



House Committee on Human Services HHSC Eligibility Update

March 23, 2010

Nationally, states are experiencing increases in the number of households applying for SNAP food benefits and performance has been impacted.

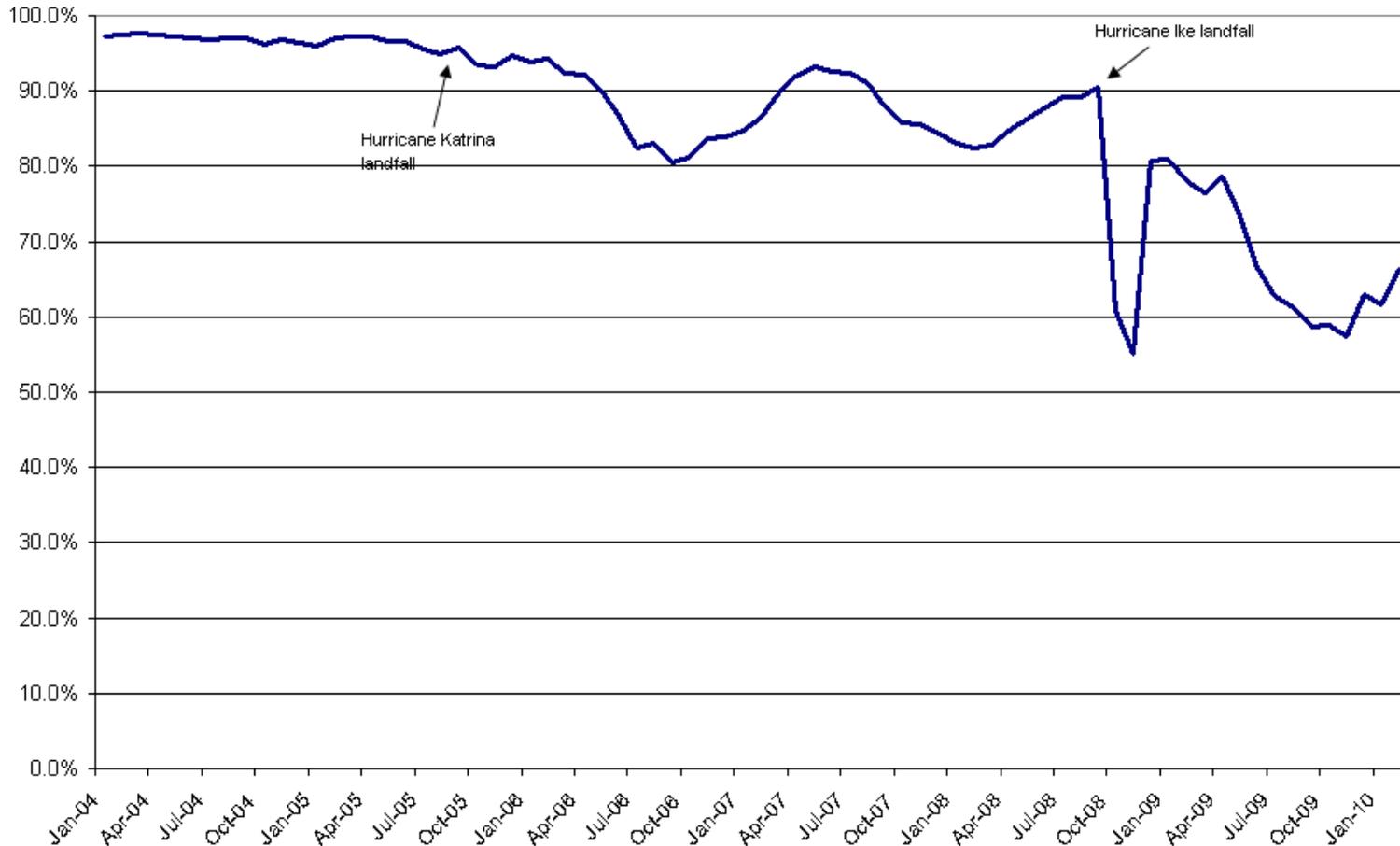
- **Texas will issue a total of \$405 million in benefits to more than 3.3 million recipients in March 2010, compared to \$221.4 million issued to 2.3 million recipients in March 2008.**
 - 82.9% increase in benefits
 - 43.5% increase in recipients
- **In federal fiscal year 2009, the 95 percent federal standard for application timeliness was met by 11 states and the national average was 84.2 percent.***
 - A total of 21 states had timeliness rates lower than 85 percent
 - The average timeliness for Texas was 68.6 percent, followed by Rhode Island at 63.6 percent
 - Florida – 82.8 percent
 - California – 77.6 percent
 - New York – 89.3 percent

**FNS Application Processing Timeliness
Reporting is based on quality control sampling*

HHSC has dealt with multiple challenges over the last several years that have compounded to create the current crisis

- **Hurricanes have placed stress on the eligibility system and diverted resources away from core functions**
- **Caseload growth resulting from the economic downturn created large caseload backlogs and long delays for clients in some areas of the state**
- **Staffing levels have improved but high turnover rates and the loss of tenured staff makes it difficult to sustain performance as caseloads have increased**
- **Continuing to operate under two automation systems has contributed to low employee morale and poor customer service**

Historical SNAP Application Timeliness
January 2004 through February 2010



Staffing levels have increased

- **Since September 1, HHSC has had a net gain of approximately 800 field eligibility staff**
 - LBB authorized 250 additional eligibility FTEs in October 2009
 - Using a “hire ahead” approach to ensure that turnover for eligibility workers does not result in a high vacancy rate

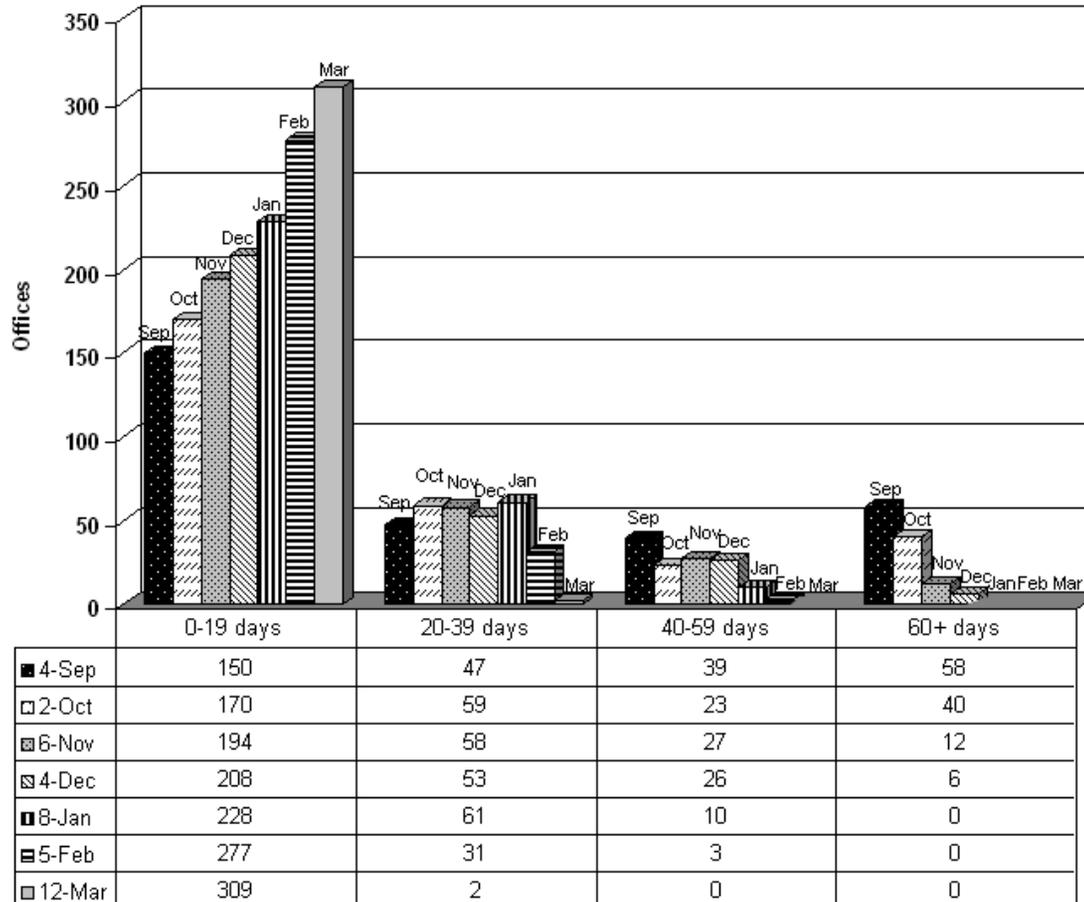
Lead time has improved

- **Lead time is an indicator of timeliness at the local office level. Lead time refers to the number of days between receipt of an application and the first available interview appointment.**
 - The likelihood of an application being processed within 30 days is increased when lead time is at 20 days or less
- **In September 2009, 58 offices had lead time of more than 60 days**
 - Currently, none of the 311 eligibility offices have lead time greater than 40 days
 - 2 offices currently have lead times between 21 and 39 days
- **In September 2009, 150 offices had ideal lead times of less than 20 days**
 - Currently, 309 offices have lead times of less than 20 days

Filled Eligibility Staff by Region

Regions	Filled Positions (9/3/09)	Filled Positions (10/1/09)	Filled Positions (11/5/09)	Filled Positions (12/3/09)	Filled Positions (1/7/10)	Filled Positions (2/4/10)	Filled Positions (3/11/10)	Net Change In Filled Positions (9/3/09 through 3/11/10)
1-Lubbock	159	164	188	213	218	218	218	59
2/9- Abilene	212	216	217	229	250	248	255	43
3-Grand Prairie	1,008	1,048	1,124	1,248	1,291	1,290	1,305	297
4-Tyler	254	257	266	269	272	275	277	23
5-Beaumont	228	235	243	241	243	244	248	20
6-Houston	1,193	1,187	1,230	1,246	1,245	1,239	1,268	75
7-Austin	638	639	643	644	651	651	656	18
8-San Antonio	554	580	605	643	672	700	695	141
10-El Paso	447	443	447	451	454	455	452	5
11-Edinburg	968	985	987	993	1,005	1,007	1,004	36
Asst. Response Team	584	586	581	587	596	596	591	7
Customer Care Center	274	275	304	335	327	332	331	57
MEPD	997	987	1,023	1,012	1,011	1,013	1,020	23
Total	7,516	7,602	7,858	8,111	8,235	8,268	8,320	804

Eligibility Offices Lead Times
September 2009 to March 2010



SNAP timeliness is showing improvement

- SNAP application timeliness has increased:
 - 66.3 percent in February compared to 58.6 percent in September
- SNAP recertification timeliness has increased:
 - 78 percent in February compared to 68.9 percent in September
- Past due pending applications have decreased:
 - 40.7 percent in February compared to 63.4 percent in September

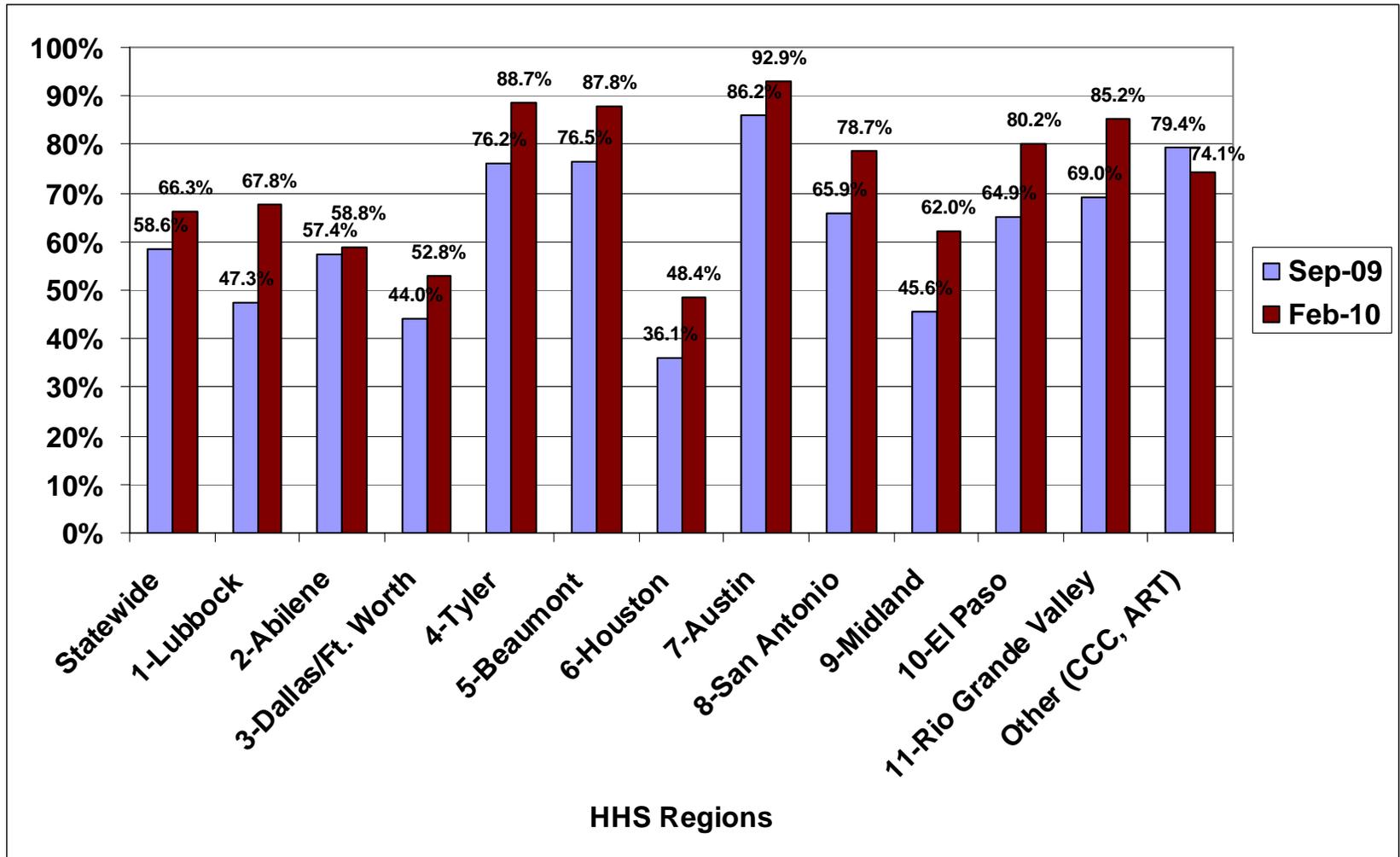
Timeliness for expedited SNAP applications is better than non-expedited applications. Applicants that meet the expedited criteria are the most needy.

- The state standard for expedited applications requires processing within one business day of receipt and the federal standard allows seven days for processing.
 - At the federal standard of seven days:
 - 88.6 percent in February, compared to 89.4 percent in September
 - At the state standard of one business day:
 - 78.8 percent in February, compared to 76.6 percent in September

Medicaid application timeliness has fluctuated since September

- 74.1 percent in February, compared to 75.4 in September
- Pending applications that are past due decreased to 35.7 percent in February from 45.7 percent in September

Application Timeliness by Region



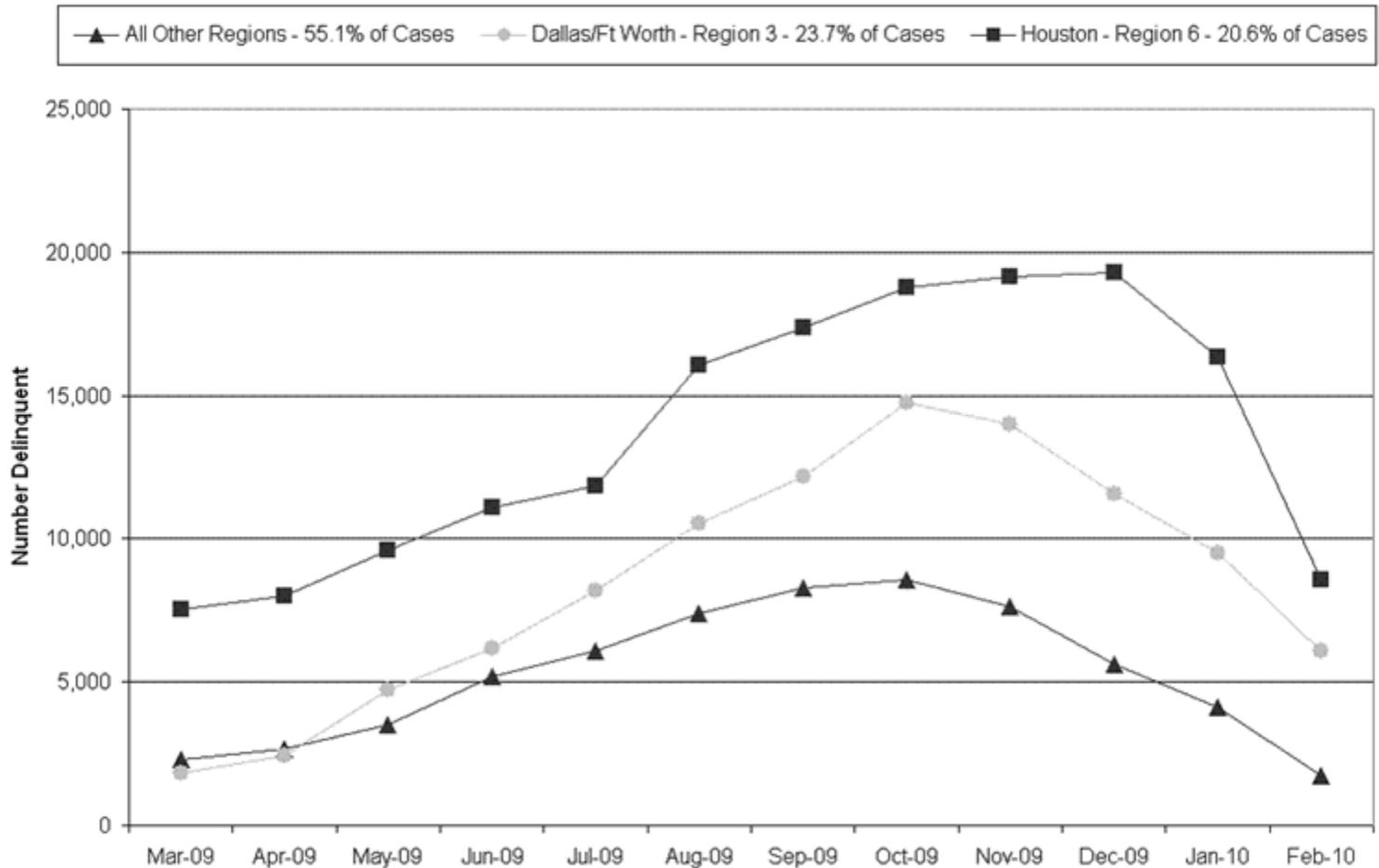
While processing the increasing volume of applications, HHSC has reduced the number of overdue SNAP cases by more than 60 percent.

- In October 2009, there were approximately 42,000 overdue SNAP cases in SAVERR
- In February 2010, there were approximately 16,000 overdue SNAP cases in SAVERR
 - Almost 90 percent of the overdue cases are in the Dallas/Fort Worth and Houston regions
- Even when timeliness standards are being met, some cases are processed past their due dates

HHSC had projected that the backlog could be cleared by the end of February. That target was met by some, but not all regions.

- As of February, the Tyler, Beaumont, Austin, El Paso and Edinburg regions have met the target
- Based on current demand levels
 - The Lubbock, Abilene and San Antonio regions are on pace to meet the target by the end of March
 - The Dallas/Fort Worth and Houston regions are projected to clear the remaining backlog by the end of April

**Number of Delinquent SAVERR SNAP Applications
Dallas/Fort Worth and Houston Regions Compared to All Other Regions**



Strategies to Improve Performance

HHSC is implementing multiple strategies, both short-term and long-term, to address eligibility system performance issues, including:

•Increasing the eligibility workforce to meet caseload growth

- HHSC Rider 61(b) authorized HHSC to request additional staff for anticipated workload and caseload growth, and to help maintain reasonable workloads designed to meet required federal timeliness standards and reduce error rates.
- Using “hire ahead” approach to keep staffing at the FTE cap despite normal turnover

•Efforts to improve morale and retention of eligibility staff

- Supervisor Upgrade (Effective October 2009)
 - Upgraded entry-level supervisor position with an automatic upgrade after two years of satisfactory performance
- One-Time Merit Pay Increase (Paid December 2009)
 - Provided financial recognition for direct delivery staff
- Developing Performance-Based Pay Incentive
 - Provide financial incentive for consistent performance or significant improvement, with a focus on timeliness and quality meeting or exceeding program standards

•Streamlined Employee Training

- “On-the-Job” Training Environment
 - Assign peers and mentors to new staff to provide support and help them learn job functions

•Food Bank Interview Pilot

- Under a waiver agreement with the Food and Nutrition Service, HHSC and the Texas Food Bank Network are piloting expanded eligibility assistance with local food banks Assign peers and mentors to new staff to provide support and help them learn job functions
 - Waiver allows the food banks’ contact with applicants to count as the required SNAP interview, which will help reduce workload for eligibility offices
 - This eliminates a redundant step, which streamlines the application process for clients
 - State staff continue to determine eligibility after reviewing the applications for completeness and follow-up with applicants directly for any other information needed to make the eligibility decision
 - Pilot began March 1, 2010, with the food banks in Dallas, Fort Worth, Houston, and San Antonio
 - As of March 16, a total of 564 interviews have been conducted by the four food banks since the pilot began on March 1

• **Conducting Business Process Review and Requested State Auditor Review**

- HHSC is evaluating eligibility business processes
 - Identifying inefficiencies in current processes that will inform a business process redesign
 - Re-examining the roles of state and vendor staff
 - Evaluation will inform the staffing analysis called for in H.B. 3859 (81st Legislature). Analysis will be completed by early summer.
 - The USDA's Food and Nutrition Service (FNS) has indicated that they see a limited role for private, for-profit entities in supporting eligibility staff determinations.
- In December, HHSC requested the State Auditor to conduct an audit of the SNAP program's business process to identify areas for improvement.

Strategies to Improve Performance

•Process Changes that Provide Workload Relief

– Dual Certifications for Delinquent Cases

- Process two SNAP and Children’s Medical Assistance (CMA) Certification Periods using one application and a single interview, when the file date is more than 60 days before the case is processed.
- Improves timeliness and client services

– Redirect Staff to Focus On Backlog in Local Offices

- State office program specialists and quality assurance specialists located in the regions are temporarily assigned to local offices to assist with case readings, office processes, interviewing and other support activities.

– State Office Staff Working in Local Offices

- Staff office or regional staff who support eligibility determination workers work one day per month in a local office as front desk support, filing, interpreting, or other support activity.
- Provides workload relief and allows for the identification of best practices

•Move Towards Implementing a Single Eligibility System

HHSC recognizes the need to fully transition to a modern eligibility system to create more access channels and a more efficient process for clients.

Toward this end, HHSC:

- HHSC hired Stanley Stewart so that a single individual has the authority and responsibility to cross into all areas of the agency to coordinate the transition to TIERS. This will facilitate improved coordination that is critical to statewide conversion.
 - Responsibility includes coordination of field and vendor operations, policy, technology, training, and facilities staff that are associated with rollouts
 - Stewart oversaw Michigan’s transition to Bridges, a modern automation system based on TIERS technology that supports eligibility determinations
 - Rollout of Bridges began in August 2008 and was completed in August 2009
 - Bridges is currently issuing approximately \$218 million in SNAP benefits to more than 1.7 million recipients each month

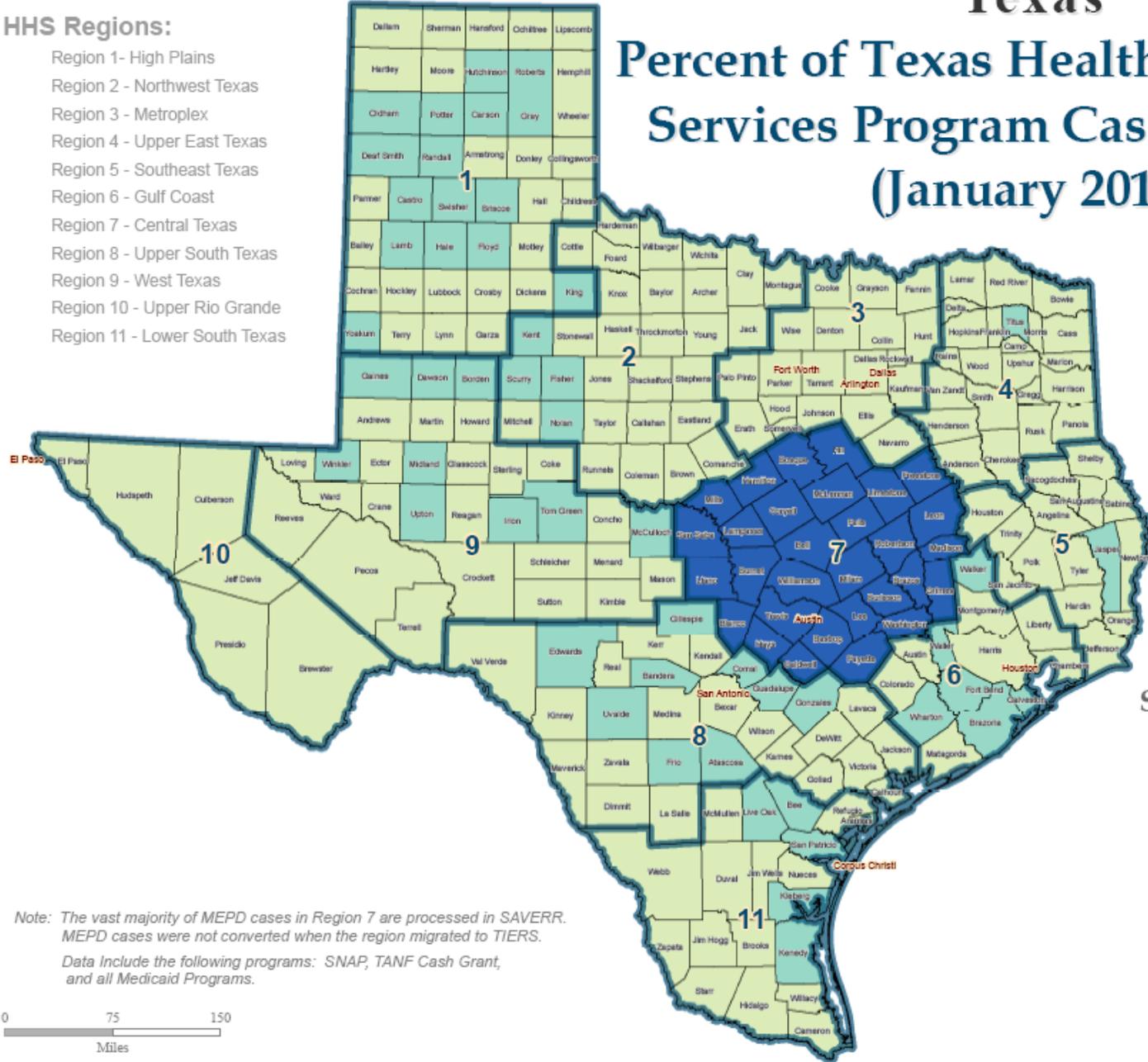
- **Plans to resume TIERS roll-outs**
 - FNS is monitoring the state's performance
 - FNS identified the ongoing use of two automation systems as a major contributing factor to the state's challenge in meeting federal performance standards
 - FNS has encouraged Texas to proceed with the transition to TIERS
 - Timeliness in TIERS is better than in SAVERR
 - Under FNS approval granted in June 2008, HHSC is currently planning for the conversion of cases in the Lubbock and El Paso Regions to TIERS. These rollouts will involve:
 - Approximately 70,000 cases in 41 counties in the Lubbock Region
 - Approximately 119,000 cases in 6 counties in the El Paso Region
 - Additional federal approvals will be required before rolling out to the remaining eight regions

Texas

Percent of Texas Health and Human Services Program Cases in TIERS (January 2010)

HHS Regions:

- Region 1- High Plains
- Region 2 - Northwest Texas
- Region 3 - Metroplex
- Region 4 - Upper East Texas
- Region 5 - Southeast Texas
- Region 6 - Gulf Coast
- Region 7 - Central Texas
- Region 8 - Upper South Texas
- Region 9 - West Texas
- Region 10 - Upper Rio Grande
- Region 11 - Lower South Texas



Pct of Program Cases In TIERS

- 0 - 20%
- 21 - 50%
- >=51%

Statewide Total = 21%

Note: The vast majority of MEPD cases in Region 7 are processed in SAVERR. MEPD cases were not converted when the region migrated to TIERS.
 Data include the following programs: SNAP, TANF Cash Grant, and all Medicaid Programs.



Rollouts in the Lubbock Region will begin as early as May 2010, but no later than September 2010.

The schedule is dependent on assessment of specific milestones and meeting certain conditions, as follows:

- **System Capacity**
 - Sufficient server capacity is essential for TIERS performance statewide
 - Existing servers are sufficient to support current caseloads. Additional server capacity is necessary to support statewide rollout
 - Eight additional servers will be required to support statewide rollout
 - New Winters Data Center will house the capacity needed for statewide rollout and will be operational in late September 2010
 - Before rollouts begin
 - TIERS capacity will be evaluated to ensure that it is sufficient to support the additional cases
 - Currently, the TIERS technical infrastructure is operating at an average of 70 percent of capacity. Performance suffers when the system is above 85 percent of capacity.
 - With the addition of approximately 70,000 cases in the Lubbock Region, two additional servers are needed.
 - » These servers will be installed by the end of April and will reduce the average utilization to 60 percent.

- **System Maintenance Service Requests**

- Maintenance service requests result from “bugs” with the TIERS application. While all applications have some defects, addressing the majority of these prior to rollout will reduce the potential for case processing delays and worker frustration.
 - Resolution of maintenance service requests is an ongoing process
 - Given limited resources such as staff and programming hours, HHSC must prioritize programming changes and limit or delay some changes in order to address the service requests
- Before rollouts begin
 - Major maintenance service requests will be resolved
 - Current efforts are focused on identifying and correcting the service requests that produce the most help desk calls from workers
 - Before any rollout, pending major maintenance service requests will total 100 or less

- **Preparation of Staff and Offices for Rollout**

- TIERS Training

- Adequate worker and supervisor training is essential for a successful rollout. Feedback from staff in the Central Texas Region following last year's rollouts indicated the need for improved TIERS training
- HHSC has revamped the TIERS training to be more experiential and hands-on
 - The new training is underway in the Lubbock Region and is receiving positive reviews
 - New training is being developed for clerks and supervisors
 - » Supervisor training will focus on increasing understanding of management reporting tools within TIERS
- Increased train-the-trainers model to ensure that trainers are well-versed in using TIERS
- Vendor involvement has increased to ensure TIERS programmers have a better understanding of the policies behind the programming

- **Preparation of Staff and Offices for Rollout (continued)**
 - Before rollouts begin
 - Offices will have adequate equipment to support their use of TIERS
 - All computers updated and each user has two monitors to support the efficient processing of cases in TIERS
 - Offices will be current with processing and cases are accurate
 - The office must be current with processing applications, with lead time of less than 20 days
 - “Dry runs” of the conversion must result in a case match rate greater than 80 percent
 - » Case match occurs when the benefit calculation in SAVERR matches the calculation in TIERS
 - » Cases that are not successfully matched must be reviewed and corrected until the 80 percent standard is achieved
 - All staff in the office will be trained in TIERS
 - All managers will have received reports training

Following each rollout, performance will be monitored through the following:

- Daily conference calls with local staff, management, and programmers for the first month after rollout
- Senior management will be on-site to manage the rollout
- Technical performance monitored on a daily basis
- Comparison of total benefits issued before and after conversion
- Lead time and timeliness at each office
 - Newly converted offices will have experienced TIERS workers (Assistance Response Team-ART staff) available to assist with cases as needed
- Worker feedback and evaluation of the transition
- Evaluation of client complaints