



**Bureau of Workers'  
Compensation**

**Kaizen Event Report Out  
Percent Permanent Partial  
February 1-5, 2016**

# How Did We Get Here?

- Currently, BWC processes approximately 26,000 applications per year. The administrative time spent and associated costs to complete this process are large; however, the award amounts is often minimal.
- BWC experiences numerous delays in the C92 processing and exam scheduling requirements for these requests. There may be opportunities to streamline/eliminate unnecessary steps in handling these award types
- 40% of the applications we receive are completed beyond the targeted goal of 180 days for completion.

# Overarching Theme

- To reduce processing time, eliminate duplication, and increase customer satisfaction for the C92/C92A applications by eliminating unnecessary steps and handoffs.

# %PP, Yeah you know me!



SIMPLER. FASTER. BETTER. LESS COSTLY.

**LEAN**Ohio

# %PP, Yeah you know me!

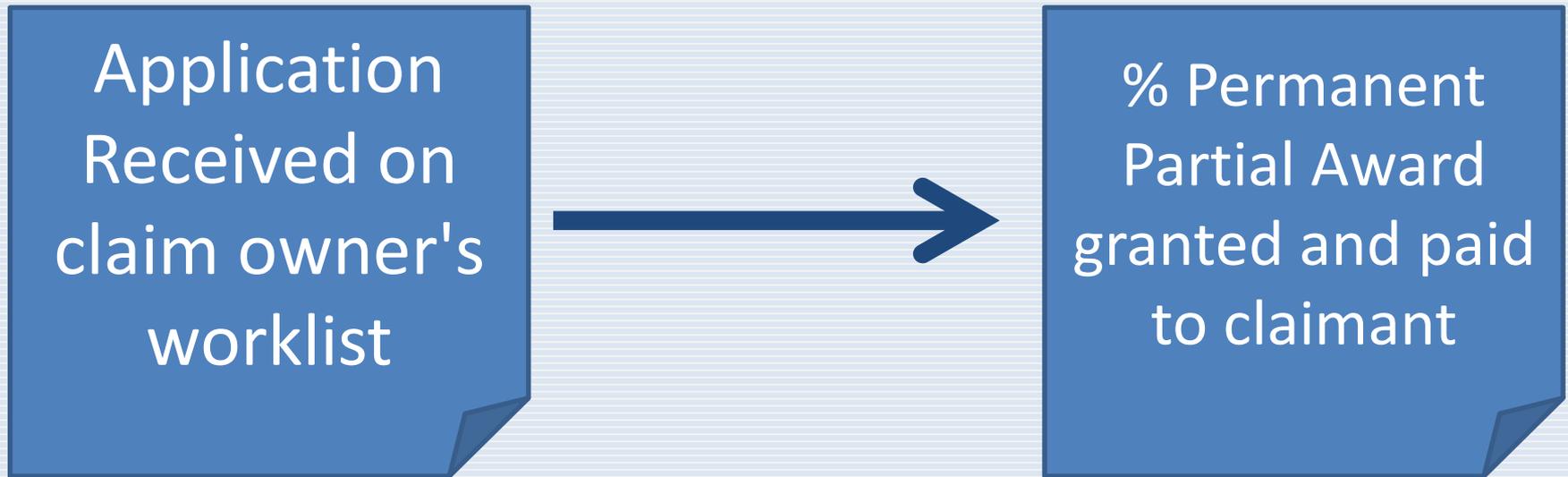
Team Sponsor: Dale Hamilton

Team Facilitators: Jill Stevenson and Scottie Powell

Team Member	Position	Location
Brian Trinckes	Medical Service Specialist	Youngstown Service Office
Shawn Crosby	Business Process Architect	Cincinnati – CORE Team
Jim Lalley	Injury Management Supervisor	Dayton Service Office
Aaron McGraw	Researcher	Wm Green – Field Operations
Megan Gump	Fresh Perspective	ODOT
Amy Hull	Claims Assistant	Mansfield Service Office
Susan Scharthi	Technical Claims Specialist	Wm Green - Claims Policy
Gina Bever	Claims Service Specialist	Dayton Service Office
Janeece Keyes-Shanklin	Technical Medical Specialist	Wm Green – Medical Services
John Koehl	Fraud Analyst	Wm Green - Special Investigations Unit
Jennifer Hjelle	BWC Attorney	Wm Green - BWC Legal
Amy Bryant	Information Supervisor	Cincinnati Service Office
Cynthia Risby	Injury Management Supervisor	Canton Service Office
Therese Gallagher	Service Office Manager	Cleveland Service Office
Vicki Titus	Exam Scheduler	Portsmouth Service Office
Mara Marnocha	Training Officer	Cincinnati Regional Training
Lashonda Thompson-Napier	Claim Service Specialist	Lima Service Office
Caren Steller	Business Analyst	Wm-IT

LeanOhio Facilitators: Meghan Altier and Denae Kotheimer

# Scope of the Event



# Distinct Types of %PP Requests

- Percent Permanent Partial (C92)
  - A certain amount of permanent damage (called residual damage) may remain as a result of the injury. %PP is commonly referred to as a C-92 award approved for residual impairment resulting from an allowed injury or occupational disease according to [ORC 4123.57](#).
- Increase in Percent Permanent Partial (C92A)
  - Claimant is requesting an additional award at such time that the percentage of permanent partial disability has increased over the percentage previously determined.

