



RETRAINEE - JOB CREATION

Training Proposal for:

TriWest Healthcare Alliance Corp.

Agreement Number: ET16-0247

Panel Meeting of: December 4, 2015

ETP Regional Office: Sacramento

Analyst: M. Mazzone

PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative Veterans	Industry Sector(s):	Services Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Sacramento and San Diego	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 12	U.S.:1,610	Worldwide: 1,610
<u>Turnover Rate:</u>	0%		
<u>Managers/Supervisors:</u> (% of total trainees)	7%		

FUNDING DETAIL

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Program Costs</td></tr> <tr><td style="text-align: center;">\$391,200</td></tr> </table>	Program Costs	\$391,200	-	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">(Substantial Contribution)</td> <td style="text-align: center;">(High Earner Reduction)</td> </tr> <tr> <td style="text-align: center;">\$0</td> <td style="text-align: center;">\$0</td> </tr> </table>	(Substantial Contribution)	(High Earner Reduction)	\$0	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Total ETP Funding</td></tr> <tr><td style="text-align: center;">\$391,200</td></tr> </table>	Total ETP Funding	\$391,200
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In-Kind Contribution:	100% of Total ETP Funding Required	\$507,000
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Job Creation Initiative	Business Skills, Computer Skills, Commercial Skills	390	8-200	0-11	\$800	\$13.18
				Weighted Avg: 40			
2	Retrainee Job Creation Initiative Veteran	Business Skills, Computer Skills Commercial Skills	90	8-200	0-11	\$800	\$13.18
				Weighted Avg: 40			

Minimum Wage by County: Job Numbers 1 and 2: \$13.13 per hour for Sacramento County and \$13.28 per hour for San Diego County.

Health Benefits: Yes No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: Yes No Maybe

Up to \$0.10 per hour may be added to a trainee's base wage to meet the Post-Retention wage for Job Numbers 1 and 2.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Medical Clerk		13
Patient Services Representative		284
Complex Authorization Specialist		94
Quality Assurance Analyst		7
Trainer		10
Supervisor		30
Manager		8
Registered Nurse		14
Licensed Practical Nurse		11
Registered Nurse – Team Lead		3
Technical Support Analyst		2
Senior Human Capital Generalist		2
Operations Administrator		2

INTRODUCTION

TriWest Healthcare Alliance Corp. (TriWest), founded in 1996 and headquartered in Phoenix, Arizona, manages health benefits. The Company is currently contracted by the U.S. Department of Veteran Affairs (VA) to manage and administer the Patient-Centered Community Care (PC3) Program and Veterans Choice Programs. TriWest services eligible PC3 and Veterans Choice Program (VCP) veterans in 28 U.S. states and 3 U.S. territories.

The PC3 program is utilized by Veterans in instances where primary or specialty care is not available through a VA healthcare facility. The VA will determine if the care needed by the Veteran is available within the VA. If the VA cannot service the Veteran timely, the VA will send authorization to TriWest to purchase the needed care from an outside healthcare provider. After authorization is received, TriWest will work with its comprehensive network of healthcare providers and the impacted Veteran to schedule the medical appointment. Eligible Veterans are allowed access to primary care, inpatient/outpatient specialty care, mental health care, limited emergency care, and limited newborn care for enrolled female Veterans following the birth of a child through non-VA healthcare providers. TriWest is also responsible for the transmission of medical data between the VA and the non-VA healthcare provider.

The VCP was enacted under the Veterans Access, Choice, and Accountability Act (VACAA) of 2014 and is an extension of the PC3 program. Under the VACAA, veterans may use the VCP to receive health care in their own communities rather than travel to or wait for a VA medical facility.

Triwest is eligible for training under the out-of-state competition provisions as a telephone call center located serving clients inside and outside of California. This proposal is a GoBiz referral and will include TriWest's Rancho Cordova and San Diego locations.

PROJECT DETAILS

TriWest recently expanded their operations into California (to have a local presence) to service eligible Veterans who reside in this state. These locations also service Hawaii, parts of Nevada, Guam, America Samoa and the Northern Mariana Islands. On August 24, TriWest opened its first location in San Diego for Southern California. TriWest opened a second location in Rancho Cordova on October 19 for Northern California.

Staff will receive training in the specific duties of their position, focused on customer service training, VA Program knowledge, and the skills necessary to properly navigate and operate medical management software.

Retrainee - Job Creation

In support of Job Creation, the Panel is offering incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage.

TriWest has committed to hiring 390 employees (Job Number 1) and 90 Veterans (Job Number 2). The date-of-hire for these trainees will be within the three-month period before contract approval or within the term-of-contract. The Company represents that these trainees will be hired into "net new jobs" as a condition of contract. TriWest is aware that only the training delivered after the beginning of the contract is eligible for reimbursement.

Thus far, the San Diego location has brought in a total of 213 workers, of which 23 are full-time permanent employees and 190 are temporary-to-permanent. On November 24, TriWest plans to convert 111 temporary employees to permanent and the remaining temporary staff will be converted on or before February 9, 2016.

For the Rancho Cordova location, TriWest has a total of 225 workers, of which 16 are currently full-time permanent employees and 209 are working in a temporary-to-permanent status. TriWest is anticipating that 151 of the temporary-to-permanent staff members will be converted to full-time permanent staff on January 19, 2016 and the remaining temporary staff will be converted on or before February 9, 2016.

