

### Cover Sheet for Example Documentation

Please complete the following form and submit along with your documentation. If you have any questions, please email us at [accreditation@astho.org](mailto:accreditation@astho.org).

The following documentation has been submitted to ASTHO for the Accreditation Library as a potential example of Health Department documentation that might meet the **PHAB Domain 9 Standard 1 Measure 3**.

This document is not intended to be a template, but is a reference as state health agencies develop and select accreditation documentation specific to the health department's activities.

**Please note that the inclusion of documentation in this library does not indicate official approval or acceptance by PHAB.**

<b>Document Title:</b>	Analysis of Contracts Improvement Process						
<b>Document Date:</b>	2014						
<b>Version of Standards and Measures Used:</b> 1.5							
<b>Related PHAB Standard and Measure Number</b>							
<b>Domain:</b>	9	<b>Standard:</b>	1	<b>Measure:</b>	3	<b>Required Documentation:</b>	
<p>Short description of how this document meets the Standard and Measure's requirements:</p> <p>This document is a storyboard showing CT DPH had used value stream mapping to identify ways to improve the contracting process including focusing on shortening timeframes for executing contracts. The first highlighted section describes the Lean process used to analyze areas in need of improvement for the contracts process. The second highlighted area shows the analysis of the progress made in achieving the improvement objectives from the Lean process</p>							
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# Connecticut Department of Public Health

## Contracting Process



### Objective/Charter

Streamline DPH contracting process and subsequent payments to providers to better serve at risk residents and promote a healthy Connecticut.

### Opportunity Statement

Evaluate current time for processing and executing purchase of service contracts for DPH; eliminate or reduce duplication of internal paper forms and steps

### Visual Stream Mapping – Number of Steps

Number of Administrative Steps Reduced After Lean Event

Type of Process	Pre-Event	Post-Event
<u>Value added</u>	<u>16</u>	<u>5</u>
<u>No Value but Nec</u>	<u>38</u>	<u>28</u>
<u>No Value</u>	<u>37</u>	<u>11</u>
<u>Waiting</u>	<u>47</u>	<u>15</u>
<u>Transport</u>	<u>18</u>	<u>9</u>
<u>Totals</u>	<u>156</u>	<u>68</u>

### 3 Month Goals

- Create internal electronic documents
- Create centralized mailboxes for receipt of internal and external electronic documents
- Expand the use of AG pre-approved contract language templates