# Process Improvement Goals

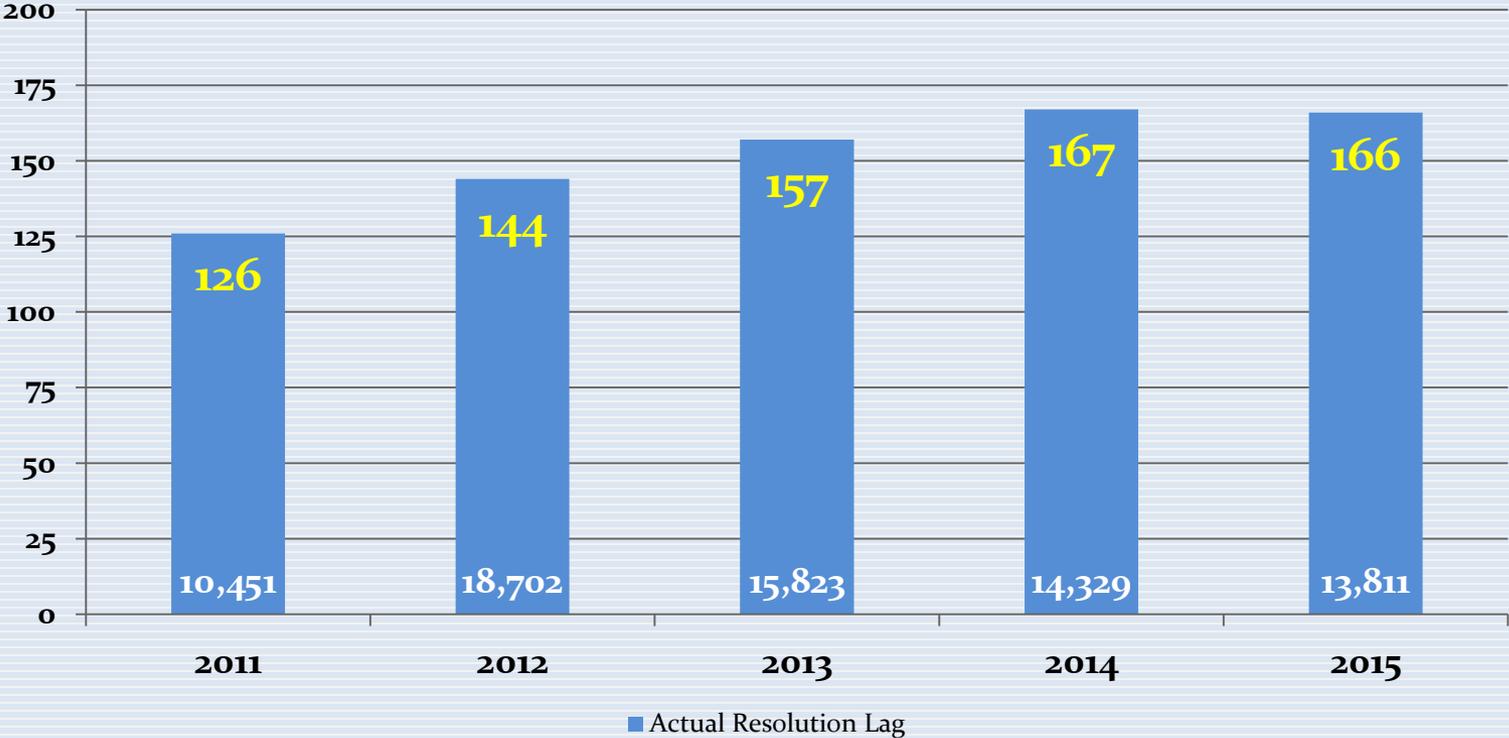
Reduction in application resolution lag-time and no show exams

