Benefits of interoperability in the Health & Human Services System

In 2015, the U.S. Department of Health and Human Services (HHS) and the U.S. Department of Agriculture (USDA) announced an extension of an exception to the cost allocation requirements set forth in the Office of Management and Budget (OMB) Circular A-87.[1] This "A-87 Exception" was extended to December 31, 2018.

OMB Circular A-87 requires costs associated with building shared state-based information technology systems to be allocated across all benefitting programs in proportion to their use of the system. The A-87 Exception revised this approach by allowing human services programs and others to utilize a wide range of IT components—needed by Medicaid but also of use to other programs (such as the Supplemental Nutrition Assistance Program [SNAP] or Child Welfare)—at no additional cost, except for interfaces or other uniquely required services specific to those programs.

The A-87 Exception presents a unique opportunity to transform the health and human services delivery system. It delivers an integrated funding mechanism which allows good business design to apply across a broad range of programs and services. It also provides benefits to states, customers, and federal partners, ranging from cost containment, to improved customer service, enhanced security and privacy, program integrity, and better outcomes for children and families.

Integrated Funding

The A-87 Exception is an example of what can be done when funding is provided without the bureaucratic and artificial program boundaries that increase overall costs to create improvements, minimize program performance, and depress service delivery effectiveness. Integrating is a means of funding business designs, processes, and automation that looks at the whole, the customer, and the results.

In the fall of 2017, at the request of the Centers for Medicare and Medicaid Services and the Administration for Children and Families, the American Public Human Services Association (APHSA) surveyed its state members to understand the extent to which states found the A-87 Cost Allocation Exception beneficial to their clients, state taxpayers, and state budgets.[2] The major findings included:

- The range of benefits resulting from this integrated funding stream was extensive and included:
    - Improved program collaboration and integration,
    - Reductions in total costs due to modernizations,
    - More efficient use of staff and resources,
    - More effective use of program funds,
    - Improved customer service,
    - Administrative savings due to reduced duplication of systems and staff resources, and
    - Creation of incentives for programs to work together collaboratively to achieve higher levels of data sharing and interoperability through the increased use of shared technologies
- More than a dozen different health and human services programs are currently taking advantage of the Exception, in addition to Medicaid, including:
    - SNAP
    - Temporary Assistance for Needy Families (TANF)
    - Child Care
    - Child Support
    - Refugee Assistance
    - Child Welfare
    - Low-Income Home Energy Assistance Program (LIHEAP)
    - Child Protective Services
    - Aging and Adult Services
    - Mental Health Services

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[1] *https://www.medicaid.gov/federal-policy-guidance/downloads/smd072015.pdf*
[2] The full Survey Summary is available at *https://aphsa.org/NC/NC/Guidance_and_Resources_Sub/a87-exception.aspx*

- Developmental Disabilities
- Special Supplemental Feeding Program for Women, Infants, and Children

Featured below are Colorado, Connecticut, Idaho, Indiana, and Utah to provide a more detailed look at what this integrated funding stream has meant to them.

Cost Containment

The A-87 Exception allows states to maximize value and allocate scarce resources over the entire HHS infrastructure, rather than in silos. It can also lead to a lower-cost HHS infrastructure when supporting other programs (like LIHEAP or Child Support) to leverage the integrated eligibility infrastructure created and funded by the A-87. The Exception integrates business designs and services, reduces administrative costs, and simplifies funding requirements. States can use the A-87 Exception to improve processes and service delivery at lower costs to supply more immediate, consistent, and accurate services to customers.

UTAH

"Using A-87 funds, we implemented 'one decision' for all programs where the system will show the eligibility determination for six months for all programs, therefore having eligibility workers only touch the case if changes are reported. Eligibility workers are more efficient and able to handle an increased caseload because of the increase in system automation allowing for better customer service."

COLORADO

The Electronic Data Management System (EDMS) used the A-87 Exception to provide a statewide, centralized scanning and storage infrastructure that increased administrative efficiencies, supported workflow management, and improved the user experience. The EDMS framework provided scanning equipment for counties, and it supports various county workflows.

Improved Customer Care

Coordination and integration of public funds often eliminates or minimizes overlap and gaps in services. Use of the A-87 Exception has helped states improve customer service in a multitude of ways, such as the ongoing operation and support of same-day service, providing decision-making at point of contact, and creating a customer-centric business design, resulting in accurate and timely decisions for customers regardless of the programs or services provided. Customer service has also been improved by A-87 Exception-funded upgrades that lead to shortened call center wait time, shortened determination wait time, greater customer accessibility, simplified notices, and uploading documents just one time for applications for multiple programs.

