

The City of Olathe, KS, Partners with Level One to Deliver Rapid-Response Payment Arrangement Program During the Pandemic

COVID-19 pandemic-related unemployment has been nothing short of devastating. According to a May 2020 article published by the University of Minnesota, 20.6 million people lost their jobs between mid-March, 2020 and May 8, 2020.

With many households unable to pay their bills as a result of the pandemic, it's no surprise that utility companies across the nation started receiving calls from customers asking if the utility offered options for payment arrangements.

Payment Arrangement Plans at the City of Olathe, KS

The City of Olathe Utilities provides water, sewer, recycling, and trash services to nearly 47,000 residents. The City's call center received numerous inquiries from customers with a history of delinquency and from those who had never missed a payment. Calls were being fielded at a time when governors in most states, including Kansas, suspended shutoffs; a mandate that started in March 2020.

With a shared concern for its residents and operating revenue, the City wanted to quickly respond to customer requests in an effort to help them keep up with their payments and not fall too far in arrears on their outstanding balance.

Payment Program Prerequisites

According to Sandra Hasty, Business Systems Analyst for the City of Olathe, “Knowing that the moratoriums would eventually end, our goal was to rapidly develop and deploy a payment arrangement program that met the needs and expectations of our customers. We came up with a solution that had a minimal financial burden to the City, but a big impact for citizens.”

“We wanted to demonstrate our empathy in response to the emotions of the City—that we care for the people in our community and wanted to offer a viable alternative to demanding payment in full,” added Ronni Decker, Customer Service Manager, City of Olathe. With that in mind, the utility established the following prerequisites for a payment program.

Prerequisites



Communications

- Empathetic messaging
- Clear payment options, how to qualify, and enroll
- Support multiple communication channels
- Modify bill templates with relevant information on status of arrangement



Customer Tools

- Self-service enrollment through customer portal
- Status of payment arrangement incorporated in monthly bill
- Updated website to provide actionable information and ongoing support



Terms and Conditions

- Optimize monthly payment and payback period minimum
- Customer acceptance of terms and conditions
- Digital, legal contract between customer and city

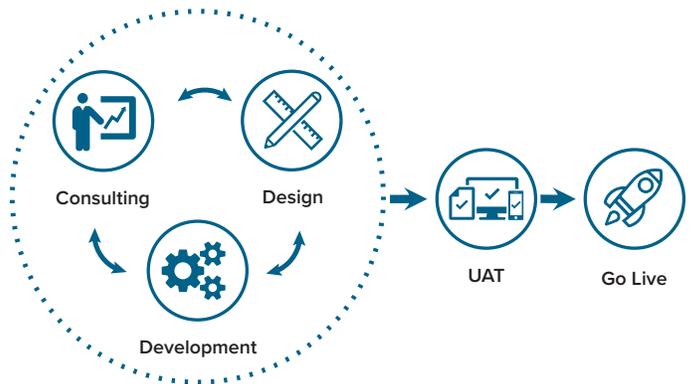
Reliance on Level One Industry Expertise

To fulfill these prerequisites, the City consulted with Level One based on the company’s expertise in customer engagements and their ability to execute quickly to achieve positive outcomes. “We were pleased that the City sought our recommendations for payment arrangement options as we recently completed similar development efforts for several other clients in the past year, leveraging our depth of industry knowledge,” noted John Boland, President, Level One.

“Level One was top of mind because they proactively reach out to us on a regular basis to see how they can help with our initiatives,” said Hasty. “Throughout our long partnership, we’ve always had a quick and transparent response from Level One. Level One suggests solutions that are a better fit than what we had originally planned. They’ve always been able to make good things happen,” added Decker.

Rapid Deployment Methodology

The City of Olathe and Level One quickly got to work building a payment plan program—specific to the challenges created by COVID-19—through Level One’s methodology which includes:



While each step had its own set of objectives and goals, Level One’s flexible engagement approach and continuous feedback loop allowed for steps to overlap. This was especially helpful to the city in the areas of consulting, design, and development. “We presented what we wanted to accomplish. Level One

