Schedule 13

Funding Request for the FY 2015-16 Budget Cycle

Department of Health Care Policy and Financing

PB Request Number R-10

Request Titles

R-10 Customer Service Center

Dept. Approval By: Josh Block

OSPB Approval By:

	Supplemental FY 2014-15
X	Change Request FY 2015-16
	Base Reduction FY 2015-16
	Budget Amendment FY 2015-16

Line Item Information	Fund	FY 2014-15 Appropriation	FY 2014-15 Request	FY 2015-16 Base Request	FY 2015-16 FY 2015-16	FY 2016-17 Continuation
Total of All Line Items	Total	$41,946,320	$0	$41,396,858	$2,077,065	$2,231,328
	FTE	360.4	-	360.6	20.8	25.0
	GF	$14,900,775	$0	$14,507,000	$674,424	$730,175
	CF	$3,966,900	$0	$4,131,201	$364,111	$385,492
	RF	$2,111,659	$0	$2,239,086	$0	$0
	FF	$20,966,986	$0	$20,519,571	$1,038,530	$1,115,661

Line Item Information	Fund	FY 2014-15 Appropriation	FY 2014-15 Request	FY 2015-16 Base Request	FY 2015-16 FY 2015-16	FY 2016-17 Continuation
01. Executive Director's Office - Personal Services	Total	$26,043,374	$0	$26,913,985	$841,275	$1,039,797
	CF	$2,676,189	$0	$2,746,161	$116,601	$144,115
	FF	$12,679,416	$0	$13,118,575	$420,636	$519,898
	FTE	360.4	-	360.6	20.8	25.0
	GF	$8,802,250	$0	$9,128,987	$304,038	$375,784
	RF	$1,885,519	$0	$1,920,262	$0	$0
01. Executive Director's Office - Health, Life, and Dental	Total	$2,476,612	$0	$2,764,474	$190,248	$198,175
	CF	$166,066	$0	$237,248	$26,368	$27,467
	FF	$1,284,665	$0	$1,396,951	$95,124	$99,087
	GF	$896,868	$0	$950,673	$68,756	$71,621
	RF	$129,013	$0	$179,602	$0	$0
01. Executive Director's Office - Short-term Disability	Total	$64,185	$0	$59,620	$1,658	$2,050
	CF	$4,955	$0	$4,521	$230	$284
	FF	$36,233	$0	$30,891	$829	$1,025
	GF	$21,082	$0	$21,545	$599	$741
	RF	$1,915	$0	$2,663	$0	$0

01. Executive Director's Office - Amortization Equalization Disbursement	**Total**	**$1,235,106**	**$0**	**$1,281,593**	**$33,169**	**$44,723**
	CF	$96,428	$0	$97,306	$4,597	$6,199
	FF	$696,733	$0	$664,020	$16,584	$22,361
	GF	$405,144	$0	$462,966	$11,988	$16,163
	RF	$36,801	$0	$57,301	$0	$0
01. Executive Director's Office - Supplemental Amortization Equalization Disbursement	**Total**	**$1,157,972**	**$0**	**$1,237,903**	**$32,038**	**$44,257**
	CF	$90,431	$0	$93,989	$4,440	$6,134
	FF	$653,218	$0	$641,383	$16,019	$22,128
	GF	$379,822	$0	$447,183	$11,579	$15,995
	RF	$34,501	$0	$55,348	$0	$0
01. Executive Director's Office - Operating Expenses	**Total**	**$3,345,159**	**$0**	**$1,946,037**	**$109,672**	**$23,750**
	CF	$62,577	$0	$62,577	$15,201	$3,292
	FF	$1,681,676	$0	$976,139	$54,836	$11,875
	GF	$1,576,996	$0	$883,411	$39,635	$8,583
	RF	$23,910	$0	$23,910	$0	$0
01. Executive Director's Office - Leased Space	**Total**	**$1,472,104**	**$0**	**$1,711,738**	**$76,230**	**$85,801**
	CF	$142,754	$0	$161,899	$10,565	$11,892
	FF	$736,052	$0	$855,869	$38,115	$42,900
	GF	$593,298	$0	$693,970	$27,550	$31,009
01. Executive Director's Office - General Professional Services and Special Projects	**Total**	**$6,151,808**	**$0**	**$5,481,508**	**$792,775**	**$792,775**
	CF	$727,500	$0	$727,500	$186,109	$186,109
	FF	$3,198,993	$0	$2,835,743	$396,387	$396,387
	GF	$2,225,315	$0	$1,918,265	$210,279	$210,279

Letternote Text Revision Required? Yes ___ No X

If Yes, describe the Letternote Text Revision:

