



Ohio Department of Medicaid

Kaizen Event Report Out

Contract Management Process

September 30-October 4, 2013

CONTRACTS R $\text{U}\$$

WHERE KONFUSION BECOMES KLARITY



TEAM MEMBERS

- Carolyn Nunez, ODM
- Mary Jane Frank, ODM
- Hank Sellan, ODM
- Mina Chang, ODM
- Heather Sullivan, ODJFS
- Doug Chaney, ODM
- John Mack, ODM
- Rachel Jones, ODM
- Tom Prunte, ODM
- Liz Ramey, ODM
- Candi Layman, ODM
- Tom Parrott, ODM
- Robyn Colby, ODM
- Chris Carson, ODM
- Patti Clements, ODJFS
- Rich Thompson, AG



STAKEHOLDERS

- Taxpayers
- Legislators
- Contract Managers
- Medicaid Consumers
- Vendors
- State Sister Agencies
- Federal Government



BACKGROUND

The Kaizen event evaluated all aspects of the Ohio Department of Medicaid contracting process. This process included contract development, drafting, approvals, monitoring, and compliance.

Overarching Theme: Create and ensure an efficient, streamlined, and compliant contract workflow process for Ohio Department of Medicaid.



SCOPE OF EVENT

First Step: Process will begin at the point where a product or service need for Ohio Department of Medicaid has been identified.

Last Step: Through the delivery of an executed contract and the ongoing maintenance and compliance.



OUT OF SCOPE

- No additional staff
- No additional money
- No IT solutions until the process is improved
- No changes to laws or labor contracts
- No one loses their job because of the Kaizen event, although duties may be modified
- The Procurement Process

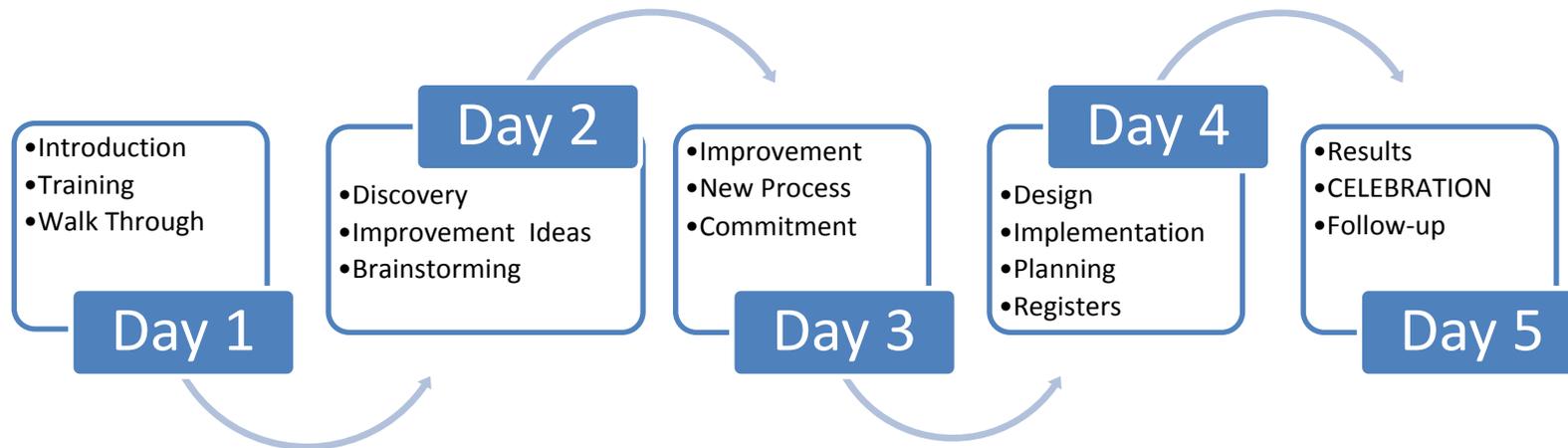


TO BREAK FOR THE BETTER

- Customer focused
- Work level team
- 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)



