



CHANGING  
**Maryland**  
*for the Better*

**Maryland Insurance Administration**  
**Customer Service Annual Report**  
**September 15, 2017**

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## FY17 Highlights

### Training:

1. ***Discussed Customer Service Promise initiative at Manager's Training in April:***  
Reinforced by Commissioner as an expectation of all managers
2. **Conducted 4 Hour In-Person Training:** All 230 employees attended in-person session
  - **Modified the Department of Human Resources (DHR) training curriculum for our agency** (Michael Dorsey and Mark Button from DHR led the training sessions at MIA); Feedback from all **8 sessions** was overwhelmingly positive
  - **Employees received a Certificate of Completion to hang in their workspace** (Leveraged what Department of Labor and Licensing had created - very professional and well received by our employees)
  - **Supervisor Training:**
    - Incorporating principles into our **Manager Training Sessions** (held quarterly)
    - Evaluating next steps for follow up on **employee training**

### Employee Communications and Recognition:

1. ***Visual Reminders:*** Posters in public areas, kitchens, etc.; Every employee received a laminated 8x11 copy of the Customer Service Promise to display in their work area
2. Updated our **website** with Customer Service Promise information and link to survey
3. Continue to do our **Employee of the Month** program; Will nominate employees for Governor's award, as appropriate
4. **Commissioner emails** to all employees regarding specific examples of excellent customer service delivery to constituents
5. We conducted an **Employee Recognition and Appreciation event** in June 2017 where we highlighted strong customer service results.

### Process Improvement Projects:

- **Property & Casualty Rates & Forms backlog project:** focused effort to drive down backlog of rates & forms under review; conducted three calls with industry; modified processes to provide more efficient turnaround to carriers
- **Electronic Complaints Tracking System:** Cross-functional team developing web-based solution for carriers and consumers to use; user acceptance testing and pilot project completed; training materials and user communications is under development for a more broad roll-out in 2018

### Recognition Given to Employees:

We routinely recognize our employees for providing excellent customer service. The Commissioner sends emails to the entire agency when he receives positive feedback. We also feature employees in our newsletter for outstanding examples of customer service.

**Leadership Analysis of FY17 and Summary of FY18 Approach:**

We have a very good customer service culture and orientation at the Maryland Insurance Administration. This initiative provided us the opportunity to train all of our employees on the key principles of excellent customer service and to reinforce expectations with our front line employees. We also continue to identify process improvement opportunities and recognize employees that go above and beyond for constituents, businesses, and consumers.

For 2018, we plan to continue to identify process improvement opportunities, recognize employees that provide stellar customer service and introduce additional training to supervisors and front-line employees. The activities we completed in 2017 provided us with a strong foundation to move forward.

**Detailed FY17 Results and FY18 Plans: *The highlights on page 3 outline our major accomplishments and results.***

- Focus on process improvement projects in units,
- implementation of web-based system for complaints tracking with consumers and licensees (ECTS project)

**Results of Customer Service Survey:**

We had 4 people complete the Customer Service Survey since the project was started. For those complaints that included contact information or specific information, we have forwarded the information to the department responsible for responding to the feedback. In all cases, we did not receive specific information regarding who the person spoke with at the MIA. We will continue to monitor the survey results in a timely manner.

We have a process for handling customer service issues that come into the Office of the Commissioner from the Governor's Office, from consumers, from legislators and other key stakeholders. We track these issues in the Governor's IQ system and our MIA complaints tracking process/system.

**Status of Customer Service Training:**

The training is complete for all MIA employees (~230 full-time, part-time and contractual employees). We have added material to our new employee orientation program to ensure our new hires know the expectation and about the Governor's focus on customer service.

**Customer Inquiry / Resolution stats** (source: Managing For Results Report, December 2016):

**Goal 1, Objective 1:** Ensure that the terms and conditions of insurance contracts are reasonable and meet the requirements of Maryland law. Review for compliance with insurance statutes and regulations 100% of Life and Health form filings within 60 days after receipt of initial filing and 75% of Property & Casualty form filings within 30 working days after receipt of initial filings.

**Performance Measures:**

- **Inputs:** Total Number of filings received from carriers 35,006 (2016 actual); 35,421 (2017 estimated)
- **Efficiency:** Percentage of form filings processed within 60 days and within 30 days 48.4% (2016 actual); 55.5% (2017 estimated)

**Goal 2:** Resolve consumer complaints in accordance with insurance law and in a prompt and fair manner.

**Objective 2.1:** Resolve 85% of Life and Health (non-medical necessity) complaints within 90 days from receipt of complaints

**Performance Measures:**

- **Inputs:** Health non-medical necessity complaints received 3,089 (2016 actual); 3,000 (2017 estimated)
- **Efficiency:** Health non-medical necessity complaints resolved within 90 days 85.6% (2016 actual); 85% (2017 estimated)
- **Inputs:** Health medical necessity complaints received 986 (2016 actual); 950 (2017 estimated)
- **Efficiency:** Health medical necessity complaints resolved within 60 days 87.4% (2016 actual); 85% (2017 estimated)
- **Inputs:** Property and Casualty complaints received 17,177 (2016 actual); 9,500 (2017 estimated)
- **Efficiency:** Percentage of Property and Casualty complaints resolved within 90 days 26.2% (2016 actual); 55% (2017 estimated)

**Goal 3:** Protect the public from unfair trade practices and other violations of the Insurance Code.

**Objective 3.1:** Complete 83% of life and health insurance company market conduct examinations, property and casualty insurance company market conduct examinations, and investigations involving licensed insurance professionals conducted during the fiscal year.

