

BUSINESS PROCESS REDESIGN IN TEXAS



75% of clients receive same-day decisions



Increased capacity to process 116,000 more tasks/month

Client

State of Texas, Health and Human Services Commission (HHSC), Office of Social Services (OSS)

Timeframe

January 2014 to February 2015; February 2016 to Present

Project Overview

Business Process Redesign (BPR) is a broad concept describing the effort of capturing an organization's hidden capacity, reducing activities that do not add value, and decreasing cycle times required to process work. This is accomplished through exercises and activities focused on process management principles that are reality-based:

- + Eliminate unnecessary customer interaction
- + Reduce rework
- + Customers have different needs (one size does not fit all)
- + Use of real-time data

The Texas HHSC-OSS, with the support of Change & Innovation Agency (CIA®), embarked on an effort to redesign its business/eligibility processes with the goal of increasing its staffing capacity to withstand workload increases and program complexity.

One of the most pressing challenges facing HHSC-OSS at the time was limited staffing resources to handle the increased demand for services and implementation of substantive policy changes such as the ACA. While the economy remained strong in Texas, conditions during the previous five to seven years resulted in dramatic program growth. For example, from 2007 to 2011, Texas experienced 65% growth in SNAP participation/caseload. But even this caseload growth underestimates demand in local offices because it ignored the work required for processing applications that were ultimately denied. In addition, the demand for HHSC-OSS services was not expected to decline. By 2020, the population of Texas was forecasted to grow by 23%, while staffing levels at the agency would not keep pace. Thus, HHSC-OSS required a leaner process.

While HHSC-OSS' performance was excellent and nationally recognized (great timeliness and accuracy, good technology infrastructure), they needed to proactively develop a plan to help manage these known challenges and any other unforeseen circumstances.

Tasks

In January 2014, Texas and CIA began to analyze HHSC-OSS' most important eligibility practices to determine different strategies for processing the work. A BPR effort consisting of eligibility line staff, team supervisors, office managers, and policy and administrative staff followed a structured approach for identifying opportunities and devising a new set of business practices. Every step and interaction was focused on evaluating the processes and systems in which staff do the eligibility work and developing/implementing a plan to bring

improvements and increased efficiency. Between 2014 and 2015, the major tasks performed during the lifecycle of the project included:

- + Assessment of local office operations and staff
- + Strategy sessions with leadership to develop a plan of action and approach
- + Redesign teams to create work processes that are faster, more accurate, flexible, and focused on using precious eligibility worker time only on value-added tasks. As-is process mapping was conducted, barriers and bottlenecks were identified, and new processes were developed.
- + Full implementation planning, preparation, rollout support to implement the new processes and business model developed by the redesign team in 46 offices across the state
- + Post-implementation reviews, assessment, and consultation
- + Monitoring and oversight of operations

In February 2016, HHSC-OSS again partnered with CIA to leverage the newly implemented BPR processes, tools, efforts, and lessons learned to continue the implementation effort in 30 offices in one of the state's largest regions. CIA also took on the monitoring and oversight of operations for the BPR offices across the state, and provided training for managers at the local office, regional, and state levels. During this time, we collaborated closely with a Deloitte project manager, who helped to facilitate conversations with state-level leadership and manage the schedule of project deliverables. In 2016, the major tasks performed during the lifecycle of the project included:

- + Full implementation planning, preparation, and rollout support to implement the new processes and business model in an additional 30 offices
- + Ongoing, daily monitoring and oversight and performance analysis for each office operating in the new business processes
- + Development and delivery of customized BPR trainings for local office, regional, and state management
- + Assessment of operations for HHSC's out-stationed worker program and Customer Care Center (Note: redesign of these processes and implementation of BPR took place in 2017)

Outcomes

HHSC-OSS pended fewer cases unnecessarily, tracked less unfinished work, and eliminated excessive customer contacts by making determinations faster. As a result, Texas families received faster eligibility determinations. Ongoing monitoring and oversight (M&O) services and implementation of the BPR model in the second year of CIA's partnership with HHSC-OSS reduced direct costs associated with managing operations. Increased staffing utilization, faster dispositions, reduced reliance on overtime expenditures, regained clerical capacity, and reduced inquiry calls from customers yielded opportunity costs for HHSC. Outcomes included:

- + Aided the state in recovering from Hurricane Harvey and a statewide hiring freeze
- + Achieved one-day eligibility processing in May 2017; 75% of clients receive a decision during their first contact with the agency
- + 15% increase in worker utilization toward core eligibility functions
- + 8% reduction in application service time without sacrificing completion rates
- + Increased speed in processing time from 23% to 56%, depending on program
- + Increased capacity to process 116,000 more tasks monthly
- + Reduced overtime expenditures by more than 50% every month (before CIA's work, HHSC spent \$2 million on overtime a month)
- + Reduced call center inquiries by 18%