

Ohio Department of Insurance



Consumer Services Division
Consumer Complaint Process
Kaizen Event Report Out
October 17-21, 2011

Team "Phoenix"



The Team

- Analysts:

Brian Bain

Cathy Diggs

Brent Guess

Leonette Hollingsworth

Colleen McDanel

Greg Mobley

Joyce Meyers

Lori Newton

Leslie Short

- Management/Supervisors:

Derrick Dozier

Jana Jarrett

Dwaine Pease

Barbara Smith Bain

- Objective Non-SME/Outside Participants:

Mugsy Reynolds

Daveen Goodman, ODOT



Background

OVERVIEW OF CONSUMER CLOSING LETTER REVIEW PROCESS

Complaint Analyst analyzes all information received to make a determination if any laws or regulations have been violated

Complaint Analyst drafts letter to the consumer advising them of findings

Supervisor reviews and approves all letters prior to sending and closing the file

Consumer Complaint data is recorded and utilized by other divisions in the agency



Jana

Reasons for improving this process

BACKLOG: 1675 **current** - Reduce backlog to zero in 60-days

CURRENT Cases:

50% - more than 90 days old

Open to close - 99.83 days

QUALITY:

Ensure that closing letters address all concerns; are grammatically correct (i.e., logical order, restates issue, answers questions raised, sentence structure); and educate the consumer where applicable

Ensure that closing letters are accurate and contain a consistent message and tone throughout the division

COSTS: Eliminate overtime/comp-time related to letter review

CUSTOMER SATISFACTION: Improve internal and external customer satisfaction level

Scope of Event

What is the process?

The process begins when the complaint is received by ODI and ends when the letter has been sent to the consumer and the case file is closed.

Overarching Theme:

The purpose of this event is to reduce backlogs, shorten processing time, and improve employee satisfaction and efficiencies while maintaining high quality, consistent, and accurate service levels that are acceptable to the customer.

Out of Scope

Areas that will not change as a result of the Kaizen event are:

- No one loses their job because of the Kaizen event, but duties may be modified
- No additional staff
- No additional money
- No legislative changes or changes to collective bargaining agreements
- No IT solutions until it is determined that an IT solution is needed

Project Goals

- **BACKLOG** : Reduce backlog to zero in 60-days
- **Time to Process Complaints:**
 1. Reduce average processing time from the time the complaint is received by ODI to the time all information is received. *(part 1) 30.45 days*
 2. Reduce average processing time from the time all information is received to the time the closing letter is sent. *(part 2) 49.94 days*
 3. Reduce average processing time from the time the complaint is received by ODI to the time the closing letter is sent. *(part + part 2) 99.83 days*
 4. Reduce current number of open cases. **1675 cases**
- **COSTS:** Eliminate overtime/comp-time related to letter review
- **CUSTOMER SATISFACTION:** Improve internal and external customer satisfaction level **(Timeliness)**



Daveen

The Kaizen Approach

Team-based energy and creativity drives immediate process improvement

DAY 1	DAY 2	DAY 3	DAY 4	DAY 5
Day of Learning	Day of Discovery & Developing Improvement Ideas	Day of Improvement & Creating the New process	Day of Design Implementation & Documentation	Day of Celebration & Results Schedule 30-60-90-day follow-ups

At the end of the week, each Kaizen team has designed dramatic operational improvements



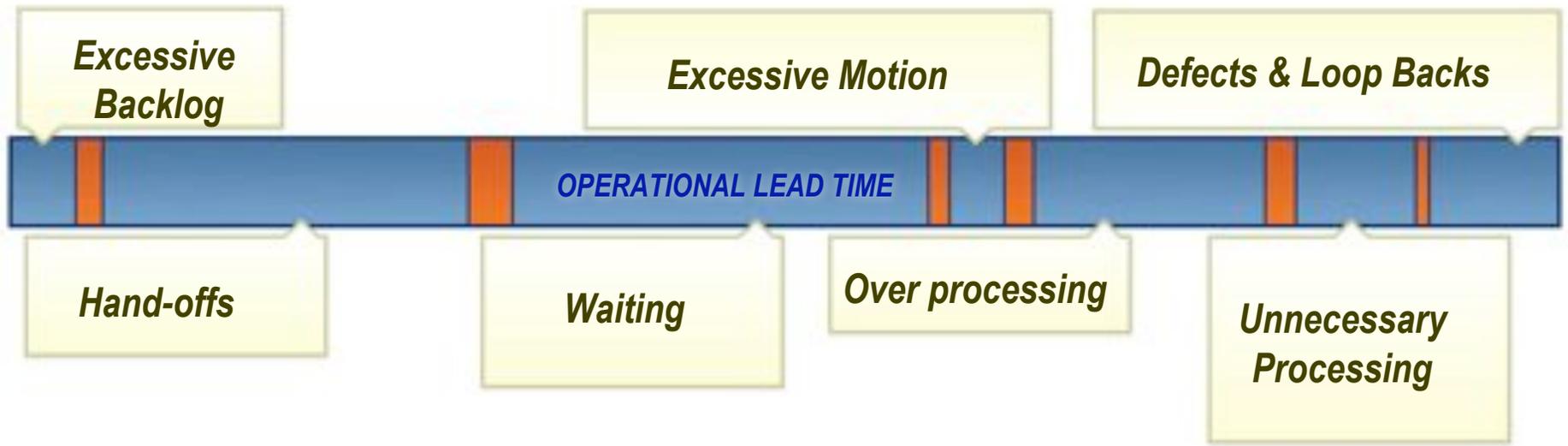
To Break for the Better



- Clear objectives
- Team process
- Tight focus on time (one week)
- Quick and simple, action first
- Necessary resources available right away
- Immediate results (new process functioning by end of week)

