

House Bill 3575

Health and Human Services Eligibility System Transition Plan



**Health and Human Services
Commission**

July 2008 Update

BACKGROUND

H.B. 3575 directs the Health and Human Services Commission (HHSC) to develop a transition plan under which the eligibility system in existence on September 1, 2007, is transformed and enhanced to be more fully functional relative to the needs of eligible Texas residents and to meet the following goals:

- Increase the quality of and client access to services provided through the programs.
- Implement more efficient business processes that will reduce processing times for applications for program benefits and reduce staff workloads.
- Implement simplified application and enrollment processes for programs in a manner that is consistent with program goals established by the Legislature.
- Enhance the integrity of and reduce fraud in the programs and ensure compliance with applicable federal laws and rules.

As noted in the first and second installments of the transition plan, the transformation of the eligibility system requires significant changes to the business process and to the automation that support eligibility determination. The transition to the new system is a dynamic process. As a result, the timeline for transformation cannot be laid out in a static plan. Therefore, HHSC is periodically updating the plan to coincide with the schedule of the Eligibility System Legislative Oversight Committee. This update to the plan builds on the history, next steps, and challenges laid out in the first two installments.

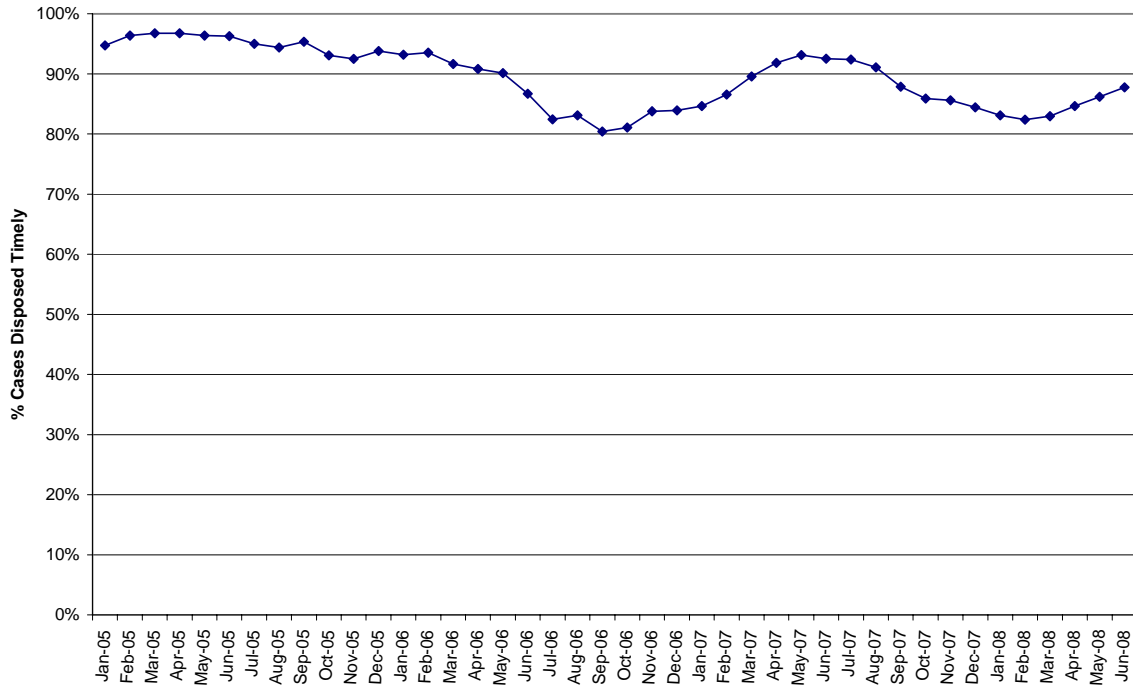
PROGRESS REPORT

In the February 2008 update to the transition plan, HHSC reported on some of the challenges that result from maintaining and operating in two eligibility systems. One manifestation of this was a decline in statewide food stamp timeliness. Federal standards require client applications for food stamp benefits to be processed within 30 days of receipt. For clients meeting the criteria for expedited food stamp benefits, Texas law requires those benefits be issued within 24 hours of receipt. Federal standards require that 95 percent of applications received be processed within these established timeframes.

