



Center *for* Public Policy Priorities

VIA EMAIL

December 19, 2005

Eric Bost, Under Secretary
Food and Nutrition Service
United States Department of Agriculture
1100 Commerce St.
Dallas, Texas 75242-1005

Dear Under Secretary Bost:

As you know, non-profit groups concerned with the well-being of low-income people in Texas have serious concerns about the impact of the Texas Integrated Eligibility and Enrollment Services (TIEES) project on access to the Food Stamp Program, as well as the potential for the self-service enrollment model and the staffing reductions to strain the resources of Texas' nonprofit and faith-based communities.

In general, advocates support Texas' proposal to add new points of access to the Food Stamp Program through the Internet and call centers. We also understand the need to create a more cost-effective system. However, consistent with your corporate goals for the food stamp program, customer service and access must be the driving forces behind these changes. By the same token, the evaluation of the new service model in Texas must be guided by a diligent and meaningful effort by USDA and the state to measure whether the new service model is capable of maintaining access to the Food Stamp Program, particularly for the most vulnerable populations such as persons with disabilities, people with limited English proficiency, domestic violence victims, and the homeless. Indeed, at the end of the day, the true test of Texas' new service model will be whether it is capable of serving the weakest and most vulnerable Texans.

It is our understanding that USDA's approval of Texas' project is limited to three months of funding for the initial roll-out phase. Funding from USDA for Texas to move beyond the first phase is conditioned on the state achieving certain milestones and meeting specific performance measures. Although USDA has insisted on a phased-in rollout that will test the new system's ability to realize the general goals of improving access to nutrition assistance and increasing program participation, we are concerned that neither Texas nor USDA has affirmatively considered or addressed the implications of the new service model for vulnerable populations. Should this initiative proceed without adequate attention to the unique challenges that expanded reliance on technology presents for vulnerable populations, and to the requirements of the Americans with Disabilities Act and federal civil rights laws, implementation is likely to result in reduced access to Food Stamps and other programs in violation of the ADA, Title VI of The Civil Rights Act, and the Food Stamp Act.

In addition, we have serious doubts about the ability of the proposed program operations model to work when taken beyond the very small pilot area to the full state. It is critical that USDA incorporate data collection that will evaluate the capacity of the computer system, the staff and the very process itself to work on a statewide basis, especially with the state's plan for a rapid roll-out. We fear a situation like the one recently faced by low-income residents in Colorado. Neither the federal government nor the state invested sufficient time and resources in testing a new computer system, particularly the system's ability to operate effectively statewide with no alternative or back-up application available. USDA should take every precaution to ensure that the tens of thousands of low-income people in Texas who apply for food stamps each month do not experience significant disruptions in service while the state irons out the kinks in the new system. Instead, we propose that USDA insist that the kinks be identified and dealt with during the pilot. This will require significant monitoring and data collection.

When we brought these concerns to the attention of USDA southwest region staff, Bill Ludwig and Judy Barron, last month, they agreed to consider the input of advocates in Texas in developing the performance measures that would be used to evaluate the new service model and assured us that USDA's Office of Civil Rights would be involved as well. With this commitment in mind, we offer the following recommendations to assist USDA in determining whether the alternative approach to delivering Food Stamp benefits is capable of maintaining access to the Food Stamp Program in accordance with the Food Stamp Act, the ADA, and federal civil rights laws:

I. APPLICATION PROCESSING AND CASE DISPOSITION

A. Timeliness

USDA should require Texas to measure TIEES ability to meet timeliness requirements. We are particularly concerned that contractor and state agency staff during the pilot phase may be able to maintain reasonable timeliness, but their capacity may fail if the operation begins to handle larger and larger caseloads. TIERS (the computer system intended to support TIEES), as of September 2005, had yet to meet Food Stamp timeliness standards in just the five offices where the new computer system is being piloted. These offices are currently supported by extra units called "SWAT" teams located in Benefit Corrections Units around the state. These staff are assigned to process cases that TIERS is unable to; with so many staff reductions planned during the roll-out, we are concerned that as TIERS is rolled out, timeliness will fall further. Further, it has been brought to our attention that SWAT team staff regularly designate TIERS cases that are not processed timely as "late determinations" in order to avoid these cases being considered untimely. The late determination designation is typically reserved for expedited cases that are not recognized as expedited upon the initial screening. (The late determination policy is outlined in the Texas Works Handbook, Part A-100, Section 140. Such determinations are coded on Form 1000 A/B/C, under Item #96.). This abuse of the late determination designation may obscure an even greater lack of timeliness in TIERS cases.

