



Compliance Strategy & Execution



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by

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Call centers clearly can't afford to do nothing. But transcribing every call is a huge expense.



The Caperio performance platform provides the answer. At prices that are a fraction of traditional transcription (\$1 – \$2 per hour rather than per minute), Caperio AI-driven technology can provide speech-to-text and search tools that allow for continuous monitoring of compliance to various regulations.



It is now possible to have 100% compliance across every interaction, both speech and text, also proactively inspecting for the proper conversation, language, policies and actions, even flagging questionable emotions.

Compliance Using AI

This type of AI-based automation is an ideal application for Caperio, since a machine learning and pattern matching scan of words or phrases can be performed very cost-effectively. In the same example used above, the cost to deploy complete oversight can be greatly reduced. Usually around \$3K – \$6K per month, or in most cases, companies are seeing 1/30th to 1/60th the cost of a “brute force” transcript analysis.

Automated and manual searches are built right into the Caperio platform and can provide reporting (and reviewing tools) on recordings where a violation may have occurred.

According to the Compliance Authority, an information exchange forum for compliance and security officials, there are now 192,000 regulations that can impact business and the cost per employee for meeting federal regulations ranges between \$5200 to \$7600 depending on the size of the organization. Because of their unique position call center management and staff have to be especially sensitive to legal requirements and proactive in assuring compliance. Following are a few tips that you may wish to keep in mind when formulating your individual compliance plan. The Caperio AI performance platform is designed to proactively address all the needs and requirements across all the lines of business in your organization. This document will outline the different approaches and share some examples that drive proactive compliance and eliminate exposure in organizations.

BossaNova is recognized as a leader in this space based on the ability to instantly update and edit the AI engine and libraries to proactively address changes to policies and regulations. Our approach in providing tools for line managers to optimize in seconds exact phrases, words, and expressions provides the ability to arm teams to demonstrate policies are followed and monitoring while driving down costs.

Understanding Compliance Strategy

Caperio delivers a comprehensive approach based on four key areas. We have designed our libraries to address all aspects of compliance. They are:

**INDIVIDUAL PRIVACY
ACCURATE, CORRECT DISCLOSURE
EXPRESS INFORMED CONSENT
HONESTY, COURTESY & RESPECT FOR OTHERS**

Individual Privacy

Much of the furor over telemarketing stems from consumer complaints about the invasion of privacy. Regulations developed by the Federal Trade Commission now restrict the hours during which individuals can be called and, with some exceptions, for opting out of the call list used by telemarketers. The Health Insurance Portability and Protection Act Privacy Rule establishes a foundation of federal protection for personal health information. The Rule generally prohibits a covered entity (healthcare provider or subcontractor) from using or disclosing “protected health information” unless authorized by patients, or where this would result in unnecessary interference with access to quality health care or with certain other important public benefits or national priorities. The Fair Debt Collections Practices Act is primarily designed to eliminate abusive, deceptive, and unfair debt collection practices by third-party collection agencies. The Act also includes several provisions to protect the debtor’s identity. The law specifically defines what hours of the day individuals may be called and restricts what can be said to third parties when attempting to locate debtors.

Accurate Disclosure

It is very important that when call center employees are engaging in transactional conversations, such as outbound selling, order-taking, or up selling to inbound callers, that they always recite mandated disclosures. The Truth in Lending Act (TILA) provides very explicit guidelines regarding the specific financial information that must be provided when soliciting credit card customers. Examples are finance charges, the term of any introductory rate, the annual percentage rate, late payment fees, right to return goods for credit, and billing cycles. Representatives of third-party collection services attempting to collect a debt by telephone must disclose in the initial communication that the debt collector is attempting to collect a debt and that any information obtained will be used for that purpose. The “Mini-Miranda” statement should be scripted and verified through call recording technology.

