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## **". . . who knows where the time goes . . ." <sup>i</sup><sub>[1]</sub>**

*The integrated eligibility model developed by HHSC allocates seven minutes at the new call centers to verify each application for an array of public benefits. The current face-to-face interview to determine eligibility requires up to an hour and a half.*

### **Where did the time go?**

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At the June 7<sup>th</sup> meeting of the Transition Legislative Oversight Committee (TLOC) and the May 24<sup>th</sup> joint meeting of the Senate Health and Human Services and Senate Finance Committees there was some discussion about how much time the new call center model allocates to "determining eligibility" and how that will differ from the current face-to-face process which takes up to 90 minutes. Specifically, the question was: Is it accurate to say that the face-to-face interview will only take seven minutes? HHSC staff said no, it wouldn't be accurate, and further explained that most of the steps and time involved in submitting an application would occur elsewhere; that the seven minutes referenced in the question was an amount of time dedicated solely to processing the application at the call center.

*This is a critical point in assessing the integrated eligibility model and understanding the assumptions it is built upon. It is also why it is so necessary to test each assumption and phase the proposed changes in carefully BEFORE staff and offices are reduced.*

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### **HHSC cannot have it both ways**

HHSC cannot argue that flawed assumptions in the business case will not affect the success of the model and at the same time use these assumptions to justify such severe staff and office reductions. Components in the new model such as an increased use of the phone and Internet, clients being assisted in the application process by community-based organizations, and fewer face-to-face requirements are not just innovative ideas about how to improve the current eligibility process. They are built directly into the call center cost/benefit formulas with specific time allocations which lead directly to the staff reductions and office closures. If the assumptions about new ways of accessing the system are off at all, so are the assumptions about the number of staff and offices needed in the new model.

Despite HHSC staff suggesting at the recent hearings that these new ways of accessing benefits are “variable assumptions” that do not ultimately affect the model, this is a highly misleading assertion. The overall model may have room for variability, but the scheduled staff reductions and office closures are fundamentally and formulaically linked to the presumed accuracy of the assumptions about clients’ use of new application methods.

### ***If the 7 minutes is only a fraction of the whole process, where do all the rest of the activities occur, who performs them, and how much time is allocated to each?***

The proposed integrated eligibility model represents a move from a “case-oriented” system (in which a caseworker is assigned to a client) to a “task-oriented” system (in which workers are assigned a specific eligibility-related task). The business case assumes that the majority of clients will no longer need a face-to-face interview and that the time it will take to complete specific tasks—referred to as “business activities”—will be reduced with new technology. Pages 11-18 of the business case’s “Workbook Layout for IE Financial Model” presents a matrix that estimates the average number of minutes per case for each of these business activities and, for each activity, both the percentage of time such an activity will occur as well as the percentage of cases for which a worker is expected to perform that activity.

**Face-to-Face** For face-to-face interviews (available only at the new Benefit Issuance Centers in half as many locations as current offices), the BIC agent is allocated 29 minutes (for both initial application and recertifications), but is expected to perform this activity in only 5% of cases (2% of the time for recertifications) since the majority of applicants is expected to apply online, via the call center, or through a CBO.

**Call Center Interactions** At the call center (where clients who don’t request a face-to-face interview will apply for benefits), agents are allocated 7 minutes to verify applicant information (100% of cases), 5 minutes to request additional information from the applicant (for both an initial application and a recertification), an activity that is expected to happen in only 5% of cases, and 12 minutes to validate the verification (100% of cases).

**Community Based Organizations (CBOs)** Community-based organizations are allocated a total of 15 minutes to help clients apply for benefits online and are expected to perform this activity in 60% of cases. CBOs are also expected to help clients in other areas as well, for

example in screening for services (5 minutes per client), reporting changes (2 minutes) and assisting with appeals (5 minutes).

**TIERS.** The TIERS system is allocated, in general, 1 minute for each sub-activity related to processing applications, recertification, changes etc. For example, one minute to capture applicant information, one minute to determine validity of information, one minute to trigger a recertification alert, etc.

