

VA Office of Inspector General

OFFICE OF AUDITS & EVALUATIONS



Veterans Benefits Administration

*Audit of
National Call Centers and
the Inquiry Routing and
Information System*

May 13, 2010
09-01968-150

ACRONYMS AND ABBREVIATIONS

| | |
|-------|--|
| IRIS | Inquiry Routing and Information System |
| OFA&A | Office of Facilities Access and Administration |
| MAP-D | Modern Award Processing-Development |

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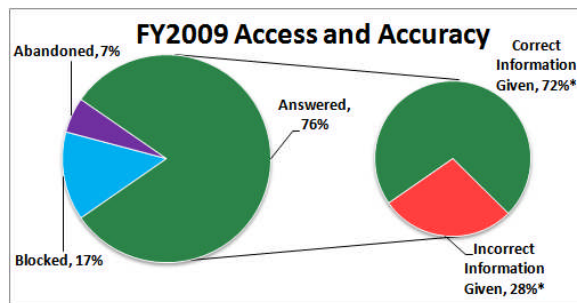
Report Highlights: Audit of National Call Centers and the Inquiry Routing and Information System

Why We Did This Audit

The audit determined whether the VBA call centers and internet-based Inquiry Routing and Information System (IRIS) provided timely and adequate information.

What We Found

In FY 2008, VBA began consolidating public contact activities into eight national call centers, one pension call center, and one IRIS center. In FY 2009, individuals reached an agent 76 percent of the time. Of those reaching an agent, agents answered 72 percent of their questions correctly.



* As reported by VBA

When we combined VBA's reported data on access and accuracy, we concluded that any one call placed by a unique caller had a 49 percent chance of reaching an agent and getting the correct information. This occurred because VBA did not have a central entity to provide leadership and guidance, establish sufficient performance standards to evaluate timeliness and accuracy, provide adequate training, and implement an efficient call-routing system.

VBA initiated some corrective measures by recruiting for a contact operations manager, adjusting the routing of calls, and increasing the number of telephone lines. In FY 2011, VBA plans to implement a new process to route calls more efficiently.

Before June 2009, call center and IRIS staff did not always follow procedures to safeguard personal information. In June 2009, VBA modified their procedures and provided refresher training. As a result, the compliance rate for IRIS and the call centers improved to 96 and 93 percent, respectively.

What We Recommend

VBA needs to continue their efforts to fill the contact operations manager position and improve the routing of calls. In addition, VBA needs to improve timeliness and accuracy performance standards, as well as evaluate staff productivity and processes, to determine the resources needed to provide timely and accurate information to veterans.

Agency Comments

The Acting Under Secretary for Benefits agreed with our findings and recommendations. We will monitor implementation of their planned actions.

(original signed by:)

BELINDA J. FINN
Assistant Inspector General
for Audits and Evaluations

TABLE OF CONTENTS

| | |
|---|----|
| Introduction..... | 1 |
| Results and Recommendations | 2 |
| Finding 1 Access to National Call Centers Needs Improvement | 2 |
| Finding 2 VBA Needs to Improve the Accuracy of Call Centers and IRIS Responses | 7 |
| Observation Disclosure of Personal Information | 12 |
| Appendix A Scope and Methodology..... | 13 |
| Appendix B Background | 15 |
| Appendix C Statistical Sampling Methodology | 17 |
| Appendix D Agency Comments..... | 19 |
| Appendix E OIG Contact and Staff Acknowledgments..... | 25 |
| Appendix F Report Distribution | 26 |

INTRODUCTION

Objective

The audit determined whether VBA call centers and IRIS provided timely and adequate information in response to inquiries from veterans, beneficiaries, and service organizations. Appendix A describes the scope and methodology used to answer the audit objective.

Overview

VBA operates several types of call centers to provide veterans a toll-free access to inquire about their benefits—VA general benefits, pension, education, and life insurance. The scope of this audit included the eight VA national call centers, the pension call center, and the internet-based Inquiry Routing and Information System (IRIS).

The eight national call centers answer inquiries on general benefits such as compensation, death, and other benefits provided by VBA. These call centers are located in Cleveland, OH; Philadelphia, PA; Columbia, SC; Nashville, TN; Muskogee, OK; St. Louis, MO; Phoenix, AZ; and Salt Lake City, UT. The pension call center responds to inquiries concerning pension benefits and is located in Philadelphia, PA. IRIS provides veterans with an avenue to inquire on their benefits via the internet. IRIS staff is located in Salt Lake City, UT. The education and life insurance call centers were not included in this audit.

Within VBA, the Direct Services Program staff, under the Office of Policy and Program Management, provides quality assurance over call centers and IRIS by evaluating and reporting on the accuracy of responses and suggesting training to address errors found. VBA's Office of Facilities, Access, and Administration (OFA&A) monitors and reports on the timeliness of responses and productivity levels. Regional Office Directors, call center managers, and IRIS managers are responsible for the operations of the centers. Working together with the staff from the Direct Services Program and OFA&A, they ensure all inquirers receive the best possible customer service. Appendix B provides a more detailed description on the background of call centers and IRIS.

RESULTS AND RECOMMENDATIONS

Finding 1 Access to National Call Centers Needs Improvement

VBA's call centers (eight national call centers and the pension call center) did not have an adequate process to ensure callers reached a call agent. During FY 2009, 76 percent of the call attempts reached a public contact representative (call agent). Of the 24 percent who did not reach a call agent, the callers either received a busy signal (blocked call) or hung up while on hold (abandoned call). This occurred because:

- VBA's telephone system did not route calls to ensure the efficient use of the call agents.
- VBA did not implement performance standards to hold personnel at call centers accountable for timeliness of responses.
- Call agents did not have easy access to the information needed to answer callers' inquiries in a timely manner.

