

HIBC QUARTERLY STATUS REPORT: APRIL, MAY & JUNE 2005

BACKGROUND

The province's overall objectives for the administration of Medical Services Plan (MSP) and PharmaCare operations are to:

- Improve and modernize service to the public while assuring protection of privacy;
- Secure ongoing access to current and evolving technology and leading edge business practices;
- Avoid significant up-front and ongoing capital investment to upgrade or replace supporting technologies;
- Transfer to the private sector the risks of improving and maintaining service delivery within a pre-defined budget allocation; and
- Permit the Ministry of Health to focus on its core business – stewardship and leadership for the health system in British Columbia – rather than direct delivery of services.

In November 2004, MAXIMUS BC signed an agreement with the Ministry of Health to manage the MSP and PharmaCare administrative services on behalf of the B.C. government. Medical Services Plan and PharmaCare services were transferred to MAXIMUS BC effective April 1, 2005. The new program name is Health Insurance BC (HIBC).

HIBC responsibilities include:

- Administration of MSP and PharmaCare business services (including registration for MSP and processing applications for Premium Assistance and Fair PharmaCare); and
- Registration of health care providers and payments to them of medical and pharmacy claims.

Policy development related to both MSP and PharmaCare remain within the Ministry of Health. The agreement calls for MAXIMUS BC to run the operations and supporting technology essentially “as is” and replace outdated systems over the next year.

The transfer of operations on April 1, 2005, entailed:

- Recruiting and training staff at the start up. Health Insurance BC currently employs approximately 325 staff, including 205 staff who were previously Ministry of Health employees. Plans are in place to hire 28 more employees by the end of September;
- Improving services as new technology comes online in the next year, including:
 - Centralization of all incoming calls into a single call centre, and
 - Incorporating a highly automated process for tracking and controlling call centre activities;
- Moving from a paper-based process to an electronic format to expedite the recording and tracking of all information received from beneficiaries;
- Introducing a rigorous documentation security process to protect the confidentiality of information received from applicants, recipients and providers to achieve the highest standards for information privacy; and,
- Seamless handover to ensure the successful functioning of all existing systems and business processes.

STATUS UPDATE

The Ministry's objective for HIBC is to improve and modernize MSP and PharmaCare services to the public. To monitor performance, the Ministry has established service standards for a number of functional areas that are critical to service delivery for the public and health care providers. The three areas with the greatest impact on service delivery are:

- Answering calls promptly and providing accurate assistance;
- Processing enrolment, premium assistance and claims requests in a timely manner;
- Maintaining technology that supports health care providers in a timely manner.

The quarterly report covers eight key areas that reflect service to the public. HIBC did not meet service level requirements in the first quarter for answering calls from the public and processing enrolment requests. A significant contributing factor affecting service delivery has been an unprecedented increase in call volumes.

Attachment A provides a summary of key service level standards and results for the first quarter of operations (April 1, 2005 – June 30, 2005).

HIBC PLANS TO IMPROVE PERFORMANCE

HIBC has developed a plan to improve overall program performance, ensure high quality customer service and get service levels back on track. The following is a summary of the plan:

WHAT HIBC HAS ALREADY DONE?

- Authorized maximum use of voluntary overtime beginning in May, 2005.
- Recruited and trained additional staff to handle unexpected volume in general public telephone calls; these staff began work on August 11, 2005.
- Recruited and trained additional staff to process documents; including an afternoon shift that was put in place on September 6, 2005, to deal with paper backlogs
- Modified call centre messages to inform the public of high call-volume time periods when delays may be experienced, and best times to call.
- Posted frequently asked questions to the HIBC website at www.hibc.gov.bc.ca to inform the public about some of HIBC's basic services and serve as a telephone alternative.

FURTHER ACTIONS UNDERWAY:

- Recruitment of additional call centre and document processing staff.
- Designation of dedicated staff to deal with enrolment backlog rather than performing combined duties of phone answering and paper processing.
- Continued improvement of processes to streamline document flow, and increase both efficiency and timeliness of processing.
- Improved clarity of written communications to the public to decrease the need to call HIBC.
- Improved HIBC website to provide additional information and options for self service.

