



City of Seattle
Human Services Department

HSD SLI 54-1-A-1 RESPONSE

MEMORANDUM

DATE: April 20, 2012

TO: Councilmember Mike O'Brien, Chair
Seattle City Council Energy & Environment Committee

Sally Clark, Councilmember
Tim Burgess, Councilmember
Nick Licata, Councilmember

FROM: Dannette R. Smith, Director
Human Services Department

RE: Response to SLI 54-1-A-1: HSD Utility Low-Income Customer Enrollment and Outreach

This memo responds to Statement of Legislative Intent (SLI) 54-1-A-1, adopted by the City Council as part of the 2012 budget process. The SLI requests that the Human Services Department (HSD) submit a report to Council by March 31, 2012 that reviews the Utility Discount Program (UDP) and includes the following elements:

1. Comparison of 2012 HSD staffing, work processes and costs to 2010 staffing, work processes and costs.
2. Indication of how performance targets are being met after 2011 implementation of HSD's recently updated utility low-income customer enrollment work processes.
3. Identification of aspects of HSD's UDP that are working well and aspects that could be improved to better meet performance targets and reduce costs. Recommendations on further improvements, a schedule for implementing those improvements, and a timeframe within which performance targets can be met after implementation.

Background

The Utility Program helps low-income people get current and stay current on utility payments by offering a discount of approximately 50 to 60 percent of electric, water and garbage bills through three programs:

- Rate Discount Program (**same as Utility Discount Program**) – 50% reduction of SCL bill and 60% of SPU bill.
- Assist Seattle Public Utility Assistance Program (ELIA) – where staff refer customers to program.
- Project Share – program set up to help customers and get current on SCL bill.

The Utility Discount Program aligns with the City's values of serving the most vulnerable populations while meeting the departmental goals of effectively serving more customers and providing them with some stability. The program staff also links customers to other assistance programs such as Child Care Assistance, Health Insurance, Home Weatherization and SPU Emergency Assistance if they see a need. The UDP is available for residential Seattle City Light and Seattle Public Utilities customers who in tough economic times view UDP as a lifeline.

In early 2011, in response to a November 2010 SLI 11-1-A-1, Scott Casson of CCIS Consulting, Inc. was contracted to review the UDP business processes and recommend changes that would result in a seamless, data-driven system that would serve more customers. As a result of that review, four primary recommendations emerged:

- **Streamline the role of Program Intake Representatives (PIR)** – moving from one-on-one case management style to “call” center model where customers have access to any one PIR
- **Upgrade technology and improve customer service** – upgrades to current database
- **Improve screening processes** – provide in-depth screening over phone
- **Improve data analysis and reporting** – implement staff productivity metrics

SLI Response

1. Comparison of 2012 to 2010 HSD staffing, work processes and costs.

Utility Discount Program Staffing and Budget*

Staffing	2010 FTE	2012 FTE
Manager 1	0.78	0
Supervisor, Human Services	1	1
Lead Program Intake Representative	0	1
Program Intake Representative	7.5	9
Administrative Spec I	0	2
Administrative Support Assistant	2.5	0.5
Administrative Staff Assistant	0.5	0
Public Relations Spec	0.91	0
Total UDP FTEs:	13.19	13.5

Budget	2010 Budget	2012 Budget
Labor	923,899	1,052,925
Operating	167,842	166,212
Indirect Costs*	210,269	195,793
Total Proposed Budget	\$1,302,010	\$1,414,930

*HSD program-specific indirect rate in 2012, 16.06%, in 2010 19.26%

*Funding is utilized to maximize client services

2. Performance areas before and after 2011 implementation of HSD’s recently updated utility low-income customer enrollment work processes.

