Office of the Inspector General
Commonwealth of Massachusetts

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The Bureau of Program Integrity's 2013-2014 Review of the Department of Transitional Assistance

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Executive Summary

In 2013, the Massachusetts State Legislature created the Bureau of Program Integrity (Bureau) within the Office of the Inspector General to broadly monitor the quality, efficiency and integrity of public benefits programs administered by the Executive Office of Health and Human Services. The Legislature mandated that the Bureau review and report on the Department of Transitional Assistance (Department), with a focus on management and operations and program integrity.

As a starting point for this report, the Bureau reviewed eligibility processing initiatives for the Transitional Aid to Families with Dependent Children (TAFDC) program that the Department has implemented since the Inspector General's 2013 Report entitled, "Review of Eligibility for the Transitional Aid to Families with Dependent Children Program." The Bureau focused on three specific eligibility factors emphasized in the Inspector General's 2013 Report: (1) Social Security numbers (SSNs), (2) address verification and (3) motor vehicle asset verification. These factors are integral to establishing eligibility for benefits. The Bureau did not identify any major flaws in the Department's eligibility processing, but determined that the quality of the processing should be improved with clear and effective policies and procedures and some basic adjustments to the Department's database.

In 2013, in response to longstanding concerns about SSNs, the Department implemented a regular, monthly data match with the Social Security Administration to validate SSNs for all recipients. These data matches are generally effective and minimize the previously identified concern that recipients are intentionally withholding or otherwise failing to provide valid SSNs during intake and eligibility redeterminations. There is a small group of TAFDC recipients with nine-digit temporary identification numbers that remain in place after data matching occurs. These identifiers are for recipients who qualify for an exemption to the SSN requirement (such as infant dependents and eligible non-citizens). The Bureau recommends that the Department update obsolete and unclear policies and procedures for monitoring temporary identifiers and verifying SSN exemptions.

The Bureau found overall Department compliance with eligibility regulations related to verification of Massachusetts addresses for TAFDC recipients. Based on a recommendation in the Inspector General's 2013 report, the Department made changes to address verification forms. The Bureau recommends further revisions to the forms and a regulatory change to promote recipient accountability.

The Bureau's examination of the verification process for motor vehicle assets focused on the implementation of a new data match with the Registry of Motor Vehicles (RMV). This data match displays a list of potential motor vehicle assets for a recipient in the Department's database. However, the list on the database does not include sufficient information about each vehicle, and the directives for using the list to verify vehicle assets were unclear. To resolve these issues, the Bureau recommends changes to the Department's database and more detailed, documented procedures.

The Bureau next reviewed program integrity processes. Program integrity referrals include all overpayments, whether the result of Department error, unintentional recipient violation, or intentional program violation. The Bureau found that there was a significant increase in the total

number of program integrity referrals in 2013 (including referrals for TAFDC, SNAP and other programs). The Department relies on data matches identifying sources of income or employment for recipients as critical and objective sources of information for program integrity referrals. Program integrity processing includes both automated and manual workflows, and some of the manual workflows create an ongoing risk of backlog. The ultimate goal of program integrity processing is to accurately identify and penalize recipients who have committed intentional program violations. The Bureau reviewed a representative sample of TAFDC cases with intentional program violation findings and discovered that some ineligible recipients collected benefits for extended periods of time because staff failed to review data matches that showed unreported income for the recipients. To improve the processing of program integrity referrals, instead of hiring additional investigators, the Bureau recommends that the Department foster collaboration between field and program integrity staff, develop a new training curriculum on program integrity processes and pursue systems enhancements to automate manual workflows. The Bureau also recommends that the Department establish rigorous standards for case monitoring and quality control.

Finally, the Bureau reviewed the Department's overall management and operations, focusing on the Department's organizational structure, business process modernization efforts and internal controls. In response to longstanding concerns, the Department revised its organizational structure and began implementing Electronic Document Management. These initiatives bring potential for improving the Department's operations and management systems, but the Department must integrate internal controls into all of its structures, operations and policies to effect lasting change. The Department must continually improve eligibility and program integrity processes in a timely and strategic manner, rather than allow longstanding issues to lapse into major flaws.

For overall improvement in eligibility processes, program integrity processes and program management, the Bureau recommends that the Department focus on the following:

- Communicating clear, effective and accessible policies and procedures;

- Integrating eligibility and program integrity workflows into a comprehensive system of internal controls;

- Performing relevant and effective data analysis;

- Establishing minimum standards for management and oversight;

- Engaging in ongoing risk-assessment and problem-solving efforts; and

- Implementing systems enhancements that correspond to business priorities, with a focus on automating essential processes.

Introduction

I.   The Office of the Inspector General

The Office of the Inspector General (the Office) was established in 1981 for the purpose of preventing and detecting fraud, waste and abuse in the expenditure of public funds. G.L. c. 12A, § 7. The Office seeks to prevent fraud, waste and abuse before they happen by implementing a three-part strategy: early intervention, education and the provision of technical assistance. The Office conducts civil and criminal investigations related to fraud, waste and abuse, and coordinates with various state and federal prosecutors to target individual wrongdoing.

The Office is an independent agency, separate and apart from the Executive Branch. The Inspector General is appointed by a majority vote of the Attorney General, the State Auditor and the Governor for a term of five years. Id. at § 2. The Inspector General is appointed without regard to political affiliation, and solely on the basis of integrity and demonstrable ability to perform the functions of the job. Id. Pursuant to the enabling statute, employees of the Office of the Inspector General are prohibited from holding or running for any elective public office, and must refrain from participating in any political campaign of any candidate for public office. Id. at § 4. As a result, the Office approaches its investigative and review work with independence and neutrality.

In order to carry out its mandate, the Office is authorized to supervise, coordinate and conduct audits and investigations relating to the expenditure of public funds by state agencies. Id. at § 8. Additionally, the Office recommends policy adjustments, procedural improvements and legislative initiatives, and can oversee the implementation of suggested policies at an agency's request. Id. The Office has broad inspection and summons powers in order to pursue its investigations. Id. at § 9.