A VBA management official advised that some callers had to make repeated attempts to get the information they needed, or gave up trying. While access to call centers needed improvement, IRIS staff met timeliness standards in responding to internet inquiries.

Timely Access

During FY 2009, callers made 7.41 million attempts to contact the eight call centers. Of these attempts, 1.77 million (24 percent) were not completed because the call was either blocked or abandoned. Blocked call rates measure the percentage of attempted calls that received a busy signal. In FY 2009, 1.26 million (17 percent) of the 7.41 million call attempts were blocked. Abandoned call rates measure the percentage of calls (calls not blocked) that the caller abandoned before reaching a call agent. In FY 2009, 6.15 million (7.41 million – 1.26 million) calls were connected, but .51 million (8 percent) were abandoned.¹

The OFA&A staff stated that the significant increases in blocked and abandoned rates in December and June were due, in part, to increases in call volume caused by notices sent in:

¹ VBA's abandoned rate measure of 8 percent is based on calls connected. The abandoned rate using attempted inquiries is 7 percent, which is the rate shown in the chart on page i and the rate we used to calculate the 24 percent not completed rate. We did not review the reasons callers abandoned their call but acknowledge the call could have been abandoned for reasons other than an untimely response by VBA's call agent.

- November 2008 regarding errors in benefits computations and the reported shredding of veterans’ claims documentation. Calls attempted increased from 426,000 in November to 748,000 in December.
- May 2009 regarding payments received under the American Recovery and Reinvestment Act and an increase in Chapter 33 education benefits inquiries. Calls attempted increased from 540,000 in May to 833,000 in June.

Table 1 shows the fluctuations in the blocked and abandoned call percentages from month to month during FY 2009.

Table 1. VBA Reported National Call Center Timeliness Percentages
(October 2008 – September 2009)

| | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP |
|----------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Blocked Calls (percent) | 2 | 1 | 26 | 38 | 30 | 21 | 7 | 8 | 16 | 17 | 9 | 11 |
| Abandoned Calls (percent) | 3 | 3 | 7 | 10 | 8 | 7 | 5 | 9 | 11 | 13 | 11 | 10 |

Routing of Calls

VBA’s telephone system did not always route incoming calls to available call agents. VBA routed calls to one of the four Virtual Information Centers. Each of these virtual centers was composed of two call centers. For example, the Eastern Virtual Information Center consisted of the Cleveland and Philadelphia call centers. Prior to March 2009, VBA routed calls to these virtual centers based on the geographic location of the incoming call. For example, VBA’s system routed a call originating in Ohio to the Eastern Virtual Information Center. If all call agents at that center (which included Cleveland and Philadelphia) were busy, the caller was either blocked or placed on hold, even if lines and call agents were available at any of the other six call centers.

In response to the increase in blocked call rates, VBA began routing calls in March 2009 based on an equal percentage allocation among the four area Virtual Information Centers. Each Virtual Information Center received about 25 percent of the calls. Additionally, VBA increased the number of phone lines from 480 to 648 in March 2009. As a result, the blocked and abandoned rates decreased but were still high. The blocked call rate was 8 percent in May and the abandoned rate was 9 percent.

VBA is planning for additional improvements. They have installed a new phone system and will add additional features in FY 2011 to route calls to available agents no matter where call centers are located.

**Performance
Standards Need
To Be Established**

VBA did not implement sufficient performance standards to hold personnel accountable for timeliness of responses. VBA measures and monitors blocked calls, abandoned calls, and productivity of the call agents. However, the only performance standard established for the regional office directors and call center managers for FY 2009 was the abandoned call rate of 5 percent. VBA has no standard for blocked calls. In addition, while individual call centers have developed productivity standards for the call agents, these standards vary between the facilities and VBA has not established a national standard.

As of January 22, 2010, VBA included in the regional office directors' and area directors' performance contracts, an agent availability rate of 70 percent for FY 2010. This percentage rate measures the amount of time the call agent should be available to answer calls during the day.

Blocked calls and the number of calls answered per hour affect access to call agents. VBA should establish national standards for these measures to help evaluate timeliness and call agent productivity.

**Easy Access to
Information**

The call agent must navigate numerous links, notes, letters, and screens within these databases to answer the caller's question. VBA needs a system that allows call agents to access the information they need in a timely manner. Call agents must access a vast amount of information in order to answer some inquiries from databases such as:

- SHARE - contains information needed to identify the veteran such as type of benefit, branch of service, service entry and discharge dates, date of birth, date of death, gender, Social Security number, and location of the veteran's claims folder. It also shows whether a claim is pending.
- Modern Award Processing-Development (MAP-D) - contains evidence requested and received for claims as well as letters and notes of recent claim actions. It also records contacts with claimants using MAP-D and tracks open and closed items.
- Virtual VA - contains electronic correspondence and ratings.
- Public Contact Representative Index - contains VA facilities addresses, scripts for frequently asked questions, and general information about VA.
- Veterans Appeals Control and Locator System - contains information on appealed claims.

