



Best Practices in Foreclosure Intervention Counseling

Using Triage Protocols to Manage Overwhelming Demand for Foreclosure Intervention Counseling More Effectively

About the Series

Best Practices in Foreclosure Intervention Counseling is provided by Freddie Mac as a service to organizations doing this important work.

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Spotlight Organization

Minnesota Home Ownership Center

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Triage protocols are an effective way to deal with an overwhelming demand for services. For instance, during a natural disaster such as an earthquake or hurricane, often the number of injured people rushed to emergency rooms is greater than the medical facilities and staff can effectively accommodate. Emergency responders, nurses and doctors therefore conduct a quick assessment of each patient’s vital signs, and then determine both the level and timeliness of the medical response. Without such triage protocols, the overall quality of services provided would suffer, and an already stressful situation for the medical professionals would become unmanageable.

Many nonprofit organizations and statewide network providers of foreclosure intervention services have found themselves faced with a similar situation as demand from homeowners in crisis has outstripped their capacity to deliver services. Although not faced with matters of life and death, these organizations have been challenged to provide timely service to many people needing urgent assistance.

Table of Contents

About the Series.....	1
Prepared By	1
Spotlight Organization	1
For More Information.....	1
Triage Is Critical to Success	2
The Minnesota Home Ownership Center Program Model.....	2
Outcomes	3
Lessons Learned.....	3
Using a Formal Triage Protocol.....	3
Benefits of Triage and Service Delivery	4
Benefits of Phone Counseling and Formal Intake	4
Agency Background	4
Primary Contact	4
Spotlight Organization.....	4
Appendix A: Minnesota Home Ownership Center Triage Decision Tree	5

“Without some systematic triage, our statewide network of 70 counselors would have served significantly fewer homeowners last year,” reflected Dana Snell, program director with the Minnesota Home Ownership Center (the Center), a statewide nonprofit intermediary in Minnesota. “Without the triage program we implemented in March 2008” she continued, “there would have been long waiting lists for services and many homeowners would have dropped out before being served at all. With it, we delivered quality counseling to 10,000 homeowners statewide in the first seven months of 2009 and maintained our sanity doing it.”

Triage Is Critical to Success

With nearly all nonprofits experiencing record demand, triage — the process of sorting homeowners into well-defined service groups depending on their specific needs — has become a critical first step in the foreclosure intervention counseling process. In the past, most homeowners avoided calling for help until late in the foreclosure process, and thus most people calling were in the category of severely delinquent on their mortgage. In the current economy, however, many homeowners have lost jobs, have more serious financial problems or have substantial negative equity in their homes. These are complex issues that no amount of foreclosure counseling can resolve. Another large group of homeowners, as many as *30 percent* of all homeowners seeking counseling services, are seeking services while still current on their mortgage. This is a group rarely served by nonprofits in the past.

Each of these subgroups of homeowners has unique problems and needs. The speed and depth of services appropriate to each group can vary considerably. Some need education and then a referral, others need several hours of a counselor’s time and expertise, and still others may be able to self-manage with proper information and education.

The goal of triage is to identify those homeowners whose situations can be resolved through the services a counselor is able to provide, and to direct the majority of resources and time to these homeowners. Triage can also help determine which homeowners are most committed to the rigors of the counseling process. A program delivery model that is built upon the concept of triage also creates a reliable support system for the often overwhelmed foreclosure staff — the receptionists and intake specialists as well as the counselors and program supervisors.

The Minnesota Home Ownership Center Program Model

Foreseeing a large increase in demand for their services due to a collapsing mortgage and housing market, and facilitated by new state and national funding, the Minnesota Home Ownership Center developed a triage service delivery model to be used by its 24 partner nonprofits in the state. This foresight proved sound, as demand for their services increased 145 percent from 2007 to 2008.