THE KAIZEN APPROACH



HIGH LEVEL PROCESS - SIPOC

Suppliers Inputs Process Outputs Customers



PROJECT GOALS

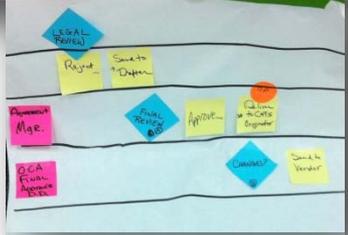
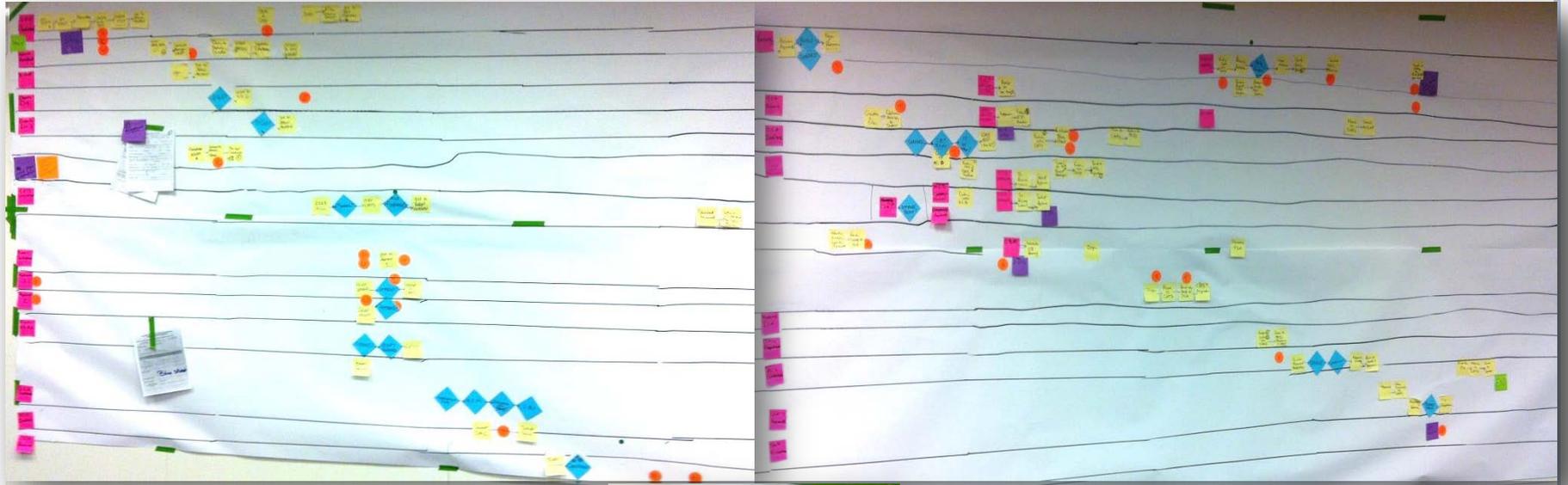


