EXECUTIVE SUMMARY

This is a progress report and a request for additional funding for the replacement eligibility software for Workforce Services.

eREP – WHAT IS IT?

The acronym stands for Electronic Resource & Eligibility Product. It is software that will determine eligibility and calculate benefits for customers seeking Temporary Assistance to Needy Families (TANF), Food Stamps, Medicaid, Child Care and other services from the departments of Workforce Services, Human Services, and Health.

eREP REPLACES PACMIS

eREP will replace the antiquated PACMIS (Public Assistance Case Management Information System) developed in the 1980's. (In the world of computers, the 80s was a very long time ago and for personal computers, it is almost the dawn of time.) A gap analysis conducted in 2001 indicated that PACMIS was only meeting 52% of business requirements. PACMIS is written in COBOL and Natural, a computer language that is no longer taught in schools. As these programmers retire it gets more and more difficult to maintain the software.

OPPORTUNITY TO REPLACE PACMIS COMES BECAUSE OF TANF REAUTHORIZATION

When congress initiated welfare reform, it was funded as a six year block grant to the states. Welfare reform was a success and at the end of the six years the state had a $60 million reserve. The state felt that it needed to spend the funds or risk having the federal government do something about it. Workforce Services obtained authorization from the Legislature to redo PACMIS.

BENEFITS – TIME & MONEY

It is designed so that customers will not have to visit different agencies, filling out forms in each to get help. State caseworkers will not have to enter the same client information into different systems. In California, the process to determine eligibility for Medicaid, California Work Opportunity and Responsibility to Kids (CalWorks), and Food Stamps cost California $308 to $493 per person per application. That's more than $900 dollars and a lot of time and effort to service one client. eREP will have the client submit only one application at a cost of $100. The Utah Department of Workforce Services (DWS) serves 260,000 clients per month.

eREP IS INTEGRATED WITH COMMUNITY SERVICES

The program also helps clients hook up with community based services through Utah Cares. Searches can be based on need (clothing; child, elderly, or disabled care; employment, education, training; financial; food; health, mental care; housing; legal; safety and abuse; and transportation) or by group (mental, physical or learning disabled; veterans, active military, adoptions, expectant parents; teens; foster care; child custody; grandparents; caregivers; single parents; refugees; immigrants; English as a second language; Native Americans; offenders or inmates; transients or homeless; victims or survivors; underemployed or unemployed.) For example if you select Safety & Abuse followed by I Need a Safe Place To Go, you will get a list of 27 providers such as the Rape Crisis Center, or the Sego Lily Center for the Abused Deaf.

SOLVING WELFARE INTEGRATION PROBLEMS

Bringing all these services together is a state and federal goal. They are called one-stop shops. Utah is a national leader in this integration because it has gone beyond co-locating services in the same building to integrating services within the building. In Utah, a single caseworker will qualify a client in all available services. This means that a caseworker must know a lot of programs and the complicated federal rules for each program. The federal programs are not themselves integrated. That is, qualifying has different rules for each program. Income levels, asset tests, documentation, notification, and on and on are different. Without eREP, we may be at the end of integrating welfare service as this may be as much as a caseworker can manage. eREP is designed on a rules based engine

and keeps track of the rules. Employees can drill down on any rule and see the department policy. They can drill down even further for federal policy. This feature is called **Infosource**.

eREP IS SMARTER SOFTWARE

It is also smart software (like Turbo Tax) that prompts the caseworker along. PACMIS proficiency takes 10-12 months, eREP will take 3-6 months saving time and training costs. Errors will be reduced.

eREP IS SCALABLE AND EXPANDABLE

Scalable means that the software can be attached to a different database and serve more customers. Expandable means that other modules can be added to the base software. Potential modules are:

- Subsidized Adoption
- Foster Care
- HEAT (LiHEAP)
- School Lunch
- HeadStart
- Unemployment Insurance
- WIC
- Child Welfare – Case Management.

OTHER BENEFITS

PACMIS sends out correspondence to customers as each program requires. This sometimes results in one customer getting multiple notices in one day. eREP notices will be consolidated into one. This will decrease confusion and reduce postage costs.

PACMIS required applicants to apply on a paper application in an office. eREP is web enabled and available 24/7. (Customers must still appear to present documentation.)

PACMIS is hardcopy policy and procedure manuals with information in separate books. eREP is online policy and procedure manuals with seamless links to rules, integrated scheduling tools, seamless link to document imaging and information sources.

