CONTACTBABEL

US Contact Center Verticals:

Healthcare

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CallMiner

US Contact Center Vertical Markets: Healthcare (2nd edition)

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CallMiner believes that understanding your patients is key to delivering quality care and quality patient experience.

In 2002, we began a journey of converting unstructured patient conversations into powerful tools to improve outcomes.

Our initial thrust was on helping patient access centers become more efficient and effective in handling patient questions and concerns and providing a better patient experience. Over time, we realized those same conversations, and ultimately digital conversations as well, contained the keys to unlock value throughout entire organizations.

Buried in those interactions are insights on how to facilitate patient access and care, improve billing and collections practices, deliver class-leading patient experience and drive employee engagement.

Learn how to connect the dots between patient conversations, deep understanding, and performance improvement at **callminer.com.**

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CallMiner is the global leader in conversation analytics to drive business performance improvement.

Powered by artificial intelligence and machine learning, CallMiner delivers the industry's most comprehensive platform to analyze omnichannel customer interactions at scale, allowing organizations to interpret sentiment and identify patterns to reveal deep understanding from every conversation.

By connecting the dots between insights and action, CallMiner enables companies to identify areas of opportunity to drive business improvement, growth, and transformational change more effectively than ever before.

CallMiner is trusted by the world's leading organizations across retail, financial services, healthcare and insurance, travel and hospitality, and more.

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US HEALTHCARE CONTACT CENTERS: EXECUTIVE SUMMARY & OUTLOOK

The healthcare sector has grown significantly in terms of agent positions over the past five years, although the number of physical contact centers has declined somewhat, probably due to consolidation and the rise of at-home agents.

Supporting the implementation of the Affordable Care Act has boosted the healthcare sector. While the long-term future of the US healthcare industry is still far from settled, the pandemic has driven considerable interest in healthcare products, with survey respondents from this sector reporting very significant growth in 2020 and 2021, with high expectations for the future.

The sector currently has over 40,000 more agent positions in 2021 than it did in 2016, and is expected to add a further 15,000 agent positions by 2025.

The healthcare vertical is very much focused on live agent telephony, despite the past three years having seen a drop in the proportion of customer contact carried out by voice, which had been 88% in 2016.

However, the proportion of digital contact has not risen as sharply as it has in other sectors. There is an opportunity for the healthcare vertical market to develop its use of live video to provide remote consultations, resulting in a more effective and personalized customer experience than audio-only allows. We would also expect the current low use of digital support (web chat, email and social media) to grow by 2025, supported by the stated expectation of many in this vertical market to invest in technologies that support these channels.

Healthcare is not a particularly high user of outbound customer contact, although it is very noticeable that the vast majority of survey respondents' outbound activity is about customer care rather than sales, usually through call-backs.

Agent salaries tend to be a little higher than the US contact center industry as a whole, although agent attrition in this sector has been much higher than usual within the pandemic.

Call durations are a little lower than the industry average, which when combined with the lower use of technology and self-service, suggests that the sector is still using human agents to answer simpler questions which many other sectors have already employed automation to handle.

Like many other sectors, the pandemic has increased average speed to answer considerably, although it is still much lower than the US contact center industry average.

INTRODUCTION

"US Contact Center Verticals: Healthcare" looks at the structure, growth, technology, HR and commercial issues found in contact centers within the US healthcare sector, which includes pharmaceuticals, dental and medical plans, hospitals and ACA. It does **not** include any data or analysis from offshore contact center operations.

It contains data from multiple large-scale surveys of hundreds of US contact centers, and is the definitive study of this vertical market's customer contact operations.

The "US Contact Center Verticals" series of reports are free of charge to readers. Research and analysis costs are borne by sponsors – contact center and customer experience solution providers – whose advertisements, case studies and thought leadership pieces are included within these reports.

Sponsors have not had influence over editorial content or analyst opinion, and readers can be assured of objectivity throughout. Any vendor views are clearly marked as such within the report.

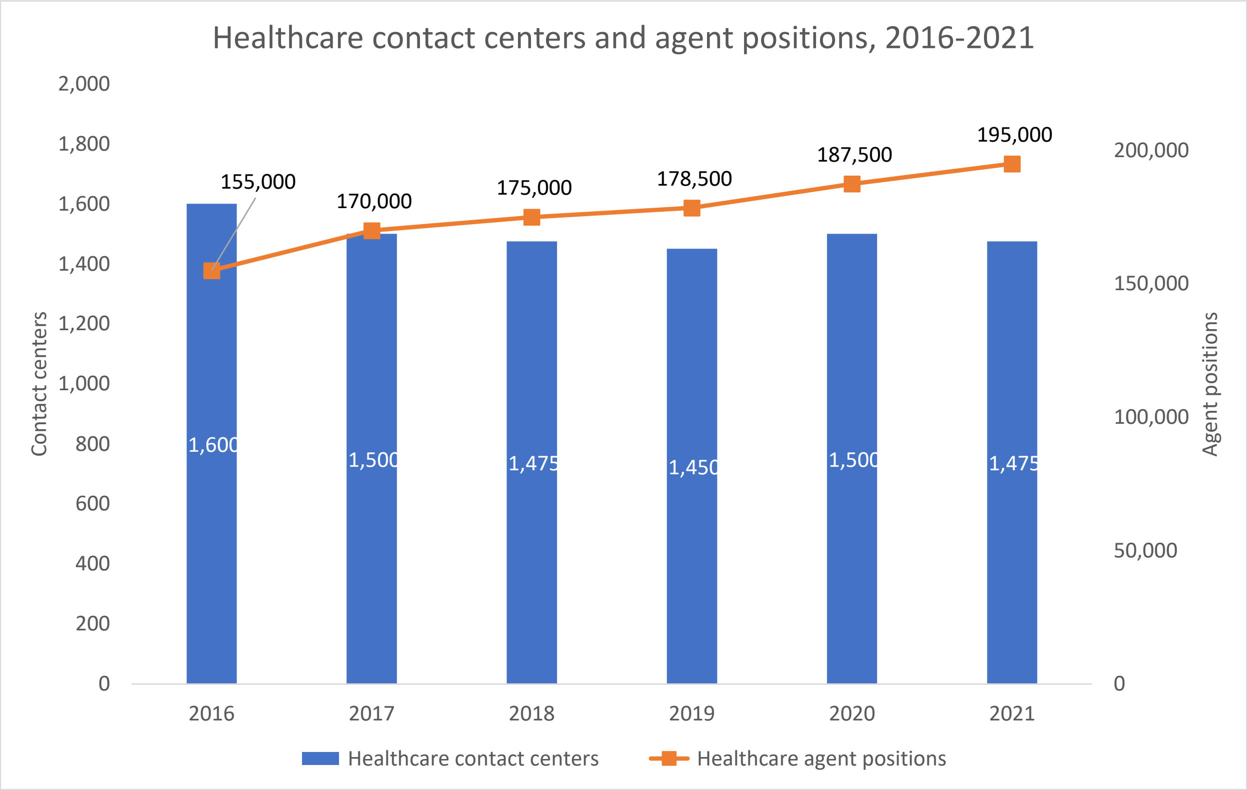
To comply with the usual protocol of market analysis, years are reported as year-end (i.e. the 2021 figures refer to the end of 2021) unless stated otherwise.

