

MEDI-CAL TELEPHONE CALL CENTERS: A WAY OF THE FUTURE?

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EXECUTIVE SUMMARY

Are telephone call centers a way of the future for how social service agencies conduct and provide entitlement services? This case study summarizes observations made in two counties, San Mateo and Santa Clara, that, due to internal and external political pressures, high caseloads, tremendous backlog of case actions, staff shortages, and a high volume of customers complaints, took a bold leap and drastically changed the way they conduct their day to day business. The counties' overall goals were to improve customer service and improve efficiency in their Medi-Cal Benefits Program operations.

The implementation of the telephone call centers occurred after a long planning process and with some challenges. Challenges included: union opposition which equated the telephone call center to a "sweatshop", technology break down, inexperienced workers, shortages of staff, infrastructure not in place, and a lack of an effective monitoring and evaluation system.

Based on Santa Clara and San Mateo's experiences with telephone call centers, staff recommends that counties considering implementing this type of business model ensure that:

- key stakeholders participate in the planning
- a good public relations and education communication plan is established
- the infrastructure needed is in place
- there is strong clerical support and staff is trained and program knowledgeable
- adequate staff is assigned

- an effective evaluation and monitoring system is in place
- designated staff development trainers and project managers are assigned
- PCs are upgraded and have capacity to handle additional software
- a phone system is purchased that is administered at the center to mitigate and resolve problems.

The telephone call center model proved to be effective for San Mateo and Santa Clara Counties.

Although these counties still face some challenges, overall their goal to improve customer service and efficiency was met. The volume of overdue work was drastically reduced and worker morale went up. Clients were able to connect with a worker to resolve their concerns even if a specific worker was out. As a result client complaints were significantly reduced.

There appear to be advantages to implementing a telephone call center, especially for the Medi-Cal Program. This is because Medi-Cal rules are conducive to a business delivery model in which the work conducted can be completed through a telephone or mail service without the inconvenience of a client needing to physically appear at a social service district office.

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Due to the challenges of implementing a telephone call center, caution is given to counties exploring this option. Counties should carefully assess if the pros outweigh the cons before implementing such a business model.

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INTRODUCTION

Are telephone call centers a way of the future for county department of social services benefits programs?

With state and local political pressures to improve customer service, accountability, and efficiency, county social service agencies must look at creative ways to restructure and/or develop new service delivery approaches. The fact that counties have to do more with less thus compounds this challenge. Additionally, hovering over counties is the proposal to privatize the Medi-Cal eligibility functions as recommended in the State California's Performance Review report presented to Governor Schwarzenegger in August 2004.

This case study examines and compares two counties, San Mateo and Santa Clara, that due to internal and external pressures implemented telephone call centers, similar to the models used by the Social Security Administration and private business companies.

HISTORY

San Mateo and Santa Clara Counties implemented central telephone call centers with the overall goal of improving customer service and efficiency in the delivery of their Medi-Cal programs.

Both counties experienced many years of unmanageable caseloads due to a high volume of cases, staff shortages, and hiring freezes. For example, one

of the counties had over 1000 Medi-Cal cases per worker, while the other county had half of its Medi-Cal cases banked and not worked on due to union contractual agreements and caseload standards. This resulted in a high number of customer complaints, low worker morale, and a tremendous backlog of incomplete work, such as Medi-Cal re-determinations, newborn babies not being added, and/or ineligible clients not discontinued in a timely manner. In an effort to address these issues, both counties implemented their telephone call centers within a seven month period.

This new business model drastically changed the way eligibility workers normally managed their Medi-Cal cases. The counties went from a model in which each eligibility worker was assigned and responsible for a specific number of active continuing Medi-Cal cases to a model where all eligibility workers shared basically one caseload.

Another huge change was that Medi-Cal clients no longer dropped in to personally see their eligibility workers at district offices. Instead, clients now communicated with a pool of rotating eligibility workers via telephone or mail service. Additionally, all needed case actions are completed as a result of telephone calls, correspondence, or automated case management reports and alerts.