The Office has extensive experience conducting programmatic reviews to identify systemic vulnerabilities and opportunities for improvement. In particular, in recent years, the Office has been involved in a variety of initiatives specifically related to benefits programs under the Executive Office of Health and Human Services (EOHHS), including MassHealth, the Health Safety Net and programs administered by the Department of Transitional Assistance.

From 2011 to 2012, the Legislature created the Electronic Benefit Transfer (EBT) Card Commission to study and report on the use of EBT cards, with a focus on identifying ways to improve the integrity of cash assistance spending. One notable result of this Commission was the July 2012 legislation banning the use of EBT cards for the purchase of certain products such as firearms, tobacco, lottery tickets and alcohol. Among the Commission's ultimate recommendations was a directive for the Office of the Inspector General to review the eligibility determination process for cash assistance programs. The Commission's recommendation led to the Office's 2013 Report, "Review of Eligibility for the Transitional Aid to Families with Dependent Children Program," discussed in detail below.

In 2012, the Inspector General served as a member of the Cashless System Commission, the stated purpose of which was to evaluate options for reducing or eliminating inappropriate

spending of cash benefits. The scope of the Commission's work focused on the spending of cash benefits once a recipient is determined to be eligible. Among other recommendations, the Commission suggested that the Department of Transitional Assistance continue to focus on solving front-end eligibility problems in order to ensure that only those who are eligible for benefits ultimately receive them.

II.   The Bureau of Program Integrity

Originally established in August of 2013, the Bureau of Program Integrity (the Bureau) is charged with monitoring the quality, efficiency and integrity of public benefits programs administered by EOHHS. In creating the Bureau, the Legislature outlined the following duties in G.L. c. 6A, § 16V (governing EOHHS):

1. Monitor quality, efficiency and integrity of EOHHS programs;

2. Prevent, detect and correct fraud, waste and abuse;

3. Review current eligibility intake and determination procedures for public benefit programs administered by EOHHS;

4. Assist in development of any new intake procedures and regulations for eligibility determination;

5. Monitor whether eligibility regulations are being followed by the administering agency;

6. Assist with the coordination with other state agencies to transmit and collect data on beneficiaries;

7. Coordinate with the Program Integrity Division under the Department of Transitional Assistance;

8. Provide training to employees on methods of intake procedures and eligibility determination;

9. Automate reporting of indicators of potential fraud cases; and

10. Coordinate and consult on eligibility verification for recipients of benefit programs through the sharing of information with other agencies and departments.

The Legislature directed the Inspector General to hire and supervise a director and staff for the Bureau. G.L. c. 6A, § 16V. In Section 184 of Chapter 38 of the Acts of 2013, the Legislature also mandated the following report:

> SECTION 184. Notwithstanding any general or special law to the contrary, the director of the bureau for program integrity shall review the management and operations of the department of transitional assistance, including any reports conducted by external consultants, and recommend whether the current organizational structure is effective for ensuring that only those persons who are eligible receive public benefits. In examining the organizational structure, the

director shall study and report on whether the department would benefit from additional investigators to work with caseworkers to identify cases of waste or abuse. The director shall also make recommendations on a standardized filing system for case file organization to be implemented throughout all of the department offices. The director shall make a report to the general court on the director's recommendations by filing the same with the clerks of the senate and the house of representatives on or before March 1, 2014.

The Bureau presents this report in accordance with this mandate.

III.   The Department of Transitional Assistance

The Department of Transitional Assistance (the Department) is one of sixteen agencies that fall within EOHHS and is responsible for administering both state and federally funded cash and food assistance programs. As of February 2014, the Department has 22 regional transitional assistance offices (TAOs) located throughout the Commonwealth and has 1,548 employees. Today, the Department serves one out of every eight people in Massachusetts, including working families, children, elders and people with disabilities.

The Department states its mission as assisting low-income individuals and families in meeting their basic needs, increasing their incomes and improving their overall quality of life. The Department identifies its three main goals as: (1) increasing the personal and economic well-being of their clients and providing necessary benefits; (2) reducing homelessness; and (3) improving customer service.

The Department administers two cash assistance programs, Transitional Aid to Families with Dependent Children (TAFDC) and Emergency Aid to the Elderly, Disabled, and Children (EAEDC), as well as the Supplemental Nutrition Assistance Program (formerly known as food stamps, hereinafter referred to as SNAP) and the State Supplement Program (SSP).[1]   The Department is responsible for conducting intake procedures, reviewing applications, determining eligibility, administering assistance and conducting internal oversight of these programs. For TAFDC recipients, the Department provides assistance with employment, training and child care services. In addition, the statewide domestic violence unit (with representation in each TAO) provides assistance and resources to recipients with domestic violence concerns.

The Department's recordkeeping currently includes an interactive eligibility database called BEACON. The record for each benefits case includes the electronic record on BEACON and the physical case file. Staff members who handle intake and eligibility determinations are called case managers. BEACON supports intake and eligibility determinations by guiding the case manager through a pre-programmed interview with fields designed for data collection. BEACON automatically reviews the data to identify eligibility issues and to calculate benefits for eligible recipients.

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[1] Neither EAEDC nor SSP is a focus of this report. SSP is a federally regulated benefits program for those who are eligible for Supplemental Security Income – certain individuals over 65, blind persons and the disabled. EAEDC is a small cash benefits program for elderly individuals, disabled persons, and dependent children who are in the care of someone who is not related to them.

IV. Transitional Aid to Families with Dependent Children (TAFDC)

TAFDC is both state and federally funded. To be eligible for TAFDC, recipients must have at least one dependent child under eighteen (or under nineteen if the dependent child is still in high school) or be pregnant and within 120 days of the expected date of birth. TAFDC recipients must meet income and asset limits; to be eligible, recipients may not own countable assets collectively valued at over $2,500 and may not receive earned or unearned income over limits set according to a variety of criteria.[2] Recipients must also be U.S. citizens or legal immigrants, reside in Massachusetts and comply with child support, work program and other obligations.[3] Recipients have a responsibility to report any change of circumstances that may affect their eligibility or the amount of their grant within ten days of such change. 106 CMR 701.420.

As of September 2013, the TAFDC program included just over 48,000 households in Massachusetts, and the average cash benefit distribution per household was $453 per month.

