

Two things LHHs can do now to improve HSD's accuracy and efficiency

Unnecessary steps in the application process waste money and threaten the health of eligible families

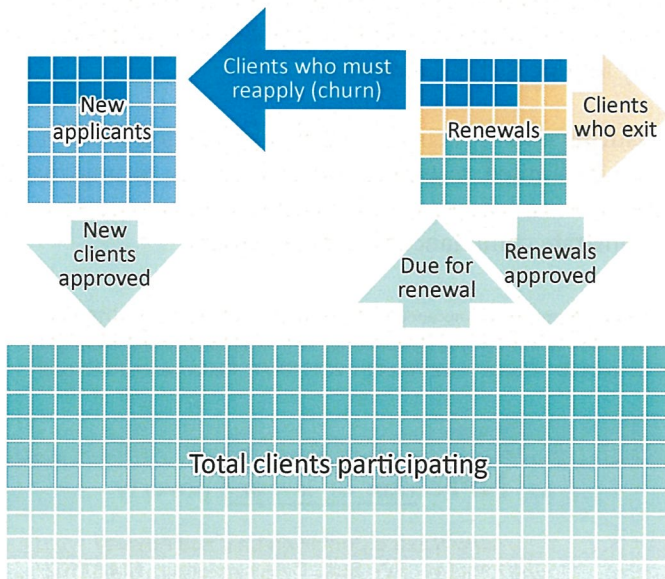
When low-income families apply for public benefit programs they must establish their eligibility. They must then reestablish their eligibility at regular intervals to continue to receive benefits. While this periodic reviewing of eligibility is important for ensuring that benefits are properly targeted to individuals and families that remain eligible for assistance, the redetermination process can result in eligible families temporarily losing benefits for which they must then reapply. This is called churn.

Churn disrupts families' access to benefits and creates an unnecessary increase in new applications, which costs the state money. Improper delays and denials of benefits threaten the health of New Mexico families and the education of their children.

In recent months, workers have reported the existence of a long-standing statewide practice of changing case information

Churn creates more work and costs more money than streamlining the process

A visual representation of churn



to make a household appear ineligible for emergency food assistance. This delays assistance to eligible families.

To improve HSD's accuracy and efficiency, LHHs should:

1. Ask HSD for data on renewal churn and track churn as a performance measure in HB 2

The best measure of a state's efficiency in processing applications and renewals is its churn rate. The most direct way to measure the renewal churn rate is to track the share of clients up for renewal who experience an interruption in benefits but return to the program within 90 days by re-filing an application. LHHs should ask HSD that this data be provided for the past 12 months and then hold a hearing on what it shows.

2. Ask HSD for data on the accuracy of expedited SNAP and track it as a performance measure in HB 2

HSD regularly reports to the USDA on the percentage of SNAP applications marked as eligible for expedite services that are processed within 7 days, as required by law. HSD also reports on its error rate—the percentage of applications denied expedite assistance that were in fact eligible.

According to HSD data, the rate of improper denial rose to almost 10 percent in 2014. HSD tracks this data regularly and LHHs should ask for the most current data to determine the accuracy of expedite processing in New Mexico.

HSD's error rate for wrongly denying expedite SNAP has increased

Percentages of SNAP cases receiving expedite and wrongly denied expedite (2013-2014)

	Percent of cases receiving expedite SNAP	Percent of cases wrongly denied expedite SNAP
2013	55.7%	1.8%
2014	46.9%	9.8%

Common-sense steps HSD can take to improve accuracy and efficiency in SNAP and Medicaid

1. Request only documents that are required by law

New Mexico's HSD continues to require that applicants supply documents that are not necessary to determine eligibility, despite being precluded from doing this by federal law. These unnecessary requests require significant additional work and often delay and deny critical assistance to eligible families.

2. Make better use of the Department's information technology systems

HSD also continues to require applicants to supply documents that the state already has access to through electronic interfaces. Under federal law, states must attempt to renew Medicaid based on information electronically available whenever possible. This is an efficient, cost-effective process that can save the state money, but data show that HSD caseworkers request new documentation from families before attempting to retrieve the information electronically.

Many states also automate renewals to eliminate paperwork. Medicaid can be automatically renewed whenever a family renews or updates their case information to remain enrolled in SNAP, for example. The IT contractor that HSD uses has programmed automated Medicaid renewals in other states.

3. Make client notices accurate and understandable

HSD has been under court order to bring its notices into compliance with the law for over two decades. Still, HSD's own recent analysis shows that 35 percent of decisions to deny or close SNAP occurred after HSD sent incorrect client notices.¹ The notices are confusing and often contain incorrect information about what the family must do to keep their benefits. In 2013, HSD began using a new IT system that is capable of implementing the changes required by law, but the changes have not been made.

4. Create a comprehensive, accurate online worker manual

Caseworkers can't excel at their jobs and serve clients well when they don't have a policy manual to provide them with information about how to process applications. Caseworkers must rely on the confusing and contradictory language in the New Mexico Administrative Code (NMAC) and policy memos from the state. Unfortunately, the NMAC is neither up-to-date nor easily understandable, and large portions of it conflict with federal law. Policy memoranda issued by the state are put on a shared drive but are not indexed to the NMAC sections to which they apply. As a result, workers are often not aware of a relevant memo they should be following.

In order to process cases accurately and efficiently, caseworkers need a comprehensive policy manual to guide their work. Many states invest in an online worker manual as an effective and up-to-date reference for workers.

5. Collect and share data on enrollment and processing

The strongest measure of the state's efficiency in processing applications and renewals is the churn rate. Churn happens when *eligible* individuals lose benefits for a procedural reason—like the failure to turn in paperwork or attend an interview—only to reapply for the same benefits shortly thereafter. Churn creates an unnecessary increase in applications, which are more costly to process than renewals.

Measuring and reducing churn would position New Mexico to use its limited resources more efficiently to improve the timeliness and accuracy of eligibility determinations and demonstrate compliance with court orders.

1. General Information Memorandum ISD-GI 16-22, HSD, March 1, 2016; [http://www.hsd.state.nm.us/uploads/files/Looking For Information/General Information/Procedures/ISD - GIs/GI 16-22 First FFY 2016 SNAP Performance Report.pdf](http://www.hsd.state.nm.us/uploads/files/Looking%20For%20Information/General%20Information/Procedures/ISD%20-%20GIs/GI%2016-22%20First%20FFY%202016%20SNAP%20Performance%20Report.pdf)



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