Create an
Efficient
Streamlined
Contract
Process
Workflow

Identify
Contract
Management
Scope and
Processes

Identify
Structure To
Achieve First
Goal

CURRENT STATE

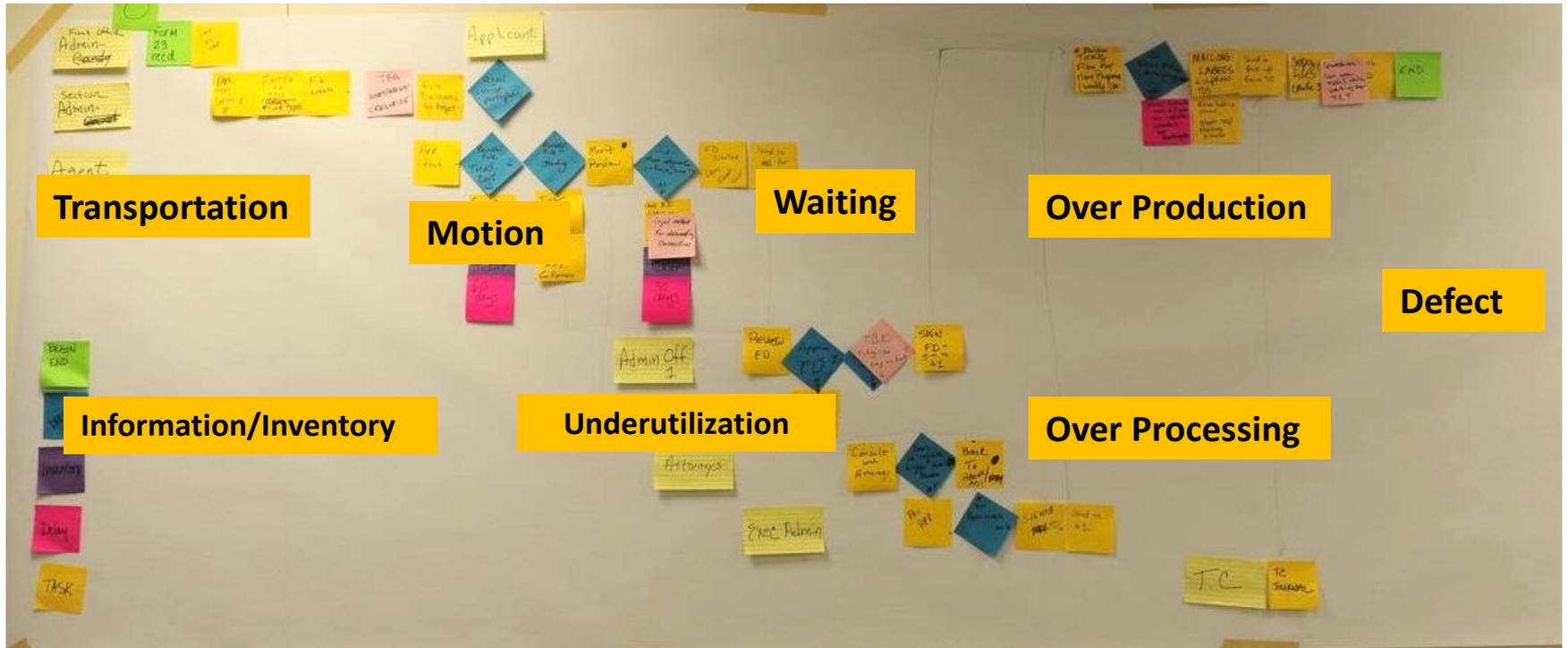


CURRENT STATE PROCESS MAP

- Too Many Decisions
- Too Many Handoffs
- Too Many Loop Backs
- TIM U WOOD
- Lack of Standardization

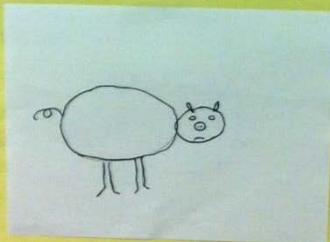
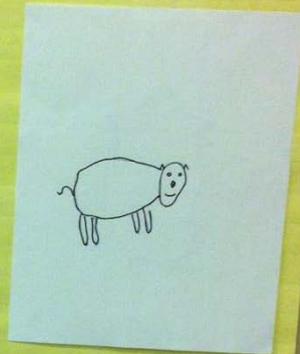


TIM U WOOD

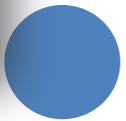
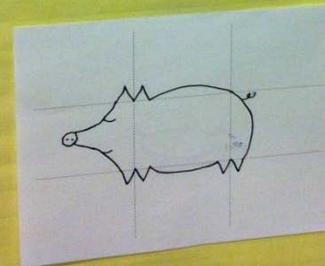
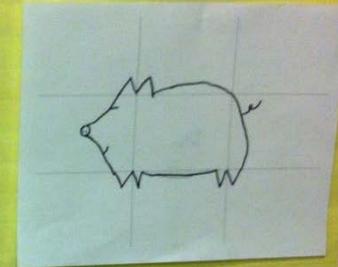
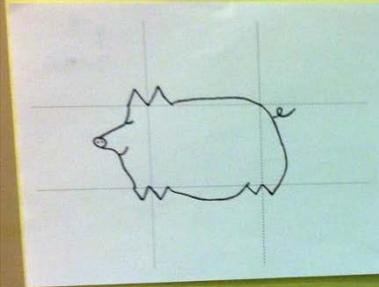


STANDARDIZATION

Non-standardized



Standardized



BRAINSTORM – 81 IDEAS!



