

Transformation Initiative Benefits Documentation

Event Name	ORELAP	Annual Savings, (11/09-10/10)	
Event ID	PHD-O3_2	OSPHL Program Administrator, redeployable, first year:	\$52,528
Version	1.0	OSPHL Program Administrator, non-redeployable, first year:	\$27,499
Date	November, 2010	OSPHL Program Administrator, redeployable, ongoing:	\$57,863
Author	Mike Day	OSPHL Program Administrator, non-redeployable, ongoing:	\$27,499
Phone	503-449-1140	OIS-PH Development Costs, first year:	-\$41,730
		OIS-PH Support Costs, ongoing:	-\$20,865
		Total Savings First Year (11/09-10/10):	\$38,297
		Estimated Annual Saving Ongoing:	\$64,497

EVENT GOAL: Improve communications and coordination with scheduling onsite inspections and the inspection report. Reduce various cycle times to meet national standards. Improve process flows to reduce errors and staff time.

Background and Scope

Among its other programs, the Oregon State Public Health Laboratory (OSPHL) partners with the Department of Environmental Quality (DEQ) Lab in the Oregon Environmental Laboratory Accreditation Program, or ORELAP. Through this program, Oregon accredits other environmental testing laboratories as meeting National Environmental Laboratory Accreditation Program (NELAP) standards.

Prior to the event, there were communication and coordination difficulties between OSPHL and the DEQ Lab in planning onsite inspections of applicants, leading to issues with staff scheduling and travel plans. Information technology policy constraints and non-standardized processes also led to communication and coordination difficulties in post-inspection processes, frequently causing reports to be delayed longer than NELAP standards. These delays could result in adverse audit findings and possible loss of NELAP recognition. Additionally, some administrative processes had convoluted workflows, increasing cycle time and creating potential rework.

To address these issues a RPI event was held with OSPHL and DEQ Lab staff, jointly facilitated by DHS and DEQ lean leaders. The event's goals were to:

- Improve communication and coordination with scheduling onsite inspections and the inspection report;
- Reduce cycle time of inspection reports to meet NELAP standards and increase the program's reputation among customers and potential customers; and
- Improve process flows to make optimum use of staff knowledge and skills and reduce rework.

Initial Condition (Problem Statement)

- None of the ORELAP applications completed within the year prior to the event met the overall NELAP cycle time standard of 270 days. Only 22% of the Onsite Inspection Reports and only 13% of the Corrective Action Response Reports were completed within the 30-day NELAP standards.
- The ORELAP Administrator's processes were entirely manual and time-consuming. Increasing demand for ORELAP services led to application backlogs, due to the time needed to process applications.

Improvement Summary (Solution)

The focus of the group in developing the future state was threefold:

- Move towards electronic review, approval and handoff of documentation whenever possible.
- Take further advantage of electronic documentation by having processes run parallel instead of serial as much as possible.
- Use automated electronic notification of events (documents received, assignments made, onsite inspections scheduled, etc.) to improve communications.

The future state reduced process steps by 7%, decision points were reduced by 25%, handoffs were reduced by 14% and steps with wait periods were reduced by 50%. To improve communications, all ORELAP program staff in OSPHL and DEQ attend monthly meetings. The program database has been modified to include automated reminders as deadlines near. Finally, the previously planned online application process was implemented.

Improvement Summary Update

The DEQ lab did not perform any work on ORELAP applications for 4½ month period while the interagency contract was being negotiated and renewed. There is a significant backlog of applications due to this delay that program staff are getting caught up with. Staff expect this to impact cycle time data for the next several months, but times will continue to improve as the backlog is addressed.

Baseline and Target	Actual (11/09-10/10)	Benefits
Cost; ORELAP Administrator Touch-Time, redeployable: Baseline, 1387 hours annually, 1.0FTE, value of \$81,732	495 hours first year, 0.36FTE, value of \$29,204. Ongoing expected 405 hours, 0.29FTE, value of \$23,869	Overall 73% reduction in the first year and 78% reduction annual ongoing in ORELAP Administrator touch time. Hours of savings are: 1,358 first year (.98 FTE, value \$80,027) and 1,448 hours annual ongoing (1.04FTE, value \$85,362).
Service; ORELAP Administrator Touch-Time, non-redeployable: Baseline, 467 hours annually, 0.34FTE, value of \$27,499	0 hours 0.0 FTE, value of \$0.	Redeployable savings, 891 hours first year (0.64 FTE, value \$52,528) and 982 hours annual ongoing (0.71 FTE, value \$47,863). Non-redeployable savings, 467 hours (0.34FTE, value \$27,499) annually. These savings will allow the Administrator to get caught up with a large backlog and then accept increasing service demand.
Cost; PH-OIS Development Touch-Time: Baseline, 0 hours annually, 0FTE, value of \$0	693 hours, 0.5FTE, value of \$41,730.	This is the OIS cost for developing the online ORELAP application. This is an offset to the first year of Administrator savings.
Cost; PH-OIS Support Touch-Time: Baseline, 0 hours annually, 0FTE, value of \$0	347 hours annually, 0.25FTE, value of \$20,865.	This is the OIS cost for continuing support of the online ORELAP application. This is an offset to the continuing Administrator savings.
Service; Overall Inspection Cycle Time: Baseline, 0% completed in 270 days; Target 100%.	100% completed in 270 days.	There was only one application completed during the initial period, so this result is atypical, given the actual backlog. See improvement summary update above.
Service; Application Cycle Time: Baseline, median 54 days	Median 35 days.	The online application system allows customers to more quickly and easily submit applications and supporting documentation.

Customer Quote

"The program/process is really cool, I like it a lot. The design is similar to our StarLIMS. This is by far the best renewal application I've done." – MWH Labs, Monrovia, CA

Staff Quote

"By completely automating the program we could do really well. When this is done, and with 3rd party assessors, we could easily handle about 100 more labs. I really love it!"

Metrics Key

Reporting Schedule: Quarterly

Cost: ORELAP Administrator Touch-Time – Actual hours saved, along with value. Hours greater than 1.0FTE will be reported as non-deployable. Savings offset by 86.75 hours, value of \$5,216 for new OIS support time each quarter.

Service: Overall Inspection Cycle time – Percent of inspection decisions completed within 270 days. Compare to 100% target, which is the national standard.

Service: Application Cycle Time – Median number of days from initial application receipt until application is complete, including all fees paid. Compare with 54 days baseline and 35 days first year.