange Functions in the Individual Market: Enrollment in Qualified Health Plans							
155.400 Enrollment of qualified individuals into QHPs (a) General requirements. The Exchange must accept a QHP selection from an applicant who is determined eligible for enrollment in a QHP							
§155.405 Single streamlined application (c) Filing the single streamlined application. The Exchange must- (1) Accept the single streamlined application from an application filer; (2) Provide the tools to file an application – (i) Via an Internet Web site; (ii) By telephone through a call center; (iii) By mail; and (iv) In person, with reasonable accommodations for those with disabilities, as defined by the ADA							



Excellent Fit ←-----→ No Fit

Process Capability Analysis - Maximus

Function	Internal Delivery Capability			External Delivery Capability			
	Viability	Core	Capability	Complexity	Risk	Compatibility	Savings Potential
155.410 Initial and annual open enrollment periods (a) General requirements. (1) The Exchange must provide an initial open enrollment period and annual open enrollment periods consistent with this section, during which qualified individuals may enroll in a QHP and enrollees may change QHPs							
(b) Initial open enrollment period. The initial open enrollment period begins October 1, 2013 and extends through March 31, 2014							
(d) Notice of annual open enrollment period. Starting in 2014, the Exchange must provide a written annual open enrollment notification to each enrollee no earlier than September 1, and no later than September 30.							
155.420 Special enrollment periods (a) General requirements. The Exchange must provide special enrollment periods consistent with this section, during which qualified individuals may enroll in QHPs and enrollees may change QHPs							
(d) Special enrollment periods. The Exchange must allow qualified individuals and enrollees to enroll in or change from one QHP to another as a result of triggering events such as: An individual is determined newly eligible or newly ineligible for advance payments of the premium tax credit or has a change in eligibility for cost-sharing reductions, regardless of whether such individual is already enrolled in a QHP							



Process Capability Analysis - Maximus

Function	Internal Delivery Capability			External Delivery Capability			
	Viability	Core	Capability	Complexity	Risk	Compatibility	Savings Potential
<p>155.430 Termination of coverage</p> <p>(a) General requirements. The Exchange must determine the form and manner in which coverage in a QHP may be terminated.</p> <p>(b) Termination events.</p> <p>(1) The Exchange must permit an enrollee to terminate his or her coverage in a QHP, including as a result of the enrollee obtaining other minimum essential coverage, with appropriate notice to the Exchange or the QHP. (2) The Exchange may initiate termination of an enrollee's coverage in a QHP, and must permit a QHP issuer to terminate such coverage, in the following circumstances:</p> <p>(i) The enrollee is no longer eligible for coverage in a QHP through the Exchange;</p> <p>(ii) Non-payment of premiums for coverage of the enrollee, and</p> <p>(iii) The enrollee's coverage is rescinded in accordance with §147.128 of this subtitle;</p> <p>(iv) The QHP terminates or is decertified as described in §155.1080; or</p> <p>(v) The enrollee changes from one QHP to another during an annual open enrollment period or special enrollment period in accordance with §155.410 or §155.420.</p> <p>(c) Termination of coverage tracking and approval.</p> <p>(d) Effective dates for termination of coverage</p>							



Excellent Fit ←-----→ No Fit

Process Capability Analysis - Maximus

Function	Internal Delivery Capability			External Delivery Capability			
	Viability	Core	Capability	Complexity	Risk	Compatibility	Savings Potential
Subpart H – Exchange Functions: Small Business Health Options Program (SHOP)							
§155.705 Functions of a SHOP (a) Exchange functions that apply to SHOP							
(b) Unique functions of a SHOP (1) Enrollment and eligibility functions (2) Employer choice requirements (3) SHOP options with respect to employer choice requirements (4) Premium aggregation							
§155.715 Eligibility determination process for SHOP (b) Applications (c) Verification of eligibility (d) Eligibility adjustment period (e) Notification of employer eligibility (f) Notification of employee eligibility (g) Notification of employer withdrawal from SHOP							