Timely Disposition of Benefits

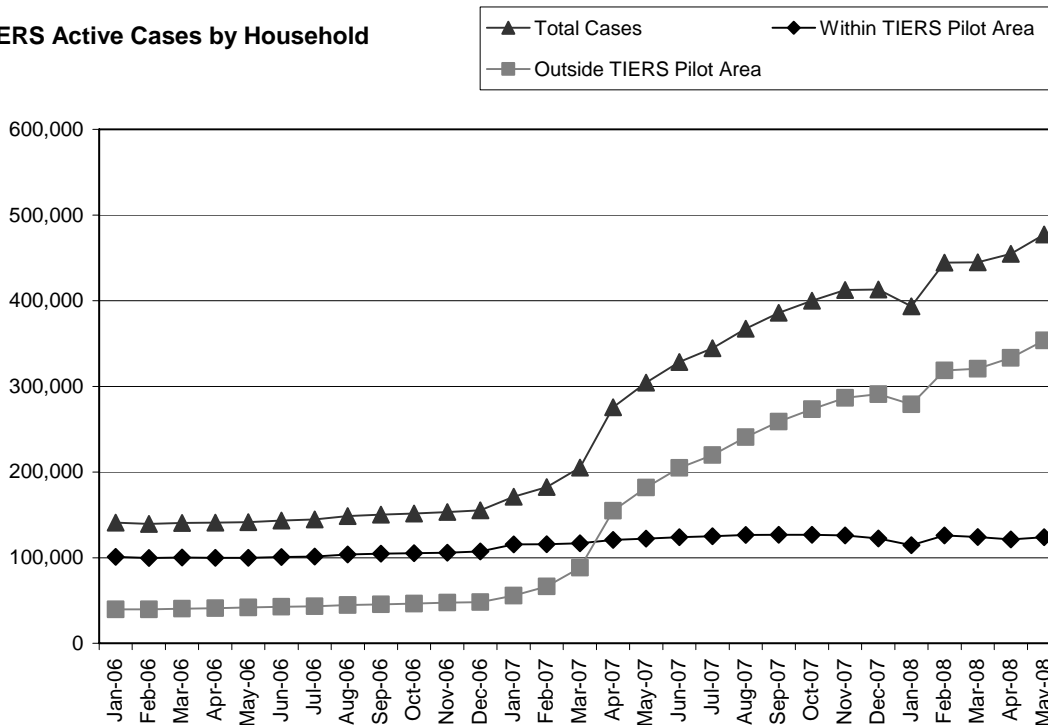
While achieving timeliness continues to be a challenge, improvements have been made in statewide timeliness rates. In December 2007, 84.4 percent of food stamp applications were completed within established timeframes; by June 2008 that number increased to 87.8 percent.

Statewide Percentage of Food Stamp Applications Completed within Established Timeframes



As noted in the February update, the addition of the Women’s Health Program and the Foster Care Medical Model outpaced the availability of TIERS-trained staff. Furthermore, as clients move out of the pilot area, their cases remain in TIERS. As a result, cases in TIERS outside of the pilot more than doubled between March 2007 and June 2007. As shown in the following chart, the growth trend has continued.

TIERS Active Cases by Household



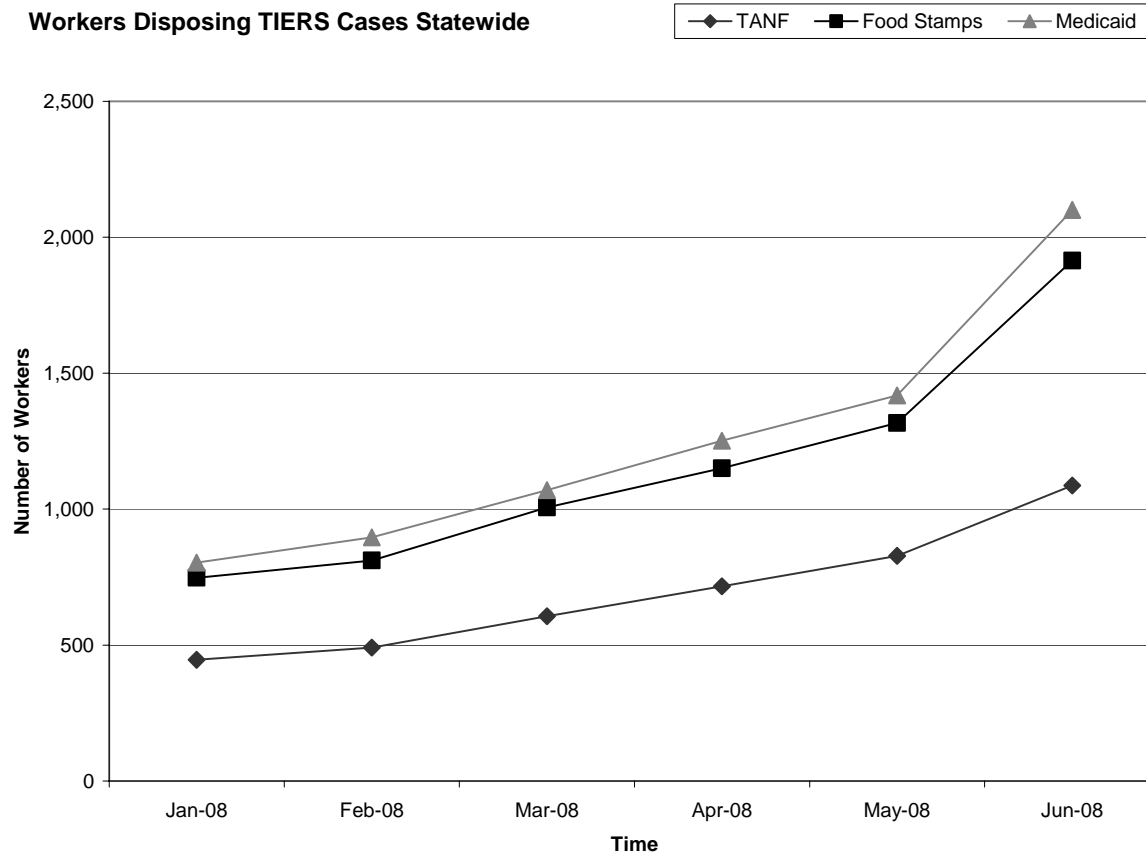
A case refers to a single program type. A person or household may have multiple cases if they qualify for more than one program, such as a family that receives both food stamps and Medicaid. Therefore, the number of cases does not represent an unduplicated number of clients.