Cash or Federal Fund Name and CORE Fund Number: FF: Title XIX CF: Hospital Provider Fee (24A0)

Reappropriated Funds Source, by Department and Line Item Name: N/A

Approval by OIT? Yes ___ No ___ **Not Required:** X

Schedule 13s from Affected Departments: N/A

Other Information: N/A

Cost and FTE

- The Department requests an increase of $2,077,065 total funds, including $674,424 General Fund and $364,111 Hospital Provider Fee cash funds in FY 2015-16. This amount is ongoing in order to hire 25.0 Full Time Equivalents (FTE) for the Medicaid Customer Service Center (CSC), the associated leased space for the FTE, and increased funding to for the Interactive Voice Response (IVR) and Customer Relationship Management (CRM) systems needed to support the CSC.

Current Program

- The CSC is the primary point of contact for over one million Medicaid clients regarding all benefit and billing related questions. CSC staff serve these clients through multiple platforms including a call center, an e-mail address, and through an online chat and forms service.

Problem or Opportunity

- Medicaid caseload has increased by 157,801 clients between January and June 2014, a 17% increase, but call volumes have increased 328%, when comparing May 2013 to May 2014. Current staffing levels are not adequate to support the volume increases.
- CSC staff were only able to answer about 50% of calls received in FY 2013-14. The Department expects call volumes to continue to increase as a result of new Medicaid enrollees, the annual redetermination process and the open enrollment period for Connect for Health Colorado. The CSC is also anticipating a reduction in staff during FY 2015-16 due to the expiration of temporary funding for contracted and term-limited staff. This will cause the wait times and abandonment rates to further increase.

Consequences of Problem

- Callers will continue not to be able to get the answers they need related to their health care coverage which present barriers and delays to accessing health care services, leading to poorer health outcomes and subsequent increased costs for the state.

Proposed Solution

- To staff the Customer Service Center with 25.0 additional full-time equivalents (FTE) in order to meet the demand of the growing Medicaid population and provide a comprehensive and efficient customer service experience.
- To increase the funding amount for CRM and IVR system costs.

Department Priority: R-10
Request Detail: Customer Service Center

Summary of Incremental Funding Change for FY 2015-16	Total Funds	General Fund
Customer Service Center	$2,077,065	$674,424

Problem or Opportunity:

The Department's Customer Service Center (CSC) has experienced an unprecedented increase in call volume as a result of implementation of the Affordable Care Act and program expansions. The CSC is the most widely used communication channel the Department has with over 1 million Medicaid clients. The record call volume has meant that the CSC has only been able to answer about 50.1% of calls to the 1-800 number. This is far from the industry service level standard of 80% of calls answered within 5 minutes.

The Department is committed to operational excellence and delivering an extraordinary customer service experience. Accessible and efficient customer service opportunities that align with industry standards are essential to Medicaid clients who frequently have complex questions. In order to keep up with call volume, the Department has invested in state of the art cloud-based technology for the CSC, and applied LEAN techniques to operations and processes. However, despite these enhancements, the CSC is unable to effectively manage the influx of inquiries due to insufficient staffing levels which has led to long wait times in queues and excessive costs.

Since the implementation of the Affordable Care Act (ACA) and SB 13-200 "Expand Medicaid Eligibility" in October 2013, the Department's Customer Service Center (CSC) has experienced historic call volumes. Call volumes increased from 10,471 calls in May 2013 to 68,169 calls in May 2014 as clients sought information about their health coverage; at the peak in January 2014, the Department received 97,775 calls[1]. Many of the newly eligible clients are not familiar with the Medicaid program and have more complex questions than clients who had previously been eligible for Medicaid, thus leading to longer call lengths, which increases wait times for other callers in the queue. The Department's call center staff are unable to support the increased call volume, which has led to long hold times, high abandonment rates, increased costs, unanswered questions, and frustrated clients. In order to manage the increased costs associated with clients being on hold, the Department has had to regulate the number of calls that can be received, preventing callers

[1] Measurement of the problem has been difficult because accurate wait times are not available prior to October 2013, when the Department was using a different phone system. After implementation of the new Interactive Voice Response (IVR) cloud-based phone technology in October 2013, which was funded through the R-12, "Customer Service Technology Improvements", FY 2013-14 Budget Request, data to show the true number of callers in the queue was available.

from even accessing the Interactive Voice Response (IVR) self-help features. The Department is struggling to manage the current volume and increased telephone system costs and as a result, clients are not getting the service that they need. The Department expects that call volume will continue to increase, from 340,000 calls in FY 2014-15 to 435,000 calls in FY 2016-17 which is likely to further exacerbate the issue.

