

Employee Benefit News

Handled with care

You're treating employees with extra TLC these days - so are TPAs.

By Lynn Gresham
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How can I help you?"

For employees concerned about their benefits and the third-party administrators assisting them, this conversation opener and the skills behind it have never been more important.

The recession's harsh realities - job losses, benefit cuts, and ongoing health and retirement plan changes - have employees anxious and confused. Their questions about benefit details are more frequent and more urgent, **a fact not lost on TPAs**.

TPAs' success has always depended on good customer service and information personalization, says Fred Hunt, president of the Society of Professional Benefit Administrators. But these days, he adds, "TPAs have to work harder to keep every participant happy."

Erich Sternberg, president of AlwaysCare Benefits in Baton Rouge, La., agrees. His firm provides supplemental benefits, including vision, dental, life and disability, and has its own call center.

"It's absolutely more important today for customer service representatives to have good soft skills," he asserts. "People are much more frustrated and anxious. You have to explain why something is not covered, but even more important, what a particular benefit is and why you should take advantage of it."

Third-party administrators typically make sure that their customer service representatives are **well-versed on plan details** and that there also are experts available to answer employers' questions on **costs, plan design and regulatory issues**. "Industrywide, [CSR] training overall is very good, and we're proud of that," Hunt asserts.

However, some TPA industry leaders recognize that they can do more to sharpen their CSRs' interpersonal skills at **this critical time** and are kicking CSR education and training up a notch.

Hard data, soft touch

Seattle-based Zenith Administrators, Inc., established in 1963, is one of the nation's oldest and largest TPAs, serving 600,000 health plan members and 135,000 retiree pensioners. It has 25 U.S. offices staffed by 892 personnel, 500 of whom are call center representatives who each take up to 100 member calls per day.

John Corapi, Zenith's president and CEO, has invested heavily in new technology in recent years, and he wanted to be sure that his call center representatives were cutting-edge as well. To determine just how good Zenith's service was and where additional training was needed, he hired a market research firm to conduct a national telephone survey of 1,800 employees who recently had called Zenith with claims or pension questions.

"We did not want to neglect the soft skills and all touch points we have with members," he says. "Everyone talks about providing great customer service, but what they say is usually

based on subjective information from clients. We wanted objective, third-party data to see if what we'd been saying about our service was really true. The goal was to be able to demonstrate it and give ourselves benchmarks for where we need to improve."

The survey focused on member perceptions, "which lead to how they feel about us," Corapi explains. "Was the representative prompt in answering the call? Did he listen? Was he knowledgeable and helpful? Was he able to answer the questions? Did the plan member feel understood?"

The results were extremely positive. Using the American Customer Service Index, which ranks different industries, Zenith reps scored an overall 8.5 out of 10 points. In comparison, Corapi says, the average score for the health industry as a whole is 7.3; banks' ACSI rating is 7.5; the score for department stores is 7.4; Medicare rates 7 and the Social Security Administration is at 6.9.

"Zenith can be quite proud of the job they're doing in meeting expectations," says Don Morgan, a principal at GMA Research and the consultant who developed the survey for Zenith. "In a TPA call center, representatives are dealing with anything from a 1-to-10 on the Richter scale in terms of problems. They must listen carefully, understand what's being said, and have knowledge and professionalism to respond in a way that solves the problem for the person and engenders trust in the organization. That's quite a bit different from other industry customer service scenarios."

The survey results helped Zenith identify areas for improvement, too, particularly around soft skills. The company hired Linda Chidester, an independent consultant, to fine-tune the existing program and lay out a plan for ongoing soft-skills education.

"In my experience, this is the most neglected customer service skill set," Chidester says. "Most companies focus on mechanics, process pieces and utilizing the information they have. Soft skills are covered only briefly, if at all. Large companies with their own trainers do a better job, but still not necessarily the best job."

Soft skills are those that enable a representative to establish a connection, brief as it may be, with the person they are talking with, Chidester explains. "They are very basic, universal people skills that we use not only with customers, but also in everyday life. There's not a lot of mystery around them." (See sidebar, above.)

Given the **situations TPAs deal with**, there are always areas for improvement, Morgan notes. He and Corapi agree that Zenith's challenge now is raising the quality bar higher.

