



# Customer Experience Procurement Project (CXPP)

## Contact Center Procurement Recommendation (VOTE) and Implementation Planning

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# Overview: Today's Discussion

## This presentation will cover:

- The goals, strategy, and process that drove the overall CXPP procurement
- How the “Contact Center, Back Office, Document Processing and Verification” and the three optional services fit into the larger CXPP procurement effort
- The evaluation process for selecting the proposed vendor
- Benefits for members
- Plans for implementation
- Terms of agreement
- Request for vote

**A vote is requested to allow the Health Connector to enter a vendor agreement, to provide contact center, back office, document processing and verification services to Health Connector members starting in June 2020, and optionally a Small Business Contact Center services at a future date.**

- This contract/vote is the last part of the Health Connector's broader Customer Experience Procurement Project (CXPP), which the Board was briefed on in November 2018 and voted on in April 2019 for selecting an Enrollment and premium/billing vendor (Softheon)



# **State of Customer Experience: Current and Future**

# Customer Experience Procurement Project (CXPP)

## Background:

- There are two major aggregate components of the overall service delivery that the Health Connector provides to its members – the first being the contact center, back office, and document processing and verification services; and the second being premium billing
- The current NTT contract expires on June 30, 2020
- For these reasons, in 2017 a Customer Experience team was launched to create a strategy and path for procurement

## Goals of the CXPP team:

- Maintain operational stability in key areas of enrollment, premium billing, and contact center
- Improve customer experience to meet members' expectations
- Rebase the cost structure so as membership grows, economies of scale are realized

# Customer Experience Procurement Project (CXPP)

## Initial Discovery Phase: Information Gathering from March 2017 through August 2018

- Interviews were held with other State-Based Marketplaces to understand their experience with different vendors, lessons learned, best practices and strategies (*Began March 2017*)
- System demos and sessions with multiple vendors in target market spaces were held to understand capabilities, pricing strategies and where core competencies could be combined (*Began May 2017*)
- A series of Requests for Information (RFIs) were issued to test the market for best practices, operational and technical capabilities, and sustainable cost (*Released December 2017*)
- Members surveyed to better understand their expectations (*Issued August 2018*)

# Procurement Strategy

**Our learnings informed a decision to divide the scope of the current Customer Service and Business Operations into four Requests for Responses (RFRs)**

## **RFR areas:**

### **1. Enrollment and Premium Billing (EPB)**

- RFR issued on October 23, 2018 VOTE: Voted on April 2019
- **Optional services:** HIX and Miscellaneous Notices and Mailroom

### **2. HIX and Miscellaneous Notices**

- RFR issued on November 27, 2018 RFR: Terminated
- **Optional services:** Mailroom and Enrollment and Billing Communications

### **3. Technology Vendor**

- RFR issued on January 30, 2019 RFR: Terminated
- Includes Member Portal and Salesforce Implementation services and ongoing operations for both

### **4. Contact Center Operations Services**

- RFR issued on March 12, 2019 VOTE: Today
- **Optional services:** Small Business Contact Center, Customer Interaction Centers (walk-in centers) and Mailroom

# Future State Customer Experience

## Improvements to Meet Member Expectations

New Features	Benefit to Members	Timeframe (As of 8/19/19)
Document Upload (via HIX)	Ability to upload documents (e.g., proof of income, residency, etc.) to the Health Connector and receive a real-time confirmation of receipt	August 2019
Mobile Compatibility (in HIX)	Improved experience for mobile device users	August 2019
Additional Payment Channels	Ability to pay with debit or credit cards	June 2020
Additional Refund Channels	Receive refunds via the same channel used to make payment (i.e., check, credit or debit)	June 2020
Pay by Phone	Ability to make payments over the phone with the new IVR system	June 2020
Operational Improvements	<ul style="list-style-type: none"> <li>- Improvements to Dental-only enrollment process</li> <li>- Guided call flow to assist CSRs in providing accurate and consistent assistance to members</li> </ul>	June 2020
Chat, Text and Email Support	Ability to engage with customer service via preferred electronic channel	No later than June 2021
Scheduled Call Back	Ability to avoid waiting in queue and schedule a call back	No later than June 2021
Click-to-Call (via Member Portal)	Ability to be routed to the Contact Center seamlessly from the Member Portal	No later than June 2021

# How Everything Currently Works Together

The full member experience is tightly integrated across multiple systems and platforms



Health Insurance Exchange  
(Optum/hCentive)