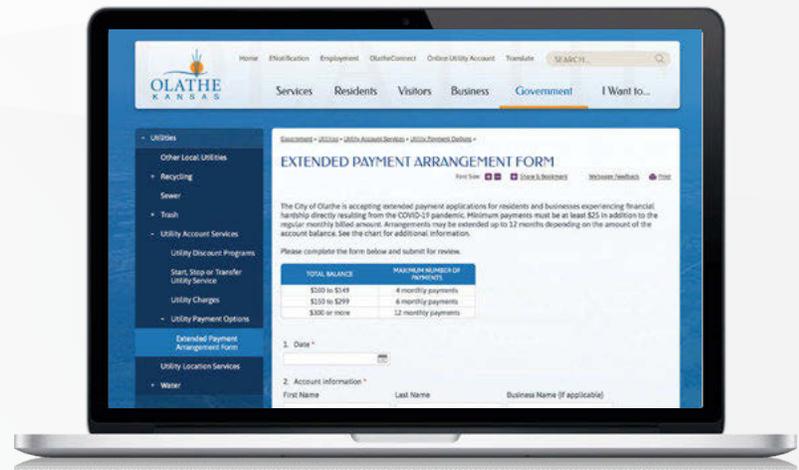
gave us examples of what they had done before that would best help us achieve our goals and invited open dialogue to develop effective prototypes for a template design to get to the final bill,” said Jessica Freeman, Customer Service Supervisor, City of Olathe.

“Level One was able to quickly assess where they could assist us with the data we had in hand without needing to engage our CIS vendor to modify our data extract,” added Hasty.

Upon quick completion of the code changes, the City leveraged Level One’s tools to streamline user acceptance testing that made it possible to expedite putting the new payment arrangement program into production in days as opposed to weeks. Level One’s responsiveness to the changes requested by the City resulted in reduced time-to-market for the payment plan program. Speed was critical because Olathe had started offering payment plans that the CSRs set up during phone calls.

Promoting the Payment Plan Program

The City wanted to deliver an intuitive self-service solution that clearly explained all aspects of the program to eliminate customer confusion and reduce calls into the call center. When the payment program officially rolled out in May, program details were promoted and communicated via email, direct mail campaigns, and through updates to the City’s pandemic webpage and self-service portal. All communications directed customers to complete an online form on the portal. The online form needed to serve as both a means of enrollment and a legal agreement between each customer and the City. “Signing a legal agreement makes it more real for the customer, and serves as a reminder of the arrangement they made with the City and their obligation to honor the terms of the agreement,” said Decker.



Early Results

The communication strategy and bill modification were effective at reminding customers about their obligation and the status of their payment arrangement.

Customer service calls quickly returned to a normal level once the online form was available. Nearly 600 customers enrolled in the payment plan as of October 2020 and 83% are honoring their arrangement. Consistent communications encourage program participants to adhere to their schedule.

Encouraging results from a recent survey showed customer satisfaction levels remained as positive as pre-pandemic. The Olathe team feels these results are due to their quick response in developing a payment program.

“Cost wasn’t the only consideration. We worked with the senior management office to gain approval because you can’t win back trust from the public nor can you absorb the negative press that would have happened. A little goes a long way and we wanted to offer something to help them improve their financial situation,” added Decker.



Staying the Course

The city is prioritizing and staggering disconnects for customers not honoring their arrangements now that the governor's moratorium expired on May 31, 2020.

According to a November 5, 2020 Bloomberg article, "U.S. Jobs Market Set to Extend Rebound at Softening Pace", the unemployment rate has decreased from 7.9% to 7.6%, which they report is approximately half of the April level (that was the highest since the Great Depression era). While it's rebounding more quickly than economists expected earlier in the year, unemployment rates are still very high. Long-term employment, new surges in COVID-19 infections, and women leaving the workforce to care for their children continue to make it hard for some people to pay their bills. Economists believe it could take a year, probably more, to fully recover.

Successful Partnership

By partnering with Level One, the City of Olathe was able to provide an effective solution to a problem. Level One's expertise and consultative approach resulted in a communications strategy, execution plan, and implementation of a payment arrangement program that benefitted both the City and its customers.

Utility Profile

46,844 customers

- Residential: 43,485
- Commercial: 3,338
- Industrial: 21

Challenge

Rapidly develop and deploy a payment arrangement program for customers in arrears

Solution

Payment arrangement program with self-service enrollment and a revised bill with installment and current payments due

Results

- Updated website to facilitate online enrollment in payment arrangement program in just days, not months
- Positioned staff and customers for successful payment arrangement program
- Eliminated manual program enrollment process to free up CSR's time to focus on other customer requests
- Nearly 600 customers enrolled in payment arrangement program
- Demonstrated responsiveness to customers' needs

Since 2004, Level One has been a trusted provider of billing and payment solutions, guiding utilities, insurance providers, and government entities across North America toward successful customer engagement.



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