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**Modeling and Measuring the Impact of
Business Process Reengineering Case Management**

Implementation Plan

I. Introduction

A. The Business Process Reengineering (BPR) Case Management Demonstration is scheduled to begin February 1, 1999. The purpose of the demonstration is to model the case management approach to claims processing and to establish the impact of BPR case management on claims processing performance.

B. An important component of the demonstration is the use of automated case management tools, the Claims Processing System (CPS) and the Claims Automated Processing System (CAPS). These tools will be used by Veterans Service Representatives (VSRs) at the demonstration stations to assist them in developing claims, in providing veterans with the precise status of their claims, and in notifying the VSRs when follow-up action is required.

C. Six ROs have been selected to participate in the demonstration. The six "demo stations" are Cleveland, Phoenix, Pittsburgh, Portland, Salt Lake City and Little Rock. An implementation team consisting of representatives from Central Office (CO) and the field, including one representative from each of the original demo stations (see note below), was established to develop this plan. Team members are as follows:

<u>Name</u>	<u>Position</u>	<u>Station</u>
Al Sinclair (co-chair)	Assistant Director	VARO Phoenix
Jack Hudson (co-chair)	Staff Assistant	C&P Service
Lynn Flint	Management Officer	Office of Field Operations
Larry Gervase	Veterans Service Center Manager	VARO Los Angeles
Barbara Harker	Veterans Service Center Manager	VARO Pittsburgh
Alan Melnik	Asst. Veterans Service Center Manager	VARO Portland
Michelle Narramore	Team Leader	VARO Phoenix
Al Warden	Team Leader	VARO Salt Lake City
Robert Ziegenhine	Veterans Service Center Manager	VARO Cleveland
Jennifer Kavanagh	Management Analyst	VARO Denver

Note: Los Angeles was originally scheduled to participate in the demonstration but has been replaced by Little Rock.

D. The demonstration is initially scheduled to run for six months, through July 31, 1999. At that time results will be assessed and the impact of BPR case management in most areas will be established. It is anticipated, however, that the demo stations will continue to operate in this mode beyond July 31, in order to monitor long-term impact in such areas as appeals and customer satisfaction.

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E. The team held several conference calls and met in Washington, DC the week of November 16, 1998. This plan is the result of the team's deliberations.

II. Preparation for Demonstration

A. Adjustment of Backlogs to Normal Levels

1. Several actions must be taken prior to February 1, 1999, in order to prepare the six stations for the demonstration. First, backlogs at each of the stations must be adjusted to "normal" levels, that is, levels which are manageable yet realistic. It is important that inordinately high backlogs do not inhibit the stations from performing the full range of case management functions. If the demonstration proves successful, other stations will receive assistance in getting their workloads under control prior to their implementation of BPR case management.

2. The team determined that the best way to define backlog for purposes of this demonstration is by using the figure W10 pending per VSR. This figure represents the "Total C&P Pending in WIPP" from the Monday Morning Workload Report, plus appeals, divided by the number of VSRs on station who are capable of doing any portion of the work. Below is a spreadsheet showing this figure for each station as of October 30, 1998:

MMWL WIPP Data as of 10/30/98					
	C&P Pending in WIPP	Appeals Pending (EP 170)	W10 Pending = (a)+(b)	#VSRs	W10 per VSR = (c)/(d)
	(a)	(b)	(c)	(d)	(e)
Cleveland	8,584	3,220	11,804	60.0	196.7
Little Rock	5125	1,789	6,914	42.0	164.6
Phoenix	8,932	1,848	10,780	55.0	196.0
Pittsburgh	4,735	1,748	6,483	40.8	158.9
Portland	4,429	2,113	6,542	42.0	155.8
Salt Lake	1,848	251	2,099	14.0	149.9
TOTAL	33,653	10,969	44,622	253.8	175.8

should have included R VSR's w/ VSR's

Talked w/ Jack he understood but clear reasoning wa tools will primarily affect VSR's.