Reduction in Exams Scheduled by BWC and total exams

Reduction in suspended applications and %PP issues heard at IC

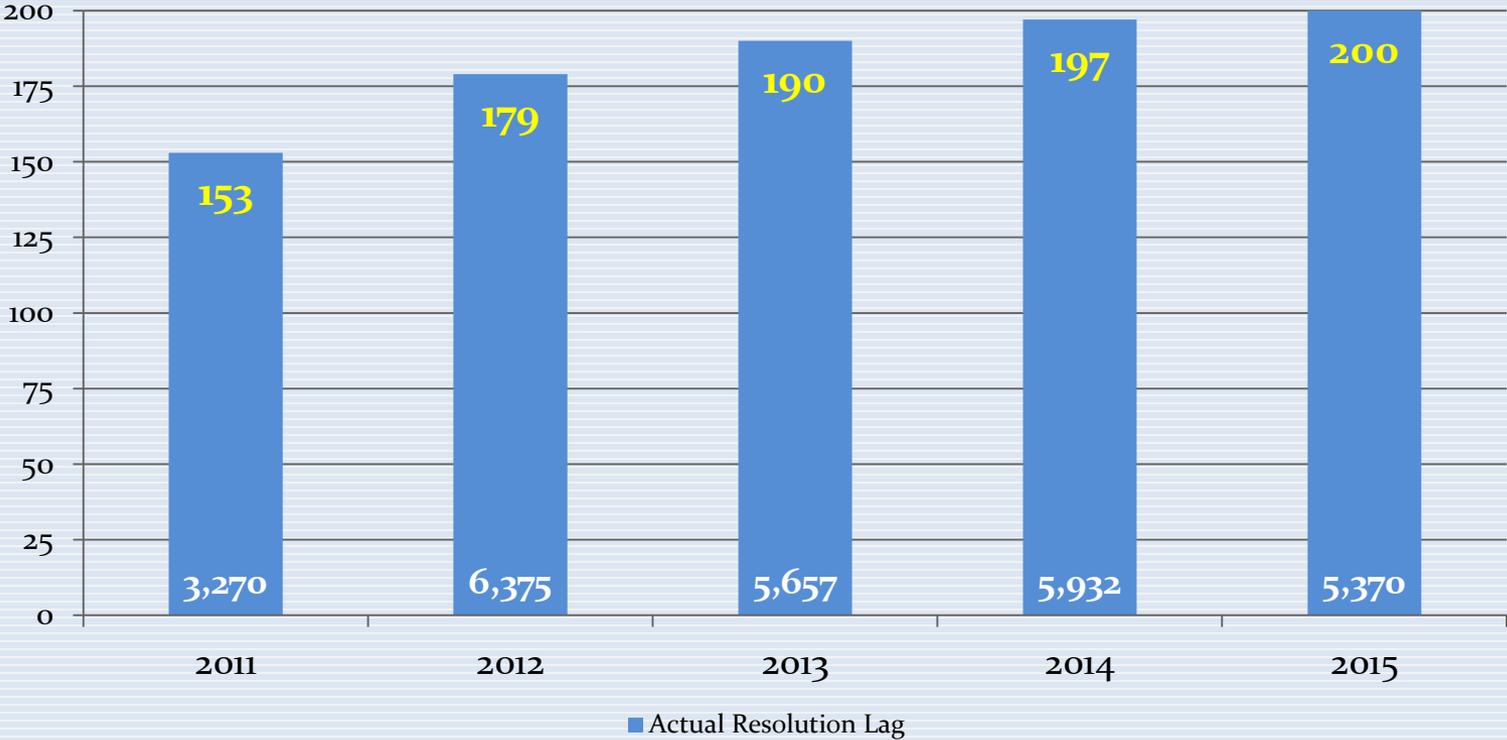
# Timeframes - Average Days

### C92 Average Resolution Lag



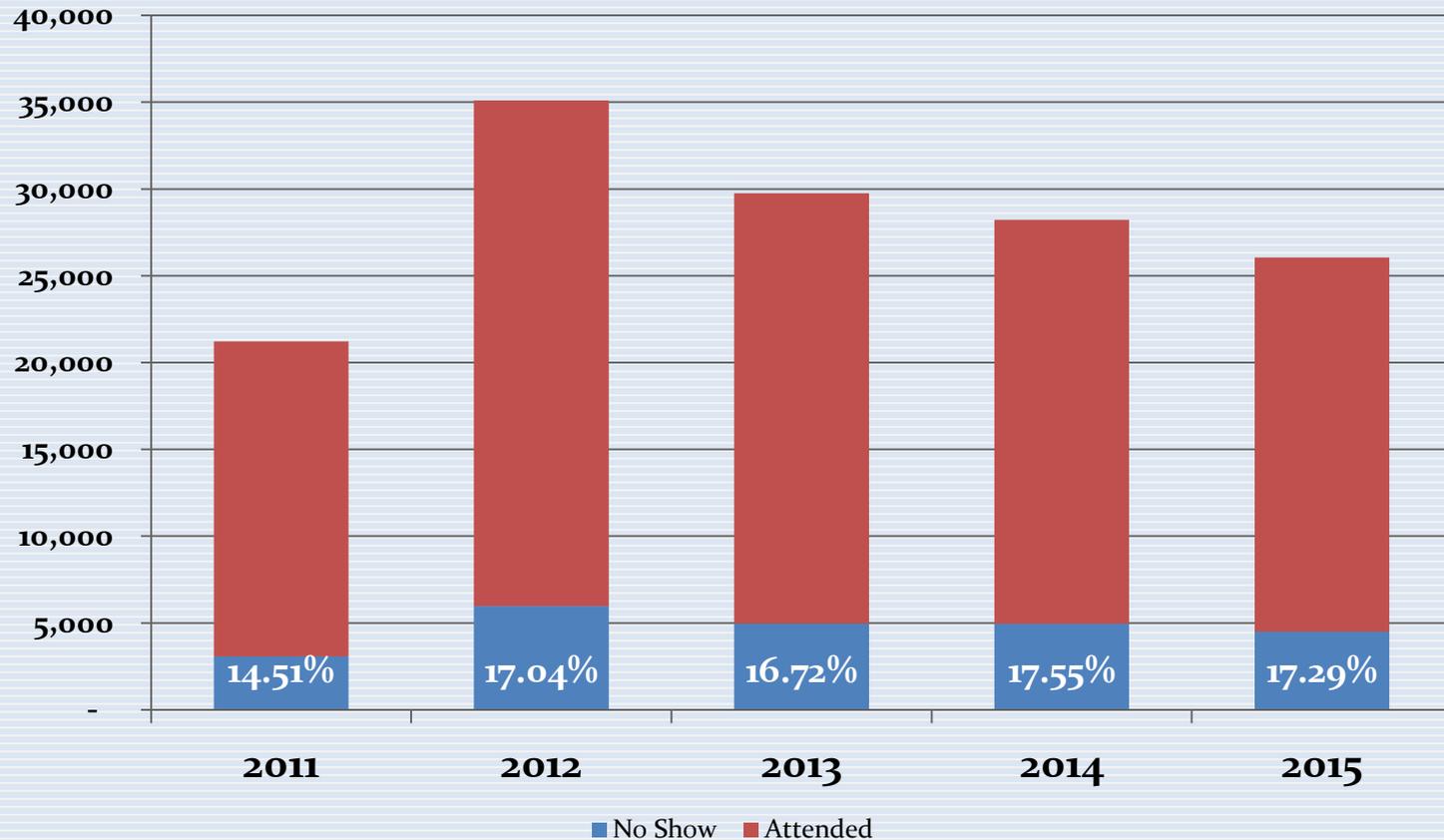
# Timeframes - Average Days

### C92A Average Resolution Lag



# %PP Exam Data

## Exam Attendance by Year



SIMPLER. FASTER. BETTER. LESS COSTLY.

# %PP Exam Data

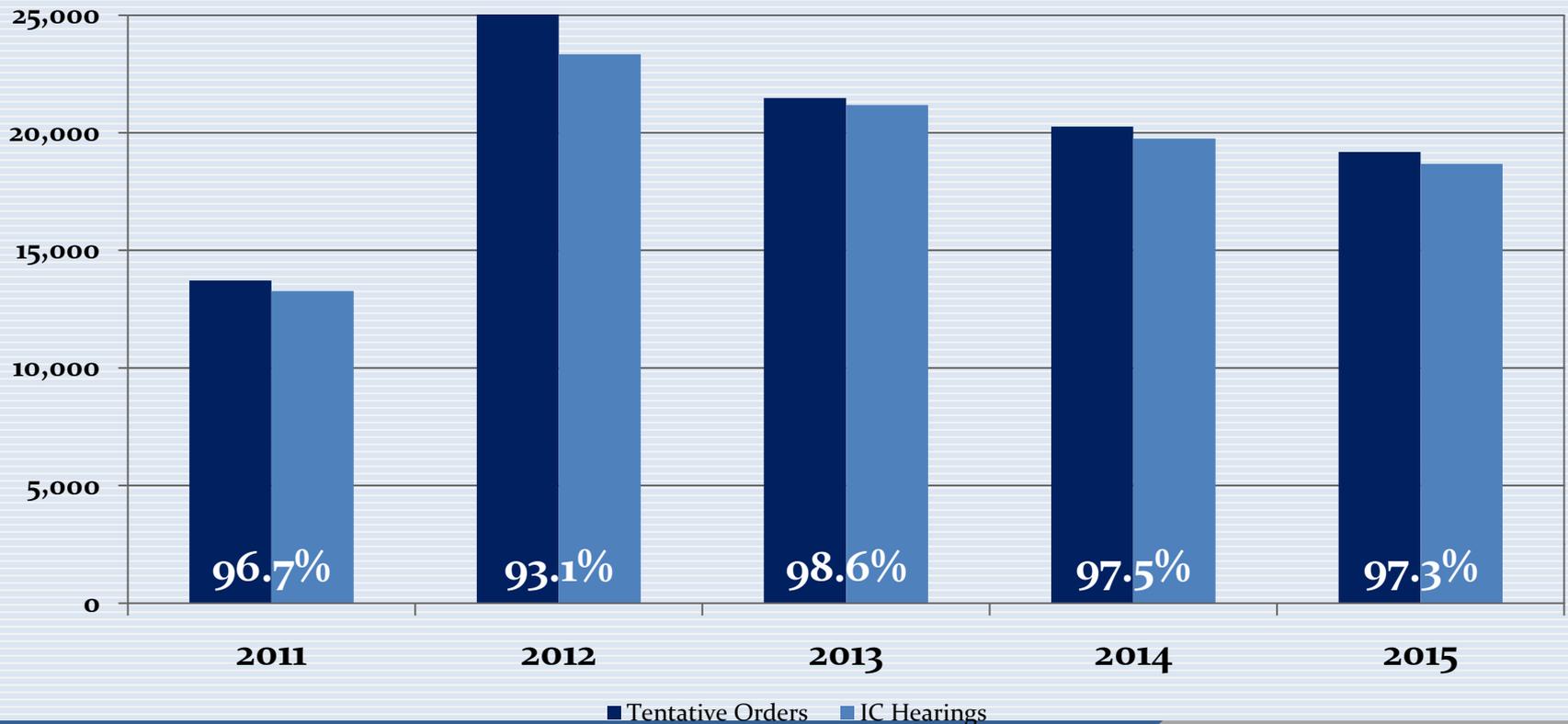
Year	No Show	Attended	Total Billed
2011*	\$62,711	\$3,081,192	\$3,143,903
2012	\$121,925	\$4,945,281	\$5,067,206
2013	\$102,662	\$4,208,617	\$4,311,279
2014	\$105,327	\$3,951,930	\$4,057,257
2015**	\$97,091	\$3,662,059	\$3,759,150
<b>Total</b>	<b>\$489,716</b>	<b>\$19,849,078</b>	<b>\$20,338,795</b>

