

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**1-800-MEDICARE: CALLER
SATISFACTION AND
EXPERIENCES**



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E X E C U T I V E S U M M A R Y

OBJECTIVE

To assess callers' satisfaction and experiences with Medicare telephone customer service and make comparisons with 2004 baseline data.

BACKGROUND

The Centers for Medicare & Medicaid Services (CMS) uses various outreach efforts to educate and assist Medicare's 42 million beneficiaries with decisions that affect their health care. The most commonly used communication channel is the telephone customer service system, which callers access by calling 1-800-MEDICARE. In fiscal year (FY) 2004, callers made approximately 29 million calls to Medicare call centers, at a cost of \$200 million to CMS. In FY 2006, callers made approximately 49 million calls to Medicare call centers, at a cost of \$441 million to CMS. This represents an increase of more than 68 percent in the total number of calls to Medicare call centers from FY 2004 to FY 2006 and more than a doubling of costs.

In August 2005, the Office of Inspector General issued a report entitled "Medicare Beneficiary Telephone Customer Service" (OEI-07-04-00030), which assessed callers' satisfaction and experiences with the customer service they received between April 12–16, 2004. The earlier study provides the 2004 baseline data for the comparisons in this evaluation, for which we conducted interviews with a random sample of callers over a 1-week period (January 22–26, 2007) to assess their satisfaction and experiences with Medicare telephone customer service. We asked callers whether they were satisfied with the customer service they received, whether they believed their questions were answered, and whether they received all the information they needed. We also asked callers about their priorities for customer service.

FINDINGS

Seventy-one percent of callers who completed their calls were satisfied overall with the customer service they received, a decrease of 13 percentage points compared with the 2004 baseline data. Callers' overall satisfaction was associated with three experiences: (1) finding the Interactive Voice Response (IVR) easy to use, (2) receiving answers to their questions or all of the information they needed, and (3) receiving answers to their questions as quickly as desired. In both the 2007 data and the 2004 baseline data, the most

common reason callers gave for not being satisfied was that their problems or questions were not resolved.

More callers in 2007 than in 2004 reported hanging up before receiving answers to their questions and had concerns about wait times. Twenty-one percent of callers to 1-800-MEDICARE during the week of our review hung up before receiving responses to their questions. Sixty-six percent of these callers hung up because they considered the wait time to speak with a customer service representative too long. In the 2004 baseline data, only 12 percent of callers hung up before receiving responses to their questions.

Similar to the 2004 baseline data, 44 percent of callers in the 2007 evaluation had difficulty accessing information. Thirty-one percent of callers reported that the IVR was not easy to use. Nineteen percent of callers reported not receiving answers to their questions or all the information they needed. Twelve percent of callers who completed their calls reported not receiving the answers as quickly as they desired.

RECOMMENDATIONS

Call volume increased 68 percent between FY 2004 and FY 2006; during this same period, call center costs more than doubled. Overall, the majority of callers were satisfied with telephone customer service during the week of our fieldwork in 2007; however, satisfaction decreased by 13 percentage points when compared with the 2004 baseline data. The percentage of callers who experienced difficulty accessing information remained the same, at 44 percent. Callers' negative comments regarding the IVR also remained similar to the results of our 2004 baseline data, with callers citing confusion, aggravation, and too much time spent navigating the menus. We note that more callers hung up before receiving responses to their questions in our week of fieldwork in 2007 than in the 2004 baseline data and that an increased number of callers cited the amount of time spent on the telephone as their highest customer service priority. We recommend that CMS:

Reassess the level of resources directed toward improving the question-answering capabilities of the IVR. Only 5 of 206 callers reported receiving answers to their questions using the IVR. CMS should reassess whether it should continue to direct resources toward further improving the question-answering capabilities of the IVR or toward supporting more customer service representatives (CSR) to answer questions.

Ensure that callers receive all needed information. When 1-800-MEDICARE fails to provide needed information, callers often have few alternative methods to obtain it. CMS should consider ways to ensure that callers' questions are answered during their first call.

Continue to seek ways to reduce wait times. CMS should continue to seek ways to reduce the time callers must wait to speak with a CSR. Redirecting resources from the IVR's question-answering capabilities and ensuring that callers' questions are fully answered may reduce the need for callers to make multiple calls and shorten wait times.

AGENCY COMMENTS AND OFFICE OF INSPECTOR GENERAL RESPONSE

In its comments to the draft report, CMS did not indicate whether it concurred with our recommendations. However, CMS described several actions that it has taken or planned that relate to our findings and recommendations. CMS stated that it will further determine how best to simplify choices and menu options within the IVR, conduct a study to help determine why callers are not receiving the information they need, and implement technological solutions to provide beneficiaries with options for obtaining answers to their questions without having to wait to talk to a CSR. CMS provided information on efforts underway or planned for the future aimed at improving call-center operations. We ask that, in its final management decision, CMS more clearly indicate whether it concurs with our recommendations and what steps, if any, it will take to implement them.