Following is the geographic distribution of Medicaid, food stamp, and TANF cases in SAVERR and TIERS for May 2008:

| Region | SAVERR | TIERS | Total Cases | Percent of Statewide Caseload |
|-----------------------------|------------------|----------------|------------------|-------------------------------|
| Lubbock | 111,796 | 17,385 | 129,181 | 3.4% |
| Abilene/Midland | 164,856 | 20,196 | 185,052 | 4.9% |
| Dallas/Fort Worth Metroplex | 702,553 | 46,452 | 749,005 | 19.8% |
| Tyler | 165,760 | 16,939 | 182,699 | 4.8% |
| Beaumont | 127,469 | 13,822 | 141,291 | 3.7% |
| Houston | 712,198 | 70,003 | 782,201 | 20.7% |
| Austin | 164,155 | 167,325 | 331,480 | 8.8% |
| San Antonio | 381,399 | 50,708 | 432,107 | 11.4% |
| El Paso | 183,016 | 17,306 | 200,322 | 5.3% |
| Rio Grande Valley | 595,777 | 49,146 | 644,923 | 17.1% |
| Total | 3,308,979 | 469,282 | 3,778,261 | 100.0% |

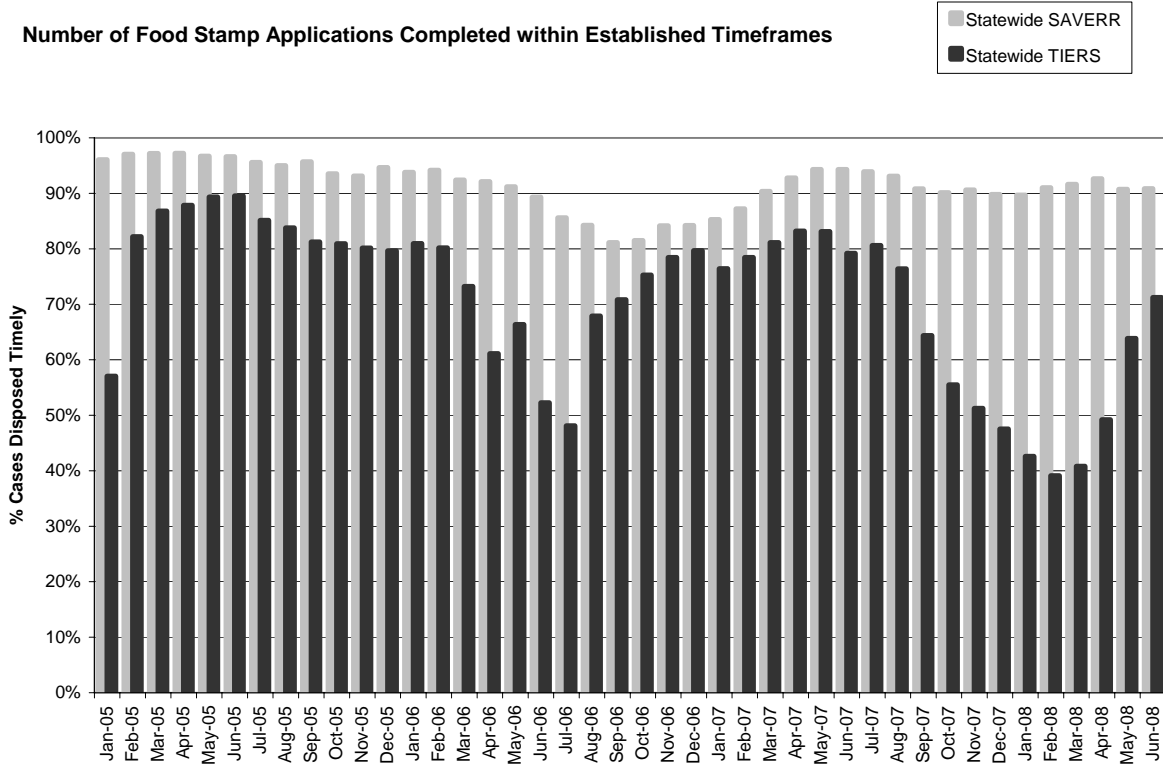
Although HHSC took steps to increase the numbers of TIERS-trained staff across the state, the rapid growth of TIERS cases outside the pilot area resulted in a growing gap between timeliness of cases processed in TIERS and cases processed in SAVERR.

To address this problem, HHSC increased the number of TIERS-trained staff throughout the state. From January through May 2008, a total of 1,463 eligibility staff completed the initial TIERS user training. During this timeframe, an additional 1,786 eligibility staff have completed TIERS-associated trainings, which cover the more advanced functionalities of the system. Increasing the number of TIERS-trained workers has resulted in an increase in the number of workers disposing cases in TIERS as illustrated in the chart below. In January 2008, 748 eligibility workers disposed a food stamp case in TIERS. In June, 1,914 eligibility workers disposed a food stamp case in TIERS, an increase of 1,166 workers.

