Customer Service Center Design Recommendations

August 23, 2012

Summary

Starting in 2014, the California Health Benefit Exchange will be offering a statewide health insurance exchange to make it easier for individuals and small businesses to compare plans and buy health insurance in the private market. Although the focus of the Exchange will be on individuals and small businesses who qualify for tax credits and subsidies under the Affordable Care Act, the Exchange's goal is to make insurance available to all qualified individuals and to all California businesses with less than 50 employees. The vision of the California Health Benefit Exchange is to improve the health of all Californians by assuring their access to affordable, high quality care.

The California Health Benefit Exchange is charged under both federal and state law with the role of being one of the main entry points for millions of Californians to obtain their health care coverage starting in 2014 – including for eligibility in Medi-Cal as well as for tax credits and unsubsidized Exchange products. The Exchange is required to screen individuals for eligibility for the coverage subsidies and cost-sharing reductions offered through the Exchange, as well as for public programs such as Medi-Cal and Healthy Families, and facilitate enrollment of these individuals. The Exchange will offer persons eligible for the Exchange a choice of qualified health plans consistent with state and federal laws and requirements, including coverage options for individuals not eligible for public programs or subsidies and for small employers and their employees.

In its planning, the Exchange has consistently sought to partner with the Department of Health Care Services which has responsibility for the Medi-Cal program. This brief provides the an overview of the strengths and weaknesses of potential Service Center Models after reviewing three alternative service center models intended to meet the needs of the millions of Californians who will be eligible for support to make health care more affordable, for the Exchange, for DHCS and consider the input, needs and concerns of a range of partners. Based on this review, the Exchange staff present a recommendation for one design and for major issues that need to be further explored to implement that design in a way the best meets the needs of the millions of Californians we seek to serve, the Exchange, DHCS and MRMIB.

Issue

The Exchange must develop a consumer-friendly and responsive customer service center to enroll individuals in Exchange programs and support enrollment in public coverage programs such as Medi-Cal and Healthy Families. The service center is a critical component in achieving the Exchange goal of maximizing enrollment of eligible individuals and small employers.

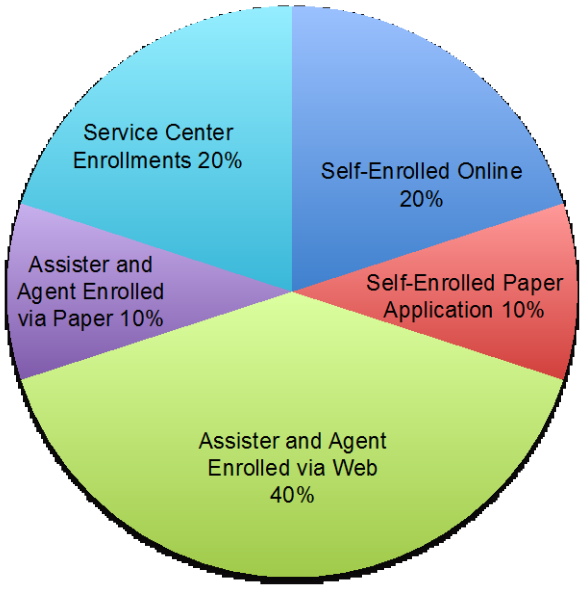
Background on Consumer Support to be provided: Volumes and Types of Service

The Exchange and DHCS have developed estimates of potential enrollment in the Medi-Cal and the Exchange based on work done by the University of California (see Table 1.) These enrollment estimates were used to forecast workload estimates based on the estimated volumes contacts that would be made and the number of applications that would be required to garner the estimated enrollment. While the Table summarizes enrollment, the consultants retained by the Exchange have developed models that estimate the number of calls that will relate to general inquiry that also will be handled by the Service Center and initial estimates of the number in individuals who will be enrolled with each applications (currently estimated at two people per completed application). Required workforce estimates are based on three critical variables: (1) services for non-call based enrollment (e.g., paper applications and "chat-based" support for individuals applying on-line); (2) volume of calls; and (3) length of calls. The modeling for potential workforce requirements will be refined in the coming weeks and months to assess the impact of variations in enrollment, call volume and length of calls.

Table 1. Estimated Enrollment: Newly Eligible due to the Affordable Care Act Provisions:

Base Scenario	**2014**	**2015**
Exchange Subsidized	900,000	1,170,000
Exchange Unsubsidized	253,500	427,500
Healthy Families	580,000	590,000
MAGI Medi-Cal*	860,000	980,000
Enhanced Scenario	**2014**	**2015**
Exchange Subsidized	1,190,000	1,610,000
Exchange Unsubsidized	255,000	467,500
Healthy Families	630,000	640,000
MAGI Medi-Cal*	1,380,000	1,490,000

Forecasted Application Pathways in 2013/2014:



Definitions of these five categories are:

- Self-enrolled online: individuals/families who are able to complete the enrollment process without calling the Service Center or using and in-person Assister (may use "chat" or other on-line support)
- Self-enrolled paper: individuals/families who complete a paper application, that may require a "two-step" process for Exchange eligibility to identify level of tax credit available and a subsequent process to select plan/benefit level.
- Assisters Enrolled via Web: individuals/families who are helped by a certified Assister or Agent. Note that Assister's will call the Service Center for advice.
- Assister Enrolled via Paper: individuals/families who are helped by a certified Assister or Agent and submits their application in paper.
- Service Center Enrollments: individual/families who are assisted by the Service Center staff in completing their enrollment.

Current estimates for call volumes:

Contact Volume Projections	2013	2014	2015
General Inquiry*	585,000	967,500	866,250
Eligibility and Enrollment			
Exchange	166,000	387,000	277,200
Medi-Cal	68,000	258,000	184,800
Ongoing Enrollee Support	0	3,155,976	4,291,560
Provider/Plan	46,800	138,420	159,750
SHOP (Employee/Employer/Agent)	42,468	209,803	233,671
Assisters Calls	90,000	360,000	360,000
Other Workload Projections	**2013**	**2014**	**2015**
Paper Applications	78,000	225,750	173,250

Based on current estimates of "Base Case" level of enrollment and average workload across the volume projections identified, the Exchange's contact center consultants estimated approximately 990 full time equivalents (FTEs) would be required to support the required work as of 2014. These estimates will be refined and adjusted in the reviews of service estimates and reflect the following assumptions: service Center staff will include front-line experienced customer service agents, quality assurance analysts (1 to 35 ratio), training staff (1 to 100 ratio), data entry and mailroom staff, process improvement analysts, supervisors (1 to 10 ratio), managers (1 to 6 ratio), site directors and a senior leader. The Service Center staffing also includes resources to support the Small Employer Health Options Program (SHOP), providing advice to Assisters and supporting health plans with issues regarding Exchange-insured individuals.

Description of Services

All service center models must provide toll-free phone access to knowledgeable and supportive customer service representatives. The Exchange, in partnership with DHCS and MRMIB, is implementing the California Healthcare Eligibility, Enrollment and Retention System (CalHEERS), the web based portal through which individuals can be determined eligible and enroll in their appropriate plan – whether in the Exchange, Medi-Cal or Healthy Families. The Exchange recognizes that many

consumers, especially in the first year, will need more than the "self- service" of CalHEERS. The service center capacity will help those who need help, but there can and will be a vital need for in-person support for many Californians. In particular:

- Under any Service Center model, counties will continue to play an important role for serving individuals who present in person at county offices.
- The Exchange and DHCS are developing an Assisters program that will provide distributed in-person assistance for those needing more help to be available in every community across the state.

