Department of Insurance
Kaizen Event Report Out

Licensing Division
March 29, 2013
License Sea Turtles
The Team

- Michelle Rafeld
- Karen Vourvopoulos
- Jacque West
- Patty Black
- Jennifer Bennett
- Holly Keeler
- Sanna Lowe
- Mary Ellen Mazak
- Mugsy Reynolds
- Geoff Dutton, Ohio Department of Public Safety
Stakeholders

- ODI Licensing Staff
- Applicants for an Ohio Insurance License
- Licensed Insurance Agents and Agencies
- Insurance Companies
- Industry Associations
- Education Providers
- Prometric, ODI’s Examination & Education Vendor
- General Public
- Other State Department of Insurance Licensing Divisions
Background

The Ohio Department of Insurance (ODI) Licensing Division (Licensing) receives approximately 30,000 initial license applications from potential candidates. As the result of a license renewal mandate implemented in 2011, the Division additionally processed over 133,800 renewal application in a two year period. The Licensing Division strives to ensure the licensure process is as efficient as possible so new agents are able to quickly enter the market place and begin assisting Ohio consumers.
Scope of Event

**Beginning Step:** Applicants, agents, and pre-licensing education providers submit initial and renewal applications to the Department for consideration.

**Final Step:** The Department issues a decision to the initial or renewal application.

**Overarching Theme:** reduce backlogs, shorten processing time, and improve efficiencies while maintaining high quality, consistent, and accurate customer service levels.
Out of Scope

The basis for transformation is improving the process with...

- 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
Project Goals

- Reduce need for assistance from temporary help from other departments, and eliminate overtime.
- Eliminate backlog of applications, service requests and documents to be scanned.
- Streamline business processes.
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

Team-based energy and creativity drives immediate process improvement

<table>
<thead>
<tr>
<th>DAY 1</th>
<th>DAY 2</th>
<th>DAY 3</th>
<th>DAY 4</th>
<th>DAY 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Day of Learning and Level Setting: Getting everyone on the same page</td>
<td>Day of Discovery: Making the invisible visible</td>
<td>Day of Improvement: Creating the new process</td>
<td>Day of Design: Implementation &amp; action planning</td>
<td>Day of Fine Tuning and Communication: Celebration &amp; sharing results</td>
</tr>
</tbody>
</table>

At the end of the week, the Kaizen team has designed dramatic operational improvements and plans for 30-60-90-day follow-ups
## Baseline Data

<table>
<thead>
<tr>
<th>Customer Data</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing License Holders (as of 3/8/13)</td>
<td>205,000</td>
</tr>
<tr>
<td>Applicants for Licensure (Annually)</td>
<td>30,000</td>
</tr>
<tr>
<td>Insurance Companies</td>
<td>1,700</td>
</tr>
<tr>
<td>Education Providers (as of 3/8/13)</td>
<td>478</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Incoming Items within last 12 months</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Applications</td>
<td>33,039</td>
</tr>
<tr>
<td>Renewal Applications</td>
<td>79,931</td>
</tr>
<tr>
<td>Address Changes</td>
<td>5,650</td>
</tr>
<tr>
<td>Calls per year</td>
<td>84,000</td>
</tr>
</tbody>
</table>
Voice of Customer

Customer Focus Group
Customer Survey Results
Voice of Customer: Customer Surveys

<table>
<thead>
<tr>
<th>Experience</th>
<th>Rating</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Satisfied</td>
<td>53.4%</td>
<td>31</td>
</tr>
<tr>
<td>Somewhat Satisfied</td>
<td>29.3%</td>
<td>17</td>
</tr>
<tr>
<td>Neither Satisfied</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Very Dissatisfied</td>
<td>5.2%</td>
<td>3</td>
</tr>
<tr>
<td>Somewhat Dissatisfied</td>
<td>1.7%</td>
<td>1</td>
</tr>
<tr>
<td>Neither Dissatisfied</td>
<td>10.3%</td>
<td>6</td>
</tr>
</tbody>
</table>

“They were great and spent the time to email me the steps that I needed to follow to renew my Ohio license. I was able to follow step by step and renewed my Ohio license as a non-resident. Thanks.”
Voice of the Customer

ODI Customer Focus Group

Follow up when application not auto approved

On-line status of License

Great communication about renewal change

Liked the ODI late penalty fee structure

Need consistent contact process: email and letter
High Level Process - SIPOC
Current-State Process Map
Typically 1% of a process is **Value Added**
Review of Standardization
The team brainstormed and evaluated more than 80 improvement ideas!
Top Three Brainstormed Ideas