As a result of the increase in the number of callers in the queue, the Department has experienced unexpected increases in monthly telephone system costs. For FY 2014-15, the General Assembly funded the Department's BA-14 request, "Customer Service Technology True-Up", to help cover the increasing IVR costs. The estimates in that request were based upon the limited data that was available at the time, which was only two months of call volume. The Department's experience has been that even with this additional funding, call volumes were higher than expected and created a need to manage the phone systems to control costs. Beginning in March 2014, the Department took steps to manage these costs by limiting the number of callers in the queue, which means clients are receiving a message instructing them to call back later when all lines are in use and there are more than 20 callers in the queue. This approach leads to callers not being able to get the answers they need related to their health care coverage which can present barriers and delays to accessing health care services.

In an additional effort to help address the staffing shortage, the Department hired additional FTE through freed up state fund dollars realized through enhanced federal funding. The Department received approval for time-limited enhanced federal funding through an Implementation Advanced Planning Document (IAPD) in December 2013 from the Center for Medicare and Medicaid Services (CMS), related to improving eligibility and enrollment processes for implementation of the changes required by the Affordable Care Act (ACA). With the enhanced federal funding, the Department was able to hire five term-limited positions for the CSC. Two of these term-limited positions are direct customer support staff, which brought the direct customer facing staff to a total of 19, and the other three provide critical system and management support for ongoing operations. The IAPD, which includes a 90% federal match rate on activities related to implementing the ACA is only available through December 2015. After that time, the Department would be required to eliminate some, or all, positions, because state funding to maintain the five positions would not be available.

The Department has taken additional steps in an effort to provide adequate assistance to callers, including allocating seven contracted staff from funding received through the Department's September 2013 County Administration Interim Supplemental Request to the CSC. The contracted representatives were added in March 2014 and began taking calls in April 2014. These representatives have helped improve wait times but they are only available for the CSC until December 2014, as the Department only requested funding through that point. As the Department expects call volumes to continue to increase as a result of new enrollees, annual redeterminations and annual open enrollment for Connect for Health Colorado, the expiration of these positions would likely increase wait times and abandonment rates.

In an effort to improve customer accessibility, the Department continues to enhance customer support through use of technology. The bulk of the CSC interactions are over the telephone so the new IVR system includes an automatic call distributor (ACD) to distribute the workload equally to the agents and ensure that the callers wait the shortest time possible. Additionally, supervisory features allow the supervisor to silently monitor both sides of a call and to monitor the call queues real-time. A "screen pop" application brings up a screen

displaying the caller's information when the agents answer the call. The customer relationship management (CRM) system tracks the client interactions and provides a database of analytical tools to look for trends and sort by demographics. With this system, the clients do not have to tell their whole history to the agent, and the agent can see what has been done or is being worked on by others. The CRM includes a knowledge based feature where articles are stored that can be easily searched by the agents. Additional efficiencies are also being gained by lower-cost interaction methods, such as the IVR self-service features, web-based online form and web chat. Effective June 2014, the web-based transactions were implemented and have been very successful. These additional contact methods allow clients who prefer self-serve options to utilize them while lowering the call volume and wait times for those clients either who prefer or whose problems necessitate phone contact with a live representative. The chat feature maximizes productivity because agents are able to chat with up to 5 users at once, as well as assist with responses to the online forms. However, currently the Department can only respond to chat for four hours a day, between 12:30 and 4 p.m., because those agents must also assist with staffing the phones. While these communication methods provide beneficial alternatives, the limited hours of availability are less than ideal for customers. In order to respond timely to the phone and web-based inquiries during all hours of operation, the staffing size must increase.

A successful contact center operation optimizes people, processes, and technology. The CSC has maximized processes and technology performance. However, the substantial growth in customer contacts requires increasing the number of staff. Since ACA implementation, CMS has required each state to complete and submit the "Medicaid and CHIP Eligibility and Enrollment Performance Indicators" report, which includes call center metrics that are made public. As a result of the first reports, CMS has expressed concerns with Colorado's estimated call wait times and abandonment rates. Concerns about long wait times and frustrated clients have also been echoed by advocates and plaintiffs working with the Attorney General's office on eligibility lawsuits.

Proposed Solution:

The Department requests $2,077,065 total funds comprised of $674,424 General Fund, $364,111 Hospital Provider Fee cash funds and $1,038,530 federal funds in FY 2015-16 and ongoing to staff the Customer Service Center with 25.0 additional full-time equivalents (FTE) in order to meet the demand of the growing Medicaid population and provide a comprehensive and efficient customer service experience. Additionally, this request includes additional funding for the IVR system to support the expected volume of calls, which is currently being regulated to manage costs. This request supports the Department's long term, multi-year goal to provide clients with a seamless, coordinated, and efficient customer service experience to ensure they can navigate the system and obtain the services they need.