For example, in order to answer a status of claim question, the call agent uses SHARE to identify the caller and determine if a claim is pending. Then the call agent accesses MAP-D and opens the Claim Level Suspense Method

screen to look at suspense dates and reasons. After checking the suspense dates and reasons, the call agent opens the Customer Service screen (tracked items) to see what evidence the caller requested and received. Next, the call agent opens the Customer Service (letters) screen to view letters associated with the claim and to see the most recent correspondence. Finally, the call agent opens the Notes screen to check MAP-D notes and check if staff sent any IRIS inquiries to the regional offices. In addition, the call agent may have to access Virtual VA to determine if the regional office staff sent any letters to the veteran.

To help improve the call agent's access to claims and benefits information, the OFA&A is planning to develop a "unified desktop." The unified desktop will provide a screen that includes information populated daily that call agents can use to respond to callers' inquiries. This screen will provide information generated from the previously mentioned databases in a simplified manner that will be easy for call agents to use.

However, a VBA official stated that the earliest that the unified desktop would be available is FY 2011. Until that time, if staffing analyses show that current staffing levels cannot provide timely information, VBA needs to determine whether they need additional staffing or whether they need to modify the call center structure. This may involve simplifying the procedures for answering an inquiry or routing calls to a specialized call agent.

Conclusion

In FY 2009, VBA did not provide callers with sufficient access to call agents. They made improvements and plan an additional adjustment in the routing of calls that should improve the access. However, because VBA has no performance standards, we could not determine the number of call agents needed to meet VBA's workload. Once VBA's ongoing actions to improve veterans' access to call centers is completed, VBA should establish appropriate performance standards and determine the appropriate staffing level to help ensure callers receive timely access to information.

Recommendations

1. We recommend the Under Secretary for Benefits establish the capability to route calls to the next available agent nationwide.
2. We recommend the Under Secretary for Benefits establish a national performance target for blocked call rate.
3. We recommend the Under Secretary for Benefits establish a national performance standard for productivity at the call agent level.
4. We recommend the Under Secretary for Benefits conduct a review of call agent productivity and call demand to determine what changes in the call center structure and/or additional staffing are needed to ensure performance standards are met.

**Management
Comments and
OIG Response**

The Acting Under Secretary for Benefits agreed with our findings and recommendations. The Acting Under Secretary stated that the Office of Information & Technology is developing new computer software that will allow the routing of incoming calls to the next available agent. The system upgrade will include an expanded nationwide queue that should significantly reduce the number of blocked calls. After implementation of this system, VBA will assess the need for a national performance target for blocked calls.

VBA is working on national performance standards for call center agents. After implementation of technology enhancements, VBA will review call agent productivity and call demand to determine if additional changes are needed.

The Under Secretary did not agree with our presentation that 51 percent of all inquiries were blocked, not answered, or answered incorrectly. The Under Secretary stated it was misleading because the calculation uses call attempts instead of unique callers. We do not agree that our presentation of the results was misleading. We believe that our analysis presents VBA with the “bottom line” picture of a user’s ability to both obtain timely access to a call center and receive accurate information. When we combined VBA’s reported data on accuracy and access, we concluded that any one call placed by a unique caller experienced a 49 percent chance of reaching an agent and getting the correct information. We modified the pie chart shown on page i to show VBA’s reported accuracy rate separately from the percent of blocked and abandoned calls. The Under Secretary provided additional technical comments that we incorporated in the report as appropriate.

We consider the planned actions acceptable; we will follow up on their implementation. Appendix D contains the full text of the Acting Under Secretary’s comments.

Finding 2 VBA Needs to Improve the Accuracy of Call Centers and IRIS Responses

VBA did not consistently provide accurate information in response to questions asked through its call centers and IRIS. During FY 2009, VBA staff provided accurate responses to 72 percent of the questions they received. The inaccuracies occurred because VBA did not:

- Establish a central position to provide clear and consistent leadership, direction, and coordination for call center and IRIS staff. Currently, call centers receive inconsistent and unclear guidance and oversight from multiple offices regarding responses to inquiries.
- Identify the common causes of inaccurate responses until January 2009 and did not ensure call centers provided training to address the common errors.
- Establish performance standards and consistent performance measures to hold personnel in call centers and IRIS accountable for the accuracy of their responses.

As a result, callers may have received unreliable information with an impact ranging from the potential for claim delays to the inconvenience created by relying on incorrect information.

Accuracy of Responses

Since VBA's consolidation of call centers in October 2007 and IRIS in October 2008, VBA has not significantly improved the accuracy of their responses to questions. During FY 2009, VBA's agents responded to:

- Approximately 5.6 million calls at the call centers and addressed about 8.2 million issues on these calls. VBA's Direct Services Program staff determined that call agents answered approximately 72 percent (5.9 million) of the issues correctly.
- Approximately 61,000 IRIS inquiries that involved about 60,000 direct and 39,000 indirect questions. VBA's Direct Services Program staff determined that call agents answered 72 percent (43,000) of the direct questions and 60 percent (23,400) of the indirect questions correctly. Indirect questions are those that are not asked directly but are relevant to providing a complete answer.

As shown in Table 2, the accuracy rates for both call centers and IRIS were consistently low throughout the year. Call centers' monthly accuracy rates remained around 72 percent ranging from a low of 66 percent in January 2009 to a high of 77 percent in June 2009. IRIS's monthly accuracy rates for direct questions also remained near 72 percent ranging from a low of 65 percent in November 2008 to a high of 78 percent in January 2009.

