KENTUCKY'S EXPERIENCE IN IMPLEMENTING AN INTEGRATED ELIGIBILITY AND ENROLLMENT SYSTEM

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Introduction

Good morning. I am Vickie Yates Brown Glisson, Secretary of Kentucky's Cabinet for Health and Family Services and I have been invited to discuss Kentucky's experience in creating an integrated benefits eligibility and enrollment system.

I became Secretary of Kentucky's Cabinet for Health and Family Services on December 9, 2015. My Cabinet is responsible for the administration of Kentucky's human services and health care programs, including Medicaid, SNAP, TANF and foster care. When I became Secretary, I inherited from the former administration the responsibility to implement what we were led to believe was a completed, vetted and ready IT platform that would serve as an upgraded integrated eligibility and enrollment system for our health and human services programs. Unfortunately, our experience was quite the opposite.

We experienced numerous challenges from the beginning that could have been avoided and some that could not have been avoided. While the ultimate outcome did result in an upgraded integrated eligibility system, we only got there through reactive changes to resolving issues. Hopefully, by sharing our experience and lessons learned other states may proactively address similar issues and avoid them during their system implementation.

Benefits of an Integrated Eligibility and Enrollment System

An Integrated Eligibility and Enrollment System housed within a single Cabinet has many benefits. First, as alluded to above, the Department for Medicaid Services, the Department for Community Based Services (which oversees family support benefits

such as SNAP and TANF), and Information Technology staffs are all located within my Cabinet. This alignment allows for a more streamlined and coordinated project team and leadership. Because the agencies work together, our Cabinet may better collaborate and plan while ensuring representation of each program area's interests. We work together to determine how those interests best fit into the new integrated system while also supporting the no wrong door concept and maximizing the use of shared services for eligibility determination and other core business processes.

Another benefit of benefind, our integrated eligibility system, is the modernized infrastructure. It allows for real-time eligibility and enrollment processing for benefits. It was intended to improve workflow and automation features, including appeals and complaints. It also brought our eligibility system in line with new federal guidelines and policies.

Finally, benefind was designed to have system modularity. The application architecture was designed in a way that allowed for deployment of common services/functionalities to support integration of additional HHS programs. For example, the Child Care Assistance Program is scheduled for integration in September 2017.

In summary, the primary benefits of an integrated eligibility system include: (1) Improved access – self-service portal, telephonic, in person and paper/mail-in applications; (2) Improved efficiency and effectiveness – one application for all benefits; information collected one time in one system- Reduces duplication of effort; (3)

Continuously improved business operations, transparency and accountability through data reports and performance information.

Background

Prior to my tenure, the federal government had strongly encouraged states, through enhanced funding, to create an integrated modular system for eligibility and enrollment. In 2011, the former Governor of Kentucky requested and received approval from the federal government to use a waiver to build an IT system to integrate eligibility and enrollment determination functions for a health benefits exchange and for all state-administered health and human services programs using an integrated data base. In 2012, the former administration entered into a contract providing for a multi-stage production that was intended to create a horizontal fully integrated Eligibility and Enrollment platform with 2 doors.

The first door, therefore, was the state-run health benefits exchange, which was used for Medicaid expansion eligibility determinations and enrollment.

The second door is a one-stop shop for benefits, including SNAP, TANF, K-TAP, Foster Care, Kinship Care, Medicaid and some waiver programs, that was intended to work concurrently with the prior release. The system was expected to streamline the application process by using one application, along with federal data, to determine eligibility for all benefits. Release 5, known as benefind, was initially scheduled by the former Governor for release on December 4, 2015. The former administration delayed that release until December 29, 2015, because of suspected system issues.

Prior to December 29, 2015, the current Governor was inaugurated and I became Secretary of the Cabinet. Rather than release the platform without any review during the middle of QHP open enrollment, we delayed the project and initiated a review of system readiness. That review included written documentation from the vendor that 7000 user test cases had passed, 240 performance tests were satisfactorily completed, and more than 200 testers had been employed across the Cabinet. We received multiple assurances that benefind had been thoroughly tested and piloted and that all necessary staff had been thoroughly trained. Vendor testing predicted that no severe defects would exist upon roll-out and that any minor issues would have a work-around. We were further assured that all USDA technical and programmatic guidelines had been met. The vendor assured us that the system was ready but that contingency plans were in place to address any issues that might arise. Kentucky also had an IV&V vendor who reviewed risk and contingencies, and gave us no reason to delay further.

Roll-Out Brought Significant Issues to Light[1]

Kentucky was the first state to implement the integrated eligibility and enrollment system on a .net platform with the broad spectrum of services. In consultation with CMS, we scheduled a go-live date for February 29, 2016. Almost immediately, we realized some system latency issues were causing longer than anticipated durations during screens. Server capacity was upgraded within the first few days and processing speed improved. As time went on, however, we realized there

[1] A listing of post-launch issues and their resolutions is attached to this presentation.

were more serious issues. These included issues with system design, policy decisions data quality, and system issues. While there was a roll-back contingency in place in the event the system conversion was not successful, it was no longer a feasible or prudent option, by the time many of the issues were identified.

