The Medical Contractor Pay Process

6σ

Using the Lean Six Sigma DMAIC Approach to Process Improvement in State Government

The Ohio Rehabilitation Services Commission
The Division of Disability Determination

❖ *The mission of the Ohio Rehabilitation Services Commission is to ensure individuals with disabilities achieve quality employment, independence and disability determination outcomes through integrated services, partnerships and innovation.*

The Division of Disability

212K Social Security Disability Determinations

- Fifth Largest Program in the Nation
  - Largest Program in our Region
  - Lowest Cost Per Case in the Region

6 Billion Dollars to Disabled Ohioans per Year

- $86 Million Budget (100% Federally Funded)
  - 498 Employees
  - 86 Medical Contractors

The Medical Contractors

❖Licensed Professionals

❖State Contract

❖322K Medical Referrals per year

❖6M Dollars (7% of Budget)

The Problem:

Our current process for collecting, reporting on, and creating pay invoices for Medical Contractors is time consuming and error prone.

Time

Quality

Integrity

Money

?

Goals:

1. Reduce Time

2. Prevent Errors

3. Restore Trust

Define Stage
The Team

TRAIL CHART	Project Phase				
Key Stakeholders	**Define**	**Measure**	**Analyze**	**Improve**	**Control**
Stephanie Biller, DDD - Medical Operations, Secretary	T (20%)	T (25%)	T (10%)	T (25%)	T (10%)
Beth Stephens, DDD - Medical Operations, Supervisor	T (20%)	T (20%)	T (25%)	T (20%)	T (10%)
Prabha Sankar, ORSC - IT, Progammer/Developer	R (5%)	R (10%)	R (15%)	R (25%)	R (10%)
Erik Williamson, DDD - Deputy Director - Project Champion	A (2.5%)	A (2.5%)	A (5%)	A (5%)	A (2.5%)
Tim Nguyen, ORSC- IT, Deputy Director	A (2.5%)	A (2.5%)	A (2.5%)	A (2.5%)	A (2.5%)
Teresa Gray, DDD - Assistant Deputy Director	I (5%)	I (5%)	I (10%)	I (10%)	I (5%)
Rhonda Tanner, DDD - Assistant Deputy Director	I (5%)	I (5%)	I (10%)	I (10%)	I (5%)
Tom Melfo, DDD - Manager	L (30%)	L (25%)	L (30%)	L (25%)	L (10%)
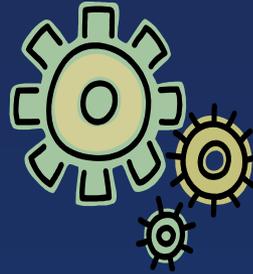
S   I   P   O   C

We identified two processes that needed to change

The Time Slip

Name & ID # _____

Date: _____

Total hours worked *in units of one-tenth hour (1/10)*	Non-case time *in units of one-tenth hour (1/10)*
IN _____ am/pm	
OUT _____ am/pm	ACTIVITY _____
TOTAL BREAK _____	_____
TOTAL TIME _____	TOTAL NON-CASE TIME _____