B. Benefit Cuts

USDA should require Texas to measure the extent to which TIEES affects (reduces/maintains/increases) "same day filing." It is our understanding that USDA has requested that Texas apply for a waiver to allow the state to consider the date a person contacts the call center (when this is an applicant's first point of contact with the system) the filing date. We support Texas' desire to accept applications over the phone and USDA's proposed solution and have urged Texas to apply for such a waiver without delay. It is imperative that USDA

closely monitor same-day filing under the new service model to ensure that the heavier reliance on technology in TIEES does not lead to delays in benefits. If the state does not seek this waiver, it is imperative that USDA measure the size of benefit cuts that telephone and local office applicants steered to telephone applications experience. Even if the state does seek the waiver, data should be collected on the date of all phone and in-person inquiries in the pilot area regarding food stamps and compared to the filing date actually established. It is vital that USDA understand whether the state's system has a built in bias toward delayed benefits. That is absolutely counter to the intent of the Food Stamp Act.

C. Expedited Benefits

USDA should require Texas to evaluate the ability of TIEES to provide expedited benefits within the 24-hour timeframe established under Texas law. In particular, the screening processes used at the call centers and at the document processing facility, which will scan mailed and faxed applications into the system, should be closely monitored. Data on the number and rate of expedited applications should be tracked.

D. Denial and Abandonment Rates

We are extremely concerned that under the new system, clients who are unable to complete the process will be determined as "non-cooperating" due to their inability to navigate a phone and internet based system. USDA should require Texas to collect data on denial and abandonment rates. The new service model entails a move from a case-oriented to a task-oriented system, with no one person assigned to each applicant or client. Paperwork will exchange hands more often in the new system, with new business processes governing communication between both applicants and staff, as well as between contractor staff and state staff. To assess whether these new business processes work, data should be collected in a way that allows the state to determine not only whether the gross number of denials and abandonment rises, but also to identify any particular trends in the reasons for applications being denied or abandoned. Data collection on procedural denials should be carefully coded and broken down as follows:

- (1) Failure to appear for the interview;
- (2) Some but insufficient verification;
- (3) No verification;
- (4) Verification appears to create discrepancies with claimant's assertions;
- (5) Substantive denials produced by treating the verification, rather than the applicant's word, as correct; and
- (6) Withdrawn applications.

We also believe it will be important to track these denials by the demographics of the case. For example, it is possible that elderly or LEP households may have particular trouble complying with requirements relayed to them over the phone. This will be critical information as you determine whether or not the new system is consistent with civil rights requirements.

E. Verification

USDA should require Texas to collect data to assess whether there is a shift in the distribution of verification requests between requests for documents and requests for collateral contacts. In addition, data should be collected to determine whether any change in the rate of procedural failure (including withdrawals) is related to an increase in applicants being asked to agree to calls with their employers (whom they may wish not to let know they are applying for Food Stamps).

F. Income Reporting

USDA should require Texas to keep track of cases in which the state worker is required to revise upward the applicant's report of her/his income because the applicant reported net, not gross, income. This is the kind of issue that is generally best resolved in interviews, so collecting these data will help Texas and USDA evaluate whether there is adequate time allocated at the "back-end" for the state worker to review applications thoroughly with clients and address any discrepancies.

G. Deduction Claiming

It is possible that households applying over the phone would be encouraged to forego deductions (and therefore the full benefit to which they are entitled) in order to expedite case review. USDA should require Texas to closely monitor and collect data on the number of cases that are certified without deductions applied. Such cases should be considered procedural failures, but will not show up in procedural denial figures (rather, they will appear as error cases in the negative sample).

H. Accuracy

USDA should evaluate the accuracy of benefit issuance both by the new computer system and all cases which are initially processed by contractor staff. We recommend that cases from the pilot area, as well as a comparison area, be oversampled for review. Not only should the cases be compared for the aggregate level of accuracy, but the type of errors as well. This may be an indicator of computer systems issue as well as staff training needs.

II. DATA COLLECTION AND COMPARISON

A. All of the data that is collected during the roll-out (in particular those related to denials due to non-cooperation and abandonment recommended in Section I above) should be disaggregated according to the demographics of clients. Specifically, data should be broken down according to whether the applicant has a disability, is limited English proficient, is facing or escaping domestic violence, or is homeless. Without these demographic data, it will be impossible for USDA to evaluate TIEES' ability to serve vulnerable populations and comply with the ADA, the Food Stamp Act, and federal civil rights laws.

B. Texas should be required to compare data collected during the rollout with comparable data from a pre-project baseline period. If these data do not exist, the same data should be collected simultaneously in comparable areas of the state not in the roll-out sites.

C. Texas should conduct ongoing customer satisfaction surveys to identify problems as they occur as well as to determine whether TIEES provides a comparable level of access as the current system.