The team reached consensus that a goal of 175 pending per VSR would be an appropriate starting point for the demonstration. In order to reach this goal, Cleveland and Phoenix must reduce their backlogs by the following amounts prior to February 1, 1999:

Cleveland: 1,304
Phoenix: 1,155

Little Rock, Pittsburgh, Portland and Salt Lake City do not require any backlog reductions.

3. Field Operations has agreed to help the stations attain these goals by arranging for the brokering of work and/or making overtime funds available where possible. The assistance will target authorization work since this is where resources will be needed most for BPR case management.

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B. Expectation Letters: Expectation/acknowledgment letters are currently being developed. The letters will be created and tested by January 1, 1999.

C. Baseline Data: Attachment A lists information which will be tracked during the course of the demonstration. This data is discussed in detail in Part IV of this report, Tracking Impact. Much of this information, such as the results of the most recent Survey of Veterans' Satisfaction With the VA Compensation and Pension Claims Process, and the results of the One VA employee survey, is already available. Other information, such as DOOR timeliness and productivity data for the month of January, will be available for recording of baseline data at the time the demonstration begins, or shortly thereafter. All such baseline data will be recorded by March 1, 1999. In addition, the following baseline data will have to be collected:

1. Quality, Timeliness and Appeals Data: A review of 384 cases completed prior to the demonstration will be performed for the group of six stations. The review will be in the form of a checklist similar to the STAR review. A copy of the checklist is provided as Attachment B. C&P Service will select the cases based on end products (EPs) which will be managed with CPS and CAPS. The results will establish baseline data on the group of stations in statistically valid terms, and will also provide some baseline information on individual stations. Cases will be reviewed and data recorded by March 1, 1999. Based on each station's share of weighted output, the proportionate number of cases reviewed will be as follows:

Cleveland:	130
Little Rock:	63
Phoenix:	53
Pittsburgh:	54
Portland:	66
<u>Salt Lake:</u>	<u>18</u>
Total:	384

2. Productivity: Baseline data on number of cases completed by team prior to the test will be collected from WIPP data by digit for the month of January, 1999. This data will be calculated and recorded by February 12, 1999.

3. Backlogs: Each station's W10 per VSR on January 31, 1999, will serve as its baseline. In addition, baseline data on total number of cases pending in WIPP, authorization cases pending in WIPP and rating cases pending in WIPP for each station will also be recorded as of January 31.

4. Telephone Service: Baseline data on calls offered, blocked calls and abandoned calls prior to the demonstration will be available at the time of implementation. However, these statistics will have to be adjusted for loss of education calls, which will coincidentally occur on February 1, 1999, for all participating stations except Salt Lake City. Salt Lake's education calls were transferred to the Regional Processing Office (RPO) on November 15, 1998. The standard figure of 23% will be used to back out education calls for baseline purposes. Baseline data will be calculated and recorded by February 12, 1999.

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5. Station Profiles: Participating stations will establish a "Station Profile" document consisting of the results of their "Status of BPR Implementation" telephone interviews, as well as answers to the following questions, if not already included:

- a. Describe the structure of your adjudication activity and veterans service activity.
- b. Describe the staffing make-up of the teams in which claims are adjudicated. Provide specific position titles, number of individuals in each position, and a sentence or two summarizing the duties of each position.
- c. What kind of turnover have you experienced in each job position over the past three years? Of those persons considered trainees, how many have been in their current position less than one year? Less than two years?
- d. Discuss any other factors that you believe impact significantly on your employees' case work production.

A format for the Station Profiles will be developed by January 1, 1999. Baseline station profiles will be completed by January 22, 1999. Future updates will include information on employees' progression through training, retirements, hires, etc. throughout the demonstration.

D. Case Management Tools

1. A three-phased approach to CPS and CAPS training will be implemented in preparation for the demonstration. During the week of January 11, training on CPS, CAPS and Business Process Changes will be held at the Baltimore Training Academy. A total of 30 representatives will attend, with the number from each demo station determined according to the relative size of the six Service Centers. During demonstration implementation, one business and technical representative will spend one week at each site in order to provide additional technical and user guidance. Follow-up training in the form of weekly conference calls and video conference sessions will be provided on an as-needed basis.