It is important to note that San Mateo County started as a Medi-Cal only telephone call center. The county later added a unit of workers that handled the ongoing Non-Assistance Food Stamp cases (FS only). This has not worked out as well as the

Medi-Cal program due to regulations in the program requiring face-to-face interviews with Food Stamp clients.

CASE STUDY METHOD

This case study was based on information obtained from interviews with Santa Clara and San Mateo Counties' staff, which included clerical support staff, eligibility workers, supervisors, and program managers. Information was also obtained from written documents and brief literature reviews relevant to each county's telephone call center program or practice.

Data was collected during the month of February 2005 using the following main questions:

- Why did the county implement a telephone call center model?
- Were goals met?
- What challenges did the county face in implementing the new structure of service delivery?
- What current challenges does the county face?
- What were the lessons learned?

FINDINGS

San Mateo County implemented its Health Insurance Tele-Center in November of 2003 after one year of planning. Seven months later, Santa Clara County implemented its Medi-Cal Telephone Call Service Center after eight months of planning and preparing for the transition.

Successes

Overall, Santa Clara and San Mateo Counties have been satisfied with their telephone call center models. Their overall goal to improve efficiency and

customer service were met. Improvements also included:

- Number of overdue renewals substantially reduced
- Medi-Cal cases updated
- Cases discontinued that were no longer eligible for Medi-Cal
- Worker morale improved
- Workers able to focus on one program only
- Face to face contact with clients not needed
- Workers not worried about casework piling up
- Clients satisfied with new model
- Client complaints drastically reduced
- Clients always having a worker available to them

Although the centers proved to be successful for both San Mateo and Santa Clara, they were also met with some challenges.

Implementation Challenges

Initially, Santa Clara faced strong opposition from the local employee's union. Union representatives equated the telephone call center to a "sweatshop" and organized picket lines outside their building. Another implementation challenge was the lack of infrastructure, or shelving system, set up to accommodate the over 70,000 case files transferred to the center from six different district offices.

Additional challenges included low worker morale, separating out responsibilities among workers equitably, eligibility workers being nervous about answering phones, developing procedures, staff training, and the telephone system going down often.

By contrast, San Mateo County did not have union opposition. Their major implementation challenges

included the need to rework many initial procedures even after one year of planning, lack of a project manager, system failures during start up, developing new procedures for a set-up that was new within the California social services environment, and training for staff.

Current Challenges

The common challenges currently facing both Santa Clara and San Mateo's telephone call center models include:

- Inability with the CDS automated system to tell which worker took the last case action
- Lack of designated staff development trainers for the centers
- Eligibility workers with less than two years of experience
- High turnover in employees
- Preparing for CalWIN
- The use of the centers as training ground for new employees

These issues have impacted their ability to be as effective as they would like to be.

Santa Clara County continues to have strong union presence. As a result, they have not been successful in setting up a strong employee evaluation and quality assurance system. Accountability practices and processes for their telephone call center are seen as areas to improve.

Santa Clara also serves a diverse client base that includes Spanish, Vietnamese, Korean, Chinese, Laotian, and Tagalong monolingual clients. This creates difficulty in ensuring that translation needs are being met either by workers who speak these languages or the use of a translation service provider.

Another area of ongoing concern is the use of a remote phone system for its telephone call center that is an add-on to Santa Clara County Hospital's phone system. Although the system was cost effective to implement, it creates problems when trying to resolve issues such as when the phone system is down, or a new employee needs to be added. The center is dependent on a technical person or administrator from the hospital to be available to respond to and resolve their needs.

RECOMMENDATIONS

Based on Santa Clara and San Mateo's experiences in implementing and operating telephone call centers, staff make the following recommendations for counties looking into developing a telephone call center:

Implementation

- Devote at least eight months for planning
- Assign a project manager to provide technical and operational support to the supervisor and program manager
- Engage key stakeholders in the planning and implementation
- Have adequate staff to run the telephone call center efficiently
- Do not change things too quickly once implemented
- Assign a program analyst to develop procedures and policies
- Identify and address volume and separation of work between the processing and the telephone workers to ensure a balance in the distribution of work