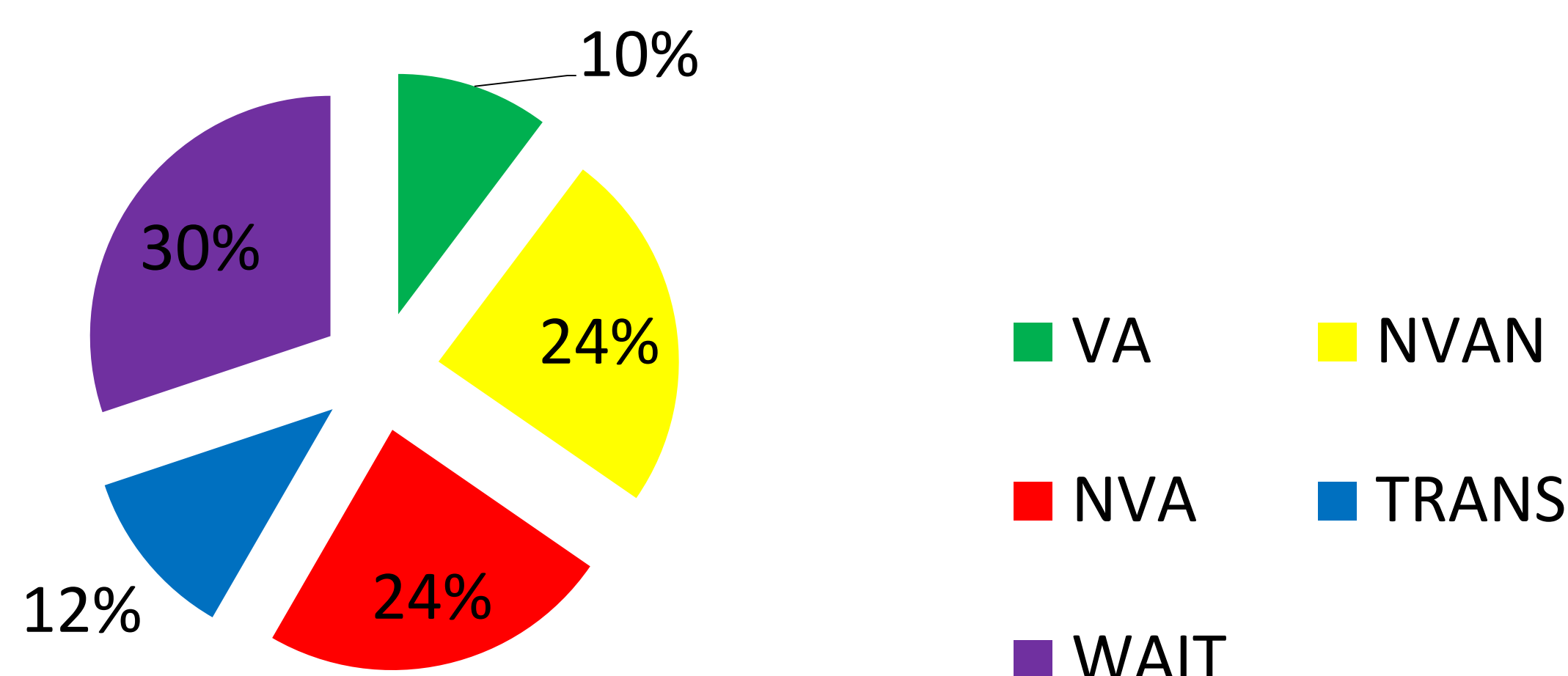
### 6 Month Goals

- Train DPH staff in the new process
- Create a central digital library for all contracting documents
- Establish a central electronic repository for all internal and external contract documents

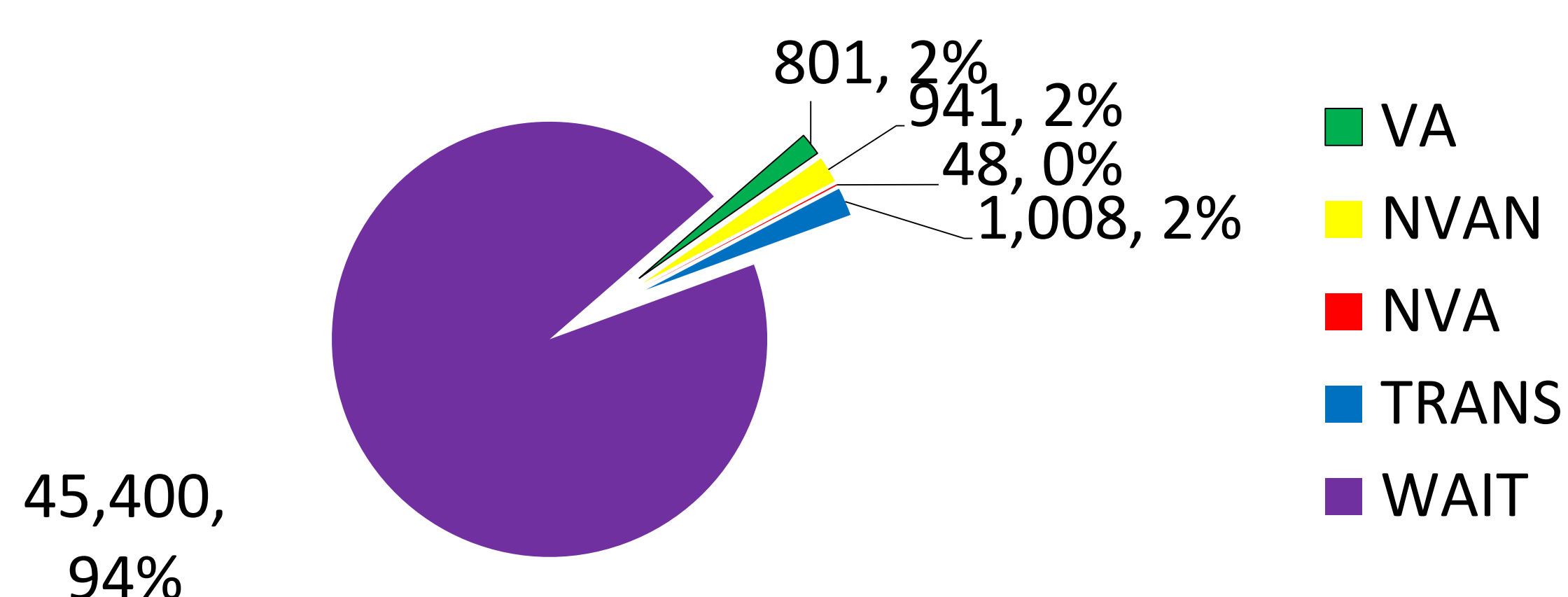
### 12 Month Goals

- Revise and distribute financial reporting guidelines to providers
- Train providers in the use of new electronic reporting
- Roll out electronic repository to agency staff