\*Partial data due to new billing system implemented in 2011

\*\*Many exam bills not yet received for services performed in 2015

# Objections to %PP Data

## BWC Tentative Orders & IC Hearing Data



# To Break for the Better

- Customer focused
- Right people changing the process
- One week-quick and action oriented
- Necessary resources available immediately
- New process implementation plans begin Monday

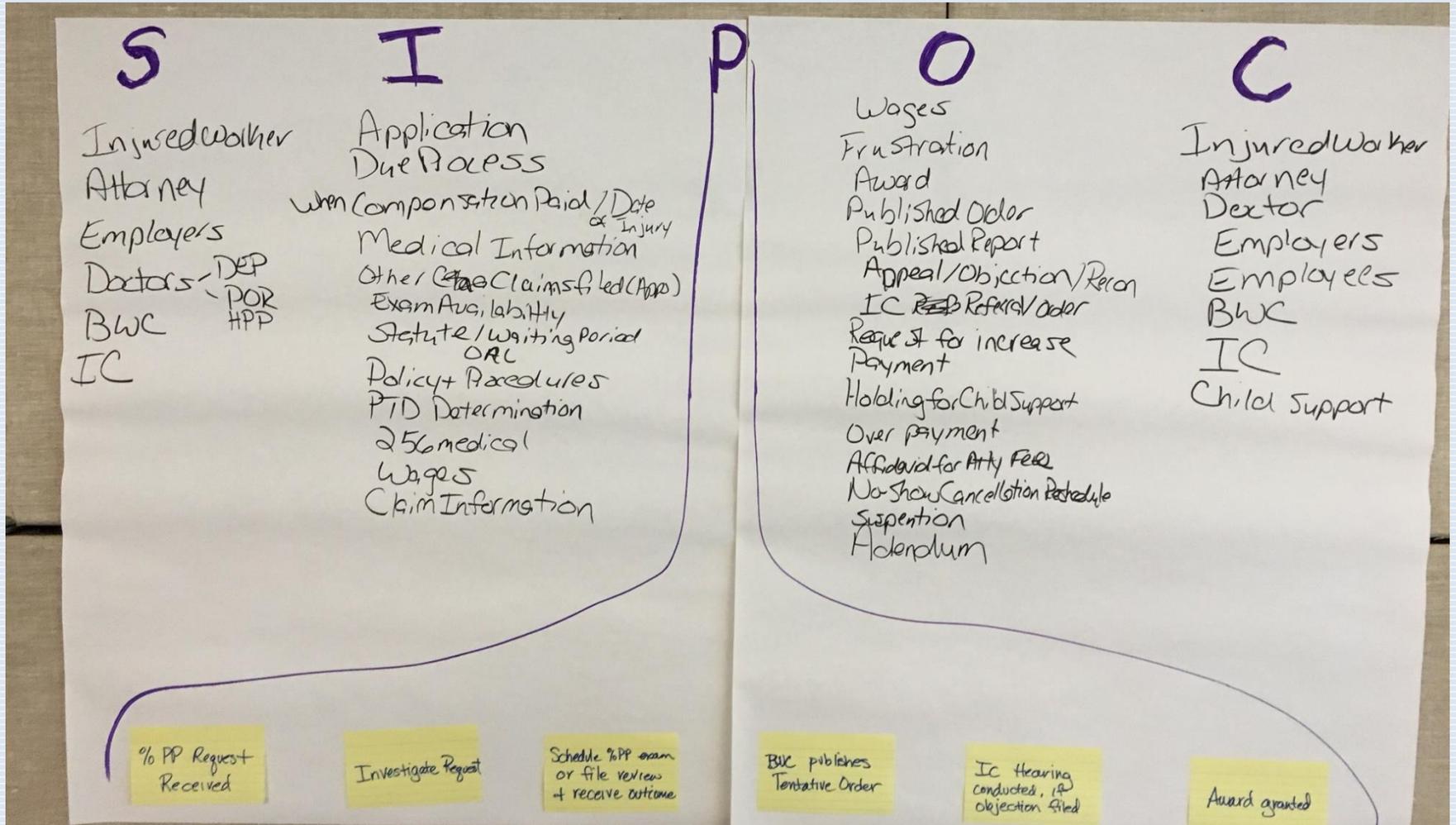


# Day One



- Level Setting
- Scope of Event
- Stakeholder Identification
- Current State Mapping

# SIPOC



SIMPLER. FASTER. BETTER. LESS COSTLY.

LEAN Ohio

# Day Two



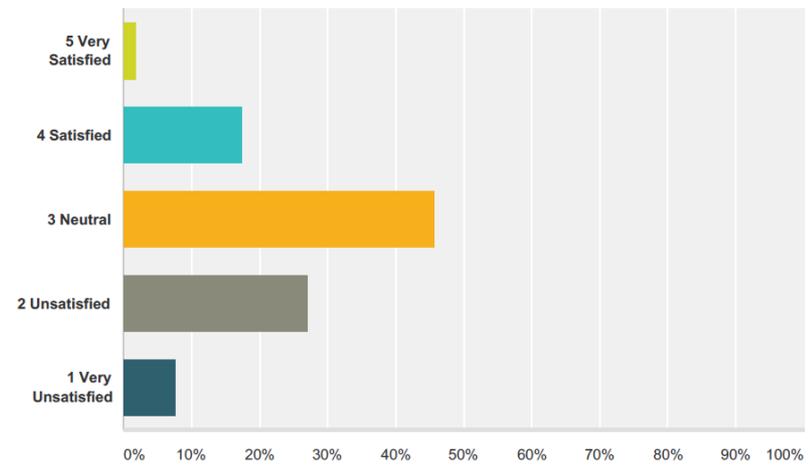
- Finish Current State Mapping
- Waste Identification
- Value Added Discussion
- Lean Six Sigma Training

