



September 20, 2021

REPORT/PUBLICATION CLEARANCE REQUEST

MEMORANDUM FOR THE EXECUTIVE COMMISSIONER

THROUGH: Sylvia Hernandez Kauffman
Inspector General

FROM: Steve Johnson
Chief of Investigations and Reviews, Office of Inspector General

SUBJECT: Public Assistance Reporting Information System (PARIS) U.S. Department
of Veterans Affairs Match Report

Purpose

To seek approval to publish the Public Assistance Reporting Information System (PARIS) U.S. Department of Veterans Affairs (VA) Match Report. This report is due to the Office of the Governor by October 1, 2021.

Texas Government Code § 531.0998(e) directs the Health and Human Services Commission (HHSC), Texas Veterans Commission (TVC), and Veterans Land Board (VLB) to submit an annual report that includes the following:

- The interagency progress in identifying and obtaining Department of VA benefits for veterans receiving Medicaid and other public benefit programs.
- The number of veterans benefits claims awarded, the total dollar amount of veterans benefits claims awarded, and the costs to the state that were avoided as a result of state agencies' use of the system.
- The efforts to expand the use of the system and improve the effectiveness of shifting veterans from Medicaid and other public benefits to VA benefits, including any barriers and how state agencies have addressed those barriers.
- The extent to which the TVC has targeted specific populations of veterans, including populations in rural counties and in specific age and service-connected disability categories, in order to maximize benefits for veterans and savings to the state.

Summary

The PARIS U.S. Department of VA Match Report provides an overview of the results of the PARIS match data and TVC efforts to obtain benefits for Texas veterans.

From August 2019 until May 2021, HHSC submitted 28,882,686 recipients to the Defense Manpower Data Center (DMDC), resulting in 170,066 matches.

Fiscal Year 2021 PARIS VA Matches

PARIS VA Match Quarter	Number of HHS Recipients Submitted to PARIS VA	Number of Matched HHS Recipients Returned from PARIS VA
August 2020	7,042,759	42,043
November 2020	7,145,697	42,177
February 2021	7,293,057	42,551
May 2021	7,401,173	43,295

For fiscal year 2021 (beginning September 1, 2020 to Aug 31, 2021), TVC has forwarded 49 claims for new or additional benefits to the VA. Of those claims, 30 have been adjudicated in favor of the claimant for \$1,492,672 in increased benefits annually and \$446,047 in retroactive payments made to Texas veterans and/or their eligible dependents (VA denied benefits to 19 claimants). Another 1 claim is pending adjudication by the VA with a projected annual increase of approximately \$95,800 to Texas veterans.

In the 110 months that the PARIS Project has been active, TVC has sent 2,469 claims to the VA. There is still one pending and 1,797 were granted to Texas veterans and their stakeholders. Since the project's inception, TVC has helped clients obtain \$2,536,636 in retroactive payments. These retroactive payments are in addition to the \$8,779,771 TVC helps clients obtain on an annual basis, an amount projected to increase to \$8,868,881 once it includes claims pending adjudication.

Recommendation

Staff recommends approval of the report and submission to the Governor and Legislature as required by statute.

Executive Commissioner's Decision

Approve Disapprove Modify Schedule Briefing

Comments/Acknowledgment:



cc: Kate Hendrix, Chief of Staff



September 20, 2021

Ms. Sarah Hicks
Budget and Policy Director
Office of the Governor
1100 San Jacinto Blvd., 4th Floor
Austin, Texas 78701

Mr. Jerry McGinty
Director
Legislative Budget Board
1501 N. Congress Ave., 5th Floor
Austin, Texas 78701

Dear Ms. Hicks and Mr. McGinty:

Enclosed please find the Public Assistance Reporting Information System (PARIS) U.S. Department of Veterans Affairs Match Report, as required by Government Code § 531.0998(e). This legislation directs Health and Human Services, Texas Veterans Commission, and Veterans Land Board to submit an annual report that includes the following:

