PROCESS IMPROVEMENT EVENT

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
### 1. Background

**What process is this project aiming to improve?**

Benefits Enrollment for FTE, RGP, and TL employees.

**Why is this project being undertaken?**

Current benefits enrollment process has many delays and impacts customer satisfaction.

**What are the top three goals for this project?**

1. Streamline processes and reduce the amount of time it takes to enroll a new employee in State insurance and retiree benefits.
2. Create efficiencies and avoid duplication of efforts.
3. Reduce idle periods in the process.

### 2. Key Contacts

<table>
<thead>
<tr>
<th>Name</th>
<th>Title and Div-Dept-Office</th>
<th>Email</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jennifer McKay</td>
<td>Benefits Manager</td>
<td><a href="mailto:jmckay@mailbox.sc.edu">jmckay@mailbox.sc.edu</a></td>
<td>803-777-7550</td>
</tr>
<tr>
<td>Terez Agardy</td>
<td>Benefits Consultant</td>
<td><a href="mailto:agardy@mailbox.sc.edu">agardy@mailbox.sc.edu</a></td>
<td>803-777-7550</td>
</tr>
<tr>
<td>McKay McKay</td>
<td>Business Analyst</td>
<td><a href="mailto:jmckay@mailbox.sc.edu">jmckay@mailbox.sc.edu</a></td>
<td>803-777-7550</td>
</tr>
<tr>
<td>Christina McCormick</td>
<td>Compensation Analyst</td>
<td><a href="mailto:mcormic@mailbox.sc.edu">mcormic@mailbox.sc.edu</a></td>
<td>803-777-7550</td>
</tr>
<tr>
<td>Tom Teas</td>
<td>Session Facilitators</td>
<td><a href="mailto:jteas@mailbox.sc.edu">jteas@mailbox.sc.edu</a></td>
<td>803-777-7550</td>
</tr>
</tbody>
</table>

### PROCESS OVERVIEW

**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.

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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 PBEA

#### Inputs

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

- Benefits is notified of new hire via PBP document
- Counselors sends Welcome Email
- New employee completes forms
- Enrollment is approved
- Elections are scanned to Payroll
- PBEA processes transaction

#### Outputs

What services or other outputs result from the process?

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

#### Customers

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

- Primary customer:
  - Retirement
  - Health
  - Long-term care
  - Dental
  - Vision
  - Optional life
  - Supplemental products
  - Cards
  - Vendor mailing
  - Deductions begin

- Other customers:
  - Employees' families
  - Departments, Divisions
  - Payroll
  - PBEA
  - HR Liaisons
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
### KAIZEN EVENT OVERVIEW

<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>

<table>
<thead>
<tr>
<th></th>
<th>Goals</th>
<th>Customers</th>
<th>Suppliers</th>
<th>Current-state process map (continued)</th>
<th>Waste, value-added</th>
<th>Standardization and other Lean concepts</th>
<th>Improvement ideas (continued)</th>
<th>Prioritizing</th>
<th>Draft future-state process map</th>
<th>Draft future-state process map (continued)</th>
<th>Discovery + consensus</th>
<th>Future-state process map</th>
<th>Planning</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DAY 1</strong></td>
<td>• Goals</td>
<td>• Customers</td>
<td>• Suppliers</td>
<td>• Current-state process map</td>
<td>• Waste, value-added</td>
<td>• Standardization and other Lean concepts</td>
<td>• Improvement ideas</td>
<td>• Prioritizing</td>
<td>• Draft future-state process map</td>
<td>• Draft future-state process map (continued)</td>
<td>• Discovery + consensus</td>
<td>• Future-state process map</td>
<td>• Planning</td>
</tr>
</tbody>
</table>

- **DAY 5**
  - Planning
  - Measures
  - **Presentation**
  - Celebration
## Mapping the current-state process

