



211 LA Response to Issues Raised Regarding the 2-1-1 Contract October 2022

Introduction

Over the course of 2022, as the Board of Supervisors (the Board or BOS) considered the CEO's recommendation to award the 2-1-1 contract to Deloitte Consulting (Deloitte), a number of issues were raised about 211 LA, which has held the County's Information and Referral (I&R) contract since 1981 and the 2-1-1 calling designation since 2005. These issues have been raised in various fora, public and private, and manifested themselves in particular in the Board discussion that took place on August 2, 2022.

The Board discussion focused in particular on the following issues:

- 211 LA's performance and compliance with its County contract, including wait times, abandonment rates, warm handoffs, and call accounting
- 211 LA's finances and how the County base I&R contract and additional contracts impact 211 LA
- the circumstances around the designation of the 2-1-1 calling code by the California Public Utilities Commission (CPUC) and the County's efforts to take over that designation,
- the use of an interactive voice response system (IVR) versus the kind of automation and use of artificial intelligence proposed by Deloitte, plus general concerns about technology in 2-1-1 operations

As the Board and the CEO's office consider paths forward on how to deliver 2-1-1 services in Los Angeles County, this document offers facts about the issues raised above. 211 LA believes that only by truly understanding the history of 2-1-1 services and 211 LA can the Board and the CEO make rational decisions about how to best serve LA County residents who depend on competent and available connections to the services they need to resolve the issues in their lives and to help alleviate poverty among the neediest LA County residents.

211 LA has not and does not claim that it is perfect or without fault. And it recognizes that every organization involved in providing social services probably feels that it is under-resourced. However, if there is one point that County of Los Angeles leaders need to understand it is this:

With an extraordinarily small budget (compared to the County and its departments), 211 LA has efficiently provided connections between county residents and the services they need for more than 40 years; rather than attempting to squeeze 211 LA further, the County should understand the

challenges of providing 2-1-1 services to its population and partner with 211 LA to improve the system.

Summary of Major Points

- **Performance and Compliance:** Despite claims or implications to the contrary, 211 LA is in full compliance with its County contract, including provisions governing abandonment rates, warm handoffs, and call accounting.
 - 211 LA has been raising issues regarding its chronic underfunding for more than a decade. In fact, from 2005 until the 2017 RFP process, the County did not raise 211 LA's effective reimbursed cost per call. During that time, 211 LA's own costs naturally rose, including wages and benefits for its represented employees.
 - In the 2017 RFP process, the CEO's office finally recognized the truth of 211 LA's cost claims, but instead of agreeing to raise the amount of the contract, decided to lower 211 LA's performance obligations, which include a commitment to answer 390,000 calls per year while limiting hold times and abandonment rates.
 - 211 LA agrees that these performance obligations are not ideal. But 211 LA is meeting those contracted obligations and if County leadership wants better performance, it must provide additional resources, as 211 LA has been saying for years.
 - Despite the County lowering 211 LA's performance obligations in order to avoid paying what is necessary, 211 LA is on track to answer well over 440,000 calls. And while this is 50,000 calls more than its contracted obligation, 211 LA is still meeting its commitments on hold times and abandonment rates.
 - In particular, on warm handoffs, the issue is not 211 LA not being able to provide warm handoffs from a technical point of view but that the agencies that could provide the needed services are literally not answering the phone when 211 LA calls. This has the perverse effect of increasing the volume of calls to 211 LA and lengthening the calls themselves, which further impact's 211 LA's performance metrics. Blaming 211 LA for this situation makes no sense.
 - Finally, as to call accounting, which is how 211 LA apportions costs among various contracts, 211 LA has been repeatedly found to be in full compliance with its contract obligations. 2-1-1 services are meant to be holistic and address all the needs of its callers, which means that such apportionment is always more art than science.
- **211 LA's Budget:** Despite confusion over how much of 211 LA's overall budget the County pays for, the truth is that the base I&R contract provides 51% of 211 LA's annual operating budget.