Table 2. VBA Reported National Accuracy Percentages
(October 1, 2008–September 30, 2009)

| | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | FY 2009* |
|-------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|----------|
| Call Centers (percent) | 73 | 68 | 70 | 66 | 72 | 71 | 72 | 72 | 77 | 76 | 76 | 73 | 72 |
| IRIS-Direct (percent) | 67 | 65 | 74 | 78 | 76 | 72 | 67 | 67 | 72 | 73 | 73 | 76 | 72 |
| IRIS-Indirect (percent) | 63 | 48 | 71 | 57 | 56 | 64 | 51 | 66 | 55 | 62 | 66 | 66 | 60 |

*Note: Average of FY 2009 National Accuracy Percentage

VBA established the call centers and IRIS to answer compensation and pension questions. Callers asked a variety of questions with the more common questions being about the status of their claim or status of payments. If the call agents answered the question incorrectly, the caller receives inaccurate information such as incorrect benefit amounts or an incorrect form to complete. In some cases, the call agent’s action may affect the processing of the claim. For example, if the call agent fails to initiate a new claim by completing VA Form 119, Report of Contact, the veteran’s effective date of the claim would be incorrect and processing would be delayed.

Need for Centralized Leadership

VBA had not established a central entity to provide leadership, direction, and coordination for call center and IRIS operations. Call centers and IRIS receive guidance and oversight from three different divisions of VBA:

1. **The Direct Services Program:** This division reports to the Associate Deputy Under Secretary for Policy and Program Management, evaluates and reports on the accuracy of responses provided, and suggests training to address errors found. They developed the Quality Improvement Plan that proposed accuracy targets.
2. **Office of Facilities, Access, and Administration (OFA&A):** This division reports to the Associate Deputy Under Secretary for Management and measures and reports on the timeliness of responses to inquiries. They also handle all technical aspects of the calls, such as the routing of calls or any phone line difficulties that occur.

3. **Regional Office Directors:** This division reports to the Associate Deputy Under Secretary for Field Operations and manages call center resources to ensure service is provided and standards are met. The only standard in the Regional Offices Directors Performance Plan is the percentage of abandoned calls. Each Regional Office Director determines and schedules their training agendas.

This decentralized management of call centers created inconsistencies and unclear guidance in performance standards, policies, and procedures among call centers. The three call centers we visited had different accuracy rates in their local performance standards for call agents. For example:

- A GS-5 call agent with over 180 days experience in the Cleveland call center needs an accuracy rating of 88 percent to be fully successful. A GS-5 call agent with the same experience in the Nashville call center only needs 80 percent.
- A GS-7 call agent with over 180 days experience in the Cleveland call center needs an accuracy rating of 90 percent to be fully successful. A GS-7 call agent with the same experience in the Salt Lake City call center only needs 85 percent.

Additionally, policies and procedures are not clear or consistent between call centers. One office (Direct Services Program) monitors and assesses accuracy of responses and another office (OFA&A) monitors and highlights timeliness of responses. One call center manager stated it was not always clear whom to ask for guidance. Another manager believed VBA needed to issue consistent policy, guidelines, and standard operating procedures. A central position tasked with responsibilities to provide consistent standards and guidance to call centers and ensure callers receive uniform and accurate information can potentially address these inconsistencies. VBA has established and recruited for a contact operations manager. In its response to this report, VBA reported that management had selected an individual to fill the position on April 8, 2010.

Training Did Not Focus on Errors

VBA did not always identify and address common errors made by call agents. From the inception of the call centers in October 2007, VBA provided a 6-week training program for new call agents. In addition, each call center and IRIS provided additional training throughout the year. However, monthly accuracy rates continued to oscillate throughout FY 2009 with no significant improvement as shown in Table 2. While VBA provided training, we believe they could enhance the training by focusing on common problems as illustrated below.

Call Centers

In January 2009, the Direct Services Program staff began evaluating the errors identified in the silently monitored quality reviews to identify trends and then provided the information to call centers. The most common errors identified included status of claims, status of payments, and death benefits.

Two of the three call centers we visited (Cleveland and Salt Lake City) began training sessions addressing the common types of errors in May and June, respectively. With the amount of information call agents need to know, training is critical to keep the call agents up to date on current changes and emphasize areas that need improvement.

IRIS

The Direct Services Program staff does not trend errors identified in their reviews of IRIS responses. In June 2009, IRIS prepared a Systematic Analysis of Operations to address the accuracy errors made by IRIS agents. IRIS managers analyzed the errors to determine whether changes in procedures or training could help improve performance. They concluded that training sessions needed to focus on the areas with the most errors and held the first of these training sessions in July 2009. In addition, the IRIS management team pulls errors on the 20th of each month to review with the call agents. The IRIS coaches tracked the errors on a spreadsheet to identify any trends.

Performance and Measurement Standards Need To Be Established and Consistent

VBA needs to establish performance standards and consistent performance measures. In March 2008, VBA published the *National Call Centers Quality Improvement Plan* that proposed a FY 2009 accuracy target of 92 percent (combining completely correct and substantially correct.) VBA is drafting a plan for IRIS, which includes a proposal for an accuracy target of 75 percent. However, VBA did not include these targets in the FY 2009 performance contracts for the Regional Office Directors or managers. VBA included accuracy standards of 85 percent for the call centers in the performance contracts for FY 2010, effective January 22, 2010. VBA has not established accuracy standards for IRIS.