Express Informed Consent

Much of the It is a violation of the TSR to cause billing information to be submitted for payment without the express informed consent of the customer or donor. The consumer’s consent must be clear and unambiguous. Consent is an affirmative statement that the consumer agrees to purchase the goods or services or make a contribution and is aware that the charges will be billed to a particular account. It is always good practice to record the consumer’s consent. Some organizations transfer or conference in a supervisor to independently confirm that consent has been provided. While in general the TSR does not specify the means by which information is captured and stored, there is one instance where an audio recording is mandatory. That is when the seller already has account information from the customer and is promoting a free-to-pay conversion offer, otherwise known as a “free trial.” To prevent unauthorized charges the TSR requires that the seller obtain the last four digits of the account number from the customer, that they obtain the customers express agreement to be charged for the goods or services using the identified account number, and that the seller make and maintain an audio recording of the entire telemarketing transaction. The rule applies even to third parties that are collecting payment on the seller’s behalf.

Honesty, Courtesy, Respect

It goes without saying that call center personnel should also always be honest and courteous to callers. The Fair Debt Collections Practices Act specifically states that “A debt collector may not engage in any conduct the natural consequence of which is to harass, oppress, or abuse any person in connection with the collection of a debt.” The Do Not Call provision of the TSR specifically prohibits calling outside permissible hours, abandoning outbound telephone calls, causing a telephone to ring repeatedly, or using threats, intimidations, or profane or obscene language. Legalities aside, every call center should have a list of do’s and don’ts to help assure consistency and integrity when dealing with outside callers. Many call centers require a consistent greeting when answering a call.

Some encourage frequent use of the caller's name. There may also be requirements to alert all callers of a special promotion that is underway. And with today's heavy emphasis on improving first call resolution rates, call centers often require agents to ask if their query has been completely satisfied before concluding the call.

Think Beyond The Call Center

While the call center may be the primary point of telephone interactions with customers and other constituents, it is hardly the only one. Consider that by law, the human resources department must avoid questions during telephone interviews of candidates that might later leave the organization open to potential discrimination suits. Sales departments employ both inside sales and outside sales personnel. These individuals are just as responsible for complying with the telemarketing sales rule as call center agents. As well, the enterprise must be confident that erroneous or misleading statements are not made about product performance, warranty, or pricing. Large publicly traded companies often have an individual or department dedicated to investor relations. IR professionals spent a lot of time on the phone with current or potential investors and financial analysts. They must be very careful about what they say to avoid conflicts with securities laws regarding the disclosure of private material information.



Redaction for Compliance

Many a time, customers are required to share their confidential information with agents during a call. This includes social security number, Tax ID, credit card details, etc. Contact centres are responsible for safeguarding this information and keeping it safe. While there are measures like encryption to protect sensitive data, they aren't enough as they don't fully assure the prevention of access to such data.

The Caperio platform eliminates the possibility of a data breach in such scenarios. It removes sensitive information from call recordings or mutes it so that it becomes inaccessible for a hacker. It can even replace the sensitive part of data with a generic and safe term. This way, it significantly minimizes the risk exposure for a contact centre dealing with confidential customer data.

The call center is often in the center of the storm on compliance issues. This is especially true for outbound telesales but also for inbound call centers where one of the missions is to increase revenue by converting service callers into customers for new or enhanced products or services. Perhaps even more important to the call center and the broader enterprise is the question of liability.

Understanding Caperio

We should caution that the content of this white paper does not represent formal legal guidance. For that you should rely on your compliance office or legal counsel.

There are thousands of federal, state, and local regulations that can affect call center practices. Let's look at how Caperio empowers call centers to proactively address compliance issues.

Caperio Performance Platform for Compliance



Manually monitoring calls is a tedious and extensive process requiring a massive amount of resources. Even with everyone on board to comb through conversations for insights, you are likely to only scratch the surface of recorded calls. Only scoring a fraction of your call center's calls simply doesn't cut it anymore, and the possibility of personally identifiable information (PII) being leaked is too high.