- The interagency progress in identifying and obtaining Department of Veterans Affairs' benefits for veterans receiving Medicaid and other public benefit programs.
- The number of veterans benefits claims awarded, the total dollar amount of veterans benefits claims awarded, and the costs to the state that were avoided as a result of state agencies' use of the system.
- The efforts to expand the use of the system and improve the effectiveness of shifting veterans from Medicaid and other public benefits to Veterans Affairs benefits, including any barriers and how state agencies have addressed those barriers.
- The extent to which the Texas Veterans Commission has targeted specific populations of veterans, including populations in rural counties and in specific age and service-connected disability categories, in order to maximize benefits for veterans and savings to the state.

Ms. Sarah Hicks
Mr. Jerry McGinty
September 20, 2021
Page 2

Please let me know if you have any questions or need additional information. Steve Johnson, Chief of Investigations and Reviews for the HHS Office of Inspector General, serves as the lead staff on this matter and can be reached by telephone at (512) 491-5606 or by email at Steve.Johnson@hhs.texas.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Cecile Erwin Young". The signature is fluid and cursive, with a long, sweeping tail on the final letter.

Cecile Erwin Young

Enclosure

**Public Assistance Reporting Information System
U.S. Department of Veterans Affairs
Match Report**

October 1, 2021



Required by Government Code § 531.0998(e)

**Health and Human Services
HHS Office of the Inspector General
Texas Veterans Commission
Texas Veterans Land Board**

TABLE OF CONTENTS

Executive Summary 1

Background..... 1

- Legislative Requirements
- PARIS
- Efforts to Expand the Use of PARIS
- Cost Avoidance Methodology

Accomplishments and Reporting Measures 3

- Progress in Identifying and Obtaining VA Benefits for Veterans
- Claims Awarded and Cost Avoidance Measures
- TVC Outreach to Targeted Populations

Executive Summary

The Public Assistance Reporting Information System (PARIS) U.S. Department of Veterans Affairs (VA) Match Report provides an overview of project information as required by statute.

Government Code § 531.0998(e) directs the Texas Veterans Commission (TVC), the Veterans Land Board (VLB), and the Texas Health and Human Services Commission (HHSC), which includes staff and programs formerly within the Department of Aging and Disability Services (DADS), to analyze information and data received from PARIS. The 84th Texas Legislature, 2015, abolished DADS effective September 1, 2017, and transferred DADS services to HHS.

Background

In 2011, legislation from the 82nd session, HB 2562, which added Government Code § 531.0998(e), directed HHS, TVC, VLB, and DADS to enter into a Memorandum of Understanding (MOU) on December 1, 2011, for the purposes of:

- Coordinating and collecting information about the use and analysis of data received from the system among state agencies.
- Developing new strategies for using system data in ways that generate fiscal savings for the state, improve communication to veterans, and maximize the availability of and access to benefits for veterans.

Government Code § 531.0998(e) directs HHS, TVC, and VLB to submit an annual report that includes the following:

- The interagency progress in identifying and obtaining VA benefits for veterans receiving Medicaid and other public benefit programs.
- The number of veterans' benefits claims awarded, the total dollar amount of veterans' benefits claims awarded, and the costs to the state that were avoided as a result of state agencies' use of the system.
- The efforts to expand the use of the system and improve the effectiveness of shifting veterans from Medicaid and other public benefits to VA benefits, including any barriers, and how state agencies have addressed those barriers.
- The extent to which TVC has targeted specific populations of veterans, including populations in rural counties and in specific age and service-connected disability categories, to maximize benefits for veterans and savings to the state.

Article I, Veterans Commission (Rider 7) requires \$54,574 out of the Fund for Veteran's Assistance Account No. 368 and 1.0 full time equivalent per fiscal year to investigate and analyze information and data received from PARIS. It also mandates that ten (10) percent of the savings out of General Revenue during fiscal year 2021 that were the result of pursuing information from PARIS as calculated by HHSC shall be credited by the Comptroller to the Texas Veterans Commission Fund for Veterans' Assistance Account No. 368, from which expenditures were originally made, in fiscal year 2022.