**Performance Measures:**

- Percent of remediation orders/penalties issued against life and health insurance companies examined 87.5% (2016 actual); 80% (2017 estimated)
- Total restitution from life and health market conduct examinations and producer enforcement investigations \$101,285 (2016 actual); n/a (2017 estimated)
- Total penalties paid from life and health market conduct examinations and producer enforcement investigations \$964,641 (2016 actual); n/a (2017 estimated)
- Total restitution paid from property and casualty market conduct examinations and producer enforcement investigations (excluding Maryland Affordable Housing Trust, “MAHT”) \$1,590,173 (2016 actual); n/a (2017 estimated)
- Total penalties paid from property and casualty market conduct examinations and producer enforcement investigations (excluding MAHT) \$642,978 (2016 actual); n/a (2017 estimated)
- Total Maryland Affordable Housing Trust (MAHT) penalties paid \$13,549 (2016 actual); n/a (2017 estimated)
- Total restitution to MAHT and Maryland citizens \$1,709,556(21016 actual); n/a (2017 estimated)
- Total restitution to MAHT \$18,098 (2016 actual); n/a (2017 estimated)

**Goal 4:** Ensure that insurers have the financial ability to pay claims when due.

**Objective 4.1:** Complete ninety percent of financial examinations of domestic companies within statutory time frames, with no more than 15% of variance from the time budgeted for that examination.

**Performance Measures:**

**Inputs:** Number of examinations initiated 14 (2016 actual); 10 (2017 estimated)

**Efficiency:** Percentage of examinations completed with no more than a 15% variance of budgeted time. 100% (2016 actual); 100% (2017 estimated)

**Goal 5:** Investigate and prosecute insurance fraud.

**Objective 5.1:** Close 80% of referrals opened for investigation within 180 days.

**Performance Measures:****Efficiency:**

- Percentage of open referrals investigated and referred for criminal prosecution 70% (2016 actual); 70% (2017 estimated)
- Percentage of opened referrals investigated and charged 87% (2016 actual); 80% (2017 estimated)
- Total restitution ordered for criminal prosecution \$94,765 (2016 actual); n/a (2017 estimated)
- Total restitution ordered for civil prosecution \$70,590 (2016 actual); n/a (2017 estimated)

**Best Practices:**

- We have implemented several best practices since The Customer Service Promise was started to include the following:
  - We publish all draft proposed regulations to our website and ask for comments before we approve and publish formal proposed regulations in the Md. Register, ensuring ample opportunity for stakeholder engagement, identifying issues early, and streamlining the formal regulation adoption process.
  - We now post our Legislative Package to our website after approval by the Governor's office but prior to legislative session, ensuring transparency with all stakeholders and making it easy to locate the information.
  - We host frequent public meetings (approximately 30+ annually) with industry and the producer communities to open lines of dialogue on all matters related to insurance regulation.
  - We have held additional public hearings for the Affordable Care Act premium rate requests to allow consumer advocacy groups, carriers and producers a public forum to discuss critical issues.
  - We have made changes to our Interactive Voice Response system to direct calls to the appropriate department (e.g. - producer licensing versus company licensing).
  - We have added a "Contact Us" section to the front page of our website to help stakeholders find frequently called phone numbers at our agency.
  - We have created special landing pages on our website for critical workgroups, studies and surveys and have links on our home page to make it easy to find information related to these special projects. Examples include Long-Term Care,

Lymphedema Workgroup, Mental Health Parity Survey, Network Adequacy Regulations, Pharmaceutical Services and Short-Term Medical Study.

- The Government Relations team has established a Gmail account to field constituent inquiries from legislators ([constituent.mia@maryland.gov](mailto:constituent.mia@maryland.gov)). The Government Relations team monitors the account daily and has set the standard of directing all inquiries received to the appropriate MIA unit within 24 hours.

### **Plans for Improvement:**

- We have an Enterprise Complaint Tracking System (ECTS) project underway to make additional services available to carriers and consumers online, and will continue to look at technology solutions that are cost-effective and contribute to an improved customer service experience with our stakeholders.
- In addition to in-person events across the state, we continue to use social media to enhance consumer education and advocacy.
- Each Associate Commissioner is responsible for evaluating workflows and systems to identify potential process improvement opportunities.

### **Making Agency Services Available Online:**

Many of our services are already available online through IT systems such as the Enterprise System, the SERFF System, the State Based Systems Online Licensee Services (OLS) and the National Insurance Producer Registry. The ECTS project will make additional services available to carriers and consumers. This new system will allow consumers and carriers access to complaint investigation information real-time.

### **Processing Times for Customer Transactions (see Customer Inquiry section)**

### **Adjusting Hours to Meet Customer Demands:**

- Most of our operations are usual business hours. Customers can reach us via phone, in-person or via the Internet. We currently provide 24/7 support during weather-related events (such as tornadoes, hurricanes, floods, etc.) and for appeals/grievances related to health insurance matters.
- We continue to evaluate ways to meet customer demands and take suggestions from the public on ways to improve our service delivery.

### **Social Media Usage to Improve the Customer Experience:**

- We have a presence on Facebook, LinkedIn and Twitter. We have a content calendar that includes consumer education information, our public meeting/event details, agency information related to where to call if you have a complaint and accurate information on our agency services. Our stakeholders (elected officials, consumers, carriers and producers) use our website and social media to stay informed and educated.