Excellent Fit ←-----→ No Fit

Process Capability Analysis - Maximus

Function	Internal Delivery Capability			External Delivery Capability			
	Viability	Core	Capability	Complexity	Risk	Compatibility	Savings Potential
§155.720 Enrollment of employees into QHPs under SHOP (a) General requirements (b) Enrollment timeline and process (c) Transfer of enrollment information (d) Payment (e) Notification of effective date (f) Records (g) Reconcile files (h) Employee termination of coverage from a QHP (i) Reporting requirement for tax administration purposes							
§155.725 Enrollment periods under SHOP (a) General requirements. The SHOP must – (1) Adhere to the start of the initial open enrollment period (b) Rolling enrollment in the SHOP (c) Annual employer election period (d) Annual employer election period notice (e) Annual employee open enrollment period (f) Annual employee open enrollment period notice (g) Newly qualified employees (h) Effective dates (i) Renewal of coverage							



Excellent Fit ←-----→ No Fit

Process Capability Analysis - Maximus

Function	Internal Delivery Capability			External Delivery Capability			
	Viability	Core	Capability	Complexity	Risk	Compatibility	Savings Potential
§155.730 Application standards for SHOP (b) Single employer application (f) Filing (1) Accept the single streamlined application from an application filer; (2) Provide the tools to file an application – (i) Via an Internet Web site; (ii) By telephone through a call center; (iii) By mail; and (iv) In person, with reasonable accommodations for those with disabilities, as defined by the ADA							



Excellent Fit ←-----→ No Fit

Summary

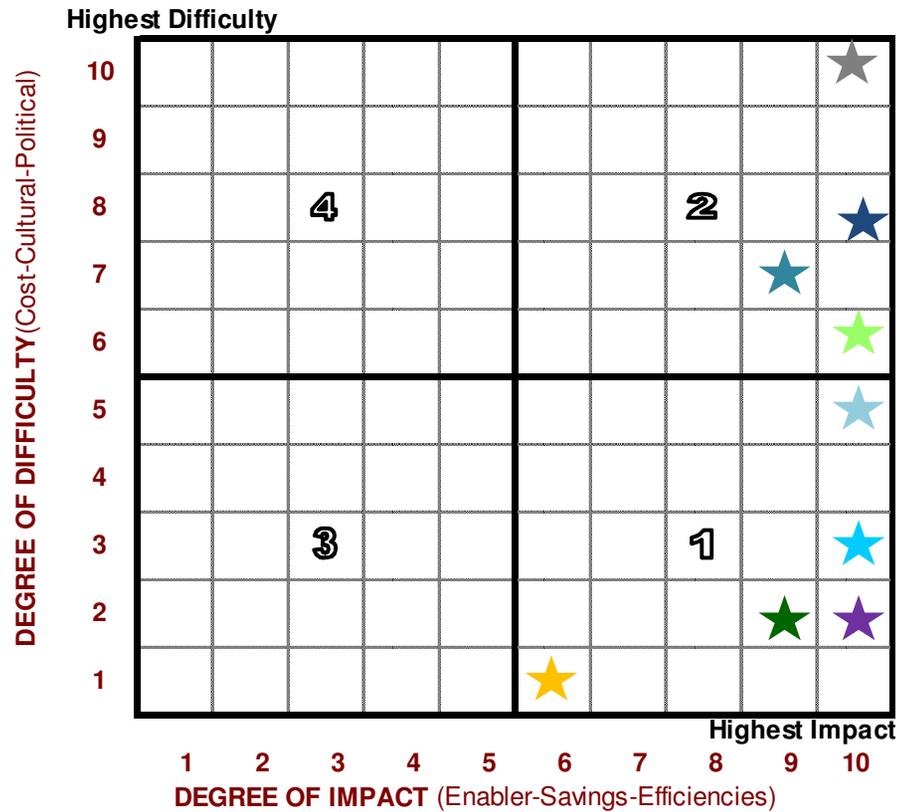
IMPACT & OPPORTUNITY REVIEW

Top 10 Recommendations

1. **Technology** - Consider establishing a Single Point of Contact for all support services and consolidate technology, resources and facilities.
2. **Technology** - Evaluate use of Technology to automate the eligibility process.
3. **Process** – Utilize skill based routing and establish clear roles for Level I and II support organizations
4. **Process** - Establish formal Contract Governance over Call Center Services
5. **Process** - Standardize execution of Change, Issue and Knowledge Management across all support organizations
6. **Metrics & Measurements** - Establish formal performance targets for all support organizations
7. **Metrics & Measurement** - Consider a standard approach to measuring and reporting on customer satisfaction across all support groups.
8. **Metrics & Measurement** - Develop formal report management program
9. **Process** - Develop a formal quality assurance review program for management of all policies and procedures used within all support organizations, and establish metrics for evaluating quality within the service delivery model.
10. **Process** - Evaluate the implementation of formal benefits realization tracking.