D. Whatever measures or milestones USDA ultimately uses to evaluate TIEES, they should be used not only during the initial phase of TIEES, but in every subsequent roll-out phase approved by USDA. Because the initial roll-out is limited to five offices, which include less than 3% of the Food Stamp caseload, it will be difficult during the first three months to identify all potential deficiencies or flaws in the new service model, as well as to assess the experiences of vulnerable populations in accessing Food Stamps under the new system. Further, no staff reductions or office closures are planned during the first three months, which will make it even harder to determine to what extent phone and Internet channels are capable of replacing face-

to-face contact. Finally, certain groups such as migrants and homeless may not be well represented in the pilot area.

III. STAFFING DEMANDS

- A.** Texas should record how much time each contractor staff and each state eligibility worker spends on each case, broken down by specific task. These times will allow the state to compare actual to estimated times and project how many staff will ultimately be needed to handle the volume of work in a statewide system.
- B.** An effort should be made to determine how much time staff are spending on other things (such as general complaints, or assisting clients with the fax machine), that may not be recorded as an official case action in order to identify other essential functions for which time and staff allowances must be made.
- C.** Data on the number of supervisory interventions that are required should be collected. A system that only works when a supervisor is there to intervene (as is the case now in the TIERS pilot offices) will not survive when it is taken to scale.
- D.** Data on the number of “work arounds” or times a caseworker takes steps to bypass, mask, or otherwise avoid a bug or misfeature in the TIERS system. This could be because the system does not accept data relevant to the case, the program parameters are inaccurate or any number of other deficiencies in the system that caseworkers must work around in order to process applications and changes. Again, in a limited pilot area, it’s possible that the contractor and state could handle the workload associated with work arounds. We want to be sure that TIERS and the staff needed to operate TIERS is sufficient to handle the entire state’s Food Stamp Program caseload.

IV. ROLE OF COMMUNITY-BASED ORGANIZATIONS

- A.** Given the new expectations and demands the new service model is likely to place on the nonprofit and faith-based communities, USDA should require Texas to evaluate these new partnerships and the capacity of community-based organizations to fulfill any new obligations imposed on them.
- B.** In addition to quantifying the availability, willingness, and capacity of CBOs in different areas of the state to participate in the new system, USDA should require Texas to quantify the cost to CBOs (including those specifically enlisted to help individuals apply for Food Stamps as well as the CBO community, in general) of their involvement in the new system.
- C.** USDA should collect information on changes in the demand for emergency food during the roll-out.

We recognize the difficulty of measuring and evaluating access for specific populations, for whom little baseline data may exist. We hope this is an area where we may be of assistance, as we will be closely monitoring the challenges encountered by persons with disabilities as this project is rolled-out. During our meeting with your regional office staff, Mr. Ludwig agreed to meet regularly with advocates both during and upon completion of the initial three-month roll-

out, as well as before USDA approves funding for Texas to proceed to the second phase. These meetings will give us the opportunity to share with USDA our impressions and the experiences of our clients with TIEES, which we hope will inform your decision whether to allow Texas to move forward.

We would appreciate a response that details the performance measures USDA will use to evaluate TIEES during the roll-out, including the specific measures used and data that will be collected to measure access for persons with disabilities, persons with limited English proficiency, domestic violence victims, and the homeless. The state plans a radical shift in the way it delivers services to needy people. We believe strongly that both USDA and the state should proceed with extreme caution and with the goal of continuing to ensure access to this entitlement program to our states' most vulnerable populations. Please call on us should you have any questions regarding our concerns and recommendations.

Sincerely,



Celia Hagert
Senior Policy Analyst

SIGN-ON ORGANIZATIONS

Bell County Human Services
Christian Life Commission, Baptist General Convention of Texas
Coalition for Texans with Disabilities
Heart of Central Texas Independent Living Center
National Association of Social Workers – Texas Chapter
Texans Care for Children

Cc: Kate Coler, Deputy Under Secretary, Food and Nutrition Service, USDA
Bill Ludwig, Regional Administrator, Southwest Region, Food and Nutrition Service, USDA
Judy Barron, Regional Food Stamp Director, Southwest Region, Food and Nutrition Service, USDA
Vernon B. Parker, Assistant Secretary for Civil Rights, USDA
Al Escoto, Director, Civil Rights Division, Southwest Region, Food and Nutrition Service, USDA
The Honorable Mike Leavitt, Secretary, U.S. Dept. of Health and Human Services
Mark McClellan, Administrator, Centers for Medicare and Medicaid Services, U.S. Department of Health and Human Services
Richard Campanelli, Director, Office for Civil Rights, U.S. Department of Health and Human Services
Albert Hawkins, Executive Commissioner, Texas Health and Human Services Commission