

## Blue Cross and Blue Shield of Vermont

### 2015 Best Practice

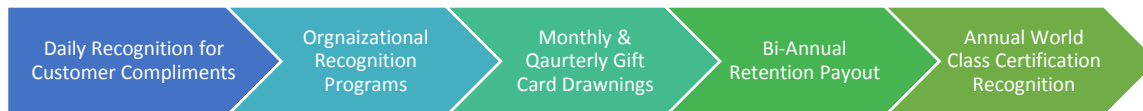
#### Customer Service Representative Recognition Programs

##### Overview:

Blue Cross and Blue Shield of Vermont is committed to the health of Vermonters, outstanding member experiences, and responsible cost management for all of the people whose lives we touch. Within our organization, we focus on our work environment creating a supportive team-based culture where people work together, member experience is a top priority, and customer service recognition programs align with customer satisfaction measures. Our call center understands the importance of recognizing employees for achieving best-in-class results and strives to reinforce behaviors that support first call resolution.

BCBSVT has a series of rewards and recognition programs conducted in a multilayered approach to provide frequent feedback and motivation to the customer service staff. The CSRs are motivated to achieve best-in-class performance for recognition of their efforts. The CSRs' satisfaction with the effectiveness of these programs is evident in the SQM BCBSVT Employee Satisfaction Survey results.

#### BCBSVT Customer Service Recognition Programs



##### Customer Compliments:

Our call center receives customer compliments daily, and these compliments come from customers who express their satisfaction with how one of the CSRs handled their issue. In 2013, supervisors and CSRs began e-mailing these compliments out to the call center with a brief description of what actions were taken, what the customer had to say about the CSR, and the CSR is named so the entire department knows which CSR received the compliment. In addition to sharing the compliment with the entire team, the supervisors, director, and vice president respond and acknowledge the CSR for a job well done. This recognition is free but shows the CSRs on a regular basis how much we appreciate their mission to achieve first call resolution. It also frequently results in their peers cheering them on and congratulating them on a job well done which is an excellent morale booster.

##### Organizational Recognition Programs:

Spotlight on Excellence is an employee recognition program that gives BCBSVT managers the opportunity to acknowledge their employees' accomplishments. These acknowledgements target behaviors which demonstrate credibility and reliability through quality work and timely service that are:

- Valuable to the organization
- Focus on quality and excellence while reinforcing the BCBSVT core values
- Achieve results that are clearly beyond the employee's job expectations and the employee overcomes barriers to achieve these results

- Demonstrate innovation that measurably improves or enhances BCBSVT’s objectives through process improvements, demonstration of a commitment to personal excellence, and information-sharing that has constructively challenged current practices in order to improve our business or a demonstration to strong commitment to continuous improvement

The program is intentionally simple and fun, so that our managers are encouraged to use it regularly as a means to reward and recognize their staff. Employees are selected by their managers and receive a handwritten card thanking them for their contribution as well as a \$35 gift card. The employee can pick out the gift card they want which could be to a restaurant, movie theater, spa, or retail store.

In addition to the Spotlight on Excellence, employees may also recognize each other for jobs well done through our Cheers for Peers award program. Cheers for Peers is tied to our corporate core value, “Valuing Each Other and Our Partners”. The peer recognition program allows BCBSVT employees to nominate their co-workers for a recognition award. All BCBSVT employees are eligible to participate in this program as nominators and nominees. Employees who are nominated by their co-workers receive a handwritten card and can pick out a small gift in Human Resources.

#### Monthly & Quarterly Drawings:

In 2013, BCBSVT began recognizing CSRs each month who achieve 100% in two metrics: calls resolved and quality assurance. The names of the CSRs who achieve 100% in these metrics are shared with the department via e-mail and entered into a drawing for a \$20.00 Amazon gift card. Five lucky CSRs win a \$20.00 Amazon gift card each month. In addition, the same pool of CSRS are also entered into a quarterly drawing where three CSRs are eligible to receive a \$75.00 Amazon gift card.