Time-Based Strategies

Lead-Time Reduction





Baseline Data

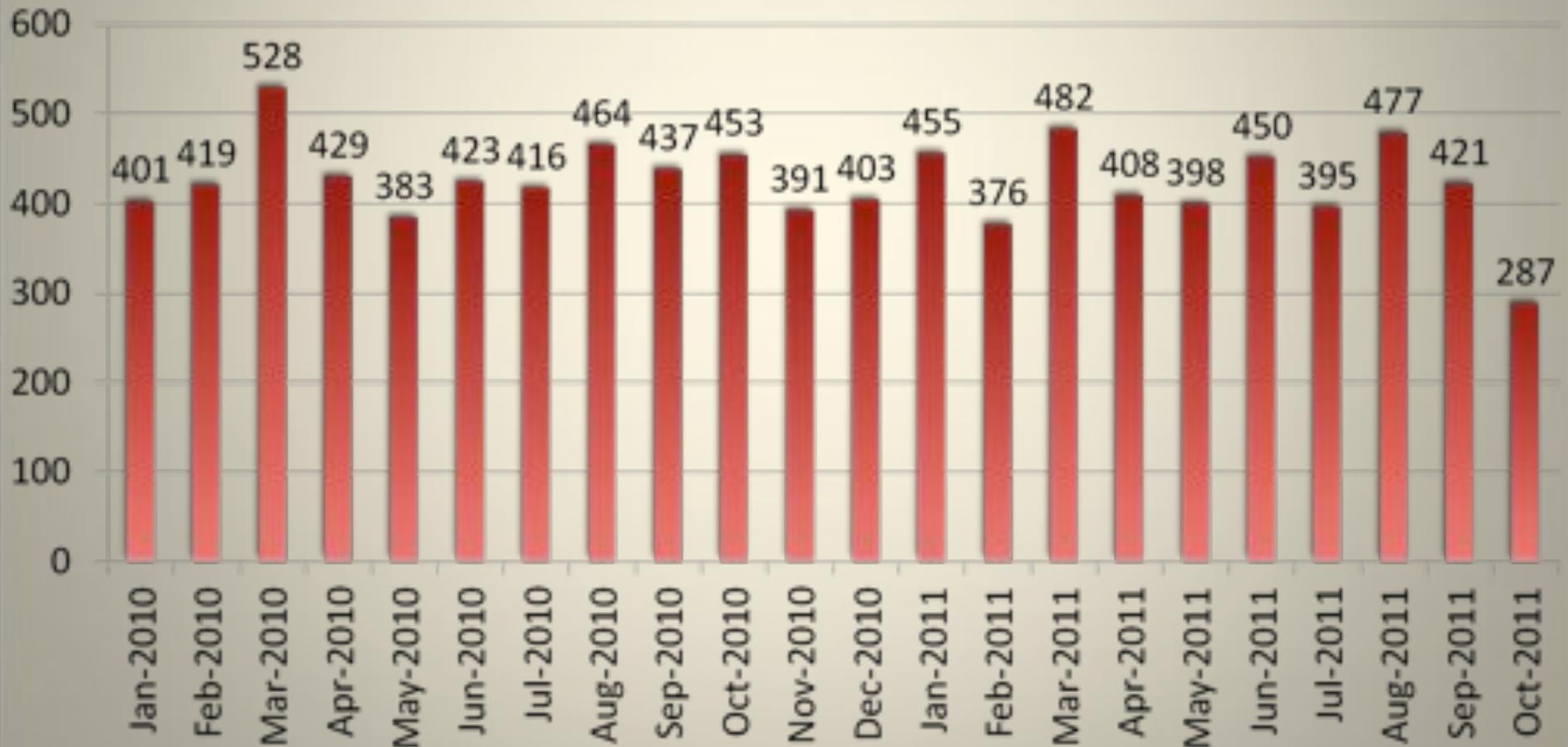
**Roughly 100
days start to
finish**

Front End 10-14-11		
Unit	Nbr of Open Complaints	Avg. Processing Time
CPU	43	20.93
HB4	29	49.81
Health	17	85.48
Life	16	97.25
L & H	196	37.77
OSHIP	1	13.00
P & C	949	26.28
	1,251	30.45
All Info Received to Close 10-14-11		
Unit	Nbr of Complaints	Avg. Processing Time
CPU	1,091	13.51
HB4	221	51.72
Health	1,770	48.11
Life	971	49.02
L & H	1,201	50.43
OSHIP	166	1.57
P & C	2,801	68.13
	8,221	49.94
Open to Close 10-14-11		
Unit	Nbr of Complaints	Avg. Processing Time
CPU	1,091	30.57
HB4	221	173.05
Health	1,770	109.87
Life	971	104.57
L & H	1,201	86.84
OSHIP	166	24.38
P & C	2,801	123.08
	8,221	99.83