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OBJECTIVE

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BACKGROUND

Medicare Beneficiary Telephone Customer Service

The Centers for Medicare & Medicaid Services (CMS) uses various outreach efforts to educate and assist Medicare's 42 million beneficiaries with decisions that affect their health care. The most commonly used communication channel is the telephone customer service system, which callers access by calling 1-800-MEDICARE. In fiscal year (FY) 2004, callers made approximately 29 million calls to Medicare call centers, at a cost of \$200 million to CMS.¹ In FY 2006, callers made approximately 49 million calls to Medicare call centers, at a cost of \$441 million to CMS.² This represents an increase of more than 68 percent in the total number of calls to Medicare call centers from FY 2004 to FY 2006. According to CMS, much of the increase in call volume is because of the implementation of Medicare Part D and other changes to Medicare that the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) mandated.

In August 2005, the Office of Inspector General (OIG) issued a report entitled "Medicare Beneficiary Telephone Customer Service" (OEI-07-04-00030), which assessed caller satisfaction and experiences between April 12–16, 2004, and identified CMS and contractor efforts to ensure quality customer service. The earlier study provides the 2004 baseline data for the comparisons made in the current evaluation.

¹ CMS provided these call volume and cost figures in e-mails to OIG dated December 6 and 7, 2004.

² CMS provided these call volume and cost figures in an e-mail to OIG dated September 21, 2006.

1-800-MEDICARE

Two contractors operate 1-800-MEDICARE call centers.³ These contractors employ customer service representatives (CSR) to operate seven call centers to answer calls to 1-800-MEDICARE.

Carriers, fiscal intermediaries, and durable medical equipment regional carriers, which are contractors that process Medicare claims, also employ CSRs to operate approximately 50 call centers. These call centers are commonly referred to as fee-for-service (FFS) call centers. Only certain calls are routed to the FFS call centers. In 2004, FFS call centers handled approximately 44 percent of the total volume of calls to Medicare-funded call centers; in 2006, they handled 18 percent. Therefore, the proportion of calls that FFS call centers handle is decreasing.

Changes in Telephone Customer Service

On July 27, 2004, CMS completed the transition to 1-800-MEDICARE as the single point of entry for Medicare telephone customer service. Previously (and when OIG collected the 2004 baseline data), callers could directly call 1-800-MEDICARE or they could call the claims contractor that paid claims in their region. Now, callers must call 1-800-MEDICARE; their calls may be routed to CSRs at 1-800-MEDICARE or to FFS call centers depending on their responses to the Interactive Voice Response (IVR) questions.

According to the CMS Strategic Action Plan 2006–2009, implementing a single point of entry for Medicare telephone customer service will improve operational efficiency, reduce operating costs, and increase the consistency and accuracy of information provided to callers. Specifically, the CMS strategy includes maintaining the IVR to provide 24-hour access to information, standardizing the software CSRs use to answer Medicare inquiries, and establishing one national information warehouse.⁴

Call Routing

The IVR answers each call to 1-800-MEDICARE. The IVR presents options callers can choose from by speaking a word or phrase or pressing a number on their telephone. Depending on the options callers

³ At the time of our review, two contractors operated the 1-800-MEDICARE call centers. According to CMS, one of these contractors assumed operations of all the 1-800-MEDICARE call centers in June 2007.

⁴ CMS, “Strategic Action Plan 2006–2009,” pp. 34–35.

choose, the IVR will either provide information or route the caller to a CSR.

Calls to 1-800-MEDICARE are routed to CSRs at any of the call centers (1-800-MEDICARE or FFS), depending on the options callers choose in the IVR. For instance, if a caller has a question about a specific claim, the IVR may route the caller to a CSR at an FFS call center. Other inquiries, such as Part D questions, may be handled by a CSR at a 1-800-MEDICARE call center.

Customer Service Representatives' Responses to Callers' Questions

CSRs access information needed to answer many callers' questions using desktop computer software. The software queries a database of prepared scripts that CSRs access using keywords from callers' questions. CSRs respond to callers' questions by reading the prepared scripts rather than by formulating a unique response based on their knowledge of the Medicare program. In some instances, the information that the CSR is reading is the same information that is included in the "Medicare & You" handbook. General CSR training does not focus on learning Medicare program policy; some CSRs receive specialized training to answer questions about specific claims.

Although callers can access Medicare information through the IVR or speak with a CSR about general Medicare questions 24 hours a day, 7 days a week, CSRs who handle specific claim inquiries are available only from 8 a.m. to 7 p.m. eastern time at 1-800-MEDICARE call centers and for more limited hours at FFS call centers.

2004 Baseline Data

In our previous evaluation, 84 percent of callers were satisfied overall with the customer service they received. However, many callers reported having difficulty accessing information through Medicare call centers. Thirty-two percent of callers found the IVR they encountered difficult to use, citing problems such as the recording being too long, being presented with too many options, or not knowing which option to select. Twenty-four percent of callers reported that they did not receive answers to their questions or all of the information that they needed, and 12 percent of callers reported not receiving answers as quickly as they desired.

In comments to the previous report, CMS described efforts to improve the telephone customer service system by enhancing the IVR's capabilities. CMS contracted with a leading industry expert in the field of IVR speech recognition and usability to conduct an indepth

evaluation of the IVR. In 2005, CMS released several major upgrades to the IVR to address customer feedback and expert advice. One specific change was the addition of synonyms to the possible responses to appropriately route more callers to requested information. For example, the terms “drug coverage,” “drug benefit,” and “prescription drugs” were added to the responses that route callers to information on Medicare’s prescription drug program.