MARKET SIZING

STRUCTURE

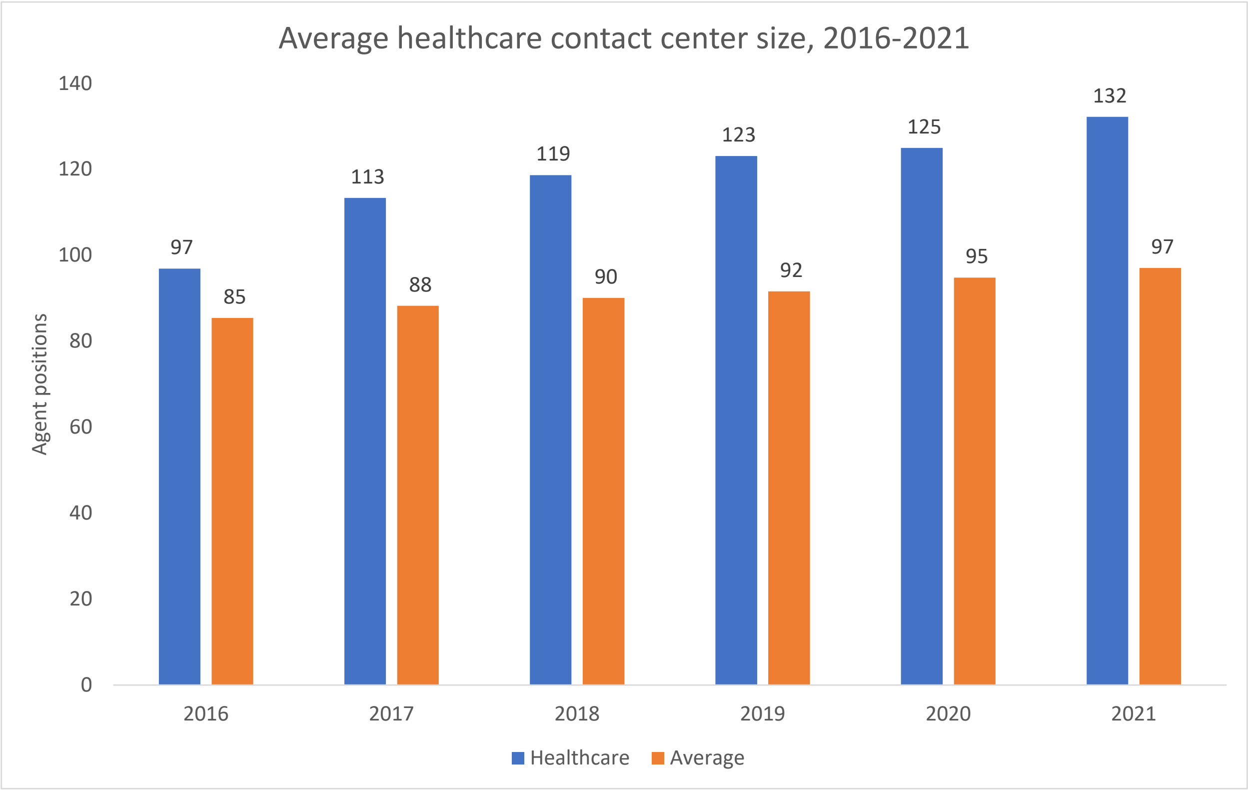
The healthcare sector has grown significantly in terms of agent positions over the past five years, although the number of physical contact centers has declined somewhat due to consolidation and the rise of at-home agents.

Figure 1: Healthcare contact centers and agent positions, 2016-2021



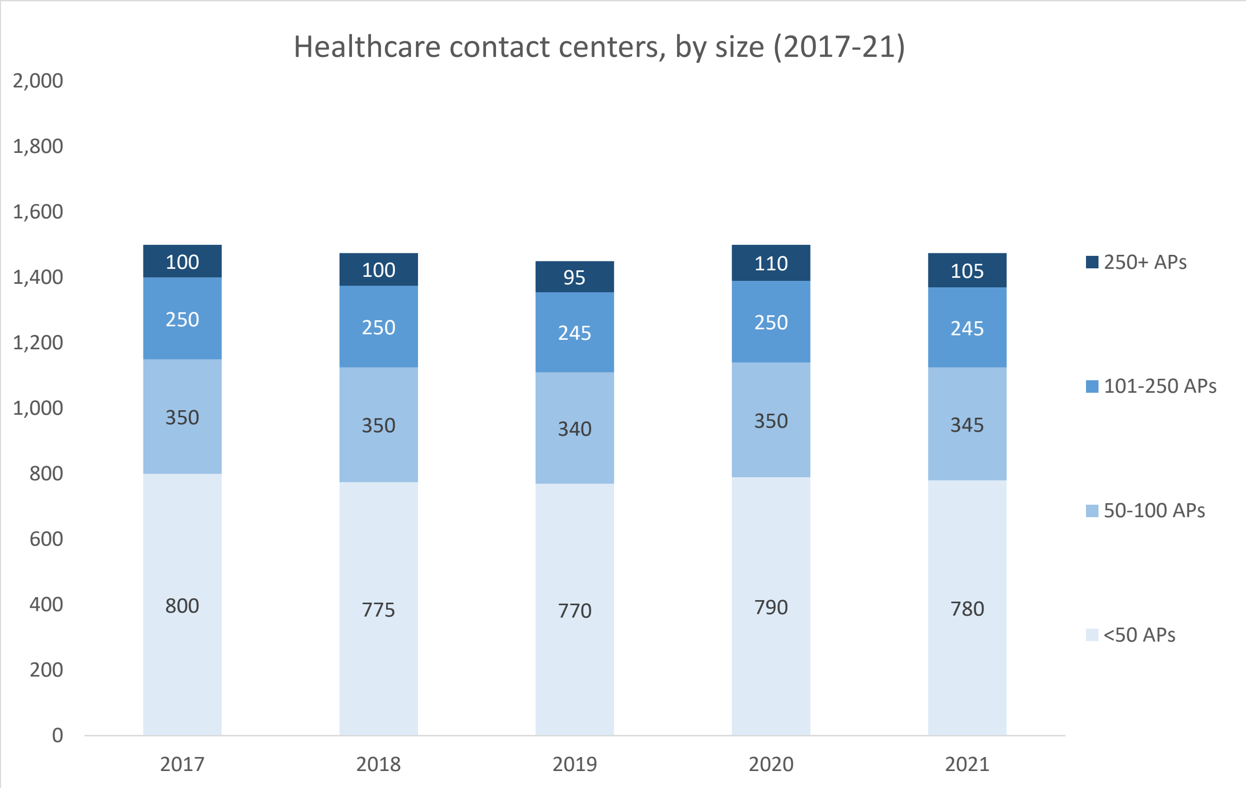
Healthcare contact centers tend to be larger than the US average, and have grown significantly in the past few years.

Figure 2: Average healthcare contact center size, 2016-2021



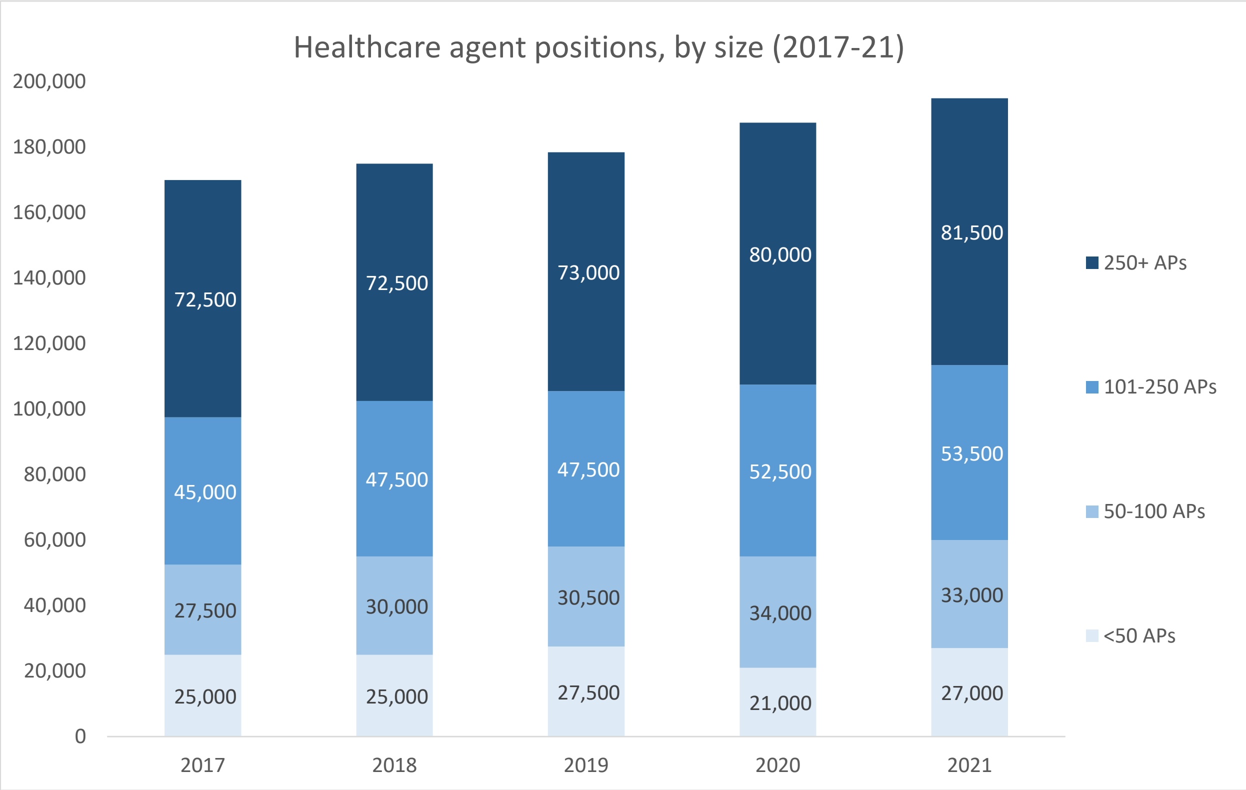
There is a substantial proportion of healthcare contact centers in the sub-50 seat category (53%), with relatively few very large operations.