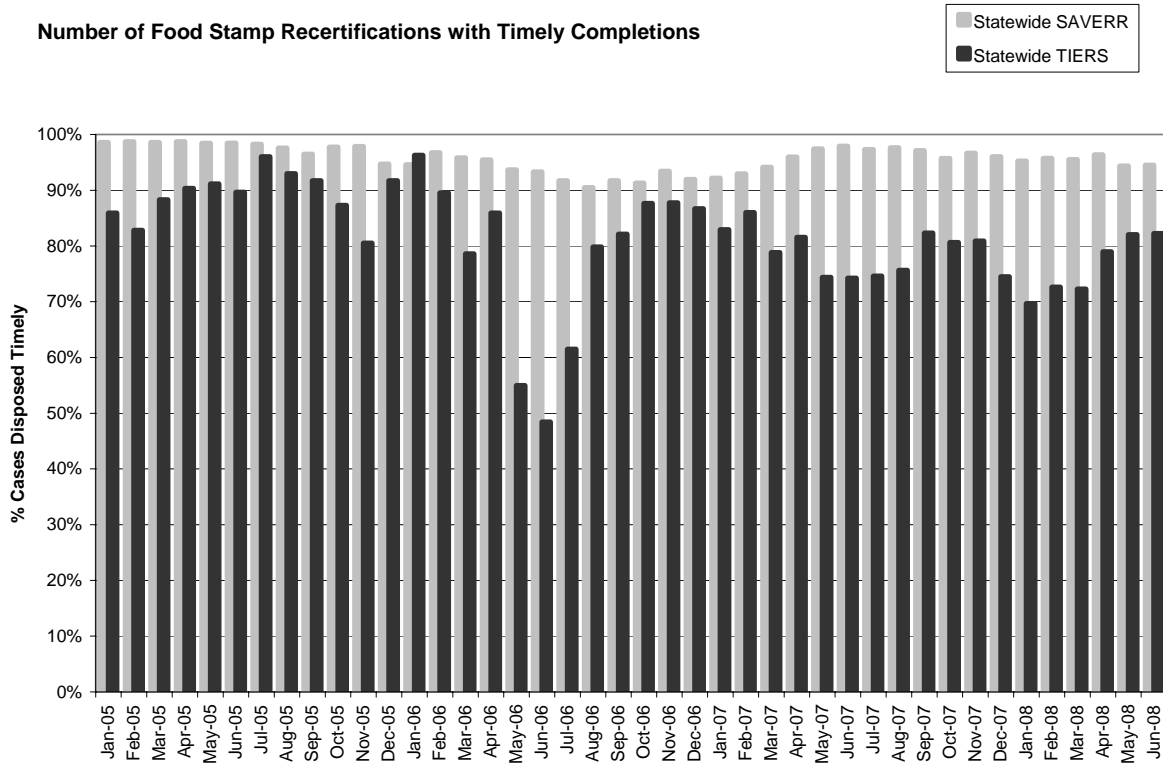


This focus on training has contributed to significant improvements in timeliness for cases processed in TIERS. In December 2007, 47.5 percent of food stamp applications processed in TIERS were completed within established timeframes. In June 2008, 71.2 percent of food stamp applications processed in TIERS were completed within established timeframes. Similarly, in December 2007, food stamp recertifications processed in TIERS were completed within established timeframes 74.5 percent of the time. By June 2008, recertifications processed in TIERS that were completed timely had increased to 82.2 percent.

Number of Food Stamp Applications Completed within Established Timeframes



Number of Food Stamp Recertifications with Timely Completions



Timeliness within the pilot counties has also shown significant improvement. In January 2008 in Hays County, 74.9 percent of food stamp applications were disposed timely. In June 2008, 88.5 percent of food stamp applications were disposed timely. In Travis County, timeliness improved from 62.3 percent to 70.3 percent in that time period. In Williamson County, timeliness improved from 66.1 percent to 73.1 percent during that same time period.

An additional measure was recently implemented to help relieve workload in local offices and to improve timely processing of food stamp applications. Texas requested and received approval of a waiver from the U.S. Department of Agriculture's Food and Nutrition Service (FNS) to allow HHSC to temporarily extend the certification period for certain food stamp cases from 6 months to 12 months. HHSC is extending the certification for households that receive less than \$400 a month in food stamp benefits. These households constitute approximately 45 percent of the food stamp caseload. HHSC is extending certifications for cases with certifications expiring in the months of June through November 2008.

Increasing and Stabilizing the Workforce

HHSC is on track to reach to the new FY 2008-2009 authorized staffing level of 7,438. Eligibility staffing has grown from 6,343 in September 2007 to 7,027 in June 2008. This is a net gain of 684 eligibility staff

Gains in staffing levels are related to the implementation of an enhanced compensation plan for eligibility staff that was announced at the February hearing of the Legislative Oversight Committee. The plan, detailed below, went into effect on June 1, 2008.