V. Supplemental Nutrition Assistance Program (SNAP)

SNAP is entirely federally funded, but is administered by the Department. SNAP benefits, more commonly known as food stamps, are not cash but rather a grant allocation for specifically identified categories of food. The federal government sets eligibility standards for SNAP. SNAP recipients include a wide range of individuals, including the elderly and disabled. Single people with no children can also be eligible for SNAP. Many SNAP recipients are working but remain below the poverty line, have limited income or are temporarily unemployed. Approximately 92% of those who receive cash benefits under the TAFDC or EAEDC programs also receive SNAP benefits.

The federal government, through the U.S. Department of Agriculture (USDA), promulgates financial and non-financial eligibility guidelines for the SNAP program. Financial eligibility guidelines require a calculation of countable assets and income limits. Income limits depend on household size and are adjusted annually as prescribed by the USDA's Food and Nutrition Service (FNS). In 2013, for example, the gross income for a family of four could not exceed $2,552 per month, and its net income could not exceed $1,963 per month.[4]

The SNAP program population is much larger than the combined populations of the TAFDC and EAEDC programs. As of September 2013, more than 501,000 households and 891,584 individuals in Massachusetts received SNAP benefits. As of February 7, 2014, the average monthly SNAP allocation for a household in Massachusetts was $233.08.[5]

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[2] See 106 CMR 204.010, et seq.

[3] See 106 CMR 203.000.

[4] See 106 CMR 364.370, 364.550, 364.950, 364.970.

[5] Supplemental Nutrition Assistance Program: Average Monthly Benefit per Household (Data as of February 7, 2014), *available at* http://www.fns.usda.gov/pd/19SNAPavg$HH.htm.

Introduction to the Eligibility Process Review

I.   Background

A.   The Office's 2013 Report

As stated above, in the wake of the EBT and Cashless Commissions, the Legislature issued a statutory mandate that the Office study the eligibility determination process for the Transitional Aid to Families with Dependent Children (TAFDC) benefits program administered by the Department of Transitional Assistance (the Department). The Legislature defined the scope of the study in Section 6 of Chapter 161 of the Acts of 2012 as follows:

> SECTION 6. Notwithstanding any general or special law to the contrary, the inspector general shall conduct a data match survey involving the case records for households receiving cash assistance benefits under chapter 18 of the General Laws for purposes of uncovering information that is inconsistent with or contradictory to information provided by cash assistance benefit recipients. The inspector general shall submit a report that shall include the results of a further investigation on a statistically valid sample of the cases for which inconsistent or contradictory information has been found to determine if the household is receiving benefits for which it is not eligible, and if so, whether the error is due to administrative error, unintentional program violation or intentional program violation . . . .

The Office reviewed eligibility processing for a statistically valid sample of 381 cases and conducted a broad data analysis of the BEACON database as of June 1, 2012. In its report, "Review of Eligibility for the Transitional Aid to Families with Dependent Children Program" (the Office's 2013 Report), the Office identified several specific ways for the Department to strengthen eligibility processing and reduce fraud. The following are some of the Office's recommendations:

- Identify Social Security numbers (SSNs) for all recipients who have them;

- Pursue data matches with the Department of Education, the Department of Revenue and the Registry of Motor Vehicles;

- Strengthen residency verification processes by adding an attestation clause to forms;

- Reevaluate whether to presume that certain recipients have no income or assets without further inquiry;

- Record exemptions, exceptions and waivers;

- Re-determine eligibility in a timely fashion and document results;

- Implement a standard system for organizing case files, with a universal checklist, and consider imaging documents;

- Strengthen policies for reviewing and changing benefits when eligibility problems arise;

- Strengthen procedures for referring cases to the Department's Program Integrity Division;

- Increase staffing for fraud investigations; and

- Collaborate with other state and federal agencies to address concerns about benefits fraud.[6]

B.   The Department's Response to the Office's 2013 Report

In accordance with the statutory mandate for the Office's 2013 Report, the Office sent all findings and recommendations to the Department and provided the Department with time to respond before releasing the report in January 2013. The Department's written responses to the Office's recommendations were published in the appendix of the report. The Department agreed to several of the recommendations and identified several specific areas for enhancing eligibility processing. For example, the Department agreed to improve verification of recipients' Social Security numbers, residencies, addresses, employment and assets, and confirmed that a new, automated process for school attendance was in development. The Department also confirmed that it would begin implementation of Electronic Document Management (EDM) within 12 months, and that – eventually – it would eliminate recordkeeping in traditional paper files altogether.

Subsequently, in March 2013, the Department submitted a 100-day plan setting forth strategies for enhancing program administration and integrity. On September 17, 2013, the Executive Office of Health and Human Services (EOHHS) reported on the Department's following 2013 initiatives:[7]

1. Eligibility processing:

   - The Department enhanced its process for obtaining, updating and verifying SSNs through an automated process with the Enumeration Verification System (a database administered by the Social Security Administration, described in greater detail in the Eligibility Review Section of this report).

   - The Department expanded its data match with the Department of Revenue (DOR) to include additional employment and income information.

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[6] The Office also recommended that the Department: (1) consider business assets and responsible relatives' assets in eligibility determinations; (2) require grantees to obtain a legal relationship with dependent children; (3) verify work program participation; (4) ensure the identification of non-custodial parents and cooperation of the custodial parent in pursuing child support; (5) perform audits using a data aggregation service; and (6) provide training on eligibility requirements, verification processes and identifying fraud or other legal infractions.

[7] Executive Office of Health and Human Services, "A Report on the Department of Transitional Assistance: Clients Served, Benefits Offered, Partnerships, and Program Integrity Enhancements," September 17, 2013, attached as Appendix A.

- The Department implemented a new data match with the Registry of Motor Vehicles (RMV) to provide case managers with direct access to license photos, addresses, other personal data and vehicle data.

- The Department introduced a new automated employment verification system on BEACON through the Equifax service known as The Work Number, which case managers use for eligibility determinations.[8]

- The Department created new residency and address verification forms that require a recipient's signed attestation.

2. Additional data-matching and fraud-related initiatives (discussed in the Program Integrity Process Review Section of this report).

3. Planning for broad Business Process Redesign, including modernized business practices (Electronic Document Management) and organizational improvements (discussed in the Management and Operations Analysis section of this report.)