Other Related Studies

In addition to the August 2005 OIG evaluation, the Government Accountability Office (GAO) issued an MMA-mandated study in December 2004 entitled “Accuracy of Responses from the 1-800-MEDICARE Help Line Should Be Improved” (GAO-05-130). This report assessed the accuracy and consistency of information provided through 1-800-MEDICARE. GAO found that CSRs provided accurate answers 61 percent of the time. A June 2006 GAO report on prescription drug plan call centers, entitled “Prescription Drug Plan Sponsor Call Center Responses Were Prompt, but Not Consistently Accurate and Complete” (GAO-06-710), found that these call centers provided accurate and complete responses in about one-third of calls. Additionally, GAO released reports in 2002 and 2004 regarding telephone customer service for health care providers enrolled in Medicare (GAO-02-249 and GAO-04-669). These reports found that the CSRs they tested rarely provided complete and accurate answers to questions that a health care provider might typically ask.

METHODOLOGY

Call Center Site Visits

We conducted site visits to two 1-800-MEDICARE call centers in November 2006. We interviewed CSRs and CSR supervisors, collected information on CSR training, and observed telephone and computer equipment use during live calls. The information we gained through the site visits provided a broad context of call center operations as we considered recommendations.

Methodological Differences Between the Current and Previous Evaluations

As previously mentioned, callers accessing Medicare telephone customer service could either call 1-800-MEDICARE or the claims contractor for their region at the time OIG collected the 2004 baseline data. To ensure that the sample represented callers to all types of call centers, we sampled from strata that made up the universe of callers to

I N T R O D U C T I O N

(1) 1-800-MEDICARE, (2) large FFS call centers, and (3) small FFS call centers. Because callers now have only a single point of entry through 1-800-MEDICARE, we did not stratify by call center. However, callers in our 2007 evaluation sample may have been routed by the IVR to CSRs either in 1-800-MEDICARE or in FFS call centers.

Caller Interviews

Repeating a process used to collect the 2004 baseline data, we obtained from CMS a listing of all calls made to 1-800-MEDICARE on each day in a 1-week period (Monday through Friday). This listing included the following information: city and State of caller, originating (caller) telephone number, and date and time of call. Demographic information, such as gender or age of callers, is not collected in the CMS data.

We chose the week of January 22–26, 2007, for caller interviews. We worked with CMS to select a period that would be representative of normal call volume and during which CMS and contractor staff would be available to make the necessary daily transmissions of caller data.

For each day (January 22–26), we eliminated duplicate originating telephone numbers (some callers called more than once in a given day) and then randomly selected 50 callers (50 x 5 days = 250 randomly selected callers). We contacted these callers by phone regarding their satisfaction and experiences calling 1-800-MEDICARE. As indicated in Table 1, we completed 206 interviews from the sample of 250 callers, for an 82-percent response rate.

Day of Week	Population	Sampled Calls	Completed Interviews
Monday	112,792	50	43
Tuesday	97,336	50	42
Wednesday	86,565	50	41
Thursday	82,334	50	37
Friday	81,854	50	43
Total	460,881	250	206

Source: OIG analysis of telephone network data, 2007.

I N T R O D U C T I O N

We completed 98 percent of our interviews within 2 business days of the sampled call to 1-800-MEDICARE. The other 2 percent were completed within 4 business days. We ensured that we spoke to the person who placed the call to 1-800-MEDICARE rather than to another individual in the household. We conducted telephone interviews to determine factors such as how callers rated their experience overall, whether they found the IVR easy to use, whether callers' questions were answered, whether callers received all the information they needed, and whether callers' questions were answered as quickly as they desired. Findings are projected to the universe of calls for January 22–26, 2007. We used the same interview questions that we used to collect the 2004 baseline data so that we could compare the results of the interviews to determine whether caller satisfaction and experiences differed.

Scope

We did not assess the accuracy of the information CSRs gave to callers, although we did ask callers whether they believed the information they received fully answered their questions. We did not differentiate between first-time and repeat callers. Finally, we did not follow up on calls in which the CSR promised a return call; these callers were asked to report their experiences only with the service they received in their sampled call to 1-800-MEDICARE.

Standards

This study was conducted in accordance with the “Quality Standards for Inspections” issued by the President’s Council on Integrity and Efficiency and the Executive Council on Integrity and Efficiency.

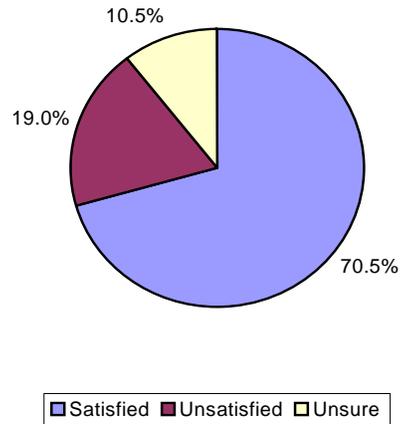
► FINDINGS

Seventy-one percent of callers who completed their calls were satisfied overall with the customer service they received, a decrease of 13 percentage points compared with the 2004 baseline data

Nineteen percent of callers who completed their calls were unsatisfied overall, and 10 percent of callers were unsure whether they were satisfied. Figure 1 illustrates

the level of satisfaction for callers who completed their calls. In comparison, 84 percent of callers in the 2004 baseline data were satisfied overall with the customer service they received. (See Appendix A for confidence intervals for all point estimates.)

Figure 1: Overall Satisfaction Among Callers Who Completed Their Calls to 1-800-MEDICARE



Source: OIG analysis of caller interviews, 2007.