BWC Employee Survey with an over 50% response rate

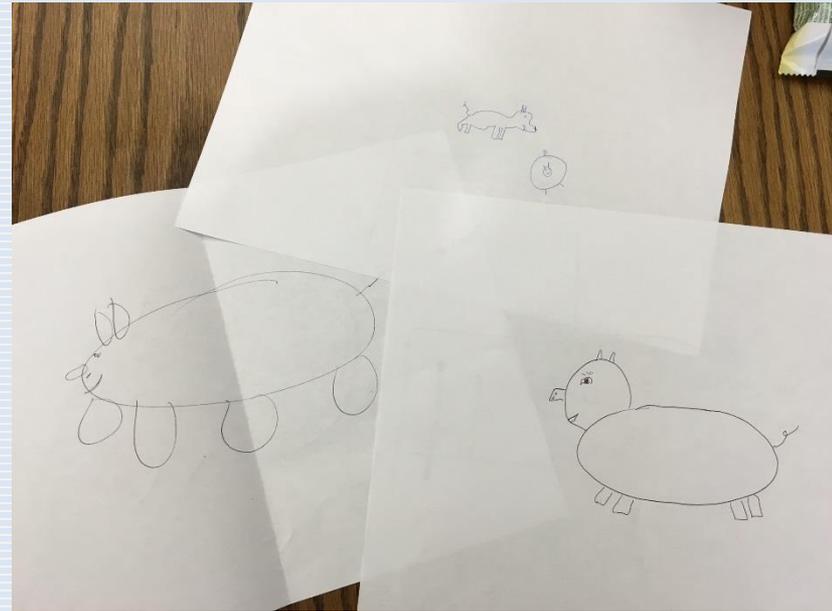
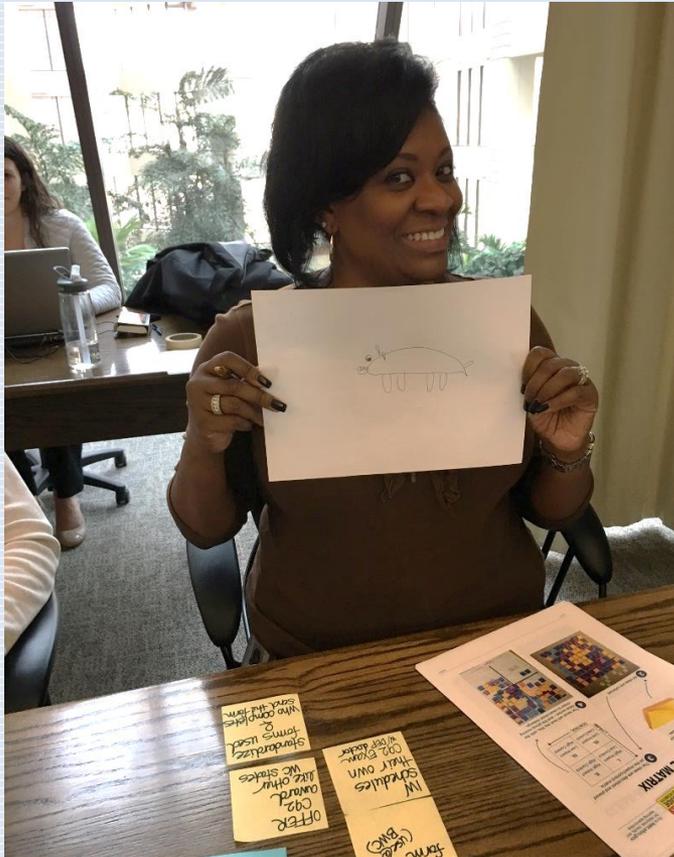
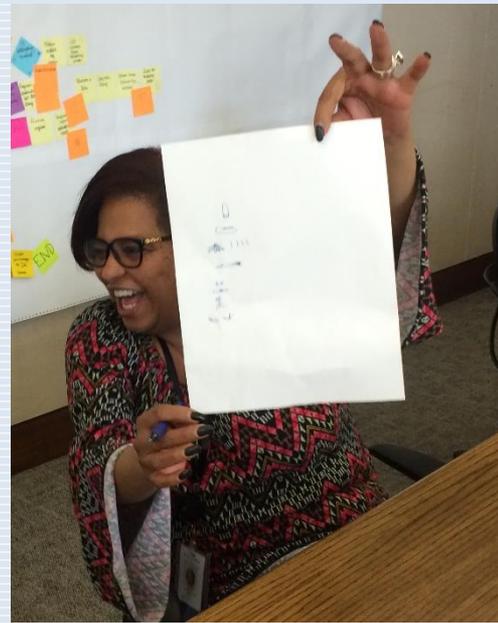
SIMPLER. FASTER. BETTER. LESS COSTLY.

Q2 On a scale of 1-5, how satisfied are you with the current %Permanent Partial process?

Answered: 103 Skipped: 0



# Quest for Standardization



SIMPLER. FASTER. BETTER. LESS COSTLY.

**LEAN**Ohio



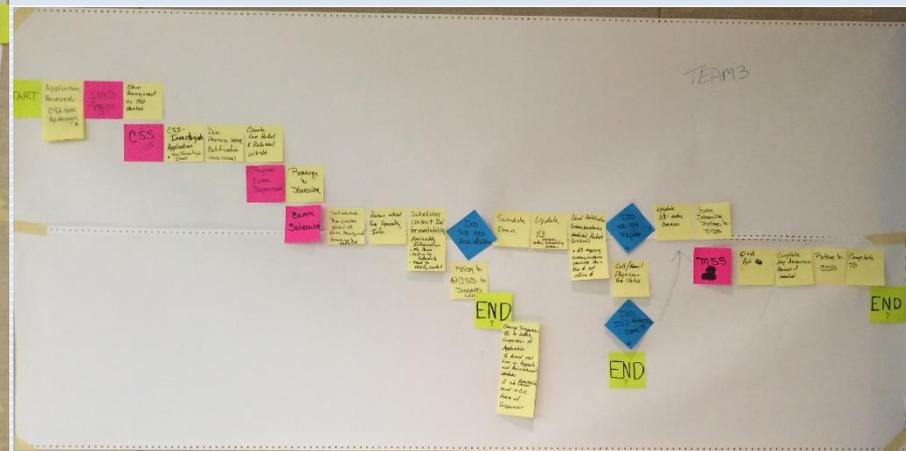
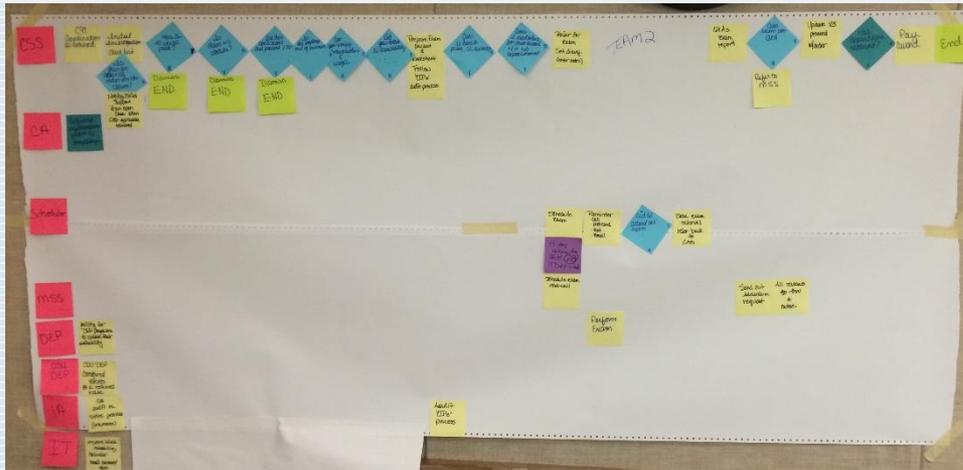
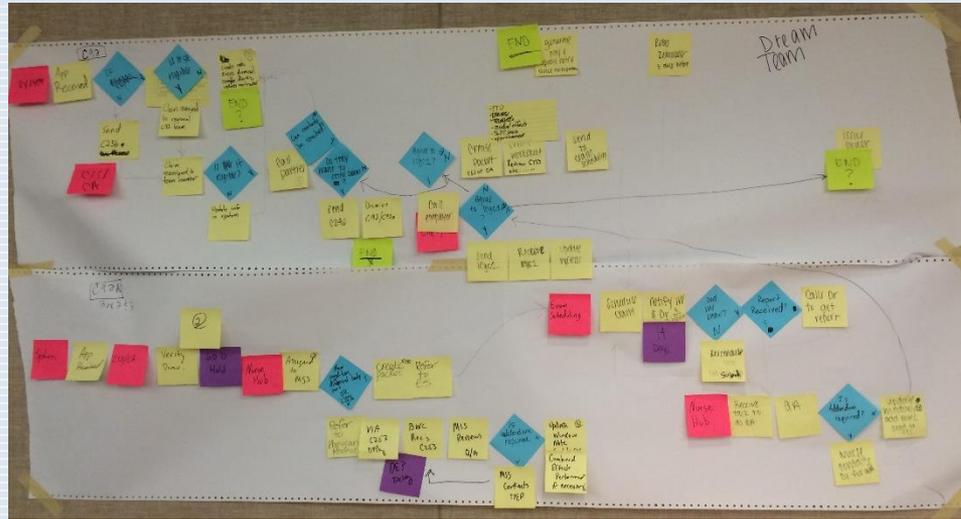
# Day Three