VBA does not use consistent accuracy measures between call centers or IRIS. The Direct Services Program staff measures call center accuracy by silently monitoring a judgmental sample of calls each month from each call center. They evaluate responses to direct and indirect questions on an issue and make an overall accuracy assessment on the issue. A completely correct answer occurs when a call agent responds correctly to everything about a particular issue—this includes providing relevant information. A substantially correct answer occurs when a call agent correctly responds to the main reason the caller telephoned, but the call agent did not provide fully accurate responses to the other parts of the issue, did not provide relevant additional information, or said something in error about that particular issue. For FY 2009, the responses to 43 percent of the issues were completely correct and 29 percent were substantially correct for a total accuracy rate of 72 percent.

The Direct Services Program staff measures IRIS accuracy by reviewing a statistical sample of completed responses each month. They evaluate responses to direct questions and indirect questions separately and calculate separate accuracy rates for directly and indirectly asked questions with no

overall assessment of the inquiry to identify completely correct and substantially correct. For FY 2009, 72 percent of the 60,000 responses to directly asked questions were correct and 60 percent of the 39,000 responses to indirectly asked questions included helpful relevant information.

Developing a consistent measurement process to assess accuracy and establishing standards at appropriate levels to promote the goal of providing accurate information would help ensure veterans receive the service they deserve.

Conclusion

VBA needs to improve quality, consistency, and service levels to inquirers by providing centralized leadership of the call centers and IRIS. Enhancing the training and monitoring program would help ensure call agents provide accurate answers. Providing inaccurate information can cause delays in processing claims and potentially affect benefits awarded. Therefore, VBA needs to take additional steps to ensure that inquirers receive the accurate information and high quality customer service they deserve.

Recommendations

5. We recommend the Under Secretary for Benefits establish a position to provide leadership, direction, and coordination for call centers and IRIS operations.
6. We recommend the Under Secretary for Benefits establish mechanisms to ensure call centers are providing training to address common errors identified.
7. We recommend the Under Secretary for Benefits establish consistent accuracy performance measures and national performance standards for call agents and the IRIS manager.

**Management
Comments and
OIG Response**

The Acting Under Secretary for Benefits agreed with our findings and recommendations. The Acting Under Secretary stated that VBA is establishing the Benefits Assistance Service to provide policy, direction, and coordination for all the Direct Services Program staff and outreach activities including the call center and IRIS functions. VBA established a Contact Operations Manager position with responsibility for operations of the call centers and IRIS. VBA is developing standardized procedures for the conduct and documentation of training provided to call agents. In addition, VBA is working on national performance standards for call center agents and the IRIS manager.

We consider the planned actions acceptable; we will follow up on their implementation. Appendix D contains the full text of the Acting Under Secretary's comments.

Observation Disclosure of Personal Information

VBA staff did not always follow identification protocol procedures. VBA procedures require that call agents ask the caller specific questions, including but not limited to full name, correct claim or Social Security number, and branch of service. The call agent is also required to verify the responses with information in VBA's records before providing personal information. If the caller wants to change the address of record or direct deposit information, the call agents must also ask for the current address of record and the benefits check amount. VBA's FY 2009 minimum goal for call agents is to follow identification protocol procedures in 93 percent of all calls involving personal information.

During the period October 2008 to May 2009, call agents followed identification protocol procedures in 86 percent of the calls. In June and July 2009, call center coaches provided refresher training to the call agents on the identification protocol. In July 2009, VBA also modified the procedures by deleting the questions on service entry and release dates that many callers, particularly those whose military service was decades ago, found difficult to answer. VA's General Counsel and VBA management determined that the other questions were sufficient and approved the changes.

In August and September 2009, following the additional training and the protocol question changes, the national compliance rate for call centers met the 93 percent target for identification protocol. IRIS improved their percentages to 96 percent in September, which is near their draft target of 97 percent. Therefore, we made no recommendations.

Appendix A Scope and Methodology

Scope

The audit focused on customer service activities related to timeliness, accuracy, and identification protocol in FY 2009. VBA operates several types of call centers—VA general benefits, pension, education, and life insurance. The scope of this audit included the eight VA national call centers, the pension call center, and IRIS. The education and life insurance call centers were not included in this audit.

Methodology

To assess the timeliness and adequacy of responses to inquiries (one individual could make multiple inquires to the VBA), we made site visits to three call centers (Salt Lake City, UT; Nashville, TN; and Cleveland, OH), the IRIS (Salt Lake City, UT), and the Direct Services Program and OFA&A staff (Nashville, TN). At each call center and the IRIS, we interviewed call center managers, coaches, and call agents to evaluate local procedures and controls for ensuring timely and adequate responses. To assess whether call center staff provided timely responses to inquirers, we obtained various reports from VBA officials showing call volume, abandoned and blocked calls, average wait time for call centers, and average response time for IRIS. We interviewed call center and IRIS staff and management to determine what procedures were in place to ensure staff provided timely responses to inquirers.

At the Direct Services Program, we interviewed staff and management and reviewed their reported adequacy data. We validated this data by reviewing their sampling methodology and reviewing statistical samples of the monitored responses for call centers and IRIS. The review consisted of listening to recorded calls, reading the IRIS inquires, and using VBA's quality assurance reviews to determine the appropriateness of the conclusion of the quality assurance staff.