Temporary to Permanent Hiring

Trainees in Job Number 1 and Job Number 2 come under Panel guidelines for “temporary-to-permanent” employment. TriWest has retained these employees through a temporary agency, with the intention of hiring them into full-time, permanent positions after training.

These trainees must be determined eligible to participate in ETP-funded training before the start of training, while on payroll with the temporary agency. However, the retention and post-retention wage requirements cannot be satisfied until after they have been hired by TriWest. Until then, TriWest will not receive progress payments.

For the duration of TriWest’s hiring phase, all temporary-to-permanent workers (to be placed in positions at TriWest) will be placed by the staffing company Aerotek. Aerotek has committed resources, which includes recruiting and senior recruiting staff, assigned to the recruitment of staff for TriWest. The recruitment staff has been holding job fairs to enhance recruitment and will be responsible for conducting interviews, processing background checks, and ensuring drug screening tests have been completed. Aerotek recruiters will also notify temp-to-perm staff of when their employment begins and where to report on the first day.

Veterans Program

The Panel has established a higher reimbursement rate and other incentives for training California veterans.

TriWest conservatively plans to hire 90 Veterans (Job Number 2), who have served on active full-time duty in the Armed Forces, over the next two years. Leadership at TriWest expects Veterans to represent 16-25% of the total net new hire population. Veteran trainees in Job Number 2 will receive a higher reimbursement rate of \$22 per hour.

To reach the Veteran hiring goals, TriWest’s Veterans’ recruitment program consists of:

- Specialized recruitment sites, such as Military.com, Corporate Career Network, Indeed.com, and LinkedIn
- Banner ads on job boards in targeted locations
- Active participation in the local job fairs such as: Veteran’s CONNECT; Hiring For Heroes, DREAM
- An external consultant who is assisting in outreach efforts to nearby military community leaders.

Training Plan

TriWest’s will use a needs assessment created by its Human Capital staff. This assessment which was used to create the training plan for new employees in other expansion locations. New employees will receive 70 hours of classroom training and 10.5 hours of CBT.

Operations went live at the San Diego office on September 7, 2015 and the Rancho Cordova office is projected to go live on November 2, 2015. Initial training took place from August 24, 2015 through September 4, 2015 at the San Diego office. Training will start on October 19, 2015 and conclude on October 30, 2015 in Rancho Cordova. However, only training that occurs within the term of the contract will be eligible for ETP reimbursement.

Business Skills (25%) – Training will be delivered to all occupations. Training will focus on Customer Service Skills. TriWest has an unwavering commitment to do “Whatever It Takes!” to

meet Veterans' health care and customer service needs. Training will stress the importance of continuing to provide the best customer service in the industry. Course topics will include CLASS (Connecting, Listening, Assessing, Solving, and Saluting), How to Handle Irate Customers, Customer Service, Navigating Tough Calls and Dealing with Sensitive Diagnosis.

Commercial Skills (65%) – Training will be offered to all occupations to ensure staff can effectively administer TriWest's Veteran focused programs. Training in medical management, medical terminology, care authorization requests, and military culture will enable employees to coordinate healthcare for Veterans.

Computer Skills (10%) – All staff will receive job specific computer skills training. Training will focus on the operation of necessary software programs. To provide a high level of customer service to Veterans staff will need to be proficient at various software programs. Training topics will include CareRadius, BizFlow, XMedius, VMWare Visual Cactus, Crystal Reports, and Intermediate and Advanced Microsoft Office.

Computer-Based Training (CBT)

All occupations will receive Commercial Skills and Business Skills CBT to support lessons taught in classroom training. Trainees will receive up to 11 hours of CBT. CBT is reimbursed at \$8 per hour and cannot exceed 50% of total training hours per trainee.

Commitment to Training

TriWest represents that ETP funds will not displace the existing financial commitment to training. Safety training will be provided in accordance with the law. TriWest has estimated an initial training budget for the two new California offices of \$850,000 (\$425,000 per office) to be utilized within the first 6 months of starting operations in California. Training provided includes on-the-job training, safety, new hire orientation, and anti-harassment which are not eligible for ETP reimbursement.

Training Infrastructure

- The Company's Human Capital Staff (Human Resources) are responsible for scheduling and tracking all training of the temp-to-perm staff. They are also responsible for obtaining all rosters and for the entry of trainees' training hours.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Customer Service Skills
- CLASS
 - Connecting
 - Listening
 - Assessing
 - Solving
 - Saluting
- How to Handle an Irate Customer
- Dealing with Sensitive Diagnosis
- Navigating Tough Calls
- Essential Elements of Internal Customer Service

COMMERCIAL SKILLS

- Care Authorization Requests
- Authorization Audits
- Medical Necessity Review
- Prospective and Retrospective Reviews
- Medical Terminology
- Medical Coding
- ICD-10

COMPUTER SKILLS

- Medical Management Software (CareRadius)
- BizFlow
- XMedius
- VMWare Visual Cactus
- Intermediate and Advanced Microsoft Office
- Crystal Reports

CBT Hours

0–11 hours

BUSINESS SKILLS

- TriWest Customer Service Model (0.50)
- Telephone Doctor Customer Service Training (1.00)

COMMERCIAL SKILLS

- Military and Veteran Culture (0.50)
- Medical Terminology (6.50)

- Sensitive Diagnosis Confidentiality (0.50)
- Choice 101 Product Training (0.25)
- CareRadius Software Overview (0.50)
- VA Portal Tour (0.75)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee.