

A report of the
Department of Social Services
Commonwealth of Virginia

**Progress Report:
Implementation Plan for
Web-based Eligibility System**

to the Governor and the
General Assembly of Virginia

October 2010



COMMONWEALTH of VIRGINIA

DEPARTMENT OF SOCIAL SERVICES

Office of the Commissioner

Martin D. Brown
COMMISSIONER

October 15, 2010


MEMORANDUM

TO: The Honorable Robert F. McDonnell
Governor of Virginia

The Honorable Richard D. Brown
Secretary of Finance

The Honorable Charles J. Colgan, Chairman
Senate Finance Committee

The Honorable Lacey E. Putnam, Chairman
House Appropriations Committee

FROM: Martin D. Brown 

SUBJECT: Implementation Plan for a Web-based Eligibility System

I am pleased to submit the Department of Social Services' progress report on the development of an implementation plan for a web-based eligibility system pursuant to Item 346 H of the 2009 Appropriation Act. If you have questions or need additional information concerning this report, please contact me.

MDB/jms

Preface

This report is submitted pursuant to Item 346 H of the 2009 Appropriation Act (Act), which requires the Department of Social Services (DSS) to “develop an implementation plan to centralize, web-enable and streamline eligibility determination for benefit programs.”

The Act requires DSS to cooperate with state and local partners in the development of the plan and provide an initial report on the cost, feasibility, potential for economy of scale, and impact by October 15, 2009. An annual progress report is due by October 15 of each subsequent year; however, the language requiring the report was removed from the 2010 Appropriation Act.

This is, therefore, the final progress report.

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Executive Summary

DSS oversees the operation of benefits and services programs that are administered by 120 local departments of social services (LDSS) across the Commonwealth. Many of the Commonwealth's most critical services are included in these programs, including administering social safety net programs, protecting children and adults from abuse and neglect, providing subsidized child care that allows parents to work, collecting child support to improve the lives of children, licensing adult and child care facilities to ensure safety, and encouraging work through workforce development services.

The economic recession facing Virginia has had a significant impact on the LDSS workload. Specifically, the Supplemental Nutrition Assistance Program (SNAP) caseload has increased by over 60% since July 2007. This means that one in every 10 Virginians now depend on SNAP to meet their nutritional needs. The Temporary Assistance for Needy Families (TANF) caseload has increased by over 17% since July 2007, currently numbering over 37,000 cases, and the Unemployed Parent Program caseload has doubled to over 2,400 cases. In addition, over 827,000 individuals currently receive Medicaid benefits.

The current automated eligibility system for the benefit programs of SNAP, TANF, and Medicaid, called the Application Benefit Delivery Automation Project (ADAPT), is built in an aging technology called Maintaining and Preparing/Producing Executive Reports (MAPPER). MAPPER contains over 10,000 automated rules. Although program changes mandated by either federal or state legislation require adjustments to ADAPT, the MAPPER technology is difficult to program. Thus, the current delivery model of benefits and services is highly dependent upon paper and manual processes, limited data sharing, and aging technology.

While caseloads have grown, funding for staff has not increased. Even though ADAPT is not an easy system to program for changes and efficiencies, DSS has worked to assist LDSS staff to manage caseload increases through implementation of several efficiencies to streamline the work effort:

- Telephone interviews – allowing workers to conduct interviews via telephone, and manage their workload, eliminating down time from missed appointments;
- Client declaration of SNAP resources instead of requiring hard copy verifications;
- Adding comment screens in the eligibility system (ADAPT) so verifications can be documented within the system; and
- Electronic data matches with the Social Security Administration for citizenship verification.

Established planning processes for new technology require documentation to be submitted for approval by federal partner agencies. System development requires approval from both the federal partner agencies and the Virginia Information Technologies Agency (VITA). DSS received federal approval for a Planning Advance Planning Document (PAPD) that documented pre-planning efforts to evaluate potential technology enhancements, coupled with business process changes to improve the delivery of benefits and services.

Evaluation of incremental technical enhancements, knowledge gained through the PAPD activities, evaluation of streamlined business processes and alternatives, and funding constraints support incremental investments to address modernization of the eligibility system. Based on the results of the PAPD, an Implementation Advance Planning Document (IAPD) requesting funding approval to implement a Customer Portal was submitted to the federal partners on September 13, 2010. Documentation for implementation of the Customer Portal has also been submitted to VITA for development approval. Currently, the project has been approved for preliminary planning. At this time, no approval for development has been received from the federal partner agencies or the Commonwealth's Chief Information Officer (CIO).

Because a major information technology project requires approximately a year of planning and documentation, DSS believes implementation of a new web-based system for the determination of eligibility to replace ADAPT will be a lengthy task, taking at least three years. The scope of such a project would not allow the Commonwealth to quickly realize any real cost savings until after full implementation. DSS recommends an incremental approach be used as the plan to centralize, web-enable, and streamline eligibility determination.

Recognizing that the delivery of services and benefits occurs at the local level, DSS partnered with LDSS to develop the PAPD activities. Work groups comprised of local and state staff were formed to conduct research of other states' technology, document, and review deliverables for the PAPD. Local department directors also served on an oversight committee for the PAPD activities. In addition, discussions were held with representatives from the Virginia League of Social Services Executives and its affiliates regarding the Customer Portal. Federal partner agency representatives were contacted to discuss the options for a Customer Portal prior to submission of the IAPD.

A steering committee including representatives from the Office of the Secretary of Health and Human Resources, VITA, DSS, League of Social Services Executives, Department of Medical Assistance Services (DMAS), and Department of Planning and Budget (DPB) met in 2009. At that time, it was determined that there were no funds to support full replacement of the current eligibility system with a web-based one. DSS has continued to explore ways to develop a replacement system in an incremental way. As the proposal for a Customer Portal developed, DSS consulted with DMAS and members of the VITA Architectural Review team to ensure that development of a Customer Portal can meet the technology requirements for the anticipated expansion of Medicaid. DSS will continue to work with its partners - local, state and federal - to develop a plan for incremental implementation and investment in technology to address enterprise needs and eligibility determination. Because the language requiring this report was deleted in the 2010 Appropriation Act, this is the final progress report.

Implementation Plan for Web-based Eligibility System

Background

DSS oversees the operation of social services programs in accordance with Title 63.2 of the Code of Virginia, which pertains to welfare and social services. LDSS implement programs and provide direct benefits and services to citizens and residents in their communities. Each year, DSS' programs directly assist one in seven Virginians. DSS and its key partners – LDSS and the community action agencies – provide many of the Commonwealth's most critical services, including administering social safety net programs, protecting children and adults from abuse and neglect, providing subsidized child care that allows parents to work, collecting child support to improve the lives of children, licensing adult and child care facilities to ensure safety, and encouraging work through workforce development services.

The economic recession facing Virginia has had a significant impact on LDSS. Specifically, the SNAP caseload has increased by over 60% since July 2007. This means that one in every 10 Virginians now depend on SNAP to meet their nutritional needs. The TANF caseload has increased by over 17% since July 2007, currently over 37,000 cases, and the Unemployed Parent Program caseload has doubled, now to over 2,400 cases. In addition, over 827,000 individuals now receive Medicaid benefits.

While caseloads have grown, funding for staff has not increased. Even though ADAPT is not an easy system to program for changes and efficiencies, DSS has worked to assist LDSS staff to manage caseload increases through implementation of several efficiencies to streamline the work effort:

- Telephone interviews – allowing workers to conduct interviews via telephone, and manage their workload, eliminating down time from missed appointments;
- Client declaration of SNAP resources instead of requiring hard copy verifications;
- Adding comment screens in the eligibility system (ADAPT) so verifications can be documented within the system; and
- Electronic data matches with Social Security Administration for citizenship verification.

Information Technology (IT) to Support Eligibility Programs

The current automated eligibility determination system for the benefit programs of SNAP, TANF, and portions of Medicaid is called ADAPT. ADAPT is built in an aging technology called MAPPER that contains over 10,000 automated rules. Although program changes mandated by either federal or state legislation require adjustments to be made to ADAPT, the MAPPER technology is difficult to program. Thus, the current business model of delivery of benefits and services is highly dependent upon paper and manual processes, limited data sharing, and aging technology. Labor-intensive manual processes, minimal customer self-service capabilities, and limitations on information sharing are just a few of the issues that could be addressed through more advanced technology.

Established planning processes for new technology require documentation to be submitted for approval by federal partner agencies and VITA. Because a major information technology project requires approximately one year of planning and documentation, DSS believes that a new web-based system for determination of eligibility to replace ADAPT could not be fully implemented for more than three years.

Over the past two years, DSS has engaged in pre-planning efforts to evaluate potential solutions to address our aging technology. The planning efforts were documented in a federally-approved PAPD that covers evaluation of potential technology enhancements and business process changes to improve the delivery of benefits and services.

The scope of such a project would not allow the Commonwealth to realize any real cost savings until after full implementation. DSS recommends an incremental approach be used as the plan to centralize, web-enable, and streamline eligibility determination. Evaluation of incremental technical enhancements, knowledge gained through the PAPD activities, evaluation of streamlined business processes and alternatives, and funding constraints support incremental investments to address modernization of the eligibility system.

IT Vision

DSS and its local partners envision a self-service benefits and services model that is efficient, effective, and provides a customer friendly experience. Within this vision, clients will be able to file applications for benefits or services through an online application process, report changes, and manage benefit “accounts” online. Most required materials and verification documents will be scanned and stored electronically within the application. Whenever possible, verification of required information will be captured electronically through a web-based service. Workers and/or automated processes will review applications, ask additional questions, and request additional documentation electronically or in print to communicate with customers. As a result, workers will be able to spend more time providing quality service, case management, and accurate determination of eligibility.

Planning Advance Planning Document (PAPD)

The PAPD project, called the Enterprise Delivery System Project, has been completed. Efforts have been made to assess opportunities to improve business processes, information sharing, and worker efficiency and effectiveness. The deliverable outputs of the PAPD consist of documentation of alternatives, technical feasibility studies, and cost benefit analyses. The PAPD focused on the following key areas: Customer Facing Portal; Worker Support Portal; Master Customer Identifier (MCID); and Document Management and Imaging. In addition, staff conducted research of other states’ business models and technology used to support the models.

The first area of focus, a web-based customer facing portal, could provide customers with self-service capabilities. Currently, DSS has online application capabilities for SNAP and Adult Medicaid programs. However, the online applications received do not “feed” into ADAPT, which means that a LDSS worker must download and print the application, then enter it

manually into ADAPT. The PAPD effort provided the opportunity to evaluate the opportunity for consistent and efficient online application services for customers of all major benefit programs. DSS conducted preliminary research of other states' experiences and innovations in this type of automation. Eligibility program applications, such as SNAP, TANF, Medicaid, and Low Income Home Energy Assistance Program (LIHEAP) can be submitted online through kiosk machines located at LDSS, libraries, community action agencies, or from the comfort of home.

Implementation Advance Planning Document (IAPD) – Customer Portal

The next step in the process to obtain approvals to develop and implement an automated system is the IAPD. Based on the results of the PAPD, an IAPD was submitted to the federal partners on September 13, 2010. The focus of the IAPD is the Customer Portal, as the first key area that should be implemented. The proposed solution for the Customer Portal is based on the same technology that is being used for automation of the Child Care Subsidy Program. The Customer Portal component could be accomplished within an expansion of the existing contract with the vendor that is currently working on the automation project for the Child Care Subsidy Program. Recognizing that a Customer Portal does not automatically result in worker efficiencies, the IAPD also includes costs for a “feed” from the Customer Portal to the ADAPT eligibility determination system. The total estimated costs for implementation of the Customer Portal and modifications to ADAPT are approximately \$9.2 million.

In addition to federal approval, established planning processes require documentation to be submitted to VITA and approved prior to investment in technology. Documentation for implementation of the Customer Portal has also been submitted to VITA for development approval. Currently, the project has been approved for preliminary planning. At this time, no approval for development has been received from the federal partner agencies or the Commonwealth's CIO.

Conclusion

Currently, the major challenge for the social services system is handling the caseload increases for benefit programs (SNAP, Medicaid and TANF) in the face of resource constraints. Primarily due to the recession, SNAP caseloads are at an all-time high, and other program caseloads have also increased rapidly. While caseloads have grown, funding for staff has not increased. The current eligibility automated system is built in old technology, and while there is a pressing need to invest in newer technology, the eligibility “rules” (income, assets, resources, household composition) for many eligibility programs are complex.

DSS believes it is possible to implement an online eligibility determination system in Virginia. Other states have proven that the technology is available to incorporate most benefit program applications online. Implementation of a Customer Portal will allow the front end process to become web-based. To realize measurable efficiencies, the portal must be coupled with investment in middleware to facilitate an automatic “feed” into ADAPT. DSS has submitted documents to the federal partner agencies and to the CIO, requesting approval to develop a web-based Customer Portal.

Implementation of a web-based system that meets the legislative directive to streamline business flows and determine eligibility will require an approach that addresses both technology and business processes. DSS recommends that an incremental approach be used as the plan to centralize, web-enable, and streamline eligibility determination. The knowledge gained through the PAPD activities in the specific areas of focus has helped DSS determine incremental changes that can be made to both business processes and technology.

Implementing a Customer Portal to facilitate submission of applications online, coupled with changes to ADAPT and business processes, is a step in the right direction. As DSS continues to assess eligibility requirements and incremental improvements, efficiencies can occur. However, cost savings are not likely to be quickly realized, as even incremental investment in technology will require funding.

Recognizing that the delivery of services and benefits occurs at the local level, DSS partnered with LDSS to develop the PAPD activities. Work groups comprised of local and state staff were formed to conduct research of other states' technology, document, and review deliverables for the PAPD. Local department directors also served on an oversight committee for the PAPD activities. In addition, discussions were held with representatives from the Virginia League of Social Services Executives and its affiliates regarding the Customer Portal. Federal partner agency representatives were contacted to discuss the options for a Customer Portal prior to submission of the IAPD.

A steering committee including representatives from the Office of the Secretary of Health and Human Resources, VITA, DSS, League of Social Services Executives, DMAS, and DPB met in 2009. At that time, it was determined that there were no funds to support full replacement of the current eligibility system with a web-based one. DSS has continued to explore ways to develop a replacement system in an incremental way. As the proposal for a Customer Portal developed, DSS consulted with DMAS and members of the VITA Architectural Review team to ensure that development of a Customer Portal can meet the technology requirements for the anticipated expansion of Medicaid. DSS will continue to work with its partners - local, state and federal - to develop a plan for incremental implementation and investment in technology to address enterprise needs and eligibility determination. Because the language requiring this report was deleted in the 2010 Appropriation Act, this is the final progress report.

Appendix A

Study Mandate

Item 346 H of the 2009 Appropriation Act states:

The Department of Social Services shall develop an implementation plan to centralize, web-enable and streamline eligibility determination for benefit programs. The Department of Social Services, in cooperation with system partners and impacted agencies, shall develop the plan, and seek the necessary federal approvals to redesign existing work flow processes and develop an efficient and effective customer self-service web-based automated system. This plan shall also address efficient utilization of local staff and potential for future savings. The Department of Medical Assistance Services (DMAS) shall participate in the development of the plan and approve any modifications affecting Medicaid or other DMAS-administered programs. In addition, the Department of Social Services shall staff a steering committee including representatives from the Office of the Secretary of Health and Human Resources, the Virginia Information Technologies Agency, Department of Social Services, League of Social Services Executives, Department of Medical Assistance Services, and Department of Planning and Budget. This committee shall be responsible for overseeing the development and implementation of the plan. Prior to submission of the plan for federal approval, the steering committee shall submit the plan to the Joint Legislative Audit and Review Commission and the Auditor of Public Accounts for review and comment. The Commissioner of Social Services shall provide an initial report on the development of the plan to the Governor, Secretary of Finance, and Chairmen of the House Appropriations and Senate Finance Committees on the cost, feasibility, potential for economy of scale at an enterprise level, impact on other state and local agencies, and impact on consumers by October 15, 2009 and an annual progress report on the plan by October 15 of each year thereafter. Implementation of the plan is contingent upon approval of the 2010 General Assembly of the expenditures of state and federal funds for this purpose.