VBA measured performance for each "phase" of the call. VBA calculates blocked call rates based on attempted calls, abandoned rates based on connected calls, and accuracy rates based on issues answered. To provide an overall assessment of the service provided by the call centers and IRIS, we calculated all three rates based on the number of attempted calls. Specifically, we calculated the percentage of blocked calls, the percentage of abandoned calls, and the percentage of callers who received inaccurate information of all attempted calls. For blocked call and abandoned call rates, we used VBA's reported number of attempted, blocked, and abandoned calls. We did not review the reasons callers abandoned their call but acknowledge the call could have been abandoned for reasons other than an untimely response by VBA's call agent. For calls receiving inaccurate information, we used a statistical sample. Appendix C describes the sampling methodology and the overall measure of the service provided.

**Reliability of
Computer-
Processed Data**

To address our audit objective, we assessed the reliability of VBA data on call volume, abandoned and blocked calls, average wait time for call centers and average response time for IRIS. We validated and reconciled call center numbers to VBA's phone contractor documents. We validated and reconciled IRIS average response times by running the IRIS Analytics/Report on the IRIS web page and comparing the results to the numbers provided by VBA. We concluded that the call center data used to accomplish the audit objectives was sufficiently reliable.

**Compliance with
Government Audit
Standards**

We conducted our audit work from June 2009 through March 2010. Our assessment of internal controls focused on those controls relating to our audit objectives. We conducted this performance audit in accordance with generally accepted government auditing standards that requires that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions.

Appendix B Background

Call Center History

Prior to early FY 2008, VBA's Regional Offices operated their own call centers. Each regional office had varying technology and ranged in size from 1 to 40 staff making national improvement very difficult. In 2006, VBA formed a committee to discuss possible advantages and disadvantages of consolidating the call centers. The committee identified improvement in quality, consistency, flexibility, and service levels as advantages. In FY 2008, eight National Call Centers were established. These sites based on previous performance, equipment availability, and location.

- Cleveland, OH
- Philadelphia, PA
- Columbia, SC
- Nashville, TN
- Muskogee, OK
- St. Louis, MO
- Phoenix, AZ
- Salt Lake City, UT

Regional offices at Philadelphia, PA; Milwaukee, WI; and St. Paul, MN were handling pension calls. In September 2008, VBA consolidated these activities to the Pension Call Center in Philadelphia, PA.

IRIS History

IRIS is an internet-based system that provides customers an avenue to self-direct a question, suggestion, compliment, or complaint to the appropriate VA program office. Like call centers, prior to October 2008, each regional office had its own IRIS team. Beginning in October 2008, VBA consolidated IRIS into one National IRIS Response Center located in Salt Lake City, UT.

Call Center and IRIS Objectives

VBA established call centers to centralize toll free phone activity for VBA's general veteran benefits information line (800-827-1000). The goals of call centers are to provide accessibility to veterans and quality information. Call agents provide information about the full range of federal veteran benefits (compensation and pension, education, vocational rehabilitation and employment, home loans, and insurance benefits). Call agents also perform claim related processes such as change of address, direct deposits, and mailing or explaining VA forms, and can explain the claim process and its requirements.

Organizational Structure

Regional Office Directors, who report to the Associate Deputy Under Secretary for Field Operations, manage call centers and IRIS resources to

ensure staff provide services and meet standards. Each call center and IRIS team determines and schedules its training.

The Direct Services Program staff, who reports to the Associate Deputy Under Secretary for Program Management is responsible for quality assurance of call centers and IRIS. They perform silent monitoring of a judgmental sample of inquiries to evaluate and report on the accuracy of responses provided. They suggest training to address errors found and developed the Quality Improvement Plan that proposed accuracy targets.

OFA&A, which reports to the Associate Deputy Under Secretary for Management, measures the timeliness of responses to inquiries and provides reports on timeliness data. They also provide revisions to call routing as indicated by staffing levels and availability.

All three Associate Deputy Under Secretaries report to the Deputy Under Secretary for Benefits.

Appendix C Statistical Sampling Methodology

Accuracy based on call center attempted inquiries

VBA measured accuracy based on the number of issues answered. In FY 2009, the number of issues in an inquiry ranged from 1 to 4 and averaged 1.46 (8.2 million issues / 5.6 million inquiries.) To measure the accuracy rates based on the number of attempted inquiries, we used VBA's data to determine the number of inquiries that received accurate responses to all issues. An inaccurate inquiry is an inquiry that received an inaccurate response to one or more issues.

For the period of October 1, 2008 through May 31, 2009, VBA's Direct Services Program staff monitored 4,667 calls. We reviewed a statistical random sample of 65 monitored calls and found that the Direct Services Program's review concluded that 23 (35.4 percent) received one or more inaccurate responses while 42 (64.6 percent) received accurate responses.

In FY 2009, call centers answered 76 percent of the 7.41 million inquiries (100 percent of all attempted inquiries minus 17 percent blocked and 7 percent abandoned). Therefore, approximately 27 percent of all attempted inquiries were inaccurate (35.4 percent x 76 percent), and approximately 49 percent were accurate (64.6 percent x 76 percent). A 90 percent confidence level shows the lower and upper bounds for inaccurate responses to inquiries are 20 percent and 34 percent.

About half of the inquiries resulted in blocked, abandoned, or inaccurate information to the caller and the other half was able to get through and get correct information. A 90 percent confidence level shows the lower and upper bounds for untimely or inaccurate responses to inquiries are 44 percent and 58 percent.

