PROCESS IMPROVEMENT EVENT

UNIVERSITY OF SOUTH CAROLINA

Benefits Enrollment Process
July 25-29, 2016
The eTeam

Left-to-right: Nick Elzy, Lesley Nussbaum, Becky Padgett, Ro Kelly (Team Leader), Jennifer McKay, Belinda Ogorek, Kelli Gowder, Felecia Paxton, June Lewis
GOALS

- Streamline processes and reduce the amount of time it takes to enroll a new employee in State insurance and retiree benefits
- Create efficiencies and avoid duplication of efforts
- Reduce idle periods in the process
First step in the process:
Benefits is notified of new hire via PBP document

Last step in the process:
PEBA processes transaction
A SIPOC diagram provides a high-level, beginning-to-end view of the process – and it shows the relationships between suppliers and inputs, and outcomes and customers. When developing a SIPOC, start by developing a macro flowchart with a maximum of six steps, with each step phrased as a verb-noun action statement. (Use the template below.) Next, identify the outputs, customers, inputs, and suppliers – in that order. (Again, type directly in the boxes.) This early “define” step will help scope the project while uncovering many of the factors that feed into and flow out of the process. The team will review this SIPOC in detail at the start of its improvement event.

**PROCESS THROUGHPUT**

**1.** Benefits is notified of new hire via PBP document

**2.** Counselors sends Welcome Email

**3.** New employee completes forms

**4.** Enrollment is approved

**5.** Elections are scanned to Payroll

**6.** PEBA processes transaction

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**SUPPLIERS**

Who provides the inputs?

- New FTE, RGP, and TL Employees
- HR Liaisons
- Salary Administration
- Office of Employment, Recruitment
- Payroll
- SC PEBA

**INPUTS**

What materials, resources, services, information, and data feed into the process?

- PEBA Transfer Document
- NOE from new employee (Notice of Election)
- Proof of dependent relationships (from new employee), such as marriage license, tax/dependent info, etc.
- Additional forms for specific types of employees

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**OUTPUTS**

What services or other outputs result from the process?

- Employee gets coverage: Retirement, Health, Long-term care, Dental, Vision
- Optional life insurance
- Supplemental products
- Cards
- Vendor mailing
- Deductions begin

**CUSTOMERS**

Who are the people, offices, and organizations that receive the services?

- Primary customer: New employees
- Other customers: Employees' families, Departments, Divisions, Payroll, PBEA, HR Liaisons

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SIPOC diagram:

- **Suppliers** fourth
- **Identify inputs** third...
- **Identify outputs** first...
- **...and customers** second
KEEP CALM AND LEAN ON

LEAN
Customer focus
Process perspective (thinking horizontally)
Optimizing the flow
Eliminating inefficiencies
Preventing problems
Standardization
KEEP CALM AND LEAN ON

KAIZEN
change for the better

KAIZEN BLITZ:
5 intense days
Action-focused
Real 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>Discovery</td>
<td>Possibility</td>
<td>Building</td>
<td>Planning</td>
<td>Planning and Presentation</td>
</tr>
</tbody>
</table>

- **Goals**
- **Customers**
- **Suppliers**
- **Current-state process map**

- **Current-state process map** (continued)
- **Waste, value-added**
- **Standardization and other Lean concepts**
- **Improvement ideas**

- **Improvement ideas** (continued)
- **Prioritizing**
- **Draft future-state process map**

- **Draft future-state process map** (continued)
- **Discovery + consensus**
- **Future-state process map**
- **Planning**

- **Planning**
- **Measures**
- **Presentation**
- **Celebration**
Mapping the current-state process

<table>
<thead>
<tr>
<th>Steps</th>
<th>100</th>
</tr>
</thead>
<tbody>
<tr>
<td>Handoffs</td>
<td>28</td>
</tr>
<tr>
<td>Loopbacks</td>
<td>12</td>
</tr>
<tr>
<td>Decision Points</td>
<td>22</td>
</tr>
<tr>
<td>Delays</td>
<td>15</td>
</tr>
</tbody>
</table>