An example of how one issue can snowball into a larger problem involves data quality. Our new system was designed to ping the Federal Incarceration Database to determine whether a household member was currently incarcerated and, therefore, ineligible for benefits. Our system was functioning as designed. During the transition to benefind, the system sent a query to the database, which responded with requested data about a member's incarceration status. If the query returned a match that someone was incarcerated, the system automatically sent a notice to that member that eligibility was being terminated unless documentation to the contrary was provided.

The problem, however, is that the data was highly inaccurate and resulted in tens of thousands of erroneous letters being automatically issued. This single issue snowballed enormously. First, because these letters went out via mail, there was some delay in the state getting feedback about the erroneous letters. By the time this issue was identified, we had already passed the point where returning to the legacy system was not feasible. Further, these letters great caused confusion and panic among our members, who flooded our call centers and our lobbies. Instead of performing their typical case management duties, our caseworkers spent hours dealing with the fallout from these erroneous letters. This was on top of the increased case load associated with the system conversion, and on top of their getting used to using a new system.

That is just one example of how one issue can cause big problems. And it is one that could not have been easily identified in system testing.

Another complication was the fact that FNS policies on who may access data and assist with applications do not align with CMS policies. CMS allows contractors to assist with applications while FNS does not. We have hundreds of contractors available who can assist with Medicaid eligibility applications and give information about Medicaid application status but who are prohibited from using the exact same information to assist with SNAP applicants. Benefind automatically determines eligibility for Medicaid if all of the information is entered and verified. Benefind is not permitted to use that same information, if entered by a contractor, to determine SNAP eligibility because a merit employee case worker is required to process the SNAP eligibility. Benefind was intended to determine eligibility for all services, including SNAP and Medicaid with one application. This FNS policy, however, requires duplication of efforts and has impeded the efficiencies expected of the system.

Additional complications included a decision on the part of the former administration to shift workload from our local caseworkers and to replace the face-to-face model with a call-in center. This change in workflow did not align well with our new system. Our shift to a statewide model caused us to lose specialized expertise. This was then compounded by a lack of adequately trained staff. All of these issues snowballed with nearly catastrophic results causing an enormous backlog, long wait times, full lobbies and for some members to be dropped from receiving benefits.

Immediate Action Was Taken to Resolve the Issues

Because most of these issues were not evident prior to roll-out, we had to combat the problems from behind. In order to avoid further disruption to essential services, I employed an all-hands on deck approach. I immediately empaneled a team comprised of senior leadership, program policy experts, vendor management and programmers, and representatives from field offices for daily meetings, including meetings on weekends to address identified defects. As issues mounted, we supplemented field operations with 120 additional IT staff to provide technical assistance with case processing and targeted training to improve worker efficiency. We distributed a daily targeted plan to field supervisors with direction to prioritize cases based on due dates to lessen impact on SNAP and Medicaid applicants and recipients. We developed a Rapid Fire Team to improve customer service and to handle critical cases escalated for possible loss in benefits, and a team comprised of 100 field staff was located to Frankfort's technology command center to provide centralized processing. This team enabled the vendor to troubleshoot programming issues and identify solutions to incorporate into future programming and facilitated hands-on system training so users could serve as field mentors. We augmented staffing within the Office of Ombudsman to address increased call volume and to ensure that every individual who reported a concern received a follow-up call within twenty-four hours of initial contact. We created a cross-department team to review all auto-generated notification letters programmed into the system to ensure accuracy. After each daily session with the vendor and senior management, we identified specific programming solutions for implementation and

targeted a release date. We also hosted telephonic and in-person conferences with federal Medicaid and United States Department of Agriculture partners and received approval to extend coverage in an attempt to minimize a lapse in benefits. Finally, we employed additional security in field offices to assist with workflow and to ensure that client and employee safety received the highest priority.

Importance of a Proactive Stance

Today, most of the issues have been fully resolved. Many of these issues could have been avoided altogether had proper planning and oversight procedures been enacted from the beginning. First, better communication, coordination and oversight of the vendor, along with the inclusion of performance metrics and sanctions for non-performance in the contract, is essential to gaining full knowledge of the true status of the system. Communication with the vendor was lacking initially, and the testing was not as robust and inclusive as we believed. Had the vendor been more closely monitored, we could have asked better questions, we would not have had to rely on their assurances, testing could have been more thorough and representative, and a better contingency plan could have been developed including reversion to the prior system. The inclusion of performance metrics and sanctions for non-performance in the contract would have enhanced monitoring and vendor communications. Next, comprehensive training and adequate staffing should be in place and a workflow developed that is reflective of the IT system should all be in place well prior to roll-out to ensure that issues may be identified and handled as expeditiously as possible.