Performance Areas	Before Implementation	After Implementation
Screening	Brief, high-level screening performed	A detailed screening interview is done by Program Intake Representative (PIR) and application is mailed out if eligibility requirements are met
Application mailing	Blank applications mailed to applicants including only name and address	Applications pre-populated with customer information are now mailed; additional documents that are required are highlighted so customers know what they need to send in
Inbound Call Handling	Customers would typically contact a specific PIR regarding issues or pending applications but due majority of calls went to voice mail with PIR calling customer back; operated like case management	New model has allowed 90+% of these calls to actually be answered by a PIR instead of being directed to voicemail. <i>(Within an average week the UDP team will handle approximately 1,400 inbound calls from customers)</i>

		<i>answering questions pertaining to their new application, a recertification, or existing enrollment.)</i>
Application Processing	All PIRs were responsible for all functions required to process UDP new and re-certification applications	PIRs are now organized by function allowing them to focus on a series of single tasks at a time

UDP is creating new reporting tools that will assist with collecting and analyzing staff performance and program metrics that will be ready by May 2012. Follow-up assessments are scheduled for July and December 2012.

What's Working Well

In August 2011, HSD implemented a Contact Center model for managing all customer contacts. Through this system, contacts can now be tracked and data can be gathered more efficiently through the UDP database. The contact center model allows HSD to improve internal controls and accountability of the program while increasing ease of enrollment for customers.

As a result of this new system, we've seen improvements in multiple areas:

- **Improved application completion time:** The application completion time (the time period from when UDP mails an application to a client to when a completed application is received back in the office) has decreased. In the seven months since we've implemented the contact center model, HSD has reduced the cycle time of an application from 71 days to 48 days. That's a 32 percent decrease.
- **More applications mailed:** The changes resulted in a 17 percent increase in the number of applications mailed weekly. In addition, the quality of the applications have improved as staff "pre-populate" application forms with client information and highlight what documents are still needed prior to mailing it to the customer. Previous to August 2012 staff sent out on average 190.8 applications per week and is now sending out 229 applications.
- **More applications returned:** The changes resulted in 17 percent more applications being returned from customers. Previous to August 2012, 55% of applications were returned and now 64% are returned.
- **Streamlined application forms:** There has been a decrease in PIR application processing time as well as an increase in the number of applications being sent out. Previously, PIRs used a manual process to complete an application when interviewing an applicant for the program. This manual process typically required approximately 14 minutes for each application. Additionally, after a PIR manually entered applicant information into the form, the same information was re-entered by administrative personnel into the UDP data base program. Moving to a streamlined and more automated application form has reduced the average time to complete a new application by five minutes and also eliminated the re-entry of data into the UDP database. Staff started using this new form earlier this month, an assessment is scheduled for July 2012.
- **Testing and Implementing a Program Eligibility Worksheet:** A new Excel worksheet is being used to expedite case processing and reduce calculation errors. Previously, PIRs had manually completed the calculations required to determine if an applicant is eligible for UDP based upon current/prevaling guidelines. Full deployment of an electronic worksheet will automate the calculations resulting in faster

case processing and improved accuracy. Currently, staff who have tested the worksheet say this has reduced the amount of time they spent on calculating eligibility. Full implementation is expected by May 2012.

- **Streamlined the role of Program Intake Representatives (PIR):** The old system relied on each customer being assigned a case manager. If the case manager was unavailable when a customer was in need, substantial wait times could result. The new system means customers have continual access to UDP staff that can answer questions and solve problems. The new job model has resulted in higher efficiency and improved customer service. This work was implemented in August 2011.
- **Upgraded technology and improve customer service:** HSD acquired new phone system technology and upgrades to current database that allows customers to consistently reach a live UDP staff person instead of being required to leave voicemails. This new technology was implemented on August 15, 2011.
- **Improved screening processes:** The new screening process includes a completed, in-depth review of an applicant's case before they are mailed an application. Implementation is being phased in and is expected to be complete by the end of April 2012 complete and we will be monitoring improvements.

