

AP Exclusive: Problems found in privatizing welfare eligibility

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Internal and federal reports on the state's privatization of welfare eligibility note problems with staffing, large caseloads, delays in processing applications for benefits and other issues.

State human services chief Mitch Roob said most of the problems are not new and have long plagued the state's application process for the food stamps, Medicaid and other benefits received by 1.1 million people.

Whether new or not, the reports point to problems that a team of vendors led by IBM Corp. and Affiliated Computer Services Inc. must confront and overcome to effectively deliver the benefits relied upon by one of every six children, seniors and needy and disabled people in Indiana.

"Staff confusion regarding specific processing guidelines for each of the Public Assistance Programs is an ongoing problem," noted an internal improvement plan for Marion County dated May 30 that was obtained by The Associated Press. Marion County, the state's most populous, includes Indianapolis.

The report, prepared jointly by managers for the Family and Social Services Administration and the vendor team, said ACS had a 21 percent vacancy rate for caseworker positions and recommended hiring 41 people to fill those positions. It said 36 people were training to fill those spots.

Roob, FSSA's secretary, acknowledged the staffing problem and said it also existed when the caseworkers were employed by the state rather than ACS. He attributed the problem to other job opportunities in larger cities for caseworkers, and said the problem also exists to lesser degrees in the Fort Wayne, Evansville, Gary and South Bend areas.

The staffing problems contributed to greater delays in April in processing food stamps and welfare payments known as Temporary Assistance for Needy Families than during the same month in 2006, when the state had processed the applications, the report said.

Statewide, only 68.2 percent of food stamps were processed in a timely fashion in April, according to state benchmarks, as compared with 70.8 percent in April 2006, internal documents show. Timely processing of TANF benefits fell to 80 percent from 81.7 percent, while for Medicaid it improved to 83 percent from 76.6 percent.

"The reports fairly outline the issues that we face in increasing the quality and quantity of applications that we're processing," Roob said in an interview. "We'll continue to focus on those timeliness issues."

A separate report by the Food and Nutrition Service, the federal agency that oversees the food stamp program, examined customer service and access to the program in 10 northern Indiana counties over several days in the first weeks of a transition period that began March 19.

The report said caseloads varied widely among counties. One office had an average caseload of 975 cases per worker, while in another it was as low as 80 cases.

Roob said the privatized system will use call centers, Web interfaces and other means to balance out the caseloads.

The federal report noted instances in which the vendors failed to follow federal and state requirements in processing food stamp applications, and it recommended a series of corrections.

"This is why we are changing the process," Roob said. "These things were going on in county offices for at least a decade."

Because FSAA and the IBM-ACS team time need more time to address the problems, the private team will not take over before October, a month later than previously announced.

Lawrence Rudmann, a spokesman for the Food and Nutrition Service's regional office in Chicago, said FSSA and its vendors appeared to be addressing the issues that the report raised by steps such as filling vacancies and providing more training to managers. He said the problems were typical and found also in states that process applications internally.

Advocates including Patti O'Callaghan, president of an advocate network called the Indiana Coalition for Human Services, said FSSA and the vendors must do what is necessary to overcome the problems.

"Timeliness is an issue. Staff confusion is an issue. Staff lack of knowledge is an issue. There are issues, but hopefully they're working to address them," said O'Callaghan, who lives in Lafayette.

A spokesman for the union that represented that the caseworkers when they were employed by the state cited a section of the federal report saying welfare clients wanted to talk to their former state caseworkers or to learn who their new private caseworkers were.

"People want a caseworker they can call their own. They want face time," said Dave Patterson of Council 62 of the American Federation of State, County and Municipal Employees

On the Net:

FSSA Eligibility Modernization site: <http://www.in.gov/fssa/transformations/edp/edp>

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