Staff Development

- Establish worker resource tools that include a list of referral agency numbers to provide to clients
- Provide a good training program for workers
- Clearly identify and train the workers on the changes in operations and practices
- Have experienced, program knowledgeable workers and supervisors
- Do not use the telephone call centers as the training ground for all new employees
- Designate staff development trainers for the telephone call center

Communications

- Explain advantages and benefits to clients and workers
- Inform workers of mass mailings sent to clients, so they can appropriately respond to questions generated from the notices
- Inform clients in advance that the center is a new process and that it may take longer initially to respond to their calls
- Seek and listen to workers' ideas
- Implement celebrations and worker recognition to keep morale up

Infrastructure and Technology

- Use "Workforce Management Software" to effectively schedule staff (breaks/phone shifts/lunch breaks), forecast anticipated calls, and the number of staff required to answer calls
- Have separate offices for supervisors to meet with staff and conduct work privately
- Establish a separate unit to resolve MEDs alerts

- Have a phone system that is administered in the telephone call center to mitigate and resolve problems
- Have a stable network connection
- Ensure PCs are upgraded and are strong enough to handle software capacity
- Have a centralized fax server
- Have sufficient clerical support
- Have necessary infrastructure, including shelving, in place

Accountability

- Implement a checks and balances system for follow-up work
- Implement random monitoring of workers' phone calls (i.e., supervisor listening in) for quality assurance purposes, and to ensure workers are providing correct program information and good customer service
- Ensure workers document what action was taken for a case using the computer systems
- Develop a system to track which workers took the last action
- Establish an effective formal evaluation and accountability system
- Have the ability to transfer calls from the workers' desks to the supervisor or someone else that can help the worker with a call
- Ensure there is sufficient staff to meet the needs, especially after holidays and the end of the month
- It is interesting to note that the majority of the suggestions regarding accountability, such as the supervisors having the ability to listen and rate workers' phone call skills, establishing an evaluation process, and ensuring worker accountability, came from line workers themselves.

NEXT STEPS

Counties considering a telephone call center would need to first examine some fundamental questions such as:

- Is the current way of doing business effective? Why or why not?
- What would be the county's goals in implementing a telephone call center?
- Would it be cost effective to implement a telephone call center considering the county's funding sources and overall resources?
- What are the internal and external forces and challenges that would need to be addressed to gain support to implement a telephone call center?
- Does the county have capacity (e.g. personnel, staff development, money, time, management oversight, infrastructure, technology, etc) to implement an effective telephone call center?

Once these questions are answered, and the responses support implementing a telephone call center, then implementation planning can begin. Implementation should involve key stakeholders and the development of a proposal that addresses items, such as the identification of needed resources, communication and a public relations plan, use of a business model, use of consultants/project managers, time lines, development of policies and procedures, operations, training, and infrastructure needs.

CONCLUSION

Santa Clara and San Mateo Counties' decisions to implement telephone call centers were bold and unorthodox for the way social services departments normally operate. These counties' innovative think-

ing opens up doors for new ways to manage our dynamic systems.

The telephone call centers have proven to be effective in meeting overall goals to improve efficiency and customer service for San Mateo and Santa Clara Counties.

Actions have been taken on cases that previously were not worked on for several years. The backlog of work has been cut in half and is coming up to current. Workers and managers are generally satisfied with the model, and morale is up. Workers do not feel a huge burden of cases waiting for them to take action if they leave on vacation or are out ill. Clients can reach an eligibility worker, regardless if one is out ill or on vacation, to answer questions or take needed actions on their cases. As a result, client complaints to the Board of Supervisors and management have drastically been reduced. There appears to be advantages in implementing a telephone call center, especially for the Medi-Cal Program. This is because Medi-Cal rules are conducive to a business delivery model in which the work conducted can be completed through a telephone or mail service without the inconvenience of a client needing to physically appear at a social service district office.

Due to the challenges of implementing a telephone call center, however, caution is given to counties exploring this option. A careful assessment should be conducted to determine if the pros outweigh the cons in implementing such a business model.

Are telephone call centers a way of the future for local departments of social services to improve customer service and operational efficiency for their entitlement programs like Medi-Cal? This remains

a question for counties to assess for themselves based on their current and future needs, resources, caseloads, and political influences.