Figure 3: Healthcare contact centers by size, 2017-21



However, employment is focused more towards large operations, with 42% of agent positions being in the 250+ seat bracket.

Figure 4: Healthcare agent positions by size, 2017-21

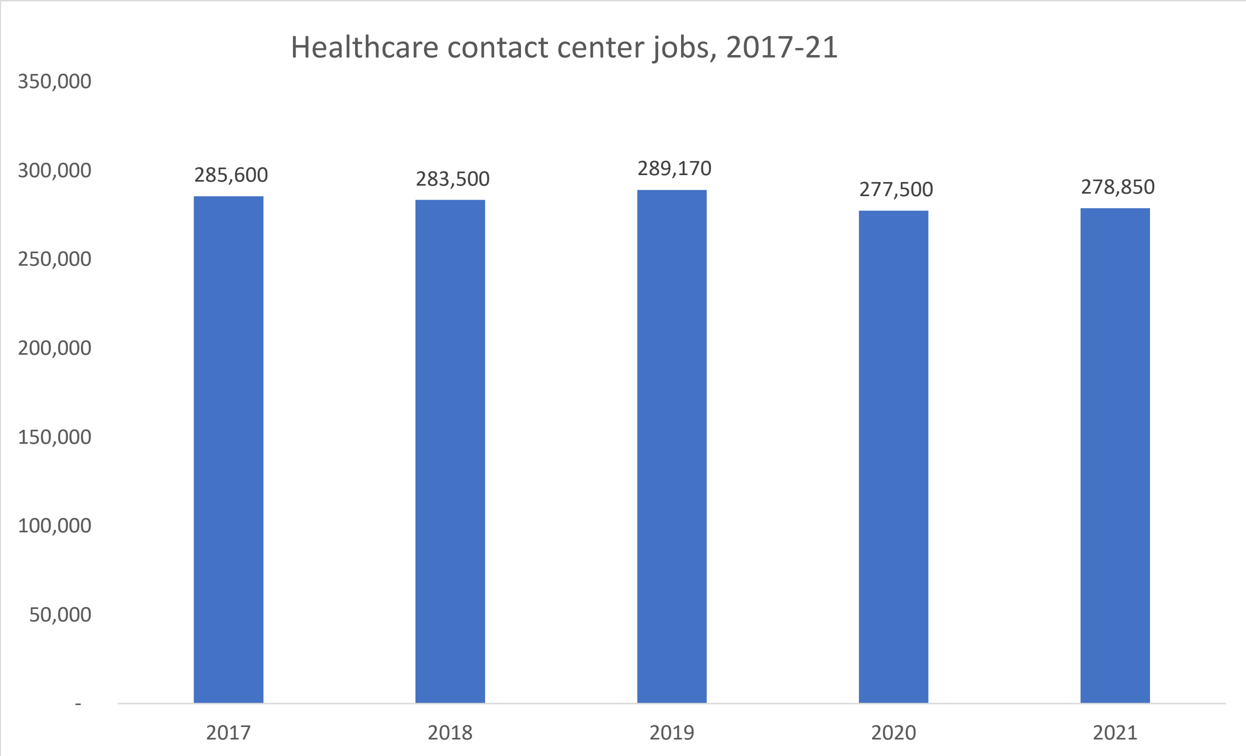


<u>NB:</u> when considering this chart, please note that figures showing employment in the US contact center industry since 2019 may be lower than in previous years, not because of any decline in agent positions (a previous chart shows the opposite) but caused by a change in our data assumptions: our recent research shows that the ratio of jobs to agent positions is lower than had previously been thought (i.e. each agent position / seat supports more than one job due to part-time working, IT support, management support, ancillary support, etc.), so the employment figures appear significantly lower after 2019 than they would otherwise be.

Previously published historical employment information pre-2020 is included here for completeness's sake, but a truer representation of the changes in the industry can be seen in earlier charts.

There has in fact been significant growth in jobs associated with healthcare contact centers in recent years.

Figure 5: Healthcare contact center jobs by size, 2017-21



GROWTH

Healthcare contact centers have seen a growth in agent positions recently, although the number of operations has declined slightly.

While self-service is expected to rise – as it will for all industries – the nature of much of the healthcare sector's activity means that the opportunity to replace human agents with automation is seen as less than in many vertical markets.

The healthcare sector as a whole is also growing, so we would expect a continued growth in agent positions, and the number of physical sites will increase slightly as new entrants come into the market.

Figure 6: Healthcare – agent positions and contact center forecasts, 2021-25

	2021	2025	Healthcare CAGR	Average CAGR
Agent positions	195,000	210,000	1.9%	-0.3%
Contact centers	1,475	1,525	0.8%	-1.4%

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Three Trends Transforming Healthcare and Patient Experience

Capturing and analyzing patient conversations can unlock the insights needed, at scale, to deliver a world-class patient experience

Research shows that two out of three patients have had a bad experience with their hospitals, healthcare providers, or pharmacies. **Numerous trends**, such as a rise in healthcare consumerism, have created even more opportunities for patients to seek alternative care if they are unhappy with their experience. Many healthcare organizations are responding by improving their digital experience for patients, including making it easier to book or reschedule appointments and submit prescription refill requests.

This means that the patient journey has changed. The first interaction often takes place with the patient access center, and these first impressions can set the tone for the rest of the patient experience. From there, patients may engage with their healthcare organization through a variety of other touchpoints, from in-person to digital. Understanding the patient experience through this complex journey is a challenge.

Luckily, there are more tools and technologies available that can analyze and unlock insights from patient conversations at scale. These insights make it possible to improve how your representatives engage with patients, implement process improvements (such as booking appointments or getting answers to billing questions), and more.

Here are three **trends that are impacting healthcare organizations:**

1. **Consumerism:** Your patients have more agency over their healthcare experience than ever before. If a patient feels like they aren't getting the care they need to want, they can quickly and easily find another provider. And more than that, they'll take their family and friends with them, resulting in lost revenue.
2. **Reimbursement tied to patient experience:** Both government and private payers are adopting value-based healthcare programs. Reimbursement is often directly tied to Consumer Assessment of Healthcare Providers and Systems (CAHPS) scores. Performance is inextricably linked to the patient experience. When the patient experience is improved, CAHPS scores improve as well, which directly equates to increased revenue.
3. **Centralized communication (and the expanding agent role):** Healthcare organizations are embracing digital transformation to deliver better care, communication, and an overall better experience. Providers are improving the patient experience by offering portals and profiles to manage their care, conveniently self serve, and receive customized communication. Additionally, health care organizations are centralizing contact centers and expanding the agent role to provide more services.

Conversation intelligence solutions, using powerful analytics and AI, allow **healthcare organizations** to tangibly improve their patient experience and satisfaction, quality of care, agent performance and outcomes by accurately and automatically revealing insights from every patient voice and text-based interaction. With the right insights, healthcare providers can optimize processes and better coach contact center agents, all aimed at improving the patient experience.

When your organization can be more responsive to patients' needs by tapping into the conversations you're already having, you can be more empathetic to them and respond to some of the most significant trends transforming healthcare today. By leveraging the data from a conversation intelligence platform, you can **proactively improve patient care and quality**, patient retention and satisfaction, billing experiences, and payment outcomes.