We asked all callers about their use of the IVR and their priorities for telephone customer service. Additionally, we asked callers who completed their calls about a variety of experiences, such as the need to call multiple times, receipt of answers and all the information they needed, actions taken as a result of the call, receipt of answers quickly or being placed on hold, courtesy of the CSR, and overall satisfaction with the customer service received. Based on all questions we asked, callers' overall satisfaction was associated with three experiences:

- finding the IVR easy to use,
- receiving answers to their questions and all of the information they needed, and
- receiving answers to their questions as quickly as desired.

Correlations are statistically significant at the 95-percent confidence level. (See Appendix B for statistical correlations.)

In both the 2007 data and the 2004 baseline data, the most common reason callers gave for not being satisfied was that their problems or questions were not resolved. Although this is not a statistically significant difference, more callers were not satisfied because their questions or problems remained unresolved in 2007 (13 percent) than in 2004 (8 percent). Callers in both years reported other reasons for not being satisfied, such as difficulty with the IVR or encountering a discourteous CSR, but not in sufficient numbers to make meaningful comparisons. We also looked for relationships between the reasons for callers' calls (e.g., prescription drug benefits, claims questions) and caller satisfaction but found no significant correlations.

More callers in 2007 than in 2004 reported hanging up before receiving answers to their questions and had concerns about wait times

Of the callers with whom we spoke, 79 percent reported completing their calls (i.e., they received responses to their

questions from CSRs or the IVR).⁵ The remaining 21 percent of callers hung up before completing their calls, citing reasons such as experiencing long hold times or confusion with the IVR, an increase of 9 percentage points over 2004. Additionally, more callers offered negative comments relating to the amount of time spent waiting to speak with a CSR compared to the 2004 baseline data.

Twenty-one percent of callers to 1-800-MEDICARE hung up before receiving answers to their questions

Sixty-six percent of these callers hung up because they considered the wait time to speak with a CSR too long.⁶ Callers reported that the IVR's estimated wait times ranged from 10 minutes to 1 hour. In the 2004 baseline data, only 12 percent of callers hung up before receiving responses to their questions. Of the 34 sampled callers who hung up in

⁵ Receiving a response does not necessarily mean that callers believed their questions had been fully answered. Of the 206 sampled callers, 164 completed interactions with the IVR or a CSR, but some of these callers did not believe that their questions or issues had been resolved by those interactions.

⁶ Three callers reported getting disconnected during their calls, and five callers reported not being able to successfully navigate the IVR.

F I N D I N G S

2004, 2 said that they hung up because the wait time to speak with a CSR was too long.

Callers varied in how long they were willing to wait to speak with a CSR

Some callers believed that a 30-minute wait was acceptable, while others believed that a 5-minute wait was too long. Overall, 38 percent of callers who spoke with a CSR believed they had to wait too long. One caller described her strategy for dealing with the long wait, saying “[The IVR said the wait would be] 30 to 40 minutes. I gave the phone to my husband who was reading a book during the wait. I didn’t want to risk hanging up and calling back and then waiting again.”

Three callers reported that after navigating the IVR, a person came on the line and took their name and number, explaining that 1-800-MEDICARE was currently experiencing a high volume of calls and that someone would call them back. These callers did not have long hold times, but did have to wait for calls back.

In 2007, more callers ranked “time spent on the telephone” as the most important customer service priority than in the 2004 baseline data

In addition to asking callers about their experiences during their calls to 1-800-MEDICARE, we also asked them about their priorities for customer service. We identified three priority areas for telephone customer service: the accuracy of the answer given, the courtesy of the person spoken with, and the amount of time spent on the telephone. In both studies, accuracy was ranked the most important of the three priorities.⁷ However, in our 2004 baseline data, 12 percent of callers ranked time spent on the telephone as the most important of these three, while in this evaluation, 24 percent of callers ranked time as the most important.

Similar to the 2004 baseline data, 44 percent of callers in the 2007 evaluation had difficulty accessing information

Similar to the 2004 baseline data, 44 percent of callers in the 2007 evaluation had difficulty accessing information, reporting at least one of the following experiences: (1) finding the IVR not easy to use, (2) not receiving answers to their questions or all the information they needed, or (3) not receiving answers to their questions as quickly as

⁷ Sixty-five percent of the 2004 callers ranked accuracy most important; 61 percent of 2007 callers ranked accuracy most important.

desired. A profile of callers and their experiences can be found in Appendix C.

Thirty-one percent of callers reported that the IVR was not easy to use; callers offered a variety of concerns about the IVR

Callers' reported experiences with the IVR are similar to the 2004 baseline data, in which 32 percent of callers who encountered an IVR said the IVR was not easy to use. Twenty percent of callers said that the IVR did not understand their spoken responses. They described problems such as having to repeat their response several times or the IVR not being able to understand certain types of information spoken to it, such as Social Security numbers or addresses. For example, one caller reported that the IVR could not understand the suffix at the end of his Medicare identification number.

Thirty-seven percent of callers reported negative opinions of the IVR, giving reasons such as the IVR not providing an option for the caller's question or being too time-consuming. Callers expressed aggravation, annoyance, and nervousness regarding the IVR. As one caller put it, "The recording gets me upset and confused. I want something simple." Overall, 18 percent of callers expressed a desire to speak with a live person. Five percent of sampled callers (11 of 206) described how they bypassed the IVR, pressing buttons randomly or immediately pressing 0 for the operator rather than attempting to provide any responses to the IVR.