With the Caperio performance platform, however, it's now possible to obtain a scrubbed transcript and recording of every conversation instantly. Utilizing categories and keyword spotting, you can identify precisely when and where prohibited language is being used, non-compliant offers are being given, or when required greetings and disclosures are not being properly used by reps. This way, you are able to easily identify your top reps,



identify positive and negative trends, and establish best practices across your organization. Caperio performance platform helps companies screen 100% of their call volume to surface actionable insights and ensure compliance with regulatory standards.

With machine learning and custom vocabulary, the Caperio performance engine learns jargon unique to each business and sends alerts when suspicious activity is detected. In turn, managers are able to redeploy compliance personnel to focus on higher-value activities like trend analysis and spotting larger cultural risks.

Great agents are the engaging, helpful, and supportive voice of the brand. That being said, they also have another responsibility in their day-to-day activities—adhering to strict security and compliance measures. While the agent is on the line for upholding those guidelines, it is up to you to make sure that every agent is trained on the methods and practices to safeguard customer information.

Eliminate Compliance Issues

Caperio is focused on helping you ensure that agents are completely familiar with requirements and lets you fine-tune scripts so that there are less mistakes on calls with customers.

It lets you quickly analyze numerous parameters of agent performance such as proper greetings, confirming the identity of the caller, and making sure they are strictly following legal compliance rules. Through the use of speech analytics, you are efficiently enforcing compliance regulations while simultaneously improving the operating performance of agents in every department, reducing average handle time, call deflection, first call resolution, transfers, etc.

Speech analytics allows businesses to automatically identify and review instances that deviate from their policies. This helps companies avoid being fined while improving customer experience and making agents more productive.

Here are some examples:

1. **Bad words**-Inappropriate language and even inferences to improper situations can be identified and addressed immediately.

2. **Untruthful statements**-Promises and statements that mislead or provide options not available to every customer. For example, if an agent says that the debtor will "NOT" have their late payment status reported to the credit bureau.

3. **Divulging sensitive information**-This may be to unauthorized third parties (information should not be shares with anyone other than the debtor unless authorized)

4. **Erroneous Phrases**- There may be cases where the customer attempts to create situations unallowed by the company. For example, agents are supposed to suggest ways to pay and should not leave it open to the customer to define payment parameters. Caperio can identify erroneous such as "what day works for you" and "whenever you can", "as soon as possible", etc.. These are little understood violations that can get companies in trouble as customers can claim they did not receive the same unified offers.

5. **Incorrect Vocabulary** (filler words), things like, "uh huh". "let me see", "um", "one minute please" "let me see what I can do", "uh"

6. **Brand & Company Injury**-Disrespect for the Institution meaning does the rep speak poorly about the company or any other colleague.

7. **Authentication**- To properly authenticate a client, the CSR must get 3 security answers out of 5. The 5 security questions are:

1. Confirm account number
2. Billing Address
3. Birth Date
4. SSN
5. Phone Number

If CSR get 3 out of the 5 answers above, Authentication is accurate. Caperio provides for all inbound calls.



8. **Express Consent**-Making certain that every interaction includes the sharing that it is being recorded and obtaining consent to continue. Key words that we search to identify if the CSR has properly informed the customer that the call is recorded for quality and monitoring reasons.

9. **Credit Bureau Reporting**- It has a conditional coding that applies only for credit and collections calls Key words and phrases searched to identify if the CSR has informed the customer of bureau reporting include 'this will impact your credit score', 'this may impact your credit history', 'this transaction will be reported to the credit bureau', etc.



10. **Regulatory Compliance**-Just as important, Caperio is focused on addressing each aspect of known regulatory and compliance in the marketplace today. These include:

PCI-DSS

The Payment Card Industry Data Security Standards (PCI-DSS) was designed to protect a consumer's cardholder data when it is collected, stored, or processed by a business.

PCI DSS compliance states that all cardholder data must be protected wherever it is stored. Caperio can be configured to flag any call in which a series of numbers are uttered in conjunction with the word “credit card” or “payment” allowing for calls containing cardholder data to be easily categorized and searched.