Table 3. OIG Results: Attempted Inquiries to Call Centers and IRIS
(October 1, 2008–September 30, 2009)

| FY2009 Call Attempts | Actual and Projected Rates | Margin of Error Based on 90% Confidence Interval | 90% Confidence Interval | |
|--------------------------------------|----------------------------|--|-------------------------|-------------|
| | | | Lower Limit | Upper Limit |
| Blocked (Actual) | 17% | 0% | 17% | 17% |
| Abandoned (Actual) | 7% | 0% | 7% | 7% |
| Incorrect Response Given (Projected) | 27% | 7% | 20% | 34% |
| Subtotal | 51% | 7% | 44% | 58% |
| Correct Response Given (Projected) | 49% | 7% | 42% | 56% |
| Total | 100% | | | |

Note: The margin of error and confidence interval are indicators of the precision of the projection. Repeated statistical sampling of this universe would result in a projection of the correct information given of between 42 percent and 56 percent in 90 percent of the samples. We calculated the percent of blocked and abandoned calls based on the entire universe under study. Therefore, our blocked and abandoned rates are not subject to sampling error.

Appendix D Agency Comments

Department of Veterans Affairs

MEMORANDUM

Date: April 14, 2010
From: Acting Under Secretary for Benefits (20)
Subj: OIG Draft Report—Veterans Benefits Administration: Audit of National Call Centers and the Inquiry Routing and Information System—WebCIMS 451467
To: Assistant Inspector General for Audits and Evaluations (52)

1. Attached are VBA's comments on OIG's Draft Report—Veterans Benefits Administration: Audit of National Call Centers and the Inquiry Routing and Information System.
2. Questions may be referred to Dee Fielding, Program Analyst, at 461-9057.

(original signed by:)

Michael Walcoff

Attachment

Attachment

VBA Comments on OIG Draft Report
**Audit of National Call Centers and
the Inquiry Routing and Information System**

The Veterans Benefits Administration (VBA) provides the following comments:

At the initiation of this audit, VBA discussed with the Office of Inspector General our concern for the timing of this audit. The National Call Center consolidation was a new and incompletely implemented initiative when this audit was undertaken.

We undertook this national initiative to improve service delivery, more efficiently utilize our resources, and enhance the consistency and quality of information and assistance provided to veterans and their families. Consolidating calls to National Call Centers allowed us to implement the technology and organizational structure to assess the quality of our telephone operations consistently and from a national perspective. With a national program of quality assurance, we are now able to also provide a program of specialized training for the professional staff members answering the calls in our call centers. We have hired many new call center agents. A key component of our quality assurance program is silent monitoring of calls by an experienced and expert staff located at our National Telephone Quality Assurance Office in Nashville, Tennessee. The centralized organizational structure enables us to quickly identify and address training needs, both on an individual employee basis and across the organization. None of this was possible under our previous structure.

VBA has improved call routing by allocating calls based on call center staffing rather than geography. VBA increased staffing levels and expanded hours of service to 15 hours per day. VBA put in place national training practices and allocated time for local training and coaching. New modern call center facilities were constructed to provide work areas for call center activities. VBA implemented transfer capability to provide single-call success for the caller. Informational messages and current topics can now be updated to the Interactive Voice Response (IVR) system within 24 hours of identified need to keep callers current with hot topics.

We recognize that more needs to be done, and initiatives are planned and underway to make additional improvements and enhancements. Within VBA's Headquarters, we are establishing a new Benefits Assistance Service, responsible for policy and procedures, quality assurance, and training related to all public contact, outreach, social media, and direct services activities. Implementation of the new organization is now underway. With establishment of the Benefits Assistance Service, we are increasing the priority and visibility of our public contact activities, which are so critical to the quality of service delivery in all of our benefit programs. The Benefits Assistance Service will provide

centralized policy and direction for direct services and client-centered outreach, including the National Call Centers and IRIS functions.

We also have an ongoing contract with J.D. Power and Associates to establish a client satisfaction survey program for callers to our Call Centers. A preliminary test of a draft survey instrument has already been conducted, and we plan for full implementation of the survey process this year. J.D. Power and Associates is also working with VBA to develop “Voice of the Veteran” client satisfaction surveys for all of our major programs.

We discussed with OIG auditors the many technology enhancements underway. We are in the process of acquiring and implementing technology that will significantly reduce blocked calls and route calls not just by agent availability, but also by caller history, caller demographic, or VA-identified priority missions. Additionally, the new technology will record all calls, including transactions, and will provide trend data and information for VBA management. These technology enhancements are being implemented as part of the Secretary’s Veterans Relationship Management (VRM) initiative. This high-priority initiative includes enhancements for web chat and self-service options that provide our Veteran-clients with alternate paths for service. We are leveraging the capabilities of the eBenefits portal. Veterans with eBenefits access now have the flexibility to check the status of pending compensation and pension claims on-line and engage in other self-service functions with VA and DoD.

In summary, VBA has placed high priority and focus on improving and enhancing our programs of client services. Actions to address most of the areas identified by the OIG as needing improvement are already incorporated into the VRM initiative and our other transformational initiatives designed to increase VBA’s advocacy role and make VBA a more Veteran-centered and responsive organization.

Additional technical comments follow:

Page i, second paragraph, second sentence to include the pie chart

“We found that in FY2009, approximately 51 percent of all inquiries to VBA’s call centers and IRIS were blocked, not answered by an agent, or answered incorrectly.”