Impact and Opportunity Review

SEQ	
1	Consolidate and establish Single Point of Contact
2	Automate the Eligibility Process
3	Utilize Skills Based Routing
4	Establish formal contract Governance
5	Standardize execution of Change, Issue and Knowledge Management
6	Establish formal performance targets for all call centers
7	Implement standard approach to measuring customer satisfaction
8	Develop a formal report management program
9	Develop a formal quality assurance program
10	Implement formal benefits realization tracking



END

SUPPORT SLIDES

Leading Practice Governance Process Definitions

#	Process	Definition
G-1	Service Performance Management	Ensures monthly operational reporting from Outsourced Operations, both retained and Service Provider, are collected, consolidated, and distributed to the appropriate stakeholders in a meaningful format. This process includes the ongoing operational, as well as an annual, service provider performance review.
G-2	Stakeholder Satisfaction Management	This process is performed periodically to measure, manage, and report on stakeholder satisfaction levels of the services. The audit process goes beyond spotting and diagnosing problems; it provides specific recommendations for corrective action.
G-3	Service Knowledge Retention	This process will ensure that CLIENT maintains a full awareness and understanding of the processes, procedures, methods, tools, techniques, and software used by the Service Provider to deliver the outsourced services, to ensure that in the event of a termination of services CLIENT is sufficiently well informed to transfer and operate the services using the Service Provider solution as provided for in the termination provisions.
G-4	Root Cause Analysis	Reviews resolved Escalated Operational Issues and Critical Issues for systemic causes. It will include root cause identification, pattern analysis, and identification and recommendation of prevention measures.
G-5	Issues Management	This process involves the disciplined tracking, resolution, and status reporting on issues that have been escalated from Outsourced Operations staff. It could also include other types of issues that need to be resolved that are significant or substantive in nature and cannot be resolved (e.g., project scope issues, contract issues, etc.) In other words, these are not purely operational issues.

Leading Practice Governance Process Definitions

#	Process	Definition
G-6	Critical Issues Management	This process involves critical issues that cannot be resolved by escalation through the respective operational chains of command. This process will ensure that issues are tracked, their impact is identified, alternatives are identified, and that an appropriate recommendation is made that ultimately resolves the issue.
G-7	Emergency Management	This process assesses, manages, and mitigates situations that will result in, or have resulted in, threats to Business Continuity. Examples might include back-up and recovery plans, network redundancy, data processing redundancy and process work transfers (BPO or ITO center catastrophe). Could also include initiating the Business Continuity plan in response to an emergency situation.
G-8	Tactical Change Management	This process provides for the request, review, and approval of change requests which are not specifically set forth in the contract and are not of a size or scope of a Strategic Change. This could include a change to a specific governance process. Tactical Changes do NOT include day-to-day operating changes (such changes are processed using operational change procedures).
G-9	Strategic Change Management	This process assesses and manages the impact to the relationship of significant change to the: economics, scale, scope, content, quality; geographic coverage of the services or service locations; effective control of or substantive business reorganization of the parties; or changes to the overall governance organization structure.
G-10	Project Initiation & Authorization	This process provides for the presentation, assessment, and approval of new projects/initiatives, whether submitted by the Service Provider, or by CLIENT employees who identify potential areas of improvement.