**Time**
Start-to-finish process time 32 Days
## Identifying occurrences of waste

<table>
<thead>
<tr>
<th>T</th>
<th>I</th>
<th>M</th>
<th>U</th>
<th>W</th>
<th>O</th>
<th>O</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>TRANSPORTATION</td>
<td>INFORMATION, INVENTORY</td>
<td>MOTION</td>
<td>UNDERUTILIZATION</td>
<td>WAITING</td>
<td>OVERPRODUCTION</td>
<td>OVERPROCESSING</td>
<td>DEFECTS</td>
</tr>
<tr>
<td>- Transport from office to office</td>
<td>- Storage</td>
<td>- Inter-office movement</td>
<td>- Employees</td>
<td>- Nonproductive time</td>
<td>- Adding things nobody wants</td>
<td>- Mistakes</td>
<td></td>
</tr>
<tr>
<td>- Transport from floor to floor</td>
<td>- Printed in advance</td>
<td>- Office to office</td>
<td>- Talent</td>
<td>- Making too many</td>
<td>- Broken</td>
<td>- Inaccurate</td>
<td></td>
</tr>
<tr>
<td>- Transport from building to building</td>
<td>- Work in process</td>
<td>- Cubicle to cubicle</td>
<td>- Office space</td>
<td>- Making in advance of requests</td>
<td>- Inaccurate</td>
<td>- Difficult to read</td>
<td></td>
</tr>
<tr>
<td>- Other transportation and travel</td>
<td>- Requiring unnecessary information on a form</td>
<td>- Going to the copier or scanner</td>
<td>- Technology</td>
<td>- Throwing away the excess</td>
<td>- Reports that nobody reads</td>
<td>- Forms, instructions difficult to understand</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Going to the fax</td>
<td>- Equipment</td>
<td>- Things getting outdated</td>
<td>- Trying to achieve “the best”</td>
<td>- Wasted materials</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Going for files or to a storeroom</td>
<td></td>
<td>- “We have to be ready”</td>
<td>- Better than good enough</td>
<td>- Returns</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Reaching</td>
<td></td>
<td>- Not cautious, but wasteful</td>
<td>- Beyond customer expectations</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Identifying occurrences of waste
Learning Lean concepts
Generating and prioritizing improvements
Generating and prioritizing improvements

+90 IMPROVEMENT IDEAS!
Drafting clean-sheet redesigns
Drafting clean-sheet redesigns

Developed in two subgroups
Discussing clean-sheet redesigns
Current-state process

BEFORE

Future-state process
≈ 90-day

AFTER
Discussing clean-sheet redesigns

Developing the future-state process
Communication improvements

- Build out web pages/resources for new hires, to include clear guidance and additional information, documents, links all about benefits and enrollment
- Develop benefits verbiage to include in job postings
- Update standardized offer-letter templates to include benefits information
# Health Insurance:

<table>
<thead>
<tr>
<th>Plan</th>
<th>SHP Savings Plan</th>
<th>SHP Standard Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>In-Network</td>
<td>In-Network</td>
</tr>
<tr>
<td>Availability</td>
<td>Coverage worldwide</td>
<td>Coverage worldwide</td>
</tr>
<tr>
<td>Annual Deductible</td>
<td>Single - $3,600</td>
<td>Single - $445</td>
</tr>
<tr>
<td></td>
<td>Family - $7,200</td>
<td>Family - $890</td>
</tr>
<tr>
<td>Coinsurance</td>
<td>Plan pays 80%</td>
<td>Plan pays 80%</td>
</tr>
<tr>
<td></td>
<td>You pay 20%</td>
<td>You pay 20%</td>
</tr>
<tr>
<td></td>
<td>Plan pays 60%</td>
<td>You pay 40%</td>
</tr>
<tr>
<td></td>
<td>You pay 40%</td>
<td></td>
</tr>
<tr>
<td>Coinsurance maximum</td>
<td>Single $2,400</td>
<td>Single $2,540</td>
</tr>
<tr>
<td></td>
<td>Family $4,800</td>
<td>Family $5,080</td>
</tr>
<tr>
<td></td>
<td>Excludes deductible</td>
<td>Excludes deductible</td>
</tr>
<tr>
<td>Physician's office visits</td>
<td>No copayment</td>
<td>No copayment</td>
</tr>
<tr>
<td></td>
<td>Plan pays 80%</td>
<td>Plan pays 80%</td>
</tr>
<tr>
<td></td>
<td>You pay 20%</td>
<td>You pay 40%</td>
</tr>
<tr>
<td></td>
<td>Chiropractic payments limited to $500</td>
<td>Chiropractic payments limited to $2,000</td>
</tr>
<tr>
<td></td>
<td>a year, per person</td>
<td>a year, per person</td>
</tr>
<tr>
<td>Hospitalization/ emergency care</td>
<td>No copayments for outpatient facility services or emergency care</td>
<td>Outpatient facility services: $95 copayment</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Emergency care: $159 copayment</td>
</tr>
<tr>
<td>Prescription Drugs</td>
<td>Participating pharmacies and mail order: You pay the State Health Plan's allowed amount until your annual deductible is met. Afterward, the Plan pays 80% and you pay 20%.</td>
<td>Participating pharmacies only (up to 31-day supply): Tier 1 (generic-lowest cost alternative): $0</td>
</tr>
</tbody>
</table>
Benefits for State Employees

