



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Human Services Agency



**Date:** September 14, 2015  
**Board Meeting Date:** October 6, 2015  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Iliana Rodriguez, Director, Human Services Agency

**Subject:** Agreement with Koné Consulting, LLC for Lean Six Sigma Project

**RECOMMENDATION:**

Adopt a resolution authorizing an agreement with Koné Consulting, LLC for the purpose of utilizing Lean Six Sigma project methodology to evaluate and redesign the current benefits delivery business model, for the term of October 1, 2015 through September 30, 2017, in an amount not to exceed \$455,089.

**BACKGROUND:**

In May of 2014 the Human Services Agency (HSA) conducted an organizational assessment of the strengths and opportunities of the Agency. An operational plan and report was developed to improve efficiency, effectiveness, communication, collaboration and customer service. As a result, the report also identified significant issues with the task-based eligibility model used in HSA's Economic Self-Sufficiency division to deliver benefits to clients. Based on performance data and staff feedback, task-based eligibility is not an effective, efficient or customer friendly method of providing services and it has failed to meet the desired goals and outcomes.

In May 2015, a Request for Proposal process (RFP) was conducted for the purpose of utilizing Lean Six Sigma project methodology to evaluate and redesign the current task-based eligibility service delivery model including the stages of project initiation, project execution and project communication.

**DISCUSSION:**

HSA would like to enter into an Agreement with Koné Consulting, LLC who will provide onsite consulting and training to HSA staff to strategize, plan and implement a redesign of its current benefits delivery business model using the Lean Six Sigma principles and methodologies. The redesigned model will streamline the benefits intake and renewal application process, ensure accountability and quality control checkpoints, and develop a process that will track customer service satisfaction and seek customer feedback. It is

anticipated that by implementing this redesigned delivery system and streamlining workflows, HSA will be able to reach and serve more clients by processing applications and renewals more efficiently and without disruption in benefits to current recipients. Additionally, this new process will establish a Lean Institute (called Lean Leaders) in which HSA staff participate and receive training. After implementation, these Leaders may deliver training (train-the-trainers) to other HSA staff to continually improve HSA processes. The Scope of this Agreement is focused specifically on the Economic Self-Sufficiency division however; the Lean Six Sigma model which has been developed can be applied to all divisions within the Agency.

The Director of the Human Services Agency or the Director's Designee is authorized to execute contract amendments which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate), and/or modify the contract term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.

County Counsel has reviewed and approved the agreement and resolution as to form and the Contractor meets the insurance certification.

Approval of this agreement contributes to the Shared Vision 2025 outcome of a Prosperous Community by providing critical consulting services to HSA that will redesign its current task based benefits eligibility system. HSA will be able to reach more clients and better serve clients by processing new applications and renewals more quickly and by reducing errors made during the process to minimize benefits disruption.

HSA expects to implement a best business model that will address its caseload backlog and reduce the number of overdue applications and renewals to no more than 2% of the total caseload. In addition, HSA will reduce its CalFresh and CalWORKs payment errors and public assistance program procedural error rates by 5%.

**PERFORMANCE MEASURE(S):**

Measure	FY 2015-16 Actual	FY 2016-17 Projected
The case backlog comprises less than 2% of the total cases.	1.9%	1.9%
Reduction of payment errors in CalFresh & CalWORKs programs.	5%	5%
Reduction of procedural errors in public assistance programs.	5%	5%

**FISCAL STATMENT**

The term of the agreement is October 1, 2015 through September 30, 2017. This agreement for \$455,089 will be funded through allocations from state and federal welfare administration sources at 70% (\$318,562) and Net County Cost of 30% (\$136,527). Appropriations are included in the FY 2015-16 and FY 2016-17 Tentatively Adopted Budgets and will be included in the FY 2017-18 Recommended Budget.