The guiding principles of the Center’s program model are to:

- Minimize barriers in order to encourage homeowner participation
- Set clear expectations about program services and homeowner participation
- Provide high-quality and appropriate counseling to all homeowners
- Prioritize in-depth counseling for those with solvable situations
- Maintain accurate and timely reporting

The process begins with a standardized set of questions aimed at gathering information critical to the triage process. Each counselor uses a series of key questions organized into a decision tree (see Appendix A) that easily places each first-time caller into one of four distinct service categories: “Current,” “Smooth Transition,” “Self-Directed,” or “Counseling Appointment.” The first three categories are adequately served over the phone; the entire process, including data entry, requires less than 75 minutes. Each of these service categories involve easily understood definitions, as well as counseling time targets, minimum discussion topics, and required follow-up steps that the counselor must take, including how and when to provide additional services.

For example, “Current” homeowners, which today make up 21 percent of all Minnesota cases, are not delinquent and thus are not at immediate risk of foreclosure. Homeowners triaged into this service category have also expressed an interest in staying in their home, but often are experiencing loss of income or unexpected higher expenses. “Current” counseling protocols include discussing the reasons for the changes in income or expenses, providing an overview of the Minnesota foreclosure process and timeline, and educating the homeowner to better understand their mortgage (including adjustable-rate implications), as well as their loan servicer’s role. These homeowners are also given referrals to other social service providers, an action plan with the next steps for the homeowner, and counselor contact information to use if they do become delinquent.

If homeowners are behind in their mortgage payments, they would like to remain in the home, and the triage assessment has determined that their home could become affordable through counseling and/or a loss-mitigation option (provided by their mortgage servicer), additional counseling is scheduled, often through an in-person appointment.

Outcomes

The goal of triage and the Center’s program model is to fully leverage funding and to maximize staff efficiency in order to serve more homeowners facing financial crisis. Through this design, they have been able to reach their National Foreclosure Mitigation Counseling (NFMC) goals in 2009 already, providing NFMC Level 1 counseling to 1,000 homeowners a month, in addition to over 650 Level 2 cases. Over 11,000 Minnesota families benefited directly from the Center’s foreclosure counseling in 2008, with 5,000 foreclosures prevented. (See www.hocmn.org/reports.cfm for the full report.)

Other outcomes include counselors and program managers who find the structure of the model to be helpful in terms of relieving stress and facilitating workload management, especially during periods of high demand. In addition, the 37-page program manual serves as an excellent quality control and training tool, resulting in better equipped counselors, and bringing newly hired counselors up to speed.

Lessons Learned

Using a Formal Triage Protocol

A written “standard operating procedure” for all agencies and their counselors to utilize creates both a more uniform experience for homeowners and a trusted resource for program supporters, including funders and professionals working with at-risk homeowners. “Having a statewide written protocol allows for us to ensure a more consistent homeowner experience; regardless of where the counseling occurs, whether in rural northern Minnesota or in downtown St. Paul, the same essential service is provided,” commented Snell when asked about the benefits of a formal triage protocol.

Benefits of Triage and Service Delivery

Prescribed triage procedures and defined service delivery categories help small organizations structure their limited time and resources for the maximum benefit of all parties. In addition to helping manage the stress of dealing with dozens of calls every week, the procedures equip the counseling staff to assist all homeowners based on their unique situations, with varied levels of service and multiple delivery methods (for example, phone rather than in-person).

Benefits of Phone Counseling and Formal Intake

Providing basic levels of foreclosure counseling via the phone, through verbal authorizations followed up by required notices sent via e-mail or mail subsequent to counseling, allows many more homeowners to be served quickly, often at the time of their first call. This is especially helpful for organizations and counselors new to foreclosure counseling. A formal framework for taking the vast amount of technical knowledge available and applying it to working with homeowners is extremely important in today's rapidly changing environment.

Agency Background

The Minnesota Home Ownership Center is a statewide nonprofit provider of information and resources helping Minnesotans achieve and maintain homeownership. While services are open to anyone, the Center emphasizes supporting low- and moderate-income Minnesotans and those who have traditionally faced barriers to homeownership.

Since 1993, the Center has worked to achieve its mission by empowering a network of more than 50 nonprofit, public and tribal organizations to provide education and counseling services to potential homebuyers and homeowners working to sustain their mortgage. Through these efforts and partnerships, the Center has helped over 100,000 Minnesotans begin and sustain successful homeownership.

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Appendix A: Minnesota Home Ownership Center Foreclosure Counseling Program Model

Triage Decision Tree

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