2. By January 8, 1999, each station will upgrade memory as necessary for each computer accessing CPS or CAPS, to include PCs in the Rating Board and in training rooms.

3. Installation of CPS and CAPS at demonstration sites will be accomplished by January 15, 1999.

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E. Telephone Issues

1. Activation of the 1-888-GI Bill telephone number will be completed and Education calls on this number will be routed to RPOs by February 1, 1999.

2. If the SDN 2 telephone pilot is initiated during the course of the demonstration, the issue of forwarding blocked calls from case-managed customers in Pittsburgh and Cleveland will be addressed.

F. Bulletin Board: C&P Service will establish a bulletin board where employees will be able to send comments during the demonstration. The bulletin board will be set up by January 15, 1999.

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G. Service Organization Briefings: Participating stations will brief their local Service Officers on the demonstration by January 15, 1999. A Power Point presentation will be provided to directors for use, if they choose, during the briefing.

III. Case Management Guidelines

A. Receipt of Claim

1. All original compensation claims (EP 110 and 010) which are received February 1, 1999, or later, will be entered into CPS. All other claims received on or after this date requiring development will be entered into CAPS, with the exception of all IVMs, writeouts which do not require contact with the claimant, EVRs which do not require contact with the claimant, and appeals resulting from claims filed prior to February 1. Writeouts and EVRs requiring contact with the claimant will be entered into CAPS, as will appeals resulting from claims filed on February 1 or later.

2. All claimants whose claims are loaded into CPS will receive an expectation/acknowledgment letter explaining the claims process. The letter will be sent via CPS, or by an alternative method if necessary. The letter will include the anticipated timeframe in which a development letter will be received.

3. For all non-original rating claims, claimants will receive an expectation/acknowledgment letter explaining the claims process. For all other CAPS claims, claimants will receive an expectation/acknowledgment letter. All expectation/acknowledgment letters will include the anticipated timeframe in which a development letter will be received.

4. If feasible, all development letters will include a team phone number, Power of Attorney (POA) information, approximate length of time to complete the entire process and the expected date of next contact from us.

5. The following special cases will receive phone calls, when appropriate and possible, in addition to letters:

- Terminally ill cases;
- Former POWs;
- Sexual trauma claims;
- Other claimants to be determined on a case-by-case basis by the case manager, such as elderly claimants, veterans with severe disabilities, or claims of a sensitive nature.

There will be at least three attempts to reach these claimants by telephone whenever a contact is promised or is determined to be necessary. When they are contacted, the following items will be covered:

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- Anything you can do for us will expedite your claim.
- Status report (what we have done and what is pending).
- Have we addressed all of your issues?
- Is there any evidence we have not requested?
- Is the address we have for you correct?
- Repeat your telephone number for the team.
- Directions to facilities if relevant.
- Do you understand the information that we have asked of you?
- Is there anything else we can do for you?

B. Follow-up Actions

1. For all claims but appeals, claimants will be contacted by telephone or letter within ten days of a past due diary for receipt of evidence or within 60 days of last contact, whichever is less. The following items will be included in the call or letter:

- Anything you can do for us will expedite your claim.
- Status report (what we have done and what is pending).
- Have we addressed all of your issues?
- Is there any evidence we have not requested?
- Repeat your telephone number for the team.
- Is there anything else we can do for you?

There will be no automatic, periodic contact with appellants. Contacts will be made at the discretion of the case manager.

2. The claimant will also be contacted by telephone whenever a particular issue needs to be clarified and due process is not an issue (i.e., SSN, income, DOB, etc.)

3. When a case is ready to rate, another information/expectation letter will be sent to the claimant. If the rating board determines that the case needs additional development, a letter will be sent once again with a follow-up when the development is completed.

4. All telephone calls from claimants regarding their claims filed on or after February 1, 1999, will be logged into the CPS or CAPS contact log. This log is separate from the Evidence Received log, which tracks the progress of the claim.

