Providers Contracting Process Improvements

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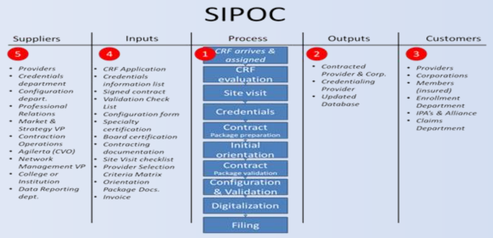
DEFINE

Abstract — The project of Contracting process improvements was carried out in one of the most recognized companies in Puerto Rico of the Health insurance industry. Currently the Provider's Contracting process does not meet the time established by the regulators and the established politics. The Contracting process involves several sub processes, such as Credentials, Site visit, Configuration, and Validation. The main causes that affect the time of the Contracting Process are that there is no standardized process, no established TAT's to manage petitions, areas don't have target or goals established, lack of knowledge of the personnel, no metrics for efficiency or productivity, roles are not clear. The process was studied "End to End" with the purpose of identifying the causes of noncompliance and implementing improvements that help meet the objectives and goals of the company.

Problem — The Network Management department confronts problems with the Provider's Contracting process. The process doesn't comply with the internal objectives and the regulations stipulated for the Health industry. The Network Management Unit has gone through a restructuring and is facing with situations such as that resources do not have the necessary expertise for the Provider Selection Criteria or for validations. The project was worked under DMAIC methodology with the purpose of working in a structured way. The objectives of the project were aligned with the achievement of the objectives, goals and regulations of the company.

The principal objective was the compliance of the politics and regulations. The goal of the project is the Reduction of the Cycle Time of the process (minimum 20%). The Contracting process involves several sub-processes; it is important to identify what is within the scope of the project and what is out of scope. The scope includes contracting process (professionals), while out of scope includes the Credentialing process.

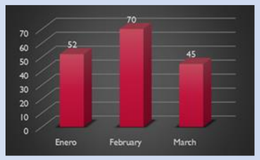
As mentioned above, the project was worked by the DMAIC methodology. DMAIC methodology has 5 phases: Define, Measure, Analyze, Improvements and Control. The stages of the project will be described below.



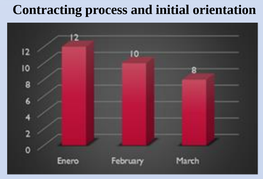
MEASURE

CRF and Provider Selection Criteria

Contracting process and initial orientation



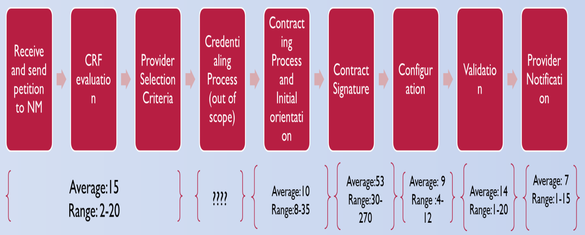
Contract signature



Configuration process

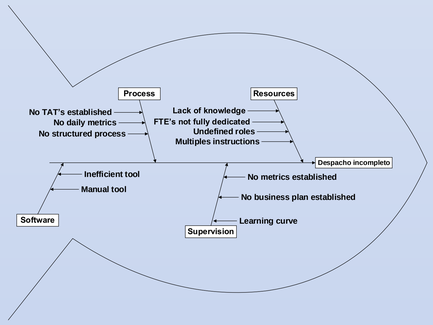
Provider notification process

In this phase, the data collection was done, and the necessary sample was taken to identify the cause of the noncompliance with the objective and the regulations. The charts shows the amount of average days of cycle time that each of the sub processes involved in the Providers contracting process. The data shown allowed to know the average time of the providers contracting process "End to End".
The total average of days for the contracting process is 108 plus the Credential process.



ANALYZE

Cause and Effect Diagram



The Cause Effect diagram shows all the causes that were found to have negative impact on the Contracting Process. The following potential causes were identified:

- No FIFO for emails or SASSS petitions
- No establish TAT's for petition
- Each manager imparts his own instruction
- No structured process to perform the tasks
- Signature's Master log is not actualized
- Lack of knowledge

The potential causes were prioritize to drive the improvements based in these causes.

IMPROVEMENT

The recommendations established were made with the purpose of achieving the objectives and goals established from the beginning of the project. Recommendations are based in all the factors that impact the process and affect the cycle time. It is important to identify that most of the recommendations were focused on the Professional Contracting Process.

Recommendations were based on capacity study for all the users involved in the Contracting process and findings. Achieving the goal of time reduction entails impacting several times in the sub processes, which were shown in the Measure phase. To reduce the Cycle time, a process design was made for the contract signature sub-process, which is based on time reduction:

- Roles

Contracting Intake

3 intakes under one Supervisor instructions
Daily goal for contracting email handling
Regular mail has to be distributed
Eliminate Agreement letter task
Demographic changes task assigned
Contracting Operations Intake
Assign 2 Intakes for this area

Contracting Representative

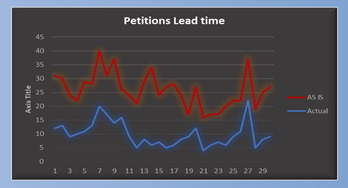
Petitions must be handled in 12 days
Established daily goals
Cross training

The AS IS Cycle Time of the Contract signature sub process is 53 days. The proposal is to reduce the contract signature from 53 to 10 days. At this moment, the step that take more time is the VP's signature (32 days average). The following recommendations for the contract signature sub process are going to help achieve the principal objective of the process:

New authorization for signature: Replace the Market's and Strategy VP's signature with the signature of the VP of Network

Stablish specific time for signatures involved: Set amount of time for each step in the signature process

. The Contract signature sample shows that Contract signature cycle time was an average of 21, that it is a 60% of reduction. Petitions handle shows a reduction of 40% of average days. The effect in the Contracting process is a 36% of Cycle time reduction



CONTROL

After analyzing the results obtained after the different implementations, the recommendations to the administration were indicated to continue improving. para continuar mejorando At the moment there is a "lead time" of 78 days to be able to decrease even more the following was indicated:

- Weekly monitoring
- Evaluation of reports to collect data sampling

A scorecard were design to monitoring the productivity of the department.

SASS	New	Completed & Transfer	Create	Digitalization	Process	Total Inventory (end of day)	Daily goals	Productivity %	Old Case in Aging

CONCLUSION

During the project proposal, a real goal was established due to the time available to reach the goal. The adjustments are the definition of roles, the change in the structure based on capacity and definition of the task will allow to reach the proposed goal. But it is necessary to work in this process to achieve compliance with all the regulations that the Health industry has..

The results and the completion of this project would not been possible without the support of all the resources involved in the process and the Top Management.