VBA Comment: This sentence and the pie chart that follow are misleading. We do not believe that combining blocked and abandoned call rates with the results of our quality review program is a valid or fair representation of our service delivery, particularly in the way it is presented here as the highlight of the OIG’s findings. Many of the readers of OIG reports who are not familiar with our programs and service-delivery systems would not understand the distinction between call attempts and unique individuals, and would therefore conclude from this sentence and the pie chart that over 50 percent of our veterans are either not receiving answers to their questions or are receiving incorrect answers. This is clearly not the case. Most callers who receive a busy signal call back, and their inquiries are successfully resolved. Some Veterans receiving a message may

choose to immediately abandon their call and call back later. Callers may also abandon a call attempt for many reasons other than VA service performance.

We therefore request that the second sentence be revised as follows, and the pie chart be modified accordingly.

“We found that in FY2009, approximately 24 percent of all call attempts to VBA’s call center were blocked or abandoned by the caller before reaching an agent.”

Page i, fifth paragraph, first and third sentences:

“Call center and IRIS staff did not always follow procedures to safeguard personal information. In June and July 2009, VBA modified their procedures and provided refresher training. The compliance rate for identification protocol improved in August and September.”

VBA Comment: We request the first and third sentences be revised for clarity as shown below.

“Prior to July 2009, call center and IRIS staff did not always follow procedures designed to safeguard personal information. In June and July 2009, VBA modified its procedures and provided refresher training. The national compliance rate for identification protocol increased to 93 percent following these changes and is currently at 96 percent.”

Page 4, third paragraph, second sentence:

“VBA should establish national standards for these measures to help evaluate timeliness and call agent productivity.”

VBA Comment: We request that this sentence be revised to reflect that performance standards timeliness, production, and quality are in place at the local level and that VBA is developing national call agent timeliness and production standards.

Local standards are based on experience and grade level, with productivity and quality standards progressively increasing as time on the job increases. Call agents are required to input their production in the ASPEN tracking system. Production is measured based on weighted actions per work hour. NCC managers and supervisors monthly measure call agent and IRIS quality by sampling. The quality performance element is also tracked in the ASPEN system. All agents are held accountable for meeting their standards.

The following comments are submitted in response to the recommendations in the OIG draft report:

Recommendation 1: Establish the capability to route calls to the next available agent nationwide.

VBA Response: Concur. Action to accomplish this recommendation is already well underway as part of VA's Veterans Relationship Management (VRM) initiative. VBA identified this need and partnered with the Office of Information and Technology (OI&T) to implement this change. VA implemented a transition to the Verizon technology in December 2009 that enables this technical capability. OI&T is now working to develop the necessary computer software that will allow the routing of incoming calls to the next available agent nationwide.

Target Completion Date: December 31, 2010

Recommendation 2: Establish a national performance target for blocked call rate.

VBA Response: Concur. As part of VA's VRM initiative, OI&T is developing a system upgrade that will significantly reduce the number of blocked calls. With the upgraded system, all incoming calls will be held in an expanded nationwide queue for routing to the next available agent. VBA will assess the need for a national performance target for blocked call rate after the implementation of the new system.

Target Completion Date: March 31, 2011

Recommendation 3: Establish a national performance standard for productivity at the call agent level.

VBA Response: Concur. VBA is already working on national performance standards for call center agents that align with organizational goals.

Target Completion Date: December 31, 2010

Recommendation 4: Conduct a review of call agent productivity and call demand to determine what changes in the call center structure and/or additional staffing are needed to ensure performance standards are met.

VBA Response: Concur. Reviews of structure and staffing levels are ongoing as we continue to make enhancements and improvements to our consolidated call center operations. After implementation of the technology enhancements discussed in response to recommendations 1 and 2 above, VBA will review call agent productivity and call demand to determine if additional changes are needed.

Target Completion Date: June 1, 2011

Recommendation 5: Establish a position to provide leadership, direction, and coordination for call centers and IRIS operations.

VBA Response: Concur. VBA is establishing the Benefits Assistance Service to provide policy, direction, and coordination for all direct services and outreach activities, including call center and IRIS functions. Within the Office of Field Operations, a new Contact Operations Manager position was just established, with responsibility for operations of the call centers and IRIS. A candidate was approved to fill that position on April 8, 2010.

Target Completion Date: July 1, 2010

Recommendation 6: Establish mechanisms to ensure call centers are providing training to address common errors identified.

VBA Response: Concur. In January 2009, the National Telephone Quality Assurance Office began analyzing errors identified during silent monitoring quality reviews to identify trends and identify topics for refresher training. Based on these reviews, call center managers are notified of additional training needs. Managers then ensure their employees receive the necessary training. VBA is developing standardized procedures for the conduct and documentation of this training. Call centers will be required to record all training provided to call center agents in the Learning Management System, which allows VBA to identify the dates of training and the participants.

Target Completion Date: July 1, 2010

Recommendation 7: Establish consistent accuracy performance measures and national performance standards for call agents and the IRIS manager.

VBA Response: Concur. VBA is already working on national performance standards for call center agents and the IRIS manager that align with organizational goals.

Target Completion Date: December 31, 2010

Appendix E **OIG Contact and Staff Acknowledgments**

| | |
|-------------|---------------------------------|
| OIG Contact | Larry Reinkemeyer, 816-997-6940 |
|-------------|---------------------------------|

| | |
|-----------------|--|
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|-----------------|--|

Appendix F Report Distribution

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This report will be available in the near future on the OIG's website at <http://www.va.gov/oig/publications/reports-list.asp>. This report will remain on the OIG website for at least 2 fiscal years after issued.