-Clean Sheet  
Redesign  
-Future State

SIMPLER. FASTER. BETTER. LESS COSTLY.

LEANOhio

# Clean Sheet Redesign



SIMPLER. FASTER. BETTER. LESS COSTLY.

LEANOhio

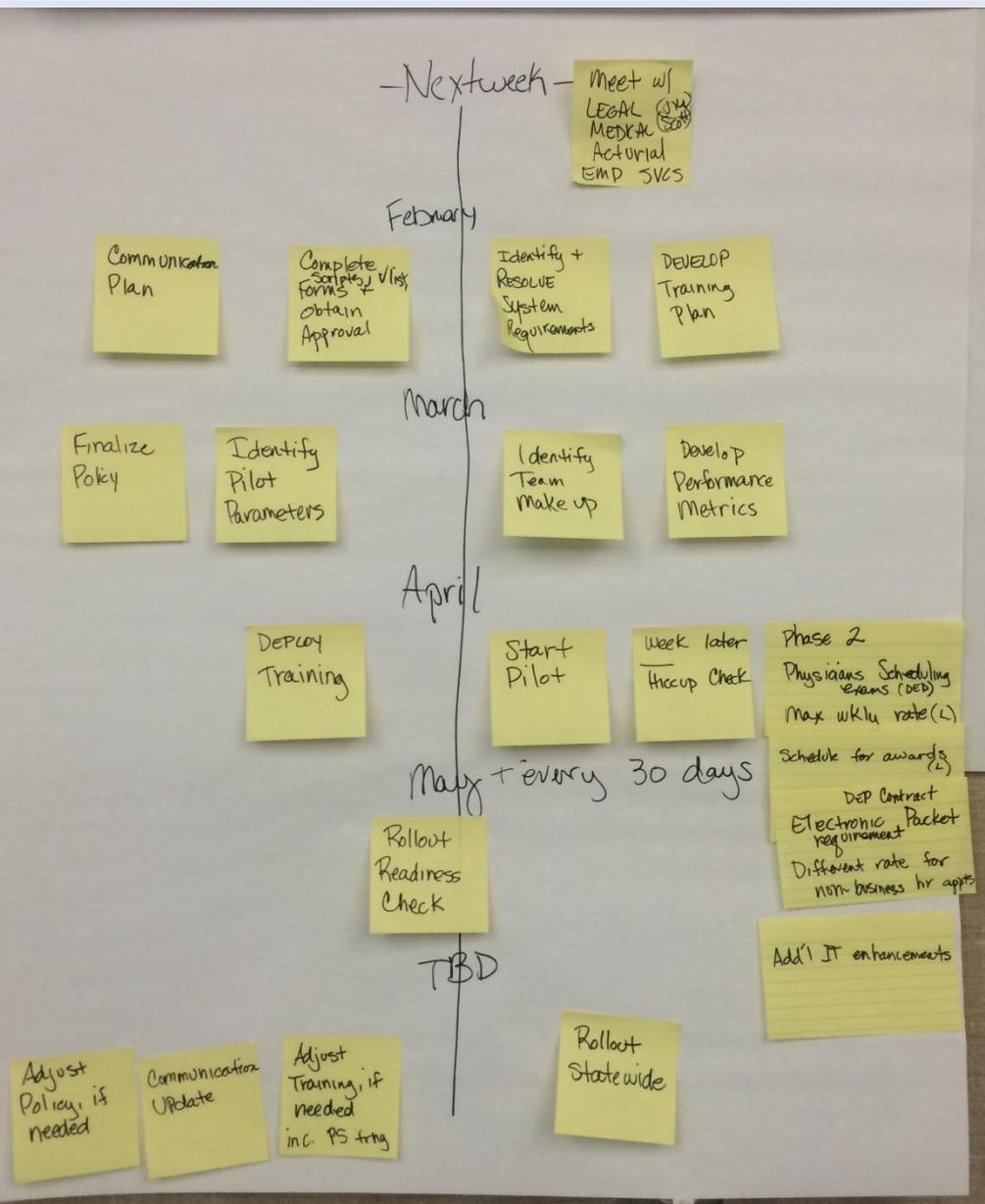
# Day Four

- Consensus of Future State Process
- Implementation Planning
- Details

SIMPLER. FASTER. BETTER. LESS COSTLY.

