

# Horizon Healthcare Services Enters a New Era in Customer Service with Siebel CRM

Horizon Healthcare Services, Inc. (Horizon), headquartered in Newark, is New Jersey's largest health insurer, providing coverage to more than 2.9 million members. Faced with a growing member population and increasing competition, Horizon realized that it needed to upgrade its call center and sales force systems in order to better serve its customers while reducing administrative costs. By implementing Siebel Call Center and two self-service Internet portals powered by Siebel Service and Siebel Sales, Horizon has already achieved \$2.1 million of an expected \$21 million in cost savings.

As New Jersey's largest health insurer, Horizon Healthcare Services, Inc. (Horizon) provides coverage to more than 2.9 million people throughout the state. Since 1932, Horizon has offered quality healthcare products and services designed specifically to meet the changing healthcare needs of its customers.

## Improving Customer Service through New Technology

One of Horizon's top priorities is to continually be improving customer service. After a highly successful campaign for additional health plan members, however, it became difficult for Horizon's customer service agents to meet this priority. As membership increased, the volume of calls to the call center increased rapidly, and call duration lengthened as new members asked detailed questions about new health plan offerings. While Horizon quickly recognized that it needed to upgrade its technology, one of the challenges it faced was improving customer response time when it had to coordinate information from the five separate systems that process customer and claim information.

"Often a physician office would call about about claims that were processed through five different claim systems and our phone representatives would have to be able to navigate all five systems to answer their questions," said Pat Geraghty, Senior Vice President of Service at Horizon. "As a result, it was difficult to provide comprehensive answers to these inquiries. We engaged Siebel to help us prepare our phone representatives with the information to address a broad range of provider and customer inquiries regardless of the underlying claim system."

The old system was difficult for customer service representatives to learn and sometimes led to less than optimal customer service. Geraghty estimates that the old system required 40 hours of training for each customer service representative. "Even with that training, many customer service representatives were finding the system cumbersome and difficult to use," says Geraghty.

## SOLUTION OVERVIEW

### Horizon Healthcare Services, Inc.

New Jersey's largest health insurer, providing coverage to more than 2.9 million people

### Industry

Healthcare/Insurance

### Geographies

United States

### Business Challenges

- Lack of a unified record of customer interactions
- Disparate claim and membership systems
- Overly complex customer service training
- Lack of a self-service online portal for providers and customers

### Solution

Deployed Siebel Call Center to 1,200 call center representatives and Siebel Sales to 60 sales force members. Created two Internet self-service portals based on Siebel Service.

### Benefits

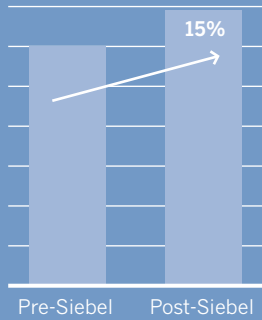
- Universal Customer Service Workstation (UCSW) contributed to a reduction in training for new hires from 20 weeks to 4 weeks
- Improved representative productivity by 15 percent
- Reduced call times by 20 percent
- Reduced call wait times by 20 percent

### Solution Components

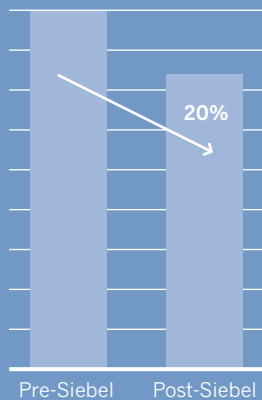
- Siebel Call Center
- Siebel Sales
- Siebel Service

Database: Microsoft SQL Server  
Hardware: HP-Compaq  
Back Office: Multiple legacy systems

### Customer Service Representative Productivity



### Length of Call Time



#### Advancing a New “Surround” IT Strategy

Recognizing that the outdated systems were having a negative impact on both customer satisfaction and organizational efficiency, Horizon launched a new IT strategy aimed at making its systems invisible to customers and employees. “We called it the ‘surround’ strategy,” explains Geraghty. “The idea was to surround the outdated systems with new technology that provides employees with a comprehensive view of the customer and provides customers with fast access to claims and other service information. We established a goal of having our customer service and provider service representatives answer customer calls quickly, easily, and comprehensively.”

Following the success of its Siebel Call Center implementation, Horizon went on to implement two online portals for providers and plan members, powered by Siebel Service. Most recently, Horizon has taken the further step of rolling out Siebel Sales to improve the efficiency and productivity of its sales force.

#### Strong Early Results

Since going live with the Siebel solution in 2002, Horizon’s call center has seen numerous improvements. New representatives learn the system in only four weeks, and customer service representatives have most of the information they need available on one screen, rather than having to go to multiple screens for the same information. Customer calls are now resolved 20 percent faster than in the past, and employee productivity has improved 15 percent overall. Even while serving 200,000 more customers, call wait times have been reduced by 20 percent.

The need for customers to call multiple numbers, to be transferred, or to re-explain

their situations has been greatly reduced.

The new system allows any customer service representative to quickly access and view the customer’s complete profile and service history. If customers have special situations or concerns, alerts can be attached to their files so that their issues can be quickly understood and addressed.

Siebel Call Center has also delivered significant benefits in the form of streamlined business processes. Having a centralized customer relationship management system allows Horizon to change its business processes for call center representative in one place instead of across multiple systems. Horizon’s enhanced ability to shift teams, move people between teams, and handle call overflow greatly improved the organization and morale of service teams. The company has already experienced \$2.1 million in savings by switching to the new system and expects to save a total of \$21 million over the next four years.

#### Moving toward Greater Customer Self-Service

The new online portals, powered by Siebel Service, extend the improved customer service of the call centers to the Web. Providers and plan members can now find information quickly and easily on their own, alleviating call center traffic. Horizon has attracted 3,000 registered customer users for the provider portal and 26,000 users of the member portal.

#### Automating the Sales Force

Horizon also recently replaced its Small Group and Consumer Sales system with Siebel Sales to improve sales productivity. “Introducing Siebel Sales has positioned Horizon to advance our full customer life cycle CRM integration. Based on the success with the new implementation, Horizon is looking to leverage and expand Siebel Sales

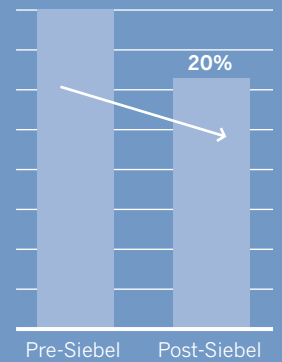
across the enterprise,” says Jeff Garwood, Manager, Siebel Application Development Practice at Horizon.

**Becoming Number One in Customer Service**

Horizon’s “surround” strategy has not only been a corporate and customer success, but its benefits have also been officially recognized by the state of New Jersey. Horizon’s HMO subsidiary received the highest rating for customer service in the 2003 New Jersey HMO Performance Report, published by the New Jersey Department of Health and Senior Services.

“Siebel has been a good business partner,” says Geraghty. “They’re not just trying to sell us the software; they’re working to help us succeed.”

**Length of Call Wait Time**



**Customer’s Implementation Advice**

- Focus on solving the most pressing problems, not all problems
- Overbuy on hardware to provide flexibility for system expansion
- Thoroughly understand data sources before launching the application
- Deploy in phases
- Invest in training



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