- Eligibility
- Plan Shopping
- Plan Selection



Customer Service and Business Operations  
(NTTData Services)

- Enrollment Processing
- Financial Management
- Payment Portal
- Notice Generation and Fulfillment
- Contact Center



MA Carriers

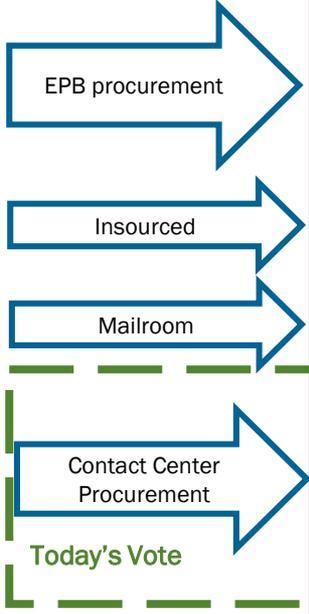
- Enrollment
- Effectuation
- Issue member ID cards
- Benefits administration



# Current and Future State: Customer Service and Business Operations for Non-group

Current State\*: NTTData Customer Service and Business Operations – **Total \$36.0M**

Enrollment and Premium Billing, Member Bills and HIX Notices, Payment Portal	\$14.0M
Ombudsman	\$0.5M
Contact Center & Back Office, CRM, Document Processing, Mailroom	\$19.7M
Walk-in Centers	\$1.8M



Future State\*\*: Multiple vendors selected through ongoing procurements and other service opportunities – **Total \$31.2M**

Member Portal	\$0.8M
Enrollment and Premium Billing, Member Bills and HIX Notices, Payment Processing	\$12.8M
Ombudsman	\$0.3M
Mailroom	\$0.2M
Contact Center, Back Office, & Document Processing and Verifications (including Walk-in Centers)	\$17.1M

\*All amounts are based on the Health Connector's best estimate using available data (e.g., organizational charts) as the current blended Per Policy per Member (PPPM) rate with NTTData is all inclusive of EPB, HIX and Miscellaneous Notices and Contact Center Operations Services. Amounts are consistent with the FY19 administrative budget year-end projection presented to the Board of Directors on July 11, 2019.

\*\*Amounts reflect estimates for the first year of ongoing operations (FY21).



# **Contact Center Procurement**

# Scope of Contact Center Operations Request for Responses

The RFR expressed the Health Connector's preference for a vendor that could perform the main Contact Center Operations (CCO) services scope and three optional services

## Main Contact Center Operations Services Scope:

- Contact Center
- Back Office
- Document Processing and Verification

## Optional Services:

- Mailroom
- Small Business Contact Center
- Customer Interaction Centers (CICs) or Walk-in Centers

# Scope of CCO Request for Responses (*cont'd*)

## Qualities sought in an CCO vendor:

- Demonstrated focus on a customer-centric approach where the needs of the customer are prioritized and acknowledged, and functions and processes are implemented with the customer in mind
- Demonstrated ability to provide an omni-channel model which provides customers with the ability to interact with customer service via the channel of their choosing – e.g., phone, email, chat or text
- Proven utilization of industry-standard technologies and business best-practices that drive towards exceptional customer service for prospective and current Health Connector members
- Demonstrated ability to manage scope and risks, and implement on time and on budget
- Demonstrated processes and capabilities for continuous improvements to achieve high member satisfaction
- Proven agility in ramping-up and training staff to meet service and quality standards during the Open Enrollment period
- Experience delivering comparable services within a Healthcare and/or Exchange setting

# Evaluation Approach

## A score card was designed to evaluate CCO bidder responses

- Weight was given to relevant experience, competitive costs and best overall value
- Points were awarded for the ability to meet the optional services requirements
- The Bidder with the lowest price received the maximum score in the Price categories
- For Overall Value, the Strategic Sourcing Team (SST) considered the balance between people, process, price and technology in the Bidders' responses plus the depth and relevancy of the Bidders' experience, and qualifications of the team proposed to support the Health Connector program

Category Name	Maximum Available Points
Business and Technology Response	650
Price Response, includes Optional Services	150
Optional Services	100
Overall Value	100
<b>Total Available Score</b>	<b>1,000</b>

# Bidders in the Contact Center Procurement

## ▪ **Automated Health Systems, Inc.**

- Headquartered in Pittsburgh, PA
- Provide operational services to health and human service-related programs, focused on providing program assistance related to enrollment and eligibility
- Provides contact center operations for the Rhode Island State-Based Marketplace

