Business Process Redesign (BPR)

Strengthening Eligibility Determinations in Iowa

February 8, 2022
Purpose:
► To reduce the Food Assistance (SNAP) error rate while building business processes to increase efficiency and accuracy within the eligibility process for public assistance programs.

Goals and Objectives:
► In addition to an in-depth evaluation and redesign of the SNAP eligibility process, the Department seeks to incorporate similar updates to all public assistance programs to increase staff efficiency, make more timely eligibility determinations for applicants, and to improve accuracy.
Business Process Redesign (BPR): Background

SNAP Error Rate:

National Payment Error Rate
Iowa Payment Error Rate
FY 10 FY 11 FY 12 FY 13 FY 14 FY 17 FY 18 FY 19
14.00%
12.00%
10.00%
8.00%
6.00%
4.00%
2.00%
0.00%

Iowa Payment Error Rate
National Payment Error Rate
State human services departments across the country have employed a method called BPR to improve eligibility determination timeframes, reduce use of staff overtime, and strengthen eligibility integrity across programs.

DHS elected to pursue BPR after reviewing options to address the agency’s SNAP error rate, which is above the acceptable federal threshold.

While the error rate is the initial focus of BPR, the scope of work also includes Medicaid, Family Investment Program (FIP), and Child Care Assistance (CCA) eligibility processes.
In November 2020, DHS released a request for proposal (RFP) to identify a vendor to support BPR activities. PCG was awarded the contract and on-the-ground work began in July 2021. Per the RFP, successful completion of BPR will result in:

- A decrease in the SNAP Error Rate (at or below 6.3%).
- Solutions to ensure ongoing success and maintenance of an acceptable Error Rate.
- Improved communication on every level, including between regions and within each specific division or office.
- Positive customer service feedback from applicants
- Increased engagement from field staff.
Simultaneous to the BPR RFP release, DHS established the Continuous Case Improvement Unit (CCIU):

► The CCIU started reading 500 recently approved cases per week in November 2020.
► This immediate case read provides direct feedback right after a case has been processed and also provides up-to-date data on any emerging error trends.
► These trends are identified, analyzed, and mitigated at the worker level.
► These post-authorization reviews conducted by the CCIU provide feedback to target SNAP error reduction.
Business Process Redesign (BPR): Analysis

Primary goals of the analysis were to:
► Identify root causes of benefit errors across IM Programs, with a focus on the SNAP error rate; and
► Identify strengths, inefficiencies, inconsistencies, and gaps in customer service in the eligibility process.
Business Process Redesign (BPR): Analysis

Cause of Benefit Errors:
► Perceptions of ‘hurried’ case processing.
► Absence of investigative case processing skills.
► Multiple communication streams and uneven policy roll-out.
► Training gaps.
► Lack of investment in corrective action support.
Business Process Redesign (BPR): Analysis

Themes:
► Practices and procedures vary by Service Area.
► Accuracy vs. Productivity:
  ▪ Pressure to meet productivity expectations and to improve case accuracy is stressful and often seen as an ‘either-or’ situation.
► Policy Development and Communication
  ▪ Inconsistent or incomplete roll-out of policy and procedure and gaps in communication regarding change efforts can be attributed at least in part to a structure in which many different players may (or may not) be involved in policy and procedure development, training, implementation, and assessment.
Business Process Redesign (BPR): Analysis

Key Takeaways:

► The major causes of agency errors include reported information not being applied, failing to follow up on inconsistent or incomplete information, and failing to verify required information.

► Client-caused errors are also prevalent and may be mitigated through improvements in communication, interviewing, and the use of effective data matching tools.
  
  ▶ Client errors are rarely intentional and a result of complicated eligibility policy

► Between Quality Control (QC) and Continuous Case Improvement Unit (CCIU), DHS has data to make informed decisions about what areas to target and potential interventions in the field to address these errors (ex. training).
Business Process Redesign (BPR): Analysis

Agency-Caused Errors:
► Reported Information Disregarded or Not Applied.
► Agency Failed to Follow Up on Inconsistent or Incomplete Information.
► Agency Failed to Verify Required Information.