Public Assistance Reporting Information System (PARIS)

PARIS, operated by the Administration for Children and Families (ACF), is a federal-state partnership which provides states with detailed information and data to assist them in maintaining program integrity and detecting improper payments. HHS executed a model agreement with the VA through the ACF to participate in the PARIS VA matching system. HHS creates a file of active recipients in the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and medical programs. HHS sends this excel file of active recipients to the Defense Manpower Data Center (DMDC) on a quarterly basis (February, May, August, and November) for PARIS matching. DMDC returns a file of the matched recipients with veterans benefit information to HHS.

Efforts to Expand the Use of PARIS

The PARIS VA report was initially piloted with recipients residing in Bexar County and was expanded statewide to all SNAP, TANF, and Medicaid recipients in Texas in the mid-2000s. Additionally, the PARIS VA report was expanded to include Children's Health Insurance Program (CHIP) recipients in November 2013. Individuals receiving Title XX Social Services Block Grant services were added to the report to expand the opportunities for matching beginning in May 2014.

Cost Avoidance Methodology

HHSC calculates the cost avoidance resulting from the PARIS VA match activity conducted by the collaborating state agencies. Cost avoidance is a cost reduction opportunity that results from an intentional action, negotiation, or intervention.¹ The methodology used to calculate the cost avoidance in the PARIS VA report includes these steps:

1. HHSC sends a file of individuals receiving HHS benefits, including SNAP, TANF, Medicaid, and CHIP to the PARIS contractor (DMDC) on a quarterly basis.
2. The DMDC matches the recipient data and returns a file of Texans identified as both HHS benefit recipients and as veterans eligible for VA benefits.
3. TVC initiates contact with the veterans identified as being on HHS benefits and eligible for VA benefits to enroll them in VA benefits.
4. TVC sends an interagency feedback report to HHSC OIG of veterans added to VA benefits each month as a result of contact initiated by TVC from the PARIS VA match information.
5. The OIG distributes the interagency feedback report to HHSC eligibility staff monthly. Eligibility staff contact the veteran to verify the amount and start date of VA benefits received and then take the appropriate action to determine if the individual remains financially eligible for SNAP, TANF, Medicaid and/or long-term care, or if the services and supports they receive

¹ NASPO Benchmarking Workgroup Research Brief 2007, *Benchmarking Costs Savings & Cost Avoidance*, National Association of State Procurement Officials.

- should be reduced or eliminated due to the new veterans benefits the individual is receiving.
6. HHSC eligibility staff calculate cost avoidance when a change in eligibility or individual plan of care is initiated as a result of the TVC interagency feedback report. Eligibility staff determine cost avoidance by subtracting the recipient's new amount or value of benefits from the previous amount received for each month beginning when the change is made and continue through the end of the certification or until the next review. Changes occurring for individuals identified in the PARIS VA match file prior to receiving the TVC interagency feedback report are not included in the calculation of cost avoidance, as the action was not initiated because of the interagency feedback file. In these instances, the change was most likely the result of a consumer-initiated change, an annual financial certification, or a reassessment to initiate the individual's new service plan year.
 7. Eligibility staff complete the total savings and general revenue cost savings information on the interagency feedback report and return it to the OIG.
 8. The OIG compiles the total savings and general revenue cost avoidance information from the monthly interagency feedback reports and prepares an annual summary report for the HHSC Fiscal Division.

