MEPD and Texas Works Bulletin 19-4

Date: April 1, 2019

To: Eligibility Services – Regional Directors
Program Managers
Eligibility Services Supervisors
Regional Attorneys
Hearings Officers

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Subject: Data Broker – Predictive Analytics

Bulletins are sent to supervisors and other regional managers. Supervisors must share this information with all eligibility staff. Please ensure that copies are provided to staff that do not have access to e-mail. If you have any questions regarding the policy information in this bulletin, follow regional procedures.

Active bulletins are posted on the following websites:

- [Texas Works Handbook (TWH)](http://hhs.texas.gov/laws-regulations/handbooks/texas-works-handbook/texas-works-bulletins);
1. Data Broker - Predictive Analytics

Background

HHSC contracts with a Data Broker vendor to provide financial and other background information for SNAP, TANF, and Medical Program applicants and recipients. The vendor collects and combines information from several sources into one report which is called a Data Broker Combined Report. The report includes information such as driver’s license, persons living at addresses, vehicle ownership, vehicle values, employment, income, unemployment benefits, and other information when available.

Current Policy

All Programs

When a Data Broker Combined Report provides information that is discrepant with the information the household provided, the household’s circumstances become questionable. Staff must follow policy in Texas Works Handbook (TWH) C-920, Questionable Information, to resolve the discrepancy.

New Policy

All Programs

Beginning April 1, 2019 through May 31, 2019, a Predictive Analytics (PA) pilot will be implemented in the following two offices in Region 3 - Mesquite and Dallas-East Ledbetter. Staff in the pilot sites will receive a Predictive Analytics Report combining data from the Data Broker Combined Report for each adult household member with data from the following three new data sources:

- *LexisNexis Property/Incarceration*: Identifies all owned properties from anywhere in the United States, aircrafts, and watercrafts. This source will also provide information about incarcerated persons.

- *Experian Fraud Shield*: Conducts cross-checks with various data sources and provides a detailed series of identity checks to uncover inconsistencies.

- *Experian Income Insight*: Identifies potential unreported income.
In addition, based on the PA information, staff will also be provided with a risk level report for the household.

Pilot staff must continue to pull a Data Broker Combined Report at application, recertification, or change following current policies and procedures; however, staff will be instructed to request and complete a new Data Broker Predictive Analytics Questions page in TIERS that consists of answering six questions.

Once received, the PA Report will provide a risk level for the household of:

- No Risk,
- Low Risk,
- High Risk, or
- Potential Fraud.

The PA Report will also provide the specific reason(s) for the risk level of the household and will be available at application, recertification, and change to staff in the designated pilot offices.

For example, the household may have a risk level of Potential Fraud for the specific reason of “Input identity is reported as deceased.”

In this example, the comments on the report would explain the reason further such as, “The identity for this individual is reported by the data source as being deceased effective 01/01/2019. Verify SSN as needed.”

Pilot staff must review the risk level information in the report and address and clear all discrepancies following the policy in TWH C-920, Questionable Information, and the process provided during the Instructor Led Training.

When denying a case for failure to provide information based on the PA Report, pilot staff must document in case comments outstanding information not returned.

Additionally, when a household reapplies and outstanding information from PA still exists, pilot and non-pilot staff must address the discrepant
information following policies found in TWH C-920, Questionable Information, to resolve discrepancies when determining eligibility.

**Note:** PA information is available in Data Broker Case History and in the TIERS case comments.

*Fair Credit Reporting Act (FCRA)*

When taking adverse action based on information received either directly or indirectly through the use of a credit report, which includes information received via PA, the FCRA requires notification to the household. Since the PA data sources includes Experian (Experian Income Insight) information, notification is required.

Staff must follow the policy in TWH C-829, Case Actions, when taking adverse action as a result of this income and employment information and include the appropriate notice language. In addition, staff must complete the **Credit Agency-Details** page in TIERS (See screenshot below) to ensure the required notice language is included on the TF0001, Notice of Case Action.

![Credit Agency-Details Screenshot](image)

**Note:** This screenshot does not contain real data.
Automation

There are no automation changes to TIERS.

Changes to the Data Broker/Predictive Analytics process will be implemented on April 1, 2019 for staff in the pilot offices. Functionality will be added to Data Broker that will enable staff to request a predictive analytics report.

Staff in the designated pilot offices will also be required to answer additional questions when completing a task in EWMS. Process information is located in the EOPM and/or EWMS release notes.

An example of the Predictive Analytics Report is below:

![Predictive Analytics Report Image]

**Note:** These screenshots do not contain real data.
Effective Date

The policy is effective April 1, 2019 through May 31, 2019 for applications, recertifications, and changes processed by staff in designated pilot offices.

Handbook

Handbook updates are not required.

Training

Eligibility Operations-Vendor staff provided Instructor Led Training to staff in the designated pilot offices on March 26 and March 27, 2019.