## ▪ **Conduent State Healthcare, LLC**

- Headquartered in Germantown, MD
- Experience with implementing and operating public sector contact centers while providing seamless customer service

## ▪ **Faneuil, Inc.**

- Headquartered in Hampton, VA
- Experience with transitioning, implementing, operating and managing customer care programs for government entities
- Provides contact center operations and support for four SBMs – Washington, California, Connecticut, and Minnesota

## ▪ **HGS Healthcare, Inc.**

- Headquartered in Lisle, IL
- Provides contact center and healthcare business process management solutions

## ▪ **NTTData, Inc. (formerly Dell Services)**

- Headquartered in Plano, TX
- The incumbent customer service and business operations vendor, serving Health Connector members since 2008

## ▪ **The Results Companies, LLC**

- Headquartered in Fort Lauderdale, FL
- Provides contact support services in the healthcare space for many regional and national health care payers across multiple lines of business

# Evaluation Process and Outcome

**The Bidder evaluation process included 4 steps. Bidders were re-scored after each step**

## **1. Proposal evaluations**

- All six Bidders were selected to move on to Oral Presentations

## **2. Oral Presentations**

- Allowed Bidders an opportunity to clarify their offerings and demonstrate the ability to meet the requirements through a system demo, a presentation, and questions and answers
- Three Bidders were selected to move on to Site Visits

## **3. Site Visits**

- The Health Connector team sought to validate prior learnings, meet other team members and observe existing operations of the Bidder

## **4. Best and Final Offer (BAFO)**

- BAFO opportunities were extended to the two top scoring Bidders to offer a final price adjustment. Reference checks were also conducted at this time.

In addition, throughout the process Requests for Clarification were sent to the Bidders to answer written questions and provide additional documents, if warranted

***Faneuil was the highest-scoring Bidder, with a score of 849 out of 1,000 points***

# Apparent Successful Bidder

## Faneuil's response was the best overall fit:

- Demonstrated understanding of the strategic direction of the Health Connector
- Already has in production the technology to deliver the experience required including providing multiple communication channels (IVR self-service, call, walk-in, email, chat, text) to members
- Agreed to all of our requirements and committed to meet all Service Level Agreements
- Their Oracle CRM and Trajectory platform provides guided process flows and assistance to agents during their interactions with customers which should decrease average handle time (AHT) while improving the consistency of information delivered
- Demonstrated the willingness to share best-practices amongst their healthcare operations and detailed a proactive approach to identifying and providing suggestions for overall improvement
- Agreed to full transparency and access for Health Connector staff to their systems and reporting platforms

# Apparent Successful Bidder, cont.

## Relevant business experience:

- Faneuil has experience with four exchanges (CA, CT, MN and WA) and the demands of Open versus Closed Enrollment
- References consistently cited accessibility of senior leaders, understanding of the unique characteristics of exchange business and proactive, operational problem-solving expertise
- Talent management included a diverse management team and focus on supporting the CSR with tools needed to ensure the best possible service is delivered to members

## Proposed team that has strong experience with:

- Implementations of similar size and scope
- Managing scope and work through risks
- Ability to ramp up and down and balance between sites in response to business cycles

# Recommendations for Optional Services

## Customer Interaction Centers (Walk-in Centers)

- Recommend awarding management of the 4 walk-in centers to Faneuil
- Have experience in managing walk-in centers for current clients
- Agreed to maintain current cities
- Interested in exploring partnerships with local health centers after go-live

## Small Business Contact Center

- Recommend awarding, as a future option, the call center for small business to Faneuil
- Price is competitive to what is currently paid
- Consolidating with one vendor would someday give Connector more control over metrics and KPIs

## Mailroom

- This service will be moved to the state Electronic Data Management Center (EDM), managed by MassHealth, in New Bedford, in the first half of 2020
- Mail for mixed households is already processed there today
- Managed via an Interagency Service Agreement with EDM



# **Implementation Planning**

# Implementation Scope

## Day 1:

- Configuration and Deployment of the IVR, Forecasting, Speech Analytics and CRM systems
- Conversion of call and encounter history from the current CRM
- Integration of the Oracle CRM and IVR with Softheon EPB and Member Portal
- Build out and opening of 2 new facilities and 4 walk-in center sites
- Sourcing, hiring and training on new processes of CSR staff in time for Operational readiness period which starts on 4/15
- Transfer of main toll free number and TTY lines