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Steps</strong></td>
<td>100</td>
</tr>
<tr>
<td><strong>Handoffs</strong></td>
<td>28</td>
</tr>
<tr>
<td><strong>Loopbacks</strong></td>
<td>12</td>
</tr>
<tr>
<td><strong>Decision Points</strong></td>
<td>22</td>
</tr>
<tr>
<td><strong>Delays</strong></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>• Making too many</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 in advance of requests</td>
<td>• Broken</td>
<td>• Broken</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>• Waiting for:</td>
<td>• Inaccurate</td>
<td>• Inaccurate</td>
<td></td>
</tr>
<tr>
<td>• Other transportation and travel</td>
<td>• In the warehouse</td>
<td>• Going to the copier or scanner</td>
<td>• Technology</td>
<td>• Copier</td>
<td>• Difficult to read</td>
<td>• Difficult to read</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Requiring unnecessary information on a form</td>
<td>• Going to the fax</td>
<td>• Equipment</td>
<td>• Scanner</td>
<td>• Reports that nobody reads</td>
<td>• Forms, instructions difficult to understand</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Going for files or to a storeroom</td>
<td></td>
<td>• Delivery</td>
<td>• Trying to achieve “the best”</td>
<td></td>
<td>• Forms, instructions difficult to understand</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Reaching</td>
<td></td>
<td>• Catchup</td>
<td>• Better than good enough</td>
<td></td>
<td>• Wasted materials</td>
</tr>
</tbody>
</table>

Waste is a **SYMPTOM** of a problem (rather than a root cause)
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
Developing the future-state process
Key Improvements

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
**Example of Benefits Fingertip Guide**

University of South Carolina  
Benefits Fingertip Guide

**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>Out-Of-Network</td>
</tr>
<tr>
<td><strong>Availability</strong></td>
<td>Coverage worldwide</td>
<td>Coverage worldwide</td>
</tr>
<tr>
<td><strong>Annual Deductible</strong></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><strong>Coinsurance</strong></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>• Plan pays 60%</td>
</tr>
<tr>
<td></td>
<td>• You pay 40%</td>
<td>• You pay 40%</td>
</tr>
<tr>
<td><strong>Coinsurance maximum</strong></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><strong>Physician’s office visits</strong></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 20%</td>
</tr>
<tr>
<td></td>
<td>• Chiropractic payments limited to $500 a year, per person</td>
<td>• Chiropractic payments limited to $2,000 a year, per person</td>
</tr>
<tr>
<td><strong>Hospitalization/ emergency care</strong></td>
<td>No copayments for outpatient facility services or emergency care</td>
<td>Outpatient facility services: $95 copayment</td>
</tr>
<tr>
<td></td>
<td>• Emergency care: $159 copayment</td>
<td>Emergency care: $159 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 20%</td>
</tr>
<tr>
<td><strong>Prescription Drugs</strong></td>
<td>Participating pharmacies and mail order: You pay the State Health Plan’s allowed amount until your annual deductible is met. Afterwards, the Plan pays x% and you pay y%.</td>
<td>Participating pharmacies only (up to 31-day supply)</td>
</tr>
<tr>
<td></td>
<td>• Tier 1 (generic-lowest cost): $9</td>
<td>• Tier 1 (generic-lowest cost): $9</td>
</tr>
</tbody>
</table>

Note: Details not fully transcribed due to image limitations.
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 our 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 Q&A on Job Postings
  - 2 Q&A's added on offer letters
  - Expand Interviewing Selection training to include Benefits overview
  - Include quick overview in BUSC 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

Connect to the New Hire...  

↓

Make a decision

↓

Insurance

Complete Benefit Enrollment Form

↓

Support docs

documents guide

Deliver to Dept. HR Contact

↓

Approve enrollment in MyBenefits
“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)
<table>
<thead>
<tr>
<th>Task</th>
<th>Lead</th>
<th>Start</th>
<th>Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefits Standardized Training Program for HR Contacts</td>
<td>Jennifer McKay</td>
<td>ASAP</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Sept. 15</td>
</tr>
<tr>
<td>Benefits Memo</td>
<td>Bo Kelly</td>
<td>9/1/16</td>
<td>COMPLETE</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Develop Sharepoint for Process Improvement Team</td>
<td>Jennifer McKay</td>
<td>8/1/16</td>
<td>COMPLETE</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal Meetings w/ Benefits &amp; Payroll w/ project plan and deadlines</td>
<td>Bo Kelly</td>
<td>8/1/16</td>
<td>COMPLETE</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communication w/ PEBPA about requested changes</td>
<td>Bo Kelly / Caroline Agardy</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
Thank you

USC Division of Law Enforcement & Safety

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

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Jennifer McCormack – Alumni/Development Manager II - Director of Development

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Susan Herndon – UTS
Pam Young – Darla Moore School of Business