State Employees may be eligible for a variety of benefits associated with their employment. From a comprehensive health and dental insurance program, to generous annual and sick leave policies, to a solid and secure retirement system, the State of South Carolina offers a competitive benefits program for state employees. To learn more about the benefits of state employment, please explore the links below:

Healthcare Benefits

The State offers its employees a comprehensive health and dental program, along with a wide array of supplemental insurance programs. South Carolina has long been committed to providing its employees the best possible insurance benefits at the greatest possible value. We've maintained that commitment, too, even in the face of healthcare costs that continue to soar.

Retirement Benefits

In addition to our health and dental insurance programs, state employees are offered a generous pension program with options that can be tailored to meet employees’ needs. South Carolina offers a traditional pension program, as well as the Optional Retirement Program in which employees have more control over their retirement investments. These programs are designed to help provide state employees...
Pre-Entry

Link under HR home page
- Why be a Gamecock?

New employee Guide - revamp "Explore Your Benefits" - Separate page from Benefits - Current employee page - Short & to the point.
  - Hyperlink to other benefits broken down
  - Hyperlink to B.E.A.N.
  - Total comp calculator "Big Picture"
  - Explanation of deadline - 7 days/31 days

Additional
- Benefits FAQs on Job Postings
- 2 FAQs added on offer letters
- Expand Interviewing Selection training to include Benefits overview
- Include quick overview in USC Orientation
Benefits Enrollment Roadmap

• Engages HR Contact and informs new hire at the very start of the process

• Information and checklist – Identifies key players in the various steps of the process

• It sets expectations and prompts action

• Action-oriented and interactive

• All-in-one collection tool – makes clear what info and docs new hire needs to provide, and by when
Subject line: New Hire Name - Action Required
Benefit Enrollments Connect to Carolina Benefits
Cc: Benefits@mailbox.sc.edu

Body:

Roadmap to Enrolling in Benefits

1. Connect to the New Hire...
2. Make a decision
3. Complete Benefit Enrollment Form
4. Submit docs
5. Deliver to Dept. HR Contact
6. Approve enrollment in MyBenefits
Future-state process walk-through...
“High-touch” enrollment track

- A **consultative** approach with a “high-touch” process for new hires who will likely require additional guidance (e.g., international new hires, US citizens working in other countries, other special situations)
- Ensures additional guidance and support through closer **interaction**
- **Collaborative** approach:
  - Interpreters might be needed
  - Working with divisions that might have the needed expertise
  - Collaborating with the International office to initiate actions where this consultative new-hire approach will be needed
- **Outreach** to divisions via site visits
Guidance for HR Contacts

• Develop a clear standard operating procedure (SOP) for HR Contacts showing the step-by-step process

• Develop training for HR Contacts

Technical improvements

• Modify BAC to support new process flow

• Create an enrollment dropbox for docs/forms from new hires

• Get access for Benefits to payroll deductions
PEBA Communications

• Communicate with PEBA on enhancing email correspondence regarding insurance to eliminate duplication

• Communicate with PEBA regarding consolidating retirement communications from 4 emails to 1

Additional Communication Improvements

• Develop verbiage for VIP site to communicate that insurance info is no longer at VIP – is now at MyBenefits