Signature _____

Approved by _____

Revised 5/11
RSC-9028

It seemed innocent, until we dug deeper

The Current Process
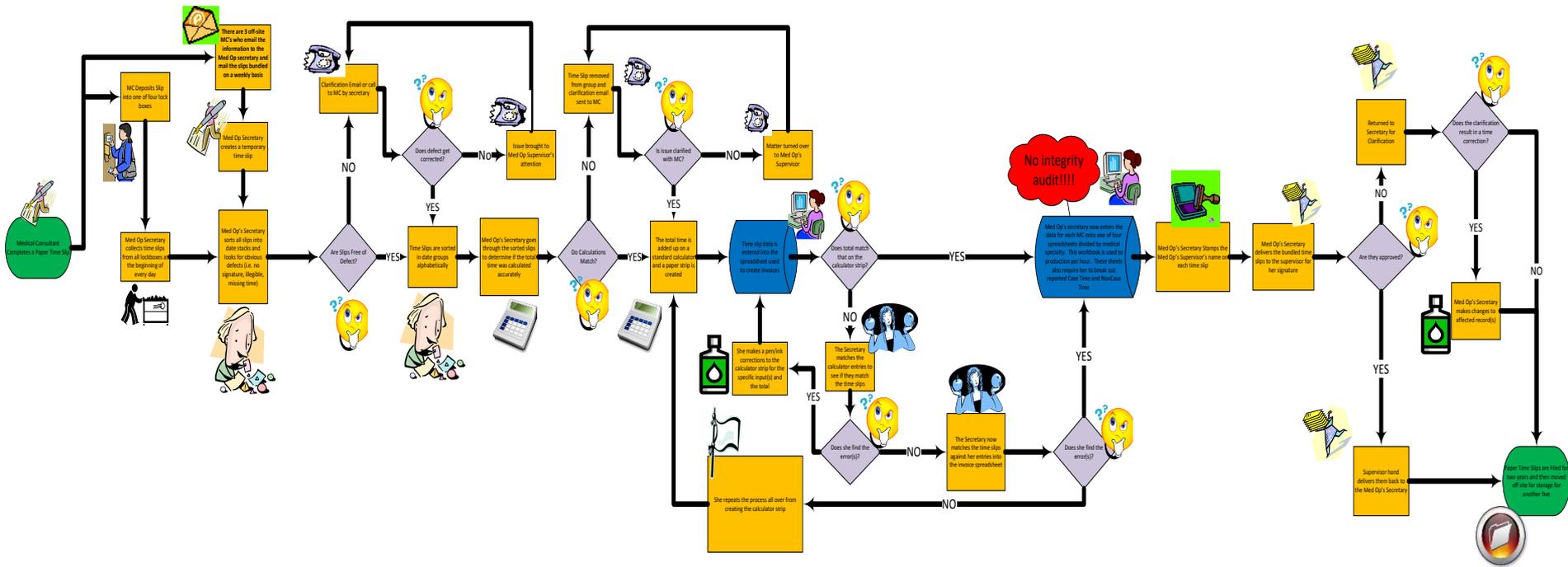
I'm not kidding

10 Fields to Complete and 28 Opportunities for Error

Name & ID #   (1 – 2)
Date: (3 – 5)

Total hours worked
*in units of one-tenth hour (1/10)

IN   (6 – 9)   am/pm
OUT   (10 – 13)   am/pm
TOTAL BREAK (14 – 15)
TOTAL TIME   (16 – 19)

Non-case time
*in units of one-tenth hour (1/10)

ACTIVITY   (20 – 22)

TOTAL NON-CASE TIME   (23 – 25)

Signature   (26 – 27)

Approved by   28

Revised 5/11
RSC-9028

Opportunities for Error at the Time Slip Completion Point

1. "Name & ID" field blank
2. "Name & ID" field illegible
3. "Date" field blank
4. "Date" field illegible
5. "Date" field **obviously** incorrect
6. "In" field blank
7. "In" field illegible
8. "In" field **obviously** incorrect
9. "am/pm" for "In" field not circled
10. "Out" field blank
11. "Out" field illegible
12. "Out" field **obviously** incorrect
13. "am/pm" for "Out" field not circled
14. "Total Break" not in tenths of hour
15. "Total Break" illegible
16. "Total Time" field blank
17. "Total Time" not in tenths of hour
18. "Total Time' field illegible
19. "Total Time" field not correct
20. "Activity" field blank
21. "Activity" field illegible
22. "Activity" field descriptor unsuitable
23. "Total NonCase Time" blank, but activity indicated
24. "Total NonCase Time" filled, but "activity" blank
25. "Total NonCase Time" illegible
26. "Signature" field blank
27. "Signature" in the wrong field
28. "Approved by" field blank

Measure Stage

Failure Mode Effect Analysis (FMEA)
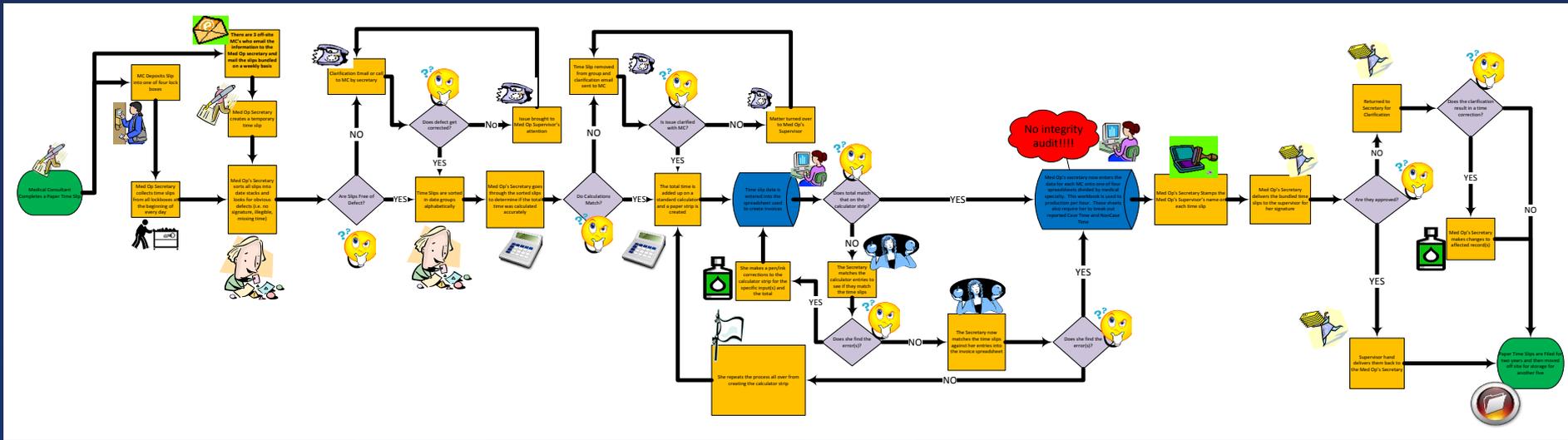
18 steps IF everything goes perfect