Additional staff are essential for ongoing operations of the call center. If additional funding is not received, customer facing staff of the CSC will drop from 17 currently to 10 when the funding for the 7 contracted staff ends in FY 2014-15. Additionally, the loss of the 5 IAPD positions who provide crucial systems, help desk and training support to the CSC would have to be absorbed within current resources and would negatively impact wait times and abandonment rates that the Department is already having difficulty managing. Further, the loss of call center FTE could require the Department to implement more call restrictions in order to control costs and maintain a manageable call queue.

By adding 25.0 call center FTE, 20.0 of whom would be new positions to the CSC. Five of the requested FTE are currently funded through the IAPD which will only be available through December 2015. With the requested level of staffing, the Department anticipates that 80% of calls would be answered within five minutes or less. In order to estimate the number of FTE to reach this outcome, the Department utilized the output of the Erlang calculator[2], an industry standard used to estimate how many agents are needed for each hour in an 8 hour day in order to hit a certain level of customer service (80% of calls answered within five minutes). The calculator evaluates call centers based upon three main factors: average call duration, average wrap up time, and call answering target, based upon the hourly call volume input by the Department. Based on the calculator's output the Department would need 28.0 representatives in order to meet the industry standard of 80% of calls, which would require 18.0 additional representatives. The other two requested new FTE would be a team leader and a manager which are critical positions responsible for hiring, call center monitoring, training, reporting and strategic planning.

Two of the continued staff have direct customer contact through online methods and the other three are critical to ongoing systems support of the CSC technology, contract management, training and management of staff. This would allow for a total call center staff of 35.0 FTE, (including the 10 current employees), with 28.0 FTE representatives on the phones and 7.0 FTE for serving clients through web-based help desk, management, training, and call center systems and help desk support, as described in the detailed position descriptions. Detailed descriptions of the 25.0 FTE positions can be found in Appendix A and a summary of these costs can be found in tables 2.1 and 2.2 As Medicaid caseload is expected to continue to increase, the continuation of these positions are critical to the CSC as they support the ongoing operations and new cloud based technology being implemented by the Department. This staffing level would allow for adequate staffing for expected caseload growth and increases in contact with customers through calls, e-mail, and online chat and forms.

The Department believes reaching this target would be most achievable by hiring FTE rather than temporary staff or outsourcing the functions. On a consistent basis, the Department is not able to retain temporary CSC staff long enough to have them fully trained and ready to provide efficient and effective customer service. Operational experience and research carried out by several companies confirms that agents have the greatest impact on customer satisfaction. Medicaid is a complex program requiring many hours of training to fully be able to assist clients. Having all of the staff housed in the same location and reporting to the same management team allows for consistent training for all staff and creates a stronger team environment where staff are better able to learn from one another and have opportunities for career growth, which helps to address turnover issues. Additionally, these staff would be cross-trained so that the CSC has the flexibility to shift job duties to meet changing demands associated with a call center environment as volumes and types of requests fluctuate throughout the year. For example, the CSC now answers inquiries in online chat and forms, and e-mails. In order for staff to answer all inquiries through all methods, a broad level of knowledge and professional communication skills are essential, and can be improved upon through cross training and personnel retention. It would be difficult to achieve the daily and hourly flexibility needed to shift staff based on the type and number of calls if the Department outsourced these staff. In addition to 18 new staff directly helping customers on the phone and through online methods, this request includes 7 staff to manage contracts

[2] http://www.erlang.com/calculator/

and provide system and help desk support for CSC operations. For a detailed look at CSC FTE with and without funding please see the table below.

Call Center Structure With and Without Additional FTE			
Type of Employee	**Current Call Center Structure**	**FY 2015-16 Call Center Structure Without Additional Funding [1]**	**FY 2015-16 Call Center Structure With Additional Funding**
IAPD Term-Limited Operations and Management	3	0	0
IAPD Term-Limited Help Desk Representative	2	0	0
Term-Limited Contracted Call Center Representative	10	0	0
FTE Call Center Representative	10	10	28
New/Continued Operations and Management FTE	0	0	7
Total	**25**	**10**	**35**

[1] Term-Limited Contractor funding expires at the end of FY 2014-15. IAPD positions expire in December 2015.