THE TEAM ANALYZED AND EVALUATED ALL OF THE IDEAS

- Fewer Approvals
- Electronic Signatures
- Standardized Process
- Streamlined Forms
- Function Centralization
- Less Paper



CLEAN SHEET REDESIGN



Team 1



Team 3



Team 2



SCORECARD

Measure	Current Level	Future	Change
Process Steps	97	35	64%
Decision Points	26	7	73%
Handoffs	29	10	65%
Loopbacks	6	1	83%
Delays	8	1	87%
Process Lead Time	45-154 Days	26-98 Days	36-42%

COST SAVINGS

- Reduction of Paper

\$50

- Travel (Transportation)

\$1,500

- Less contract manager, approver, and, vendor frustration

PRICELESS!!!



MORE RESULTS

- Standardized and Centralized Process Across Bureaus
- Improved Utilization of Staff
- Better Use of Technology
- Fewer Approvals in Process
- Improved Compliance and Monitoring
- Happy Customers ☺



IMPROVEMENT SUMMARY

Current Key Issues

Contract Processing
Time Reduction

Created a Centralized
Contract Team

Improved IT
Functionality

How We Improved

Reduce Approvals, Time,
Resources, and Touches

Central Group to Facilitate
and Standardize

Short Term: CATS
Long Term: TBD
Contracts R U\$!

IMPLEMENTATION PLANS

- Roles and Structure Plan
- Segmentation Plan
- Training Plan
- Communication Plan
- Information Technology Plan
- Metrics and Dashboard



ROLES AND STRUCTURE PLAN

Roles

Support/Admin 1 person Support Admin

- Rec Request
- Inform Parties, Requirements
- send contract, Vendor, Director → Signed Contract, Checklist
- send P.O.
- Repository of Agreements
- Enter OMS Reg.
- Maintaining Contract Inventory list

Paralegal/Drafter 1 person Paralegal Drafter

- Research Items
- New RFP → Meet w/ SME

~~Manager~~ Manager Backup to Drafter/Paralegal

2 Persons Compliance Monitoring

Compliance/Monitoring

- Waste Reporting Analysis
- Guide for Monitoring (Outcome)
- Proactive Engagement w/ SME
- Risk Management
- WBE Monitoring
- file the contracts → Better
- Better working
- Standardized template built
- Create Vendor

~~Backup's~~ Backup's - preselect

Roles

What	Who	When
Start Date Support/Admin		12/31/13
Paralegal/Drafter		
Compliance/Monitoring		3/1/14
Select/Fill Support & Drafter		11/10/13
Compliance Duties		30-60-90 days
HR "Staff"		30 days
Identify Roles		10/3/13



SEGMENTATION PLAN

INCLUDED

- > VENDOR ^{NON-BID} _{CONTRACTS} < BID
- > GRANT / SUB-GRANT
- > INTER-AGENCY - DEPT
- > DATA USE = DUA/BAA
- > MOU - Memo of Understanding
- > LOA - (AOS)
- > JOA - (FED) T/A - EVS (in)
- > ~~IT BR?~~ ~~IT BR!~~ **DAS** HYBRID PROCESS

BID NOT

- STS >
- CLOUD >
- OPERATING PROTOCOL
- ITSR?
- ITPR!
- LOL's
- DIRECTOR LETTER

MOVE TO FUTURE STATE

	NOTICE/TRACK	1 ST ACTION STEP
DAS		
STS - ENTER AT BEGINNING		PD ENTRY
CLOUD	SKIP TO ACTION STEP	PO ENTRY
OPERATING PROTOCOL	ENTRY AT START SKIP TO	PD? ENTRY
DIRECTOR LTR	DIR SIGN	DIR SIGN (PO DOCUMENT REPAIR)
FED EVS/DUA	TRACK	TRACK MONITOR

TRAINING PLAN

TRAINING		
Who	What	When
Heather/Candi MJ Hank Doug	Short Term IT Solution + Role Based - SME/Coordinator - Centralized Contract Section - Bureau Chiefs - OAKS	Nov/ Dec.
Tom Parrott TBD	Long Term IT Solution + Role Based - SME/Coordinator - Centralized Contract Section - Bureau Chiefs - OAKS	TBD
Tom Heather Brenda	Centralized Contracts Section - Office Processes - P.D. Processes	Before 1/1/14 continuing
Tom Heather Chris Carson John Berley (or designee)	Compliance Officer - outcomes - Fiscal, SME Interactions	Before 1/1/14
TBD	Procurement (once established)	TBD