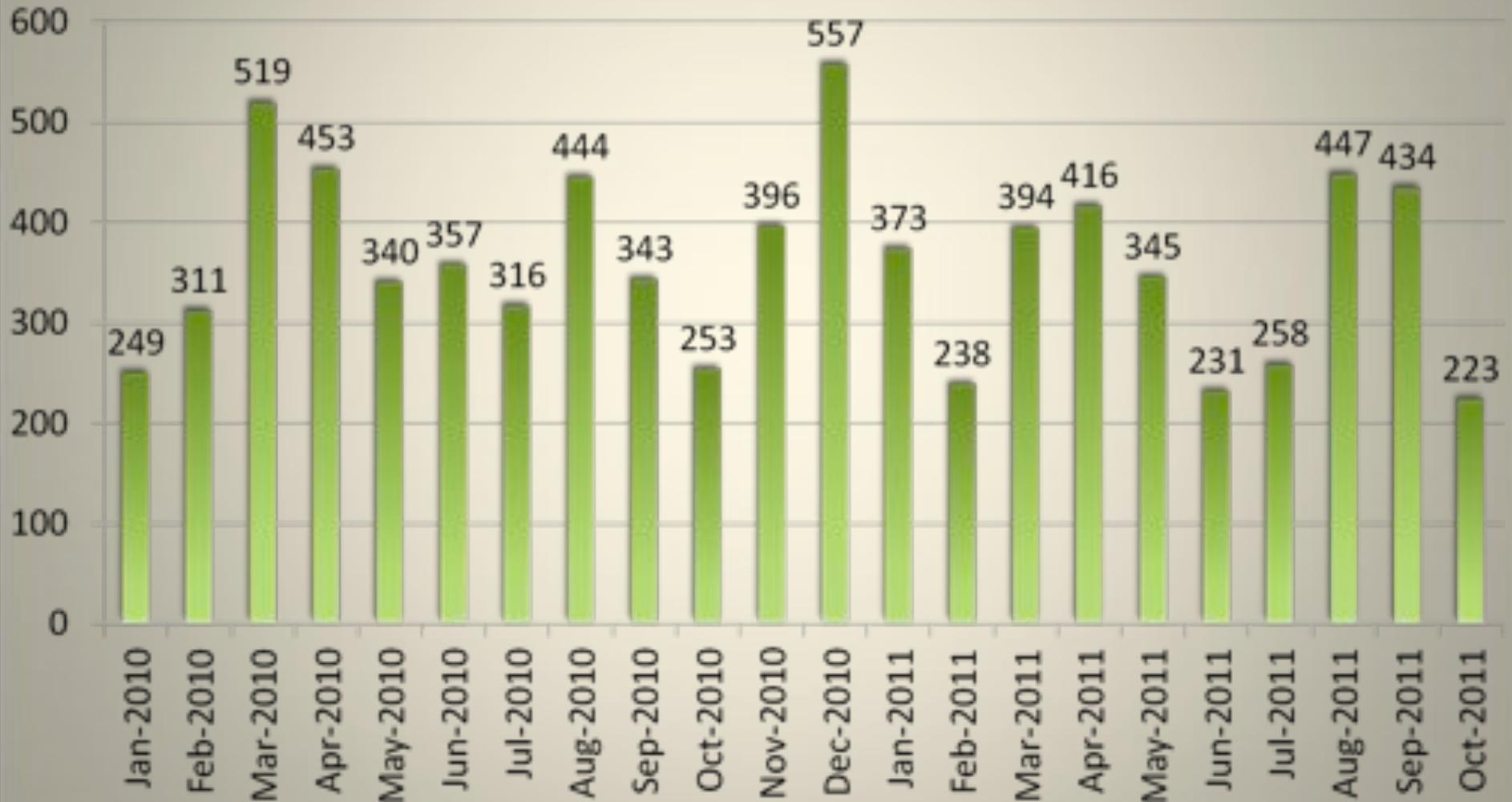


Complaints by month Opened

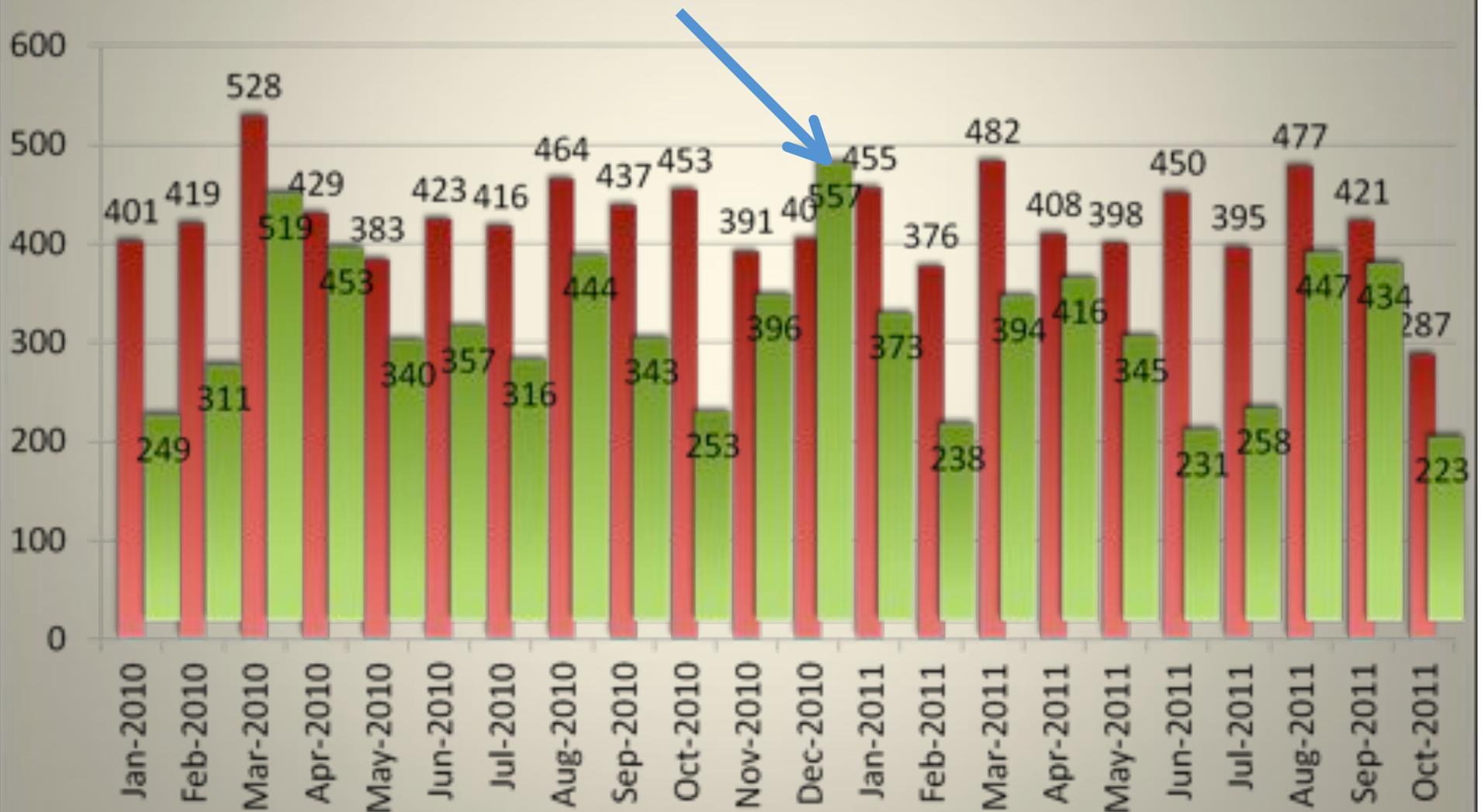
Average 423



Complaints Closed by month



Complaint Processing Disparity



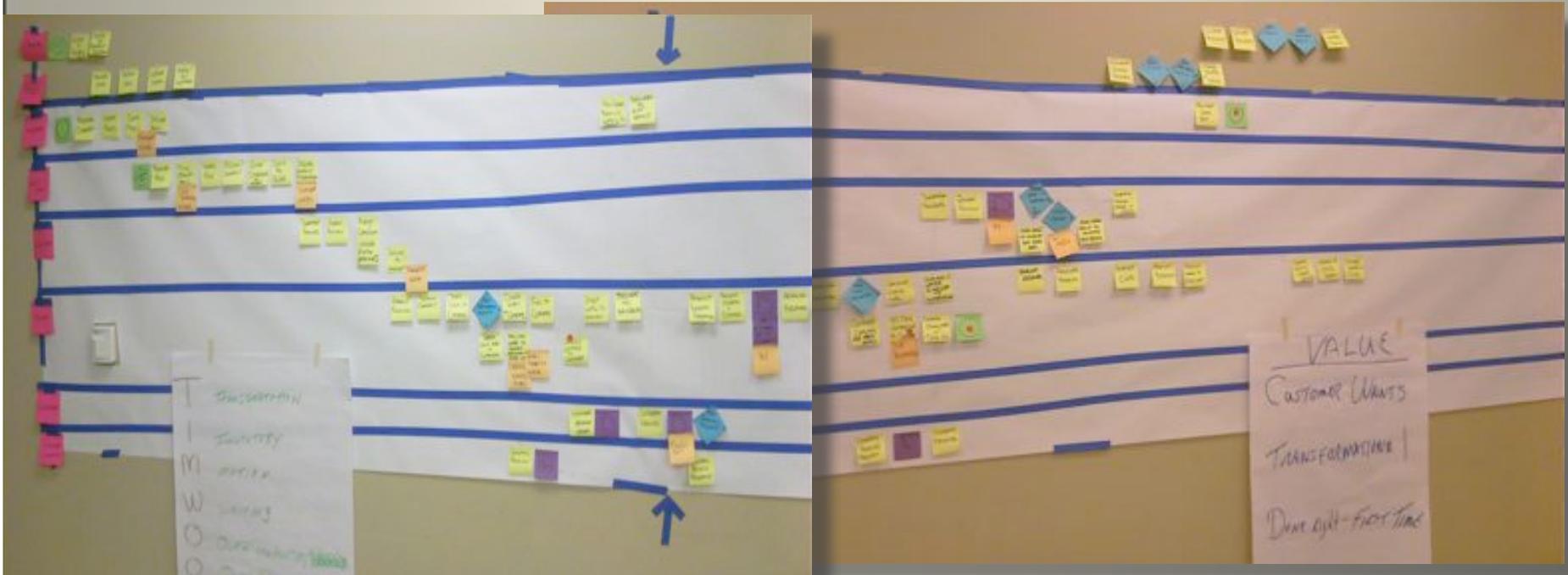


Brent

Walk-Through



Current-State Process Map



