

# Consolidated Annual Report Required by Senate Bill 30, 75th Legislature

---

## **Section 22.0251, Texas Human Resources Code: Timely Determination of Overpayments**

### ***Statutory Provision***

The statute requires the agency to determine and record the time taken by the agency to establish an overpayment claim in the Supplemental Nutrition Assistance Program or the program of financial assistance, set goals for reducing that time, and adopt a schedule to meet those goals. The statute also requires the agency to submit an annual report to the Governor and Legislative Budget Board detailing the progress in reaching these goals.

### ***Background***

Research has identified the timely determination of overpayments as one of the keys to the collection of benefits granted in error. When the agency receives a referral regarding a potential overpayment of benefits, agency personnel must analyze the case to verify whether or not an overpayment occurred and decide whether or not the case involves intent to commit fraud. If probable cause exists that a felony-grade violation has occurred, or when other special circumstances exist for lower-grade offenses, the agency may refer the case to the appropriate local district attorney's office. If the agency does not refer the matter for criminal prosecution, it instead determines the amount of over-issuance and informs the recipient of the obligation to repay and the right to due process under the law.

### ***Accomplishments***

For purposes of analysis and decision-making, the agency adopted the federal requirement of 180 days from the date of referral as a measure of timeliness. The 180-day standard is incorporated into the performance development plans of the personnel that determine the amount of overpayments.

From September 1, 2014, through August 31, 2015, the General Investigations (GI) section of the Inspector General (IG), which processes both fraud and non-fraud recipient overpayment claims for the agency, adopted a goal of 93 percent for timely case completion. During this period, the agency completed 16,854 investigations, of which 15,583, or 92.46 percent, were completed within 180 days.

A significant factor that continues to affect overall timeliness is the large number of referrals that must be investigated. As required by the United States Department of Agriculture (USDA), GI calculates timeliness from the date the agency receives the referral rather than from the time the overpayment is substantiated through investigation.

Although the volume of incoming referrals has increased due to ongoing IG reorganization there has been a continued reduction in the number of staff dedicated to recipient investigations. GI strives to utilize available resources in the most efficient manner possible to maintain timeliness at or above the federally required ninety percent.

Consolidated Annual Report Required by Senate Bill 30, 75<sup>th</sup> Legislature

<b>General Investigations Timeliness</b>			
<b>Time frame</b>	<b>Investigations Completed</b>	<b>Investigations Completed within 180 Days</b>	<b>Percent Timely</b>
09/2009–02/2010	16,118	14,675	91.05%
03/2010–08/2010	20,130	18,461	91.71%
09/2010–02/2011	22,281	20,612	92.51%
03/2011–08/2011	23,425	21,555	92.02%
09/2011–02/2012	24,726	23,275	94.13%
03/2012–08/2012	15,222	15,126	99.37%
09/2012–02/2013	11,936	11,223	94.03%
03/2013 - 08/2013	13,033	12,203	93.63%
09/2013 –08/2014	21,458	19,652	91.58%
09/2014-08//2015	16,854	15,583	92.46%
<b>TOTAL</b>	<b>185,183</b>	<b>172,365</b>	<b>93.08%</b>

## **Section 22.0252, Texas Human Resources Code: Telephone Collection Program**

### ***Statutory Provision***

This statute requires the agency to make telephone calls to attempt to collect overpayments in the Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF) programs. The 76<sup>th</sup> Legislature adopted House Bill 875, which requires the agency to use an automated system to monitor the results of the telephone collections program and provides guidelines for operating that system. The statute also requires the agency to submit an annual report to the Governor and Legislative Budget Board on the operation and success of the telephone collection program.

### ***Background***

The telephone collections program is one of several collection efforts federal and state law require. The Treasury Offset Program (TOP) and recovery through the reduction of future benefits also are part of those collection efforts. The agency designated modules in the program known as “call-out campaigns” to allow for evaluation, modification, and avoidance of conflicts with other collection efforts. The agency designed and implemented the first call campaign in fiscal year 1998. The telephone collections campaign is coordinated with TOP, which is the most effective collections tool available to the agency.

### ***Accomplishments***

From September 1, 2014, through August 31, 2015, the agency collected \$1,458,482.39 from clients identified for telephone call-out campaigns. During the campaign period, the agency attempted to contact 549 clients representing \$1,574,529.80 in SNAP and TANF delinquencies. Of the attempted contacts, 17 repayment agreements (positive inquiry) totaling \$41,816.00 were obtained. Additionally, from September 1, 2014, through August 31, 2015, the telephone collection program received 36,424 calls from clients. The agency prioritizes calls received from clients.

Consolidated Annual Report Required by Senate Bill 30, 75<sup>th</sup> Legislature

<b>Telephonic Collections “Call-out” Program</b>					
<b>Time frame</b>	<b>Collections</b>	<b>Repayment Agreements Negotiated</b>	<b>Delinquent Amount Associated with Payment Plans</b>	<b>Attempted Contacts</b>	<b>Delinquent Amount Associated with Attempted Contacts</b>
09/2009–02/2010	\$557,216.58	63	\$39,472.00	265	\$220,639.00
03/2010–08/2010	\$452,009.86	0	\$0.00	0	\$0.00
09/2010–02/2011	\$388,357.64	0	\$0.00	1	\$305.00
03/2011–08/2011	\$373,309.15	0	\$0.00	7	\$1,104.00
09/2011–02/2012	\$221,971.68	52	\$33,153.00	1,009	\$472,148.21
03/2012–08/2012	\$152,694.05	67	\$10,058.37	237	\$148,847.58
09/2012–02/2013	\$619,181.80	18	\$7,157.00	1,004	\$663,992.65
03/2013 - 08/2013	\$647,167.05	27	\$28,539.38	412	\$470,021.96
09/2013 – 08/2014	\$1,516,746.70	4	\$4,669.00	466	\$782,748.50
09/2014 – 08/2015	\$1,458,482.39	17	\$41,816.00	549	\$1,574,529.80
<b>TOTAL</b>	<b>\$6,387,136.90</b>	<b>248</b>	<b>\$164,864.75</b>	<b>3,950</b>	<b>\$4,334,336.70</b>