#### Retention Program:

The customer service retention bonus program was created in 2009 as a tool to help decrease customer service turnover both internally and externally, and the program is unique to the customer service department. This program is in addition to our company incentive bonus, and the CSRs are eligible to receive both. The retention program is a points-based program, and each point equates to one dollar. The CSR is eligible to receive two payouts per year totaling up to \$1,440 annually before taxes, which occur in April and October. The SQM metrics replaced call handle times and volume of calls taken after we implemented the SQM monthly tracking in 2010. The amount of the payout is driven by the CSRs performance in the following metrics: call center abandonment rate, MTM inquiry timeliness and accuracy, internal quality assurance results, SQM CSR CSat results, SQM Calls Resolved results, SQM World Class, and longevity in the position. The payout, which is tied to longevity in the position, gives CSRs who have more than five years of service, an extra amount to help encourage retention in the department. Our data shows that CSRs with four plus years of service have a much higher call resolution performance rate than CSRs with service of six months or less.

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experience has resulted in fewer incoming inquiries which has proven to be an effective cost avoidance strategy. CSRs are provided monthly reports so they can track their performance. They can also log into the SQM portal whenever they would like to track their Calls Resolved, CSR CSat, and World Class surveys. The retention program is integrated with the CSR’s career advancement, meaning the performance standards become more challenging when the CSR is promoted to a senior representative. Employees on a formal disciplinary action plan and those who have accepted a position outside of the customer service department forfeit their payout. Prior to this program, the customer service turnover was running at 43 percent a year; it now runs around 16 percent.

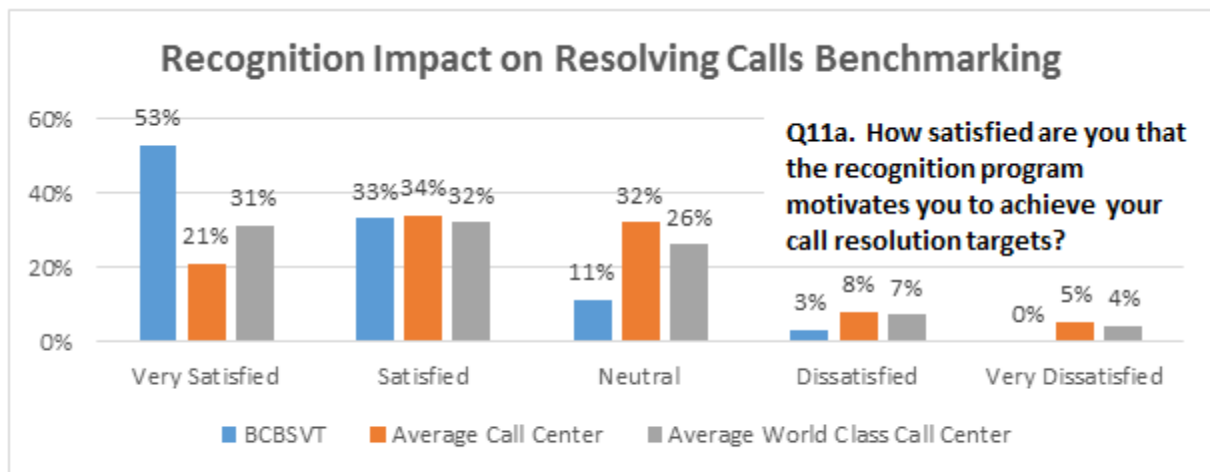
### Annual World Class Certification:

As an organization, we strive to achieve World Class Certification for our call center. We achieved our goal in 2012 and 2014, and are on track for 2015. Each time we achieve World Class Certification, we provide each call center employee with a fleece jacket with World Class Certification embroidered on the jacket. We also recognize World Class Certified CSRs individually on an annual basis with a \$50 Amazon gift card as well as a framed certificate which can be displayed in their cubical. CSRs who receive awards for most improved also receive a \$50 Amazon gift card. Individuals who have won awards for most improved as well as CSR of the Year share their inspirational stories with the other CSRs in staff meetings to help encourage others who may be struggling with their numbers so they can see that anything is possible with commitment and hard work.