Leading Practice Governance Process Definitions

#	Process	Definition
G-11	Program Management	This process develops the of the Outsourced process, determines the sequence of transformational activities, and how groups of activities should be staged for implementation. This process will not only track proposals through their project lifecycle, but will manage all approved projects as a portfolio of investment.
G-12	Demand & Consumption Management	This process addresses how Governance will solicit and capture the demand forecast of business units beforehand, and how services consumption will be analyzed after the fact.
G-13	General Risk Management	This process focuses on the overall management of risks associated with the BPO agreement. The risks considered here are inclusive of and go beyond normal transition risks and also include operational/delivery, human resource, economic, political, cultural and regulatory/compliance risks. This process determines which risks have significant impacts, determining the risk mitigations to apply, assigning ownership for those mitigations, and following through to ensure the mitigation plans are implemented and effective.
G-14	Contract Change Management	This process is used to document changes that are deemed necessary to ensure the contract language and exhibits are reflective of the operational realities between CLIENT and Service Provider.
G-15	Invoice Verification and Payments Management	This process involves the verification of Service Provider invoices against contracted volumes, rates, and approved project documentation, then ensures timely payment of fees due consistent with payment terms, conditions, and method contemplated in the Agreement.

Leading Practice Governance Process Definitions

#	Process	Definition
G-16	Service Cost Allocation Management	This process provides the charge back allocation basis and method used for internal chargeback or cost allocation to business units, including ongoing reporting of allocations on a regular basis to each affected business entity.
G-17	Financial Benefits Realization Tracking	This process involves tracking the benefits of outsourcing that have been realized, comparing realized benefits to the benefits anticipated in the outsourcing base case, and locking in those benefits into the respective budgets.
G-18	Financial Performance Reporting	This process is the result of many of the other financially-related processes within Governance. It involves overall CLIENT reporting on financials with respect to the Agreement but also detailed reporting at the CLIENT business unit level (region, country, category).
G-19	Benchmarking	This process is performed annually or as required to benchmark all or part of the services according to the mechanism described in the Agreement. It provides mechanisms for marketplace testing of outsourced services, service levels, and pricing on an ad hoc or routine basis.
G-20	Asset Management	This process involves the management of CLIENT retained assets that support provision of services under the Agreement. It includes the operational interface with Service Provider with respect to forecasting, placing, managing, and retiring those assets.

Leading Practice Governance Process Definitions

#	Process	Definition
G-21	Regulatory Compliance	Working with internal compliance organizations, Governance will maintain an inventory of regulatory requirements, ensure Service Provider is aware of all requirements, ensure compliance with requirements, and ensure that all reports to regulatory agencies are provided in a timely fashion.
G-22	Internal/External Audits	This process relates to those Outsourced Governance internal controls necessary to manage the operational, financial, and contractual aspects of the Agreement as well as interface with the CLIENT corporate internal and external audit resources.
G-23	Safety & Security Compliance	This process is designed to proactively monitor Service Provider's security related processes and procedures to ensure compliance with CLIENT's security requirements.
G-24	Data Privacy Compliance	Through joint identification, planning, and audits, this process monitors the outsourced services affected by external regulatory agency requirements regarding data privacy.
G-25	Corporate Policies & Procedures Compliance	This process monitors corporate standards and policies add/change/deletes for potential impact on Service Provider's services and agreement. Examples might include changes to retirement policies, termination policies, hiring policies, etc., that could impact provider's delivery of service or the agreement itself.

Leading Practice Governance Process Definitions

#	Process	Definition
G-26	Business Continuity Management	This process extends beyond traditional disaster recovery infrastructure plans and plan execution. It includes CLIENT business unit participation to include all operational aspects necessary to mitigate the impact of a disaster and ensure a speedy resumption of business operations in the event of a disaster. This process involves the adherence to and development of the Business Continuity Plan.
G-27	Customer Relationship Management	This process addresses how Governance interacts and communicates with its internal CLIENT stakeholder groups to ensure that expectations are appropriately managed and that satisfaction with the outsourcing services is maintained.
G-28	Business Requirements Identification	This process documents how the Service Provider and Governance organizations interact with CLIENTS business units in the strategic and operational planning processes to gather business requirements and demand forecasts for Outsourced services.
G-29	Corporate Communication Management	This process is performed as required to inform the enterprise, or outside stakeholders of important Outsourced or Governance results, events, and activities.
G-30	Relationship Alignment Review	This process details how CLIENT and Service Provider will stay aligned over the term of the agreement in an objective and structured fashion. It deals with ensuring that not only is there strategic alignment of overall objectives but that there is alignment in the objectives related to the agreement (that can change over time as the business changes).
G-31	3 rd Party Supplier Communication Management	This process will be used to engage and manage suppliers with direct relationships to CLIENT or co-negotiated relationships with Service Provider.