**Section 22.0292, Texas Human Resources Code:  
Information Matching System Relating to Immigrants and Foreign Visitors**

***Statutory Provision***

This statute requires the agency to conduct matches for immigrants and foreign visitors with the U.S. Department of State and the U.S. Department of Justice to prevent and detect fraud in the Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF) programs. The statute also requires the agency to submit a semiannual report to the Governor and Legislative Budget Board on the operation and success of the information matching system for immigrants and foreign visitors.

***Background***

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 required the consular offices of the U.S. Department of State to develop a system designed to determine whether applicants for immigration to the United States were likely to become public charges.

***Accomplishments***

HHSC eligibility determination business processes continue to utilize the Systematic Alien Verification for Entitlements (SAVE) system. Automated verification through the SAVE system provides information from U.S. Citizenship and Immigration Services and assists the agency in determining the validity of the immigration documents presented and the benefit eligibility of the non-citizen.

**Section 531.108, Texas Government Code:  
Data Matching Efforts From HHSC With Information From Neighboring  
States and Texas Department of Criminal Justice**

***Statutory Provision***

This statute requires the agency to submit a semiannual report to the Governor and the Legislative Budget Board on the computerized matching of agency information from neighboring states and information from the Texas Department of Criminal Justice (TDCJ).

***Background***

Under this provision, the Commission is charged with identifying individuals who are already receiving benefits in another state. The Commission is also required to prevent and detect fraud committed when an incarcerated individual illegally receives public assistance benefits administered by the Commission.

***Accomplishments***

Since August 2010, HHSC has participated in the Public Assistance Reporting Information System (PARIS) interstate send file. The PARIS interstate match cross checks Social Security numbers of active Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF) program, and Medicaid clients as sent by State Public Assistance Agencies (SPAA) for a predetermined month within the match quarter. If matched, PARIS sends the matched records back to the respective SPAA for review and investigation as appropriate. Although once a year participation is mandatory for Medicaid, the data provided to the program is at the discretion of each SPAA. Not all states participate for each match quarter or for all programs. In Texas, the PARIS match meets the legislative requirement for HHSC to match with border states to identify duplicate benefits.

From September 1, 2014, through August 31, 2015, the agency identified \$338,132 in benefits simultaneously received by individuals in both Texas and another state. During this same time period, the agency identified \$367,928 in benefits received by individuals who were ineligible because of incarceration.

Consolidated Annual Report Required by Senate Bill 30, 75<sup>th</sup> Legislature

<b>PARIS Interstate Match</b>					
<b>Timeframe</b>	<b>Match Count</b>	<b>Referrals Created</b>	<b>Investigations Created</b>	<b>Claims Created</b>	<b>Claim Amounts</b>
09/2009–02/2010	*	*	*	*	*
03/2010–08/2010	3,542	90	35	37	<b>\$45,161</b>
09/2010–02/2011	28,756	452	182	137	<b>\$164,888</b>
03/2011–08/2011	27,074	341	151	152	<b>\$163,158</b>
09/2011–02/2012	30,368	217	112	93	<b>\$82,813</b>
03/2012–08/2012	25,634	243	125	131	<b>\$135,203</b>
09/2012–02/2013	28,322	372	86	117	<b>\$128,421</b>
03/2013 - 08/2013	30,154	443	197	236	<b>\$295,174</b>
09/2013 – 08/2014	63,775	455	325	384	<b>\$697,290</b>
09/2014 - 08/2015	118,316	643	188	218	<b>\$338,132</b>
<b>TOTAL</b>	<b>355,941</b>	<b>3,256</b>	<b>1,401</b>	<b>1,505</b>	<b>\$1,712,108</b>

\*PARIS Interstate Matches were implemented effective August 2010

<b>TDCJ Incarceration Match</b>				
<b>Timeframe</b>	<b>Referrals Created</b>	<b>Investigations Created</b>	<b>Claims Created</b>	<b>Claim Amounts</b>
09/2009–02/2010	445	374	375	<b>\$234,142</b>
03/2010–08/2010	679	579	560	<b>\$364,729</b>
09/2010–02/2011	422	360	357	<b>\$251,007</b>
03/2011–08/2011	1,010	848	832	<b>\$547,003</b>
09/2011–02/2012	621	493	476	<b>\$302,980</b>
03/2012–08/2012	717	546	534	<b>\$533,272</b>
09/2012–02/2013	552	457	463	<b>\$458,241</b>
03/2013 - 08/2013	428	374	405	<b>\$372,440</b>
09/2013 – 08/2014	850	683	720	<b>\$761,225</b>
09/2014 - 08/2015	655	354	388	<b>\$367,928</b>
<b>TOTAL</b>	<b>6,379</b>	<b>5,068</b>	<b>5,110</b>	<b>\$3,063,814</b>