Career Track Employees

Clerks

- New employees enter employment at a Clerk III, rather than Clerk II (A-8 vs. A-6 in pay scale)
- Existing Clerk IIs were promoted to Clerk III
- Existing Clerks IIIs and IVs received a five percent merit raise

Workers

- New employees enter employment at Worker II instead of Worker I (B-4 vs. B-3 in pay scale)
- Existing Worker Is with less than 1 year tenure were promoted to Worker II
- Existing Worker Is with 1 year or more tenure were promoted to Worker III
- Existing Worker IIs were promoted to Worker III
- Existing Worker IIIs received a five percent merit raise

Promotional Level Employees

Worker IVs received a five percent merit raise.

Unit Supervisors received a five percent merit raise.

Program Managers received a five percent merit raise.

To be eligible for a promotion or merit raise, an employee must have acceptable performance.

Despite the increase in net staffing levels, turnover continues to be an issue. High turnover results in a less tenured workforce, which has a direct impact on productivity and the ability to achieve timeliness and quality standards. As the chart below illustrates, there has been a modest reduction in turnover between fiscal year 2007 and fiscal year 2008. The annualized statewide turnover rate for fiscal year to date in 2008 is at 20.9 percent compared to 22.3 percent in fiscal year 2007. Furthermore, most regions are experiencing lower turnover.

| Region | FY 2008 | | |
|-----------------------------|----------------|----------------|--------------|
| | FY 2006 | FY 2007 | YTD* |
| Lubbock | 32.3% | 21.1% | 19.6% |
| Abilene/Midland | 31.4% | 22.2% | 20.9% |
| Dallas/Fort Worth Metroplex | 37.1% | 24.9% | 21.2% |
| Tyler | 40.9% | 24.1% | 20.4% |
| Beaumont | 34.2% | 28.6% | 30.0% |
| Houston | 27.5% | 28.6% | 24.4% |
| Austin | 43.2% | 23.7% | 21.6% |
| San Antonio | 27.9% | 18.3% | 26.4% |
| El Paso | 15.3% | 10.4% | 13.6% |
| Rio Grande Valley | 21.5% | 14.8% | 11.6% |
| Totals | 31.1% | 22.3% | 20.9% |

The direct impact of the compensation enhancement plan can be seen in the chart below detailing turnover trends by eligibility job title. In fiscal year 2007 eligibility workers had a turnover rate of 26.2 percent. The 2008 fiscal year to date totals show a turnover rate of 22.2 percent for eligibility workers. A further decline in turnover rates was seen after the announcement of the compensation enhancement plan. The third quarter 2008 turnover rate for eligibility workers is 18.9 percent, down from 21.7 percent in the second quarter. For clerks, turnover in the second quarter was 24.3 percent, and that dropped to 15.9 percent in the third quarter.

| Job Title | Fiscal Year 2006 | Fiscal Year 2007 | First Quarter | Second Quarter | Third Quarter | FY 2008 YTD* |
|---------------------|-------------------------|-------------------------|-------------------------------|------------------------------|------------------------------|---------------------|
| | | | (Sept. – Nov.) FY 2008 | (Dec. – Feb.) FY 2008 | (March – May) FY 2008 | |
| Clerks | 38.3% | 23.5% | 21.8% | 24.3% | 15.9% | 20.5% |
| Eligibility Workers | 28.8% | 22.2% | 26.2% | 21.7% | 18.9% | 22.2% |
| Supervisors | 23.5% | 8.2% | 8.4% | 4.0% | 8.2% | 6.9% |

* Fiscal year 2008 year-to-date rates are determined by annualizing the number of losses through the third quarter.

TIERS Enhancements

HHSC has been planning for and implementing enhancements designed to further improve TIERS. As the automation system that will support the fully enhanced eligibility system, HHSC has established an ongoing TIERS review process that includes feedback from eligibility workers. This review process is focused on continuous quality improvements to the efficiency and effectiveness of TIERS.

As part of this process, HHSC initiated a TIERS usability study in November 2007 to identify opportunities to improve eligibility staff's experience in completing the application and certification processes in TIERS. Workers of all experience levels were interviewed and observed to ensure that opinions were gathered from a representative cross section of TIERS users in terms of tenure, location, and role.

The interviews helped identify potential enhancements by discussing what users liked and disliked about using TIERS. In addition, eligibility workers were observed as they held client interviews, entered case information, and performed various processes in TIERS. At the conclusion of the study in May 2008, 34 enhancements were recommended for development and will be deployed over several future releases of the TIERS application.

Some of the enhancements planned for release in fall 2008 include:

- Streamlining the data entry process for recertifications to give users the ability to go directly to the data entry areas that need updating.
- Improvements to the design and layout of frequently used screens and navigation buttons.
- Displaying data in reverse chronological order on some of the pages used most often. This change will allow the user to view the most recent information without having to scroll to the bottom of the page.

Along these same lines, changes to the screens in TIERS where you establish the relationship of the various household members were frequently identified by eligibility staff as an area for improvement. Prior to changes being implemented, the relationship screen in TIERS required the eligibility worker to enter detailed information about each member of the household and their relationship(s) to each other. If there are multiple household members within a case, entering this information was very time consuming for the worker.

