

Human Service Program Operations

State and local public human service agencies are among the largest organizations in the country, employing tens of thousands of workers, serving tens of millions of individuals and families, and administering hundreds of billions of dollars in benefits and services. State administrators must blend funding streams to seamlessly deliver services, to individualize services, and to minimize administrative costs. These efforts can be difficult when federal oversight is prescriptive and unfunded mandates drive program costs excessively higher. These increased federal data reporting requirements, information system rules, cost-allocation strictures, audits, penalties, and reviews run counter to the program flexibility and outcome-oriented, positive performance incentives that states have long sought. The focus of federal agency corrective action activities should be to identify and promote best practices and to offer other technical assistance to states. In addition, evaluation methods that have proven satisfactory on the whole, such as the single audit, should be retained and extended to other programs, not replaced by costly and unworkable alternatives. APHSA has consistently advocated for an end to conflicting federal requirements either through conformity across programs or through state options and other avenues of flexibility and will continue to do so. And, we urge federal agencies to review cross-program implications *before* issuing new policies that result in conflicting, burdensome, and costly program administration.

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Recommendations

PROPOSAL

Federal program compliance practices should be revised.

Performance measurement in all federal programs should move toward conformance with the following principles:

1. The focus of performance measurement and assessment should be a set of simple requirements and outcome measures that emphasize positive incentives for high performance.

2. Program assessment should not include measures that focus only on narrow process measures; instead, measures must look to actual outcomes that programs are expected to achieve for their recipients. The outcomes must be appropriate to each state and developed in partnership with them.
3. Program assessment requirements must conform to authority granted in statute; for example, mandates on states cannot be inferred from provisions in the Improper Payments Information Act of 2002 (IPIA) (which clearly impose requirements only on federal agencies), and federal agencies must not propose regulations except as specifically allowed by statute.
4. To correct program deficiencies, states must be allowed to collaborate with the federal government and develop a plan to achieve improved outcomes. In programs where financial sanctions are still required, states must have the option to satisfy financial sanctions through reasonable reinvestment plans (including retroactive plans if the state so desires). States must be able to negotiate reasonable adjustments to existing reinvestment plans when conditions change unexpectedly, such as the sudden drop in the national Food Stamp Program (FSP) error rate average that could require some states to pay “at-risk” amounts.
5. Program performance requirements and remedies must not impose any unfunded mandates on states.

To carry out their role of reasonable oversight, federal agencies must shift the focus of their resources away from process measurement and toward outcome measurements, technical assistance, and the identification and dissemination of research-based best practices.

6. To carry out their role of reasonable oversight, federal agencies must shift the focus of their resources away from process measurement and toward outcome measurements, technical assistance, and the identification and dissemination of research-based best practices. Federal agencies (and each of their regions) must treat states equitably when approving corrective compliance plans. Outcome measures must be those known to yield desirable outcomes.
7. All federal regulations and other requirements must be prospective, and never retroactive.
8. All states must be allowed to implement program improvements once demonstration or research projects show them to be sound.

EXPLANATION

One of the major positive reforms Temporary Assistance for Needy Families (TANF) achieved was replacement of its predecessor’s process-based quality control (QC) system with a single audit requirement and a set of outcome and performance incentives. In contrast, other programs (particularly the FSP) still rely to varying degrees on process-based, costly QC systems.

PROPOSAL

Data collection and reporting mandates should conform to reasonable standards.

1. New data desired by federal agencies to meet congressional mandates, assess program trends, and carry out research must be obtained in a manner that does not impose counterproductive or cost-ineffective state administrative burdens.
2. Whenever practicable, the federal government should turn first to sources such as the Census Bureau and other information repositories where data are already available. Sampling and other alternative methods must also be used to gather administrative data instead of mandating universal, case-level data collection.

3. Data collection and reporting requirements for states should contain no unfunded mandates.
4. Federal agencies should harmonize and standardize definitions of data elements across programs.

EXPLANATION

Data collection and reporting mandates for states are among the most burdensome and expensive requirements imposed by the federal government. While sound program management and assessment depend on valid data, requirements that states help gather this information must be kept within reason. Much of this information, or similar data, could have been obtained from other sources at far less cost and with less administrative impact. In addition, states have seriously questioned the utility of much of the data collected, since they often provide only a snapshot of the caseload and do not answer important questions about trends and other dynamic changes among participants.

PROPOSAL

End data-matching mandates and allow states maximum feasible access to useful databases that would assist in effective program administration.

1. End federal Income and Eligibility Verification System (IEVS) match mandates and expand access and technical assistance to use alternative systems or other appropriate income verification systems reasonably acceptable to the federal government.
2. Allow states access to the Financial Institution Data Match (FIDM) to enhance state program integrity efforts.
3. Allow public TANF and FSP agencies access to the Federal Directory of New Hires for defined administrative purposes, such as verification of eligibility and measurement of workforce attachment.
4. States must have access to federal databases when enrolling new clients, such as the new Medicare Part D mandate, so that states are not required to needlessly gather the same data presently available in federal databases. Data should flow in both directions.

EXPLANATION

The federal government should assist states in obtaining and sharing data that will enhance program performance and integrity. It should allow states to use those databases that will best serve their particular needs, and not impose mandates to use any specific database. The federal government should assure that data are as current and useful as possible. For example, the FIDM is a source of data that could be quite useful in state program integrity efforts, yet is unavailable nationally. APHSA supports recent proposals to allow state FSP agencies access to the Federal Directory of New Hires, and urges similar expanded access for other programs and databases when doing so can strengthen program administration.

Some programs contain specific mandates to carry out certain data matches, notably the IEVS match requirement in TANF and Medicaid. These mandates purportedly enhance program integrity, but in fact the information in these databases is often outdated, and the effort and expense of the matching process outweighs any benefits gained. Since states are already under a variety of requirements to maintain high performance and a high degree of program integrity, they should be allowed to make their own decisions on what data matches to perform.

PROPOSAL

Federal agencies should align standards and requirements across program lines. In the Advance Planning Document (APD) process, allow states to submit a single APD that covers all programs involved in the proposal.

Absent compelling reasons to the contrary, all federal agencies should adhere to the same set of standards and requirements across program lines for automated systems, since states now commonly administer multiple programs.

1. Create a uniform standard, across program lines and federal regions, for APD requirements and electronic signature policies.
2. Allow states to submit a single APD covering all programs that are part of the project in question. All federal agencies involved should coordinate their responses and questions through a single lead agency, and issue a single approval within a reasonable timeframe.
3. The lead federal agency should also certify that if a state has followed its purchasing practices and procedures, then no APD is necessary.
4. If a state is using an approved cost-allocation method, then all changes and purchases below a reasonable threshold should be exempt from the APD process.

EXPLANATION

Absent compelling reasons to the contrary, all federal agencies should adhere to the same set of standards and requirements across program lines for automated systems, since states now commonly administer multiple programs. APD requirements and electronic signature policies are examples of areas in which agencies impose different standards from one program to the next, causing needless waste and confusion at the state level.