IDAHO

Idaho used the A-87 Exception to create an innovative statewide service portal, *Live Better Idaho (https://www.livebetteridaho.org).* The website is a collaboration between multiple groups, including government agencies, nonprofits, faith-based organizations, and other community services working together to bring available services to Idahoans. The portal aims to help Idahoans quickly seek, find, and access services from appropriate providers, all within three mouse clicks.

Idaho successfully leveraged the Exception for its customer centered business design, which has:
- Enabled 90 percent of all person- and phone-based interactions to conclude with an eligibility decision. As a result, Idaho is the "most timely" state in the nation in SNAP determinations.
- Enabled the Idaho Benefits Eligibility System to integrate eligibility determinations for seven different programs—Medicaid, Children's Health Insurance Program, SNAP, TANF, Refugee Assistance, Child Care, and Aid to the Aged, Blind, or Disabled (ABD)—into a single system.

UTAH

Using the Exception, Utah added features to the customer portal, called "myCase." Customers can now log in to myCase and see the status of their case (open, closed, or pending), their benefit amount (SNAP, TANF, Child Care), apply for benefits, submit a review, upload requested verifications, view correspondence, and report changes.

The myCase portal helped reduce call wait time and the need for customers to contact the agencies. Customer benefits are approved within seven days after portal implementation—it took 24 days before the portal.

The portal means the state does not have to send paper correspondence, which saved on printing and postal fees by approximately $300,000 in the first year. The "upload document" feature saves staff time as it is imaged directly to the customer case and allows case handling without the need for staff action.

Data Security

States that have leveraged the A-87 Exception for upgrades from legacy systems or other modernization efforts have improved data security. With the help of the Exception, many programs have been implemented, including cloud infrastructure, record audit functions, threat detection systems, code reviews, application scanning, SIM/SAM[3] for workflow for restricted screen access design, SIM/SAM password synchronization, ensuring that projects are FedRAMP compliant for increased data security and privacy controls, and generally gaining better service and security as a result of leveraging new technology architecture.

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[3] SIM is a "Subscriber Identity Module" that is used to identify and verify subscribers to a network, usually on mobile devices. SAM is "software asset management," and involves managing and optimizing the purchase, deployment, maintenance, utilization, and disposal of software applications within an organization.

CONNECTICUT

The state's new enrollment and eligibility system, which used A-87 Exception funding, contains a number of system and process security enhancements that the human services agency would not have been able to afford were it not for the A-87 Exception, including
- Threat detection and file integrity monitoring
- Enterprise security information and event management
- Platform that enables continuous monitoring with a secure, centralized audit repository
- Network devices that simplify, help secure, and accelerate deployments

UTAH

Using an openID protocol, customers can log into the customer portal ("mycase") via Facebook, Utah ID, Yahoo, or Google. The first time the customer logs in, they must answer five security questions (case number, social security number, zip code, date of birth, first and last name) that match their eligibility case. The state's data brokering system uses two factor RSA hard token to authenticate and A-87 funding was used to implement the authentication piece.

All of this provided a level of security sophistication from which the human services agencies benefitted significantly but would not have been able to negotiate and fund were it not for the revised cost allocation methodology under the A-87 Exception.

Program Integrity

States that used the A-87 Exception demonstrably improved performance measurements for their health and human services programs, addressing different program information, performance, and outcome areas. These initiatives can help ensure that eligibility decisions are made correctly, and that programs promote and enhance excellence in the development, collection, analysis, and evaluation of program data.

CONNECTICUT

The A-87 Exception allowed Connecticut to build an integrated eligibility and case management ("ImpaCT") system for the Department of Social Services medical, cash, and food assistance programs. The funding was instrumental in allowing the state to develop and roll out an eligibility system that provides clients with a more efficient and automated application, renewal and change process. The ImpaCT system has provided advanced tools to workers to enhance overall program integrity and improve payment accuracy. This includes end-to-end case management, a common client index between the Connecticut health insurance exchange and the Department of Social Services, automated interfaces with other systems, reduced verification requests, and enhanced document routing and indexing.

COLORADO

An audit module was added to the Electronic Data Management System (EDMS) for quality assurance, compliance, and to eliminate manual processes. Counties and medical assistance sites are required to conduct monitoring activities and participate in federal and state audits. There was no functionality in the system to easily retrieve data for recurring program reviews. The audit module streamlines compliance processes, and supports automatic data pulls and reports. These are used to ensure compliance with state and federal regulations, confirm verification matches, and identify under- overpayment errors.