FDCPA

The Fair Debt Collection Practices Act (FDCPA) was designed to protect consumers from abuse and harassment from debt collectors and the agencies they work for. The FDCPA regulates cruel or deceptive collection tactics such as intimidation, misrepresentation, or false threats of legal action.

Caperio can monitor the emotional components of a call. This ability means that calls can be flagged and supervisors immediately notified in the event an agent displays inappropriate emotional cues, such as anger or assertiveness.

TILA

The Truth in Lending Act was established to protect consumers from falling prey to deceptive purchases or loans. Call centers must disclose to the consumer appropriate information concerning terms of any agreement, policies or potential fees. This includes special provisions for call centers concerning the oral disclosure of information and the retention of those records. TILA regulates access and security of a consumer’s private financial information. TILA requires that consumers are given full disclosure of the terms of any lending agreement.

Caperio can be set up to monitor the use of specific keywords and phrases to ensure agents are adhering to TILA regulations. Details of lending policies and fees can be entered into the system and a scorecard can be generated for individuals, departments, or the call center as a whole, giving supervisors an accurate gauge of non-compliance risk.

HIPAA

The Health Insurance Portability and Accountability Act (HIPAA) was developed to protect a patient’s private health records. The act covers both patients’ health records in electronic format as well as any information transmitted between patients and providers orally or by handwritten notes. HIPAA regulations apply to any business that is remotely connected to the healthcare industry, even callforwarding services. HIPAA violations rank among the costliest and are the easiest to unintentionally commit. For instance, leaving a message on the wrong answering machine can accrue hefty fines.

HIPAA is centered on patient privacy. The Caperio platform can be used to redact sensitive patient information such as date of birth, social security number, address, or payment information. This ensures confidentiality is maintained in the instance of a security breach.

Caperio can also be employed to flag calls and alert supervisors when language is being used that may indicate the potential for a violation. This can give healthcare businesses an upper hand in preventing noncompliance by citing the earliest risk.

SOX (Sarbanes-Oxley)

(SOX) was created in 2002 and was designed to safeguard consumers against deceptive financial services and requires the storage of “digital” records. This becomes a concern for call centers as it directly addresses the authenticity of recorded calls. Call centers whose consumers fall under these protections must record and maintain calls in their entirety and make them easily available for recall for a determined amount of time. SOX states that both incoming and outgoing call center communications must be stored in an easily searchable structure.

Caperio automatically indexes 100% of calls based on preset and customizable parameters making call searching fast and accurate. The application of speech analytics facilitates the auditing process. The Dodd-Frank Act Challenge The Dodd-Frank Act stipulates, in part, that all communications related to financial transactions by financial institutions are documented in a way which preserves transparency and can be easily located, or searched. For call centers, this often means developing a method for recording and time-stamping financial communications in a secure and accessible way. The Dodd-Frank Act mandates that all interactions related to a specific transaction be available within 72 hours of the audit request. With the superior indexing and searching capabilities of the Caperio platform, all related recordings can be retrieved in a systematic and timely manner, adhering to compliance standards.

DO NOT CALL REGISTRY

Call center violations of the Do Not Call Registry are costly. The registry applies specifically to telemarketing calls and organizations are given 31 days from the time a number is registered to comply. Consumers merely need to file a simple complaint with the FCC including their registered number, the time of call, and business name that issued it, in order to begin an investigation.

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TCPA compliance and call centers must prove they have achieved “expressed prior consent.” “Expressed prior consent” can be revoked at any time by the consumer. Then, in the instance of a filed complaint or dispute, the only recourse a call center has is to furnish proof of consent. Caperio makes expressed consent as well as revocations easy to track and monitor.