Pages 19-20 of the Workbook provide a summary of the demands required of each of these resources (BIC, call center agent, CBO, TIERS, etc.) and how that demand will evolve over the 12-month roll-out.

### ***Eliminating the face-to-face interview and the role of community-based organizations***

As one can see, the business case is dependent on the majority of clients no longer having a face-to-face interview. While the face-to-face interview has been portrayed as a relic of the past, it does serve an important purpose for many clients. During the interview caseworkers assist clients in filling out an application completely and accurately, explain clients their rights and responsibilities, and help clients understand the required documentation needed to submit their application; all of these activities are federal requirements that come with specific regulatory guidance about the state's responsibility to fulfill them. Even without a face-to-face interview, clients will still require assistance in these areas, which is why the role of community-based organizations in the model is so important and must be developed in great detail prior to laying off staff.

Yet, despite the importance of CBOs there is no money allocated in the business case for paid staff—an unspecified number of organizations are expected to devote 627 new volunteers annually and over 1 million new volunteers hours—and HHSC has provided no detail about how these groups will be recruited or any indication that they have evaluated the capacity of CBOs to play this role. In fact, in recent testimony HHSC staff have suggested that there won't be a formal recruitment process and that CBOs can voluntarily participate, if their resources allow—a far cry from a model that relies on over 600 annual volunteers and over 1 million hours per year to function.

Without a doubt, CBO partnerships could be very successful in such a model and have been, for example, in the CHIP program. But those nonprofit providers were compensated for their efforts. Further, in states that have attempted to involved private providers in a similar manner, FNS (the federal food stamp agency) has carefully scrutinized and approved states' plans prior to their implementation in order to ensure the outside providers can fulfill the federal requirements in these areas.

We strongly urge HHSC to respond in detail to these issues, specifically:

- Do community-based organizations have the capacity to assist clients without additional resources for staff?
- What will the process be for contracting community-based organizations?
- How will community-based organizations be monitored and held accountable?

### ***The role and capacity of TIERS***

All of the assumptions in HHSC's model are dependent on TIERS functioning reliably. The number of staff allocated to call centers and the BICs are dependent on TIERS minimizing the need for data entry, caseworkers being able to enter a client's application in a matter of minutes, and the system being able to accurately and timely determine eligibility, send client notices, send renewal packets, etc. Yet TIERS has been stalled in a pilot phase for 12 months, is experiencing ongoing problems that have yet to be fully resolved, and has already resulted in one, as yet, unresolved lawsuit. TIERS needs to be fully implemented and its effectiveness and reliability evaluated prior to adding additional features to the system.

Legislators should request a revised timeline for TIERS implementation and a full briefing on the problems that the system is experiencing and how they are being addressed.

### ***The need for a revised timeline***

The business case model projects that 643 staff will be laid off and 81 offices closed by January 2005. Yet, despite repeated requests from legislators for a detailed plan on how these reductions will occur and where, we are approaching the start of the new fiscal year with no information about how the proposed changes will affect local communities. Without this information well in advance of the lay-offs, it will be impossible for lawmakers to review HHSC's methodology and decisions for how these reductions will occur.

Further, if system improvements—for example, the internet application, TIERS completion, CBO recruitment—are delayed, but the staff reductions and office closures move ahead as planned, the outcome will be disastrous for caseworkers and clients. The current eligibility system has already lost 44% of its staff since 1997 and experienced a 100% increase in workload, according to HHSC. The system will not survive additional staff losses without improvements in technology, solid public-private partnerships, and a functioning computer system.

Lawmakers should demand a revised timeline for the roll-out that includes a schedule for developing the new access tools and partnerships, testing the assumptions about their role in the new model, and detailed information about staff reductions and offices closures.

To summarize, while we support many of the elements in HHSC's vision for an integrated eligibility system, we remain convinced that

- The number of staff proposed are inadequate to handle the volume of work;
- The timeline is too aggressive; and

- There is not enough time built into the rollout to test each component of the new system, evaluate its impact on clients, or determine whether the cost savings assumptions in the business case are realistic.

Above all, we believe that the changes should be implemented first as enhancements to the system, prior to reducing staff and local office presence so drastically.

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ii[1] Apologies to Sandy Denny

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