



SUCCESS STORY FOR STATE GOVERNMENT

Office of Recovery, Utah Department of Human Services

A business process automation project covering 255,000 case at Utah's Office of Recovery Services incorporated a Kofax solution that classified and separated the files into 246 types. The project achieved a 94% accuracy rate and had a completion time 80% shorter than comparable state projects.

Challenge

In late 2005 ORS Child Support Services began exploring a technology solution that would allow it to digitize its case files and make them centrally available electronically throughout the agency, enabling it to improve customer service levels and process cases more quickly. ORS also wanted a solution that would promote business continuity in the event of a natural disaster, such as Hurricane Katrina, which had destroyed many child support case files in New Orleans earlier that year.

First, ORS wanted to focus on digitally capturing paper-based documents representing the more than 85,000 child support cases in the state, which translates to between six and seven million pages of paper documents. These files were stored across several office locations throughout the state in filing cabinets, which not only took up much needed office space, but created challenges when records needed to be accessed by case workers or attorneys at a moment's notice.

In addition, ORS wanted to implement an electronic mailroom solution that would allow the organization to proactively capture the 80,000 or more pieces of new mail received each month. This mail needed to be distributed to case workers located throughout the state. With workers and information spread across the state, quick and easy access was difficult and case files were sometimes missing or delayed.



Established as a state program in the 1970s, the Office of Recovery Services (ORS) is an agency located within the Utah Dept. of Human Services that is dedicated to providing child support services and support for children in care. ORS administers the state Child Support Services, Children in Care Collections and Bureau of Medicaid Collections programs.

Products in Use:

- ◆ Kofax VRS Elite™
- ◆ Kofax Capture™
- ◆ Kofax Transformation™

Focus: Case management

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Solution

ORS turned to Data image, a Kofax partner based in Salt Lake City, Utah.

“When we first met with the ORS team they presented a very comprehensive list of objectives,” said Dan Dillingham, vice president of sales for Data image. “They wanted to increase worker productivity, improve document security, centralize all incoming mail, expedite the distribution of mail, limit document loss, increase retention, reduce office space, support telecommuting for workers, provide greater disaster recovery, and improve their auditing process, all while reducing operating expenses.”

Kofax software, hardware and services helps organizations streamline business processes, removing the inefficiencies of information silos and disconnected processes.

“Kofax gave us the foundation to design a comprehensive solution that addressed all their (ORS) needs and provided a very strong return on their investment,” Dillingham said.

The solution for ORS included Kofax Capture™ and Kofax Transformation™. Capture provides industry leading scan-to-archive capabilities by scanning documents and forms to create digital images, extracting index data for retrieval purposes and delivering the images and associated data to a variety of repositories and applications. Transformation Modules adds document and form classification, page separation, challenging data extraction and validation capabilities to Capture to drive robust capture-to-process applications.

The ORS solution also featured Kofax VRS Elite™, a proven enhancement and perfection software. The integration of VRS helped ensure the quality of the document images throughout their lifecycle, which can be up to 40 years. Some of the handwritten paper documents that ORS needed to capture were nearly 20 years old. Without VRS, they wouldn't have been legible.

“VRS is magic,” said Les Roberts, Information Analyst II. “In most cases, the scanned image is better quality than the original document. It also eliminated the need for rescanning and increased the accuracy of our OCR reads.”

Data image worked with ORS to implement a Kofax-based electronic mailroom system to capture new paper mail documents as they enter the organization. The electronic mailroom digitally processes and distributes more than 80,000 pieces of mail per month—over 350,000 pages. Data image's OPIS (OPEX Import Services Module) seamlessly transfers scanned images from an OPEX AS 3690i scanner directly to the Kofax solution for advanced processing.

Now when mail arrives at 5 a.m., it can be quickly scanned and distributed electronically throughout the state, as well as to select virtual home office—often by 8 a.m. that same morning. Previously, it took more than 24 hours to manually distribute paper documents within an office and up to a week if the document had to move to a different office throughout the state.

“As far as overall efficiency gain, the remittance project was the most significant,” Roberts said. “Whatever mail arrives in the morning gets done that day; the bank float has virtually been eliminated and when you are dealing with millions of dollars per day that is a pretty significance savings.”

Results

Together, the Kofax products allowed the project to be expedited and saved significant resources. The solution automatically classified and separated the case files into 246 different document types at a rate of four pages per second with a 94% accuracy rate, thereby eliminating the need for a roomful of workers to perform these tasks manually. Case workers can share electronic files and work on the same case at the same time, increasing productivity and better serving customers.

“We spoke to other states that had digitized their paper records to get a feel for what to expect,” Roberts said. “We were surprised to hear that similar back-file conversion projects had taken three to five years to complete—time we just didn't have.”

The project was largely funded by an OCSE 1115 Demonstration grant that had a short completion timeline, which raised the stakes on an already difficult challenge.

“With Data image and Kofax, we were able to complete the project in just over eight months—a time reduction of almost 80%,” Roberts said. “This has been priceless for ORS.”

The success of the ORS project also created an unanticipated situation—an oversupply of filing cabinets.

“They actually reached a point where they were asked to stop sending the empty file cabinets because there was no more room,” Dillingham said. “The miracle of this solution is that the entire case system can reside on a storage area network the size of a briefcase, whereas before our cases were filling hundreds of filing cabinets.”

The Kofax system made the ORS collections and recovery process more efficient and has improved customer service and response. Last year, ORS verified insurance coverage on 253,058 Medicaid Recipients.

As a result of the success of the original project for Child Support Services, ORS has since expanded the solution to additional bureau’s that include the Bureau of Medical Collections, Children in Care Collections and the State Hospital Program. Altogether, the total case file count for all these agencies, which have been imaged and are now stored digitally, has grown from 80,000 in 2007 to 255,000. More than 20,000 pages have been scanned.

In summary, the Kofax system made the ORS collections and recovery process more efficient and has improved customer service and response. Last year, ORS verified insurance coverage on 253,058 Medicaid Recipients, helping to avoid more than \$208 million in Medicaid costs.

The solution has also enabled ORS to offer telecommuting to over 200 workers who can now work from home offices. Finally, ORS can now be assured that all case files are in full compliance with industry regulations and that all forms have been accurately captured.

The next ORS project will be the capturing all related litigation files for the Attorney General’s office.

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