Finally, if we are to have a truly integrated system, we need the federal government to assist. Proactivity on the federal government's part would be an enormous help in minimizing issues. Federal databases, like the Federal Incarceration Database, should be accurate and updated frequently to avoid erroneous decisions. The federal government should also take an integrated approach to policies to ensure that they are consistent and that they align with the IT design it has encouraged. The FNS policy prohibiting anyone but merit employees to assist with SNAP applications must be changed. Currently, CMS has determined that contractors may assist with Medicaid eligibility applications. Recently, CMS has further reduced burdens on the application process by allowing insurers and brokers to access the federal platform. This disconnect prohibits us from using the contractors who have access to the same information for Medicaid to assist with SNAP applications which results in duplication of efforts and an impediment to the efficiencies expected of the system.

Resolution of these impediments would greatly enhance our experience and cause our system to be as efficient as intended. If these issues were addressed, then the system could be optimized and truly be a one-stop shop with no wrong door.

Conclusion

We continue to monitor our system and work with our vendor closely to confirm that any future releases will result in a system that is reliable and stable. We conduct frequent reviews of system operations to ensure that any defects are quickly identified and resolved. We are committed to facilitating the process for our population.

Post Launch Issues and Resolutions

- ISSUE: Significant costs associated with delaying rollout.

KY Response: Renegotiated additional costs associated with a delayed roll-out down approximately 50%.

- ISSUE: UAT testing needed more involvement of business analysts in test scenario planning and for correspondence generation.

KY Response: Enhanced testing of processes and software. ISSUE: "Go live" did not include adequate roll back/contingency plan.

KY Response: By the time the scope and magnitude of systematic issues were fully identified the contingency plan, reversion back to Kentucky Automated Management Eligibility System (KAMES), was not feasible to implement. However, benefind provides the ability for workers to override emergency cases.

- Issue: Center for Medicare and Medicaid Services and Food and Nutrition Services policies contradict each other in the integrated system, and did not properly allow utilization of kynectors/application assisters.

KY Response: Requested and received approval from FNS for kynectors affiliated with non-profits to assist with SNAP applications. This change did little to solve the problem as merit employees were still required to perform the interview and eligibility determination for SNAP. , Kentucky recommends additional flexibility and better program eligibility policy alignment across federal eligibility programs.

- ISSUE: Training was inadequate; no proficiency test for staff prior to roll-out. Also, what training was performed was done several months in advance of go-live. That lag resulted in a system that has several changes between training and go live, and high attrition meant many workers were not trained in advance of roll-out.

KY Response: Proficiency thresholds and timeframes will be established and verified prior to any future system roll-outs. Will also ensure some training takes place in close proximity to system rollout.

- ISSUE: Pilot project was insufficient; not fully representative of local offices.

KY Response: Future pilot programs will incorporate all special populations and geographic areas.

- ISSUE: Clear communication between vendor and CHFS was lacking.

Streamlined operations and communication by requiring twice weekly meetings and implementing morning and afternoon status reports.

- ISSUE: 2013 DCBS workforce study recommended a statewide structure that has proven inadequate for operating the benefind system.

KY Response: Several specialized teams were created and some shift of responsibilities back to local level has occurred. CHFS is currently undergoing a formal examination of workflow for more permanent and substantial changes to better align with benefind system.

- ISSUE: Long phone wait times and case review times associated with benefind roll-out.

KY Response: Established a Rapid Response Team (RRT) – this group of 10-20 vendor and CHFS staff gave us the ability to quickly respond to cases that required immediate action. Additionally, CHFS improved the phone system Interactive Voice Response (IVR). Improvements made to the phone systems have greatly decreased wait times by providing a specific queue for citizens seeking benefits status or reporting changes.

- Issue: Sizeable case backlog associated with benefind roll-out.

KY Response: Established Operation Field to Frankfort (O.F.F) – this team of 60-100 employees from across the state, assisted by 12-15 vendor employees, was consolidated in Frankfort to address high volume of cases, specialized populations experiencing issues, and to receive additional training. This team has successfully processed hundreds of thousands of cases and has been instrumental in identifying system issues experienced during the benefind roll-out process.

- ISSUE: Incorrect notifications mailed to constituents.

KY Response: Completed a detailed review of all possible system-generated correspondences/notifications for accuracy and software errors, and identified trigger threshold improvements. CHFS and vendor continue to review policies associated with notifications, in order to eliminate confusion.

- Issue: Small populations saw a disproportionate volume off errors during roll-out.

KY Response: Worked with community partners such as KY Center for Equal Justice, KY Association of Health Care Facilities, KY Refugee Ministries, and Catholic

Charities to ensure we are addressing citizens' concerns, while implementing changes to the organizational processes in order to better serve the citizens.