COMMUNICATION PLAN

Communications		
Who	What/How	When
Team	Sr. Leadership Report out: Future Stake Implementation Plans Needs.	10/4/13
Tom	Leadership mtg. Q/A	10/7/13
Tom	Internal Report: Future Stake, Implement Plans + needs	10/11/13
Communications or Director's office Tom	External Report New Process	late October / early Nov. 2013
Heather S.	CATS training	Nov./Dec 2013
Candi	Future I.T. Solutions	?
Tom	Send article to stakeholders (internal + external)	10/10/13

Stakeholders

Internal — SMEs, Budget Analyst, Contract Coordinator
Bureau Chiefs, Senior ODM Leadership

External — OCA, OIT, DAS, OIS, OBM



INFORMATION TECHNOLOGY PLAN

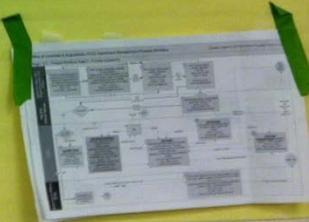
IT What we need/want

- * - check in/check out version
- * - multiple access levels
- * - send out ^{automated} e-mails to groups ^{available access supply} alerts if overdue
- pre-population
- ability to pull past agreements for same vendor
- * - file system
- ability to amend/add new info
- connection to OAKS, eCB, OIT REP DAS Reg 2 & P
- * - Reports
Dashboard customizable

IT
CATS - short term
with routing changes
ODM ^{or} Build Solution (PERSEUS)

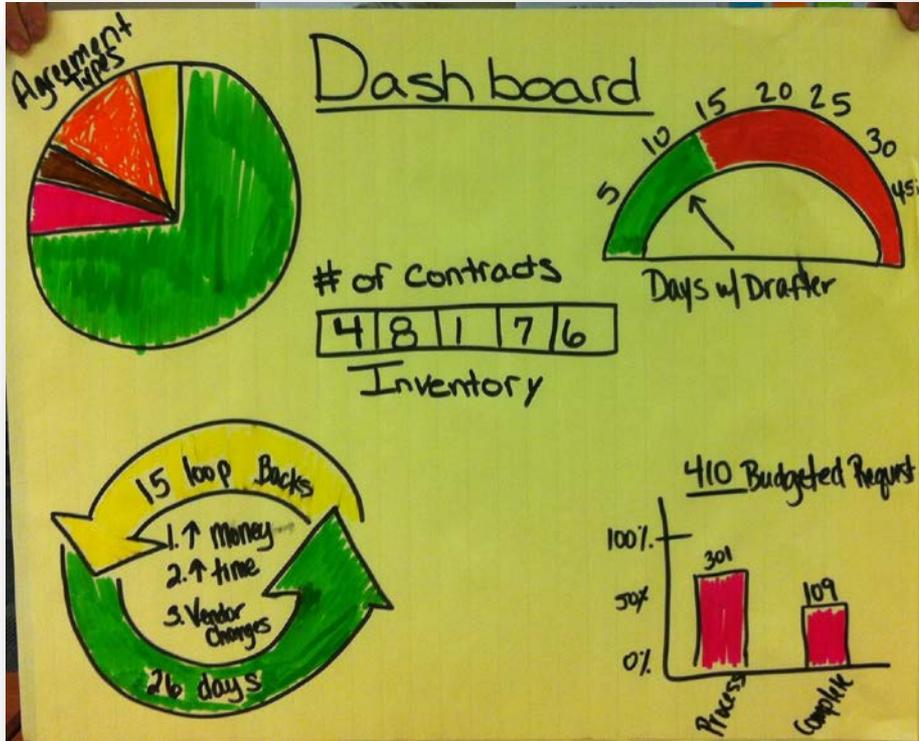
Purchase off-the-shelf
software

Enterprise Solution



IT		
Who	What	When
Candi/ Tom Par.	Research/ Discuss IT Solutions/software	next week
I. Heather	CATS Functionality Discussion	next week
Candi/ Mina	Meet w/ ^(Greg Jackson) Greg Jackson Tom Parant OHT on enterprise solution	2 weeks out
Tom Par./ Candi	Meet w/ OLS	within
Tom Parant/ Ranian	DDM/CATS Replica /down group	2 weeks
4/1/2014		
Candi	Business	
Heather	Requirements	Oct/
Toms	Discussion for	November
Dawn/Tram	Short/Longterm	
Brenda	Solution w/ time frame	