The service center model must meet the needs of a diverse customer base with a wide range of needs. The service center model must consider:

- Customer Community – those who need the services of the service center
  - Individuals
  - Assisters / Navigators / Agents
  - Qualified Health Plan Providers
  - Qualified Health Plan
  - Small business owners and their employees (for the Small Employer Health
  - Option Program (SHOP)
- Access Channels –customer will contact the service center
  - Toll Free Phone
  - Web
  - Live Chat
  - E-Mail
  - Paper Mail
- Response Management –the service center will provide support, which will include:
  - Native language support
  - Live chat support
  - SHOP support
  - Qualified Health Plan support
  - Correspondence processing
  - Customer complaints
  - Follow up

The service center must provide the capability to monitor and gather consistent metrics for the management and improvement of key performance standards. The metrics of key performance standards will be used to validate that the defined levels of performance are achieved.

Service Center Principles

The service center model chosen must reflect the values adopted by the Exchange Board that was previously shared and agree to by the Department of Health Care

Services and the Administration. The following principles were included as programmatic assessment criteria in the evaluation of the three models and reflect input from stakeholders.

1. **Provide a first-class consumer experience**
   a. Accessible, user-friendly web site and forms that are easy to use/navigate
   b. Culturally and linguistically appropriate communication channels.
   c. Protect customer privacy and security of their data
   d. Demonstrate public services at their best
   e. One touch and done
   f. Provide clear, accurate, responsive information tailored to meet consumer needs

2. **Offer comprehensive, integrated and streamlined services**
   a. Provide full service, minimizing transferring customers to other services points
   b. Coordinate services related to health coverage for families whose members are covered by different programs
   c. Seamless across modalities (on-line, in-person, mail, phone)
   d. Provide warm transfer of customer and real-time transfer of entered data to initiate application for programs handled exclusively by county welfare departments
   e. Promote coordination and integration with non-health social services. programs

3. **Be responsive to consumers and stakeholders**
   a. Maximize the number of transactions that are immediate.
   b. Accurate and timely processing.
   c. Adapt as policies and populations served change.
   d. Transparent and accountable at all stages.
   e. Ensure access for consumers of varied languages, cultures, and literacy levels and offer services in a way that accommodates disabilities that customers may have.
   f. Seek continuous improvement opportunities to effectively meet customers' needs.

4. **Assure cost-effectiveness in the achieving of customer service excellence**
   a. Measurement
   b. Transparency of results
   c. Performance standards
   d. Incentives

5. **Optimize best-in-class staffing to support efficient eligibility and enrollment functions**
   a. Maximize use of public workers and build on existing county and state staff
   b. Use existing county eligibility workforce to support case management for Medi-Cal enrollees
   c. Develop staffing/service plan that allows for staged implementation to meet urgent implementation needs
   d. Optimize worker productivity and assure accountability for performance standards, with continuous quality improvement for IT systems and on-going work process analysis and training for staff
   e. Support top-notch training and career growth and cultivate a commitment to the Exchange's mission

Service Center Models

Three service center configuration models are presented below. The Exchange, with the help of Eventus, worked with the Administration, Counties and other stakeholders to develop and refine the models. The Exchange and Eventus then evaluated each model using the above-mentioned Service Center Principles and ultimately develop the final Service Center model recommendation.

The three models are:

- The Centralized Multi-Site Hybrid Model has two or three state locations, dedicated queue to support general inquiry, eligibility and plan enrollment, calls are distributed to the next available agent across all state Service Center locations. Counties would provide service to walk-in customer and callers independently of the State location. This model is a hybrid from that originally proposed, as it reflects the central service center screening for Medi-Cal and referring potentially Medi-Cal eligible individuals to their County of residence or another County that is in the same consortia for determination.
- The County Welfare Directors Association (CWDA) in conjunction with social services offices prepared the Integrated State /Consortia Model. This model has one state location, thirty one counties, no dedicated queue.
- The State/County Partnership Model offers a third option for structuring the service center function. This model has one state location, up to nine counties, dedicated queue to support general inquiry, eligibility and plan enrollment, calls are distributed to the next available agent across all participating Service Center locations.

Additional contrast of each model are as follows:

- Centralized Multi-Site uses CalHEERS, does plan enrollment and ongoing Exchange case management
- Centralized Multi-Site conducts screening for referral to county of residence for Medi-Cal determination and horizontal integration.
- Integrated State/Consortia Model – Uses SAWS, with a warm hand-off to the Exchange to do plan enrollment and ongoing case management
- State/County Partnership Model – State uses CalHEERS and County uses SAWS/CalHEERS, with both the State and County handling plan enrollment and ongoing case management.

Recommendation

The advantages and opportunities of all models, the scoring (refer to page 13) and the costs (refer to page 10) were considered as part of the model evaluation process. The Centralized Multi-Site Hybrid rated slightly better than State/County Partnership and significantly better than Integrated State/Consortia Model. The Exchange recommends the Centralized Multi-Site Hybrid model because it aligns with industry best practices, minimizes risk to achieve the aggressive launch dates, presents the most sustainable cost model and is responsive to the Administration's commitment to state/county alignment on Medi-Cal and other social service programs.

With this recommendation the Exchange notes that a number of critical issues will need to be clarified in partnership with the Administration, in some cases, with County. Those issues include:

1. Defining the screening and referral protocols for transferring potentially Medi-Cal eligible individuals to their County of residence or another County that is in the same consortia.
2. Exploration of potential County Service site that agrees to term sheet
3. Contingencies for upward or downward volume adjustments impacting staffing and other costs
4. Policy and referral protocols for ongoing management for multi-program households
5. Design & payment of counties conducting assistance for Exchange eligibility & enrollment of individuals
6. Refinement of estimated call volumes related to general inquiry, enrollment and ongoing support
7. Design and structure of pilot program for testing capacity demands
8. Explore cost allocation implications of this approach

The Exchange recommends a technology solution that enables the delivery of the desktop, telephony and other Service Center systems to a potentially participating

County's locations. To actively manage the volumes and help deliver the expected experience, the State location will leverage a centralized command center that will provide the forecasting, scheduling, real time queue management and reporting to the Exchange allowing for rapid real-time adjustments and accommodations to consumers. Essential Terms for County participation (see Appendix for details):

- Utilization of CalHEERS system to determine eligibility
- Minimum staffing requirements with guarantee of positions on short-term commitments (elasticity)
- Dedicated manager, quality and training staff to be paid for by the State Service Center
- Customer Service agents required to complete training curriculum and certification
- Centralized technology infrastructure provided and managed by the State Service Center
- Dedicated queues with next available agent for all Exchange work
- Centralized workforce management to provide schedules for all employees in the dedicated queues.
- Performance management program
- Hours of operations to meet
- Payment for training, equipment, launch and dedicated resources at state comparable rate upon County board of supervisors approval of term sheet
- Accountability provisions

Potential Staffing and Costs of Customer Services

Below is a table that provides the Service Center Model preliminary projected costs. The Integrated Consortia Model initial pricing was higher than the State/County Partnership Model, but the analysis of the fully loaded costs of the model has not been validated as an equal comparison to the state fully loaded costs
Other assumptions of the cost model are as follows:

1. Fully Loaded Costs include all Facilities, Telecom, Management & Staff & Command Center Operations.
2. Service Center includes customer service agents, quality assurance analysts, trainers, process improvement analysts, data entry, mailroom and all supervisors, managers, site directors and program leader.
3. All technology and facility costs estimates in the costing model.
4. State/County Partnership model assumes no service center wage or other staffing cost differences between the State and Counties.