Identifying Value and Waste



Value added
Non value added

The original processes had:

TIM WOOD

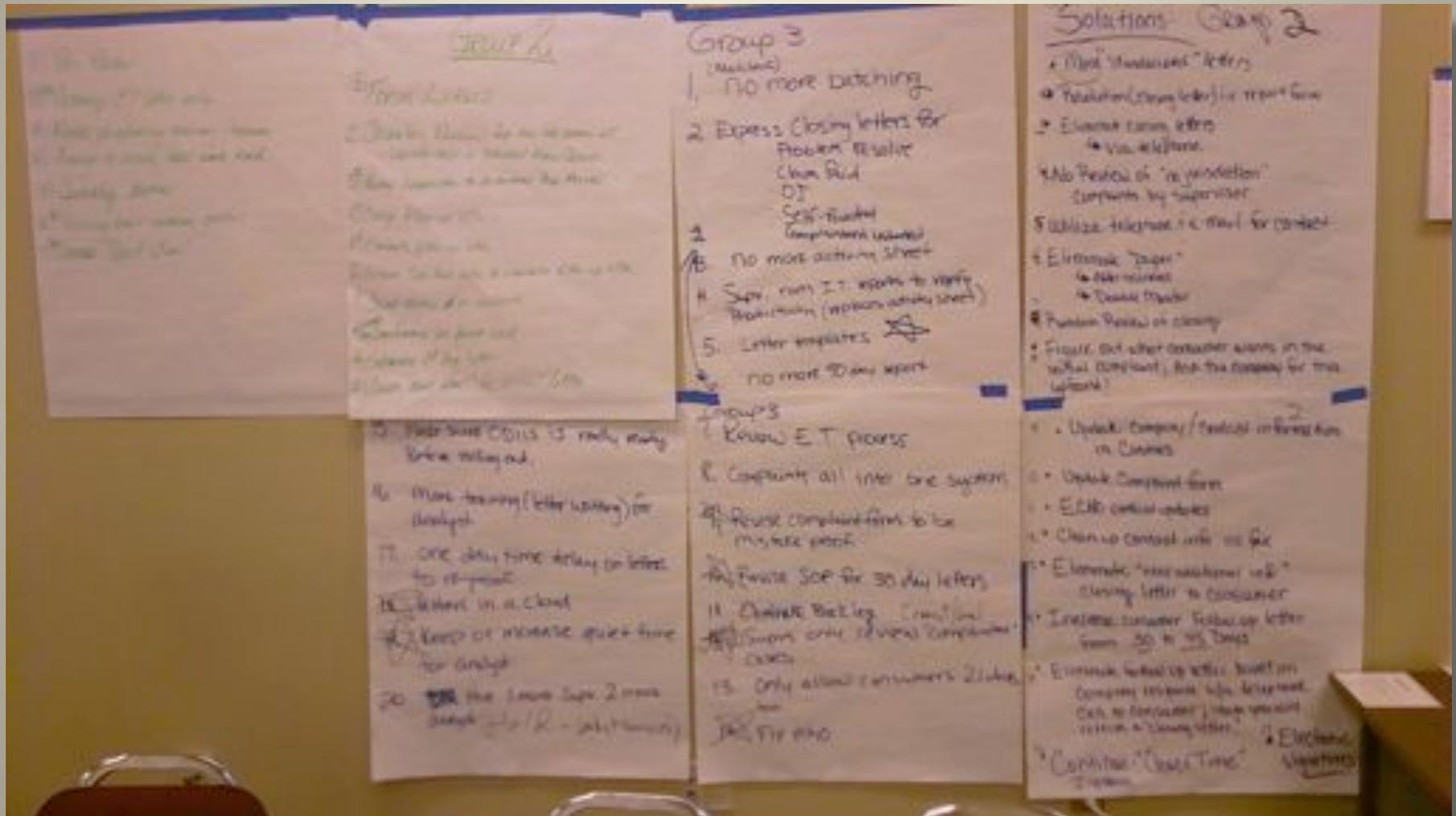
- Too many entry points
- Too many steps
- Too much paper
- Too many reviews
- Too many decision points and delays
- Caused **too much process lead time**



