CGS ADMINISTRATORS, LLC

THE PROVIDER 360 PROGRAM

THE 8 FORMS OF WASTE | Job Aid

This resource explains the eight forms of waste, outlined by the Lean acronym **DOWNTIME**. These wastes highlight activities that slow processes, create extra work, or reduce efficiency. Recognizing waste helps you better understand how workflows, identify improvement opportunities, and reduce errors. Small, ongoing changes can improve efficiency, strengthen quality, and support continuous improvement across daily operations.

D Defects

Defects are errors, incorrect information, or missing required elements in a claim. This type of waste is especially important because defects directly lead to rework and higher cert error rates. Examples in claim denials:

- Inaccurate physician documentation
- Modifiers and documentation errors
- Missing signatures and date errors
- Medical Necessity, or
- Using outdated information

Critical defects should be fixed to ensure accuracy and prevent future errors.

O Overproduction

Overproduction happens when you create more information or documentation than needed. This adds clutter, causes confusion, and creates extra work that doesn't move the claim forward. Examples include:

- Duplicate reports
- Excessive emails or copied documents
- Work created before it's needed

W Waiting

Waiting occurs when a claim must pause because the next step can't begin. This could mean waiting for missing information, an approval, or a handoff. These delays interrupt workflow and quietly increase processing time. Claims stuck in waiting often pile up, creating backlog and stress. Examples include:

- Waiting for approvals
- Delayed responses
- System downtime
- Idle processing time

N Non-Value-Added Work

Non-Value Added Work includes activities that take time and effort but don't improve the quality or accuracy of a claim or contribute to its correct submission. Reducing or removing these steps creates a cleaner, faster, and more predictable submission process. Examples include:

- Repeated checks
- Tasks done only because they've always been part of the process
- Duplicate data entry
- Repeated reviews
- Unnecessary handoffs
- Multiple tracking methods

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T Transportation

Transportation waste is the unnecessary movement of information or paperwork between systems or people, increasing the risk of lost details or miscommunication. It often occurs when claims move across platforms or departments without a clear need. Examples include:

- Excessive email routing
- Repeated file transfers
- Moving work between multiple teams unnecessarily

I Inventory

Inventory waste occurs when claims build up in queues or sit waiting to be worked. Backlogs make it harder to prioritize, track progress, and often hide delays or lead to errors when staff rush to catch up. Examples include:

- Large work queues
- Pending claims
- Unresolved tickets
- Excess document inventory

M Motion

Motion waste is the extra effort needed to find or retrieve information. Searching through emails, folders, or multiple systems slows the process and increases the risk of missing key claim elements. Examples include:

- Searching for files
- Navigating multiple systems
- Repetitive manual actions
- Excessive clicking or scrolling

E Excessive Processing

Extra processing is doing more work than is required to submit a clean, accurate claim. These unnecessary steps consume time and often introduce inconsistencies. Reducing extra processing makes the workflow smoother and more predictable. Examples include:

- Overly complex approvals
- Duplicate audits or reviews
- Excessive documentation requirement

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