Estimate Financial Analysis for Service Center Operations

Centralized Multi-Site Service Center Model		2013/2014	2015
Center Staffing Costs		$41,433,588	$36,058,706
Benefits	36%	$14,916,092	$12,981,134
Ongoing Operations Staff		$2,374,000	$2,374,000
Command Center Operations		$3,139,674	$3,139,674
Facilities & Technology Infrastructure		$41,843,832	$41,843,832
Administrative (Allocation)	5%	$2,071,679	$1,802,935
		$105,778,865	$98,200,281
Other Resources and Costs for the Service Center	# of FTE's		
Resources to support the SHOP business calls	32	$4,221,252	$4,221,252
Resources to support the Qualified Health Plans calls	28	$3,693,595	$3,693,595
Resources to support Assisters calls	40	$5,276,565	$5,276,565
Mailroom & Data Entry Staff		$15,683,341	$15,683,341
Telecom		$21,316,789	$21,316,789
		$50,191,542	$50,191,542
	Total Other Costs		
Total Fully Loaded Costs State Centralized Multi-Site Service Center Model		$155,970,407	$148,391,823

State/County Partnership Service Center Model		2013/2014	2015
Center Staffing Costs		$43,413,548	$37,642,674
Benefits	36%	$15,628,877	$13,551,363
Ongoing Operations Staff		$2,374,000	$2,374,000
Command Center Operations		$3,139,674	$3,139,674
Facilities & Technology Infrastructure		$41,843,832	$41,843,832
Administrative (Allocation)	5%	$2,071,679	$1,882,134
		$108,471,610	$100,433,676
Other Resources and Costs for the Service Center	# of FTE's		
Resources to support the SHOP business calls	32	$4,221,252	$4,221,252
Resources to support the Qualified Health Plans calls	28	$3,693,595	$3,693,595
Resources to support Assisters calls	40	$5,276,565	$5,276,565
Mailroom & Data Entry Staff		$15,683,341	$15,683,341
Telecom		$21,316,789	$21,316,789
	Total Other Costs	$50,191,542	$50,191,542
Total Fully Loaded State/County Partnership Model		$158,663,152	$150,625,218

In 2015, using CalSIM version 1.7 baseline projected enrollments would result in projected premium revenues of $9.4 billion in 2015 solely for the Exchange. Based on the Centralized Multi-Site Model, it is estimated that the Service Center will require an estimated 1.6% of premium revenues to support fully loaded costs to provide support for general inquiry, eligibility, plan enrollment and ongoing support to the Exchange customers. Additional analysis is required to estimate the following:

- Any Medi-Cal ongoing support since this will be serviced in the County of residence;
- Any allocation of costs for the operation of the Service Center that should potentially be borne by Medi-Cal; or
- Any costs that may be incurred by the Exchange to pay for Counties that do the full enrollment functions for Exchange eligible individuals (except to the extent those functions might be budgeted in the Exchange's expenses for Paid Assisters).

Fully loaded costs will include all facilities, technology, telecom and the Service Center staff, currently estimated at approximately 990 full time equivalents (FTEs), but these estimates will be revised (1) to reflect adjustments in estimated call volume and intensity and (2) to adjust for mix of work that make be done by Counties as part of the Hybrid to refer potentially Medi-Cal eligible individuals to their County of residence **or another County that is in the same consortia** for determination.

Service Center Design Elements and Best Practices

Inherent in the Centralized Multi-Site Model are the following best practices:

1. "First Touch Customer Contact"
   Delivers an approach where the first interaction with consumers addresses their Exchange needs with ability to transfer to County of residence for Medi-Cal and other State programs as necessary.

2. Dedicated Service Center Queue
   Leverages resources that are solely focused on performing Exchange related work helping to deliver streamlined consumer interactions.

3. Next Available Agent
   Utilizes centralized ACD technology to look across all participating locations and the resources associated with the Exchange work to provide an optimized, best-in-class staffing model that efficiently support eligibility and enrollment functions to meet service level requirements.

4. State Primary and secondary locations
   Centralized management, training, quality, process improvement and reporting effectively measure customer satisfaction across all locations handling calls from general inquiry, Exchange eligibility and plan enrollment. State location will support ongoing customer service and County of residence will support all ongoing Medi-Cal cases.

5. Centralized technology infrastructure
   All service centers leveraging centralized technology and CalHEERS desktop to support. Investigating the ability to connect centralized technology to existing infrastructure when applicable.

6. Centralized Command Center Operations
   Centralized forecasting, scheduling, monitoring and reporting. Each site will be given resources to staff by half hour by day to meet the service level requirements. Each site will have a dedicated resource

to support the centralized location and work with the local management.

7. Simplified IVR design to maximize consumer ease of access
   Skill-based routing to drive quality and productivity and the use of toll free numbers for marketing outreach and tracking enabling ROI analysis.

Criteria for Assessing Models: Evaluation Domains

The Exchange and DHCS relied upon Eventus, the independent expert Call-Center advisory firm retained to support this review and planning, to assess the three Service Center Models using criteria informed by industry standards and customized to reflect the needs of California's unique customer base and the demands of the service center. To do this, the Service Center Principles were applied to each of the domains that were assessed. These Evaluation Domains are as follows:

Domain	Domain Definition
Technical	Ability to develop, implement and manage centralized technology solution
Implementation Complexity	Ease of Deploying Exchange specific services in a consistent manner across multiple sites
Functionality	Ability to develop, implement and manage a centralized operations environment
Cost	Total cost of implementation and ongoing operations
Performance Management	Proven ability to effectively implement and maintain a performance management program to include key metrics
Workforce Management	The ability to centrally forecast, real-time manage and report on staffed resources across multiple locations
Customer Service	An overarching "first touch" approach focused toward Exchange consumers

The Exchange objectively reviewed each of the models and gauged each against the evaluation domains that were supported by each of the Service Center Principles. Each evaluation domain consisted of a range of questions supported by industry best practices refined to support the values held within the Service Center Principles.

Model Evaluation Process

The Exchange assessed each of the following models: Centralized Multi-Site Hybrid, Integrated State/Consortia and State/County Partnership. Specifically, the Exchange built an evaluation matrix to reflect industry standards and customized to reflect the needs of California's unique customer base, the demands of the Service Center and Service Center Principles. The evaluation matrix had 7 major domains as defined by the table below. Every domain was weighted and had a series of questions. Each question was scored with high, medium and low rating. The high, medium and low ratings mapped to final scores of fully adequate, partially meets, and not adequate as noted in the table below. The State/County Partnership model was evaluated the

assumption of Counties agreement and alignment with proposed term sheet (refer to appendix).