CGMS Process Steps (Count) Pre-Event



CGMS Time (Workday Min) Pre-Event



### Goals Met April 2014/Comments

- Internal electronic documents created and in use as well as central email for receipt.
- Processing of initial and subsequent contract payments deadlines improved by an average of 60%
- File structure and creation of electronic document repository created; DPH roll out scheduled 7/2014
- Change can be difficult but is essential!!!!

# Connecticut Department of Public Health

## 12 Point Efficiency Proposal: Contracts and Grants Management

### Evaluation #1: September 12, 2014

The first highlighted section describes the lean process used to analyze areas in need of improvement for the contracts process. The second highlighted area shows the analysis of the progress made in achieving the improvement objectives from the lean process.

#### **BACKGROUND:**

On September 1, 2013, The Connecticut Department of Public Health (DPH) implemented a 12 Point Efficiency Proposal for the restructuring of its Contracts Administration Section. The goal of the Plan was to reconfigure DPH's contracting section into teams and implement "best practices" procedures into the contract administration function. Processes were changed from manual to electronic wherever possible, duplication of tasks were eliminated, duties of the staff were redefined around work teams and training was recognized as a pivotal and necessary part of the process.

A lean exercise was conducted in May 2013 that enabled the 12 Point Efficiency Proposal to be implemented for a September 2014 start date. Lean committee members composed of Contracts and Fiscal office staff volunteered to work on redesigning forms and programming electronic processes. Also, the lean exercise resulted in setting a preferred timeframe for the completion of various contract tasks performed by staff.

Contract staff was required to post contract timeframes for tasks completed in a contract monitoring system that was available to them.

Objective 2 is being tracked in the Performance Dashboard

#### **OBJECTIVES:**

1. By September 2015 all contracts will be reviewed within 3 days.
2. By September 2015 all contracts will be executed by 134 days.
3. By September 2015 the Attorney General's Office review will be completed within 5 weeks.
4. By September 2015 the e-DAR will be reviewed for completion within 3 days.
5. By September 2015 all contracts will be reviewed by the supervisor within 2 days.
6. By September 2015 all contracts will be reviewed by the Executive Office within 3 days.
7. By September 2015 all contracts will be developed within 1 to 3 weeks.
8. By September 2015 all contracts will be formatted by CGMS staff within 2 to 3 days from receipt from Program.
9. By September 2015 all contracts will be emailed to provider for signature within 2 days.