• Standardized Communication

• Increased Cross Training

• Customer Focused Enhancements to the Website
Clean Sheet Redesign

Team One

Team Two
Future State
Old Process: Two Separate Processes

Individual Applicant: 57 Steps  26 Decisions
Business Entities: 62 Steps  21 Decisions

New Process

42 Steps  19 Decisions

Two Processes

One Process!
# Scorecard - Process

<table>
<thead>
<tr>
<th>Measure</th>
<th>Current Level</th>
<th>NEW</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Process Steps</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual Applicant</td>
<td>57</td>
<td>42</td>
<td>64%</td>
</tr>
<tr>
<td>Business Entity Applicant</td>
<td>62</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Decision Points</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual Applicant</td>
<td>26</td>
<td>19</td>
<td>59%</td>
</tr>
<tr>
<td>Business Entity Applicant</td>
<td>21</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Process Lead Time</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual Applicant</td>
<td>9½ - 97½ Days</td>
<td>1-33½ Days</td>
<td>70%</td>
</tr>
<tr>
<td>Business Entity Applicant</td>
<td>4-18 Days</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Cost Savings

Direct cost savings and person hours deferred
Intangible Results

• License Issued QUICKER to Customer!
• Website Changes
• Centralized Licensee Checklist
• ODIIS Updates (Tickler)
• 30 Day Deadline
• Standardized Letters
• No Certified Letters
• Less Time Spent on the Phone
Action Registers

- Communication
- Backlog
- Training
- Website Suggestions
- Checklists
- Customer Service
# Communication Plan

<table>
<thead>
<tr>
<th>What</th>
<th>Who</th>
<th>When</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Website Redesign</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FAQs [See website redesignreject]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to previous ec transcripts</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>NIPR</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ohio Language Intro</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Changes to list required data</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Appl. Response Language</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Submit) only to</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Dismissed</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>DD</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Approved</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not approved - revisit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Submit changes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Dismissed</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Status Inquiry Response</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Possibly) utilize new script</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Select terms to use</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Train people</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scripts for answering phones</td>
<td></td>
<td></td>
</tr>
<tr>
<td>[Dependent on other items]</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>What</th>
<th>Who</th>
<th>When</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact NIPR</td>
<td>Karen</td>
<td>April 10^th</td>
</tr>
<tr>
<td>Weekly mtg w/ IT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Michelle</td>
<td></td>
<td>April 10^th</td>
</tr>
<tr>
<td>Communicate w/ Licensing Staff</td>
<td>Karen</td>
<td>April 1^st</td>
</tr>
<tr>
<td>- Agents, Agencies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Website, email &amp;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- 1st mtg w/ IT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Checklist for Legal</td>
<td>Karen&amp;Staff</td>
<td>April 1^st</td>
</tr>
<tr>
<td>* Monthly Licensing staff mtg</td>
<td></td>
<td></td>
</tr>
<tr>
<td>* Post changes to Insider (newsletter)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>* Internal Communication</td>
<td></td>
<td></td>
</tr>
<tr>
<td>What</td>
<td>Who</td>
<td>When</td>
</tr>
<tr>
<td>----------------------</td>
<td>-------------</td>
<td>------------</td>
</tr>
<tr>
<td>R/NR on Hold Apps</td>
<td>Jacquie/KV</td>
<td>April 19th</td>
</tr>
<tr>
<td>Initial Pending Apps</td>
<td>Jacquie/KV</td>
<td></td>
</tr>
<tr>
<td>Pre Legal Holds Apps</td>
<td>Jennifer/Jacquie/KV</td>
<td>April 19th</td>
</tr>
<tr>
<td>Pre Legal Pending Apps</td>
<td>Jennifer/Jacquie/KV</td>
<td>April 26th</td>
</tr>
<tr>
<td>Renewals</td>
<td>Jacquie/KV/Anna</td>
<td>April 19th</td>
</tr>
<tr>
<td>Scanning</td>
<td>Jacquie/KV</td>
<td></td>
</tr>
</tbody>
</table>

*Contact applicants w/ deadline & close apps if not rec'd!
*Retain temps & hire staff until up to date.
Training Plan

All Licensing Staff

- New Process
- Cross-Training
- New OD11S Updates
- New Website Training

Licensing Phone Staff

- Phone System Training
- Phone Standards (Etiquette)
- Standard Response Training
- Front Desk Training
- OD11S Training
- Website Training
- Scanning / Indexing / Scanning
- Mail Handling
- Service Request Processing

