Statement of

George H. Sheldon

Acting Assistant Secretary

Administration for Children and Families

U.S. Department of Health and Human Services

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Chairman Davis, Ranking Member Doggett and members of the Subcommittee, thank you for the opportunity to testify before you this morning about the development of standardized data exchanges for Administration for Children and Families (ACF) programs and the use of technology to better target benefits and eliminate waste, fraud, and abuse.

First, I would like to acknowledge the leadership demonstrated by Chairman Davis in this area already, by including provisions requiring the Secretary to develop data exchange standards and requiring them to be incorporated into data reporting in all germane legislation under the Subcommittee's jurisdiction passed since last fall. Like you, I believe that these efforts will lead to better targeting of benefits to eligible households and will reduce fraud, waste and abuse. Reducing improper payments is a high priority for this Administration and one that Secretary Sebelius has led personally. I also believe that the efforts you are spearheading will reduce duplicative government efforts at the Federal, State and local levels and promote better services for clients.

Much work is occurring in this regard already, and the hearing today furthers this critical conversation. Together, this standardization work will advance the process of allowing data exchange both within and across related programs to operate more efficiently. Hence, it will truly benefit some of the most vulnerable children in our society by promoting transparency, flexibility, and the ability for data gathered on our programs serving this population to be shared across the various information technology platforms established by Federal and State agencies and support improved data matching within States in this regard.

During my testimony, I will address ACF's efforts underway in support of implementing

Chairman Davis's data standards language enacted so far and outline other activities that the

Department of Health and Human Services (HHS) is undertaking, such as our interoperability

toolkit, to improve our data sharing and insure it is being done in a manner that best serves the

interests of both States and tax payers during this time of significant resource constraints. ACF

is working with the Office of Management and Budget to implement the data exchange

standardization legislation that this Committee produced in a bi-partisan fashion that affects the

Temporary Assistance for Needy Families (TANF) and child welfare programs. I am proud of

the fact that we were able to work with your staff to develop legislation to produce workable

solutions that we believe can be implemented quickly and efficiently.

But there is more to be done and we are encouraged by your efforts to promote broader data

sharing across all ACF programs within this Committee's jurisdiction. We are actively engaged

in activities to promote these efforts within the authorities that we currently have and are fully

supportive of your efforts to expand the scope of the authority to other HHS-administered

programs.

I would also call attention to the fact that the recently enacted legislation does not expand data

collections or require States to report new information. What we have been tasked with is doing

a better job of administering our programs within the existing requirements to collect and report

data.

I have a deep personal commitment to the efforts you are promoting because I have experienced firsthand as a State administrator what a difference improved data sharing can make for those in the front line of delivering services to at-risk children and families.

We all recognize the problem that we are trying to tackle. Valuable information which could support more accurate eligibility and benefit determinations and more thoughtful case planning is siloed among multiple systems across related, but not fully integrated programs. Even in cases in which organizations are allowed to share information, uncertainties about legal requirements, cultural differences and misperceptions about privacy requirements too often stymie efforts to exchange information even when the benefits are obvious. We faced this situation in the State of Florida – and the first point that I would emphasize is that the solution is not purely a technical one – that the initial hurdle is to promote a new way of thinking – a culture change that promotes the sharing of information.

I feel that I am preaching to the choir here. We all have our silos, whether they be based on how programs are authorized, bureaucracies are organized or committee jurisdictions are established. It's only when we can get over that initial cultural hurdle that we can harness the power of technology to support the work that we are trying to do. I appreciate your efforts to date to overcome these silos and support improved coordination.

Florida Children and Youth Cabinet Information Sharing System

As you may know, prior to joining the HHS, I worked on these issues in Florida, where we worked across eight State agencies to develop what we called a Children and Youth Cabinet

Information Sharing System (CYCISS). And rather than develop an initiative from scratch, we piggybacked on the success of an existing initiative – Florida's Office of State Courts Administrator (OSCA), Judicial Inquiry System (JIS). The court system was a multiagency data sharing system that had been operating for several years. In this manner we not only benefited from their technology platforms, but we also were able to incorporate the lessons they had learned.

I emphasize our use of the piggy back in Florida because we are taking the same approach at ACF. At the same time that we are making the case that we cannot afford the waste of having parallel organizations perform the same or conflicting functions, it does not make sense to pay to replicate systems we already own or have invested in heavily. I believe that the Committee's initial emphasis on data exchange is wise. While I am not discounting the need for investment to support systems at the Federal, State and local levels, there are significant returns that we can realize by improved data sharing within the systems we currently have.

Implementing CYCISS was a big step forward. It saves time and labor, reduces errors and provides real-time access to information. And it allows the participating agencies to maintain control and security over their data. This is another point that I want to emphasize because it demonstrates that significant gains can be made without compromising privacy, which I know is a critical concern to everyone in this room. And most importantly, it supports better decision-making because it provides much needed real-time, up-to-date data and data exchange capability on a vulnerable child or family.