Only five callers successfully received an answer to their question from the IVR. In March 2007, a 1-800-MEDICARE CMS official stated that in January 2007, approximately 19 percent of all calls were completed or terminated in the IVR without being transferred to a CSR, indicating that those callers resolved their questions or problems using the information available through the IVR or hung up. During our week of fieldwork, 21 percent of callers hung up before receiving answers from either the IVR or a CSR, and only 5 of 206 callers reported receiving answers to their questions using the IVR. Although 5 callers are too few to allow projection of the results, it suggests that few of the 19 percent of callers that the CMS official described to us resolved their issues using the IVR. It is more likely that callers were simply hanging up. In communications with OIG, CMS stated that one of the goals of the IVR is to readily answer Medicare questions 24 hours per day, 7 days per week, 365 days per year. The responses of our callers may indicate that the IVR is not achieving this goal.

Nineteen percent of callers reported not receiving answers to their questions or all the information they needed during the sampled calls, an improvement of 5 percentage points over 2004

Eighty-one percent of callers reported that they received answers to their questions and all the information they needed. Nineteen percent of callers provided negative responses to one or both of two questions concerning whether they received answers to their questions and whether they received all the information they needed. In comparison with our 2004 baseline data, 24 percent of callers reported not receiving answers or all the information they needed.

We asked callers to explain why they believed that they had not received answers or all the information needed. Some callers expressed that the CSR could not answer their questions or transferred them to another CSR, but the transfer did not result in answers to their questions. One caller said, “[I was] bounced around to several CSRs, but never got the information [I] needed.” Two callers described being asked to call back at a different time because the office with the information they needed was closed. One caller said “[The CSR] said I should call again on Monday and ask for ‘Part B Claims’ and speak with a specialist.” CMS officials explained that CSRs trained to respond to questions regarding specific claims are available only from 8 a.m. to 7 p.m. eastern time, because data from the mainframe computer systems these CSRs use to answer questions are not available outside these hours. The limited availability of these CSRs resulted in some callers’ not receiving answers to their questions during the sampled call.

Other callers reported that they received no information or received incomplete information. For example, one caller said that she was interested in the “Welcome to Medicare” physical and looked in the Medicare handbook for information on it, but still had a question. During her call to 1-800-MEDICARE, she navigated the IVR to attempt to order the “Preventative Services” brochure, but the IVR said the brochure was unavailable. The caller then waited for a CSR to answer her question, but the caller reported that all the CSR could do was read her what she had already read in the handbook. The caller summed up her experience by saying, “To have spent the time and not get an answer—that's frustrating.”

F I N D I N G S

Twelve percent of callers who completed their calls reported not receiving the answers as quickly as they desired

We asked those callers who completed their calls whether they received the answers as quickly as they desired. Fifty-nine percent of callers who completed their calls reported that they received the answers as quickly as desired; 12 percent of callers reported they did not.⁸ The callers who did not receive answers as quickly as they desired described difficulties such as having long waits, spending time navigating the IVR, having to call other organizations such as their prescription drug plan, and having to make multiple calls to 1-800-MEDICARE because the claims history system had not been updated. During the week of our fieldwork, sampled callers made an average of 1.7 calls to 1-800-MEDICARE, ranging from 1 to 9. This average has decreased since 2004, when sampled callers made an average of 2.4 calls during the week of fieldwork. In our 2004 baseline data, 12 percent of callers also reported not receiving answers as quickly as they desired.

⁸ This question was not applicable to the remaining callers, because they had previously reported not receiving answers to their questions or all the information they needed and therefore could not comment on how quickly they received answers.

Call volume increased 68 percent between FY 2004 and FY 2006; during this same period, call center costs more than doubled. Overall, the majority of callers were satisfied with telephone customer service during the week of our fieldwork in 2007; however, satisfaction decreased by 13 percentage points when compared with the 2004 baseline data. The percentage of callers experiencing difficulty accessing information has remained the same, at 44 percent. Callers' negative comments regarding the IVR also remained similar to the results of our 2004 baseline data, with callers citing confusion, aggravation, and too much time spent navigating the menus. We note that more callers hung up before receiving responses to their questions in our week of fieldwork in 2007 than in the 2004 baseline data and that an increased number of callers cited the amount of time spent on the telephone as their highest customer service priority. We recommend that CMS:

Reassess the Level of Resources Directed Toward Improving the Question-Answering Capabilities of the IVR

Only 5 of 206 callers reported receiving answers to their questions using the IVR. In both the 2004 baseline data and 2007 data, callers emphasized their preference to obtain answers to their questions from live persons. CMS should reassess whether it should continue to direct resources toward further improving the question-answering capabilities of the IVR or toward supporting more CSRs to answer questions.

Ensure That Callers Receive All Needed Information

In many instances, 1-800-MEDICARE is the primary source of telephone customer service for Medicare information. When 1-800-MEDICARE fails to provide needed information, callers often have few alternative methods to obtain it. The most common reason callers gave for overall dissatisfaction was that their questions or problems were not resolved. CMS should consider ways to ensure that callers' questions are fully answered during their first call. For example, CSRs could ask at the end of every call whether questions were fully answered, followed by asking the caller if there is anything else they could help them with. CMS could also evaluate CSR training on escalating unresolved calls to more highly trained CSRs and/or supervisors. Providing callers with complete answers during their first call may reduce the number of repeat calls on the same issue.