Accomplishments and Reporting Measures

The PARIS workgroup consists of staff from all three agencies and will continue to meet quarterly. The PARIS workgroup determines the use of the PARIS VA match data and establishes processes of sharing the match data among the agencies. Each quarter, HHS creates a file of the matched SNAP, TANF, Medicaid, CHIP, and long-term care recipients. HHSC and TVC developed and implemented a secure file transfer process whereby TVC retrieves the file from HHSC's secure file transfer process (SFTP) server. An interagency feedback report was developed by the workgroup as a communication tool for TVC to report veterans' claim information to HHSC, and for HHSC to capture cost avoidance and general revenue information on those cases. The following chart represents the number of recipient records sent to be matched with PARIS VA data and the number of matches returned during state fiscal years 2020 and 2021.

Fiscal Year 2021 PARIS VA Matches

PARIS VA Match Quarter	Number of HHS Recipients Submitted to PARIS VA	Number of Matched HHS Recipients Returned from PARIS VA
August 2020	7,042,759	42,043
November 2020	7,145,697	42,177
February 21	7,293,057	42,551
May 2021	7,401,173	43,295

Progress in Identifying and Obtaining VA Benefits for Veterans

For fiscal year 2021, TVC worked the statewide PARIS August 2020, November 2020, February 2021 and May 2021 files received from HHSC. Using the established methodology of screening out clients contacted in the previous file; removing those already receiving State and Federal Aid and Attendance benefits; and excluding those who do not meet eligibility requirements for VA Pension or Dependents benefits, TVC can identify clients with the best opportunity for claims success within the fiscal year.

TVC screened 19,645 PARIS VA Match File clients for fiscal year 2021. This included 8,186 veterans and surviving spouses who are clients of TVC, meaning they had filed a power of attorney (POA) with the VA appointing TVC and partner service organizations (Veterans of Foreign Wars, American Legion, AMVETS, et al.) as their representative throughout the claims process. This allows TVC to gain full access to VA records, their personal contact information, and is the targeted population for TVC PARIS. However, TVC cannot access the VA records of the 4,911 matched clients with no POA on file with the VA and limited contact information details in the PARIS file.

The remaining 6,548 clients were determined to have appointed other representation with the VA outside of TVCs jurisdiction. These include veterans and stakeholders with POA through Disabled American Veterans, Paralyzed Veterans of America, Wounded Warriors and private attorneys. TVC does not have access to these VA records and may not use personal contact information provided in the file.

Of the 8,186 clients eligible to be contacted by TVC's PARIS team, TVC has contacted 151 clients by mail, telephone, email and/or facsimile. Of those contacted, 55 were contacted regarding the opportunity for Pension Aid and Attendance benefits and the other 96 were contacted for possible increases for service-connected disabilities or dependency claims.

Out of 2,046 possibly eligible Pension Aid and Attendance benefits, TVC filed 14 new claims for Aid and Attendance. Of the 90 veterans contacted for a possible new service-connected disability increase or updated dependency status, TVC filed 15 claims. A total of 49 claims were sent to the VA throughout fiscal year 2021 for adjudication of new or increased benefits.

In all other cases, those clients not contacted were determined to be either ineligible for new or increased benefits due to recent or appealed rating decisions for service-connected disabilities; already have pending claims for an increase or dependency with the VA; have appeals pending with the VA; rated below the threshold for dependency claims; or were determined to already be receiving the maximum benefit.

Veterans with PARIS Matches Contacted by TVC

	Number of Veterans	Claims Filed
PARIS VA Match File clients screened	19,645	
Clients of TVC	8,186	
TVC Clients Contacted		
Pension Aid and Attendance benefits	2,046	14
Service-connected disabilities or dependency claims	90	15
Clients with other representation or limited contact information		
Clients of other entities	6,548	
No Power of Attorney	4,911	

Claims Awarded and Cost Avoidance Measures

For fiscal year 2021 (beginning September 1, 2020 to Aug 31, 2021), TVC has forwarded 49 claims for new or additional benefits to the VA. Of those claims, 30 have been adjudicated in favor of the claimant for \$1,492,672 in increased benefits annually and \$446,047 in retroactive payments made to Texas veterans and/or their eligible dependents (VA denied benefits to 19 claimants). Another 1 claim is pending adjudication by the VA with a projected annual increase of approximately \$95,800 to Texas veterans.