Phase 1 -System Changes: *these are system changes that will require more discussion among City Council, department directors and program staff to address longer program implications.*

- **Cycle time:** While a 17 percent increase in completed applications is a good start, it's not enough as the overall goal is to reduce the time it takes staff to process applications (20 days) while also strategizing ways to assist customers in returning requested documents faster; currently the average time is 25 days to return information needed to complete the application. **Recommendation:** UDP, SCL and SPU staff continue to work together to develop strategies to decrease the cycle time even more. SPU is in charge of setting the next coordinating meeting set for week of 4/23 to set goal.
- **Outreach/Seasonal staffing:** Certain times of the year are significantly busier than others. Many customers don't apply until the cold winter months arrive. This can result in increased wait times for customers due to high volumes. **Recommendation:** Continued collaboration quarterly with SCL and SPU to accomplish the following: strategize ways to reach more potential customers during the summer and fall months in order to reduce wait times during winter months, develop a joint outreach plan and identify program and staff efficiencies.
- **Eligibility:** A recent City Auditor noted that all utility programs were offering a 20% salary deduction that was never part of the original ordinance – S.M.C. 24.49.040. After researching the program background there was no evidence this deduction was ever formally adopted by City Council; therefore, a change was made to the income eligibility of the UDP program. The auditor's assumption was that since the federal LIHEAP and ELIA programs both offer 20% deductions the utilities and HSD also decided to offer the salary deduction. As of January 1, 2012, deductions are no longer allowed thus reducing the number of individuals eligible for the program. Staff anticipates this will have a negative effect on customers, particularly seniors, and we are tracking data on the customers affected by this change. **Recommendation:** Per City Auditor's office suggestion, consider revising City ordinance to allow for 20 percent salary deductions.

Phase 2- Six-month Next Steps: *these are items program staff and consultant are currently addressing to improve overall program and staff efficiencies (May-December 2012)*

- **Fully deploy “functionalized” PIR model** to increase process efficiency. Staff is working to refine functions to better serve customers. Full implementation of the “functionalized” model will result in improved productivity of all PIRs as they will only be responsible for a portion of the UDP process. In the past, a PIR was responsible for all steps within the approval process for each case he/she was working. By working on a single function at a time, PIRs time management and ability to process cases will improve. Additionally, as this “functionalization” requires centralization and improved organization of all case files, instances of misplaced information will be minimized and the ability to respond to applicant’s questions throughout the approval process will be improved. Expected implementation by December 2012.
- **Cross-train and deploy back-up agents** to decrease PIR application processing time resulting in more completed applications. Ensuring all PIRs are trained in the three skill set areas: 1) screenings, 2) recertified customers and 3) new applicants. Increasing PIR capacity in all skill sets will directly result in improved overall productivity for the program team. We are currently hiring for two new PIRs and a supervisor. Expected implementation by December 2012.
- **Implement a Hosted Automated Dialer** to follow up on calls from referrals received from the Washington Connection Web portal which links residents with state and City benefits. Because the screening takes the most staff time, use of the Automated Dialer system to pre-screen referrals is beneficial. If individuals are eligible they will be referred to call directly to UDP to begin the application process as information received from portal is incomplete. These automated follow-up calls are expected to reduce the cycle time required to process an application end-to-end and also increase the number of applications that are returned by applicants to UDP for processing. . Expected implementation by August 2012.
- **Measure and manage PIR Level metrics.** HSD is in the process of acquiring the kind of data and information that will allow it to measure, manage, and improve the function of the UDP program as well as staff performance. Baseline indicators will be:
 - a. Average time “not ready” by PIR,
 - b. Average number of calls returned to “queue” by PIR,
 - c. Average number of calls per hour by PIR and
 - d. Average percentage available time by PIR

Outcome data is not yet available. Expected implementation is on May 1, 2012 with first assessment scheduled for July 2012. Upon implementation UDP program staff will be in alignment with how SPU program staff is measured as both staff has same job titles, similar functions and same Union- Local 17.