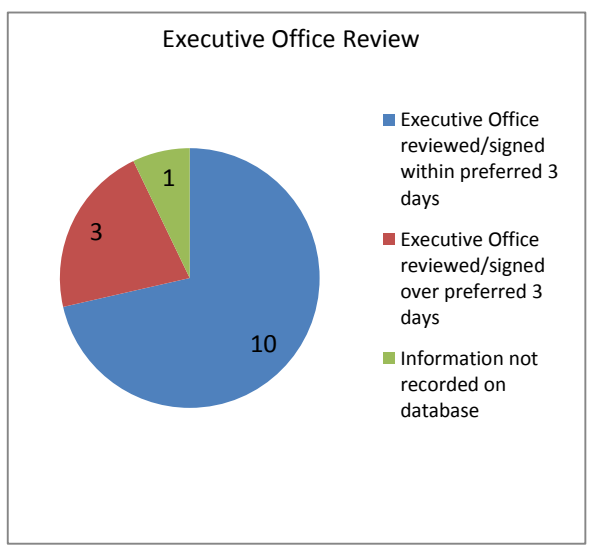
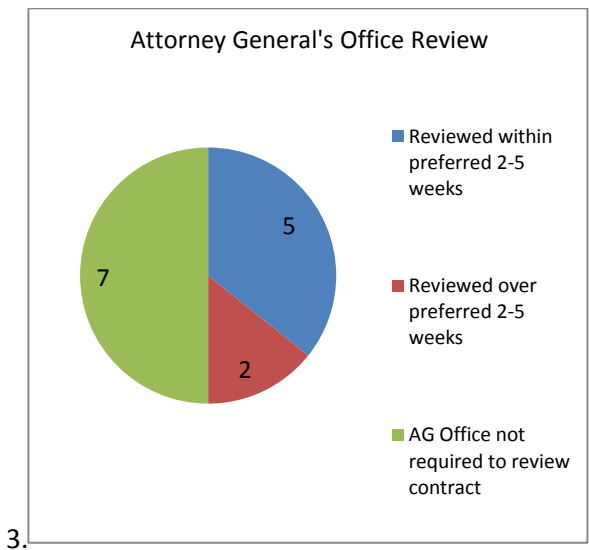
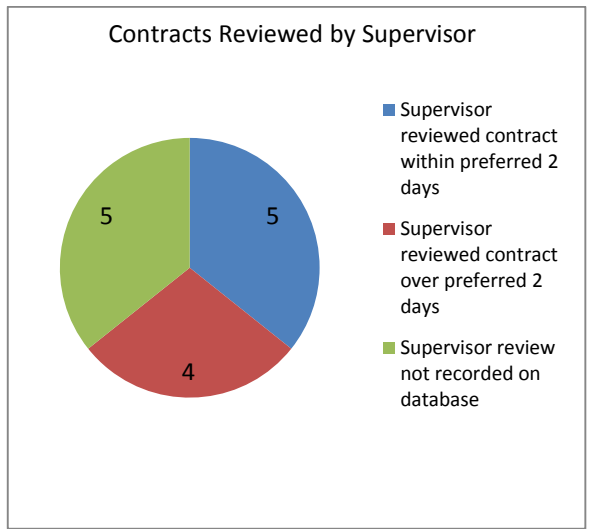
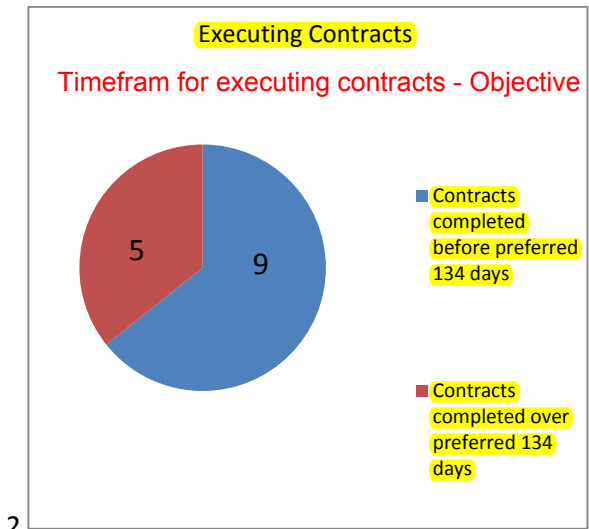
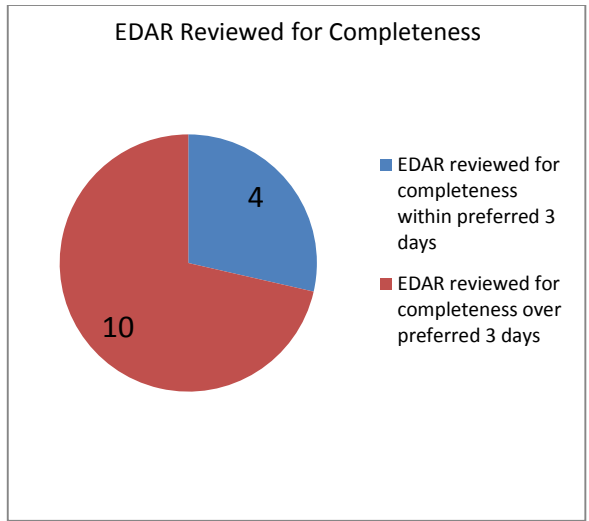
#### **EVALUATION DESIGN:**