Claims Submission Results

	Number of Veterans	Value of Claims
Claims Filed	49	
Adjudicated in favor of veteran	30	\$1,885,820
In process	1	\$95,800
Denied	19	

In the 110 months that the PARIS Project has been active, TVC has sent 2,469 claims to the VA. There is still one pending and 1,797 were granted to Texas veterans and their stakeholders. Since the project's inception, TVC has helped clients obtain \$2,536,636 in retroactive payments. These retroactive payments are in addition to the \$8,779,771 TVC helps clients obtain on an annual basis, an amount projected to increase to \$8,868,881 once it includes claims pending adjudication.

Most Community Care Services Eligibility (CCSE) services have limited enrollment and maintain an interest list for services. Upon receipt of the PARIS VA match, CCSE staff review services received by the individuals, which may result in termination of CCSE services, allowing additional individuals to receive services. The cost avoidance realized in fiscal year 2021 is shown in the chart below.

PARIS VA Match Cost Avoidance

Program Type	Total Amount of Cost Savings	Total Amount of Cost Savings for General Revenue
Medicaid	\$ 765.00	\$ 252.45
SNAP	\$ 186.00	\$ -
Total State Savings	\$ 951.00	\$ 252.45

Some veterans’ benefits increased due to the Aid and Attendance benefit intended to cover medical and attendant care expenses. The Aid and Attendance benefit is excluded income in the determination of SNAP, TANF, and Medicaid eligibility and would not result in cost avoidance in those programs. In these circumstances, the veterans will see an increase in VA benefits without any impact to state benefits they receive through HHS. If the veteran is receiving home attendant services, those services may be reduced. Additionally, Medicaid policy allows recipients to have other medical insurance in addition to Medicaid if otherwise financially qualified. Medicaid would be the payer of last resort to providers for medical and prescription expenses when a recipient has other health insurance. However, if a veteran is enrolled in TRICARE or their dependent(s) qualifies for CHAMPVA and is still eligible for Medicaid, when the veteran is enrolled in managed care, the state will continue to pay a monthly premium for the veteran's Medicaid irrespective of whether or not services were provided, thus no cost avoidance will be realized.

TVC Outreach to Targeted Populations

TVC PARIS screens every county in Texas for eligible clients from the HHS PARIS VA Match File provided within two years. TVC PARIS mails letters describing Aid and Attendance, Service-Connected increase, dependency, and school child benefits to targeted clients. This usually elicits a phone call, which affords the opportunity to advise and counsel the client, as the VA’s process and content changes frequently.

TVC encourages veterans to utilize the VA Health Care System, since any diagnosis, treatment, progress notes, etc. are entered into the VA electronic system. This facilitates the adjudication of future claims as the evidence is easily accessible and ready to rate once the claim has been filed. Moreover, the VA provides healthcare services, prescriptions, therapies and devices at minimal or no cost to the State’s veterans.

TVC PARIS also promotes the numerous TVC services provided. Most veterans don’t realize TVC staff are Texas State employees – free of charge - in the VA Medical Centers, clinics and Regional Offices to advise veterans. There are also TVC counselors in workforce centers for employment, a Military Veteran Peer Network, TVC Women’s Coordinators, as well as, TVC Education counselors to aid with Post-911 GI Bill and Hazelwood claims. TVC knows that a trained, healthy, and employed veteran benefits all Texans.

In addition to participating in veteran’s outreach events across central Texas, TVC

PARIS informs veterans and widows of their County Service Officers and their mission. They know the local organizations, churches and philanthropists that can assist veterans with daily living activities and requirements. They know contacts at the public utility district for water and electric bill relief, those organizations eligible for Veterans Assistance Funds and can provide a helping hand or a compassionate ear when needed. Although the cost savings realized by the PARIS VA Match efforts is minimal under the managed care model, the benefits of the program and associated outreach extend beyond direct cost savings.