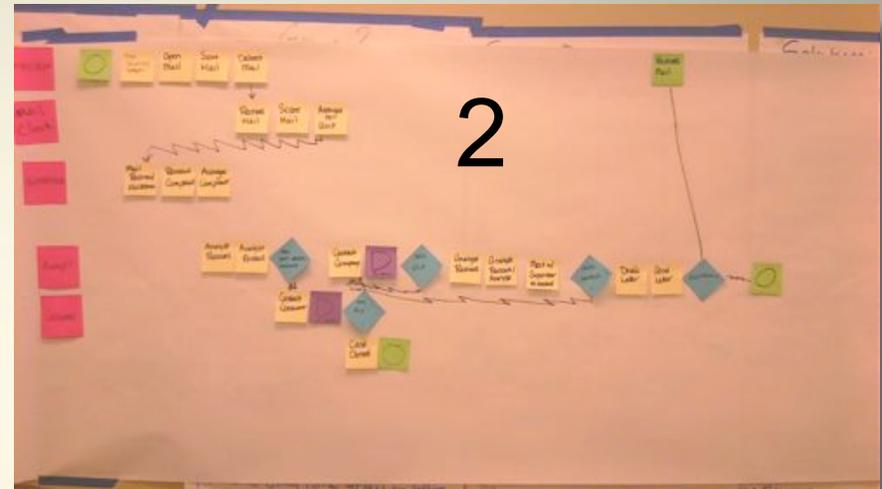


Derrick

The Team "Brainstormed" and evaluated more than 56 improvement ideas



Clean Sheet Redesign



3 Independent Teams

Common Ground

Common Ground

- Electronic - Assignment ^{Assignment} - SIGNATURES
- FAST LANE - Supv. lane
- INFO UP FRONT.
- LIMITED REVIEW - Disposition
- NO 30 DAY - Follow-up
- 1 ENTRY POINT
- NOT 21 DAYS

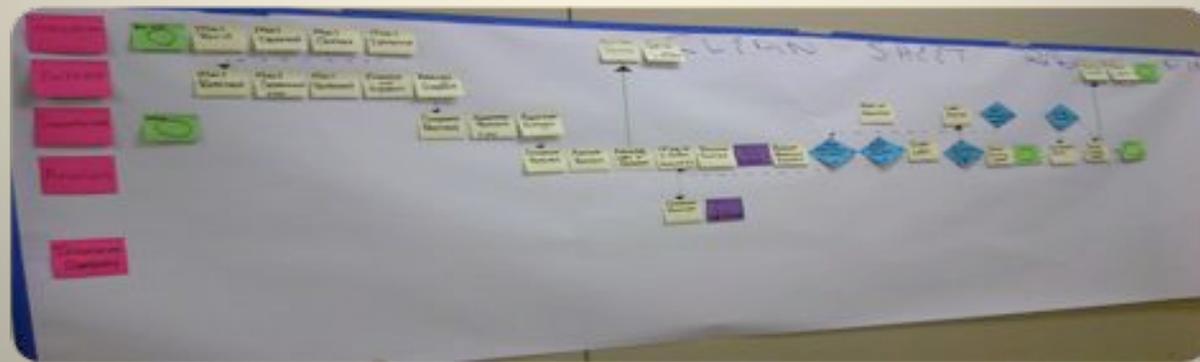
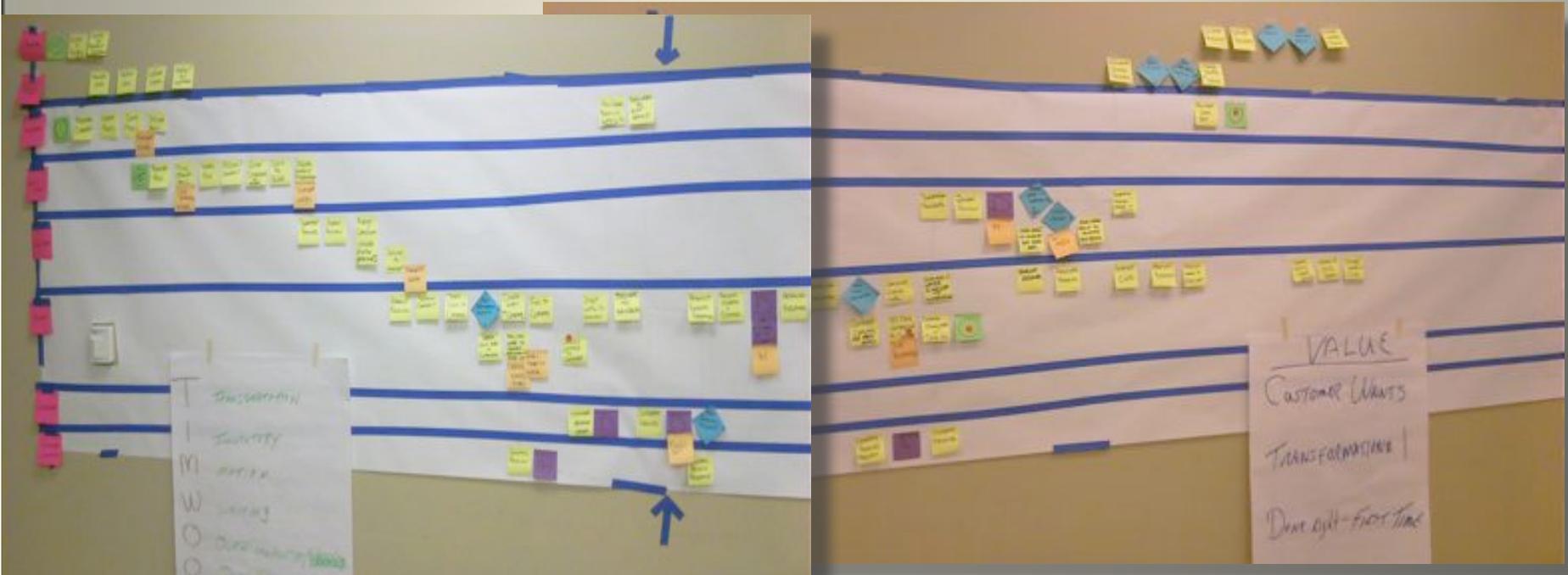
Common Ground