- When the County “additional” contracts are included, the County’s share of 211 LA’s annual operating budget rises to 57%. Which means that fully 43% of the annual operating budget comes from non-LA County sources.
- These additional contracts provide services to County departments that go above and beyond basic I&R services. These contracts are provided to 211 LA because the County departments understand that 211 LA provides excellent service at a reasonable cost.
- **2-1-1 is a community service, not a County service**: this is an extraordinarily important point and is one of the reasons why bringing 2-1-1 service “in-house” has never been a practical solution to the 2-1-1 service issues.
 - As 211 LA has stated repeatedly, 4 out of 5 referrals that 211 LA makes to callers go to non-County-provided services. These services are provided by other levels of governments or by private community-based organizations. While Los Angeles County provides significant and important funding for the 2-1-1 “connection service,” the County itself is for the most part not providing the ultimate service to which the residents are being connected.
- **The 2-1-1 calling code designation is governed by state and federal law and is designed to go to I&R providers like 211 LA and NOT to county governments.** While it appears to be frustrating to County leadership that it cannot simply transfer the 2-1-1 calling designation to itself, the system is actually designed this way.
 - In 2005, 211 LA became the first I&R organization in California to receive the 2-1-1 designation. The regulations governing the designation process make clear that only an agency with the kind of expertise and certifications that 211 LA possesses may receive this designation.
 - Again, 2-1-1 service is a “community service,” not a “county service,” which is why in every large county in California, an agency dedicated to I&R service (such as 211 LA) holds the designation, not the local county government.
- **Automation and Use of Technology**: 211 LA uses technology to enhance and make more efficient the experience of getting 2-1-1 service, which is primarily delivered by highly-trained customer service representatives. In marked contrast, the recently rejected proposal would have attempted, for the vast majority of calls, to replace that live experience with automated responses that could not achieve the goals of 2-1-1 service.
 - 211 LA’s use of interactive voice technology (IVR) systems is a practical method of getting callers to a live operator that can address their individual needs. The IVR technology helps determine in which language the caller wants to

communicate and provides off-ramps for easy-to-answer questions and to prioritize emergency situations (such as in a natural disaster).

- The IVR system does NOT make referrals to service providers.
 - The IVR system is NOT intended to replace the live operator experience.
 - 211 LA intends that every caller can easily get through to a live operator to assess their issues and provide appropriate information or a referral to the service they need.
- By contrast, the system in the recently rejected proposal would have attempted to divert most calls away from a live operator through the use of artificial intelligence-based systems (AI).
- These systems have been proven again and again to be inadequate to those who speak with speech impairments, accents or in other languages. Further, such systems are particularly inadequate to those callers in crisis or with less education and ability to deal with AI systems, or all the above.
 - The proposed AI system would attempt, for the vast majority of callers, to resolve their call without referral to a live operator. This has not been shown to work for 2-1-1-type service anywhere in the United States, nor does it align with national certification standards or CPUC regulations regarding the 2-1-1 designation.
 - If the caller works their way through the AI system and gets a referral to a live operator, the caller will first be referred to a lightly-trained “Tier 1” operator who will be automatically fed scripts to attempt to deal with the caller’s issues.
 - Only if the Tier 1 operator determines that the scripts they are given do not resolve the caller’s issue is there an attempted transfer to a Tier 2 operator, which is expected to approximate what every current 211 LA caller receives.
 - However, the rejected proposal was priced assuming that around 12% of calls would be handled by Tier 2 operators. Meaning that nearly 90% of calls would be handled by the AI system or script-driven Tier 1 operators.
- Conflating 211 LA’s IVR system with the rejected proposal’s AI/Tier 1/Tier 2 system is deeply misleading.

Conclusion

211 LA can provide back-up to every one of the assertions made in this document.

The process over the 2-1-1 service contract has demonstrated that there is still deep misunderstanding about what 2-1-1 service is, how it is delivered, who are the users of the service and what their needs are, and the appropriate role of technology in delivering these services.

211 LA stands ready to engage in a dialogue with all stakeholders as to how to improve 2-1-1 service in Los Angeles County.

211 LA continues to believe that only with a contract (and RFP, if necessary) designed after extensive public input can a rational 2-1-1 service be delivered. 211 LA looks forward to participating in such a process.