



# **Presentation to the House Select Committee on Government Efficiency and Accountability**

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## **Supplemental Nutrition Assistance Program Status and Audit**

**Tom Suehs, Executive Commissioner  
April 6, 2010**

**Texas is experiencing increases in the number of households applying for Supplemental Nutrition Assistance Program (SNAP) food benefits and performance has been impacted.**

- **Texas has dealt with multiple challenges over the last several years that have compounded to create the current crisis.**
  - Staffing levels have improved but high turnover rates and the loss of tenured staff makes it difficult to sustain performance as caseloads have increased.
  - 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.
  - Continuing to operate under two automation systems has contributed to low employee morale and poor customer service.
- **In March 2010, Texas issued a total of \$405 million in food benefits to more than 3.3 million recipients, compared to \$221.4 million issued to 2.3 million recipients in March 2008.**
  - This is a 43.5 percent increase in recipients and an 82.9 percent increase in benefits issued.
  - During this time, eligibility staffing in Texas has increased by 24.9 percent.
- **The number of SNAP recipients in Texas is greater than the total population in 22 other states.**

# SNAP Performance Review

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- **In December, HHSC requested that the State Auditor’s Office (SAO) conduct an audit of the SNAP program’s business process to identify areas for improvement.**
  - The objective of the audit was to:
    - Determine the causes of the current backlog in processing applications for SNAP and identify opportunities for improvement.
    - Determine HHSC’s compliance with selected federal and state laws, rules, and regulations regarding fraud prevention and detection in SNAP.
    - Review other processes, systems, and information related to SNAP.
- **HHSC is incorporating the SAO’s recommendations, along with the SNAP corrective action plan and findings from internal reviews into a Comprehensive Management Improvement Plan.**
  - The Plan includes immediate and long-term initiatives that will be implemented to ensure the eligibility system works more efficiently in the future, delivers benefits on time, and provides better customer service.

**HHSC's Comprehensive Management Improvement Plan involves several initiatives that are in development or already underway.**

- **Improve customer service.**

- Signage and other informing materials will be made available to clients in eligibility offices to help clarify the application process.
- Phone systems in local offices have and will continue to be improved to better support client inquiries and phone interviews.
- Several client letters and materials have been revised to improve readability and HHSC is working with stakeholders to redesign the integrated application. Efforts will continue through the development of a client outreach and information plan.
- Data is being collected on the types of services being requested in offices and processes used in other states are being reviewed to help improve customer service. Information from these reviews will be used to develop a more streamlined business process.
- Frequently asked questions and responses about eligibility and services are currently listed on HHSC's client self-service and other websites. The self-service website will be enhanced to allow clients to submit questions about the application process, and responses to the most commonly submitted questions will be posted on the site.

- **Enhance technology.**

- Implementation of several SAO recommendations is dependent on the transition to an automated eligibility system that supports modern technology options such as giving clients the option to look up the status of their applications and benefits on the Internet.
  - Statewide transition to TIERS is underway and is targeted for completion by December 2011.
    - The Central Texas Region was fully converted to TIERS as of March 2009.
    - The next conversions will be in the Lubbock and El Paso regions.
      - » The Lubbock Region is scheduled to be converted as soon as May 2010, but no later than September 2010. The El Paso Region will convert 60 days following the Lubbock Region if readiness criteria is met.
- Additional options for electronic verifications for client information continue to be considered to help improve efficiency in processing recertifications. For example, HHSC will utilize a new Social Security Administration database to verify social security numbers.
- Process for authorizing users in the key eligibility-related systems has been improved, and staff continue to work to minimize delays in processing requests.
- Scanning technology options are being reviewed to determine the most cost-effective solution to help improve management of the large volume of paper files in eligibility offices.
- Risk scoring capabilities are being assessed for potential implementation to help identify complex applications or those with a higher potential for fraud that should be processed by a more experienced worker.