ELECTRONIC

INTAKE

- MINOR REVIEW - Trust
- AS NEEDED REVIEW - Disposition
- ANALYST'S TOOLS - TRAINING ^{Poker} _{Colp}
- NO FOLLOW-UP

Current-State to Future State





Brian

The Results

	Current State	Future State	Improvement
Steps	73	35	38 fewer steps - 52%
Decisions	10	5	5 fewer decisions – 50%
Handoffs	17	10	7 fewer handoffs – 41%
Delays	16	7	9 fewer delays – 56%
Time Ranges			Low end High end
Lead Time	102 - 146 days	12 – 57 days	90 – 89 fewer days 88% - 61% reduction
Task Time	26 - 31 days	6 – 31 days	20 - 31 fewer days 77% - 0% reduction
Delay Time	76 – 115 days	6 –26 days	70 – 89 fewer days 92% - 77% reduction
Backlog	1675	0	100% December 23, 2011

Overall Results

- Eliminated from 70 – 84 days of delay
- Projected backlog elimination by 12/23/11
- Projected lead time ~90 **fewer days**



Cost Savings and Cost Avoidance

Cost Savings

- Follow-up letters
 - Postage \$9,377/yr
 - Electronic letters \$9,000/yr
 - Ink, toner paper \$1,000/yr
 - Envelopes \$30/yr
- TOTAL \$19,407/yr

Cost Avoidance

- Follow-up letters
 - Labor 38.1 hrs - \$952/yr
- Closing letter review
 - Supervisors 1000 hrs
 - \$30,000/yr
 - Mail clerk 156 hrs
 - \$3,120/yr
- TOTAL \$34,072/yr

Annual savings: \$53,479
Five year – more than Quarter Million \$\$

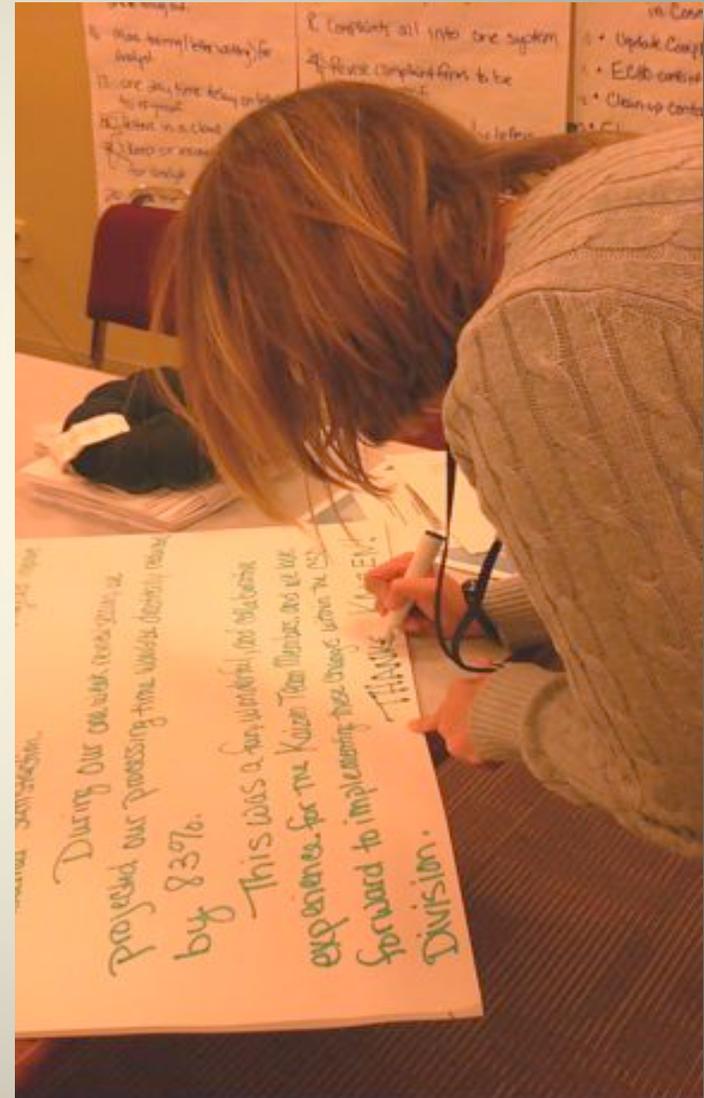
Key Issues	Major Improvements
Too many entry points	Phasing the reduction of complaint entry points
Too many steps	52% reduction in process steps
Too much paper	Reduction through technology
Too many reviews	"Fast lane" introduced
Too many decision points and delays	Many are in code, but 73-92% overall reduction in delay time