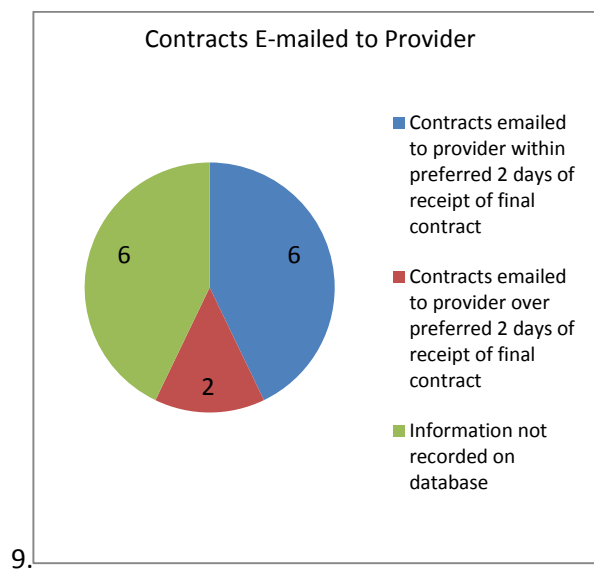
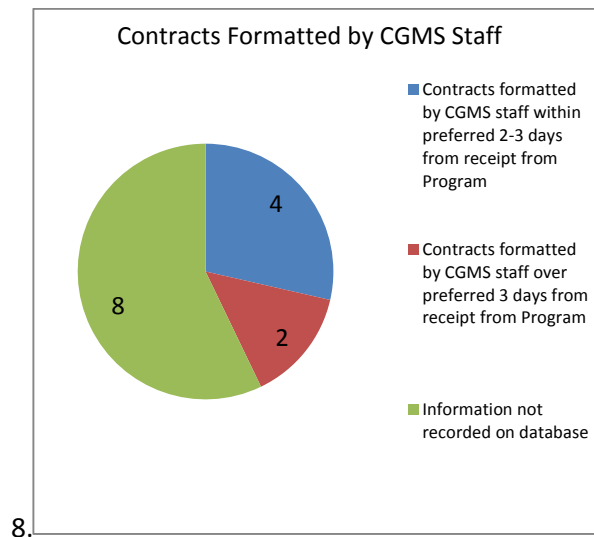
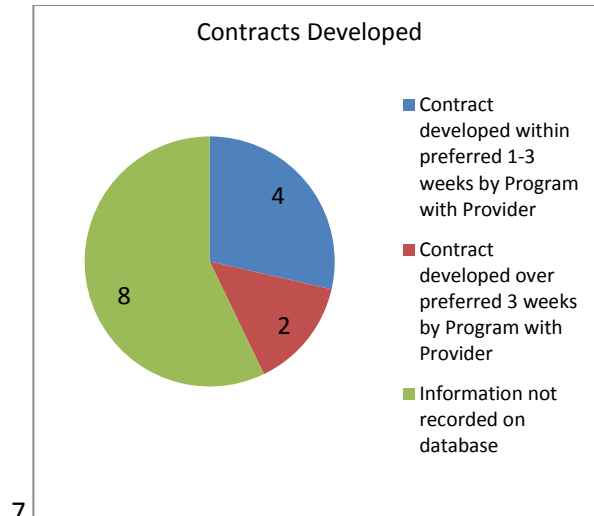
Contract preparation timeframes were examined for contracts initiated and completed during the months of June and July 2014 which was nine months after the 12 Point Efficiency Proposal was implemented. Fourteen contracts were chosen at random and all were completely executed at the time of examination. Four of the contracts were amendments and ten were new contracts. (See chart #1)

Amendments typically do not require a review by the Attorney General's Office. Also, if a contract template is authorized by the Attorney General's Office prior to contract preparation, there is no need for a contract to be sent to the Attorney General's Office for approval. Therefore, this preferred

timeframe was not measured on seven of the contracts because the contracts fell into one of these two categories. (See chart #3)

Thirty-six tasks established by the lean exercise committee were examined against actual performance timeframes posted by Contracts staff to the Contracts Monitoring System. The differences in preferred time goals from actual performed times are shown in the following charts:





## **ANALYSIS:**

- The September 2, 2014 evaluation report is the first in a three part series of evaluations of the 12 Point Efficiency Proposal. The second evaluation will be performed in January 2015 and the third in June 2015.
- There are thirty six preferred timeframe task categories to review. The categories were so many and so detailed that the recording task was unwieldy for Contract staff. The thirty six categories have since been consolidated into thirteen which is expected to be more manageable for the Contract staff to record and for the evaluator to extract completion dates to compare preferred to actual time frames.
- The greatest timeframe gap from the preferred to actual time frames was in retrieving and processing the E-DAR, the request for a contract from Program. The E-DAR system experienced some technical problems that are being solved at this writing. A better and more efficient system is being developed to retrieve and process the E-DAR document.
- Reaching the preferred lean timeframes was encouraging as many of the task categories measured in the charts reached more than 50% of the preferred lean timeframes.
- The Contracts Section can improve upon its timeliness to execute all contracts within the preferred lean timeframes. Of special note is that the lean time goals are at 100% of productivity. Even if the Contract's section meets an 80% measure of all the preferred lean time goals, it would be an excellent rating. There are many variables in executing a contract and expectations of reaching 100% of preferred goals are not realistic.
- A hindrance to the evaluation process was that not all contract information was recorded in the Contracts monitoring system which disabled the evaluator to obtain actual timeframes to make a comparison of preferred to actual timeframes. A manual search also could not find the time frames in all cases. The CGMS Section supervisor needs to ensure that all staff record contract information in the Contracts monitoring system. The process of recording should be easier for Contract staff.

