

Providers Contracting Process Improvements

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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.*

Key Terms — *Credentialing, maintenance, selection criteria, specialization*

INTRODUCTION

One of the most important process in a health insurance company is the Provider's contracting process. The Health insurance company in which the project was carried out, has a designated department area for the contracting process, it is called Network Management. 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.

DEFINE

Figure 1 shows a high level contracting process workflow. The SIPOC shows all the suppliers, customers, inputs involved; also includes the deliverables of the process. The SIPOC describe in a high-level way the "End to End" process.

Figure 2 shows the Contracting process "End to End" The figure shows all the sub processes involved. Being able to have a vision of the process "End to End" allowed to established real objectives and goals. The design of a process flowchart at this phase was fundamental, since the scope of the project could be established.

MEASURE

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. A sample of 30 cases was taken. Figures 3 to 8 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. It is important to remember that the project doesn't

consider the Credentialing process time because it is out of scope.

ANALYZE

The Cause- Effect diagram in Figure 9 shows all the cases that were found to have negative impact on the Contracting process.

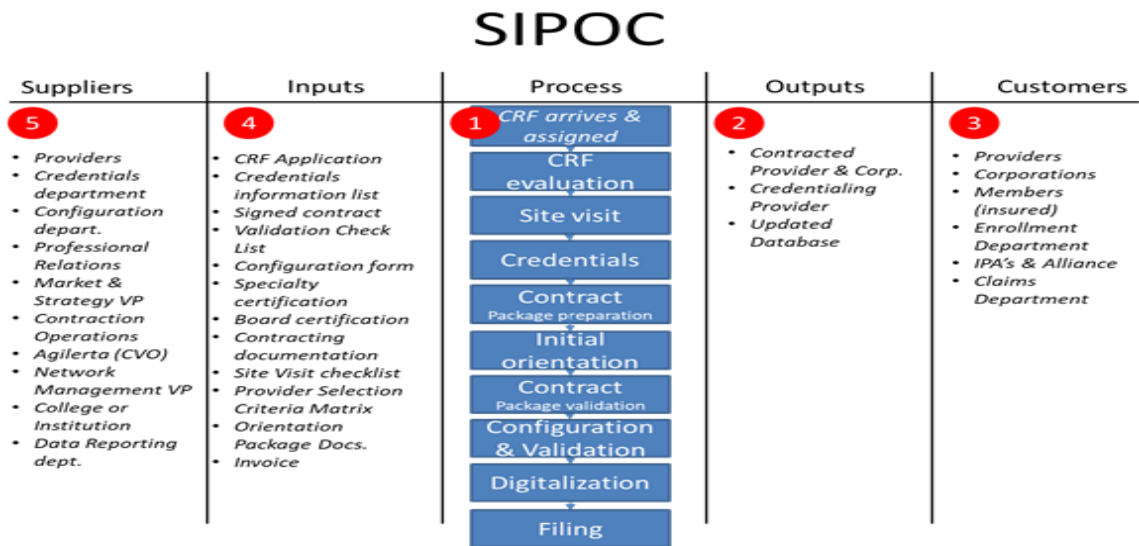


Figure 1
SIPOC

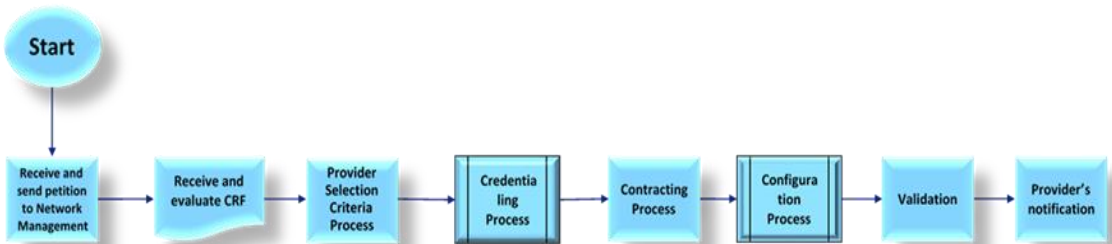


Figure 2
High Level Flowchart

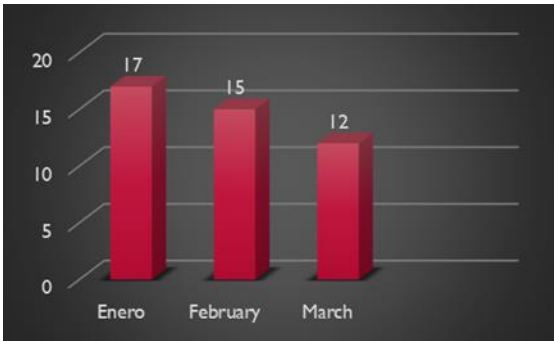


Figure 3
CRF and Provider Selection Criteria

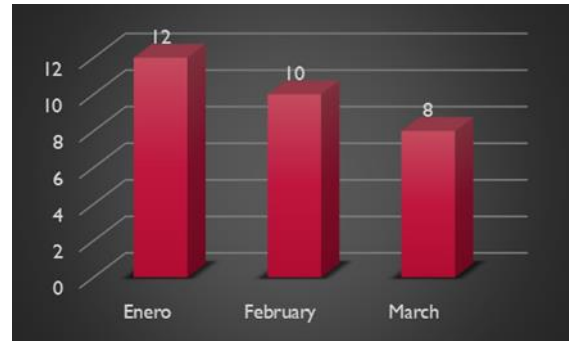


Figure 6
Configuration process

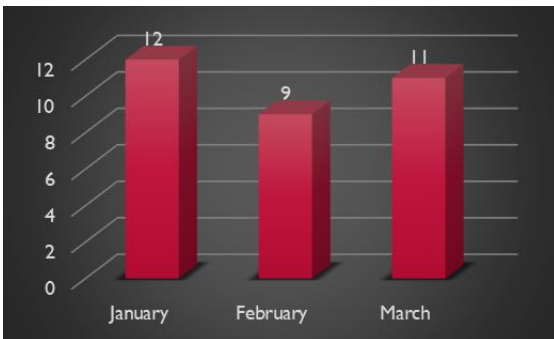


Figure 4
Contracting process and initial orientation

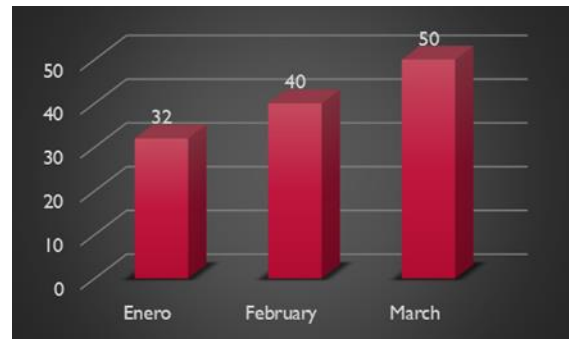


Figure 7
Validation process

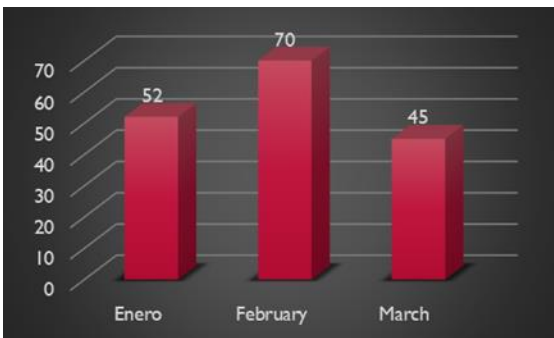


Figure 5
Contract signature

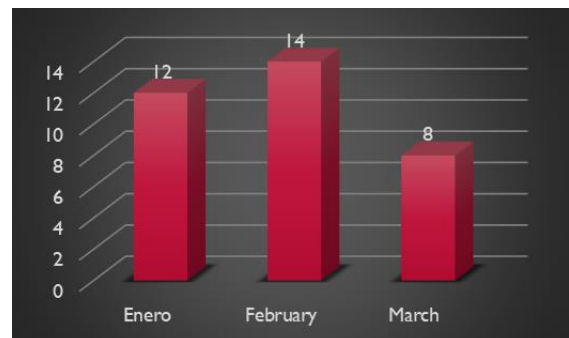


Figure 8
Provider notification process

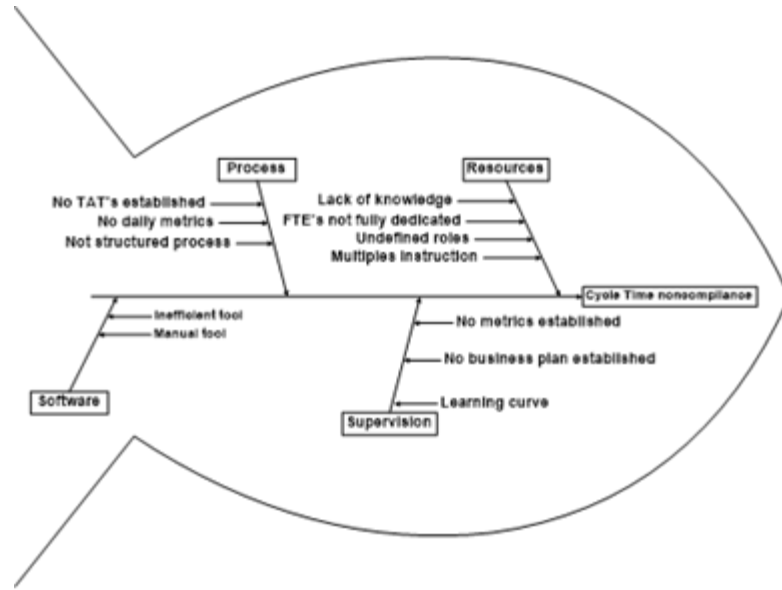


Figure 9
Fishbone diagram

IMPROVEMENTS

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. In this phase, the following causes could be detected that affect the cycle time of the process:

- 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