R E C O M M E N D A T I O N S

Continue To Seek Ways To Reduce Wait Times

Since the 2004 baseline data were collected, a new call routing system has been implemented that routes callers to the first available CSR regardless of geographic location, thereby reducing caller wait times. Other improvements to the call routing system allow callers to key information while waiting to speak to CSRs so that they do not have to provide that information while speaking with the CSRs, thereby reducing call handling and transfer times. CMS should continue to seek ways to reduce the time callers must wait to speak with CSRs. Increasing the number of CSRs available to answer a broader range of questions and ensuring that callers' questions are fully answered may reduce the need for multiple calls and shorten wait times.

AGENCY COMMENTS AND OFFICE OF INSPECTOR GENERAL RESPONSE

In its comments to the draft report, CMS did not indicate whether it concurred with our recommendations. However, CMS described several actions that it has taken or planned that relate to our findings and recommendations. CMS stated that it will further determine how best to simplify choices and menu options within the IVR, conduct a study to help determine why callers are not receiving the information they need, and implement technological solutions to provide beneficiaries with options for obtaining answers to their questions without having to wait to talk to a CSR. CMS provided information on efforts underway or planned for the future aimed at improving call-center operations. We ask that, in its final management decision, CMS more clearly indicate whether it concurs with our recommendations and what steps, if any, it will take to implement them. For the full text of CMS's comments, see Appendix D.

Confidence Intervals

2007 Caller Experiences

Finding	Point Estimate	Confidence Interval 95-Percent
Callers who hung up before receiving answers to their questions	20.6%	15.0%–26.3%
Callers who completed their calls	79.3%	74.0%–85.0%
Callers who hung up because they considered the wait time to speak with a customer service representative (CSR) too long	66.4%	52.0%–80.9%
Callers who spoke with CSRs and believed they had to wait too long	38.0%	31.0%–45.6%
Callers who ranked time spent on the telephone as the most important customer service priority	23.9%	17.0%–30.6%
Callers asked to rate satisfaction who were satisfied overall with the customer service received	70.5%	63.0%–77.7%
Callers asked to rate satisfaction who were unsatisfied overall with the customer service received	18.9%	13.0%–25.1%
Callers asked to rate satisfaction who were unsure whether they were satisfied with the customer service received	10.5%	6.0%–15.3%
Callers who were not satisfied because their questions or problems were not resolved	13.1%	8.0%–18.4%
Callers who reported difficulty accessing information from call centers	43.8%	37.0%–50.7%
Callers who reported that the Interactive Voice Response (IVR) was not easy to use	30.7%	24.0%–37.1%
Callers who reported that the IVR did not understand their spoken responses	20.2%	15.0%–25.8%
Callers who reported negative opinions of the IVR	37.3%	31.0%–44.0%
Callers who expressed a desire to speak with a live person	18.4%	13.0%–23.8%

Source: Office of Inspector General analysis of caller interviews, 2007.

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2007 Caller Experiences

Finding	Point Estimate	Confidence Interval 95-Percent
Callers who reported not receiving answers to their questions or all the information that they needed	18.9%	13.0%–24.9%
Callers who reported receiving answers to their questions and all the information that they needed	81.0%	75.0%–87.1%
Callers who reported not receiving answers as quickly as they desired	12.3%	6.0%–18.4%
Callers who reported receiving answers as quickly as they desired	58.5%	51.0%–66.1%

Source: Office of Inspector General analysis of caller interviews, 2007.

2004 Caller Experiences

Finding	Point Estimate	Confidence Interval 95-Percent
Callers who hung up before receiving answers to their questions	12.0%	8.0%–16.1%
Callers who ranked time spent on the telephone as the most important customer service priority	11.7%	8.0%–15.8%
Callers asked to rate satisfaction who were satisfied overall with the customer service received	84.5%	80.1%–88.9%
Callers who were not satisfied because their questions or problems were not resolved	8.4%	5.0%–12.0%
Callers who reported difficulty accessing information from call centers	43.7%	37.7%–49.6%
Callers who reported that the IVR was not easy to use	31.6%	25.9%–37.4%
Callers who reported not receiving answers to their questions or all the information that they needed	24.4%	18.9%–29.9%
Callers who reported not receiving answers as quickly as they desired	12.4%	8.3%–16.4%

Source: Office of Inspector General analysis of caller interviews, 2004.

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Statistical Correlations

Caller Experiences

Finding	Weighted Chi-Square Test		
	Percent Satisfied	Percent Responding Other Than Satisfied*	Degrees of Freedom P-value
Relationship between finding the Interactive Voice Response (IVR) system easy to use and satisfaction (n=161)			
IVR easy to use/don't remember	77%	23%	1 0.0089
IVR not easy to use	54%	46%	
Relationship between receiving answers to questions and all information needed and satisfaction (n=161)			
Received answers	81%	19%	1 less than 0.0001
Did not receive answers	26%	74%	
Relationship between receiving answers to questions as quickly as desired and satisfaction (n=161)			
Received answers quickly	92%	8%	1 less than 0.0001
Did not receive answers quickly	73%	27%	

*Includes sampled callers who reported that they were unsure or neither satisfied nor unsatisfied, in addition to sampled callers who reported that they were unsatisfied.