5. If a claim is denied, the same categories of cases receiving a telephone call in addition to a letter at the beginning of the process will also receive a telephone call regarding the denial.

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IV. Tracking Impact

A. Quality: Two reviews of 384 cases will be performed for the group of six stations, one before and one at the end of the test. The reviews will be in the form of a checklist similar to the STAR review. A copy of the checklist is provided as Attachment B (note: the checklist also collects timeliness and appeals data, which is discussed below). The results will show the effect of the demonstration on the group of stations in statistically valid terms, and will provide some information on individual stations. Based on each station's share of weighted output, the proportionate number of cases reviewed will be as follows:

Cleveland:	130
Little Rock:	63
Phoenix:	53
Pittsburgh:	54
Portland:	66
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Total:	384

B. Timeliness

1. Timeliness data reflecting speed of development and of the overall process will be collected during the quality case review described above. Items 5 and 6 of the checklist (see Attachment B) record data on the elapsed days from the date of initial development to the date ready to rate, and days from the date of initial development to the date of decision, respectively.

2. Average days to complete and average days pending for all affected EPs will be tracked from DOOR reports.

C. Customer Satisfaction:

1. National Survey: The most recent Survey of Veterans' Satisfaction with the VA Compensation and Pension Claims Process, administered between October and December, 1998, will serve as a baseline. The survey is scheduled to be administered again in September, 1999, with results available in December.

2. Interim Survey: An interim customer satisfaction survey will be administered in the late May/early June timeframe to show early indications of customer satisfaction.

3. Focus Groups: Focus groups will be held to obtain feedback at certain "trigger" points during the demonstration. One or two stations will hold a focus groups at each trigger point.

D. Employee Satisfaction:

1. National Survey: The most recent One VA Survey, administered in 1997, will serve as a baseline. The survey is scheduled to be administered again in March, 1999, with results available in June.

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2. User Survey: A user survey will be administered during the demonstration to obtain feedback on CPS and CAPS.

3. Focus Groups: Employee focus groups will be held at each station for the purpose of obtaining feedback on CPS, CAPS and case management. Although feedback on all issues will be recorded at each focus group, the groups will concentrate on the following areas:

- Cleveland and Pittsburgh: CPS
- Phoenix and Salt Lake: CAPS
- Portland and Little Rock: Case management

Super users should be included in the focus groups. The applications' creators may also be conference-called in to listen to the feedback (as observers, not participants).

4. Bulletin Board: A bulletin board will be set up and maintained by C&P Service where employees will be able to send comments about any aspect of the demonstration at any time. Demo team members will have access to the comments.

E. Productivity:

1. Data on the number of cases completed by team will be tracked monthly, using WIPP data by digit.
2. Productivity data from DOOR will also be tracked monthly.

F. Pending Workload:

1. W10 per VSR will be tracked weekly.
2. Total pending in WIPP, as well as a breakdown of authorization cases pending in WIPP and rating cases pending in WIPP, will be tracked and graphed weekly. Stations will provide Jennifer Kavanagh with their number of authorization cases pending in WIPP and their number of rating cases pending in WIPP each week.

G. Appeal Rate: Some data will be collected during the case reviews described in paragraph IV.A. This is a long-term measure in which results are not expected to be seen until the demonstration has been in progress for a significant period of time.

H. Telephone Service:

1. Telephone Calls Offered: The number of telephone calls offered at each demonstration station will be tracked monthly from C&P Service's Blocked Call Reports.
2. Blocked Calls: Blocked call data will be tracked monthly from C&P Service's Blocked Call Reports.

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3. Abandoned Calls: Abandoned call data will be tracked weekly from the Monday Morning Workload Report.

I. First call resolution/reduction in VAIs: The Survey of Veterans' Satisfaction with the Compensation and Pension Claims Process includes three questions relating to this measure:

- Q 36: Overall, how many times did you speak with a VA employee by phone about your claim?
- Q 38: Overall, were VA employees able to give you information about your particular claim?
- Q 39: Overall, how much of what you NEEDED TO KNOW did you get from your telephone contact with VA?