Leslie
Colleen

Implementation Plans

- IT Enhancement plan
- Backlog plan
- I.T. plan
- Communication plan
- Forms plan
- SOP plan
- Training Plan



Communication Plan

Communication for Kaizen:

- Power Point Summary on Insider (Include summary of event)
- Lean Chris Power Point on Insider
- CSD Meeting for questions from those who did not attend
- 30, 60, 90 Day meetings on Kaizen Status
- Kaizen meeting after ODSIS implementation
- Presentation at all Hands meeting (Meet w/ Tara to determine expectations)

Kaizen Event Summary:

Members of the Consumer Services Division team were brought together this week to participate in a Kaizen Event. The term KAIZEN is Japanese, meaning to break apart or change (Kai) for the better (Zen).

All three areas of the CSD Kaizen Team came together to review and map out our current Consumer Complaint process. The objective was to find ways to reduce our current processing time, eliminate backlog, and improve Consumer Satisfaction.

During our one week review session, we projected our processing time would be drastically reduced by 83%.

This was a fun, wonderful, and collaborative experience for the Kaizen Team Members and we look forward to implementing these changes within the CSD Division.

THANKS KAIZEN!

IT Enhancement Plan

IT action register		
What?	Who?	When?
• notifications of assignment	Supervisors & Mail Clerk (20 ⁰⁸)	10/20 → 10/24 (Monday)
• assignment of on-line complaint	IT & Mgmt.	10/20
• Update ODI webpage - remove paper options - reorganize page - file "complaint" at top	Chris Email / Jane J Brian B Jill P Eric J	10/28
• Reuse hard copy complaint form to include e-mail & other that on-line pages & faster.	IT / Jane J	10/28
• Reuse current table complaint form - - make e-mail address field - review disclaimer - cover attachments	IT / Jane J	10/27

P.2		
• On line consumer complaint status from Lewis to ODIIS - more detail	IT / Jane J	Jan. 08
• Voice Recognition	Lecorne S. & IT / Jane J	10/28



FORMS ACTIVITY REGISTER

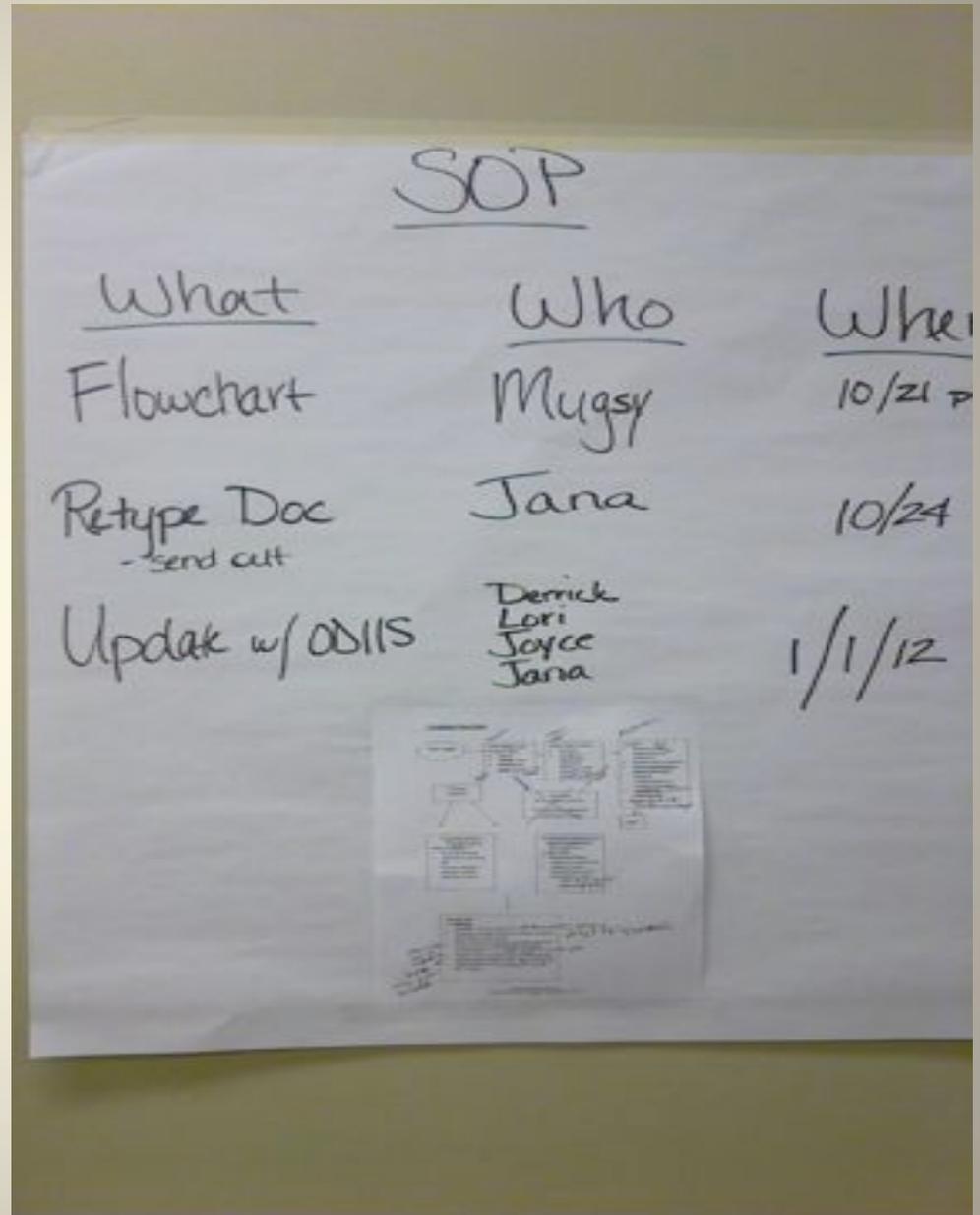
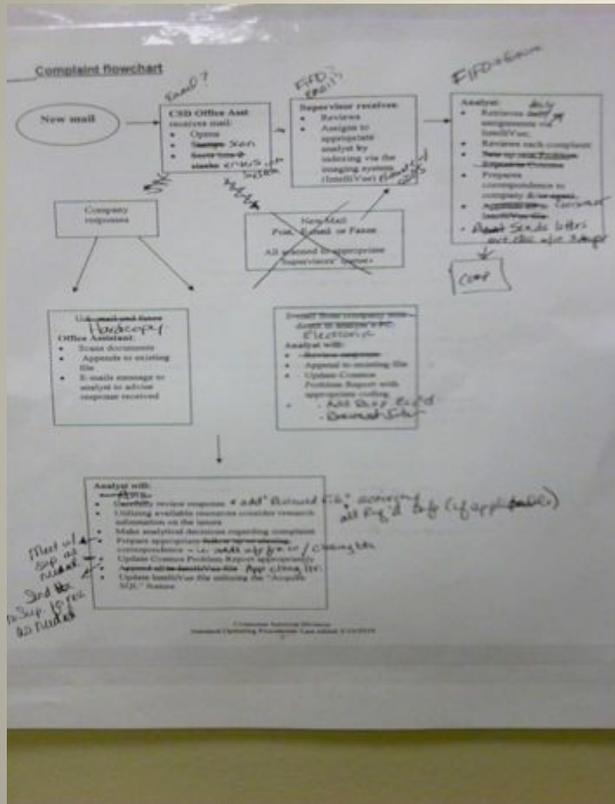
WHAT?	WHO?	WHEN?
1st inquiry reviewed	Group	10/20 Beg/finished
Aek letter review/updated	Group	10/20 Beg/finished
3rd Party Aek L & H comp-ack (eliminated)	Group	10/20 Finished
Review specific closing letters for Change = OK to Keep	Barbara & Cathy Group reports to	Beg. 10/24 projected end 10/26
Review all other closing letters for Changes = OK to Keep	Dwaine Group reports to	Beg. 10/26 Nov 2 & 8 update Projected end 11/10