Caller Experiences

Finding	T-test		
	Percent Satisfied	Percent Responding Other Than Satisfied*	P-value
Relationship between overall caller satisfaction between April 12–16, 2004, evaluation (n=271) and overall caller satisfaction between January 22–26, 2007, evaluation (n=161)			
April 12–16, 2004 evaluation	84%	16%	0.0012
January 22–26, 2007 evaluation	71%	29%	

*Includes sampled callers who reported that they were unsure or neither satisfied nor unsatisfied, in addition to sampled callers who reported that they were unsatisfied.

Source: OIG analysis of caller interviews, 2004 and 2007.

Profile of Surveyed Callers

	Number of Callers
Who called? (Three callers called both for themselves and for a family member)	
Beneficiary	160/206
Beneficiary's family member	38/206
Other (e.g., provider or insurance office staff)	8/206
Why did they call?	
Benefit question	134/206
Medical bill or summary notice	46/206
Other (e.g., address change, multiple issues)	26/206
How did they know to call 1-800-MEDICARE? (Five callers knew about 1 800-MEDICARE from more than one source)	
Printed on a notice I received	69/206
Someone gave me the number	41/206
Medicare card	36/206
"Medicare & You" handbook	29/206
Previous knowledge	25/206
Other (e.g., Internet, telephone book)	11/206
Did they try to get their questions answered through any other source before calling? (Six callers consulted more than one source before calling)	
No other source consulted	115/206
Called other organization (e.g., provider, health plan sponsor, secondary insurance)	83/206
Internet Web site	8/206
Medicare handbook or brochure	5/206
Friend, family member, counselor	1/206
How many times did they call 1-800-MEDICARE during the week?	
1-3	192/206
4-9	14/206
Average number of calls	1.7

Source: Office of Inspector General analysis of caller interviews, 2007.

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Agency Comments



DEPARTMENT OF HEALTH & HUMAN SERVICES

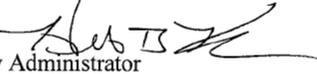
Centers for Medicare & Medicaid Services

Office of the Administrator
Washington, DC 20201

AUG 23 2007

DATE:

TO: Daniel R. Levinson
Inspector General

FROM: Herb B. Kuhn 
Acting Deputy Administrator

SUBJECT: Office of Inspector General (OIG) Draft Report: "1-800 MEDICARE: Caller Satisfaction and Experiences" (OEI-07-06-00530)

The Centers for Medicare & Medicaid Services (CMS) appreciates OIG's analysis and recommendations to help improve our beneficiary call centers. We strive to ensure that all of our callers receive timely, accurate, and complete information. CMS continues to recognize areas for improvement, and welcomes any feedback that may help us to identify improvement opportunities for call center operations.

Since the last OIG evaluation of 1-800-MEDICARE Caller Satisfaction and Experiences in 2004, there has been a 68 percent increase in the total number of calls to 1-800-MEDICARE. In fiscal year (FY) 2006, approximately 42 million calls were handled by the 1-800-MEDICARE call centers. The increase in calls is the result of several significant changes in the Medicare program, such as the implementation of the Medicare Prescription Drug program, and the transition of many of the Medicare Fee-For-Service (FFS) Contractor's telephone inquiries to the Beneficiary Contact Center (BCC).

We are pleased that the majority of the callers are satisfied with the overall customer service they received at 1-800-MEDICARE. We are also pleased that we saw a 5 percent improvement in the category "Callers reported not receiving an answer to their question or all the information they needed." We will continue to strive to make overall operational improvements in order to ensure continuous improvement to our customer service program.

SPECIFIC FINDINGS:

The OIG study found that more callers in 2007 than in 2004 reported hanging up before receiving an answer to their questions, and there were more concerns about wait times. A primary reason for this increase may be that the wait time to get to a customer service representative (CSR) increased from 2 minutes 7 seconds in 2004 to 6 minutes 9 seconds for this study. We understand that some callers choose to hang up rather than wait to speak with a CSR

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during periods of high call volume, and we are working to address this problem through improvements in both technology and operational practices.

From an operational perspective, we have increased staffing allocations at all of the 1-800-MEDICARE call centers. We have also made adjustments to the CSR work shifts to help level out some of the variances that we have experienced in recent months. We have also adjusted our recruitment efforts to focus on a more flexible part-time staff that can be more easily allocated to address “trouble spots” in the daily schedules. As noted in the report, we have implemented a callback process, which is initiated when call volumes are extremely high and average wait times reach a specific level. The call back process collects the caller’s name and phone number and explains that we will call back within a short time period. This helps us to manage call volume spikes and still provide callers with the information that they need in a timely fashion.

We are also using technology to help improve the service we provide to callers whenever possible. We have implemented changes in our Interactive Voice Response (IVR) system to improve the routing of calls and ensure that callers get to a CSR with the right skill set to answer their specific questions as part of our first call resolution strategy. We have also more tightly integrated the technology between the IVR and the CSR desktop to “pop” the caller’s information when the call is delivered to the CSR. On average, this technology saves 18.5 seconds on each call and prevents the caller from having to repeat information. While these changes are not openly apparent to the caller, they do result in a better call experience for the caller.