## Day 2 (deployment at Connector discretion):

- Chat, text and email
- Scheduled call backs
- Click to Call via the member portal

	2019							2020					
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
<b>Contact Center Implementation</b> <b>Customer Relationship Management (CRM)</b> <b>Customer Interaction Centers (CICs)</b>	6/28 Site Visits Complete	7/19 Notify Apparent Successful Bidder	8/19 Board Presentation	9/3 – 12/15 Initiating Project Activities				12/9 – 3/31 Establish Connectivity, Perform Integrated Testing, Validate Testing Results			4/15 – 5/31 Operational Readiness	6/1 Public GO-LIVE	
<b>Softheon Implementation</b> <b>Enrollment &amp; Premium Billing Notices</b> <b>Member Portal</b>	6/19 EPB & Notices BRD Sign-Off	7/19 Member Portal BRD Sign-Off	7/22 – 12/31 Softheon Application Development & Configuration				12/4 Primary Data Conversion Complete	2/20 Equity Portal Complete	3/30 Integration Complete	4/13 Cut-Over Plan Complete	4/15 Pre-Production Sign-Off	5/31 System GO-LIVE	

# Project Management and Risk Mitigation

## Faneuil will join the CXPP Project Management structure including:

- Joint governance and Senior Leadership meetings in order to tightly control scope
- Track progress through project artifacts including:
  - Project schedule
  - Common risk register
  - Requirements traceability documents

## Risk Mitigation

- Required Faneuil to align data conversion, integration and operational readiness milestones to current plan in place for CXPP overall
- Perform focused load testing against 1-800# and Faneuil systems
- Faneuil will participate in full integrated pre-production testing with all other vendors including HIX, Softheon, carriers, and banking partners

# Implementation Milestones

The Health Connector has worked with Faneuil to identify critical milestones that must be achieved throughout the implementation. Where applicable, dates align with the Softheon milestones.

Primary Implementation Milestones	Projected Completion Date
Facility build out plans and approach	October 2019
Initial Mobilization and Baselines Project Plan	October 2019
CRM Stage 1 Build and Primary Data Migration	December 2019
Facility Connectivity and Staffing – Stage 1	January 2020
Base Development & Configuration	February 2020
Integration Testing with all External Systems	March 2020
Operational Readiness including Staffing	April 2020
<i>Full Solution – Go-Live</i>	<i>June 1, 2020</i>
Warranty Period – all defects resolved	6 months



# **Contract Price & Overview**

# Price and Contract Overview

- Faneuil’s proposed cost structure is reflective of efficiencies and economies of scale and is estimated to be lower than what we pay today
  - Implementation cost is \$8.1M for Contact Center Operations (CCO) and Customer Interaction Centers (CICs); payments are tied to milestones
  - For CCO and CICs, the tiered PMPM will decrease as membership grows such that the lower PMPM will apply to each member
  - If average calls per member decrease by 10% there is potential for a 5% PMPM reduction starting in Year 4
  - Telecom usage and audit-related costs are passthroughs to the Health Connector
  - Vendor has accepted all Service Level Agreements

		Implementation Year 1	Operations Year 2	Operations Year 3	Operations Year 4	Operations Year 5
CCO	Operating Costs	\$7.9	\$14.5	\$14.7	\$15.1	\$16.6
	Pass-through Costs	\$0.0	\$1.1	\$1.0	\$1.0	\$1.1
	Subtotal - CCO	\$7.9	\$15.6	\$15.7	\$16.2	\$17.7
CIC	Operating Costs	\$0.2	\$1.2	\$1.3	\$1.3	\$1.4
	Pass-through Costs	\$0.0	\$0.3	\$0.3	\$0.3	\$0.3
	Subtotal - CCO	\$0.2	\$1.5	\$1.6	\$1.6	\$1.7
<b>Total CCO &amp; CIC</b>		<b>\$8.1</b>	<b>\$17.1</b>	<b>\$17.3</b>	<b>\$17.8</b>	<b>\$19.4</b>

All costs in Millions (\$)

# Small Business Optional Services: Price and Contract Overview

- The contract awards Faneuil contact center optional services for our small group population (HCB)
- Allows the Health Connector someday to have one contact center for all of our members and access SLAs
- At the discretion of the Health Connector, the actual date for the transition would be determined following non-group go-live
- Faneuil's proposed price for contact center services is slightly more competitive than our current partner (~\$300K vs. ~\$350K annual average)

