maximus

January 2, 2024

The Honorable Elizabeth Warren
309 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Richard Blumenthal
706 Hart Senate Office Building
Washington, DC 20510

The Honorable Chris Van Hollen
730 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Edward Markey
255 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator Warren, Senator Blumenthal, Senator Van Hollen, and Senator Markey:

Thank you for your letter dated December 13, 2023. We appreciate the opportunity to answer your questions for Maximus Education, LLC, doing business as Aidvantage for the Department of Education (DoED) Office of Federal Student Aid (FSA).

Aidvantage works directly for FSA to communicate information to borrowers regarding return to repayment. That information and how we communicate is approved by FSA and coordinated as new information is made available to borrowers.

We understand that the resumption of student loan payments is unique in the history of student loan servicing, and we continue to work closely with FSA to adjust to changes and make this information available immediately to borrowers.

Sincerely,

Bruce L. Caswell

Bruce Caswell
President and Chief Executive Officer, Maximus, Inc.

Teresa A. Weipert

Teresa Weipert
General Manager and President, Maximus Federal Services, Inc.

The answers to the questions requested are detailed below..

Questions/Responses

1) What is the current average call wait time for borrowers before they are transferred to a customer service representative at your company?

The average call wait time is currently under 41 seconds. Aidvantage has invested in additional resources and process changes with self-service options to support borrowers.

a) What percent of borrowers that are placed on hold hang up before they speak with a company representative?

Through December 2023, 1.5% of borrowers that are placed on hold hang up before they speak with a company representative.

b) What is your current call abandonment rate?

Answer is provided in (a) above.

2) What is the current average email response time for borrowers trying to get in touch with your company?

For borrowers that email Aidvantage today, email response time is 10 business days. There are emails that require additional information or investigation, and we are actively addressing the backlog of emails in accordance with our documented process. This number fluctuates daily.

3) How many borrowers have complained about errors in calculating their monthly payment amounts?

We have received 1,521 borrower complaints about monthly payment amounts.

a) What are the causes of these errors?

Part of our process to investigate all borrower complaints includes determining complaint cause. The causes for these complaints include; "customer requested additional information," "customer confusion regarding loan details," "confusion regarding federal policy and procedures," and "disagrees with processing timeframes".

4) What steps do you take to ensure borrowers' monthly payments were calculated appropriately?

Aidvantage performs routine audits to validate the integrity of borrower monthly payment amounts.

5) What is your most recent Service Level Agreements (SLA) performance score in comparison to the minimum threshold for the following metrics?

a) Customer Satisfaction

FSA conducts third-party Customer Satisfaction surveys and retains the data for all servicers. We respectfully suggest that questions regarding Customer Satisfaction be directed to FSA.

b) Interaction Quality Monitoring

98.05% with an SLA standard of 95%.

c) Accuracy rate.

99.6% with an SLA standard of 95%.

6) How many calls a month are being escalated to a manager or supervisor? Please breakdown each month from July to November.

The table below represents the transfers by a customer service representative to a team lead or supervisor.

Report Month	Transfer Total
07/01/23	457
08/01/23	843
09/01/23	896
10/01/23	1040
11/01/23	1112

As the complexity of the questions increased based on the repayment activity, this volume of call escalations increased appropriately. However, the low volume of escalations relative to total calls handled reflects that customer service representatives are well trained and work to resolve issues on the first call.

7) How many borrowers have been transferred to your company since February 1, 2020 have you made successful contact with?

Aidvantage did not service borrowers on February 1, 2020.

Aidvantage has 8,959,529 current borrowers that were all transferred in since October 2021 and we have sent communications to all current borrowers.

a) How many of these borrowers have set up an account with your company?

6,447,862 borrowers have an on-line account. This is a significant increase since last reported and we expect this to continue as borrowers become more familiar with the process.

b) How are you ensuring borrowers set up accounts with your company?

Aidvantage continues to communicate and recommend borrowers set up their accounts with reminders via postal mail and the web sites.

8) How many borrowers serviced by Maximus received bills with inaccurate payment amounts due to servicer miscalculations?

Aidvantage operates at the direction of FSA and follows FSA requirements and processes. We respectfully suggest that questions specifically regarding payment amounts be directed to FSA for full and complete information.

a) How many borrowers received bills with higher payment amounts? How many borrowers paid the higher payment amounts? Has your company offered to automatically issue a refund?

b) How many borrowers that were eligible for $0 payment plans were affected by this error?

9) For borrowers impacted by your servicing errors from August 1, 2023, to the present:

a) What is the total number of borrowers impacted by your servicing errors?

We operate at the direction of FSA and follow FSA requirements and processes. We respectfully suggest that questions regarding disposition of errors be directed to FSA for full and complete information.

b) Many of these borrowers are eligible for placement in administrative forbearance pending resolution of the servicing errors?

c) How many have you placed in an administrative forbearance?

d) How many have been notified about the errors?

e) What is your communication strategy for reaching out to impacted borrowers?

f) What is your average timeline for resolving servicing errors identified above?

10) From August 1, 2023, to present, what penalty, if any, has been imposed on you by the Department as a result of servicing errors or failure to service borrowers' accounts in accordance with the loan servicing contract?

We respectfully suggest that contractor performance-related questions be directed to FSA.

11) What is your Corrective Action Plan (CAP) to fix the servicing errors discussed above and those identified by the Department? Please discuss your plan to remedy harm to affected borrowers and make them whole.

We respectfully suggest that contractor performance-related questions be directed to FSA.

12) As of June 1, 2023, to present, what contract modifications, change requests or other directives have you received from the Department related to the return to repayment and implementation of the SAVE Plan? Accuracy rate.

We respectfully suggest that all contractual document requests be directed to FSA.

13) How are you ensuring borrowers' payment histories are accurate when a borrower is transferred to Maximus from a different loan servicer?

The transfer process between servicers includes a transfer of payment histories. If there is a dispute in payment history, Aidvantage conducts the necessary research to resolve any discrepancies.

14) How many complaints has Maximus received regarding long call and email wait times?

We have received 118 complaints regarding long call and email wait times.

15) What is the current average time it takes Maximus to approve a new income driven repayment plan application?

For new income driven repayment plan applications, 70% are processed within 1 to 3 business days. We are actively addressing all IDR applications and closing these out as quickly as possible. Some delays are related to additional borrower information provided requiring review and validation to complete the application process.

16) What is the current average time it takes Maximus to rectify an issue raised by a borrower?

Aidvantage's goal is to satisfy all borrower issues upon first contact. This is possible because the data is usually available to answer all questions.