II.   Approach

Shortly after the Bureau was created, Inspector General Cunha and Department Commissioner Monahan requested an initial review of the Department's 2013 changes to eligibility processing and a report on the current status of eligibility processing. This type of review is consistent with the Bureau's statutory duties to "review current eligibility intake and determination procedures for public benefit programs administered by the executive office of health and human services," to "monitor the quality, efficiency and integrity of programs administered by the executive office of health and human services" and to "assist in development of new intake procedures and regulations." G.L. c. 6A, § 16V. In addition, this review provided a valuable starting point for fulfilling the specific legislative mandate for this report to "recommend whether the current organizational structure is effective for ensuring that only those persons who are eligible receive benefits." Section 184 of Chapter 38 of the Acts of 2013. All parties agreed that the Bureau would review physical case files, but the review would be limited in scope and would not involve a statistically valid sample of cases. There were no specifications on the type or number of cases for the review, so the Bureau designed an approach and scope for the review and identified case files based on selection criteria described below.

To guide its approach to the review, the Bureau requested data for the entire population of TAFDC cases (all assistance units) that were open and active as of October 1, 2013.[9] The Bureau analyzed the data in light of the TAFDC eligibility requirements, with particular focus on eligibility factors that were the subject of recommendations in the Office's 2013 Report. In

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[8] The EOHHS report provides this description of The Work Number: "front-end income verification through Equifax's national database . . . [meant] to significantly increase timeliness of employment information available, while reducing reliance on [a] 'pay and chase' process." See n. 2, supra, p. 4.

[9] An assistance unit is composed of the individuals in a household who are eligible to receive TAFDC benefits. A filing unit is composed of (1) the assistance unit and (2) individuals who would be in the assistance unit but for a failure to fulfill an eligibility requirement, a failure to cooperate or disqualification. The income and assets of all members of the filing unit must be considered when determining the assistance unit's eligibility.

addition to analyzing data, the Bureau prepared for the eligibility review by meeting with Department administrators and interviewing other members of the Department's staff; researching 2013 policies, procedures and operations memos; reviewing Department regulations and training materials; and observing initial eligibility determination interviews at regional TAOs.

After considering all of the aforementioned information, the Bureau focused its review on the following three eligibility factors: Social Security Numbers, residential addresses and motor vehicle assets. These factors are each fundamental to the eligibility determination process and are linked to data matches that the Department either created or enhanced in 2013.

The Bureau requested additional data for each eligibility factor and conducted additional data analysis before selecting case files. To ensure that the Bureau was reviewing relevant data, Bureau staff consulted with Department trainers and other BEACON users on: (1) how case managers enter data related to SSNs, addresses and vehicles into BEACON; and (2) where the data from relevant matches appears in BEACON. Through customized data queries and analyses, the Bureau identified open and active TAFDC cases from five of the largest regional TAOs (based upon the size of the recipient population): Brockton, Chelsea, Dudley Square, Newmarket Square and Worcester. The chart below provides a more specific breakdown of the case files selected:

Eligibility factor reviewed	Purpose of review	Total # reviewed
Social Security numbers	Examination of whether recipients qualified for an exemption to the SSN requirement and whether the Department appropriately assigned temporary identification numbers in lieu of SSNs.	27 TAFDC recipients
Residential address	Examination of whether there was sufficient documentation to verify recipients' residential addresses.	20 cases
Motor vehicle assets	Examination of whether recipients' motor vehicles were properly identified, processed and included in the assistance unit's countable assets.	20 cases

Prepared by: The Office of the Inspector General

The Bureau spent one day at each of the five chosen TAOs and provided a list of the cases selected for review to each office upon arrival. Upon receipt of the case files, the Bureau checked personal data to ensure that TAO staff delivered the specific files that had been requested. During the onsite file reviews, a Bureau staff member reviewed each physical case file based on a written protocol, recorded results and copied documents from the file. At least two Bureau staff members reviewed each case in order to ensure accuracy and reliability. If specific issues required further investigation, the Bureau followed up with the appropriate TAO Director.

After completing the initial and secondary reviews of the cases, the Bureau resolved outstanding questions related to six individual cases with TAO Directors. The Bureau also requested supplemental BEACON data for further study of broad trends and potential areas of concern.

In the three sections that follow, the Bureau's review of the eligibility processes for SSNs, addresses and motor vehicle assets includes the following:

- An overview of relevant regulatory standards;

- A summary of concerns from the Office's 2013 Report;

- A summary of changes in eligibility processing that the Department made in 2013;

- A broad data analysis;

- The results of the Bureau's case file review; and

- The Bureau's recommendations for improving eligibility processing.

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Eligibility Process Review: Social Security Numbers

I.   Overview

To be eligible for TAFDC benefits, applicants must provide a valid Social Security number (SSN) for each recipient in the assistance unit, unless one of two exemptions applies. 106 CMR 701.230(C). If the applicant does not have an SSN for a recipient, the applicant must present Social Security Administration (SSA) documents showing that the recipient applied for an SSN or requested verification of an existing SSN. 106 CMR 701.230(A). Provided that a recipient has complied with the eligibility requirements, the Department cannot deny, delay or decrease an assistance unit's TAFDC benefits while an SSN application is pending. Id. at (A)(3). The Department excludes individuals who do not meet the SSN eligibility requirements from the benefits calculation for the assistance unit, although their income and assets are still counted. Id. at (A)(4).