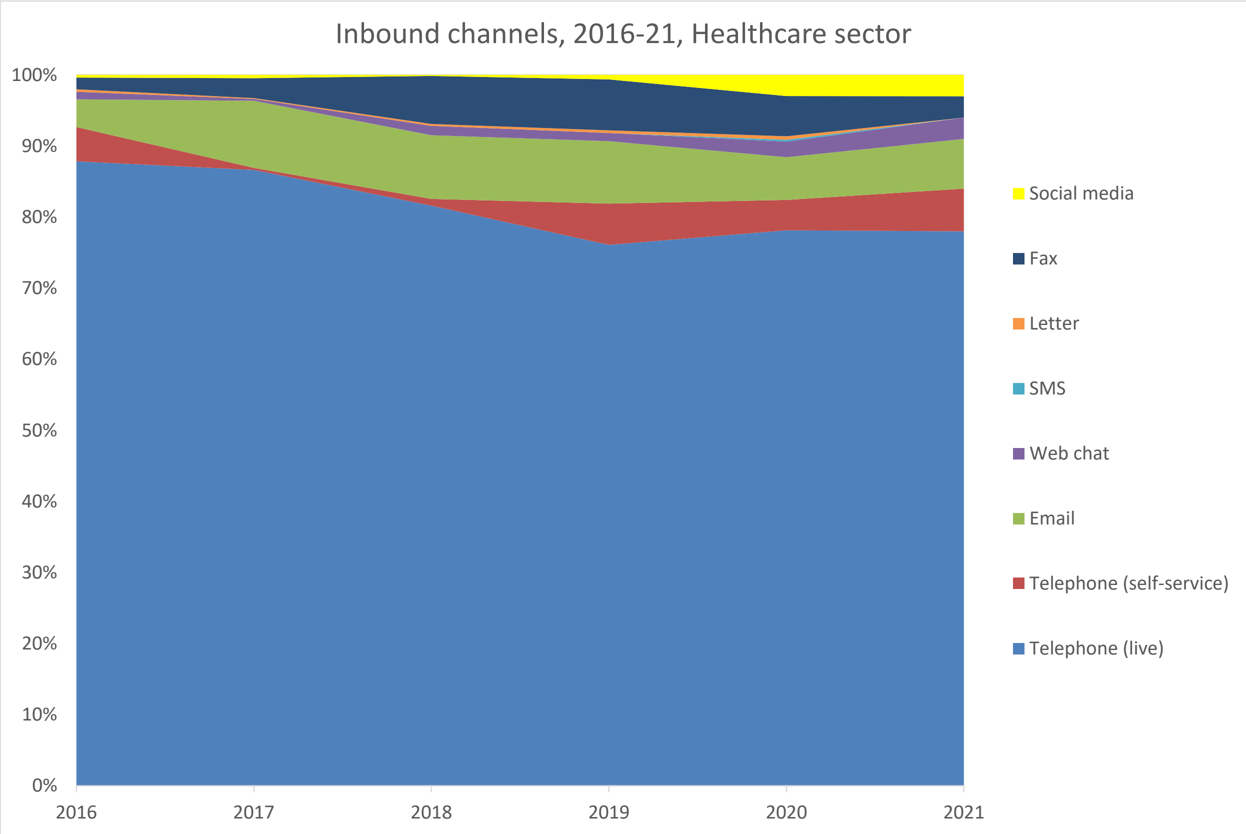
Learn how to connect the dots between patient conversations, deep understanding, and performance improvement at **callminer.com.**

THE USE AND EFFECT OF OMNICHANNEL

The healthcare vertical has been very much focused on live agent telephony, but the past three years have seen a drop in voice, with email and web chat volumes rising.

There has also been a high use of fax seen in our surveys, but this may be specific to the companies taking part in some years.

Figure 7: Contact center inbound interactions by channel, 2016-2021 – Healthcare

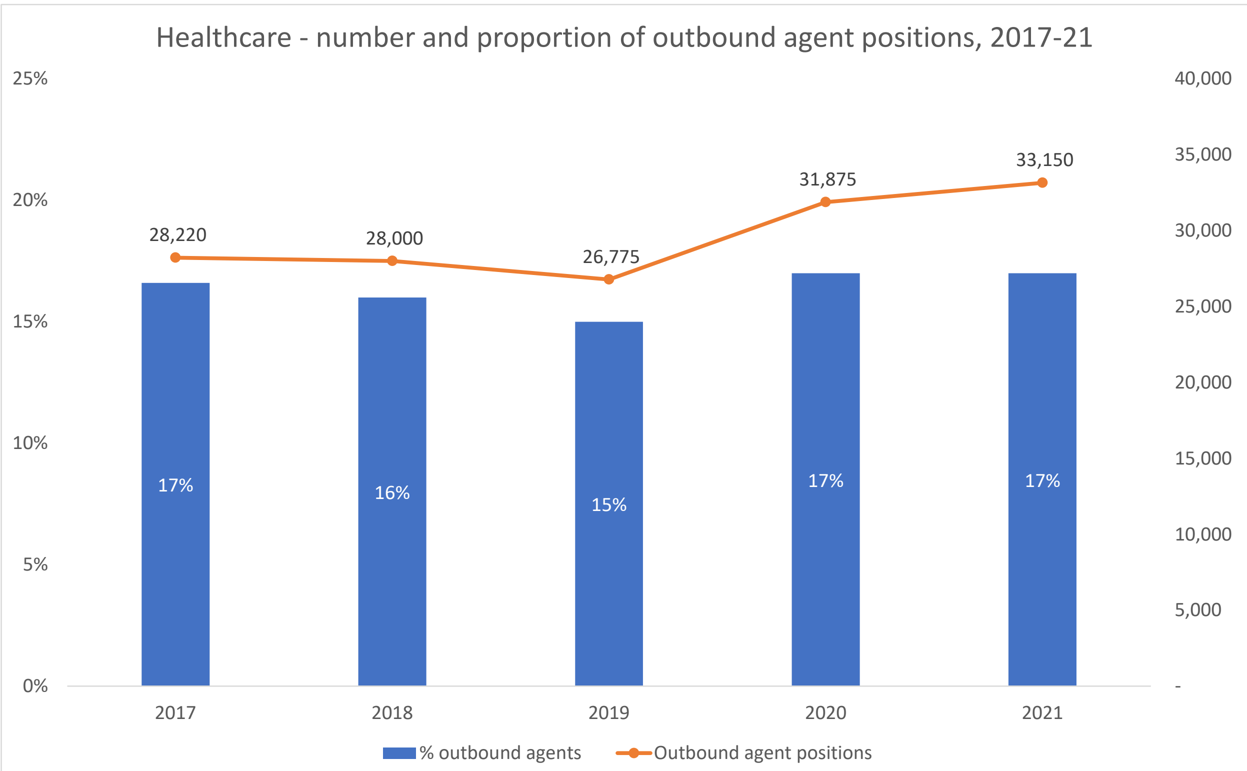


Channel	2016	2017	2018	2019	2020	2021
Telephone (live)	88%	87%	82%	76%	78%	78%
Telephone (self-service)	5%	0%	1%	6%	4%	6%
Email	4%	9%	9%	9%	6%	7%
Web chat	1%	0%	1%	1%	2%	3%
SMS	0%	0%	0%	0%	0%	0%
Letter	0%	0%	0%	0%	0%	0%
Fax	2%	3%	7%	7%	6%	3%
Social media	0%	0%	0%	1%	3%	3%

INBOUND & OUTBOUND ACTIVITY

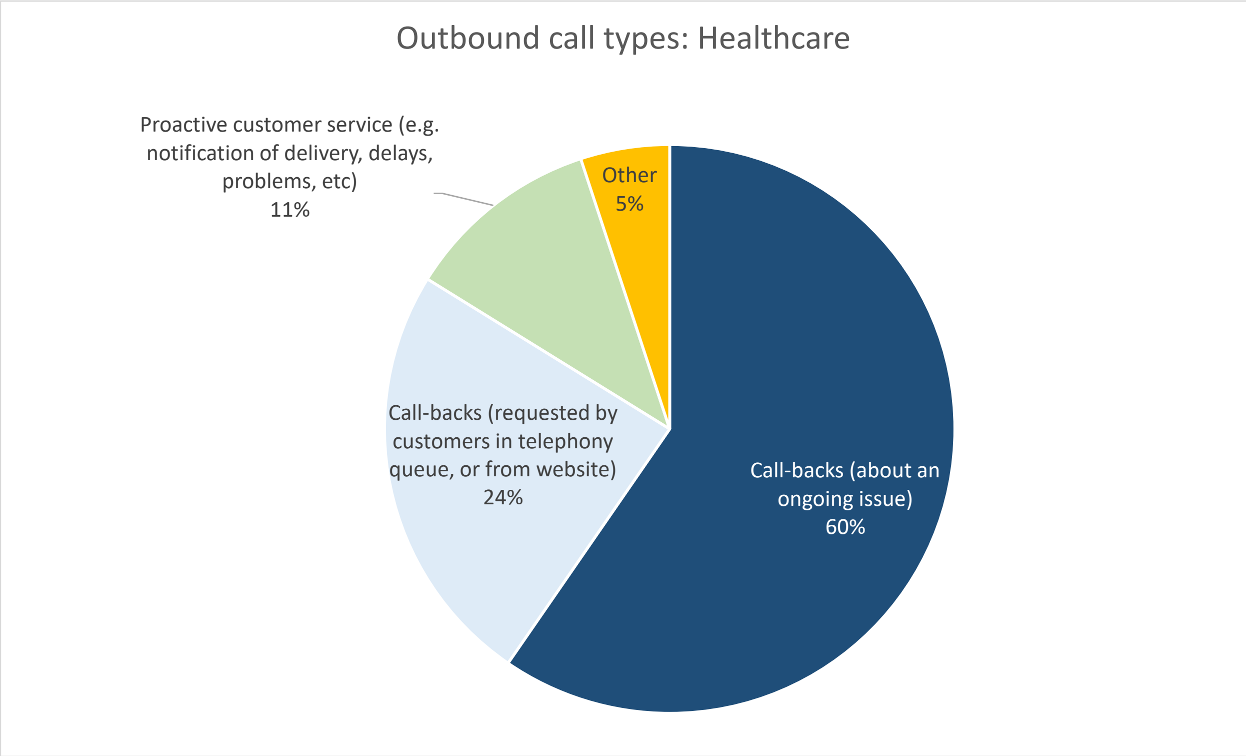
The healthcare sector has consistently seen around one-sixth of its activity carried out through outbound. The sector accounts for around 33,000 outbound equivalent agent positions.