A redesign of the relationship screens was implemented in early June 2008. The changes make it less confusing, faster, and easier to add and edit relationship information for cases in TIERS. The most significant change to the TIERS relationship screen is the ability to add or edit relationship information for multiple individuals on the case all at once. Prior to the screen changes, a worker would have to enter each relationship separately. This required a total of eight entries to establish the relationships for a family of four with a mother, father, son, and daughter. Using the new data entry feature allows the worker to complete the household relationship by making only two entries to establish the mother and father as a couple, and the mother and father as parents of the son and daughter.

The usability study and resulting TIERS improvements have led to the introduction of web-based seminars to highlight the enhancements to the eligibility staff. The relationship screen changes and web-based seminars have received excellent feedback from staff. HHSC continues to seek the input of eligibility workers through on-site visits, the review of technical support requests, and feedback from on-site support staff to plan future TIERS improvements.

In October 2007, the State Auditor's Office (SAO) released its audit report on TIERS. The audit found that the TIERS application supports the eligibility process with accurate eligibility determinations and benefit calculations. The SAO made several recommendations and, based on that information, HHSC has planned and/or accomplished the following:

- Confirmed storage requirements for the TIERS application and reassessed requirements for all supporting systems as part of the capacity planning process. Additional storage is being implemented.
- Created automated solutions and retired 16 existing manual workarounds; and assessments have been completed for an additional 17 manual workarounds.
- Made improvements to the TIERS user acceptance testing processes. Currently, 30 technical state and contractor staff perform user acceptance testing of TIERS and its supporting applications. In addition, field eligibility staff is rotated in to provide direct user input, while policy and program staff reviews testing activities.

NEXT STEPS

TIERS Geographic Roll-out

On May 13, 2008, HHSC received authorization from FNS to resume a limited roll-out of TIERS. The letter states:

We understand your assertion that extending TIERS to more cases could improve application processing efficiency by reducing the need to train workers in the same office in dual systems. This will also allow more work to be more effectively distributed among workers across the State.

FNS authorized the roll-out to an additional percentage of the food stamp caseload, not to exceed 22 percent. Currently, approximately 12 percent of food stamp cases in the state are in TIERS. FNS requested HHSC submit a plan on how the conversions would occur. HHSC discussed options with FNS in early June and on June 16, 2008, received approval of the conversion options presented to FNS. The original proposal submitted to FNS had roll-outs beginning in July 2008. HHSC has modified this proposal and is currently in discussions with FNS about the proposed changes.

The current proposed roll-out would begin in October 2008. As in the plan approved by FNS, conversions will be conducted in small increments and will begin with the remainder of Region 7 (Central Texas), and then move to Region 10 (El Paso) and Region 1 (Lubbock). This would reach the 22 percent threshold. The decision to move forward on the conversion schedule would

be informed by benchmarks that have been developed to measure the readiness for conversion and any post-conversion impact to clients.

October 2008 Office Conversions – Approximately 9,000 SAVERR Cases

| | |
|----------|--------------|
| LaGrange | Lampasas |
| Bastrop | Llano |
| San Saba | Marble Falls |
| Hamilton | Goldthwaite |
| Elgin | |

November 2008 Office Conversions – Approximately 19,500 SAVERR Cases

| | |
|---------|---------------|
| Temple | Copperas Cove |
| Killeen | Gatesville |

January 2009 Office Conversions – Approximately 22,500 SAVERR Cases

| | |
|--------------|----------|
| Bryan | Caldwell |
| Centerville | Brenham |
| Madisonville | Rockdale |
| Navasota | Marlin |
| Giddings | Cameron |
| Hearne | |

February 2009 Office Conversions – Approximately 29,000 SAVERR Cases
(Completes Region 7)

| | |
|-----------|----------|
| Waco | Teague |
| Hillsboro | Luling |
| Meridian | Lockhart |
| Mexia | |

April 2009 Office Conversions – Approximately 54,300 SAVERR Cases

| | |
|-----------------------|-------------------|
| Canutillo | Yandell (Midtown) |
| Diana (Mountain View) | El Paso Drive |

May 2009 Office Conversions – Approximately 32,300 SAVERR Cases

| | |
|---------------------|----------|
| Edgemere (Eastside) | Lomaland |
| Alameda (Riverside) | |

June 2009 Office Conversions – Approximately 22,100 SAVERR Cases
(Completes Region 10)

| | |
|--------------------------|----------|
| Fabens | Marfa |
| Socorro (Mission Valley) | Van Horn |
| Alpine | Presidio |

July 2009 Office Conversions – Approximately 30,700 SAVERR Cases

| | |
|----------|-----------|
| Amarillo | Childress |
| Perryton | Memphis |
| Borger | Plainview |
| Dalhart | Muleshoe |
| Dumas | Tulia |
| Pampa | |

August 2009 Office Conversions – Approximately 33,500 SAVERR Cases
(Completes Region 1)

| | |
|-----------------|-------------|
| Lubbock Parkway | Levelland |
| Lorenzo | Post |
| Brownfield | Hereford |
| Denver City | Littlefield |
| Tahoka | Dimmitt |