	Centralized Multi-Site	Integrated State/ Consortia	State/County Partnership
Service Center Principles			
Functional			
Technical Infrastructure			
Workforce Management			
Implementation Complexity			
Performance Management			
Costs			
Total			

Weighting Factors	
Service Center Principles	15%
Functional	10%
Technical Infrastructure	10%
Workforce Management	10%
Implementation Complexity	15%
Performance Management	15%
Costs	25%
Total	100%

Ranking	
Fully Adequate	
Partially Meets	
Not Adequate	

Appendix

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Executive "At A Glance Summary" All Models:

Model Features	Centralized Multi-Site Service Center	Integrated State/Consortia	State/County Partnership
# State Locations	2 or 3	1	1
# County Locations	Potentially 1	31	Up to 8 County Locations
First Touch Customer Contact	State Service Center	County Service Center	State or County (Next Available Agent)
Dedicated Service Center Queue	Yes	No	Yes
ACD - Next Available Agent	Yes	No (Geographic queues)	Yes
General Inquiries	State (Next Available Agent)	Local County of Residence	State or County (Next Available Agent)
Eligibility Determination for Medi-Cal	DHCS Determination*	County	State or County*
Medi-Cal Plan Enrollment	DHCS Determination**	HCO	DHCS Determination**
Eligibility Determination for APTC	State	County	State or County
Exchange Plan Enrollment	State ("one-touch")	2nd Touch: Transfer to State	State or County ("one-touch")
Desktop Eligibility System	CalHEERS	SAWS***	CalHEERS
Term Sheet Required?	Yes	Yes	Yes

Legend

* *Current understanding is that State staff would screen and refer to County of residence for Medi-Cal eligibility determination*

** *DCHS Pending Decision TBD - Plan enrollment is currently not done by counties, but under "Health Care Options" contract. Need to determine if plan enrollment would be function of State or County offices under respective models.*

*** *SAWS will require real-time integration with CalHEERS in order for plan enrollment transfer protocol to the state to be successful*

Note: The matrix is focused on the incoming calls from the statewide toll free (800) line. It does not include: (1) calls or walk-ins to the Counties; (2) SHOP enrollment/ eligibility work (done by State office); (3) ongoing Exchange enrollee case management (done by State office); (4) ongoing Medi-Cal case management (done by County of residence)

Model Summaries

What follow are summaries of the three models evaluated, with an overview of the Advantages and Challenges each models poses to meeting the principles and goals outlined.

Centralized Multi-Site Hybrid Model

The Centralized Multi-Site Hybrid Model combines many of the best practice components of the original options presented at the June 19th, 2012 Exchange Board meeting, with the modification to provide for referral to county of residence or another County in the same consortia potentially Medi-Cal eligible individuals. The consulting firm leveraging industry best practices and considering previous options developed proposed an overall solution for the Exchange's business while addressing the Service Center Principles.

The technical architecture under this model provides for the centralized distribution of calls out to each individual service agent who may be located at a central facility, within the county or other call centers. The centralized system logs received calls, allowing for the measurement of the Exchange related performance metrics. This direct distribution of calls across all agents ensures that all callers are

handled through a managed queue and receive the same level of service relative to the type of call.

The statewide call center also fields calls from customers who have overlapping program needs with non-health programs. These calls would be transferred to the appropriate county, state or regulatory agency. This model leverages a centralized managed Training, Knowledge and Quality Assurance program while providing a continuity of service through levering multiple locations that all perform the same contact types. The proposed model provides an ease with which the high level of standards and performance measures can be met while delivering on the Service Center Principles.

Functions of the Centralized Multi-Site Model

The Centralized Multi-Site model includes the following functions:
Provide services for all callers seeking coverage through the central number, from a general inquiry through application to eligibility assessment and plan enrollment without a hand-off for health care related issues.

- Operational responsibility to support eligibility determination functions for callers applying for:
  - Program
  - Advance premium tax credit
  - Cost sharing reductions
  - Exchange coverage without subsidies
- Screening and referral to county of residence or another county in same consortia for county eligibility determination (screening approach and referral protocols to be developed)
  - MAGI Medi-Cal
  - Healthy Families
- Operational responsibility for enrollment of beneficiaries in health plans for applicants:
  - Individuals with unsubsidized coverage
  - Individuals with subsidized coverage through tax credit
- Call centers would have the ability to:
  - Adjust to changes in call volumes.
  - Offer extended hours (e.g. nights and weekends)
  - Integrate and share information across consortia and state service center
  - Provide standardized performance data and metrics on a monthly basis
  - Transition data in a secure and reliable manner
  - Serve clients in multiple languages
  - Provide standardized training and business process support to achieve a common customer experience

During the evaluation of the Service Center Models the following advantages and challenges have been noted.

Advantages

- Centralized management & technology infrastructure
- Multi-market hiring pool and quality of resources from accessing selected labor markets in California
- Establish consistent work rules, staffing models and hours of operations to meet the demands of health reform
- Maintains Counties responsibility for Medi-Cal eligibility determination and fosters horizontal integration in County of residence
- Flexibility to increase and decrease staffing across multiple locations to meet volume fluctuations and disaster response
- Centralized support and trained staff to provide assistance for Assisters and Navigators
- Standardized training and quality programs administered in a few large locations
- Ability to drive high utilization with large, skill based service teams
- Standard performance management program administered across a small number of locations

Challenges

- In complying with current law to have Medi-Cal eligibility determined at County level, will require a two-step process for Medi-Cal eligible individuals
- The referral and screening process will need to be sure to address federal requirements for enrolling individuals for federal tax credit support.
- Implementation complexities based on multiple locations
- Initial development of building and launching new physical locations
- Initial investment to launch centralized technology infrastructure
- Significant effort to hire and train new staff in short timeframe
- Potential customer experience variability due to multiple physical site locations

Integrated State/Consortia Model

CWDA and its member-county departments proposed the Integrated State/Consortia Model. This model leverages a linked network of state and consortia-based county call center networks using state and county resources. The Integrated State/Consortia model has the capability to allocate calls to the caller's consortium of residence that would transfer the caller to an agent in the caller's county of residence or another county from the same consortium participating in the network. This linked set of resources would have the responsibility of handling calls coming in to statewide toll-free numbers.

The Integrated State/Consortia model describes a framework for organizing some of the key customer service elements required to meet the needs of new and existing enrollees who can benefit from health care service programs under the Affordable Care Act. In the Integrated State/Consortia model, the State would seek partnerships with counties through the three SAWS Consortia. The 31 participating counties would deliver capacity and infrastructure to provide the networked call

center services. The 31 counties would be required to expand their existing call center operations, demonstrate the ability to support the centralized service center needs, and ensure the capacity to supervise and monitor call center services. The Integrated State/Consortia model pursues a "one-touch" contact strategy that seeks to enable horizontal integration across the multitude of existing solutions offered through their contact centers. The Integrated State/Consortia model receives incoming inquiries about obtaining health care coverage through Medi-Cal, Healthy Families, advance premium tax credit and unsubsidized coverage available through the Exchange and will determine eligibility and route the application to the appropriate opportunity.

The participating county call centers within each consortium collectively commit to answering calls within their respective consortia counties and have proposed within the model the option of re-routing calls within the respective consortia as a disaster recovery concept.

Functions of the Integrated State/Consortia Model

In the Integrated State/Consortia Model, participating counties take the responsibility for the following functions:

- Along with the integrated state resources, provide services for all callers seeking coverage through the central number, from a general inquiry through eligibility
- Operational responsibility to support eligibility determination functions for callers applying for:
    - MAGI Medi-Cal (subject to policy decisions)
    - Healthy Families (subject to arrangements with the Healthy Families Program)
    - Advance premium tax credit (for each of the following, per arrangements with the Exchange):
        - Cost sharing reductions
        - Exchange coverage without subsidies
    - CalFresh
    - CalWORKs
- Operational responsibility for eligibility of beneficiaries in health plans for applicants:
    - Individuals with unsubsidized coverage
    - Individuals with subsidized coverage through tax credit
    - Potential Medi-Cal beneficiaries
    - Potential Healthy Families subscribers
- Call center networks within each consortium would individually be able to:
    - Adjust to changes in call volumes
    - Offer extended hours (e.g. nights and weekends)
    - Integrate and share information across consortia and state service center

- Provide standardized performance data and metrics on a monthly basis
- Transition data in a secure and reliable manner
- Serve clients in multiple languages
- This call center configuration would also field calls from customers who have overlapping program needs with non-health programs, which could be provided without transferring the caller. The Integrated State/Consortia model was the only model to propose horizontal integration across non-health programs and continued efforts are currently underway to deliver this capability across all 31 participating counties

During the evaluation of the Service Center Models the following advantages and challenges have been noted.

