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Calculating ROI is Still Important and Expanding in Scope

BEDFORD, TX—As we reported in our September issue, 56.7 percent of respondents to the 2009 Healthcare Call Center Survey tracked ROI, down from 72.8 percent in the 2006 survey. "This is not the direction the percentages ought to be going," says Ellen Faw, Vice President of Strategic Customer Relations for the Bedford, Texas-based offsite call center company Beryl.

"You can glean so much intelligence from ROI reports when making business decisions," she says. "For example, you might find out how many diabetes education classes or childbirth classes you ought to offer and which marketing vehicle is best to create downstream revenue."

Additionally, information that can come out of these reports includes what specialties people are calling about and how marketing efforts may drive volume.

Rick Stier, Vice President, Client Strategy for HealthLine Systems in San Diego says that he's concerned about the decline in the number of call centers tracking ROI because "in a down economy this is exactly the opposite of what they ought to be doing." In a tough economy, it is extremely important to document one's value, he adds.

One of the levels to the ROI discussion is the ROI calculation that has been discussed for a number of years within healthcare call centers. The goal is to see what amount of inpatient and outpatient business comes into the organization from those who contact the call center looking for a doctor or registering for a class, screening or test. This calculation taken to its logical conclusion can provide an incremental revenue contribution figure to the organization. That can be a basis for understanding the ROI of the call center and justifying its existence.

According to the survey, 56.1 percent of respondents that tracked ROI did so by tracking actual revenue from patient records. "They may not get all the way to an incremental revenue contribution, but they can go a great distance toward that. What about the 21.1 percent that estimate the revenue generated based on call volume/type?" While not nearly as rigorous, Stier's view is that if they track all that is good and certain organizations may have management that may be fine with these estimates. However, he is less sanguine about the 15.8 percent that track call volume and/or caller satisfaction only.

Before coming to Beryl, Faw ran the call center at Yale-New Haven Hospital in New Haven, Connecticut. "From my experience at Yale-New Haven and also through working with Beryl clients, an ongoing challenge is getting IT to commit the time to create the extract of patient records to compare with the call center database," she says.

To get IT to respond in a timely manner, it is sometimes necessary for upper management to identify this as a priority. "However," she says, "they may have a preconceived notion that the call center will not show a positive ROI or that an ROI calculation from this part of the healthcare organization doesn't really matter."

To reverse this attitude, Faw suggests starting with a small example such as calculating the ROI on a newcomer mailing to show the merits of the concept. Then, hopefully, this will be an entrée into a more expansive ROI vision.

"Lack of support was one of five barriers to ROI calculation identified in a HealthLine webinar on the topic," Stier says. Another barrier includes a lack of a buy-in from finance perhaps because finance had not signed off on the assumptions the call center was making. A third barrier was an inability to properly run the revenue reconciliation report, indicating a lack of training in this area. The other

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barriers were: inability to move from gross revenue to net contribution and the inability to create a report card valued by executive management.

"For example," he says, "sometimes this executive report card may be too lengthy and include metrics such as abandoned calls when what the executive really wants to know are such things as the net contribution in dollars to the organization and/or the number of referrals to a high margin specialty."

This executive summary, Stier says, ought to be one, or at the most, two pages for easy absorption.

Faw believes that ROI is moving to a more expansive notion. "We've seen the big, broad ROI to justify our existence, proving our value," she says. "The next level of ROI is business intelligence. You can use these reports all year. You can be campaign specific; nurse triage specific. For example, say you have an overcrowded ER. You can measure your nurse triage program. You can look at how many people you can keep out of the ER who do not need to be there and then calculate the savings."

Through detailed ROI calculations, one can look at service lines and parts of these service lines and understand ROI for each. So, for example, if the service line is cancer, a ROI calculation can be done segmenting out each of the major types of cancer treated so the organization has figures for breast cancer, prostate cancer, colon cancer, etc.

Then, she says, one can take these conclusions and act on them. This more detailed analysis is something that Faw is doing for more and more of Beryl's clients.

With a more expansive ROI effort, the question occurs as to who does what in this universe. What ought to be the responsibility of the call center director and what could be handed to another department. Certainly, the broad ROI calculation that justifies the call center's existence would be in the province of the call center director. But what happens after that?

Faw says that it might make sense for this part of the ROI picture to be moved to the business development or strategic planning department. However, there's one caveat. What if these departments are not all that excited about doing it even though the call center director believes that important information will be uncovered that will materially help organizational objectives?

Either the director, or perhaps one or more individuals in the call center who have some mathematical talents, can brainstorm about what they are finding in the ROI numbers, she says. Perhaps they will find one or more things that can clearly indicate how the organization's objectives have been met through this effort. Or, perhaps it is a piece of information about patient mix or maybe it is something else. The key is to get the powers that be excited about what might be found in this data and convince them to go after it. ■