My experience in Florida also confirms that improved data sharing can lead to lower improper payments. In Florida, we determined eligibility for TANF, Supplemental Nutrition Assistance Program (SNAP), Medicaid and Refugee payments through an integrated, automated process. Florida's system provides continuous access through a web application and relies extensively on electronic interfaces with a wide variety of data systems to verify eligibility information. In 2007, the initiative was recognized by the Kennedy School of Government at Harvard as a winner of the Ash Institute award for innovation in government. In my last three years in Florida, we achieved the lowest error rate in the SNAP program for three successive years – an unprecedented achievement. By 2010, the error rate was under 1 percent. Because the same eligibility process is used for TANF, Medicaid and Refugee payments, these error reduction processes are likely to improve the integrity of these programs also.

ACF Efforts Underway To Support Implementation of the Data Standards Legislation

As the lead for the human services programs within HHS, ACF has a number of initiatives underway that will lead to greater program integration across the spectrum of human services. The challenge before us is to find new ways to serve our clients – ways that reduce both the burdens of program administration at all levels of government, and the frustrations that bureaucracy can often entail for the client. I know it sounds shopworn and cliché, but I believe we really can find ways to do the business of delivering human services to America's families and children, better, faster, and more efficiently. I am pleased to say that the goals of the Committee dovetail with efforts we have made a priority for ACF.

Systems interoperability addresses some of the problem by placing clients at the center of the services we provide, reducing technical and bureaucratic barriers between programs that make it hard for people to get the services they need. Fortunately, ACF has much of what it takes to make our systems more interoperable. We have state-of-the-art technology and experts who know how to unleash its potential, and we have an Administration that is committed to the effort. We are also building upon the strong working relationships we have with other agencies that also provide services to the populations we serve.

ACF has established an **Interoperability Project Management Office**. It is tasked to manage the day-to-day communications with our numerous stakeholders at the Federal, State and local levels, not to mention with the private sector and advocates; as well as handle all project coordination, including improving our interagency collaboration and cooperation.

ACF plans to establish an **Interoperability Steering Committee**. The committee will consist of stakeholders from within and outside of ACF to provide consultation, counsel, critical review and analysis, and provide support for current and future interoperability efforts. Membership would include a combination of Federal, State, and local representatives.

We are also developing a **National Information Exchange Model (NIEM)** that serves as a clearinghouse for commonly used human services terminology and establishes a process to identify and share essential information. The NIEM framework will also provide tools as well as training and technical assistance, and will guide our efforts at implementing information exchange services across the landscape of human services.

We are pleased to note that the **Human Services Domain** was recently officially recognized and officially established under NIEM. In the next few months, ACF will be posting planning documents on the NIEM website for review and comment. ACF will also establish and operate a **NIEM sub-group** to provide coordination with the Centers for Medicare & Medicaid Services (**CMS**), including its Center for Consumer Information and Insurance Oversight (**CCIIO**), as ACF is committed to supporting these agencies as they implement their own **Health Services Domain** under NIEM.

We are funding the initial creation of a **National Human Services Interoperability Architecture (NHSIA)** that will serve as the technical framework of interoperability. The architecture is derived from a number of existing, successful enterprise architecture models, including the Federal Enterprise Architecture or FEA. It is envisioned as a framework that can support common eligibility and information sharing across programs, agencies, and departments; improve the efficiency and effectiveness of service delivery across our programs; support great program integrity through enhanced identification and prevention of waste and fraud; and in doing so, deliver better outcomes for children and families.

ACF periodically releases a compendium of interoperability documents (**Interoperability Toolkit**) designed to help State human services agencies connect with their health counterparts and coordinate efforts to develop modernized and interoperable systems. A revised version is being written now that will include a series of implementation scenarios; narratives that will describe for States the opportunities, steps, timeframes, and coordination needed to improve system interoperability and integration across health and human services programs and assist

States in leveraging the system improvements to implement the Affordable Care Act, without stalling or jeopardizing these system development efforts. This new toolkit should be published before summer.

Many of the efforts I've already mentioned, from establishing a Project Management Office to coordinate the participation of numerous ACF programs, to identifying potential members of an Interoperability Steering Committee, entail stakeholders that can contribute to OMB's working group on data exchange standards; which will convene and continue these efforts over the coming year.

These efforts already underway will help us as we work with the Office of Management and Budget (OMB) to implement the recently enacted data exchange standardization provisions. We plan to use OMB's working group and the rulemaking process to conduct far-reaching and inclusive consultation with affected stakeholders. The TANF extension requires that we issue a notice of proposed rulemaking within 12 months of enactment and we are working to meet that deadline. And while the requirements are only applicable to TANF and Child Welfare Services under title IV-B of the Social Security Act, we will conduct our consultations with an eye to how we can implement in a way that would best encourage data exchange with programs that are not now subject to the provisions. That will facilitate an easier transition if the Committee is successful in enacting legislation that would apply to a full array of programs administered by ACF. You can count on my support for those efforts.

Thank you again for inviting me to testify, and at this time I would be happy to address any questions from the Chairman or the Committee.