Advantages

- Builds on current infrastructure, staffing and management expertise
- Multi-market hiring pool and quality of resources from multiple California labor markets
- Experienced County eligibility staff and customer service staff to provide a core base
- Flexibility to increase and decrease staffing across multiple locations to meet volume fluctuations and disaster response
- Horizontal program integration for both intake and ongoing eligibility determination
- Scalable technology in place to support increased volumes

Challenges

- Competing service demands from an array of County programs
- Implementation complexity and costs to integrate multiple existing and new service center technologies
- Potential customer experience and service delivery variability due to different technologies, management and operational approaches across 31 consortia physical site locations
- Increased costs to employ an average of 31 additional front line staff and supervisors per month
- Additional training costs to train up to 30-50% more resources
- Significant effort to hire and train new and existing staff in short timeframe
- Managing different hours of operations and work rules in the same facility with County programs

State/County Partnership Model

The State/County Partnership Model proposes a central State Service Center and up to nine County Service Centers. This model leverages technology to deliver a "next available agent" approach that peers across the participating Service Centers and delivers callers to the first available agent. The State/County Partnership Model embraces a "first-touch" method aimed at directing Exchange inquiries to the right resources at the time of initial contact. The State/County Partnership Model enables a blended approach leveraging both State and County workers to deliver a first class consumer experience while optimizing staffing to assure cost effectiveness.

In the State/County Partnership Model, the State would seek partnerships with up to nine counties through an evaluation process. The expected contact volumes would be spread across the participating county locations and the State facility. Additionally, the centralized management at the state location would work to provide adequate staffing contingency solutions. The participating counties would deliver defined capacity and infrastructure to provide the call center services. The counties would be required to demonstrate the ability to support the centralized service center needs and ensure the capacity to supervise and manage call center services. The State/County Partnership Model allows both State and County locations to perform identical work and accommodate general inquiries, ongoing support, and eligibility determination and plan enrollment while appropriately transferring other inquiries.

Functions of the State/County Partnership Model

The State/County Partnership Model includes the responsibility for the following functions:

- Provide Exchange comprehensive services for all callers seeking coverage through a central number, from general inquiry, eligibility, plan enrollment and ongoing support
- Operational responsibility to support eligibility determination functions for callers applying for:
    - MAGI Medi-Cal (subject to policy decisions)
    - Exchange
        - Cost sharing reductions
        - Advanced Premium Tax Credit (APTC)
        - Exchange coverage without subsidies
- Operational responsibility for eligibility of beneficiaries in health plans for applicants:
    - Individuals with unsubsidized coverage
    - Potential Medi-Cal beneficiaries
    - Potential Healthy Families subscribers
- The participating County locations would align with the following:
    - Ongoing adjustments to call volume forecasts

- Offer extended hours (e.g. nights and weekends)
- Provide standardized performance data and metrics
- Transition data in a secure and reliable manner
- Serve clients in multiple languages

During the evaluation of the Service Center Models the following advantages and challenges have been noted.