- **Strengthen management.**

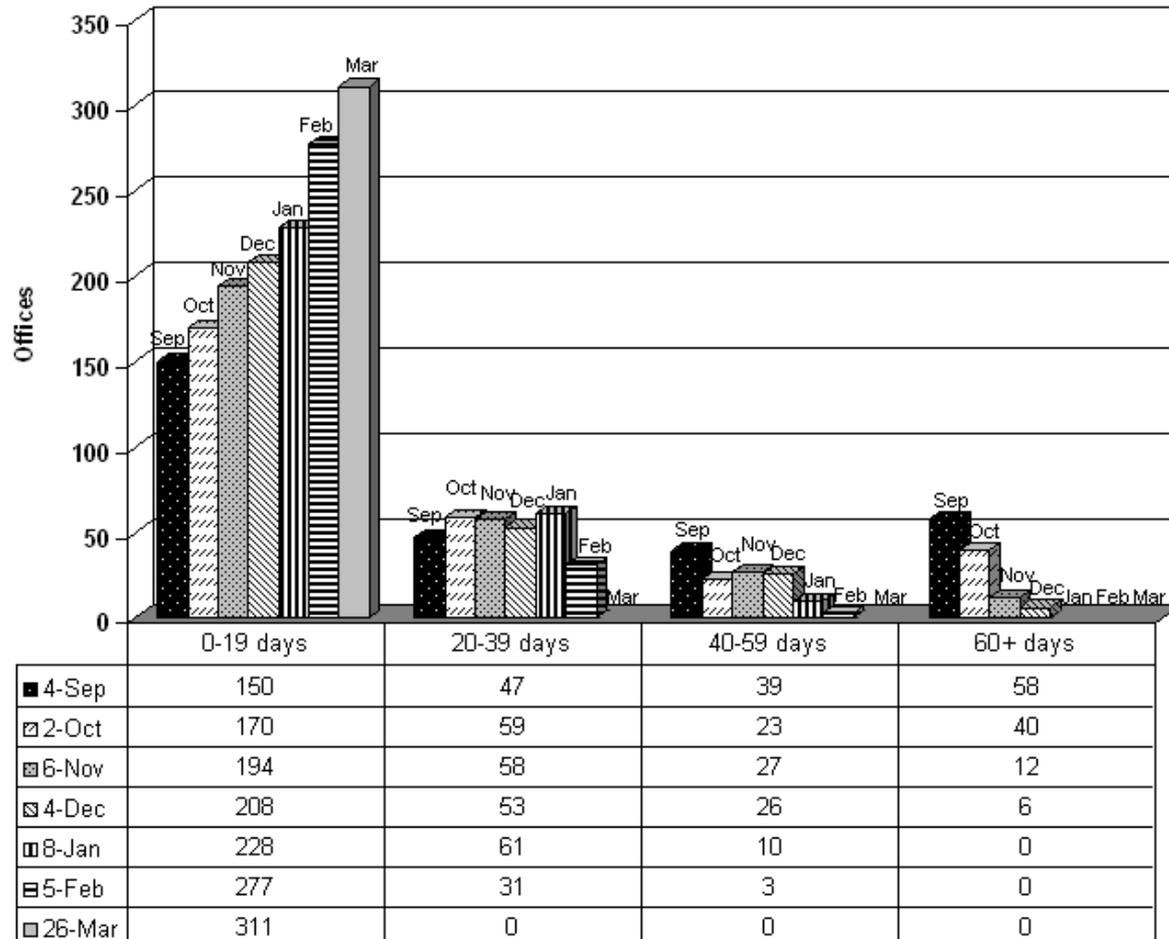
- Training improvements are underway and job descriptions are being clarified to ensure that front office staff are better able to assist clients with questions.
- Current productivity assumptions will be reviewed and clear expectations and standards for eligibility staff will be developed.
- Compensatory and overtime policies and practices will be reviewed and evaluated to ensure that adequate supervision is provided to staff.
- HHSC is evaluating staffing needs, applicant screening, hiring process, and compensation to ensure that the hiring process is efficient and is resulting in hiring quality applicants.
- Mentoring for new hires and for existing staff that are learning new skills will continue and will be improved and expanded.
- Training for new and tenured staff has been revised and is under evaluation.
- An initial set of performance indicators was established and is monitored statewide and regionally each week. These will be improved and expanded to include a more comprehensive set of relevant measures and reports.
- Improvements to the management reports available from the automation systems for eligibility office supervisors and managers are currently in development.
- Performance Improvement Team staff will be trained to analyze business processes and identify process efficiencies.
- HHSC will work with the Office of Inspector General to increase its ability to prevent and detect fraud.
- HHSC will continue to solicit feedback from staff through site visits and other meetings to help improve reporting, training, and technology enhancements.

