



**Training Proposal for:  
Maximus, Inc.  
Agreement Number: ET09-0439**

Panel Meeting of: **January 23, 2009**

ETP Regional Office: **Sacramento**

Analyst: J. Daunt

**PROJECT PROFILE**

Contract Type:	Retrainee HUA	Industry Sector(s):	Services
Counties Served:	Kern, Los Angeles, Riverside, Sacramento, San Bernardino, Tulare	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Priority Industry:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
No. Employees in CA:	141,300	No. Employees Worldwide:	6,000

Turnover Rate %	Manager/ Supervisor %
20%	12.8%

**FUNDING DETAIL**

Program Costs	Substantial Contribution	Total ETP Funding	In-Kind Contribution
\$202,500	\$0	\$202,500	\$228,000

**TRAINING PLAN TABLE**

Job No.	Job Description (by Contract Type)	Type of Training	Estimated No. of Trainees	Range of Hours		Estimated Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee	Business Skills, Commercial Skills, Computer Skills, Continuous Improvement, Management Skills	250	24-200	0	\$810	\$13.00
				Weighted Avg: 54			

**Minimum Hourly Wage by County:** Kern, Riverside, San Bernardino and Tulare Counties: \$13.00; Sacramento County: \$13.69; Los Angeles County: \$14.18.

**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

Health, dental and/or vision benefits of \$3.00 per hour may be used to meet the Post-Retention Wages.

Wage Range by Occupation	
Occupation Title	Wage Range
Customer Service Representatives	
Enrollment Service Representatives	
Functional Analysts/Specialists	
Administrative Support Staff	
Supervisors	
Managers/Directors	

**INTRODUCTION**

In this proposal, Maximus, Inc. (Maximus) seeks funding for retraining as outlined below:

Founded in 1975 and headquartered in Reston, Virginia, Maximus has grown to become one of the nation’s largest government services companies supporting federal, state, and local programs. The company’s Operations Segment provides outsourcing and program management for health and human services programs, including, HMO outreach and enrollment, children’s health, child support enforcement, physician profiling, workforce services, payment processing and general program administration, mainly through the company’s data centers and call centers.

Maximus has initiated a project entitled California Health Care Options (CA HCO). Headquartered in Rancho Cordova, CA HCO is provided exclusively to the California

Department of Health Care Services, the aim of which is to process and facilitate enrollments in Medi-Cal's Managed Health Care system. CA HCO employs approximately 300 workers across 13 counties in California.

The contract for this work was originally obtained and is periodically renewed through a State of California competitive bidding process. In winning this contract, Maximus competed successfully against several companies from other states.

Maximus qualifies for ETP funding under Title 22, California Code of Regulations (CCR), Section 4416(d) as providing a service in California competing with providers located out-of-state.

## **Need for Training**

Maximus's CA HCO program is divided into two parts: 1) branch offices in outlying California locations where enrollment representatives, analysts, specialists, and supporting staff provide intake/outreach services; and 2) a call center in Rancho Cordova where customer service representatives support employees in the field.

The Branch offices in Kern, Los Angeles, Riverside, San Bernardino, and Tulare counties will be included in the proposed training program. Maximus representatives state that employees at these offices are being equipped with laptop computers to better assist Medi-Cal beneficiaries with managed care enrollments and other services.

In addition, the Rancho Cordova employees will soon be required to understand and utilize new call center technologies. Optimal use of these advances, as well as the overall productivity of the call center employees, depend upon the level of skills training they will receive.

Also, supervisors as well as managers/directors will be provided training in skills designed to increase both the efficiency and the satisfaction of employees in a call center environment.

## **PROJECT DETAILS**

Maximus is proposing to train 250 full-time workers in a menu curriculum that consists of Business Skills, Commercial Skills, Computer Skills, Continuous Improvement, and Management Skills.

**Business Skills** Trainees in all occupations will be given training in the Business Skills portion of the curriculum to provide them with the skills necessary to achieve greater effectiveness in customer-service-related problem solving, as well as presentation, communication, and project management skills.

**Commercial Skills** All occupations to be included in the program will be provided various levels of training in the operations, processes, and procedures of both the call center operation and the outreach and enrollment services provided at the company's field locations with the purpose of streamlining these operations without reducing quality.

**Computer Skills** Representatives state that this training will facilitate the company's adaptation to planned modifications to its on-line systems. Employees in all occupations working at field locations and in Rancho Cordova will receive this training.

**Continuous Improvement** Employees in all occupations will be provided this training to gain knowledge in identifying barriers, defining problems and arriving at solutions concerning all aspects of quality assurance. ISO skills and requirements are also included in this module.

**Management Skills** This training will be provided to supervisors, managers, and directors and will include instruction in leadership, team building, motivating, coaching, performance management, and related skills. The training is designed to assist the company in improving productivity, motivation, and workplace atmosphere for all employees.

### **Commitment to Training**

Maximus represents that ETP funds will not displace the existing financial commitment to training. Indeed, Maximus anticipates that the opportunity for enhanced training made possible by ETP funds will encourage an ongoing financial commitment in this area.

Maximus represents that safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

Maximus representatives state that ETP funding will not displace the company's resources for training. They add that, although significant funds have been spent on training, the company does not at this time list training costs as a separate line item in its budget. In addition, there are no meaningful historical training expense figures available at this time.

The company currently provides or has provided general safety training (including OSHA-related functions), harassment and/or violence prevention, and new employee orientation, as well as ad hoc training provided on an on-the-job basis. These types of training are not included in the current proposal. The proposed curriculum differs in that it does not include these types of training and consolidates the company's training into a coherent program based on emerging needs.

### **Frontline Worker**

The company uses several job classifications with "manager/director" or "supervisor" in the title. In fact, based on the nature and scope of the job duties, some of these employees are exempt from overtime compensation and do not meet the Panel's definition of frontline workers. (Title 22, CCR, Section 4400(ee). Other employees in these occupations comprise 12.8% of the proposed trainee population. The Managers/Directors are not involved with policy decisions made at the topmost levels of the company.

### **High Unemployment Area**

Trainees at the company's facilities in Kern and Tulare Counties work in High Unemployment Areas of California, regions with unemployment exceeding the state average by at least 25%, based on rates calculated by the Labor Market Information Division of the Employment Development Department. (Title 22, CCR, Section 4429(b).) The company is not requesting a waiver of any ETP wage requirements because wages are sufficiently high. However, Maximus wishes to make the Panel aware that the company is responsible for high-wage, high-skilled jobs in High Unemployment Areas.

### **RECOMMENDATION**

For the reasons set forth above, staff recommends approval of the training proposal.

**DEVELOPMENT SERVICES**

N/A

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

To Be Determined

## **Exhibit B/Menu Curriculum**

Hours  
Class/Lab  
24-200

Trainees will receive any of the following:

### **Business Skills:**

1. Presentation Skills
2. Project Management
3. Problem Solving
4. Writing Skills

### **Commercial Skills:**

1. Call Center Operations, Processes and Procedures
2. Enrollment Services Operations Processes and Procedures

### **Computer Skills:**

1. Intermediate-Advanced MS Suite, MS Word, EXCEL, PowerPoint, & Related Applications
2. Lotus Notes
3. Data Base Management

### **Continuous Improvement:**

1. Quality Assurance Practices and Principles
2. ISO

### **Management Skills:**

1. Leadership and Role of Manager
2. Team Building and Motivation
3. Leading Customer Service
4. Interviewing Skills
5. Performance Management