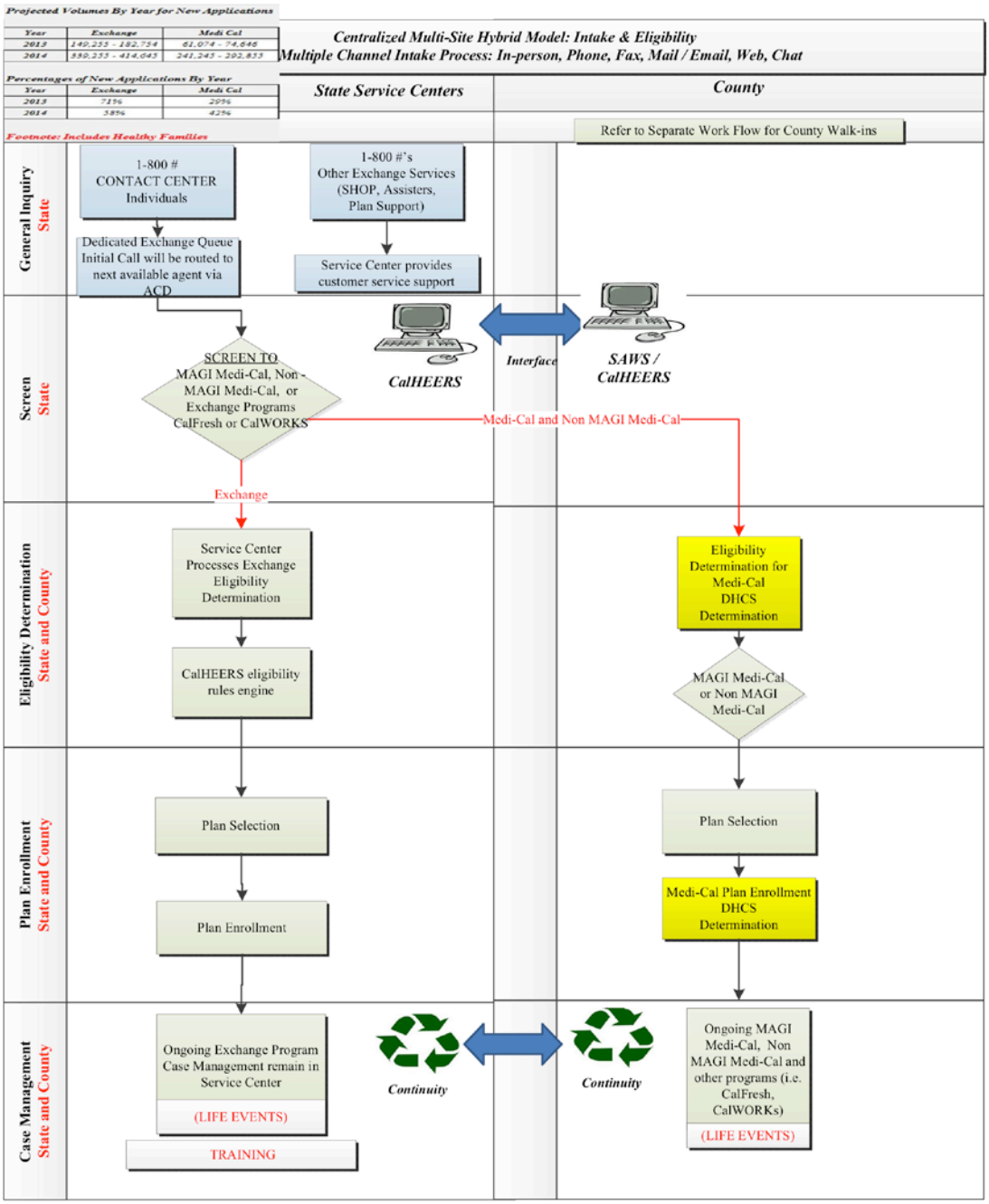
Advantages

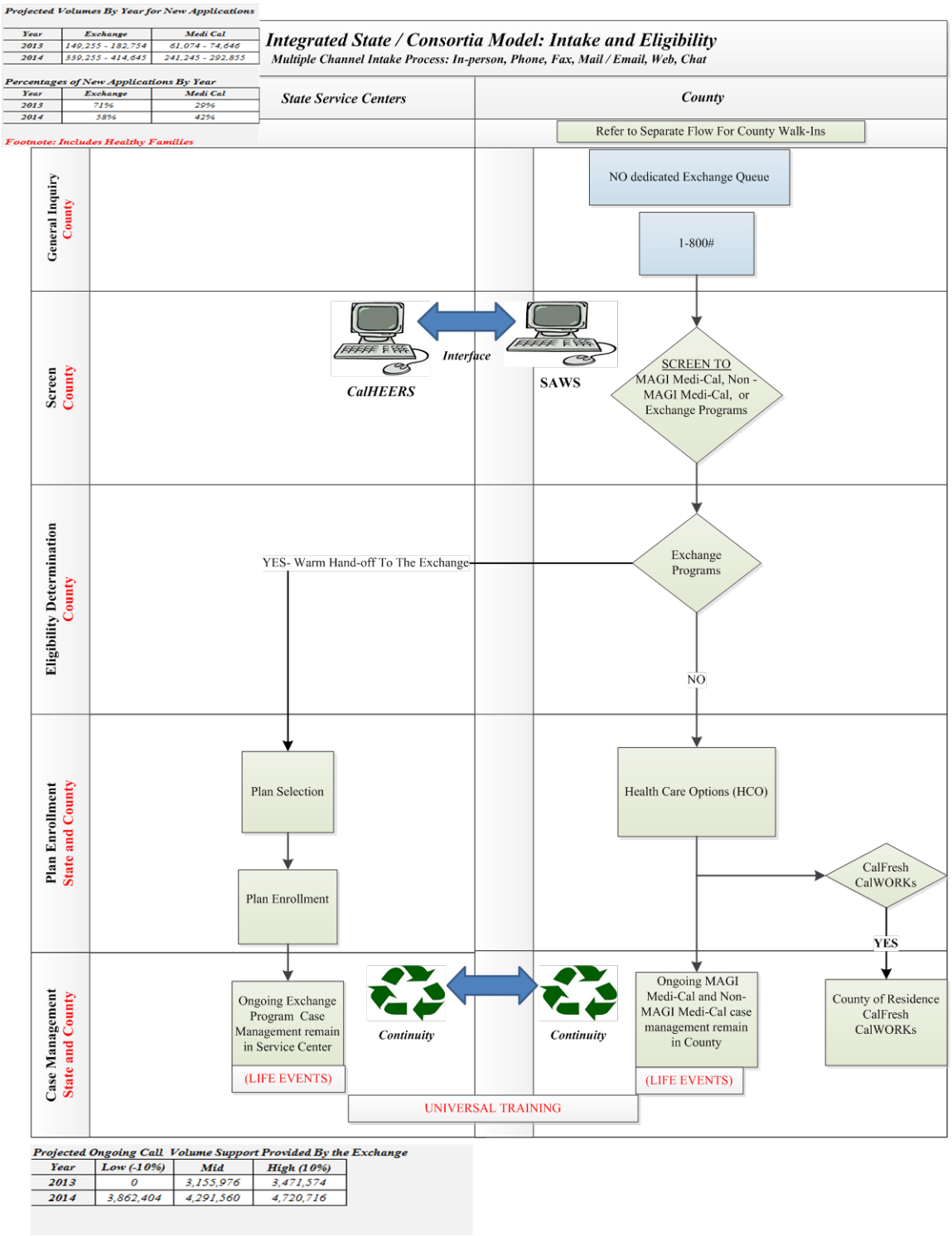
- Ability to drive optimized utilization with central ACD queue and present the call to the next available agent
- Greater degree of business continuity with multiple sites collectively working in a virtual queue
- Experienced State and County customer service staff working together to meet service levels agreements
- First call resolution allows State and County employees to handle general inquiry, eligibility and plan enrollment without having to transfer the customer
- Centralized management & technology infrastructure while leveraging existing County locations
- Multi-market hiring pool and quality of resources from accessing selected labor markets
- Flexibility to increase and decrease staffing across multiple locations to meet volume fluctuations and disaster response
- Standardized training and quality programs administered in multiple County locations and 1 State location
- Standard performance management reporting across staff, supervisor, management and site levels