There are two exemptions listed in 106 CMR 701.230(C). The first is "when an applicant provides documentary or collateral information that the applicant or recipient has made every effort to supply SSA with the information necessary to apply for an SSN or to apply to have an already-existing number validated." Id. at (C)(1). The Department must verify this exemption on a monthly basis until the Department receives (and validates) SSNs for all recipients. Id. The second exemption exists "when a noncitizen indicates an unwillingness or inability to provide, or apply for, an SSN due to immigration status in accordance with 106 CMR 203.675."[10]

In 106 CMR 203.675, the Department follows guidance from federal regulations and establishes eleven categories of non-citizens who may be eligible for TAFDC benefits under the second exemption even though they do not have a valid SSN: (1) veterans and active duty personnel; (2) Legal Permanent Residents; (3) refugees; (4) asylees; (5) withheld deportation non-citizens; (6) parolees; (7) conditional entrants; (8) battered non-citizens; (9) Cuban/Haitian entrants; (10) Amerasians; and (11) victims of severe forms of trafficking.[11] While some of the non-citizens in

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[10] One obvious concern based on the language of 106 CMR 701.230(C)(2) is whether the Department allows applicants or recipients to withhold an SSN. As discussed in greater detail below, the Bureau confirmed that the Department pursues SSNs for citizens and non-citizens, both through the Enumeration Verification System (EVS) and through case managers' eligibility processing. Thus, the Department has procedures in place to identify an SSN for a non-citizen or any recipient who has an SSN but attempts to withhold it. The Bureau is recommending that the Department amend the regulation so that it is consistent with Department procedures.

[11] According to the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), 42 U.S.C. §§ 402, et seq., states must participate in the federal income and eligibility verification system in order to avoid fiscal penalties in federal funding. 42 U.S.C. § 609. The federal income and eligibility verification system requires states to extend benefits to "qualified aliens," 42 U.S.C. § 1320b-7, as defined under the Code of Federal Regulations and the U.S. Code. The Massachusetts non-citizen exemption categories follow the federal statute and regulations, consolidating both the delineated categorical exemptions as well as additional exemptions referenced throughout the text. See and compare 45 CFR 260.30, cross-referencing 8 U.S.C. § 1641(b), and 103 CMR 203.675.

these categories eventually become eligible for SSNs by virtue of a Homeland Security status determination, others do not.[12]

To verify that a recipient falls under one of the eleven eligibility categories, case managers may review the Systematic Alien Verification for Entitlements (SAVE) database. The United States Citizenship and Immigration Services (USCIS) maintains the SAVE database for federal, state and local agencies that issue benefits (and other agencies and institutions) so they can determine the immigration status of applicants.[13] Alternatively, case managers may accept verification documents according to the standards set forth in the Department's Non-citizen Desk Guide. The guide is a chart with detailed descriptions of each eligibility category and delineates acceptable identification documents and forms. However, because the guide dates back to 2003, some of the references are obsolete because they refer to terms and documents from the disbanded Immigration and Naturalization Service (INS).

In some situations, when applicants do not meet the eligibility requirements, they seek TAFDC benefits on behalf of their dependents only, not for themselves. As a result, the Department calculates benefits for the dependents only and does not include the adult grantee when determining the level of benefits.[14] According to 106 CMR 701.230, these applicants are called "ineligible grantees," even though they are only receiving benefits on behalf of dependents, and they must still provide a valid SSN if they have one. If they do not have an SSN, the Department does not require them to apply for an SSN. If an ineligible grantee later applies for an SSN (or otherwise meets the Department's SSN requirements), he may reapply for TAFDC benefits and request a recalculation of the benefits grant at that time.[15]

For applicants or recipients who do not present an SSN at intake, Department staff must assign a nine-digit placeholder number. The Department refers to this number as a temporary identification number or a temporary identifier.[16] This nine-digit number is a necessary element of the case record on BEACON; without it, the BEACON database cannot create a unique record for each individual who applies for or receives TAFDC. The format of the temporary identification number depends on the individual's role in the assistance unit (*i.e.*, as a grantee/applicant, other adult recipient in the home or dependent). According to Department policy, grantees receive a number beginning with the digits "990" through "997," which Department case managers assign manually. Other members of the assistance unit receive a system-generated number, which begins with the three digits "998" or "999."[17]

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[12] For example, neither battered non-citizens nor parolees qualify for SSNs through their status determinations, but they are both eligible for TAFDC benefits.

[13] See http://www.uscis.gov/save.

[14] "Grantee" refers to the adult in the assistance unit who physically receives the TAFDC benefits via an EBT card on behalf of the unit. The incomes and assets of both eligible grantees and ineligible grantees are still factored into the eligibility determination as members of the filing unit.

[15] See 106 CMR 701.230(A)(4).

[16] Temporary identification numbers have also been described as "placeholder" and "facsimile" SSNs.

[17] See "Department of Transitional Assistance Operations Memo 2013-7," February 14, 2013.

II.   Reported Concerns

An individual's Social Security number is a critical link to tracing eligibility information through a variety of data-matches, including employment status, incarceration and out-of-state benefits collection. In the data sample that the Office obtained for its 2013 Report, the Office identified 5,443 individual recipients in BEACON with temporary identification numbers. The Office did not find evidence that TAFDC recipients supplied intentionally false SSNs, but focused a portion of its recommendations on SSNs because of their critical role. The Office recommended that the Department take additional steps to obtain verification documentation for applicants who qualified for exemptions to the SSN requirement, and to more vigorously question applicants who appeared unable or unwilling to provide a valid SSN. The Office also suggested that the Department tighten its oversight of the identifiers so that they are used only temporarily and only in appropriate circumstances. Finally, the Office recommended that the Department implement a control system to include regular reviews and assessments, as well as instructions to case managers to follow up regularly with those recipients who remain unable or unwilling to provide valid SSNs.[18]

III.   The Department's Eligibility Process Changes

In February 2013, the Department introduced an enhanced SSN matching process through the Enumeration Verification System (EVS). EVS is a data-match process administered by the Social Security Administration (SSA), which uses identifying information for applicants and recipients and matches it against the SSA database to verify applicants' and recipients' SSNs. When EVS identifies SSNs for recipients, it sends an automated message back to the requesting agency. The Department's 2013 enhancements set the EVS match to run monthly. The Department used EVS before February 2013, but did not run a consistent, regularly-scheduled match.[19]

EVS is now the primary source of SSN updates on BEACON. When a match occurs between the name, gender and date of birth of a TAFDC recipient and an existing SSN, the Department automatically imports the EVS-identified SSN into the recipient's BEACON record, unless the recipient is within one of several groups that the Department has designated for a secondary review process.[20] For validation, and to detect and correct inaccurate SSNs, the Department

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[18] Two other reports identified concerns about the Department's use and treatment of temporary identification numbers: United States Department of Agriculture, Office of the Inspector General, "Analysis of Massachusetts' Supplemental Nutrition Assistance Program (SNAP) Eligibility Data," March 7, 2012, p. 5-6 (USDA Report), and the Massachusetts Office of the State Auditor, "Official Audit Report on the Department of Transitional Assistance," May 28, 2013, p. 18-20 (State Auditor's Report). The USDA Report found "820 individuals who had been using an invalid temporary SSN for over one year." The State Auditor's Report found that the Department "had not adequately formalized its policies and procedures to ensure that recipients had valid SSNs" and that the Department "did not systematically reverify eligibility information regarding active participants with temporary SSNs."