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 Management. Company Stakeholders and Management approve this recommendation.
- **Stablish specific time for signatures involved:** Set amount of time for each step in the signature process.

Figure 10 shows the proposed time for all the steps. The change in the VP' signature reflects a reduction in the Contracting Process of 30%. The principal goal of the project it is to reduce the Cycle time 20%. The contract signature reduction can be achieved together with the roles recommendations.

CONTROL

The Control phase helps to monitor and reviews all the implementations. This phase is important because, with the monitoring

management, it can be determined if the goal can be achieved. During the control phase, the following tasks will be done:

- Weekly monitoring
- Evaluation of reports to collect data sampling

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. That is why a second stage was developed for the project which has the following tasks:

- Configuration Process revision
- Coordinators Job description
- Process Improvements focus in Hospitals and Ancillary

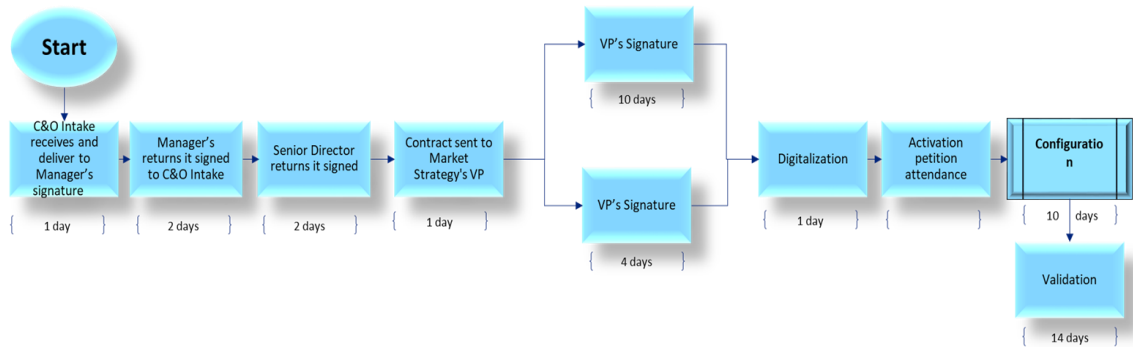


Figure 10
Flowchart with Lead Time