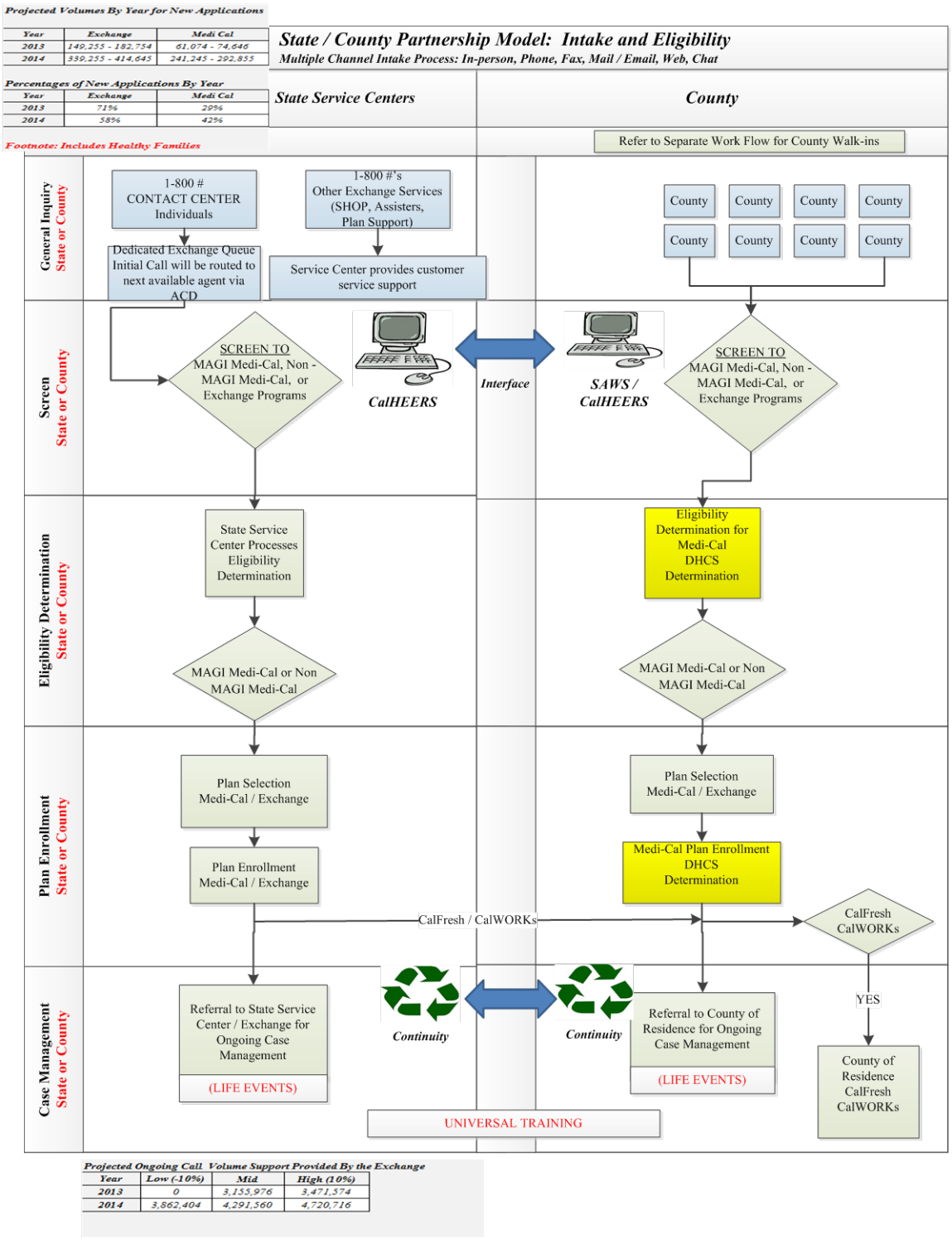
Challenges

- Major change from current practice and approach by having Medi-Cal eligibility completed by State workers
- Additional employees and management resources required in the Counties will impact overall operational costs
- Implementation and contracting complexities based on multiple locations
- Initial development efforts to build out and launch new physical locations
- Initial investment to launch and integrate centralized technology infrastructure
- Significant effort to hire and train new staff in short timeframes
- Potential customer experience variability due to multiple physical site locations

Model Process Flows




Projected Volumes By Year for New Applications
Year | Exchange | Medi Cal
2013 | 149,255 - 182,754 | 61,074 - 74,646
2014 | 339,255 - 414,643 | 241,245 - 292,855
Percentages of New Applications By Year
Year | Exchange | Medi Cal
2013 | 71% | 29%
2014 | 58% | 42%
Footnote: Includes Healthy Families
Integrated State / Consortia Model: Intake and Eligibility
Multiple Channel Intake Process: In-person, Phone, Fax, Mail / Email, Web, Chat
State Service Centers
County
Refer to Separate Flow For County Walk-Ins
General Inquiry County
NO dedicated Exchange Queue
1-800#
Screen County
CalHEERS
Interface
SAWS
SCREEN TO MAGI Medi-Cal, Non - MAGI Medi-Cal, or Exchange Programs
Eligibility Determination County
YES- Warm Hand-off To The Exchange
Exchange Programs
NO
Plan Enrollment State and County
Plan Selection
Plan Enrollment
Health Care Options (HCO)
CalFresh CalWORKs
YES
Case Management State and County
Ongoing Exchange Program Case Management remain in Service Center
(LIFE EVENTS)
Continuity
Continuity
Ongoing MAGI Medi-Cal and Non-MAGI Medi-Cal case management remain in County
(LIFE EVENTS)
County of Residence CalFresh CalWORKs
UNIVERSAL TRAINING
Projected Ongoing Call Volume Support Provided By the Exchange
Year | Low (-10%) | Mid | High (10%)
2013 | 0 | 3,155,976 | 3,471,574
2014 | 3,862,404 | 4,291,560 | 4,720,716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State Service Centers
County
Refer to Separate Work Flow for County Walk-ins
General Inquiry State or County
1-800 # CONTACT CENTER Individuals
1-800 #'s Other Exchange Services (SHOP, Assisters, Plan Support)
Dedicated Exchange Queue Initial Call will be routed to next available agent via ACD
Service Center provides customer service support
County
Screen State or County
SCREEN TO MAGI Medi-Cal, Non - MAGI Medi-Cal, or Exchange Programs
CalHEERS
Interface
SAWS / CalHEERS
SCREEN TO MAGI Medi-Cal, Non - MAGI Medi-Cal, or Exchange Programs
Eligibility Determination State or County
State Service Center Processes Eligibility Determination
MAGI Medi-Cal or Non MAGI Medi-Cal
Eligibility Determination for Medi-Cal DHCS Determination
MAGI Medi-Cal or Non MAGI Medi-Cal
Plan Enrollment State or County
Plan Selection Medi-Cal / Exchange
Plan Enrollment Medi-Cal / Exchange
Plan Selection Medi-Cal / Exchange
Medi-Cal Plan Enrollment DHCS Determination
CalFresh / CalWORKs
CalFresh CalWORKs
YES
Case Management State or County
Referral to State Service Center / Exchange for Ongoing Case Management
(LIFE EVENTS)
Continuity
Continuity
Referral to County of Residence for Ongoing Case Management
(LIFE EVENTS)
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Timeline

ID	Task Name	Predecessors
1	Board Meeting Prep	
2	Board Meeting Decision	
3	Mini RFP to determine counties that world meet the exchange term sheet requirements	2
4	State/County Site Selection Process	3
5	County Board of Supervisors approval of contract	4
6	Recruitment Prep	
7	**Service Center Hiring & Recruitment**	
8	Technical SME(s) assigned	2
9	Training & Content SME(s) assigned	
10	Dedicated County & Leadership Staff hired	
11	Service Center Staff hired	
12	**Facilities Buildout Coordination**	
13	Telecom (ACD, IVR) coordination	
14	Technology/Operations Overlay Coordination	
15	CRM/Operations Overlay Coordination	2
16	Provide SME(s) for Measurement/Scorecards Development	
17	CalHeers Training Content Development	18SF
18	**Provide SME(s) for Knowledge & Training Development**	
19	Provide SME(s) for Knowledge Base Development	
20	Provide SME(s) for Training Content Development Coordination	
21	Provide SME(s) for Script Development Review and Approval	
22	Provide SME(s) for Quality Assurance Program Build Out	
23	Provide SME(s) for Operational Readiness Review	
24	Operational Readiness Testing	
25	System Test	15
26	Integration of State Technologies Test	25
27	UAT	26
28	Leadership Staff Training	
29	Frontline Staff Training	
30	Pilot Design/Prep Coordination	
31	Pilot Launch (Begin Taking Calls)	29,27
32	Post Pilot Changes/Implementation	
33	Go Live	31

Term Sheet For County Participation

This draft discussion document provides an overview of a vision for the vision and terms under which a county could serve to fulfill all of the functions of centralized multi-site service center to support the eligibility and enrollment functions of all Affordable Care Act related programs or unsubsidized enrollment in the Exchange. The concept enables a county and state partnership to deliver coordinated and integrated services to meet consumers' needs. The concept is based on the following principles:

- Successfully implement the Affordable Care Act (ACA) in 2014.
- Seek to ensure that processes are as consumer-friendly as possible, including the ACA goals of: (1) "No Wrong Door;" (2) "first class user experience;" (3) "one-touch" and done, (4) seamless subsidized health care coverage, and (5) horizontal integration with human services.
- Create stronger accountability, transparency, and uniform rules with appropriate performance standards and payment processes for the eligibility, enrollment, and case management experience across all publicly subsidized and non-subsidized programs.
- Assure enrollment, renewal and case management processes are as simple as possible for:
    - Mixed families or families with multiple types of health care coverage including Medi-Cal and tax subsidies/Basic Health Plan.
    - Families on Medi-Cal/tax subsidies and social service programs.
    - Families who move back and forth between Medi-Cal and tax subsidies.
- Leverage State and County expertise and workforce.
- Develop a strong governance structure with DHCS and the Exchange to ensure that the respective business and legal responsibilities of Medi-Cal, Healthy Families and the Exchange are met.
- Ensure the Administration controls the Medi-Cal program and eligibility process.
- Minimize ongoing Exchange revenue needs.
- Minimize General Fund expenditure risks and cost increases.