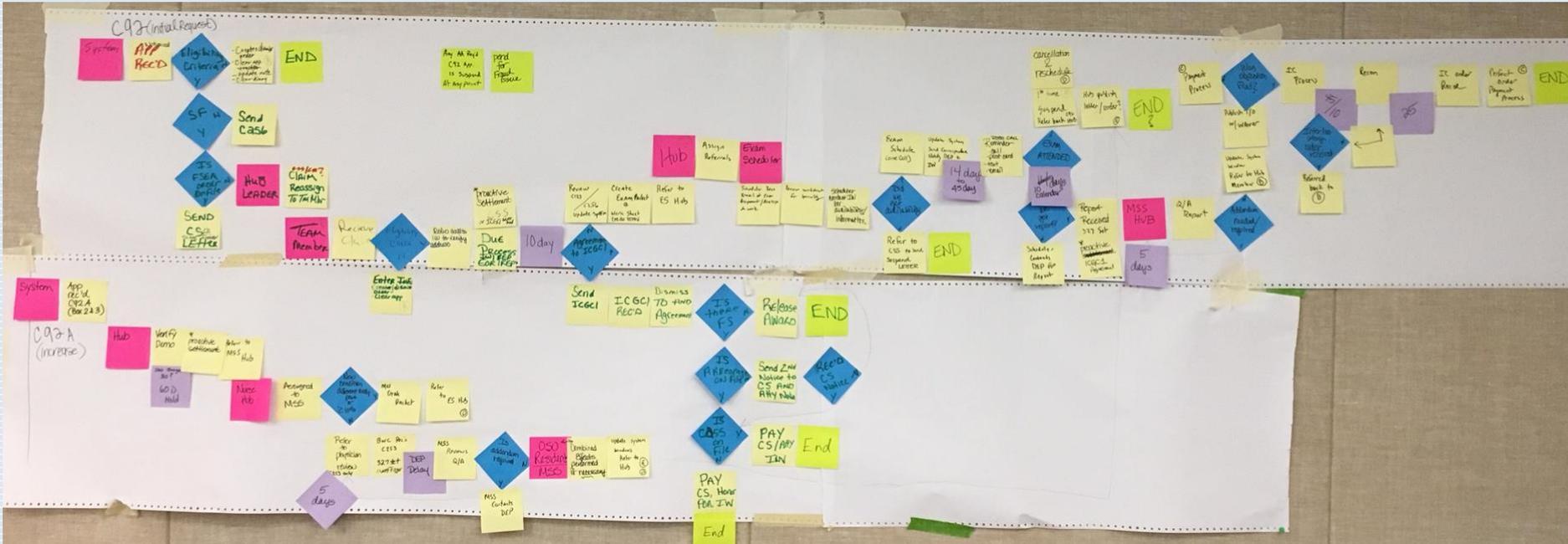
LEANOhio

# Today: Timeline Tree



- More Implementation Planning
- Celebration
- Sharing the Results

# Future State



# Comparison of Process Maps



	Current State	Future
Process Steps	199	77
Decisions	56	19

SIMPLER. FASTER. BETTER. LESS COSTLY.

# Simpler

- Reduced loopbacks
- Redesigned application and forms
- Regional Settlement C92 Team will lead to specialization and better utilization of staff
- Right people doing right part of the process
- Reduction in no shows
- Less correspondence

# Faster

- Injured Employees will receive payments faster
- Less burden on the Industrial Commission leading to faster decisions on other issues
- Faster scheduling
- Decrease processing of timeframes
- Less days for family support process

# Better

- Better communication with injured workers
- Better/smaller packets to Disability Evaluation Panel (DEP)
- Fewer built-in delays
- Fewer wrong addresses
- Ability to settle up front to save time and money
- Reduce the number of hearings
- Improve customer satisfaction

# Less Costly

Over  
\$500,000  
Cost Savings

Cost Savings

Reduced No shows - projected 10% Reduction  
4730 No show Average  
10% = 473 No show Reduction  
\$75 No show Fee  
 $\$75. \times 473 =$  **\$35,475**

Combined Effects pushed to Nurses - All  
770 Combined Effects  
\$22.50 Fee  
 $770 \times 22.50 =$  **\$17,325**

Requiring less Exams  
26000 Exams per year  
10% = 2600 Exams Reduced  
\$195.25 cost per Exam  
 $195.25 \times 2600 =$  **\$497,250**

Less Correspondence / Exam Notifications  
2600 Less Exams (2 pages ec.)  
sent to 4 people per Exam  
printing  $2600 \times 4 \times 2 \times .025 =$  **\$520**  
postage  $2600 \times 4 \times .39 =$  **\$4,056**

Addendum Reduction - Projected 10% Reduction  
2600 Less exams (10% of which need addendums)  
10% Reduction = 260 Less addendums  
\$33.75 Fee per addendum for 1.5 units billed  
 $33.75 \times 260 =$  **\$8,775**

**total cost savings = \$573,401**

# Summary Scorecard

Measure	Current Level	NEW	Change
Process Steps	199	77	<b>61%</b>
Decision Points	56	19	<b>66%</b>
Loopbacks	12	2	<b>83%</b>
Delay	34	9	<b>74%</b>
Process Lead Time	36-280 Days	14-246 days	<b>12-61%</b>

# Implementation Plans

- Scheduling/Training
- C92 Team
- Data
- IT Needs
- Policy
- Legislative Recommendations
- Forms

# Scheduling/Training

WHAT	WHO	WHEN
elm DEP's about Statewide Block Scheduling *specialty exception Weekends & evenings	Janece/D&P unit Deb K	2 weeks *Monday discussions beg
Train Exam Scheduler to schedule on phone / reschedule at point of cancellation	Date # Therese/SOMs	2 weeks
E-mail notice to DEP when provider cancels/no report rec'd	Therese/SOMs	2 weeks
Reminder/Robo call	Caren/IT	3 months
Discuss DEP provided reminder calls	Janece/D&P	2 weeks
No show audit	Janece/D&P	2 weeks
Procedures for documenting No shows	Therese	2 weeks
I.D. Packet contents	Training?	1 week
DEP avail. list on CORE ran daily	Mike K.	Monday

What	Who	When	Audience	Mode
1 Training of Reg. Settlement team	Training	Pilot-1mo	Ken Brown's team	Classroom
2 Combined effects	Dr. Ananya		MSS/IMS	Classroom
3 RAW CSR	Dale		RAW CSR/IMS/FRAND Clerks/Info sup.	e-mail class
4 Scheduling	Training		DEP	e-mail
5 DEP avail	Janece		ES/MS/supv	e-mail
6 DEP list	Janece		employer/IR/ IR/reps	WEB e-mail/ letter
7 Employer keeps Notice of redesign	Comm		DEP/	e-mail
8 C253	Janece		DEP	e-mail
9 %PPD exam report	DEP Janece		DEP	e-mail
10 EM resource update	Steve Dyer		ESS Staff/ EMS	e-mail/ monthly vid con

SIMPLER. FASTER. BETTER. LESS COSTLY.