Additionally, although supplemental funding was received for increased IVR costs, the current funding is not sufficient to support ongoing call volumes, which has required the Department to continue to limit callers in the queue to manage the budget. This request includes a request for an additional $792,775 to cover IVR costs. Having adequate staff to answer calls would increase the number of callers who are able to get through to a representative and get their questions answered, which leads to increased IVR costs. Detailed calculations of the additional IVR cost can be found in table 4.1 and 4.2.

Anticipated Outcomes:

The Department anticipates that if this request is funded, the call center would have the ability to answer 80% of calls within five minutes, have adequate staffing to respond to online forms and real-time chat, and reduce frustration for customers. Additionally, staffing the CSC is a step towards the long- term goal of a coordinated and efficient customer service experience for Medicaid clients, which would bring together state agencies, counties, providers and stakeholders through an integrated system allowing representatives at any agency to view caller information and offer complete and accurate information to meet their needs.

If this request is not funded, the lack of staff would continue to greatly inhibit the Department's ability to meet Department objectives and stakeholder and CMS expectations of timely and effective customer service. Most importantly, without the resources that the CSC needs, clients would not be able to receive the customer service they need to navigate the complex Medicaid system and receive the services they need. Wait times and abandonment rates would increase as staffing is reduced through the expiration of current funding potentially requiring the Department to implement further call restrictions such as limiting the wait time

before the system hangs up. Additionally, the stress of an understaffed CSC has led to high turnover which would likely continue or increase without additional FTE to support the system. The Department would also continue to pay for long hold times and unanswered call volumes.

Assumptions and Calculations:

In order to calculate the number of FTE to fully staff the call center the Department utilized a basic Erlang calculator. This calculator estimates that, based upon hourly call volume input by the Department, in order for the Department to meet the industry standard of a 20% abandonment rate and calls answered in 5 minutes or less, the CSC would need 28.0 customer facing representatives. Further detail including position descriptions can be found in Appendix A.

The Department's request includes base salaries, fringe benefits, operating costs and leased space costs for 25.0 FTE. The Department assumes that 20.0 new positions would begin employment in July 2015 and the 5.0 would continued FTE would begin in January 2016. Detailed calculation documentation can be found in the attached appendices.

The increase in IVR costs was calculated in Table 4.1, which details the current appropriation and Table 4.2, which shows the incremental difference based upon an estimated need provided by the current vendor. The additional minutes were provided by the vendor as an estimate of actual cost based upon current volume. The additional cost for Salesforce/CRM licenses is based upon the fact that these need to be expensed over the three year period rather than all in year one as previously assumed.

The Department assumes 27.72% of the state share of the request would be funded through the Hospital Provider Fee Cash Fund. This percentage was derived from the anticipated increase in caseload for FY 2015-16 from the Department's FY 2015-16 R-1 "Request for Medical Services Premiums" budget request by calculating the percentage of total Medicaid caseload (excluding non-citizen and partial dual eligible clients) that is financed with hospital provider fee funds. This includes Disabled Buy-In, MAGI Adults and MAGI Parents/Caretakers 69-133% FPL.

Appendix A: Descriptions of Requested Positions

New Proposed FTE Positions

POSITION TITLE	FTE	JOB CLASS	DESCRIPTION OF POSITION
Customer Service Inbound Call Representative	8.0	Technician I	The growth in Medicaid client roster have exceeded the Customer Service Center's (CSC's) capacity resulting in significant customer wait times and lead to a customer response rate under 50 percent. This means that less than half of all calls placed to the CSC's number are answered. This position serves the traditional function of answering inbound calls and answering client questions. In addition, the Department would expand this role, by offering call back features for our clients who don't want to wait and rather leave a message for an agent to call them back in order to minimize client wait time.
Customer Service Representative /PEAK Chat Representative	10.0	Technician II	This position would include all the duties assigned to a Customer Service Inbound Call Representative and would include additional responsibilities concerning PEAK. PEAK traffic continues to grow and with the addition of chat functionality and the increased promotion of the CSC's email address, additional staff will be needed to address these inquiries. These staff would manage the online form ticket queue to the Center, responding to and resolving inquiries so that critical issues are responded to quickly. PEAK chat will ultimately expand beyond the 12:30 pm to 4:00 pm operational hours to match the Service Center's full operational hours of 7:30 am to 5:15 pm Monday through Friday. In addition, chat will grow in popularity as increased use of the PEAK website increases the chat's exposure to clients. Agents in this role would work both functions. In the future they may also support responses to the text/SMS messaging if that function is implemented in the PEAK application.
Customer Service Center Team Lead	1.0	General Professional IV	The position would provide support to the Manager by acting on his/her behalf during absence. Ensure efficient uninterrupted operations within the center. Provides input on staff yearly performance evaluations. Assists with hiring decisions and disciplinary actions when necessary. Provides 1:1 coaching and quality monitoring to support call center standards. Work closely and communicate clearly with Call Center Management team.