"Our industry is technology driven and service driven," says Corapi. "We rated pretty high on customer service, but that's not good enough. Our competitors will eventually catch up, and we want to be ahead of that. Continuous improvement is what will make us successful."

Connecting in multiple ways

Another TPA that is pushing the envelope on both customer service training and technology is Employee Benefit Management Services, Inc., in Billings, Mont. The company has 340 employees and offices in four states - Montana, Colorado, Utah and Oregon.

In 2007, the company launched EBMS University. All employees are required to take 22 basic knowledge, skills and abilities courses provided through the university, many of which focus on soft skills and all of which tie back into EBMS' mission, vision and core values.

"EBMS has built professional development and training into our strategic plan," says Senior Vice President Kevin J. Larson. "We have a dedicated training department and have allocated significant attention and resources to ensure our employees are presented with better opportunities for personal and professional growth."

Shelley Hayes, who joined EBMS in September 2008 as director of corporate university, says that being part of a company that invests so strongly in its employees is exciting.

"It's not only about how fast and well you can do the job, but also about whether you are a happy, whole person," she observes. "The owners really care about the employees, and they want to show that by offering continued opportunities for growth within the organization as well as personal growth."

Improving employees' soft skills is a major focus of EBMS University. "It all ties back to soft skills with technical training underneath," says Hayes.

But EBMS' efforts to improve customer interaction and satisfaction don't end with staff education. "Not only do we need to have more [CSR] training, but we also need to need to provide customers and members with different ways to access our employees," says Larson. "We decided to employ additional options, such as access to our Web site and the ability for members to e-mail our customer service representatives. We're also deploying live chat functionality through our site, so if someone has a question related to a claim or service, they can talk to a representative."

"We think it's important to reach out and talk with a member rather than sending a letter," he continues. "We even coordinate three-way calls between the CSR, member and, say, HR or their physician, to drive resolutions. We call this program 'One Call, That's All.' Even if the issue isn't directly related to a claim, we'll reach out and try to resolve it for you."

EBMS also has implemented a program called "First-Time Claim Resolution." Traditionally, Larson explains, if a TPA or insurance company needs additional information to adjudicate a claim, it sends the member a letter requesting it.

"We're trying to head off those letters and reach out to members. We call them and tell them that in order to make payment, we need X, Y or Z. We won't deny or process the claim until we receive that information. People feel like insurers just deny claims, and we wanted to dispel that."

Larson believes these two new outreach programs help differentiate EBMS from its competitors. Clearly, they put the TPA on a higher customer service rung. "In a way, you can tie our programs back to the economy," he says.

"People are hypersensitive about every dollar they're spending. If, for example, we can save an individual the stress of getting an EOB that says they may owe money, it certainly helps." - L.G.

Soft skills checklist - Rating your TPA

There are six soft skills that are basic to customer interaction and essential for TPA customer service representatives, says Seattle consultant and soft skills trainer Linda Chidester.

1. Greeting. The rep should thank the plan member for calling, give his/her name and ask for the member's name. HIPAA requires reps to obtain particular details from callers, which members may consider an annoying "roadblock." A skilled CSR will acknowledge that and wrap back around to required information: "Before I can help you, I need to ask a few more questions." It's also important to let the employee explain - completely - why she is calling. Experienced CSRs sometimes go on auto-pilot, formulating an answer as they listen, thinking this will save time.
2. Questions. CSRs must know the difference between open and closed questions and how to use each one.
3. Acknowledgement. This is the hardest skill for CSRs to master. They need to restate the concern with meaning, preferably paraphrasing. Acknowledgement is not agreement or accepting blame. Rather, it's: "I understand. What you're saying is ... "

4. Informing. All TPA CSRs are experts at **providing information**. But in addition to communicating facts, they need to explain the results the caller can expect and verify that the member understands and accepts the information provided.

5. Managing the call. Responding to a dissatisfied person is difficult. CSRs need to use acknowledging and informing skills to calm and move forward.

6. Closing the call. The CSR should review what action or commitment the member and he must take as result of the call. If the caller mentioned other concerns during the call, those should be addressed at this time. Last, he should ask if there is anything else he can assist with, repeat his name again, and thank them for calling.

Ideally, a TPA will record incoming calls and use them to provide immediate feedback to CSRs. If the firm does not do call monitoring or does not spend much time on soft skills instruction, those are red flags.