43 steps possible WHEN errors occur

Measure Stage

Failure **M**ode **E**ffect **A**nalysis
(FMEA)

← These 11 steps do not change

← These increase with error detection
Decisions can increase from 4 to 14!!
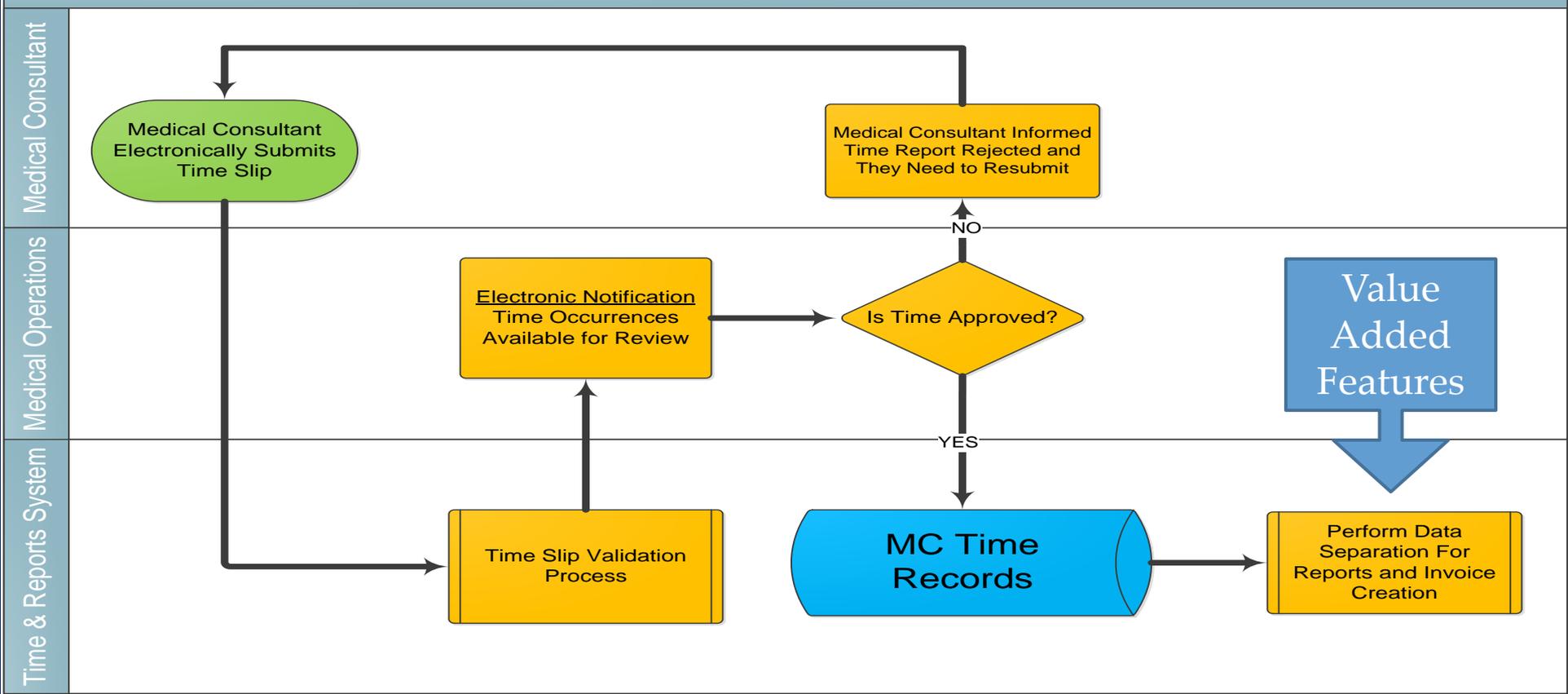
← These additional steps are added