[19] The Bureau's statistical analysis suggests that the Department has been running EVS regularly (at mid-month) since July 2013.

[20] See "Department of Transitional Assistance Operations Memo 2013-7," February 14, 2013, p. 3. According to this memo, Program Integrity Division staff conduct a secondary review of the SSN matches for certain groups and

utilizes a second SSA database called the State Verification Exchange System (SVES). Under SVES the Department sends its recipient records to SSA and in return SSA verifies individuals' citizenship and SSN.

IV. Data Analysis

The Bureau studied and analyzed data from 2012 and 2013 regarding TAFDC recipients in open and active cases with temporary identifiers. The Bureau also requested that the Department provide data in response to specific queries related to temporary identifiers. The Bureau's goals for this data analysis were to identify the size and characteristics of the recipient population with temporary identification numbers, and to determine how long the Department relied on temporary identifiers while pursuing SSNs through data matching and eligibility interviews.

At the outset, it is important to note that the total TAFDC population decreased between June 1, 2012 and October 1, 2013, from 148,242 to 137,916. In 2012, 5,910 recipients had temporary identification numbers (3.98% of the total TAFDC population); in 2013, 4,096 recipients had temporary identifiers (or 2.97%).[21] Thus, the population of recipients with temporary identification numbers is a small proportion of the total TAFDC population, and there was a decrease in the prevalence and use of temporary identification numbers in 2013.[22]

(For reference, see the chart below.)

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indicate which SSNs are appropriate for manual updating. The groups designated for this review include: (1) ineligible non-citizens; (2) recipients with both the domestic violence (DV) and the Heightened Level of Security (HLS) indicators on BEACON (typically domestic violence survivors or witnesses to crimes); and (3) non-citizens with federal designations of Battered Non-citizens/VAWA (Violence Against Women Act), Deportation Order Shown, Non-citizen Veteran, Nonimmigrant, Parolee, Undetermined and Victim of Trafficking. Also, according to the memo, program integrity staff conduct a review to "verify the valid existing SSN" before recommending whether it should be updated manually.

[21] In its 2013 Report (on p. 24), the Office reported 5,443 individuals with temporary identifiers in 2012. The Bureau obtained a different 2012 data set of the TAFDC recipient population from the Department and found a higher number of temporary identifiers (5,910) in that data set.

[22] For comparison purposes, 1.49% of SNAP recipients had a temporary identification number as of May 31, 2012. By September 30, 2013, that percentage had dropped to 1.18%.

Total TAFDC Recipients with Temporary Identifiers

Prepared by:
The Office
of the
Inspector
General

- ■ Total TAFDC Recipients
- ■ TAFDC Recipients who have temporary identifiers
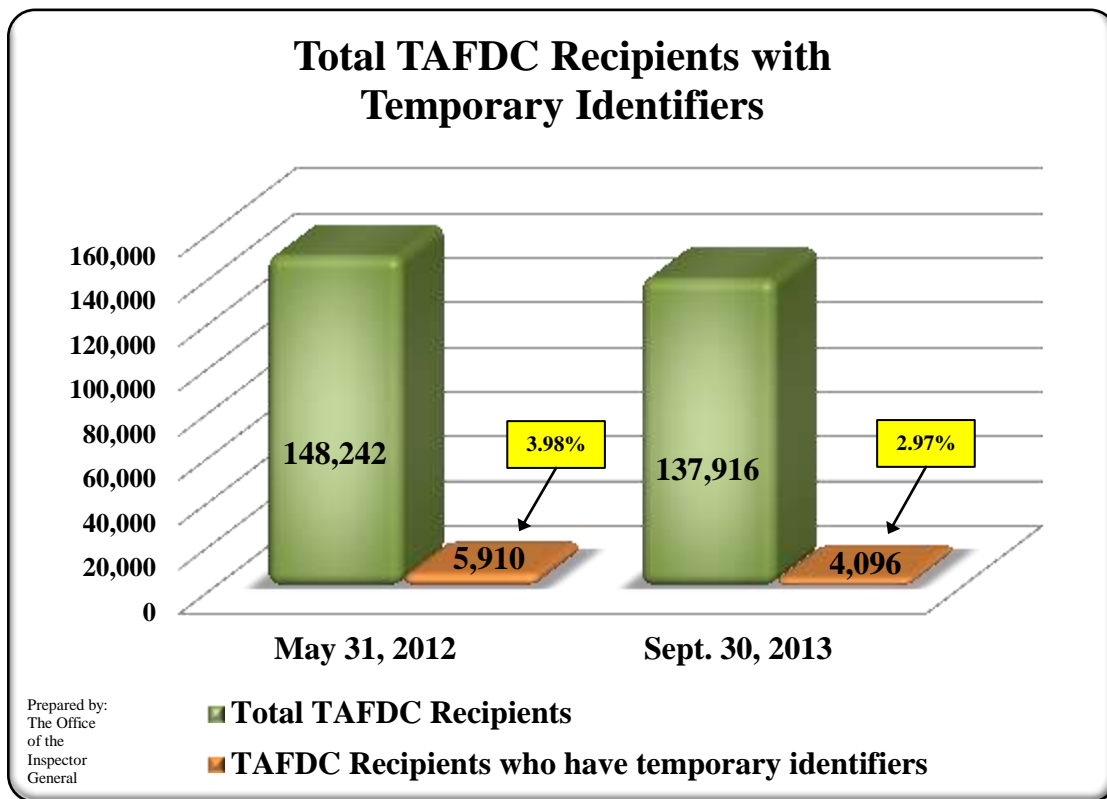
While examining the population of recipients with temporary identifiers, the Bureau focused on two particular age groups: adult grantees and infant dependents (under one year old). As previously stated, the SSN of the adult grantee is critical to eligibility processing and fraud identification because it provides a link to data matches that help determine ongoing eligibility for the assistance unit. Through further analysis of the October 1, 2013 data, the Bureau concluded that 2,598 of the individuals with temporary identifiers were adult grantees. Thus, as of October 1, 2013, adult grantees with temporary identifiers represented:

- 1.88% of all TAFDC recipients; and

- 63.43% of all recipients with temporary identifiers.