PACMIS/ORSIS (Office of Recovery Services Information System) uses multiple systems to track and manage payment errors. Many of these errors occur because of manual decisions in applying

policy. eREP has a single integrated solution to track and manage payment errors and a rules based system to reduce to reduce employee decision errors.

eREP IS COMPLETED IN STAGES

Project #1 is eligibility for TANF, Child Care, and Emergency Assistance. This includes:

- Core Eligibility.
- Utah Cares, an online community and state resource directory in partnership with 2.1.1.
- InfoSource, online policy and procedure manuals.
- Screening module, screening for TANF and Child Care eligibility.
- Eligibility module which determines eligibility and benefits calculation for TANF, Child Care, and Emergency Assistance.
- Appeals Module

Project #2: Food Stamps, General Assistance, Refugee Cash, and Working-Towards-Employment. Functions are:

- Add Food Stamp link to Utah Cares.
- Add rules for Food Stamps, General Assistance, Refugee Cash, and Working-Towards-Employment to screening module.
- Extend recovery functions of Investigation & Referral, Overpayment Calculation, Collections, and Appeals for these added programs.
- Extend core functions for these added programs.

Project #3: Medical: Mandatory Title XIX coverage groups(Section 2.2-A of Utah's State Plan under Title XIX of the Social Security Act – Utah is an SSI criteria State), Optional Title XIX Coverage Groups other than Medically Needy, Optional Title XIX Coverage of the Medically Needy, Emergency Medical Assistance, Medicaid 115 Waiver for PCN, Title XXI Chip.

- Integrate Curam Medical Assistance Module for core Medicaid eligibility.
- Add rules for Medical Services.

- Extend recovery functions (Investigation & Referral, Overpayment Calculation, Collections, and Appeal) for Medical.

- Add Core Functionality (Security, Organization, Worker Assignment, Supervisor Management, Tasks, Correspondence, Reports, and Interfaces) to Medical.

HOW MUCH IT COSTS

Project 1, TANF & Child Care		
State Funds	0%	$0
Federal Funds	100%	$35,545,300
Total Costs		**$35,545,300**

Project 2, Food Stamps		
State Funds	50%	$4,170,900
Federal Funds	50%	$4,170,900
Total Costs		**$8,341,800**

Project 3, Medicaid		
State Funds	38%	$7,759,000
Federal Funds	62%	$12,751,100
Total Costs		**$20,510,100**

TOTAL		
State Funds	19%	$11,929,900
Federal Funds	81%	$52,467,300
Total Costs		**$64,397,200**

State funds already allocated are:

State Funds Previously Allocated	
General Fund	$3,644,900
GFR - Special Admin.	$3,000,000
General Fund internal reallocation	$1,200,000
Total	**$7,844,900**

ANALYSTS RECOMMENDATION

The Analyst recommends giving highest priority to Workforce Services' request to finish the project: **$3,585,000.** Although this recommendation is $500,000 less than the agency request the Analyst believes there should be a discussion on potential options of using Maintenance of Effort funding to make up the difference.

PROJECT DELAYS

- Project #1, TANF & Child Care: Due to Curam Software upgrading their product to new technology (JAVA and web-based).

- Project #1, TANF & Child Care: Due to incomplete design of eligibility. Curam

Software modules become available that put the project back on track.

- Project #3, Medical: Due to insufficient response from vendors for developing medical module. A different approach was selected where the state will manages the project without a primary system integrator which required federal approval, which was an additional delay.

- Project #3, Medical: Curam Software developing a Medical Assistance Module that will not be available until January 2006.

Total delay is 20 months. Previous implementation planned for January 2006 is now planned for October 2007.

INCREASED COSTS FROM DELAYS AND SCOPE CHANGES.

Total costs went from $56 to $64.4 million, an increase of $8.4 million.

COMPARISONS WITH OTHER STATE'S PROJECTS

Total cost for **Utah**: $64,400,000

Colorado: $192,000,000 to date. Project implemented but has significant maintenance & operational problems.

Texas: $300,000,000 to date. Project is in progress with an estimated cost of $800,000,000.

California Consortia (CalWin): $300,000,000 to date. Project is in progress with an estimated cost of $800,000,000.

Tennessee: Estimated $60,000,000 -80,000,000 contract costs with additional state costs. Procurement is underway.

Michigan: Estimated $120,000,000 contract costs with additional state costs. Procurement is underway.

GOVERNMENTS SHOWING INTEREST IN EREP

- Arizona

- Hawaii

- Kansas

- Louisiana

- Michigan

- North Carolina

- New York

- Ohio

- Okalahoma

- Oregon

- Pennsylvania

- Tennessee

- Virginia

- Wisconsin

- New York City

- Australia

- New Zealand

- British Columbia

- Ireland

- Great Britain

AWARDS

- 2.1.1. Hero Award (2004)

- 2004 State of Utah CIO Award

- 2005 Inter-Governmental Solutions Award
  by American Council for Technology,
  Industry Advisory Council.

PUBLICATIONS

- Government Technology

- Washington Technology

- Governing