



Case Study

Innovative Customer Management Solution Delivers Cost Improvements for Healthcare Company

Pain Points:

"I need to create a better experience for our customers."

Industry:

Healthcare

Solutions and Products:

Customer Innovation

"During our relationship, TeleTech has consistently executed new projects and performed above expectations by delivering strategies that streamline operations, leverage technology, and decrease costs. We will continue to trust TeleTech with one of our most important assets: our relationship with healthcare providers."

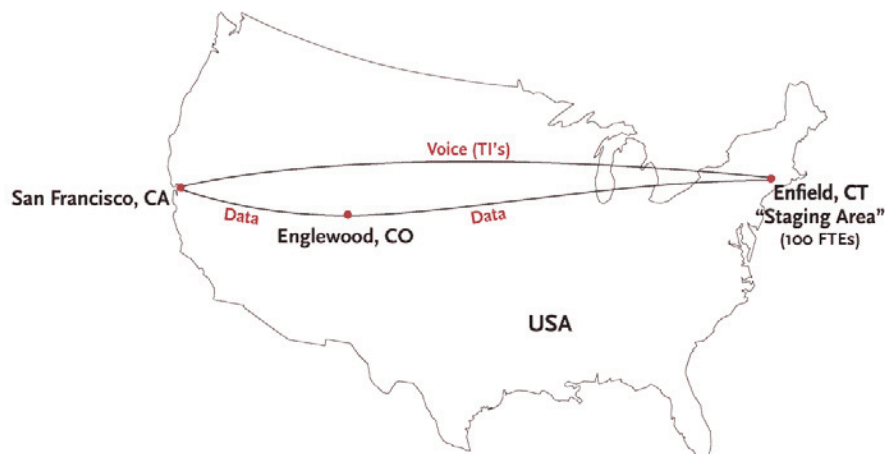
Ken Wood, Chief Operating Officer and Executive Vice President, Blue Shield of California

Business Challenge

Blue Shield of California (BSC), one of the largest nonprofit entities in the U.S. and one of the nation's top 20 health plans, faced a balancing act: how to reduce the cost of handling interactions with physicians and hospitals while maintaining the level of quality that has been a hallmark of its brand. BSC has 3.2 million members and annual revenues of \$6 billion.

TeleTech Solution

At the beginning of the relationship, TeleTech established an onshore "staging area" at one of our facilities located in the heart of the Northeast insurance corridor. After 18 months of operations, TeleTech successfully transitioned the less complicated calls to the Philippines and backfilled the U.S. center with the more complex interactions. Just after three years, TeleTech was taking 100% of all provider calls and meeting or exceeding all client metrics. Over three years, the program has grown from 60 to 240 associates.



Stage One – Go-live in Enfield and Expansion

Solution Delivery

TeleTech established an onshore operation that proved itself in head-to-head competition with BSC in-house resources. High productivity led to an increase from 50% to 100% of provider Eligibility and Benefits (E&B) calls by the end of year one with zero transfers back to BSC.

- June, Year One: Assessed BSC's call center operations and technology
- August, Year One: Selected Enfield, CT location in the heart of Northeast insurance corridor
- October, Year One: Redesigned training, reduced training time 6 to 4 weeks with 95% graduation rate
- November, Year One: Program went live with 60 associates, handling 50% of E&B volume
- September, Year Two: Handled one millionth call for BSC
- January, Year Three: Expanded to 100% of provider E&B volume, 185,000 calls per month

Measurements of Success

- Delivered cost per call 20–25% lower than internal benchmarks
- Earned quality scores in 95–97% range, equal or superior to internal centers
- First call resolution 99.9%
- Average Handle Time (AHT) reduced 37% from January through September
- Number of associates grew from 60 in November Year One to 100 in January Year Three
- Voice of Customer study resulted in interactive voice response (IVR) enhancements that reduced provider call volumes by 20%



Solution Expansion

TeleTech expanded the program to an offshore center, yielding an average cost per call 35% lower than BSC's in-house centers. Dynamic call routing via Voice over Internet Protocol (VoIP) network supported a seamless transition.

- April, Year Two: Developed plan to make Enfield a "staging area" by transitioning Tier 1 calls offshore, making room for Tier 2 calls in Enfield.
- May, Year Two: Successful Claims Inquiry pilot in Enfield
- May, Year Two: Selected Manila as optimal offshore location due to its American-accented, service-minded associates, presence of medical skills, and compelling cost savings
- September, Year Two: Flawless launch of high quality operations in Manila. Three keys to success:
 1. Very selective hiring—5% acceptance rate
 2. Expatriate management team with extensive call center experience
 3. Invested in onsite resources for launch. BSC sent one person for three months, TeleTech sent seven people for three weeks each.

CONTACT TELETECH:

solutions@teletech.com

1.800.TELETECH or

+1.303.397.8100 (outside the U.S.)

www.teletech.com

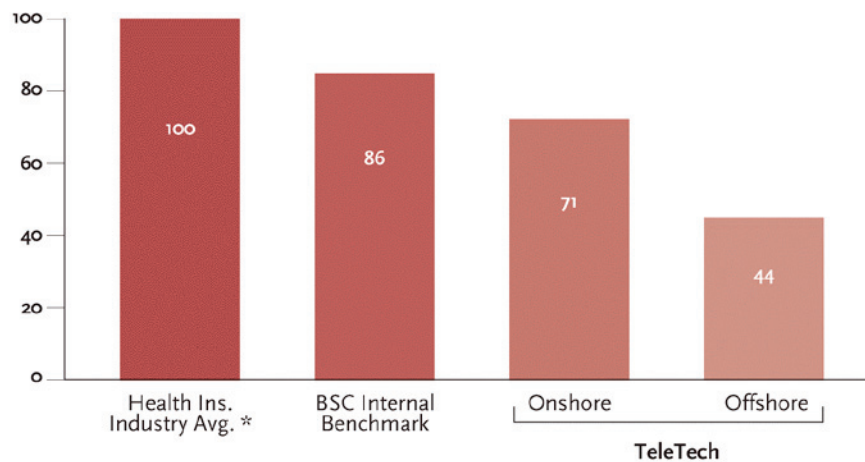
- September, Year Two: Converged voice and data, dynamic call routing. Reduced onshore telecommunications costs by 80%.
- December, Year Two: Manila AHT and quality reach U.S. standards
- June, Year Three: Manila Inquiry Accuracy score reaches 100%
- November, Year Three: Handled five millionth call for BSC

Summary

Over a three year period, BSC and TeleTech have partnered to decrease cost to serve providers, improve quality, and transfer customer interaction skills to BSC's internal operations.

Quality Scores

The standard quality evaluation includes 16 categories. Overall quality scores remained above the 90% SLA required by BSC, with year-over-year improvements. In some cases the quality scores reached 98%.

Cost per call Index

* Benchmark Portal, Jon Anton, Purdue

Cost Per Call Index - (Industry Average = 100)

Measurements of Success

- Center uptime 99.99%, cost per call reduced 35%, quality scores consistently in 96–98% range
- Skills transfer: accelerated training design and utilized QA scorecard in-house