Performance and Conversion Benchmarks

Prior to each conversion, HHSC will complete a readiness review of each office to determine if the office is prepared for the conversion. The readiness determination will be informed through a review of certain criteria. The criteria include, but are not limited to, the following benchmarks:

| Benchmark | Measure |
|--|---|
| Adequacy of staff trained in TIERS and available to process cases. | 500 cases per TIERS-trained worker. |
| Capacity of on-site support to assist the office. | Minimum of 1 per office and 1 on-site support worker for every 30 eligibility workers. |
| Capacity of TIERS mentors to assist the office. | Minimum of 1 per office and 1 TIERS mentor for every 30 eligibility workers. |
| Availability of Assistance Response Team (ART) staff to assist with conversion corrections. (As evidenced by prior conversions, a proportion of cases will require manual processing and/or correction. SAVERR continues to issue benefits until the case is successfully converted into TIERS.) | One ART staff per 2,500 cases converted. |
| Stable and appropriate call center performance measures. | Call abandonment rate of 10 percent or less for 4 of the 6 weeks prior to conversion and average speed to answer of 180 seconds or less for 4 of the 6 weeks prior to conversion. |
| Appropriate and stable TIERS server utilization levels (lower levels ensure better system performance). | Server utilization is at or below 80 percent during business hours in the month prior to conversion. |
| Appropriate and stable TIERS transaction response times (the most commonly used transactions are monitored to ensure better performance). | In the month prior to conversion, inquiry/query transactions are completed within 4 or fewer seconds; and update/save transactions are completed in 5 or fewer seconds |
| Consistent TIERS system uptime (to ensure availability of the system during business hours). | In the month prior to conversion, the system is available a minimum of 99 percent during business hours. |

In addition, HHSC has developed a post-conversion benchmark to assess performance after each conversion.

| Benchmark | Measure |
|--|--|
| Monitor post-conversion performance for any impact to client services. | If timeliness drops more than three percentage points below the office's average timeliness in the three months prior to conversion, HHSC will have a root cause analysis performed by the Independent Validation and Verification (IV&V) vendor to identify the factors contributing to the decline. HHSC will evaluate timeliness at 30, 60, and 90 days post-conversion. If TIERS performance or changes to the business processes associated with rolling out TIERS are identified by the IV&V vendor as a primary causal factor, then a remediation plan will be developed and any impact to future roll-out schedule will be assessed. |

Prior to any scheduled conversion, HHSC will share the results of the readiness review with members of the Eligibility System Legislative Oversight Committee. HHSC will also provide information regarding the post-conversion benchmarks to the committee. Stable performance in the newly converted areas will be the basis for HHSC moving forward beyond the initial 22 percent conversion approved by FNS.

TIERS Program Expansions

Medicaid for the Elderly and People with Disabilities (MEPD)

Conversion of cases for Medicaid for the Elderly and People with Disabilities (MEPD) will be accomplished in four phases, which are currently proposed to begin in December 2008. Processing of MEPD cases is centralized and workload is balanced across the state. Moving MEPD cases into TIERS will give HHSC the ability to transfer cases to more efficiently manage workload. The decision to move forward with the conversion schedule would be informed by benchmarks that have been developed to measure the readiness for conversion and any post-conversion impact to clients. HHSC will apply the same conversion and post-conversion benchmarks as listed for the TIERS geographic roll-out.

Prior to the conversions, MEPD processes are scheduled to be programmed into TIERS in August 2008. The changes will simplify data entry for MEPD cases and allow data to be transferred electronically between HHSC and the Department of Aging and Disability Services (DADS), the agency that determines the medical necessity for MEPD services. The conversion of MEPD cases will begin with a small number to test the enhanced functionality. Subsequent conversions will build on the success of the first.

December 2008 – Approximately 13,000 cases. This will convert MEPD cases currently in SAVERR for clients with existing Medicaid, food stamp, and/or TANF cases already in TIERS. This will not add new Medicaid, food stamp, and TANF cases to TIERS.

March 2009 – Approximately 300,000 cases. This will convert SAVERR cases to TIERS for MEPD clients that do not receive Supplemental Security Income (SSI).

June 2009 and September 2009 – Approximately 320,000 cases for each conversion. This will convert SAVERR cases to TIERS for the remaining MEPD clients that do receive Supplemental Security Income (SSI).

Integrating CHIP into TIERS

Another change currently scheduled for mid-2009 will add the functionality needed in TIERS to determine CHIP eligibility. Since the implementation of CHIP, HHSC has relied on a vendor and a vendor-owned system for processing CHIP eligibility. Moving eligibility determination for CHIP cases into the state's automated system will further streamline the transition of cases from Medicaid to CHIP and CHIP to Medicaid. Nearly 40 percent of CHIP families receive other benefits, such as Medicaid or food stamps. Allowing one state worker to process all of these cases will be more efficient for the family and the state.

In addition, bringing CHIP processing under the state's system will give HHSC more options when it comes to the structure of the eligibility contracts and will avoid increased costs when transitioning from one vendor to another.

The programming for CHIP into TIERS will be integrated in the same manner that the functionality for the new managed care model for foster children, STAR Health, was brought into the system. That functionality was available in TIERS several months before it was actually initiated (programming implemented in November 2007; processing for the program began in April 2008). At this writing, HHSC does not have a projected date to begin processing CHIP applications and renewals in TIERS.