Figure 8: Healthcare - number and proportion of outbound agent positions, 2017-21



The vast majority of healthcare survey respondents' outbound activity is about customer care, rather than sales, usually driven by call-backs.

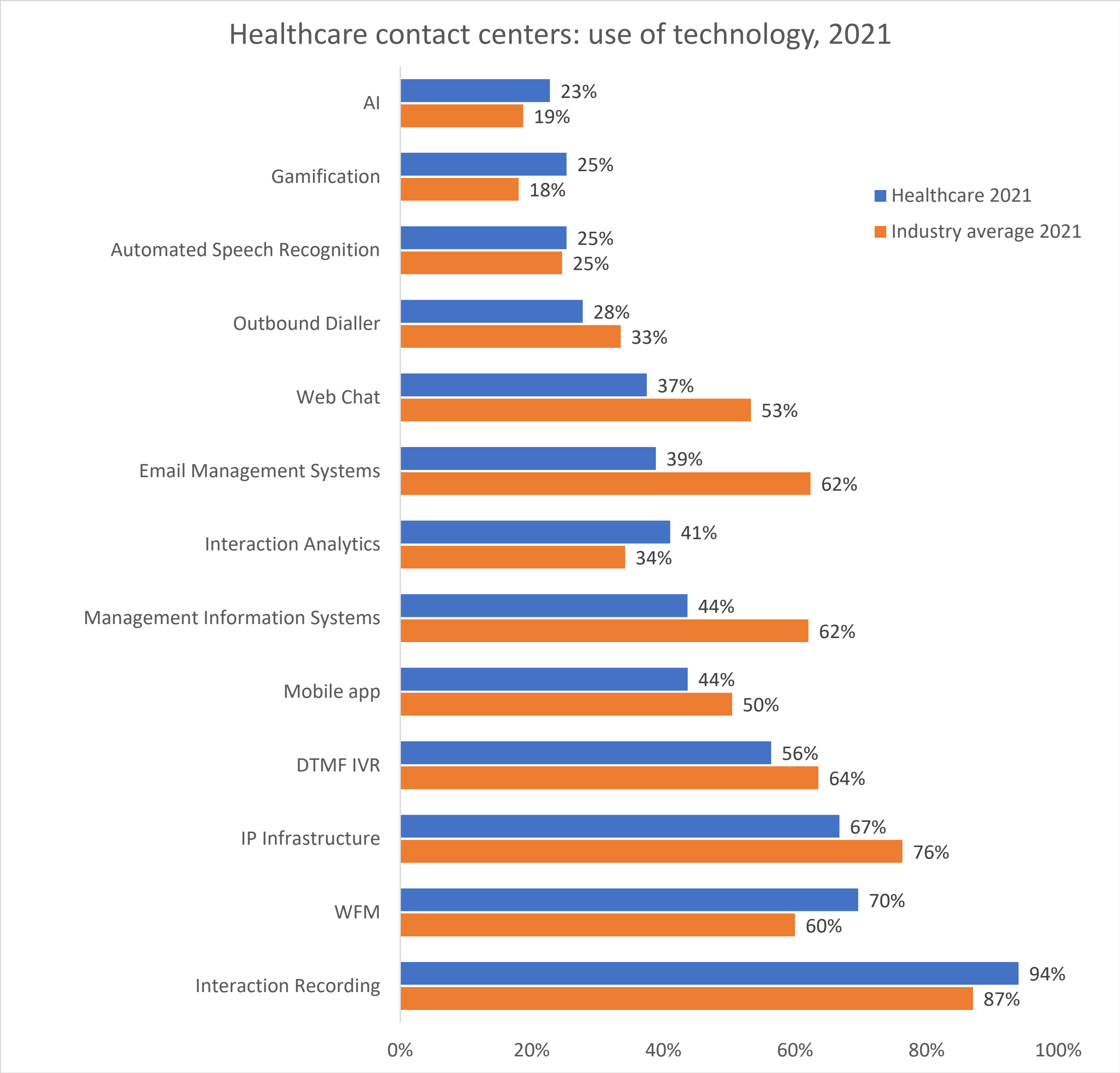
Figure 9: Outbound call types: Healthcare



As would be expected in the healthcare sector, interaction recording is very popular with these contact centers.

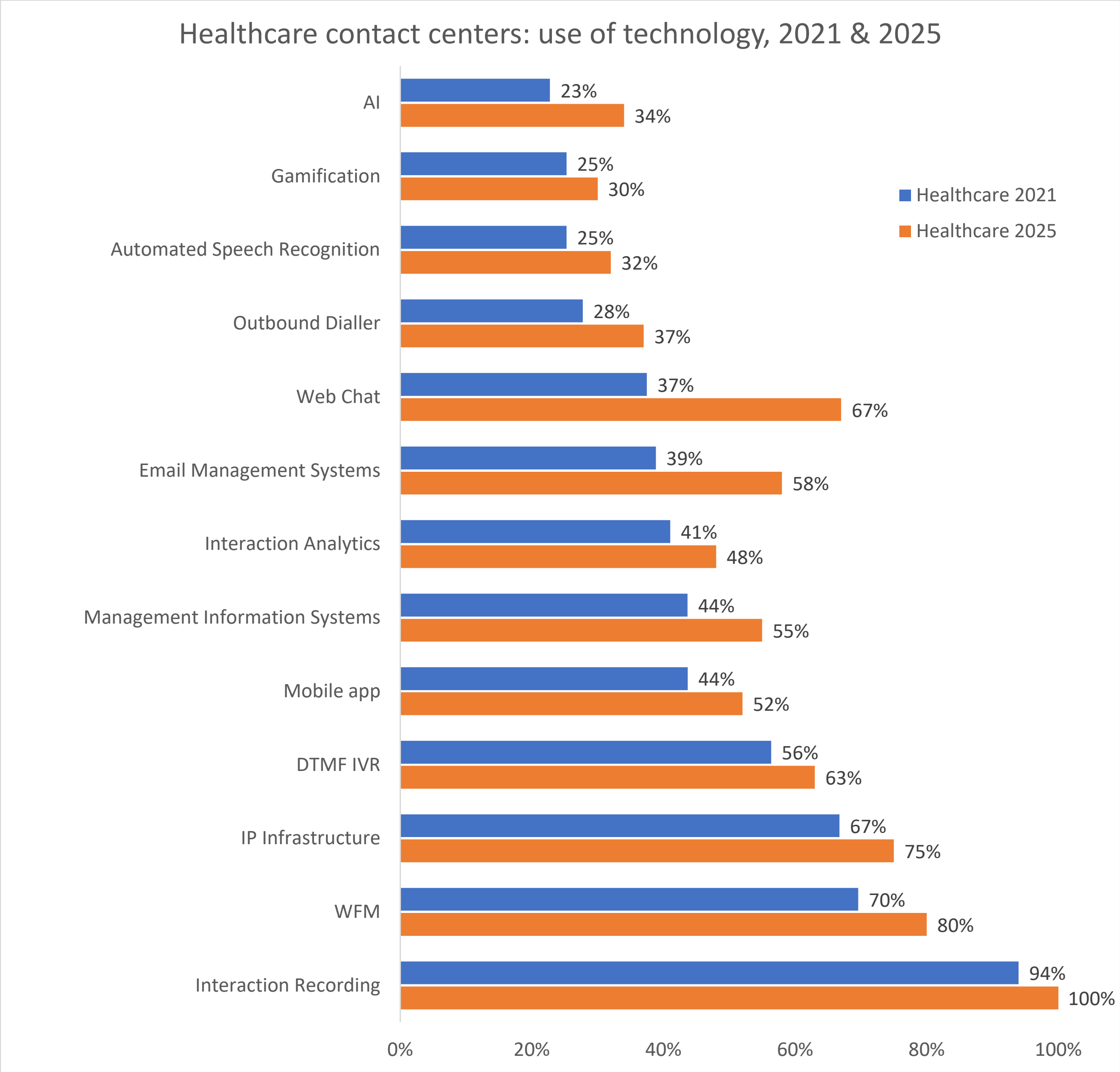
However, for many of the newer technologies surveyed, the sector is lagging behind the contact center industry as a whole. This is particularly the case for digital interaction-supporting solutions such as web chat and email management.

