

A3 Report

Title: BWC Invoicing
 Date started: 6/12/17
 Your Name: Doug Smith

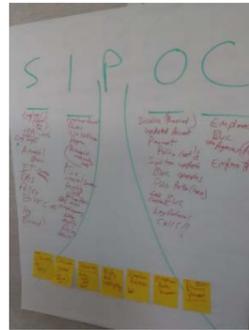
Current Date: 6/19/17

Team: BWC Invoicing
 Executive Sponsor: Barb Ingram

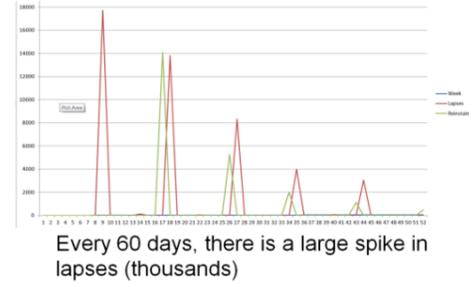


P1: Why Change is Needed

Presently, BWC mails paper invoices to employers. This requires a lot of supplies and postage. The invoicing system also sends overlapping invoices to some employers, which creates confusion. Additionally, the invoice is difficult to understand.



2015-2016 lapses



P2: Current State

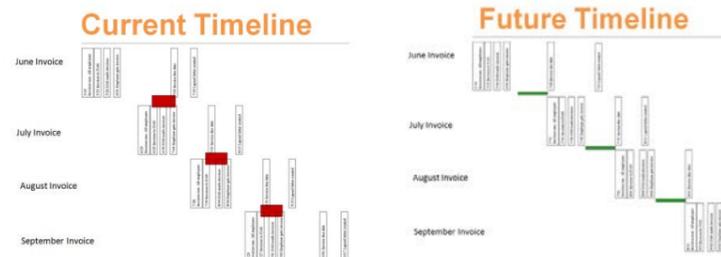
We mail 1.6 million invoices annually at \$0.50 per piece. Our invoicing system sends a new invoice every time the policy owner changes his policy. This results in 1,800 calls per month to our contact center, costing \$10 per call. Nearly 90% of the calls are specifically about the amount due and the due date. The invoice confusion results in thousands of lapsed policies every two months. Approximately 80% of all lapsed policies re-instate, meaning they don't wish to lapse.

Current State



P3: Future State

Goal 1: Create a better invoice to reduce confusion and reduce calls to the contact center. Goal 2: Transition to an opt-in electronic invoicing system. Nearly 60% of employers prefer to use electronic invoicing via email. Goal 3: Reduce postage and mailing costs by 50%. Goal 3: Reduce support staff time by 60% on answering invoicing issues.



P4: Analysis

We have plans to upgrade the system to allow for electronic invoicing. We also have a plan to collect more employer emails through requiring them and asking them when they call for help. Through identifying waste with the TIM U WOOD tool and using the Pareto Chart to determine the reason for the highest quantity of calls, we analyzed the current state and determined the obstacles.



P5: Potential Solutions

- Require email
- Digital invoicing & Push notifications
- Future date payments using ACH transactions
- Self Insured grace period increase
- Self Insured must pay online
- Change strip date to the due date
- Service office training – receiving money at offices

D6: Action Plan

Action Item, Due Date		Assigned to:	
Invoice design	June	CFO, Communications	
Discuss rule changes (SI, invoice date)	June	CFO, COO, Dave S.	
Digital invoicing	June	Senior Team	
Future dating payments	July	Michele W.	
Push notifications	Fall 2017	Scottie Powell, Paul Flowers	
Training - Service Office checks	June	Michele W.	
Off-cycle invoices	June	CFO, Carol Wander, Michele W.	
Invoice transaction descriptions	July	CFO, Carol Wander	
Auto note for transactions	July	IT	

C7: Check Results

	Current	Projected	Actual
Steps in process	47	14	
# Defects	2	0	
Customer Satisfaction	1800/month	800/month	

C7: Check Results

Future Annual Cost

	Current Cost	Future Cost
Invoices	800,000	320,000
Call Center	216,000	43,000
Support Staff	732,000	146,000

Total Potential Value: \$1,239,000



A8: Follow-up Action