In examining this population, the Bureau also determined that, as of October 1, 2013, there were three U.S. citizens who were in the role of grantee and who had a temporary identifier. As discussed below, after examining the case files, the Bureau determined that the data entry related to citizenship for those three recipients was incorrect, so actually there were no U.S. citizens with temporary identifiers as of October 1, 2013.

The Bureau chose to focus on infant dependents because of past concerns about whether parents obtained SSNs for them within a reasonable amount of time. In the October 1, 2013 data, the Bureau found that 613 of the individuals with temporary identifiers were infant dependents. As of October 1, 2013, infant dependents represented:

- 0.44% of all TAFDC recipients; and

- 14.97% of all recipients with temporary identifiers.

The Bureau also used the October 1, 2013 data set to study the population of non-citizens with temporary identifiers (including both adult grantees and dependent children) who were eligible for TAFDC. These are individuals whom the Department approved for the second exemption to the SSN requirement, based on verification of one of the eleven non-citizen eligibility categories. The Bureau analyzed TAFDC data as of October 1, 2013 and determined that there were 275 eligible non-citizens with temporary identifiers in BEACON. As of October 1, 2013, eligible non-citizens represented:

- 0.20% of TAFDC recipients; and

- 6.71% of all recipients with temporary identifiers.

Finally, the Bureau studied the Department's removal of temporary identifiers and replacement with SSNs during a twelve-month period from October 2012 through September 2013. This involved a data set encompassing the entire twelve-month time span, as opposed to the snapshot of data from October 1, 2013 that the Bureau used for the data analysis above. The Bureau analyzed this twelve months of data to investigate concerns that temporary identifiers might be in place for longer than necessary. The Bureau found the following:

- The Department obtained SSNs for a total of 6,853 recipients during the twelve-month time period.

- Of those recipients, 63.07% (4,322) were infants under one year old.

- The Department took an average of 121 days to identify and validate SSNs for infant dependents with temporary identifiers.

- The Department took an average of 157 days to identify and validate SSNs for the entire population of recipients (including adult grantees, non-citizens and dependent children) with temporary identifiers.

V.   Approach to Case File Review

After completing the data analysis for recipients with temporary identifiers, the Bureau reviewed BEACON data for a representative group of recipients with these identifiers. The Bureau set out to review recipients who qualified under each of the two exemptions to the SSN requirements: (1) those who "made every effort" to apply for or validate an SSN, and (2) categorically eligible non-citizens. The purpose of the review was to gain an understanding of the procedures and guidelines for determining which recipients qualify for the regulatory exemptions and to examine the documentation that the Department accepted as verification for each exemption.

The Bureau identified recipients who appeared to fit under these exemptions in the TAFDC population as of October 1, 2013, then narrowed the data to recipients from the five selected TAOs and identified 27 recipients' case files to review. The group included grantees and

dependents, some of whom were from the same family. According to the BEACON data, three were U.S. citizen grantees with temporary identifiers, and the remaining 24 were eligible non-citizens. After reviewing the case files, the Bureau discovered that all three individuals identified as U.S. citizens were mislabeled due to data entry errors. Thus, there were no case files related to the first exemption to the SSN requirement for the Bureau to study. Instead, the Bureau focused on the verification process for the second exemption to the SSN requirement for eligible non-citizens.

VI.   Results of Case File Review

In the review of case files for TAFDC recipients with temporary identifiers, the Bureau initially identified and resolved the aforementioned cases with data entry errors, then focused on the verification documents in the file. The Bureau examined documents to determine whether there was sufficient verification to support the SSN exemption. Finally, the Bureau examined case managers' approaches to tracking recipients with temporary identifiers and verifying SSNs as they receive them. Except for four files with data entry errors, all of the other files included sufficient documentation to verify recipients' statuses as eligible non-citizens and, thus, verify the second exemption to the SSN requirement. Nevertheless, the Bureau identified concerns about the Department's guidance for case managers in this area.

As discussed above, the Bureau discovered three data entry errors for recipients originally identified as U.S. citizens in BEACON. Case records for these three recipients raised doubts about whether the BEACON data was accurate. The Bureau brought these cases to the attention of the TAO Directors responsible for each case. The directors confirmed that the grantees were misidentified as citizens due to a data entry error and corrected the data to show that all three were non-citizens. Additionally, all three recipients were ineligible and not receiving benefits on their own behalf, and therefore the data entry error did not result in a miscalculation of benefits.

In a fourth case, due to a data entry error, the Department issued benefits to an ineligible recipient. The file in BEACON showed that this recipient was an eligible non-citizen. After examining the case file, the Bureau determined that the recipient was, in fact, ineligible for benefits. There was no documentation in the file to support the recipient's eligible non-citizen status as reflected in BEACON. After the Bureau identified the error, the TAO removed that recipient from the grant and referred the case to the Program Integrity Division for review as a potential overpayment.

In its review of the case files and BEACON case records, the Bureau found evidence that some case managers consulted the regulations related to eligible non-citizens when confronted with SSN issues.[23] Some files included copies of the regulations with pertinent sections highlighted. The Bureau found other files with documents showing that case managers did their own research to interpret Department of Homeland Security documents. Case managers accepted appropriate identification and Homeland Security documents as verification, even though the Department's 2003 Non-citizen Desk Guide references obsolete documents from INS.

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[23] See 106 CMR 701.230(C); 106 CMR 203.675.