Forms and Templates Plan

Backlog Plan

Backlog			Backlog		
WHAT	WHO	WHEN	What	Who	When
Run Report each Analyst via correspondence the list will close to them	10/20 Barb + Fred Derrick/Dwayne	<u>Task Completed</u> Dec 23-11	Review referred to supervisor letters for letters that fit approved disposition Code L close file	Analyst reports weekly to supervisor	Begin 10-21
Run Report for each Analyst via "referred to supervisor" to cross reference above for review	10/20 Barb + Fred	10-20 Report completed Begin 10/20 Finished 10/20	Review pending list for all who rec'd - if fits approved disposition Code - Analyst close	Analyst reports weekly to supervisor	Begin 10-21
DD's review will be changed to - Complaint Response and Analyst letter will decrease review time	Derrick	Begin 10/20 Completed	Supervisor reviews files remaining for closure	Derrick and Barb + Fred	Derrick - 11-7 Begin Barb - 10-20 Heather - 10/20 Dwayne - 10/21
Backlog - should alert to new letters for Analyst review - closing letters to supervisor	Derrick/Dwayne	10/21	Analyst provides info file with get to supervisor and let letter with see for list, action code	Dwayne	Begin 10-21 Final date 10-21
Phone call identify comments that can be called and file closed per call	ANALYST - Derrick	10/21			
MULTIPLE Files Same Case identify files for multiple files for closure	ANALYST Report weekly to Derrick	10/21			

SOP Plan



Training Plan

TRAINING ACTIVITY REGISTER		
WHAT?	WHO?	WHEN?
Create Disposition Code "CHEAT SHEET"	Opera / Barb / Analysts	Friday afternoon 10/21
2 Post-Kaiser subject Training Sessions:	Everyone!	Monday 10/24 maybe? 8:30-10am 1:30-3pm
• CHEAT SHEET	<input type="text"/>	
• BACKLOG PLAN	<input type="text"/>	
• NOTATIONS IN COSMOS	<input type="text"/>	
• NEW FLOW CHART	<input type="text"/>	
• PHONE SKILL "RE-DIRECTION"	Dan / Murphy	
• INTENTIONS FOR FUTURE CSD "ALL-DIVISION MEETINGS"	Open	
Refresher Writing Skills Training	Everyone!	By THANKSGIVING
Mayer's Bridge	Everyone!	By December Holiday

Right - FIRST TIME

WRITTEN



Dwaine
Cathy

Benefits

- Faster Processing for consumer
- Elimination of backlog
- Standardization
- Less paper
- Less handling
- Improved customer service
- Better employee satisfaction
- Smoother transition to ODIIS



What changes Monday?



- Reduce BACKLOG
- Begin training and communication
- Streamline letter review process
- Update SOP
- Update website
- Update letter template
- Streamline follow-ups

Personal Lessons Learned

- Teambuilding
- Batching is bad
- Variation is evil
- Kaizen Hurts
- Kaizen Works
- There is always a more efficient way to do things
- Communication is the key
- We are all in this together



Leonette
Lori

Life as a member of a
Kaizen event Team...





Jana

Special *THANKS* to...

Lt. Governor/Director: Mary Taylor

Senior Leadership: Jillian Froment, Deputy Director

Sponsor: Tynesia Dorsey, Chief Administrative Officer

Subject Matter Experts:

Heather Stovall, Supervisor, CSD

Leanne Sanderson, Consultant, IT

Fred Schoen, System Analyst, IT

Our Appreciation to:

- Marva Calloway
- Mike Davis
- Osei Sefa
- Howard McMeans
- Jim Baack
- Larry Smith
 - Special Shout Out
 - Joanne Proehl
 - Rochelle Smith
 - Ginger Leitz



Honorary
Phoenixes

Questions



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