TIERS Hardware Capacity Planning

Looking beyond the initial roll-out to the 22 percent threshold, HHSC will need to acquire additional hardware to support the statewide rollout of TIERS. The servers that currently support the TIERS database are co-located in San Angelo with the Texas Data Center Services (DCS), but are not under a contract with the DCS. Due to many factors, TIERS is excluded from participation in the DCS contract, which is established through a waiver provided by the Department of Information Resources (DIR).

The San Angelo facility would require significant changes to accommodate the additional hardware required to operate TIERS on a statewide basis. Due to its location on a college campus, the facility changes can only be made at certain times of the year and this schedule will not accommodate the changes required. HHSC considered several other options for acquiring the physical space needed, including the following:

- Austin Data Center (ADC) – This is the second data center for the DCS contract. This would be a co-location agreement for space to support TIERS. The cost to make the needed improvements to the facility is estimated at \$18.6 million over four years and would take approximately ten months to complete.
- Austin Disaster Recovery Operations Center (ADROC) – This is the current location for the TIERS development, testing, and disaster recovery systems. This facility requires improvements to support TIERS and has timeline restrictions based on existing systems in the facility that would need to be moved to accommodate TIERS.
- Winters Data Center – This facility has available floor space but requires improvements to support TIERS and to address security concerns raised by the State Auditors Office (SAO) for systems already in the Winters Data Center. The cost estimate is \$12.3 million over four years and will take seven months to complete.

Based on HHSC's assessment of these options, the Winters Data Center provides the solution that best meets the needs for supporting continued operations in the near future. DIR has agreed to continue the waiver that excludes TIERS from the DCS, contingent upon another review of data center options at the conclusion of the current data center services contract. DIR supports HHSC in making the best decision regarding the location of the hardware, given the framework HHSC is operating within and the factors that must be assessed (time, cost, availability, complexity). DIR has not raised any concerns over HHSC's selection of the Winters Data Center other than suggesting that HHSC address the need for adequate security controls raised by the SAO.

Ongoing SAVERR Maintenance

One impact of delaying the implementation of TIERS statewide has been to incur additional costs to maintain SAVERR. SAVERR must be maintained and supported until six months after all cases are converted into TIERS. In developing the budget for fiscal years 2008 and 2009, it was assumed that SAVERR would be fully retired by August 2009 and funding in the HHSC budget reflected that assumption. Since the originally assumed timelines will not be met, HHSC will require an additional \$19.5 million all funds (\$11.9 general revenue) for fiscal year 2009 to adequately support SAVERR. Included in these costs is a mitigation strategy that adds a dual mainframe structure to ensure that there will not be an interruption of the delivery of client benefits through SAVERR until it is decommissioned.

This dual mainframe option will provide a more stable operating environment for SAVERR and reduce the risk of a catastrophic failure. A failure of the current mainframe would bring eligibility and benefit issuances to a halt for the millions of clients with cases in SAVERR. As explained in the October 2007 Transition Plan, the mainframe that supports SAVERR is several decades old. There are currently only seven of these mainframes operating worldwide and four

of these will be decommissioned by the end of 2008. Obtaining replacement parts and support becomes increasingly difficult and costly the longer SAVERR is in operation.

Despite requiring the purchase of additional hardware, the dual mainframe option is less costly than maintaining a single mainframe until SAVERR is decommissioned. Due to the high level of risk involved in maintaining a single mainframe, the Department of Information Resources indicated costs would be approximately \$9.2 million higher over a four year period (2009 through 2012) than the dual mainframe option. Supporting SAVERR through the proposed dual mainframe solution will provide better performance to meet peak processing needs, increase bandwidth to improve data transfers, and allow HHSC to replace aging tape-based backups with a modern and more reliable virtual backup solution that will allow a 72-hour return to service if a failure were to occur.

RELATED ACTIVITIES

Procurement Strategy and Schedule

As was noted in the last update, approval from HHSC's federal funding partners was needed to move forward with releasing the final Requests for Proposals (RFPs) for eligibility support services and document processing services. After submitting revised RFPs based on comments from FNS, HHSC received approval on June 30, 2008. The revised procurement timeline has not yet been finalized.

Application Redesign

The application redesign workgroup is finalizing changes to the combined application for the Medicaid, Children's Health Insurance, Food Stamp, and TANF programs. Based on a thorough review of policies as well as stakeholder input, the form will be written in plain language and at an appropriate literacy level to enhance and improve the readability of the form for clients. The flow of the new application will also align more closely with the screen flow of TIERS, which will simplify and improve data entry completed by eligibility workers. The new design will be shared with stakeholders for review and will also be reviewed by client focus groups. HHSC will determine a release date of the new application once this input is received and changes are incorporated into the new design.

As was mentioned in the last update, HHSC is also initiating several projects related to the recertification/renewal process that will result in improvements for clients and efficiencies for staff. A goal will be to pre-populate key information for recertifications of all programs (currently, only CHIP renewals are pre-populated). Pre-population for forms cannot be programmed into SAVERR, so these changes will have the greatest impact once TIERS is implemented statewide.

Local Office Telephone Systems

In late 2007, HHSC received federal approval to replace 26 local office phone systems to support more than 1,400 eligibility staff across the state. Installations began in March 2008 and 21 of the systems are now operational. The remaining sites will be completed in July 2008. Telephone systems for local offices are a major access point for clients, especially for those with hardships that prevent them from coming into the local offices.