Figure 10: Healthcare contact centers: use of technology, 2021



The greatest expectation of technology growth – and expectation should not be confused with what the reality is likely to be – comes from AI, web chat, email management and management information systems, strongly suggesting an increase in digital support over the next few years.

Figure 11: Healthcare contact centers: use of technology, 2021 & 2025



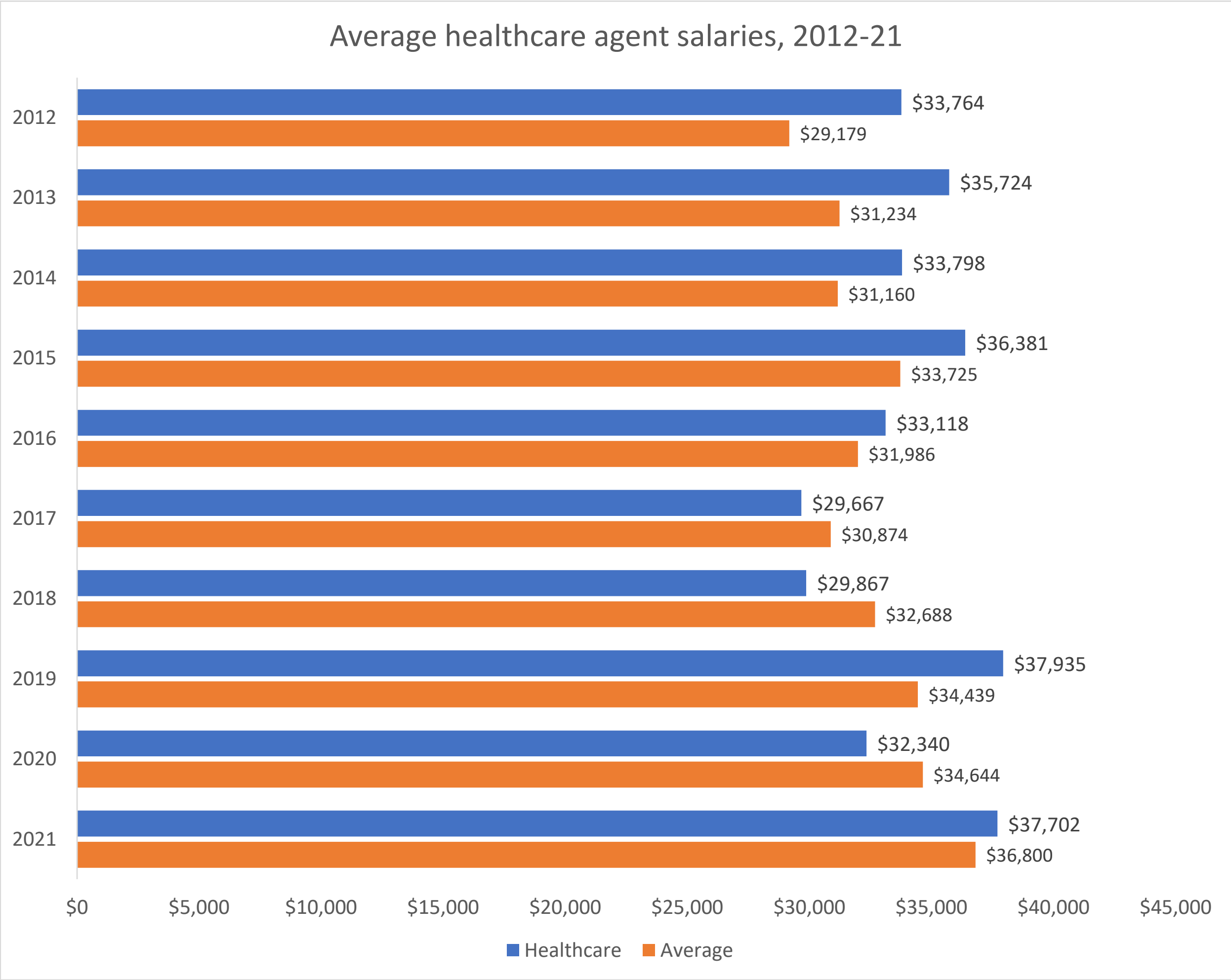
HUMAN RESOURCES

SALARIES

The salary figures below are calculated by adding together the average salary paid to new agents and to experienced agents, and dividing by two.

Healthcare agents were reported to be paid basic salaries that somewhat higher than the average contact center agent in most of the years studied. This differential has declined in the past years.

Figure 12: Average healthcare agent salaries, 2012-21

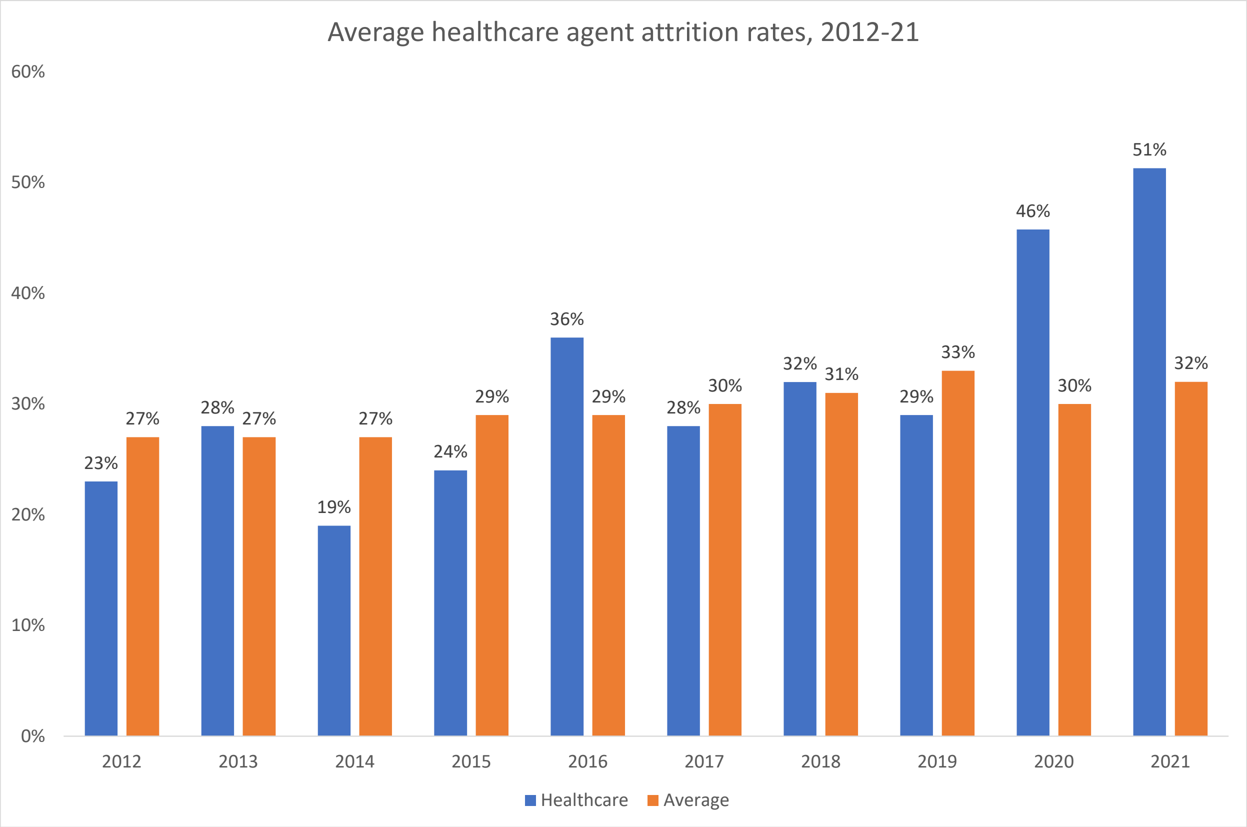


AGENT ATTRITION

Healthcare agent attrition rates are significantly higher than the industry average since the pandemic began.