Annual Cost	Operations Year 2	Operations Year 3	Operations Year 4	Operations Year 5
Small Business Optional Services	\$0.3M	\$0.3M	\$0.3M	\$0.4M



**VOTE**

# VOTE

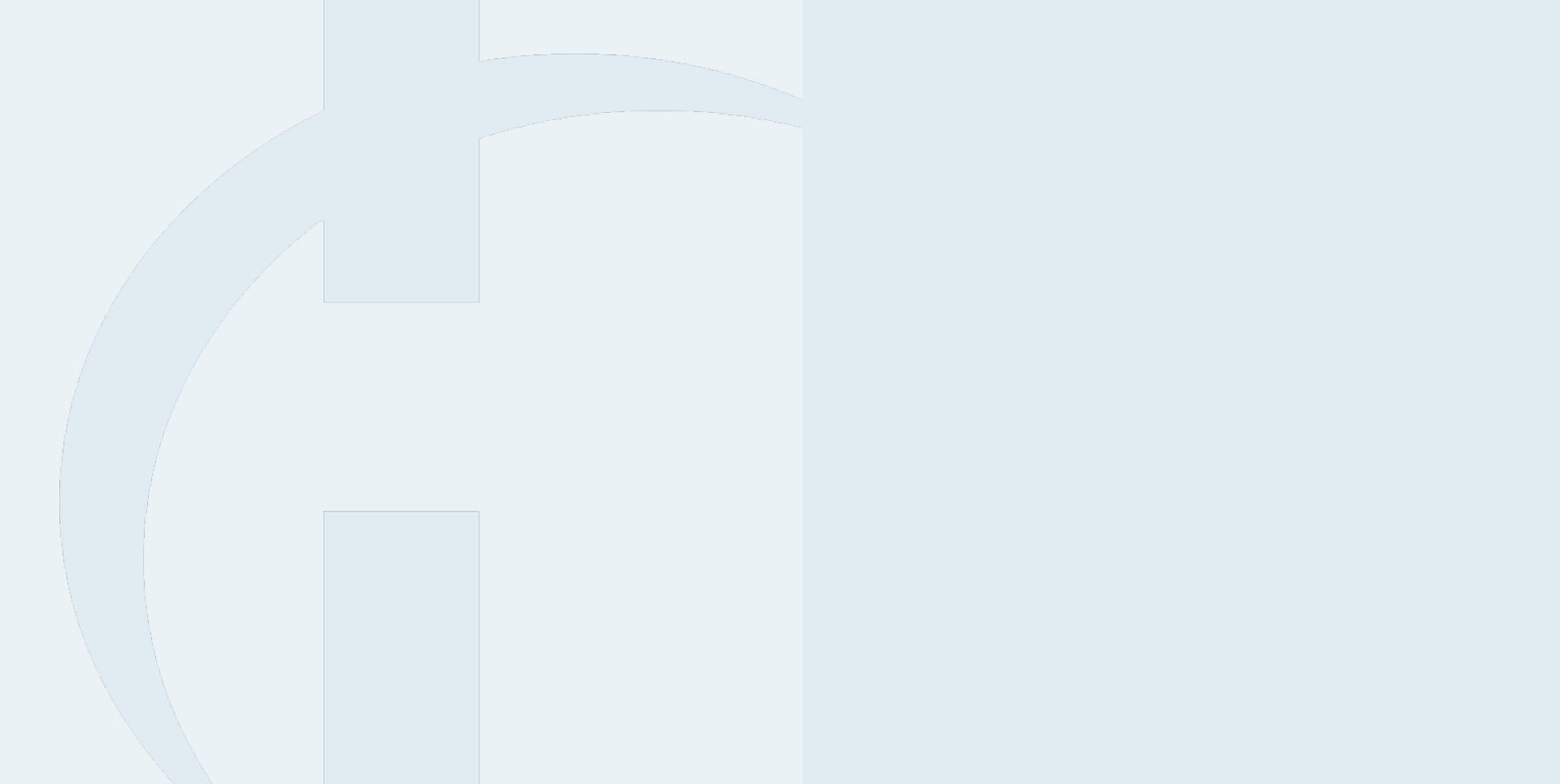
**The Health Connector requests Board of Directors approval to enter into an Agreement with Faneuil, Inc. for the following:**

## **Services:**

- Contact center and Back office Services
- CIC (Walk-in) Services
- Small Business Contact Center