CALL REDACTION AND MAINTENANCE

Caperio additionally is able to proactively redact information from all interactions, both text and calls. Redaction can be an essential part of compliance when it comes to protecting sensitive consumer information or issues of patient privacy. Encrypting sensitive information is not enough because it is still capable of being accessed. To remain compliant, it must be removed completely.

Cross-channel redaction scrubs sensitive information from call recordings and text including chat, such as social security or credit card numbers, while still maintaining the call's integrity. Redaction also ensures that data will never be accessed in the event of a data breach, offering call centers an additional layer of security. Redaction can also be utilized as an automated functionality. Automated redaction eliminates the need for manual monitoring by redacting the information during the call. For compliance, every call counts. Redaction services are fast and accurate, ensuring no call is overlooked. Employing automated call redaction allows call centers to rest easy knowing they've protected their consumers as well as themselves.

OVERCOMING STOPS & STARTS

Many call centers attempt a Pause/Resume system in an effort to address issues such as PCI/DSS compliant. This method requires phone representatives to manually pause or mute the recording when sensitive information is being relayed. This approach presents a number of issues due to the heightened potential for error. Human error represents a huge part of the problem. Phone representatives could easily forget to pause or restart a recording, or misalign the pause and record the confidential information while blocking out other essential parts of the conversation. Additionally, this method presents an opportunity for misuse. Staff may take advantage of having control over the recordings and pause to engage in nefarious activities, such as making fraudulent claims or committing abusive behavior.

Because the pause/resume system creates a break in the recording, it damages the integrity of the call and can make it worthless in the event of a dispute or legal claim – The consumer could argue the incident occurred during the pause. Likewise, this method may not meet other compliance standards as it doesn't qualify as documentation for 100% of the call.

The searching capabilities of speech analytics software can provide a clear impression of what representatives are doing (e.g., are they following scripts, notifying consumers of monitoring, policies, fees, or any number of metrics which affect the compliance standards of the call center).

Analytic reports can offer details of risky language as well as narrow the scope of reports down to specific departments or individuals. This makes it easier for supervisors to identify successful communications and repeat offenders. This feature also speeds up the auditing process by eliminating the need for a large monitoring staff, with the added benefit of being able to analyze 100% of calls. These real-time reporting features take auditing to the next level.

Caperio can also flag specific consumers with Do Not Call statuses and help capture best call practices such as: appropriate call times, frequency, and the use of “courtesy” language. Employing speech analytics, in addition to traditional recording and auditing methods, is the only way to achieve a truly comprehensive solution, offering call centers a secret weapon in the fight for compliance



Unlock Compliance Performance Success with Caperio Today

Machine learning, a sub-field of artificial intelligence, is helping create autonomous machines that can learn and accumulate experience. The Caperio platform can rapidly transform compliance and optimize how people interact and perceive value across the teams that touch customers, prospects, and partners in your organization.

Because you are empowering the best in performance while eliminating friction, bias, bad practice with exposure, organizations that embrace the Caperio Performance Platform can rapidly address comprehensive compliance and exposure while aligning to high growth and ongoing excellence in customer experience.

To learn more about companies are solving compliance issues with the Caperio Performance Platform, we encourage you to visit [Caperio.ai](https://caperio.ai) and our company site at bossanovadata.com.

Thank you.

About BossaNova:

We believe performance is about giving people opportunity to be their absolute best. Our solutions are designed for everyone to gain strong advantage to collaborate and succeed working together. We find joy and purpose in what we do and how we do it.

Bossa Nova Data Solutions, LLC is a leading data science company founded in Weston, Florida U.S.A. in 2006. In 2010 our location in São Paulo, Brazil was added.

We operate in the intersection of Artificial Intelligence and Exceptional People Performance, providing data driven solutions that leverage artificial intelligence capabilities including; Machine Learning, Predictive Modeling, Automatic Speech Recognition, & Natural Language Processing.

Our flagship is the Caperio Performance Platform, used by the largest banks and financial services companies.

Our cloud-based platform and library solutions are fully customizable, easy to implement, and require no upfront investment in hardware or software.

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