## Demonstrating Results

### Employee Satisfaction Results:

BCBSVT participated in the SQM Employee Satisfaction Survey in 2015. The BCBSVT CSR results outscored best-in-class organizations by 22% and average calls centers by 32% in the “very satisfied” category when asked how satisfied they were with the BCBSVT recognition programs motivating them to achieve call resolution targets. We believe that our multilayered approach used for our rewards and recognition programs which offers regular feedback combined with our organizational culture to put the member first, is what has resulted in the best-in-class employee satisfaction results.



N= 38 Respondents, Measurement Method- SQM Employee Satisfaction Survey

**The following comments were made by CSRs about our recognition programs in the SQM Employee Satisfaction Survey:**

*"It's an honor to achieve call resolution and meet that stretch target. You want to give it 100% to meet that goal."*

*"Our recognition program is motivating because while we appreciate the recognition we receive from the company, I personally am more motivated by the response I receive, either on a call or from a survey, of how satisfied the caller was. Ultimately, I believe that is the most important goal, and that is stressed by our call center supervisors as well."*

*"There are rewards for meeting our resolution goals; these keep me and team members motivated to meet said goals."*

*"The recognition program and becoming WC Certified are very important to me. BCBSVT does a great job in acknowledging the hard work and effort put forth."*

*"Love rewards and incentives."*

#### **First Call Resolution & Call Center CSat Results:**

BCBSVT began monthly tracking with SQM Group in 2010 and has consistently outperformed the Blues System in FCR and Call Center CSat results, and BCBSVT's CSat and FCR scores did not experience a downward performance trend tied to Health Care Reform. Vermont had its fair share of challenges to overcome when the Exchange Marketplace was implemented in 2014; Vermont was the only State in the nation to implement a State-based Marketplace which did not allow small groups and individuals to purchase directly from a health insurance carrier. The Vermont Marketplace started with significant defects, which continued through 2014 and 2015. In 2014, BCBSVT was asked by the Governor of Vermont to enroll small groups directly because the State was unable to build the functionality. BCBSVT was able to overcome these challenges and see our customers through the transition by implementing an elaborate outreach campaign and access to care plans to ensure that BCBSVT members did not go without coverage. BCBSVT's proactive approach to managing a challenged State-run Marketplace, combined with the alignment of our CSR recognition programs, resulted in BCBSVT experiencing consistent increases in our FCR and Call Center CSat metrics while the Blues System as a whole experienced declines in both metrics starting in the second half of 2013. Using customer feedback gathered through SQM surveys as a staple within our CSR recognition programs provides the infrastructure required to reinforce and reward positive behaviors.

#### **World Class Certification Results:**

In addition to achieving best-in-class results in the FCR and Customer Satisfaction CSat, BCBSVT was recognized as a World Class Certified Call Center in 2012, 2014 and is on track for certification in 2015. Since beginning our monthly tracking with SQM Group in 2010, BCBSVT has increased the number of CSRs that qualify for World Class Certification by over 50%. This increase in CSR World Class Certification is a result of having CSR recognition programs and practices that reinforce the importance of customer feedback and the ability to align customer service recognition programs with that feedback.

### Conclusion:

BCBSVT has experienced large growth in membership volume between 2010-2015. During this time, we have reduced our call rate per one thousand members by approximately 30%, spending approximately \$50,000 less on repeat calls in 2015 than in 2010, while experiencing an increase in member call volume by almost 10% during the same time period. If BCBSVT had continued to perform at 2010 FCR level and had not improved our FCR rates, we would have been facing a projected 30% increase in call volume as a result of the membership growth instead of the almost 10% increase. The steps which BCBSVT has taken to align customer service recognition programs with SQM metrics has not only created a meaningful rewards system for the customer service staff as demonstrated in the employee engagement results, it has also been a cost avoidance strategy. Although overall investment in the recognition programs used by BCBSVT represents only 1% of the overall call center budget, the results BCBSVT has realized as an outcome of these programs has made BCBSVT one of the top performing Blue Plans in FCR for 2014 and the first half of 2015.