WHEN WILL REQUIRED SERVICE LEVELS BE MET?

- HIBC will meet telephone service standards by end of September 2005.
- HIBC will meet document processing standards by the end of November 2005.

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ATTACHMENT A: KEY SERVICE STANDARDS

The MAXIMUS BC contract is worth approximately \$325 million over 10 years. In the contract there are 27 detailed areas of performance which are monitored on a regular basis. Performance standards are set and penalties can be assessed for substandard performance. These penalties grow if performance continues not to meet the established standard. These penalties are a strong incentive for performance and can result in accumulated penalties of hundreds of thousands of dollars a month. Because of the proprietary nature of the information related to the exact penalties levied under the contract, the quarterly report will only indicate that penalties were levied.

The table below outlines the eight key performance areas that are critical to the success of HIBC in its interface with the public and providers. The table indicates whether each of these key service levels was met and provides explanatory information when the service level was not met. For this quarterly report, service levels in all other areas which are tracked, all of which are of a more technical nature, have been met. In future reports, HIBC will report on any of the secondary measures, outside of these eight key indicators, where service levels were not met.

Expected Service Standard	1 st Quarter Performance	Additional Performance Information
General Public Telephone Inquiry Response Time <ul style="list-style-type: none"> Average speed to answer first call – Less than three minutes 	<ul style="list-style-type: none"> April and May service level met with average speed to answer less than three minutes. June service level not met with average speed to answer seven minutes and 12 seconds. 	HIBC received and answered more MSP and PharmaCare general public inquiries than ever before in the history of the programs. Volumes increased due to: <ul style="list-style-type: none"> No busy signals due to increased call centre capacity so all callers could get through; Improvements to the premium assistance thresholds affecting around 215,000 people, which came into effect July 1, 2005, and spurred large volumes of calls. Total telephone call volume: April, May and June 2005: 431,000 April, May and June 2004: 332,000 Increase: 30 per cent in total call volume.
MSP Enrolment Processing Processing of all MSP enrolment applications and issuing CareCards <ul style="list-style-type: none"> 70% within 20 business days 96% within 40 business days 	<ul style="list-style-type: none"> This service level was not met in April, May and June. 	Staff were diverted from enrolment processing to phones to handle the significant and unprecedented call volume.
MSP Premium Assistance Application Processing <ul style="list-style-type: none"> 60% within 20 business days 90% within 40 business days 	<ul style="list-style-type: none"> April substantially met; May not met; June met. 	Staff were diverted from Premium Assistance processing to phones to handle the significant and unprecedented call volume.

Expected Service Standard	1 st Quarter Performance	Additional Performance Information
MSP Account Maintenance Processing of all changes to accounts such as change of address, change of account from one spouse to another etc. <ul style="list-style-type: none"> • 40% within 40 business days • 75% within 180 business days 	<ul style="list-style-type: none"> • April, May and June service level was met. 	
Health Care Providers and Pharmacists Inquiry Response Time <ul style="list-style-type: none"> • Average speed to answer first call – Less than one minute 	<ul style="list-style-type: none"> • April, May and June service levels were substantially met. 	Minor variance from service level did not impact service to providers.
Medical Claims Processing <ul style="list-style-type: none"> • 96.5% within two weeks Health Care Provider and Pharmacy Payments <ul style="list-style-type: none"> • 100% on-time mid and end of month payments 	Exceeded service levels for claims processing and on-time payments for April, May and June.	
PharmaCare Pharmacist Help Desk, Availability of Pharmacy Claims Processing System and Medical Electronic Claims Processing System (Teleplan), Fair PharmaCare Interactive Voice Response, Web Applications and Travel Assistance Application. <ul style="list-style-type: none"> • Available 24 hours a day, seven days per week (allows for minor outages and planned maintenance) 	<ul style="list-style-type: none"> • Service levels met for April, May and June. 	

PENALTIES APPLIED	
Month	Penalty
April 2005	MSP processing turnaround times
May 2005	MSP processing turnaround times
June 2005	Public telephone average response time MSP processing turnaround times