Improve Stage

Brain Storming Sessions
Sticking to the Charter, and the Scope
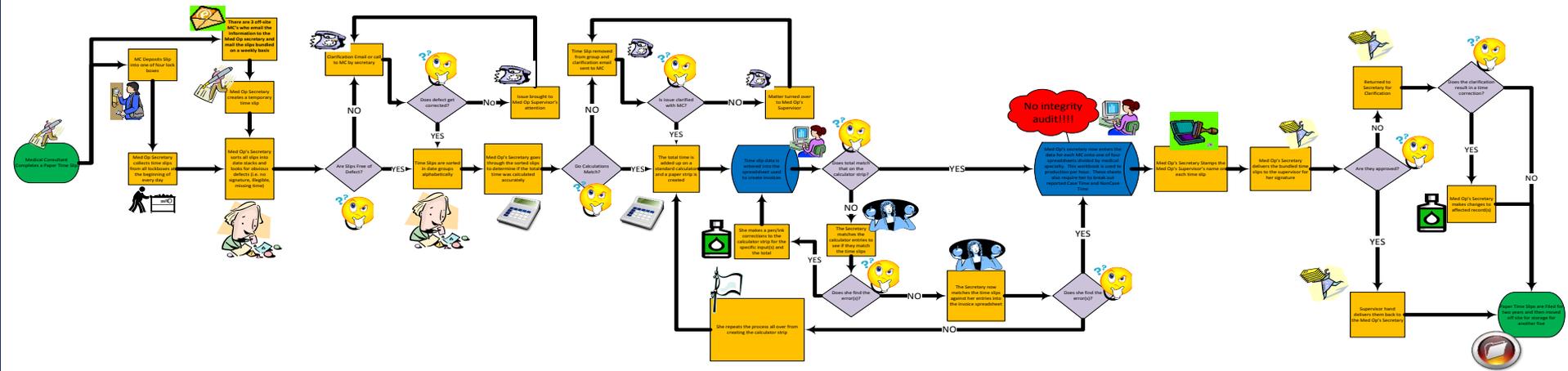
Future State of Medical Contractor Pay Process

Medical Consultant

Medical Consultant Electronically Submits Time Slip

Medical Consultant Informed Time Report Rejected and They Need to Resubmit

Medical Operations

Electronic Notification Time Occurrences Available for Review

Is Time Approved?

— NO

YES

Value Added Features

Time & Reports System

Time Slip Validation Process

MC Time Records

Perform Data Separation For Reports and Invoice Creation
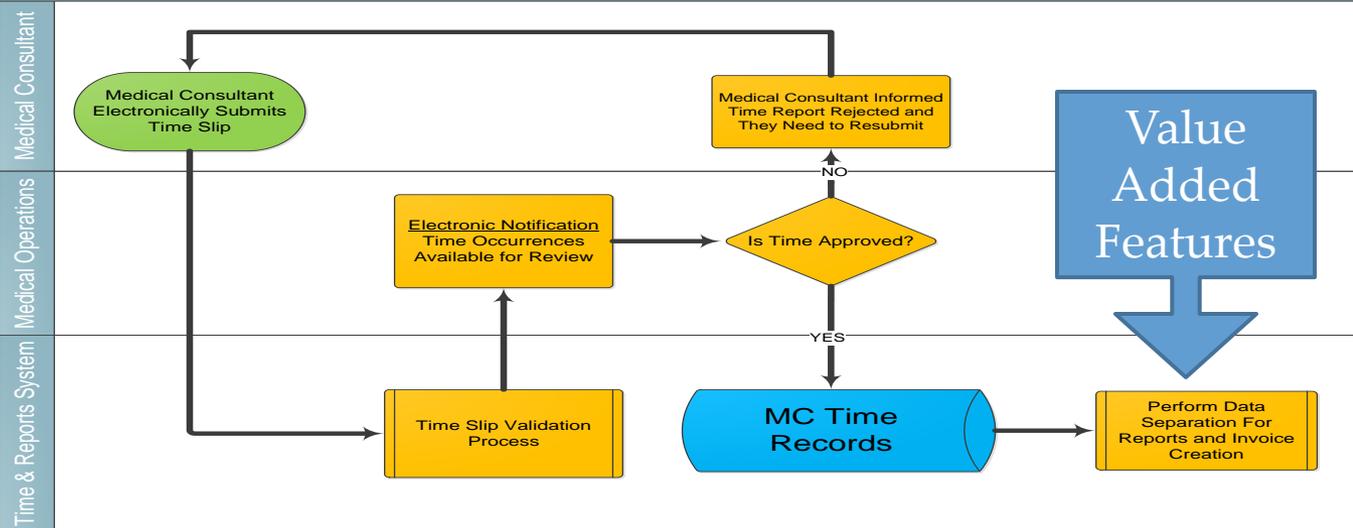
Improve Stage

BEFORE

AFTER

❖No Paper
❖One Decision Point
❖5 – 10 Steps

Future State of Medical Contractor Pay Process

Phase One-- Deliverable Due November 2012

Value Added Features

Control Stage

❑ Measure Progress

❑ Refine Process

❑ Apply Knowledge