## **Implementation of short-term and long-term strategies have begun to produce improvement in several key measures.**

- **Staffing levels have increased.**
  - Since September 1, HHSC has had a net gain of more than 835 field eligibility staff for a current total of 8,353 statewide.
- **Accuracy in determining SNAP benefits has improved.**
  - The Payment Error Rate includes the overpayment and underpayment of SNAP benefits compared to what a household is entitled to receive.
    - FNS can assess a financial penalty to states that fails to meet the federal standard.
    - Error rates are cumulative throughout the federal fiscal year.
  - Texas ended the 2009 federal fiscal year with a 6.82 percent payment error rate.
  - Thus far in federal fiscal year 2010, the payment error rate has decreased to 1.05 percent.
- **Lead time has improved.**
  - Lead time is a measurement used as 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 less than 20 days.
  - Currently, all of HHSC's 311 eligibility offices have improved lead times of less than 20 days.
    - In September 2009, only 150 offices had lead times of less than 20 days and 58 offices had lead time of more than 60 days.

# Lead Time Improvement

Eligibility Offices Lead Times  
September 2009 to March 2010



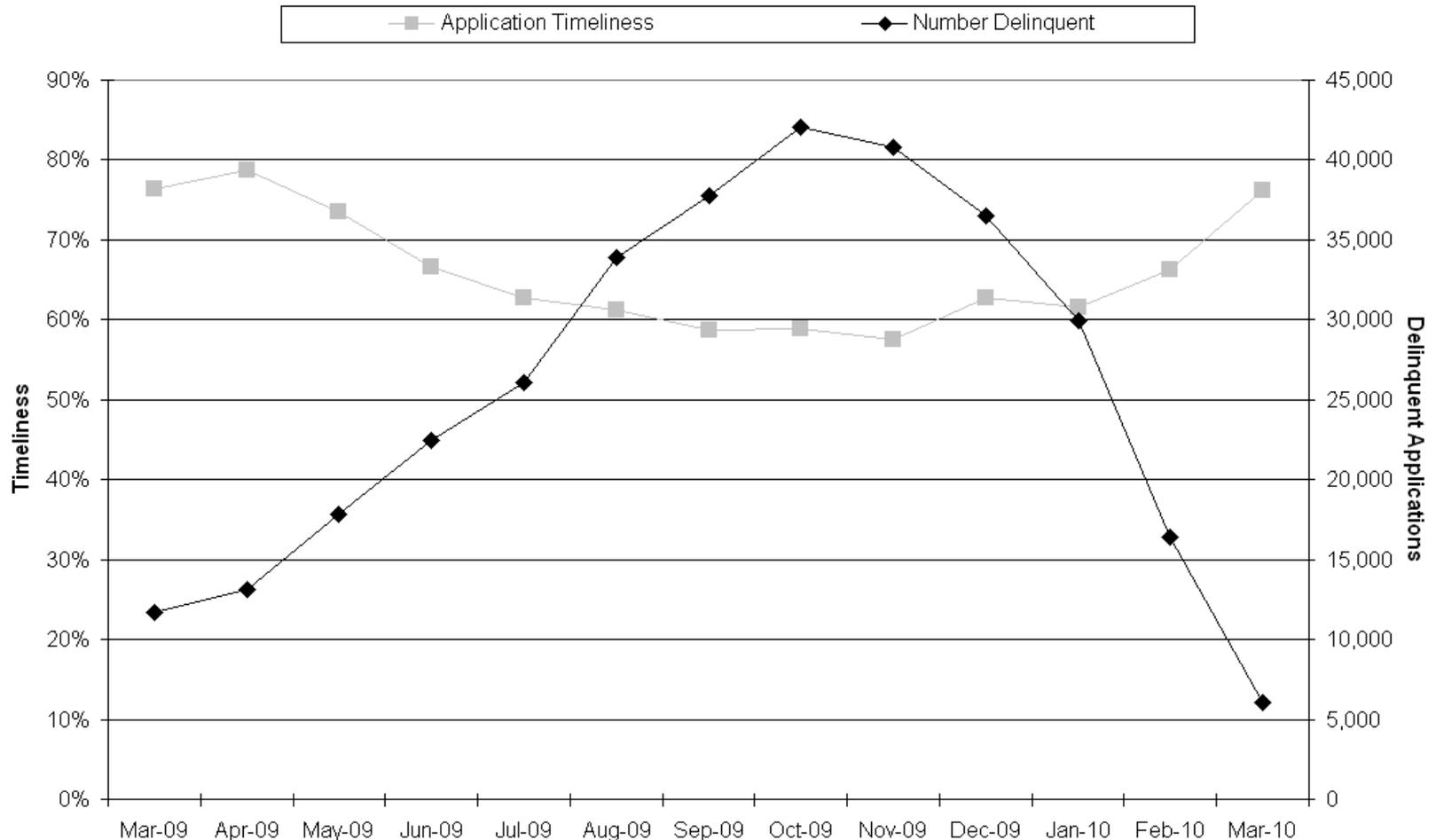
- **SNAP timeliness is showing improvement.**
  - The federal standard for most SNAP applications is 95 percent of applications are completed within 30 days.
    - SNAP application timeliness has increased:
      - 76.2 percent in March compared to 58.6 percent in September.
    - SNAP recertification timeliness has increased:
      - 83.8 percent in March compared to 68.9 percent in September.
- **Although the SAO review focused on SNAP applications and performance, the same factors that led to slower performance in SNAP also had an impact on the Medicaid program.**