POSITION TITLE	FTE	JOB CLASS	DESCRIPTION OF POSITION
Customer Service Center Manager	1.0	General Professional V	The position would serve to provide day-to-day supervision of staff, including ensuring adequate staffing, timely hiring, quality monitoring, training, coaching, performance management and disciplinary actions when necessary. Would work closely with Call Center Management team to develop and support strategic vision for center, ensure alignment of business processes and practices. Provide regular reporting matrix of call center performance, design and implement efficiencies and best practices based on sound data. A second manager would mean an adequate manager to staff ratio of 1:15.
PEAK Help Desk Specialists	2.0	Technician I	These positions exist to support the on-line Help Desk functions of the PEAK client web-based application portal and are responsible for password resets and customer service related questions for consumers using the PEAK Website. More than 176,000 unique visitors have used the PEAK website and 112,934 new PEAK accounts have been created since the site's launch in October. As the Department moves towards a more self-service oriented model of service delivery for consumers, website traffic will become more prevalent and the need for support will continue indefinitely. Additionally, the Department is launching an on-line chat feature and online ticket for medical assistance questions in June 2014 using the PEAK Platform. The implementation of these features will drastically increase traffic flow from phone support to on-line support; so the on-going need for these positions will be critical to the success of PEAK consumer assistance.
Knowledge Management Specialist	1.0	General Professional II	The position supports the CRM and IVR systems for the CSC. This position is a subject matter expert for the CSC regarding call handling and chat scripts, which is required for effective call handling. The position is essential as the Department expands into other platforms besides calls (online customer chat, social media, etc.) which would require new policies and procedures. This position works with program staff to understand changes in regulations, policies, best practices and operations to ensure CSC staff have current and accurate resources to better serve clients. This position plays an integral role in the on-going training and development of staff and ensures consistency when

POSITION TITLE	FTE	JOB CLASS	DESCRIPTION OF POSITION
			interacting with clients, regardless of the method in which the contact the CSC.
Operations Supervisor	1.0	General Professional V	This position exists to provide support to the Client Services Division (CSD) with the implementation and project management of the CSC's technology systems. This position has had an integral role in the implementation of the initial technology improvements required for the implementation of the Affordable Care Act and is critical as the Department implements technology for online chat and social media functions. This position is responsible for managing the new contract management, knowledge management and the quality analytics positions to ensure they operate seamlessly as a team.
CRM Project Manager	1.0	General Professional II	The position serves as the on-site project manager for all aspects of technology in the CSD including the CRM and IVR software. This position handles the behind the scenes technical projects that need to take place on an on-going basis in order to respond to the changing business needs of the CSC. The position manages projects and complex system issues and provides technical assistance to the Department's end users. The position is necessary for continued successful operations of the Department's CRM and IVR.

Table 1.1 Summary by Line Item

FY 2015-16	Total Funds	FTE	General Fund	Cash Funds[1]	Federal Funds
Total Request	**$2,077,065**	**20.83**	**$674,424**	**$364,111**	**$1,038,530**
(1) Executive Director's Office; (A) General Administration, Personal Services	$841,275	20.83	$304,038	$116,601	$420,636
(1) Executive Director's Office; (A) General Administration, Health, Life, and Dental	$190,248	0.0	$68,756	$26,368	$95,124
(1) Executive Director's Office; (A) General Administration, Short-term Disability	$1,658	0.0	$599	$230	$829
(1) Executive Director's Office; (A) General Administration, S.B. 04-257 Amortization Equalization Disbursement	$33,169	0.0	$11,988	$4,597	$16,584
(1) Executive Director's Office; (A) General Administration, S.B. 06-235 Supplemental Amortization Equalization Disbursement	$32,038	0.0	$11,579	$4,440	$16,019
(1) Executive Director's Office; (A) General Administration, Operating Expenses	$109,672	0.0	$39,635	$15,201	$54,836
(1) Executive Director's Office; (A) General Administration, Leased Space	$76,230	0.0	$27,550	$10,565	$38,115
(1) Executive Director's Office; (A) General Administration, General Professional Services and Special Projects	$792,775	0.0	$210,279	$186,109	$396,387