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# Contracts and Grants Management Section

**R** DPH Staff and Providers Receive Efficient and Timely Contract Assistance and Guidance **The R for Result is the goal in the dashboard**

Time Period	Actual Value	Target Value	Current Trend	Baseline %Change
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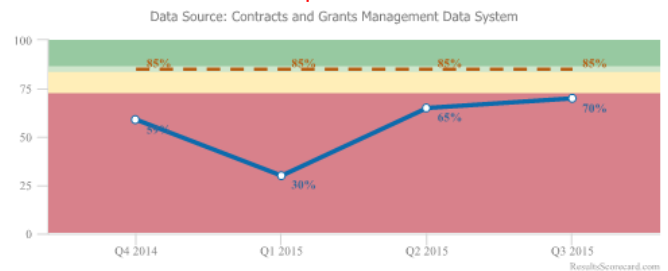
**P** Contracts and Grants Management

Time Period	Actual Value	Target Value	Current Trend	Baseline %Change
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**PM** Percent of all contract requests executed within four months of initial request.

**This is the performance measure for contracts being followed in the Dashboard**

Q3 2015	70%	85%	↗ 2	19% ↗
Q2 2015	65%	85%	↗ 1	10% ↗
Q1 2015	30%	85%	↘ 1	-49% ↘
Q4 2014	59%	85%	→ 0	0% →



## Story Behind the Curve

The Contracts and Grants Management Section (CGMS) of the Department of Public Health (DPH) creates, executes and manages over six-hundred contracts for health and health related services to the citizens of Connecticut. A majority of those contracts involve multiple requests for amendment throughout the contract term in response to changing performance requirements or changed funding levels. Years of study and multiple process reviews have identified the time required, under optimal conditions, for normal processing and execution of a contract or amendment to be four months.

Varying workloads resulting from renewal cycles, or external influences, can result in occasional backlogs or delays that extend the time required from initial contract request to contract execution beyond the optimal four month period. Independent of these influences, CGMS has engaged in process improvement initiatives and staff training in an attempt to meet the optimal processing time even when affected by unusually or external influences. CGMS strives for continued improvement in the percentage of contracts executed within the optimal period of four months, with an ultimate goal of reaching an eight-five (85) percent success rate.

In restructuring around electronic processes some problems were encountered due to the limitations of the electronic transport mediums available for use. This resulting in some processes being less efficient than previously and could explain the decrease in Q1 2015.

## Partners

- DPH Program Sections
- DPH Fiscal Office
- DPH Legal Office
- The Office of Policy and Management
- The Department of Administrative Services
- The Office of Attorney General

## What Works

Beginning in January 2012 the Office of Policy and Management initiated a one and a half year project utilizing staff from each of Connecticut's human services agencies to study the contract processes in place at each of the agencies. The OPM Project Efficiency Office was established with a goal of using quality improvement methods to analyze and recommend process changes/improvements that increase the efficiency of contract processing and to begin moving all agencies toward more standardized processes. Numerous recommendations resulted from that initiative and in late 2014 DPH began work on implementing as many of the recommendations as possible along with embarking on its own process improvement initiatives which generated additional recommendations for process improvement.

## Action Plan

Initial efforts to streamline the process included elimination of duplicate work wherever possible and some staff reorganization which moved external staff having contract responsibilities into CGMS to allow better oversight and management of the work performed by those individuals. Additional changes have been focused on moving as much of the paper processing as possible to electronic formats.

In restructuring around electronic processes some problems were encountered due to the limitations of the electronic transport mediums available for use. This resulting in some processes being less efficient than previously. Additional restructuring of those processes has resolved most of those issues and CGMS is hopeful that the current process structure will facilitate continued gains in efficiency. CGMS monitors contract processes to determine effectiveness of any changes and shall in the future engage in additional process improvement activities where feasible.

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