Although these operational and systems changes are helping to improve the customer service we provide to callers, we will continue to have some hold times due to budget limitations. Nevertheless, we will explore every available opportunity to design our technology and operational processes in a way that leads to better customer service.

The OIG study found that some callers felt they had difficulty accessing information in the IVR and that they found the IVR difficult to use. CMS is continually monitoring and studying the speech automated system to ensure beneficiaries receive the best customer service available. Last summer, CMS implemented the ability for beneficiaries to check on their Medicare claim status, as well as obtain up-to-date information on their deductible status within the IVR. CMS recently implemented enhanced capabilities within the IVR for publication ordering. It is our goal to ensure that the IVR is as simple and helpful as possible and that the caller can readily obtain information they need and have confidence that the information provided is complete and accurate.

The OIG study also found that callers felt that the CSRs did not have the information they needed to address their questions, and that they were too frequently transferred to other CSRs for resolution. In an effort to provide first call resolution and decrease the number of transfers, we have trained all of our CSRs on both general Medicare and simple claims issues. CMS is also beginning a First Call Resolution Pilot Study at the Richmond Call Center to help determine why callers are not receiving the information they need from the first CSR they reach, and to determine what content or training changes we need to make so that the CSRs can be more responsive to caller issues, and thus reduce the need to transfer callers to an additional CSR.

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Finally, over the past year and a half, CMS has been in the process of transitioning all of the Medicare FFS Contractors beneficiary telephone workload over to the BCC. Upon completion, this transition will improve the overall caller experience, because the caller will no longer need to be transferred to an FFS contractor for specific claims inquiries. The FFS transition will be completed by September 30, 2007.

Attached are CMS comments to the OIG's recommendations.

**Office of Inspector General Draft Report
1-800-MEDICARE: Caller Satisfaction and Experiences
(OEI-07-06-00530)**

OIG Recommendation

The OIG recommends the CMS reassess the level of resources directed toward improving the question-answering capabilities of the IVR.

CMS Response

The IVR is an essential part of Call Center Operations. As mentioned above, the IVR functionality is continuously being enhanced to better accommodate the Medicare beneficiaries. CMS is continually monitoring and studying the speech automated system to ensure beneficiaries receive the best customer service available. It is our goal to ensure the IVR is as simple and helpful as possible for the caller. As we complete the transition of the claims calls into the BCC call center, we will further determine how best to simplify choices and menu options within the IVR. The ability to provide service in the IVR is critical to handling the entire range of beneficiary inquiries, and remains fiscally responsive.

OIG Recommendation

The OIG recommends that CMS ensure that callers receive all needed information.

CMS Response

We appreciate the OIG's concern about the CSR's access to important beneficiary information, as that is also one of our primary objectives. In an effort to ensure our CSRs have the appropriate training, and access to the information they need to accurately handle beneficiary concerns, 1-800-MEDICARE CSRs receive weekly Refresher Training to update them on new procedures and initiatives. The materials covered for the week are conducted either in a classroom setting, or by individualized desktop training. Once the materials are presented, the CSRs are given a knowledge test, which contains questions from the current and prior week's training materials. This approach ensures that CSRs retain information that was covered earlier in the month, and know how to appropriately answer various beneficiary inquiries.

In the past, CMS required CSRs to ask the caller if they needed additional assistance, and if the CSR had fully answered their question. This question often led to the caller asking unrelated questions, thus resulting in the average talk time for the calls to be higher. CMS made the decision to no longer ask this question, to eliminate the need for callers to feel obligated to ask a subsequent question.

With the implementation of the various enhancements including the Richmond Pilot, the FFS transition, the General Medicare claims training, and continual improvements to the IVR, we are confident that callers will continue to experience an improvement in receiving comprehensive information about their issues.

OIG Recommendation

The OIG recommends the CMS continue to seek ways to reduce wait times.

CMS Response

Our 1-800-MEDICARE contractor is able to project the length of time a caller will have to wait in queue before they are connected with a CSR. While they are holding in these queues, several informational messages are played, which in many cases provide the caller with the information they need so the caller does not have to continue to wait.

The contractor collects information on queue times and trends this data so that scheduling and staffing are in line with the call arrival patterns. It is CMS' intent to staff the call centers to maximize coverage and minimize wait times, based on factors such as budget, staffing schedules, 24 x 7 coverage, training requirements, etc. In order to do this effectively, we utilize a software-scheduling tool called Aspect. We also realize that the average time it takes a CSR to handle a call impacts the number of calls that can be handled, and therefore, we focus on how best to design scripts so that responses to inquiries are accurate and to the point.

In order to provide better service for our callers, we implemented a "call back" process. When average wait times reach a predefined threshold, generally 15 minutes, we take the caller's name and number and call them back within a 48-hour period.

In addition, we are implementing technological solutions such as the self-service IVR, and the Medicare Beneficiary Portal, to provide beneficiaries with options on how best to obtain answers for their questions without having to wait to talk to a CSR. This will also help to reduce wait time.



A C K N O W L E D G M E N T S

This report was prepared under the direction of Brian T. Pattison, Regional Inspector General for Evaluation and Inspections in the Kansas City regional office, and Gina C. Maree, Deputy Regional Inspector General.

Tricia Fields served as the team leader for this study. Other principal Office of Evaluation and Inspections staff from the Kansas City regional office who contributed to the report include Michala Walker and Megan Buck. Central office staff who contributed include Robert Gibbons and Scott Manley.