Table 1.2 Summary by Line Item

FY 2016-17	Total Funds	FTE	General Fund	Cash Funds[1]	Federal Funds
Total Request	**$2,231,328**	**25.0**	**$730,174**	**$385,493**	**$1,115,661**
(1) Executive Director's Office; (A) General Administration, Personal Services	$1,039,797	25.0	$375,783	$144,116	$519,898
(1) Executive Director's Office; (A) General Administration, Health, Life, and Dental	$198,175	0.0	$71,621	$27,467	$99,087
(1) Executive Director's Office; (A) General Administration, Short-term Disability	$2,050	0.0	$741	$284	$1,025
(1) Executive Director's Office; (A) General Administration, S.B. 04-257 Amortization Equalization Disbursement	$44,723	0.0	$16,163	$6,199	$22,361
(1) Executive Director's Office; (A) General Administration, S.B. 06-235 Supplemental Amortization Equalization Disbursement	$44,257	0.0	$15,995	$6,134	$22,128
(1) Executive Director's Office; (A) General Administration, Operating Expenses	$23,750	0.0	$8,583	$3,292	$11,875
(1) Executive Director's Office; (A) General Administration, Leased Space	$85,801	0.0	$31,009	$11,892	$42,900
(1) Executive Director's Office; (A) General Administration, General Professional Services and Special Projects	$792,775	0.0	$210,279	$186,109	$396,387

[1] Cash Fund Portion is Hospital Provider Fee and is equal to 27.72% of the State's share of expenses

Table 2.1
Summary by Initiative FY 2015-16

Item	Total Funds	FFP	General Fund	Cash Funds[1]	Federal Funds	Source/Calculation
FTE	$1,208,060	50%	$436,595	$167,437	$604,028	FTE Table
Total Leased Space	$76,230	50%	$27,550	$10,565	$38,115	Table 3.2 Row G
Additional IVR and CRM Costs	$792,775	50%	$210,279	$186,109	$396,387	Table 4.2 Row H
Total	**$2,077,065**		**$674,424**	**$364,111**	**$1,038,530**	

Table 2.2
Summary by Initiative FY 2016-17

Item	Total Funds	FFP	General Fund	Cash Funds[1]	Federal Funds	Source/Calculation
Continued FTE	$1,352,752	50%	$488,886	$187,492	$676,374	FTE Table
Total Leased Space	$85,801	50%	$31,009	$11,892	$42,900	Table 3.2 Row G
Additional IVR and CRM Costs	$792,775	50%	$210,279	$186,109	$396,387	Table 4.2 Row H
Total	**$2,231,328**		**$730,174**	**$385,493**	**$1,115,661**	

[1] Cash Fund Portion is Hospital Provider Fee and is equal to 27.72% of the State's Share of expenses.

Table 3.1 FY 2014-15 Commercial Leased Space Summary

Row	Item	FY 2014-15	Source/Calculation
A	Monthly Rent for 225 East 16th Avenue (242 Workspaces)	$65,962.45	Building Lease
B	Monthly Rent for 303 East 17th Avenue Suite 700 (161 Workspaces)	$46,358.81	Building Lease
C	Total	$112,321.26	Row A+ Row B
D	Total Number of Existing Work Spaces	403	Total Existing Workspaces
E	Monthly Rent per Workspace	$278.71	Row C / Row D
F	**Yearly Rent Per Workspace**	**$3,344.52**	**Row E * 12 Months**

Table 3.2 Projected Leased Space Costs

Row	Item	FY 2014-15	FY 2015-16	FY 2016-17	Source/Calculation
A	Average Annual Rate Increase on Current Building Leases	1.3%	1.3%	1.3%	Based on 303 East 17th Building Lease
B	Estimated Yearly Rent Per Workspace	$3,344.52	$3,388.00	$3,432.04	FY 2014-15: Table 3.1 Row F FY 2015-16, FY 2016-17: Previous Fiscal Year Rent * (1+ Row A)
C	Number of Workspaces for Implementation Advance Planning Document (IAPD) Postions[1, 2]	0	2.5	5	Number of IAPD Positions (see narrative)
D	Estimated IAPD Position Leased Space Cost	$0	$8,470	$17,160	Row B * Row C
E	Number of Workspaces for new Positions[1]	0	20	20	Number of new employees (see narrative)
F	Estimated New Position Leased Space Cost	$0	$67,760	$68,641	Row B * Row E
G	**Estimated Total Lease Space Cost**	**$0**	**$76,230**	**$85,801**	Row D + Row F

[1] Number of positions has been used rather than FTE. Leased space is not affected by the General Fund pay date shift.

[2] Leased space for IAPD FTE will be paid using existing enhanced federal funding until December 2015. The position numbers have been halved in FY 2015-16 to account for the partial year funding.