Client-Caused Errors:
► Client errors are typically unintentional and a result of complicated eligibility policy.
► Client errors could be intentional, or they could be misunderstanding their reporting responsibilities.
► Our responsibility is to ensure that the client is assisted to provide the most accurate information to ensure they receive appropriate benefits.
Business Process Redesign (BPR): Analysis

Impact Areas:

The Impact Areas were identified using the results of the Analysis. The priorities were selected by DHS Implementation Team members.

<table>
<thead>
<tr>
<th>Impact Area</th>
<th>Impact Area Defined</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reducing SNAP Case Errors</td>
<td>Recommendations included aim to address SNAP case errors through targeted, error-specific strategies.</td>
</tr>
<tr>
<td>Benefits Across Service Areas</td>
<td>Recommendations included aim to reduce variation across Service Areas and promote one cohesive Iowa Department of Human Services.</td>
</tr>
<tr>
<td>Improving Access and the Customer Experience</td>
<td>Recommendations included aim to improve accessibility to DHS programs and services and enhance the overall customer experience at IA DHS – regardless of where a customer is served.</td>
</tr>
<tr>
<td>Policy, Procedure, and Training</td>
<td>Recommendations included aim to support improvement in developing, communicating, and enforcing/monitoring policy, procedure, and training content for staff statewide.</td>
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</tbody>
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SNAP Error Rate Reduction:

DHS has significantly improved the State’s SNAP Error Rate over the past two years. In 2019, the Error Rate was 11.81%. In 2020 it was 9.44%. In 2021 it was reduced to 6.58%.
Implementation Phase:
▶ Much of this work will require deeper research and analysis to determine viable options.
▶ DHS has formed teams for each of the impact areas to lead next steps, culminating in execution of changes and initiatives.

National Accuracy Clearinghouse (NAC):
▶ Iowa will be in an initial group of states to launch NAC in September 2022.
▶ This interstate data system is owned at the federal level by the Food and Nutrition Service, as a result of the 2018 Farm Bill.
▶ NAC is intended to assist states in preventing multiple issuances of SNAP benefits to a household by more than one state agency simultaneously.
Business Process Redesign (BPR):

Questions?

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Medicaid Habilitation Update

Liz Matney
Medicaid Director

February 8, 2022
2021 Legislative Investment

- During the last legislative session, $7,134,214 was appropriated to increase reimbursement rates for home-based habilitation services
- Shall be based on a fee schedule that incorporates acuity-based tiers
Timeline

- **Spring 2021**: Iowa Medicaid worked with the independent actuary to project appropriate rate adjustments to tiered fee schedule
- **Spring 2021**: Stakeholder engagement was conducted
- **August 2021**: Updated rates were published
- **August – October 2021**: Updated rates were loaded and reprocessed for a July 1, 2021 effective date
## Home-Based Habilitation Rates

<table>
<thead>
<tr>
<th>Acuity-Based Tier</th>
<th>Prior to July 1, 2021</th>
<th>New Rates Effective July 1, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Recovery .25 to 2 hours</td>
<td>$51.00</td>
<td>$54.09</td>
</tr>
<tr>
<td>Recovery Transitional 2.25 to 4 hours/day</td>
<td>$110.90</td>
<td>$116.72</td>
</tr>
<tr>
<td>Medium Need 4.25 to 8.75 hours/day</td>
<td>$123.40</td>
<td>$135.28</td>
</tr>
<tr>
<td>Intensive I 9 to 12.75 hours/day</td>
<td>$157.50</td>
<td>$218.38</td>
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<tr>
<td>Intensive II 13 to 16.75 hours/day</td>
<td>$210.00</td>
<td>$221.40</td>
</tr>
<tr>
<td>Intensive III 17 to 24 hours/day</td>
<td>$315.00</td>
<td>$388.73</td>
</tr>
<tr>
<td>Intensive IV 24 hours/day</td>
<td>NA</td>
<td>$536.50</td>
</tr>
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