• Eliminate IMS screen (dependents)
# Communication Plan

<table>
<thead>
<tr>
<th>Task</th>
<th>Lead</th>
<th>Involved</th>
<th>Start</th>
<th>Complete</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefits Standardized Training Process for HR Contacts</td>
<td>Jennifer McKay</td>
<td>Bo Kelly, Nich Elzy, June Lewis, Nathan Strong</td>
<td>ASAP</td>
<td>Sept. 15</td>
</tr>
<tr>
<td>Benefits Memo</td>
<td>Bo Kelly</td>
<td></td>
<td>9/1/16</td>
<td>COMPLETE</td>
</tr>
<tr>
<td>Develop Sharepoint for Process Improvement Team</td>
<td>Jennifer McKay</td>
<td>John Waters, June Lewis, Jennifer McKay, Selicia Paolou</td>
<td>8/1/16</td>
<td>COMPLETE</td>
</tr>
<tr>
<td>Internal Meetings w/ Benefits &amp; Payroll w/ project plan and deadlines</td>
<td>Bo Kelly</td>
<td>Initial Meeting, Benefits Staff, Payroll Staff, Senior Readership</td>
<td>8/1/16</td>
<td>COMPLETE</td>
</tr>
<tr>
<td>Communication w/ PEEA about requested changes</td>
<td>Bo Kelly, Caroline Agandy</td>
<td>PEEA</td>
<td>8/1/16</td>
<td>COMPLETE</td>
</tr>
</tbody>
</table>
Benefits

SIMPLER and FASTER
- Fewer steps
- Fewer points of entry
- Elimination of multiple approvals
- Less follow-up, less circling back

BETTER
- Benefits information and guidance moved to the front
- Greater up-front accountability among HR contacts and new hires
- Fewer employees being paid late

LESS COSTLY
- Eliminates nearly all paper
### Scorecard

<table>
<thead>
<tr>
<th>MEASURE</th>
<th>CURRENT</th>
<th>FUTURE</th>
<th>% REDUCTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steps</td>
<td>100</td>
<td>56</td>
<td>44%</td>
</tr>
<tr>
<td>Handoffs</td>
<td>28</td>
<td>14</td>
<td>50%</td>
</tr>
<tr>
<td>Loopbacks</td>
<td>12</td>
<td>5</td>
<td>58%</td>
</tr>
<tr>
<td>Decision Points</td>
<td>22</td>
<td>9</td>
<td>59%</td>
</tr>
<tr>
<td>Delays</td>
<td>15</td>
<td>6</td>
<td>60%</td>
</tr>
<tr>
<td>Start-to-Finish Process Time</td>
<td>32 days</td>
<td>20 days</td>
<td>38%</td>
</tr>
</tbody>
</table>
Protected: Resources for the University of South Carolina

Process improvement in action:
Streamlined process for granting access to student information systems will strengthen service, guidance, and controls

• The new process will have just 14 steps, compared to the current average of 43 steps. (67% reduction)
• Time-consuming loopbacks in the process will go from an average of 7 to a maximum of 2. (71% reduction)
• The new approach eliminates 11 downstream decision points, because needed request info will be received early in the process. (85% reduction)
• The leaner process will free up an estimated 525 staff hours per year for other work.

Download a one-page fact sheet • Download the team’s presentation visuals

Development Timetable • 1 page • Project Plan, May 2016 through January 2017 (revised version posted July 5, 2016)

Improvement Project Roadmap • 1 page • Prep, Project, Implementation

The copyrighted documents, templates, and assessments listed below (“the Materials”) are proprietary information of Tom Terez Workplace Solutions Inc. These Materials are provided for the exclusive use of Administrators, Managers, and Lean practitioners at the University of South Carolina.

Process Improvement Project Charter • 6 pages • Fillable/Savable PDF
Process Improvement Project Event Overview • 1 page
Process Improvement Project Daily Agendas • 5 pages
Recommended Room Layout for Process Improvement Events • 1 page
NEW High-Potential Improvements • 1 page

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THANK YOU

USC Division of Law Enforcement & Safety

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Jennifer McKay – Project Data
Nathan Strong, Nick Elzy – HR

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Jason Boryk – IT Consultant II - UTS
Jennifer McCormack – Alumni/Development Manager II - Director of Development

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