HEALTHCARE PROCESS OPTIMIZATION

STREAMLINING ELIGIBILITY AND GRANTS

AT

HORIZON HEALTH CENTER

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# Executive Summary

Horizon Health Center, a rural Federally Qualified Health Center (FQHC), processes over 500 monthly patient assistance requests for programs like Medicaid, SNAP, and housing vouchers, funded by grants such as HRSA and SAMHSA. Current inefficiencies—manual verification delays, HIPAA compliance risks, and siloed grants tracking—result in only 65% fund utilization, delayed patient care, and regulatory exposure.

This project leverages Process Mining (PM4Py), DMAIC, and secure automation to streamline eligibility determination and grants allocation. Outcomes include reducing cycle time from 10 to 3 days, increasing enrollment success from 72% to 92%, and ensuring 100% HIPAA-compliant data handling. A Python- based eligibility engine, BPMN models, and FHIR-compliant APIs enable seamless integration with state databases, boosting grants utilization to 95% (unlocking $150,000 annually) and reducing compliance incidents by 80%.

This initiative showcases expertise in healthcare process optimization, regulatory adherence (HIPAA, 42 CFR Part 2), social services integration, and technical translation of business needs.

# Problem Statement

Horizon Health Center facilitates enrollment in social services (e.g., Medicaid, SNAP, housing vouchers) and allocates grants (e.g., HRSA, 340B) for low-income patients. The current process is fragmented, slow, and error-prone, impacting patient care and financial outcomes.

**Current Process:**

* Manual eligibility checks via state portals (e.g., Medicaid, SNAP) take 10–15 days.
* Unsecured PHI sharing (e.g., emailing documents) risks HIPAA violations.
* Spreadsheet-based grants tracking leads to 35% unutilized funds and audit failures.
* Lack of integration between EHR, eligibility systems, and grants platforms causes duplicate data entry (15% error rate).

**Impacts:**

* **Patient Care Delays**: Clinicians await eligibility, delaying treatments.
* **Revenue Leakage**: Underutilized grants and missed reimbursements cost

$150,000 annually.

* **Compliance Exposure**: 12% of cases involve PHI mishandling, risking penal- ties.

# Objectives

* Reduce eligibility determination time by 70% (10 days to 3 days).
* Automate verification with state databases, grants platforms, and EHR in- tegration.
* Ensure 100% HIPAA compliance via secure data handling and audit trails.
* Provide real-time eligibility visibility to clinicians via an EHR dashboard.
* Translate business rules (e.g., income < 200% FPL) into technical specifica- tions (e.g., FHIR APIs).
* Increase grants utilization to 95%, recovering $150,000 annually.

# As-Is Process (Current State)

The current eligibility and grants allocation process is manual, error-prone, and non-compliant.

**Flow:**

* Patient submits assistance request via paper form.
* Front desk collects PHI (income, ID) and logs in unsecured shared drive.
* Parallel tasks:
  + Social worker manually checks eligibility via state portals (e.g., Medi- caid, SNAP).
  + Clinician reviews SDOH needs via EHR.
* Social worker verifies criteria (e.g., income < 138% FPL) via phone, flagging HIPAA consent.
* Grants allocation:
  + Review grants (e.g., HRSA) in Excel.
  + Manually match patient to grant (e.g., SAMHSA for behavioral health).
  + 7-day SLA often exceeded.
* Approve/deny; notify via unencrypted email.
* Update grants ledger; generate quarterly reports.

**Issues:**

* **Delays**: Manual portal checks and waiting periods (avg. 10.2 days).
* **Errors**: 15% error rate from outdated FPL thresholds or mismatched data.
* **Compliance Risks**: 12% of cases involve PHI mishandling (e.g., no audit logs).
* **Inefficiency**: Duplicate data entry and siloed systems (45% social worker utilization).
* **Funding Loss**: 35% unutilized grants due to poor tracking.

**As-Is BPMN Diagram:**

A diagram of a flowchart

AI-generated content may be incorrect.

Figure 1: As-Is BPMN Diagram

# Data Collection and Analysis

Data collects via process mining (XES logs from EHR), Gemba walks (20 cases), and HIPAA audits. Interviews with 8 staff reveal inconsistent SDOH consent.

## Statistical Analysis

Python with PM4Py and Pandas quantifies bottlenecks:

import pandas as pd import numpy as np data = {

’Case\_ID’: [1]\*5 + [2]\*6 + [3]\*4,

’Activity’: [’Intake’, ’Eligibility\_Check’, ’Medical\_Review’, ’Grants ’Intake’, ’Eligibility\_Check’, ’Wait\_Portal’, ’Medical\_R ’Intake’, ’Eligibility\_Check’, ’Medical\_Review’, ’Approv

’Timestamp’: pd.date\_range(’2025-01-01’, periods=15, freq=’D’), ’Duration\_Days’: [1, 3, 2, 4, 0.5, 1, 4, 2, 2, 3, 1, 1, 5, 2, 0.5]

}

df = pd.DataFrame(data)

cycle\_times = df.groupby(’Case\_ID’)[’Duration\_Days’].sum() mean\_cycle = cycle\_times.mean() # 10.33 days

std\_cycle = cycle\_times.std() # 3.2

bottleneck\_activity = df.loc[df[’Duration\_Days’].idxmax(), ’Activity’] # compliance\_risk = (df[’Activity’] == ’Wait\_Portal’).sum() / len(df) \* 100

## Process Mining Insights

PM4Py’s Heuristic Miner shows 30% rework loops in eligibility checks. SimPy predicts a 15% denial rate due to timeouts.