Better Outcomes for Programs and Customers

The A-87 Exception provides opportunities otherwise inaccessible to states—building system enhancements that support a *larger group of clients from multiple programs*. It is a chance for many programs with identical or similar clients to benefit from the same initiative or project. Clients that apply for benefits will receive improved, faster service, and achieve better outcomes. Specifically, the Exception facilitates system enhancements that contribute to greater timeliness of application processing, accuracy of benefit determination, and additional programs added to a universal application—leading to better outcomes and lower risks for people.

INDIANA

In Indiana, one in seven adults under the age of 65 is covered by Medicaid. In addition, one in two low-income individuals, two in five children, three in five nursing home residents, and two in five people with disabilities are covered. All of these people, and many others through Indiana's Family and Social Services Administration's (FSSA) TANF, SNAP, ABD, and developmental disability programs have benefited from the A-87 Exception and the 90 percent Medicaid match due to the state's new integrated eligibility and enrollment (E&E) system. The E&E's components are universally helpful to all of these program participants—from the enterprise data warehouse and Master Client Index to a host of decision support tools—because of the interconnectedness of the programs and clients with multiple needs.

In Colorado, in 2010 timeliness and accuracy rates for the delivery of benefits was frequently as low as 50 percent. In 2017, due to numerous work efforts, including system enhancements supported by the A-87 Exception, timeliness and accuracy rates were consistently above 95 percent.

COLORADO

Using the Exception, the state implemented a project that allows executives, managers, and supervisors to have access to critical data that support performance and process analysis. This includes presenting current and historical data in executive and county dashboards that are available on an ad hoc basis. These support predictive analytics for program management, strategic planning, and workload monitoring.

What's Next

As illustrated above, the A-87 Exception delivers an integrated funding mechanism that allows good business design to apply across a broad range of programs and services. It also provides benefits to states, customers, and federal partners, ranging from cost containment to data security, and better outcomes for children and families.

The states that APHSA surveyed for this report listed a number of opportunities that would either not be initiated or completed with the sunsetting of the A-87 Exception. For example, Utah stated that the Exception would allow the state to interface with other departments and agencies to help customers meet community engagement and work requirements, should such a bill pass through the state legislature.

COLORADO

Colorado is eager to take the lead an interoperability project allowing client matching across multiple data systems to create a client 360-degree view that will provide the technology support to programmatic efforts like multigenerational service delivery, behavioral health recidivism, continuity of care, and better outcomes for child welfare engaged families. *This project will not be completed if the Exception is not extended.*

The A-87 Exception can help states continue to focus on increasing system automation, and to identify ways to expand the core programs into additional programs, agencies, and areas of support to develop a robust view of the client care spectrum. Additional time with the Exception could provide states with the opportunity to leverage, to a higher degree, non-HHS specific assets and IT components from a re-use perspective, or support the identification and implementation of creative procurement approaches and solutions that can lead to major efficiencies and savings. One specific example from Connecticut is having more time to fully implement agile approaches in key HHS transformation initiatives related to the A-87 Exception.

The Exception is a lever to benefit multiple health and human services programs, in the ways outlined above, but also including an opportunity to build evidence, research, and analytics. Analytics and the ability to leverage analytics requires modern platform and cross-agency data sharing. Integrated systems can harness the power of analytics and transforming outcomes for communities.

INDIANA

With the Exception, individual program dollars that would have been used to build out, and in some cases, possibly duplicate functionalities, are directed at program specific contributions to addressing cross-cutting challenges such as the opioid epidemic. Indiana is currently engaged in a multifaceted, highly integrated response to the current addiction crisis, and many steps and policies having been greatly enhanced both directly and indirectly as a result of the A-87 Exception (*https://www.in.gov/recovery/1054.htm*).

When funding is provided without artificial program boundaries, states can implement a coordinated and integrated business model across the health and human services enterprise. It helps develop coordinated, focused and strategic responses to treat, care, and support families facing substance use disorder issues; integrate work programs for job seekers engaged with SNAP or the Work Innovation and Opportunity Act; incorporate behavior health data; and access relevant administrative and medical records to better service clients from human services, justice, and other divisions. These are priorities of the administration, states, and counties across the nation.

An integrated funding stream like the Exception is an opportunity for federal partners to carry some of the priorities mentioned in the President's Management Agenda to the state and local levels: "[d]ata, accountability, and transparency initiatives must provide the tools to deliver visibly better results to the public, while improving accountability to taxpayers for sound fiscal stewardship and mission results. Investments in policy, people, processes and platforms are key elements of this transformation and require cross-agency cooperation to ensure an integrated Data Strategy that encompasses all relevant governance, standards, infrastructure and commercialization challenges of operating in a data-driven world."[4]

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[4] *https://www.whitehouse.gov/wp-content/uploads/2018/03/Presidents-Management-Agenda.pdf*