Collectively, these principles and the terms that follow to implement them would support a broader effort to enhance the State/County partnership to deliver and strengthen health and social services.

1. Term: Contract will be with the Counties directly that can meet and will agree to the terms and conditions

   Rationale: This will enable the State Service Center to hold individual Counties accountable for achieving key performance indicators.

   Note: We will need conditional approval from board of supervisors by November 1, 2012. Upon final board of supervisor approval funding for launch activities will be provided through June 2013 to prepare for the July 2013 pilot program.

2. Term: State and County workers providing phone eligibility enrollment service utilize the CalHEERS system to determine eligibility.

   Rationale: The use of the CalHEERS system will be required to enable the customer service staff to take a call from eligibility through plan enrollment with no real time data integration requirements. This will enable the one touch and done solution for all customers eligible for an exchange program without requiring a transfer call.

3. Term: Staffing & Training requirements:

   a) Term: The participating County will have a minimum of sixty FTE equivalents of front line staff with six supervisors and a dedicated manager who will report to the site director and have dotted line accountability to the State service center management. The County may structure their staffing with more staff to meet the contracted frontline staffing FTE mix; but will be paid based on the "dedicated" time of staff doing enrollment/eligibility work.

      Rationale: This will allow for efficient operations with the management to supervisor to front line staff ratio that is already in place within County operations.

   b) Term: The County participating will commit a full time dedicated operations, quality and training manager to the State Service Center work.

      Rationale: Having a dedicated manager at the County location that will be accountable for the site's overall performance and not have to balance other County business.

      Note: The dedicated full time positions requested would be paid by the State Service Center.

   c) Term: Local agreement will require a contingency staffing provision to support the State Service Center.

Rationale: The State can't have any conflicts with the County hiring conditions if additional resources are required to meet the customer's incoming volumes.

Note: This provision would be required as part of the conditional approval by the board of supervisors.

d) Term: The County will agree that any customer service agent who doesn't successfully pass the training curriculum, which will include a certification, will not be able to take calls for the State Service Center customers.

Rationale: There will be minimum training competency standards to deliver the quality productivity performance metrics and customer satisfaction.

Note: The state will reimburse the County for the training costs for anyone who fails to meet the training requirements.

4. Term: The State Service Center will provide and manage all the technologies required to deliver multi-channel and customer service tools on the desktop.

Rationale: The dedicated ACD queues will enable the ability to accurately measure and monitor the resources along with the productivity performance standards by County and State.

Note: The costs to provide the technology will be paid by the State Service Center.

5. Term: Dedicated Queues with next available agent to support the Affordable Care Act programs working on the CalHEERS desktop.

a) Term: When staff is logged into the dedicated Exchange queue they will work on State Service Center work only.

Rationale: This will accurately allow for tracking of resources, time and productivity metrics to the State Service Center and effectively manage multiple site resources to meet the overall State Service Center service level performance objectives.

Note: State Service Center will reimburse County based on the actual ACD "productive time" (which includes all scheduled time for which staff are available to service incoming work) and avoid the requirement for any allocation estimates or time studies. This will allow for maximum scheduling efficiency with the next available agent.

b) Term: Enable the customer service person to take a call from inquiry, eligibility through plan enrollment with no data issues or real time integration requirements.

Rationale: This will allow for the next available agent model to be distributed across all of the service centers with State Service Center work only.

Note: Transfer protocols to the appropriate counties will be developed for customers needing additional support for County programs.

6. Term: Costs – The State Service Center will reimburse the County based on "productive time" logged into the dedicated Exchange ACD queue at comparable state rate.

Rationale: This will be required in order to meet fiscal requirements of the State and financial sustainability requirements for the Exchange.

Note: The hourly rate takes into consideration a productive cost per hour incorporating the current county call center shrinkage data. Need to determine if there should be any premium over state comparable costs.

7. Term: The State Service Center will provide all workforce management forecasting, schedules, and monitoring down the site-specific location. Each site will commit liaison resources to work with the centralized command center operations.

Rationale: This will allow the State Service Center to forecast resources across multiple counties and state locations in a virtual queue to maximize the efficiency of the staff.

Note: This will give the State Service Center accountability for forecasting accuracy along with real time visibility to the overall performance. The County will be responsible for schedule adherence as one of the key performance metrics. Any location that doesn't meet their staffing requirements could impact the overall service level objectives.

8. Term: The County will commit to a formal performance management program that will measure the key performance metrics on a 30/60/90 day rolling plan. Performance will be tracked and measured on the individual, supervisor, manager and site weekly/monthly basis. This will include but not limited to: Average Handle Time, Schedule Adherence, Quality Adherence and Customer Satisfaction.

Rationale: This will hold each facility accountable for meeting or exceeding the State Service Center key performance metrics.

Note: A balanced scorecard will be issued each month comparing all site locations that are participating in the State Service Center operations. Quality assurance mechanisms will be random using standard methodologies.

9. Term: Hours of Operations will be reimbursed at the state hourly rate. During open enrollment these hours will be Monday-Saturday 8am-8pm and non open enrollment will be Monday- Friday 8am-6pm and Saturday 8am-5pm. Must have the ability support 2nd shift for processing during open enrollment if required. Second shift would be from 4pm-12am. Each site will be responsible for any work rules changes required to meet these operations no later than February 2013.

   Rationale: This allows the State Service Center to meet our expected customer demands and provide the additional support during open enrollment periods.

   Note: The County will be responsible for any local work rules changes required to meet these operations no later than February 2013.

10. Term: The State Service Center staff will provide the development of the training materials, quality assurance programs and knowledgebase tools. These items will be developed by working with each site-dedicated staff and will be incorporated into the training programs and ongoing operational support.

    Rationale: This will get the State and County dedicated resources working together during the launch to provide consistency in the training and quality processes. This will support the process to deliver a consistent training approach and information that will be discussed with customers who are calling the State Service Center. This will also leverage experienced staff from both the State and County to prepare for the July 2013 pilot program.

    Note: This may require travel for the dedicated staff during the launch program. All travel costs will be paid by the State Service Center.

11. Term: Allow access to on-site operations by State Service Center staff or approved consultants for scheduled and unscheduled visits.

    Rationale: The ability to work with each site dedicated manager and staff to discuss process improvement opportunities in the training, quality and performance. These visits will also focus on the compliance of the State Service Center standard operating procedures being incorporated into the daily operations.

12. Term: Demonstrated ability to meet State Service Center ramp-up and timelines to meet the July 1st pilot program requirement and the October 1st formal go live. Please refer to the major toll gates below:
    a) County Board of Supervisors approval of contract by 12/31/12

b) Availability of resources both technical and Subject Matter Expert (SMEs) to participate in the coordination of deployment and content development by Jan 2013
c) Dedicated County leadership staff hired and on board full time effective Jan 1, 2013.
d) Service Center hiring and recruitment completed by Mar 2013
e) Leadership staff completed with training by Apr 2013 and frontline completed with training by June 2013
f) Successful integration of state technology and completion of User Acceptance Testing by May 2013
g) Staff fully engaged in pilot by July 2013
h) Staff engaged with Go Live Oct 2013

Rationale: State Service Center must be fully operational for July 2013 pilot and formal Go Live on October 1, 2013

13. Accountability provisions: Failure to meet this term or any term within this document will result in reductions in hourly rate, termination of contract or withhold of money.

Rationale: State Service Center requires clear accountability tools and recourse that will allow it to adjust strategies as needed.