## **Service Term:**

- August 20, 2019 to June 30, 2024
- Two, two-year renewal options



# **Appendix: Proposals Evaluation Steps and Scores**

# Step 1 – Evaluation of Proposals

**Each scoring team member read the proposals and scored. Then team sessions were held with the purpose of arriving at a collective team score**

- Strengths and weaknesses of each Bidder were discussed and compared to the criteria of the score card
- At the conclusion of the sessions, each Bidder received Business and Technology Response and Optional Services scores (Score 1)
- Price analysis was conducted independently by the Health Connector’s finance team members. Once the financial analysis was completed price scores were calculated (Score 2). The Bidder with the lowest price received the maximum score in the price category. The pricing offered by all remaining Bidders was scored proportionately in relation to the lowest price Bidder using the lowest price as the numerator.
- Finally, the SST scored Overall Value - a combination of operational capability, technology, and price (Score 3)

**The total of the three scoring components comprised the final total. The SST selected all Bidders to move on to Oral Presentations.**

	Max Points	Faneuil	Bidder 2	Bidder 3	Bidder 4	Bidder 5	Bidder 6
Business and Technology Response (Score 1)	650	464	527	519	375	559	411
Optional Services (Score 1)	100	66	N/B	75	15	90	54
Price Response, includes Optional (Score 2)	150	93	130	99	126	94	126
Overall Value (Score 3)	100	30	45	85	40	60	45
<b>Total Proposal Score, w Price</b>	<b>1000</b>	<b>653</b>	<b>702</b>	<b>778</b>	<b>556</b>	<b>803</b>	<b>636</b>

## Step 2 – Oral Presentations

**Bidders were asked to cover the following topics during Oral Presentations:**

- Proposed Implementation plan with variations in the plan dependent of the CRM used (Bidder-owned v. Health Connector owned CRM)
- Demo of Technology Infrastructure
- Bidders ability to provide exceptional Customer Service and approach to understanding and continuously improving the Customer Experience
- Project team qualifications and governance structure
- Proposed operations approach to Resource Management, Development, and Planning
- Rationale and assumptions for submitted Price Response

**Following Oral Presentations, the SST re-scored Bidders using the same Score Card and incorporating all information learned during Oral Presentations.**

**The three highest scoring Bidders were moved on to Site Visits.**

	Max Points	Faneuil	Bidder 2	Bidder 3	Bidder 4	Bidder 5	Bidder 6
Business and Technology Response	650	509	349	536	324	491	412
Optional Services	100	66	10	75	15	83	54
Price Response, includes Optional	150	97	107	102	129	88	142
Overall Value	100	70	30	88	40	40	55
Total Proposal Score, w Price	1000	742	496	801	508	702	663

## Step 3 – Site Visits

### Site Visits were conducted for the three highest scoring Bidders

- The objective of the Site Visits was to validate what was learned from the written RFR responses and Oral Presentations. It was also important to meet additional staff members of the Bidder teams and to witness the operations first hand

**Following Site Visits, the SST re-scored the Bidders using the same Score Card and methodology. Any changes in price, or clarifications of the solution being proposed by the Bidders as a result of Site Visits, were incorporated into the analysis and scoring as well**

**The SST made a decision to extend the opportunity for Best and Final Offer to the two highest scoring bidders.**

	Max Points	Faneuil	Bidder 3	Bidder 5	Bidder 6
Business and Technology Response	650	550	502	467	412
Optional Services	100	66	75	86	54
Price Response, includes Optional	150	111	122	100	150
Overall Value	100	85	78	40	55
Total Proposal Score, w Price	1000	812	777	693	521

# Step 4 – Best and Final Offer (BAFO)

The request for BAFO included the following required elements:

- Any final adjustments in overall price and adjustment to a tiered PMPM pricing model
- Demonstrated cost efficiencies to the Health Connector as membership grows
- Affirmation that all requirements were included in the overall price
- Schedule for payments associated with completion of implementation milestones
- Confirmation of proposed Contact Center Staff and Leadership plan, by location

The SST also conducted reference checks with current and past Bidder clients.

Once BAFOs were received and analyzed, the SST re-scored Bidders.

	Max Points	Faneuil	Bidder 3
Business and Technology Response	650	560	498
Optional Services	100	66	75
Price Response, includes Optional	150	136	150
Overall Value	100	87	78
Total Proposal Score, w Price	1000	849	801