LEAN Ohio

# C92 Team

- Regional Teams to conduct the C92 process

Team Structure Action Registry

WHAT	WHO	WHEN
Build C92 team in V3	vic	By 3/17/16
CAS will handle all C92s (minus pymt) LONG TERM	Soms	∞
Send counts to Soms	Jiu	By 2/19/16
Identify Schedulers to handle C92	Valerie → Soms	By 3/1/16
CSO Authority for Schedulers	JIMMIE Jim	By 3/10/16
Update Worklist Access to Reg Team	Vic Doyle	By 3/10/16
Identify System Logistics	PCOM	By 2/12/16
Identify RAW to join team	Som	By 3/10/16

Paperless

# Data and IT Team

Data  
Scheduling timeframes improve  
Processing Days Decrease  
#LSS increase  
# exams decreases ↓ \$ ↓  
# no shows ↓ \$ ↓  
# hearings ↓ (appeals)  
{ All other apps' timeframes improve  
{ Better RAN outcomes  
IMPE updated  
Increase in Customer Satisfaction  
# DAYS FROM APP FILED TO PAYMENT  
\$ ↓ to \$ of cost of combined effects  
LESS ADDENDUMS \$  
# BWC "doctypes" Agreements filed  
\* Decrease Correspondence + Admin time  
# Days PMIT TO FINAL RELEASE (FSEA)  
Current inventory  
During CAZ lifecycle, how often is something else requiring action.

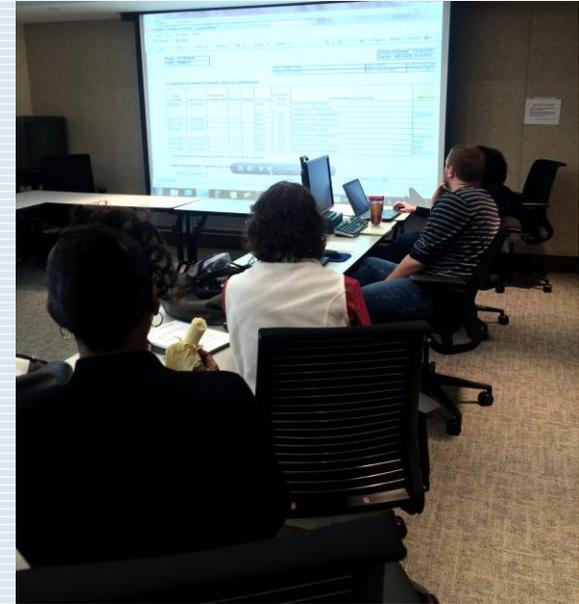
What	Who	When	Audience
			IT TEAM
			• Robo Calls
			• Text Abilities
			• Improve Block Scheduling from Outlook to something Web-based
			• Email option for multiple packets
			• Better method of getting the letter and packets into an Adobe file
			• <del>Fix the 328</del> Diary to notify us that the <sup>Scheduler</sup> Med Warn or CAZ exam has been received
			• C253 indexed = diary to nurse
			• Direct upload of Reports: docs into claim from the web

SIMPLER. FASTER. BETTER. LESS COSTLY.

LEAN Ohio

# Forms Team

- The team reviewed and revised these forms:
  - Initial Application
  - C123
  - C253
  - C256
  - Exam Referral



# Policy Team

The team worked on these policy items:

- Exam Packet Guidelines
- Initial Investigation Checklist
- CSS/CA talking points when speaking to injured worker
- Created Robo Call Script
- Settlement Script

# Legislative Recommendations

- Pay at statewide max for %PP
- Dismiss if can't locate Injured Worker (IW)
- Pay flat rate based on body part
- Dismiss after no shows
- Additional condition pending → suspend (field ops directive)
- Reduce/eliminate 60 day hold
- Suspend if fraud is pending
- Eliminate C92s all together
- Review rather than scheduling exam mandate
- Make SI process their own applications
- Charge Injured Worker/Attorney for no shows
- Doctor/Agent scheduling exams
- Notary
- Change Tentative Order to letter

# Special *thanks* to...

## **Senior Leadership:**

- Stephen Buehrer, Administrator/CEO

## **Sponsor:**

- Dale Hamilton, Chief Operating Officer

## **Subject Matter Expert:**

- Tom Connor, Hearings Services Director, Industrial Commission
- Deb Kroninger, Chief of Medical Operations
- Kim Hartman, Director of Operations Policy

## **Lean Liaison**

- Mike Lucid, Bureau of Workers' Compensation

# Fact Sheet



## LeanOhio Kaizen Event Fact Sheet Ohio Bureau of Workers' Compensation

**Issue:** BWC was experiencing numerous delays in the C92 processing and exam scheduling requirements for these requests. At the time of the Kaizen event, 40% of the applications were being completed beyond the targeted goal of 180 days for completion. There were opportunities to eliminate unnecessary steps in handling these award types.

Department	Changes to Process	Metrics	As a Result
Ohio Bureau of Workers' Compensation Percent Permanent Partial February 1-5, 2016	Reduced steps from 199 to 77 (61% reduction) Reduced decision points from 48 to 12 (75% reduction) New process will greatly reduce loopbacks, decisions, and touch time	Percent Permanent Partial process timeline will be reduced from 36-280 days to 14-246 days when improvements are implemented Potential savings of \$563,401 per year when improvements are implemented -- from 10% fewer exams, 10% reduction in exam no-show rate, paper/postage savings, etc.	Injured workers will be able to receive compensation sooner through upfront agreements, and through quicker processing done by dedicated regional teams

Major Improvement	How it was accomplished
Faster resolutions of the Percent Permanent Partial Process	The introduction of proactive settlements earlier in the Percent Permanent Partial process will lead to early resolutions
Reduction in the number of people who don't show up for medical exams	Better communication with injured workers: scheduling appointments as soon as contact is made with the injured worker, followed by <del>rob</del> call reminders of appointments
Better use of BWC staff	Introduction of the Percent Permanent Partial regional team to process applications, to ensure that the right individual is conducting the appropriate work
Less rework and errors in the process	Redesigned forms to make the process easier and more customer-focused

Current-State Process Map



Future-State Process Map



**Team members:** Brian ~~Trinckes~~, Shawn Crosby, Jim ~~Lalley~~, Megan Gump, ~~Janece Keyes-Shanklin~~, Aaron McGraw, Amy Hull, Susan ~~Scharthi~~, ~~Gina Bever~~, John ~~Koehl~~, Jennifer ~~Hjelle~~, Amy Bryant, Cynthia ~~Risby~~, Therese Gallagher, Caren Steller, Vicki Titus, Mara ~~Marnocha~~, and ~~Lashonda~~ Thompson-Napier

For more information, visit [lean.ohio.gov](http://lean.ohio.gov) or contact Jill Stevenson (614-752-4468, [Jill.S.12@bwc.state.oh.us](mailto:Jill.S.12@bwc.state.oh.us)) or Scottie Powell (614-728-6125, [Scottie.P.1@bwc.state.oh.us](mailto:Scottie.P.1@bwc.state.oh.us))

[Click here to download the fact sheet](#)