  - Enrollment in Medicaid has increased over the past 12 months:
    - Medicaid enrollment increased by 12.3 percent.
      - Enrollment in Children’s Medicaid increased by 16.3 percent.
  - As a result of these increases, the ability to determine eligibility for Medicaid applicants within federal timeframes has been a challenge.
    - In March 2010, timeliness for applications is at 85.4 percent compared to 73.4 percent in October 2009.
    - In federal fiscal year 2009, timeliness for applications averaged 79.7 percent.
    - In federal fiscal year 2008, timeliness for applications averaged 88.5 percent.

**While processing the increasing volume of applications, HHSC has reduced the number of overdue cases.**

- **Overdue SNAP cases in SAVERR have been reduced by more than 85 percent.**
  - In October 2009, there were approximately 42,000 overdue SNAP cases.
  - In March 2010, there were approximately 6,000 overdue SNAP cases.
- **Overdue Medicaid cases in SAVERR have been reduced by almost 80 percent.**
  - In October 2009, there were approximately 49,000 overdue Medicaid cases.
  - In March 2010, there are approximately 10,000 overdue Medicaid cases.
- **Even when timeliness standards are being met, some cases are processed past their due dates.**
- **The backlog has been cleared in most regions.**
  - The Lubbock, Abilene, Tyler, Beaumont, Austin, San Antonio, El Paso and Edinburg regions have cleared the backlog.
  - Based on current demand levels the Dallas/Fort Worth and Houston regions are projected to clear the remaining backlog by the end of April.

# Delinquent SNAP Applications and Timeliness

**Statewide SNAP Application Timeliness Compared to Number of Delinquent SAVERR SNAP Applications**



# Delinquent Medicaid Applications and Timeliness

**Statewide Medicaid Application Timeliness Compared to Number of Delinquent SAVERR Medicaid Applications**

