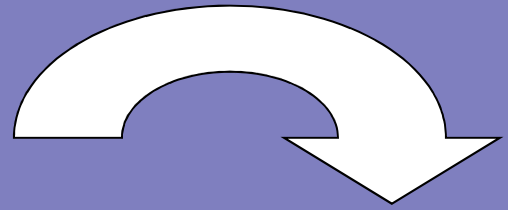


NHDES LEAN Team

Case Study # 2010-05

LEAN Team: 603-271-8873

www.des.nh.gov.



Summary



Division

Waste

Business Problem

DES staff process several thousand claims a year and reimburses approximately \$15 million a year. Optimizing the claims process to minimize processing and technical staff time while preventing fraud is important.

Methodology

Process Mapping

Solution

Implementation of a web based claims process. Random and targeted audits of web-based claims will be used to ensure that the change does not create an opportunity for fraud.

Benefits/Results

Faster claims processing and reduced staff labor.

Key Tools Used

- Process Mapping
- Brainstorming
- Pilot

Project Name: Oil Reimbursement Processing

The Oil Remediation and Compliance Bureau reimburses \$15 million in corrective action costs a year from four state petroleum reimbursement funds (ODD, FOD, MOD and GREE). To date, over 26,000 reimbursement claims have been processed for the Oil Discharge and Cleanup Fund (ODD Fund) alone.

This lean project was designed to examine the entire reimbursement process and improve the timeliness of reimbursements, optimize the use of technical staff, and increase vigilance against fraud and misuse of state funds. In 2009, the FOD fund was audited by the Office of Legislative Budget Assistant (LBA). The audit report outlined recommendations for reimbursement program operational improvements. Where appropriate, the LBA audit recommendations were incorporated into the lean process.

The Process

The lean team used process mapping and brainstorming to identify streamlining opportunities for the reimbursement process. The existing process and the proposed future state were mapped and compared. During the lean event, LBA audit recommendations were reviewed and incorporated to make sure that proposed changes were consistent with DES commitments to the LBA.

The Bumps

Although the lean process went smoothly, the complexity of the claims process and the specialized nature of some of the steps proved daunting. At

several points, it was necessary to interview other staffers to clarify the sequence of steps and procedures that were actually being used.

The Results

The claims process was revised so that most claims are web-based. Part of the value of the lean process was its ability to identify pitfalls of potential changes. Based on the lean team recommendations, the new process now includes high risk claim audits and holds on claims with substandard deliverables. Since the end of 2010 using the new process, the backlog has been reduced by 50%. Expedited web-based claims are paid in about 1 month, and non-expedited claims in about 2 months, representing 60% and 20% improvement, respectively.