Legal:

- New License Process ( heltz Appendix)
- Training on accessing Lib. Catalog (continue check Phende)

Internal + External Stakeholders (Agencies/Advocates)

- New License Process
- Website Changes

by 4/15/13
by 5/15/13
by 4/30/13
by 4/5/13
by 5/3/13
Website Suggestions

- Front Page link to instructions on how to apply for a licence
- Licence type page buttons (Renewal)
  - Separate pages: All info + checklist!
- User-friendly: Remove lists
- Focus Group to help design
- Look at other websites: Benchmark (IRS, Kentucky DOT)
- Search Criteria on Agent Locator
  - Change Language, Instructions
  - Enhance - Scroll
- Status of application inquiry
  - CE credit available?
- Credit Card Payment
- Online Service Request
- Website Suggestions Part 2
- Live chat on website
- Electronic surrender form/individuals
- Inactivation form
Checklists

1. Major lines Resident (Initial)
2. Major lines Non-Resident (Initial)
3. TPA (Initial)
4. Viscatical (Initial)
5. TPA (Renewal)
6. Viscatical (Renewal)
7. Title
8. Surety Bail
9. Limited Lines - Initial
10. Limited Lines - Renewal

- Buttons for each Lic. Type/category
- All information about int/renewal/fee/education on pg
- Links to NIPR System on each pg.
- Front page button/link to take applicant right to page.
- Include ability to check license status for applicants

11. Surplus Lines
12. PIA
13. MGA
14. Portable Electronics
15. Reinsurance Intermediary
17. PIAA's
### Customer Service Support

#### ACTION REGISTER

<table>
<thead>
<tr>
<th>What</th>
<th>Who</th>
<th>When</th>
</tr>
</thead>
<tbody>
<tr>
<td>Explore possibility of Emili assisting w/ specific tasks</td>
<td>Michelle</td>
<td>2nd week</td>
</tr>
<tr>
<td>Talk w/ Staff about rotation of phone duty - schedule</td>
<td>Bus unit Suprs</td>
<td>Next week</td>
</tr>
<tr>
<td>Talk w/ Exec about retaining temps to reduce backlog (begining April)</td>
<td>Michelle</td>
<td>Next week</td>
</tr>
<tr>
<td>Discuss w/ Staff about how to redistribute job duties I get input on processes</td>
<td>Bus unit Suprs</td>
<td>April</td>
</tr>
</tbody>
</table>

#### ESTABLISH CUSTOMER SERVICE SUPPORT TEAM

- **Would handle:**
  - Incoming Telephone Calls/Voicemail MSGs/Emails
  - Open/Distribute Mail
  - Service Requests
  - Address changes/Electronic letters/License renewals
  - Business Entity changes (CNs)
  - Prepping Documents/Scanning Documents/ Indexing
  - Returned Mail
  - OD11S Updates
  - Handle Faxes
  - Input Paper Applications
  - Monthly Mailings
  - Front Desk Coverage
  - SITFE Alerts
  - Entering of non-electronic submission of prepaying items
  - Public Record Requests
What begins Monday?

- Communication with Licensing Staff
- Checklist Provided to Legal
- Customer Service Focus
Improvement Summary

Current Key Issues
• Decreased application processing time
• Reduced backlog and follow-up phone calls
• Improved communications

How We Fixed It
• Designated phone/customer service staff to allow examiners to concentrate on completing applications
• Issuing an initial checklist email requesting missing information, establishing a deadline for requested information and creating a tickler system
• Standardized communications
Life as a Member of a Kaizen Event Team...
Special THANKS to...

**Senior Leadership:**
Jillian Froment, Deputy Director

**Sponsor:**
Tynesia Dorsey, Chief Administrative Officer
Steve Martindale, Chief Regulatory Officer
Michelle Rafeld, Assistant Director, Fraud, Enforcement & Licensing

**Team Leader:**
Karen Vourvopoulus, Chief, ODI Licensing Division
Jacque West, Assistant Chief, ODI Licensing Division

**Subject Matter Experts:**
Tina Chubb, IT, LeAnn Sanderson, IT, Vadim Koganor, IT, Robert Morgan, IT, Fred Schoen, IT, Darcy Moulin, Legal David Barney, Enforcement, Diane Wiggins, Fiscal, Emili Lewis, Human Resources, Chris Brock, Communications
Joya Baldwin, Fiscal

**Customers:**
Nationwide, Hondros College, Safe Auto, OPOC