METRICS AND DASHBOARD



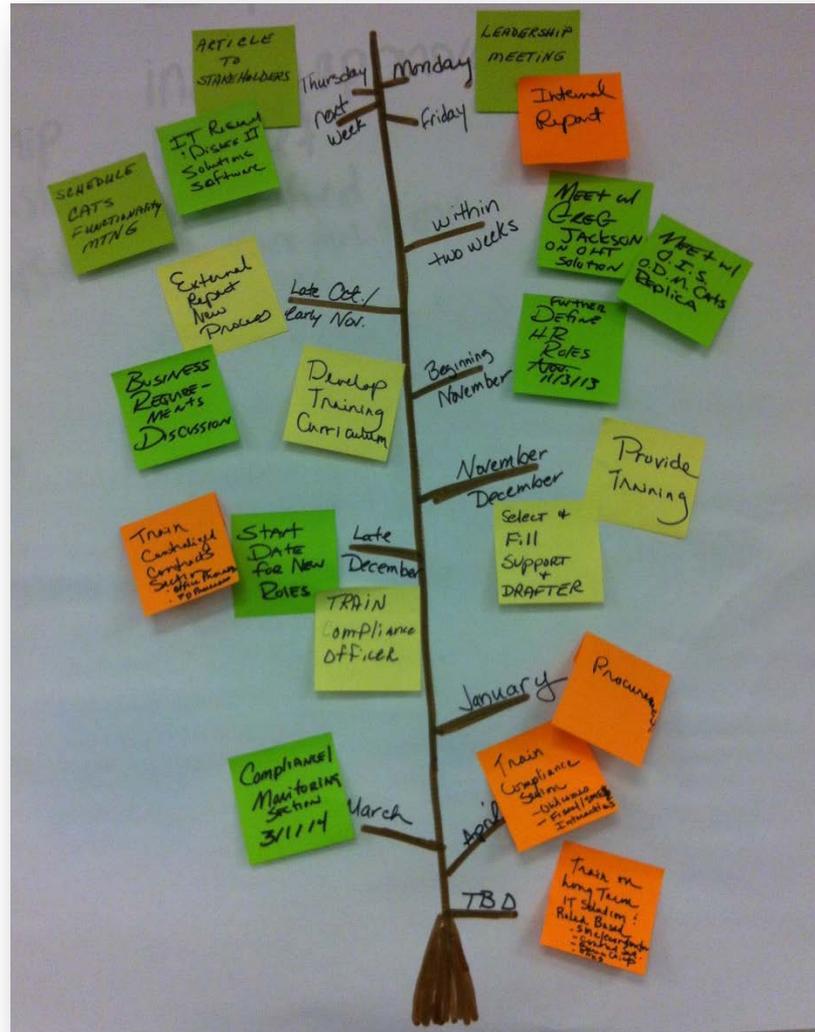
IMPLEMENTATION

% weekly to INITIATION OF FUTURE
OF STEPS overtime
COMPARE TO BENCHMARK / SCORE CARD

SYSTEM

- > # OF REQUESTS (BY TYPE)
- > TIME CYCLES (STEP/TIME) ^{BY} IN/OUT TIME/IN
- > # OF LOOP BACKS (REASON)
- > # OF BUDGETED REQUESTS (TYPES)
 - # IN PROCESS
 - % IN PROCESS
 - # COMPLETE
 - % COMPLETE
- > DAYS w/ DRAFTER
- > NON APPROVER DELAYS
- > # REJECTIONS / (STEP)
- > # / % OF CB REQ
- > COMPLIANCE (IN/OUT OF)
- > # AMENDMENTS
- > MBE / EDGE REPORT METRICS

WHAT BEGINS MONDAY?



SPECIAL THANKS TO...

Senior Leadership:

- Director John McCarthy, ODM
- Cynthia Dungey, ODM

Sponsor:

- Tom Prunte, ODM

Team Leader:

- Liz Ramey, ODM

Subject Matter Experts:

- Dawn Marker, ODM