Table 4.1 -Interactive Voice Response (IVR) and Customer Relationship Management (CRM) Systems Funding for FY 2014-15

Row	Item	Total Funds	FFP	General Fund	Cash Funds	Federal Funds
A	Additional Minutes with IVR Vendor	$550,000	50%	$275,000	$0	$275,000
B	OIT Verbal Attestation Storage	$3,468	50%	$1,734	$0	$1,734
C	Salesforce/CRM Licenses	$0	50%	$0	$0	$0
D	Development Hours	$200,000	50%	$100,000	$0	$100,000
E	OIT Business Analyst	$62,000	50%	$31,000	$0	$31,000
F	OIT Senior IT Project Manager	$80,000	50%	$40,000	$0	$40,000
G	Total [1]	$895,468		$447,734	$0	$447,734

[1] Funding for the Customer Service Center was approved through the Department's FY 2014-15 BA-14 "Customer Service Technology True-up" Budget Request.

Table 4.2 -Interactive Voice Response (IVR) and Customer Relationship Management (CRM) Systems Funding Request for FY 2015-16 and Onward

Row	Item	Total Funds	FFP	General Fund	Cash Funds	Federal Funds	Source/Calculation
A	Additional Minutes with IVR Vendor	$1,028,400	50%	$371,664	$142,536	$514,200	Estimate provided by current vendor based upon volume
B	OIT Verbal Attestation Storage	$3,468	50%	$1,734	$0	$1,734	No Changes
C	Salesforce/CRM Licenses	$314,375	50%	$113,615	$43,573	$157,187	Actual cost
D	Development Hours	$200,000	50%	$100,000	$0	$100,000	No Changes
E	OIT Business Analyst	$62,000	50%	$31,000	$0	$31,000	No Changes
F	OIT Senior IT Project Manager	$80,000	50%	$40,000	$0	$40,000	No Changes
G	Total Estimated Need	$1,688,243		$658,013	$186,109	$844,121	
H	**Incremental Difference (Request Amount)**	**$792,775**		**$210,279**	**$186,109**	**$396,387**	**Row G - Table 4.1 Row G**

Table 5.1 Monthly Caseload, Calls Received, and Agent Calls From December 2013 through June 2014

Month	Medicaid Caseload	Total Calls to Customer Service Center [1]	Calls to speak with an Agent[2]	Calls to Agents Answered	Calls to Agents Unanswered	Percent of Calls to Agents Unanswered
April 2013	707,290	19,304	19,304	13,583	5,721	29.64%
May 2013	719,585	16,858	16,858	12,552	4,306	25.54%
June 2013	729,074	16,552	16,552	12,228	4,324	26.12%
July 2013	724,724	19,263	19,263	14,444	4,819	25.02%
August 2013	731,093	20,975	20,975	14,542	6,433	30.67%
September 2013	744,085	19,068	19,068	10,786	8,282	43.43%
October 2013	735,952	45,224	26,355	11,051	15,304	58.07%
November 2013	753,807	54,860	23,040	10,331	12,709	55.16%
December 2013	772,954	68,227	31,654	10,067	21,587	68.20%
January 2014	889,665	97,775	38,655	10,592	28,063	72.60%
February 2014	923,526	90,957	26,155	10,198	15,957	61.01%
March 2014[3]	976,972	95,503	21,681	12,940	8,741	40.32%
April 2014	1,009,483	84,985	17,936	15,325	2,611	14.56%
May 2014	1,021,745	68,169	18,492	13,553	4,939	26.71%
June 2014	1,047,466	64,286	17,295	12,825	4,470	25.85%
Average	**817,140**	**52,133.73**	**24,552.57**	**12,334.47**	**9,884.40**	**40.19%**
Total	**N/A**	**782,006**	**333,283**	**185,017**	**148,266**	**N/A**

[1] Prior to October 2013 the Customer Service Center (CSC) supported both a local 303 area code number and a 1-800 number for clients to call. The local number was discontinued starting in October 2013.The call numbers from April 2013 thru September 2013 include both local and 1-800 call data.

[2] Prior to October 2013 all calls to the 1-800 number were directed to the agent queue . In October, a touch tone self service option was created, meaning that all calls did not immediately flow to the agent queue. These numbers represent non-application calls to the CSC, since application calls are handled by an outside vendor.

[3] In order to control toll-free and IVR charges, the CSC implemented a cap on the number of callers that could be placed on hold at one time in order to limit the number of total agent call minutes to 40,000 a day. The cap causes a caller to hear a busy signal when they call the 1-800 number. This artificially lowers both the number of calls to agents and to the 1-800 number.