The most recent survey, administered between October and December, 1998, will serve as a baseline. The survey is scheduled to be administered again in September, 1999, with results available in December.

J. Station Profiles: Data to be collected is described in the section on baselines, paragraph II.C.5. A format for the Station Profiles will be developed by January 1, 1999. Documents will be updated monthly throughout the demonstration.

V. Personnel/Partnership Issues

Employee Performance/Recognition: Productivity and timeliness standards/goals will be addressed with local partnership councils prior to the test.

VI. Miscellaneous Issues

A. Marketing: BPR Case Management efforts should be communicated to various audiences within and outside VA. Internal audiences should include Station Directors, Service Center Managers, Section/Unit Chiefs and end users. External audiences should include veterans and their families, service organizations, county veterans service officers, congressional staffs and other elected officials. Marketing tools may include fliers, Intranet web pages, teasers, satellite broadcasts, news releases, phone recordings on ACD 800 lines and pamphlets. Service Officers at each station involved in this initiative will also be briefed.

B. Weekly Conference Calls: Weekly conference calls are currently being held between the applications' creators in CO and the CPS and CAPS Super Users at each site. The calls are a forum for reporting and solving problems, requesting changes and reporting on the status of changes being made. These calls will continue after implementation at the six demo stations.

C. Other Claims Processing Programs: Pittsburgh is currently using the Claims Automated Tracking System (CATS) and will merge it with CAPS as of February 1, 1999. Cleveland is using their own program which they will continue to run parallel with CAPS.

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Data to be Tracked

<u>Measure</u>	<u>Source</u>
1. Quality <ul style="list-style-type: none">• Was initial development complete?• Was all initial development necessary?• Have all non-inferred issues been addressed?	Case Reviews
2. Timeliness <ul style="list-style-type: none">• Date of initial development to date ready to rate• Date of initial development to date of decision• Average Days to Complete• Average Days Pending	Case reviews; DOOR
3. Customer Satisfaction	Surveys; Focus Groups
4. Employee Satisfaction	Surveys; Focus Groups; Bulletin Board
5. Productivity	WIPP; DOOR
6. Pending Workload <ul style="list-style-type: none">• W10 per VSR• W10 total pending/authorization pending/rating pending	MMWL; WIPP
7. Appeal Rate	Case reviews
8. Telephone Service <ul style="list-style-type: none">• Telephone Calls Offered• Abandoned Call Rate• Blocked Call Rate	C&P Monthly Blocked Call Report; MMWL
9. 1st Call Resolution/Reduction in VAIs	Survey
10. Station Profiles	Station Self-Reports

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Quality Review Checklist

CLAIM NUMBER _____

EP _____

- | | YES | NO |
|---|------------|-----------|
| 1. Was initial development complete? | _____ | _____ |
| 2. Was all initial development necessary? | _____ | _____ |
| 3. Was a notice of disagreement filed? | _____ | _____ |
| 4. Date of initial development _____
Date ready to rate (all needed evidence received) _____
Elapsed days _____ | | |
| 5. Date of decision _____
Elapsed days from date of initial development to date of decision _____ | | |

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Attachment B

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Milestones

- January 1, 1999: Expectation letters tested and finalized
 Station Profile format developed
 Report format developed
- January 8, 1999: Additional memory purchased and installed on PCs
- January 15, 1999: Representatives from each demo station trained in CPS and CAPS
 CPS and CAPS installed at demo stations
 C&P Bulletin Board set up for comments
 Service Organizations briefed
- January 22, 1999: Baseline station profile documents completed
- January 31, 1999: W10 per VSR baseline established
 W10 pending/Authorization pending/Rating pending baselines established
- February 1, 1999: Demonstration begins
 Backlogs down to manageable levels
 Education calls to RPOs
- February 12, 1999: Productivity baseline data by team calculated and recorded
 Telephone service baseline data by team calculated and recorded
- March 1, 1999: Baseline quality review completed
 All baseline data recorded
- July 31, 1999: Demonstration assessment