Typical healthcare attrition is around 25-30% and attrition rates may well return to this level after the pandemic is over.

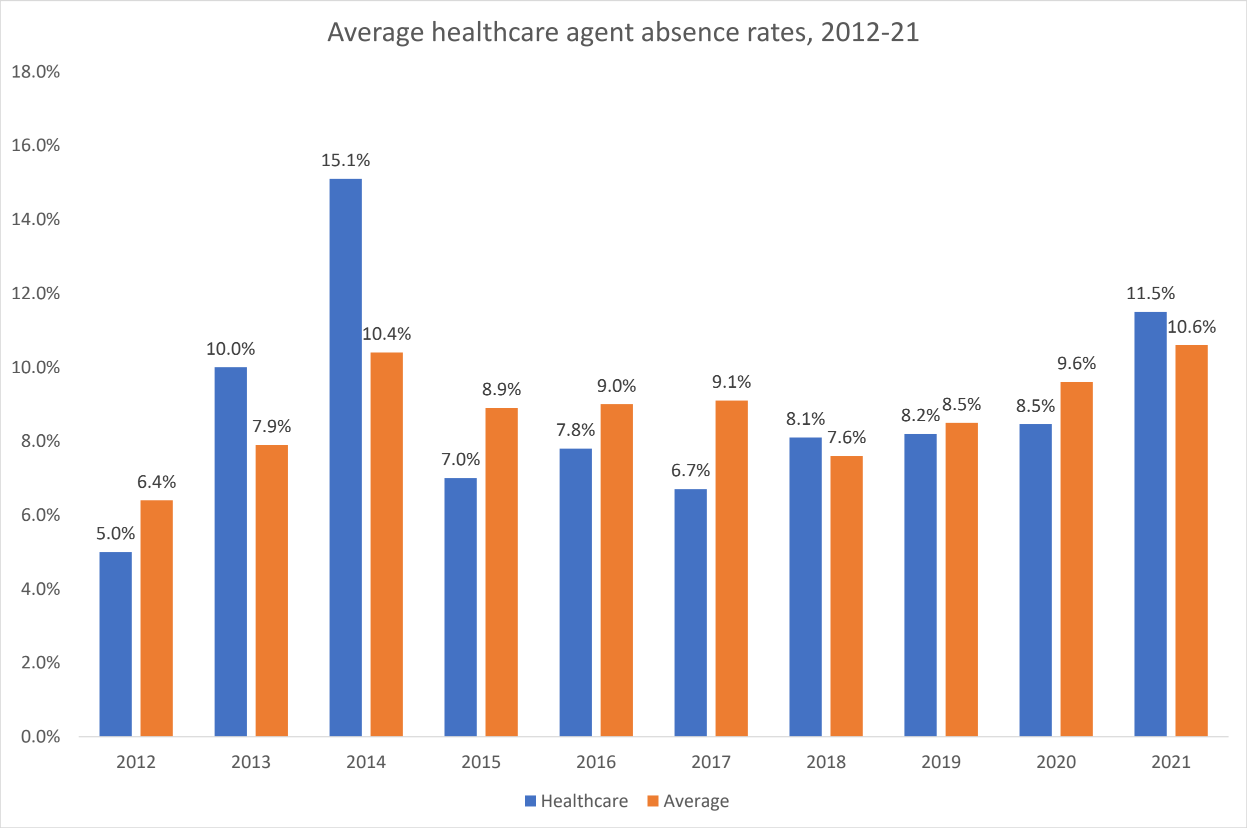
Figure 13: Average healthcare annual agent attrition rates, 2012-21



AGENT ABSENCE

Over the last few years, healthcare agent absence rates have tracked fairly closely to the contact center industry average.

Figure 14: Average healthcare agent absence rates, 2012-21

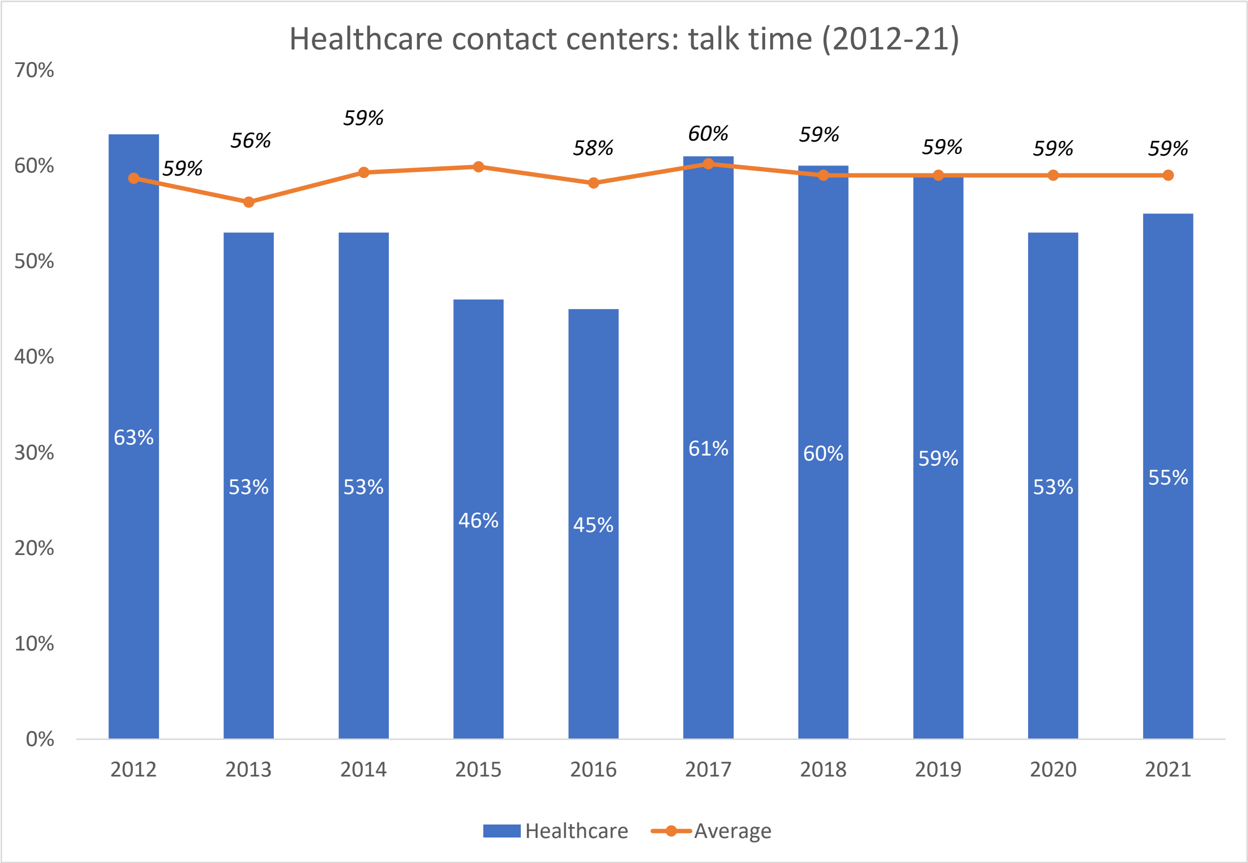


TALK TIME

The proportion of agent talk time does not seem to follow a clear pattern, although the past two years have seen a drop in talk time per hour, in line with call durations.

As the proportion of digital interactions have not risen greatly, this would suggest that healthcare agents are spending a significant proportion of their time idle or (more likely) on after-call work, offering the sector a chance to improve productivity.