Table 1: As-Is Process Metrics

**Metric Value**

Average Cycle Time 10.2 days (*σ* = 3*.*2) Enrollment Success Rate 72%

Compliance Issues 12% (PHI mishandling) Grants Utilization 65% (20% lost)

Error Rate 15%

# Root Cause Analysis

## Fishbone Diagram

PROCESS

PEOPLE

TECHNOLOGY

-No APIs to state portals or grants platforms

-No integration with EHR (data silos)

-Reliance on Excel for grant tracking

-Unsecured shared drives for PHI storage

-Manual eligibility checks via portals

-Duplicate data entry into EHR, Excel, and shared drive

-7-day SLA delays for grants matching

-No real-time visibility for clinicians

-Untrained staff on HIPAA protocols.

-Inconsistent patient consent collection.

-Social workers overburdened

-Siloed teams

Delays, Errors, and Compliance Risks in Eligibility & Grants Process

-HIPAA violations (unencrypted emails, unsecured PHI)

-42 CFR Part 2 restrictions not properly enforced

-Grant-specific terms often missed due to manual review

-Audit failures due to poor record-keeping

-Rural setting with limited IT infrastructure

-Connectivity issues with state databases

-Limited funding for advanced IT systems

-Outdated Federal Poverty Level (FPL) thresholds

-15% error rate in manual entry

-No audit logs for PHI access

-Inconsistent reporting across systems

DATA

ENVIRONMENT

REGULATION

Figure 2: Fishbone Diagram

## 5 Whys

* + - Why? Manual portal lookups take 3–5 days.
    - Why? No automated state system integration.
    - Why? Business needs not translated to tech specs.
    - Why? IT lacks healthcare domain knowledge.
    - Why? Siloed teams; no joint sessions.

Root cause: Lack of business-technical translation and regulatory silos.

# To-Be Process (Future State)

The redesigned process automates eligibility and grants allocation, ensuring com- pliance and efficiency.

**Redesigned Flow:**

* Patient submits digital intake via HIPAA-secure portal.
* OCR extracts PHI; e-consent obtained.
* Parallel tasks:
  + API pulls eligibility from state databases (Medicaid, SNAP).
  + EHR integrates SDOH needs.
* Rules engine applies criteria (e.g., income < 200% FPL).
* Grants allocation:
  + Queries database (340B, SAMHSA).
  + Auto-allocates with audit trail.
  + Secure SMS/email notifications.
* Human review for exceptions (80% auto-approved).
* Dashboard for grants reporting.

**Key Enablers:**

* HIPAA-compliant storage (encrypted, RBAC).
* Business Rules Engine for eligibility logic.
* FHIR APIs for EHR, state, and grants integration.
* Automated audit trails for compliance.

**To-Be BPMN Diagram:**

**A diagram of a work flow

AI-generated content may be incorrect.**

# Technical Translation

**Business Rule**: SNAP eligibility if income *≤* 130% FPL and assets < $2,750. **Tech- nical Spec**: Python logic: if income <= fpl\_threshold \* 1.3 and assets

< 2750: status = ’eligible’. Uses FHIR API (Patient Resource, SDOH Ex- tension).

* **HIPAA Compliance**: TLS 1.3; RBAC; audit logs (45 CFR § 164.312).
* **Grants**: REST endpoint: GET /grants?patient\_id={id}&need\_type=behavioral.
* **Social Services**: OAuth2 for Medicaid verification.

# Custom Eligibility Engine

import pandas as pd

from datetime import datetime FPL\_2025 = 15060

def check\_eligibility(patient\_data): income = patient\_data[’annual\_income’]

household\_size = patient\_data[’household\_size’] fpl\_threshold = FPL\_2025 \* household\_size \* 1.3 assets = patient\_data[’assets’]

snap\_eligible = income <= fpl\_threshold and assets <= 2750 medicaid\_eligible = income <= FPL\_2025 \* household\_size \* 1.38 grant\_recommendation = ’HRSA’ if patient\_data[’rural’] and patient\_da audit\_log = f”Access at {datetime.now()} for patient {patient\_data[’i print(audit\_log)

return {

’snap’: snap\_eligible, ’medicaid’: medicaid\_eligible,

’recommended\_grant’: grant\_recommendation

}

patient = {’id’: ’P001’, ’annual\_income’: 18000, ’household\_size’: 2, ’as result = check\_eligibility(patient)

print(result)

# Implementation Plan

* **Design (1 Month)**: JAD sessions for UML specs; HIPAA assessment.
* **Development & Pilot (2 Months)**: Build engine, test APIs, pilot 50 cases, train 10 staff.
* **Deployment (1 Month)**: EHR plugin; automate reporting.
* **Monitoring**: Control charts (UCL=4 days, LCL=1 day); quarterly audits.

**Change Management:**

* HIPAA training; BAAs for APIs.
* Engage social workers in spec reviews.
* Tools: Git, Jupyter, AWS HIPAA-eligible cloud.

# Key Performance Indicators (KPIs)

Table 2: Key Performance Indicators

**KPI Target**

Cycle Time <3 days Enrollment Rate 92%

Compliance Rate 100% (zero PHI breaches) Grants Utilization 95%

ROI $20,000 cost; 4-month payback

# Expected Benefits

* **Efficiency**: 70% less manual effort (15 to 4.5 hours/case).
* **Funding**: $150,000+ recovered grants.
* **Patient Impact**: 20% fewer no-shows.

# Appendices

## Control Chart

Cycle Time Control Chart

UCL = 4

Mean = 3

LCL =

1

4

Cycle Time (Days)

3

2

1

0 1 2 3 4 5 6

Case Number

Figure 4: Cycle Time Control Chart

## 