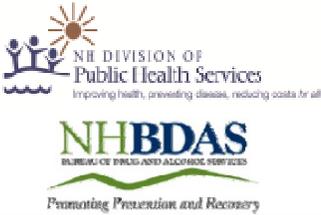




NH Department of Health and Human Services Division of Public Health Services (DPHS) and Bureau of Drug and Alcohol Services (BDAS) Invoice Processing Improvement



Summary

This was the first interagency Lean Event working with team members from two locations in Concord, NH.

Using Lean principles, NH Division of Public Health Services (DPHS), and the Bureau of Drug and Alcohol Services (BDAS), standardized invoice submissions by documenting the process, identifying inefficiencies, developing an implementation plan.

Accomplishments

- Documented a clear work process
- Established clear procedures for managing invoices
- The new invoicing process takes only 5 working days, reducing delays, saving work time, and risk of errors. Cycle time is reduced by 36% and Efficiency is increased by 38%.

Team

Co-Sponsors:

- Neil Twitchell (DPHS)
- Valerie Morgan (BDAS)

Co-Value Stream Managers:

- Luann Speikers (DPHS)
- Ann Crawford (BDAS)

Data Manager:

- Paul Garrison (DPHS)

Team Members:

- Richard Locke (DPHS)
- Linda Colby (BDAS)
- Shelley Swanson (DPHS)

Fresh Eyes:

- Karen Barry (DPHS)

Facilitator:

- JoAnne Miles (DPHS)

Contacts

Neil Twitchell (DPHS), Section Chief
Community Health Development
ntwitchell@dhs.state.nh.us

Valerie Morgan (BDAS),
Administrator, Prevention Services
Valerie.morgan@dhs.state.nh.us

The Service

About DPHS

The New Hampshire Division of Public Health Services (DPHS) is a responsive, expert leadership organization that promotes optimal health and well-being for all people in New Hampshire and protects them from illness and injury. DPHS is responsible to serve the public - individuals, families, communities and organizations - by delivering high quality, evidence-based services. DPHS responds promptly to public health threats, inquiries, and emerging issues.

About BDAS

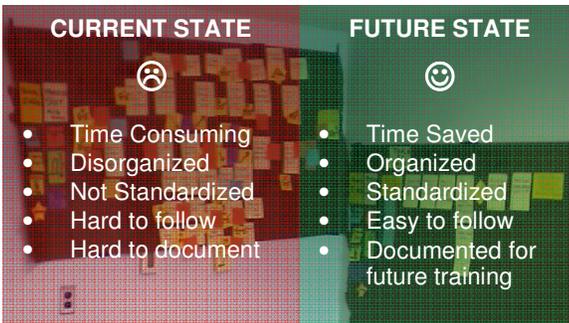
BDAS envisions a society that supports the physical, mental, and social well-being of all individuals, families and communities, free from negative effects of alcohol and other drugs. Their mission is to join individuals, families and communities in reducing alcohol and other drug problems thereby increasing opportunities for citizens to achieve health and independence.

BDAS-DPHS Invoicing

There are 13 vendors that provide services to the State of New Hampshire to help ensure the above vision and mission can be accomplished. In the current state, most if not all invoices were sent to payment within 14 to 30 days.

The Problem: Invoicing Current State

Invoices need to be reviewed and approved by multiple staff. Each invoice changed hands about 16 times through a non-standardized process, which could take up to 2 weeks to reach the accounts payable office. This process was unorganized and it was difficult to track where each one was in the process. BDAS and DPHS staff handled the approval process in different ways even though all invoices needed review between both agencies.



The Goal

The goal of the BDAS-DPHS Lean Event was to clearly defined steps for invoice processing that mirror those used between agencies.

The Lean Process

- Project charter was developed and approved by the Sponsor.
- Key staff members were selected based on various expertise areas.
- The team was provided a trained Continuous Improvement Practioner (CIP).
- The CIP met with the Lead Value Stream Manager to review the project charter to ensure that it was feasible and appropriate for a Lean Event.
- At the first team meeting, the charter was reviewed and edited. Next the current state was mapped and the number of steps and time it takes were calculated.
- At the second meeting, the future state value stream map reflected a streamlined and organized process that was easy to track. The implementation plan was drafted
- At the third meeting, the CIP provided a draft PowerPoint to reflect the Lean event with photos of the current and future state maps, notes from the charter, implementation plan, and suggested step for ensuring continuous quality improvement. The team edited the PowerPoint so it could be used for the sell to the sponsors.
- The value stream managers did the sell to the sponsors, who were impressed by the improvement and approved moving forward with the future state implementation plan.

The Results: Invoicing Future State

Vendors send invoices to one central email box. Each invoice is viewed (and clarifying questions asked of contractors) by the appropriate key people once (up to 6 people), then sent to accounts payable. This new process should take only 5 working days. Organization and standardization reduces delays, saves work time, and risk of errors. Linda and Shelly, the financial staff took on oversight of the process to ensure timely invoice processing.

"With few exceptions the 5 day timeline is being met and, in reality many months it is down to 2 days. The biggest impact has been on the amount of staff time it takes to review and approve theses invoices among all the funders. I'd say this has been reduced by an estimated 75 %." Neil Twitchell

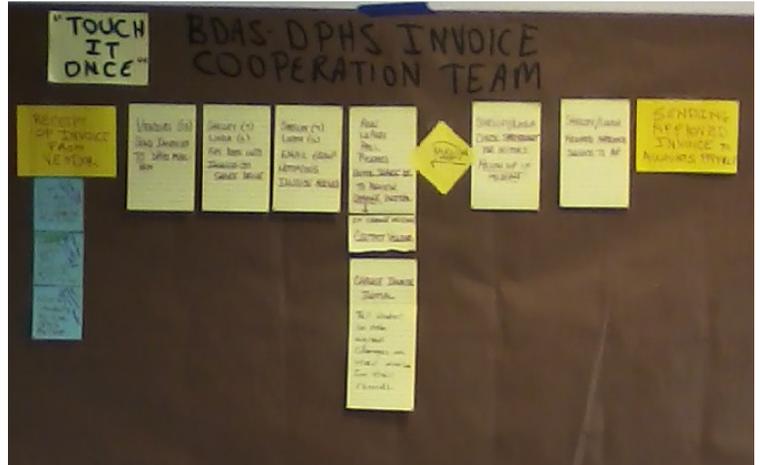


NH Department of Health and Human Services Division of Public Health Services (DPHS) and Bureau of Drug and Alcohol Services (BDAS) Invoice Processing Improvement

CURRENT STATE MAP



FUTURE STATE MAP



FUTURE STATE MAP FLOW CHART