Figure 15: Healthcare contact centers: talk time, 2012-21

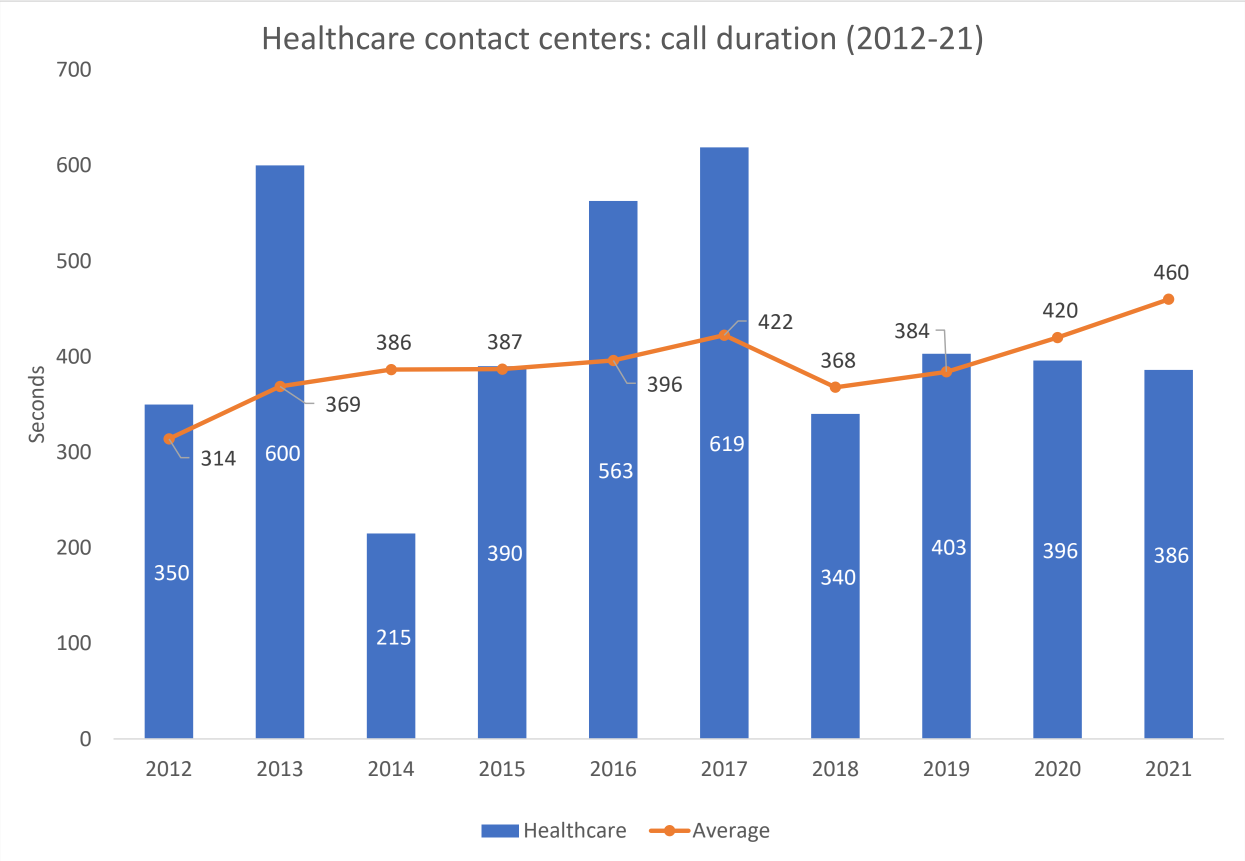


CALL DURATION

Average healthcare service call lengths have been a little lower than the US average recently, and have not seen the increase in call lengths over the pandemic that many other sectors have experienced.

The lack of self-service and digital options may mean that agents are handling more of the relatively routine calls, which are quicker but could be dealt with by other means.

Figure 16: Healthcare contact centers: call duration, 2012-21

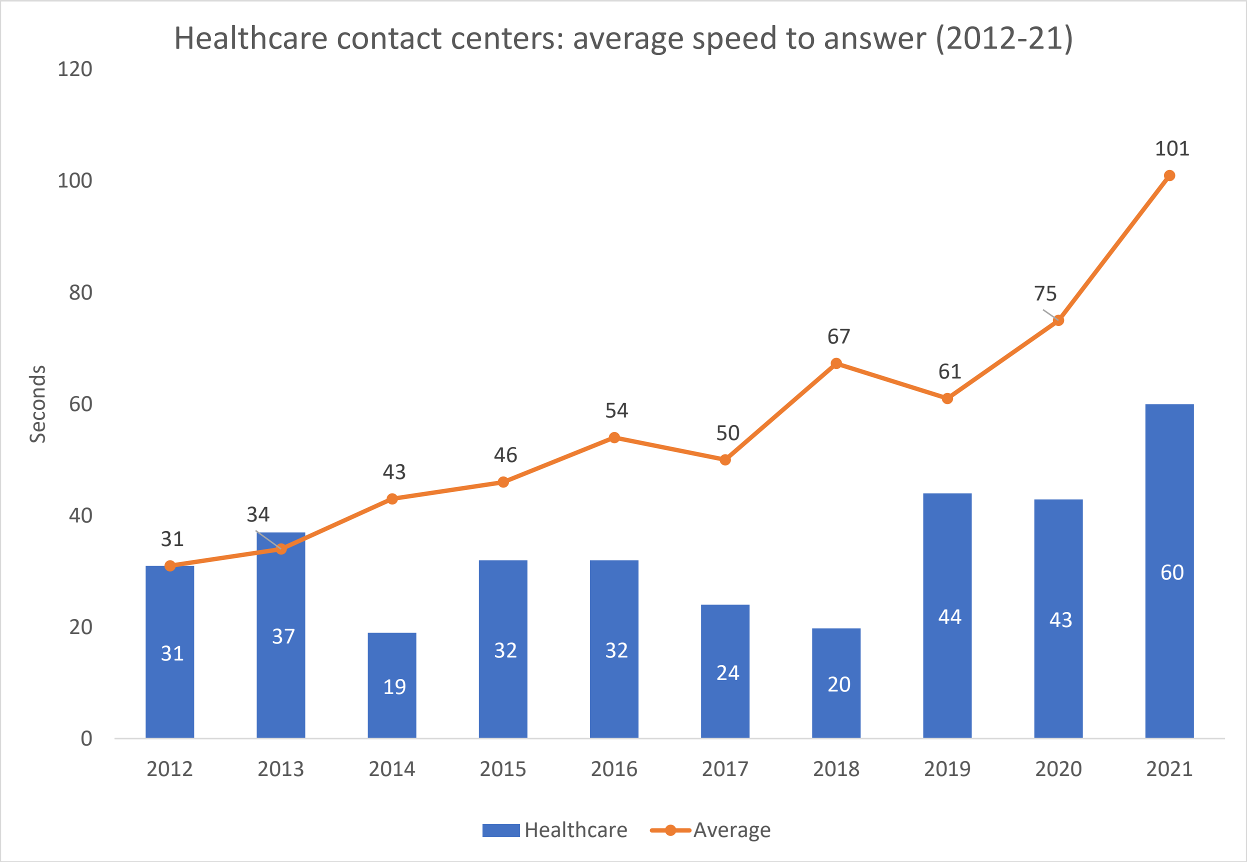


SPEED TO ANSWER

For all of the years studied within this report, the sector's speed to answer is considerably lower than the US average, and although the pandemic years have seen a rise, this is still far less than has been the case for many vertical markets.

This is a very positive finding as speed to answer is still one of the most important factors to customers calling a contact center, so a quick answer is beneficial to the customer experience as a whole.

Figure 17: Healthcare contact centers: average speed to answer, 2012-21



ABOUT CONTACTBABEL

ContactBabel is the contact center industry expert. If you have a question about how the industry works, or where it's heading, the chances are we have the answer.

We help US and UK contact centers compare themselves to their closest competitors so they can understand what they are doing well, what needs to improve and how they can do this.

The coverage provided by our massive and ongoing primary research projects is matched by our experience analyzing the contact center industry. We understand how technology, people and process best fit together, and how they will work collectively in the future.

If you have a question about the contact center and CX industry, please get in touch.

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Free research reports available from www.contactbabel.com (UK and US versions) include:

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- The European Contact Centre Decision-Makers' Guide
- The UK Contact Centre Decision-Makers' Guide
- The US Contact Center Decision-Makers' Guide
- The UK Customer Experience Decision-Makers' Guide
- The US Customer Experience Decision-Makers' Guide

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- US Contact Center Verticals: Communications; Finance; Healthcare; Insurance; Outsourcing; Retail & Distribution.