In three cases, the Bureau found evidence that case managers followed Department directives to use the SAVE database (as described above, a federal database operated by USCIS) for verification of eligible non-citizen statuses. In these cases, the case managers placed screen prints from the SAVE database in the file. Because they provide objective and clear status information, the Bureau determined that the screen printouts from SAVE are the optimal documents for verifying and documenting the status of eligible non-citizens.[24]

For some eligible non-citizens who cannot obtain SSNs, temporary identification numbers serve as long-term identifiers. Documents in the case files showed that processing times for recipients' status requests at Homeland Security varied widely from several months to a number of years. In one file, the Bureau found that the recipient was a grantee mother who qualified for TAFDC benefits as a "battered non-citizen" but did not qualify for an SSN. The recipient clearly qualified as an eligible non-citizen category for the exemption to the SSN requirement, and unless circumstances change, the Department will need to use the temporary identifier indefinitely.

While reviewing the Department's other sources of guidance for case managers on verifying the status of eligible non-citizens, the Bureau identified additional concerns. In a 2013 Operations Memo, the Department provided case managers with an internet link to the U.S. Department of State's Manual on Classification Symbols to use as a reference for verifying the status of non-citizens in order to determine their eligibility for TAFDC.[25] The Bureau reviewed the manual and found that the symbols are difficult to interpret. As a result, the manual does not provide helpful guidance for case managers who are attempting to verify non-citizen statuses. Moreover, the Bureau found no evidence in the case files or BEACON records (such as screen prints or case notes) that case managers used this guide or the classification symbols that it provides.

Finally, the Bureau found certain aspects of the Department's SSN verification process in need of improvement. Even though the EVS data match now runs on a monthly basis, the Department still relies upon case managers to verify SSNs during recertification interviews. At least half of the files in the review group involved multiple recipients in a family who had separate status requests pending with the Department of Homeland Security. In some instances, case managers obtained SSNs (as evidenced by SSA cards) for one or two family members at a time during recertification processing.

The Bureau reviewed the Department's procedures and found that there was no clear or current guidance for case managers on their ongoing responsibilities to: (1) regularly inquire about SSNs; (2) update temporary identifiers to SSNs at the earliest possible opportunity; or (3) record reasons to support the ongoing need for an SSN exemption (and, thus, a temporary identifier) in appropriate circumstances. The Bureau also reviewed the Department's data reports related to temporary identifiers and could not identify any current, regular data reports on recipients with temporary identifiers broken down by TAO and case manager and provided to case managers and supervisors for tracking purposes. Such reports would assist case managers by bringing to

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[24] See "Operations Memo 2013-14A," May 2, 2013, p. 2. It is possible that other case managers consulted SAVE, but failed to print the screen and place it in the file.

[25] See id. at p. 4.

their attention the recipients with temporary identifiers in their caseloads and prompting case managers to fulfill their ongoing responsibilities for SSN verification.

VII.   Summary

1. The monthly EVS match and timely SSN updates by case managers are generally effective for identifying and verifying SSNs for recipients who have them.

2. Through data analysis, the Bureau found that the population of recipients with temporary identifiers is small in relation to the total TAFDC population. There were no adult U.S. citizens with temporary identifiers who were receiving TAFDC benefits as eligible grantees.

3. The Department's data indicated that grantees generally comply with Department regulations by applying for an SSN for infants in a timely fashion and obtaining their SSNs within four months of obtaining TAFDC benefits.

4. Some temporary identification numbers are truly temporary and can be converted to SSNs through EVS and proper manual tracking by case managers. However, nine-digit numbers remain in place for a longer period of time (and under some circumstances, indefinitely) for some eligible non-citizens who qualify for TAFDC based on state and federal regulations.

5. There are overlapping processes to verify that a non-citizen qualifies for the second exemption to the SSN requirement. Case managers must verify the status of the non-citizen and determine whether the status falls under one of the eleven categories for eligible non-citizens.   The case files examined by the Bureau included sufficient documentation to verify that the recipients were eligible non-citizens, and that the SSN exemption applied.

6. In the case files reviewed by the Bureau, case managers generally exhibited appropriate practices while verifying that non-citizens are eligible for TAFDC under one of the non-citizen exemption categories delineated in Department regulations.

7. The Department does not provide clear and up-to-date guidance for interpreting current status documents and forms in the 2003 Non-citizen Desk Guide. The guide is obsolete.

8. The Department relies on case managers to track temporary identifiers in their cases and inquire about SSNs during recertification, but does not provide clear procedures and data reports to support this verification process.

VIII.   Recommendations

1. The Department should amend the regulation that sets forth the exemptions to the SSN requirement. The description of the first exemption is unclear. The description of the second exemption suggests that the Department provides TAFDC benefits when an eligible non-citizen is unwilling to provide an SSN. This is inconsistent with the

Department's current procedures which require all recipients who have an SSN to provide it.

2. The Department should continue running EVS (or other data matching for SSNs) on a frequent and consistent basis, at least monthly.

3. The Department should replace the 2003 Non-citizen Desk Guide and issue updated directives to clarify complicated points for case managers and ensure that they verify non-citizen eligibility in a thorough and consistent manner. The Department should also change its directive that case managers use the U.S. Department of State's Manual on Classification Symbols and identify a more appropriate resource. The Department should continue to update directives related to non-citizen eligibility on a regular basis.

4. The Department should provide case managers with guidance and training on their ongoing responsibilities to inquire about SSNs and manually update them at the earliest opportunity. On February 19, 2014, the Department issued an Operations Memo to its staff related to verifying Social Security numbers. The Bureau has not had an opportunity to evaluate this memo and its impact on eligibility processing. The memo can be found in Appendix B.

5. The Department should distribute monthly reports to case managers identifying recipients in their caseloads with temporary identifiers, so that case managers can inquire about the status of SSN applications and update SSNs in appropriate circumstances, as expeditiously as possible.

6. Supervisors should also recieve copies of these monthly reports and use them to follow up with case managers to ensure that case managers are updating SSNs when they become available.

Eligibility Process Review: Address Verification

I.   Overview

Proof of a Massachusetts address is fundamental to TAFDC eligibility. To maintain eligibility, recipients must recertify their Massachusetts address every month, and update the Department within ten calendar days of any address change.[26]

Recipients verify their addresses by submitting documents related to home rental or ownership. They can also submit other documentation, such as voter registration forms, utility company bills, or records from the postal service. The Department provides recipients with a standard Landlord Verification Form to facilitate the landlord's certification of the recipient's address as well as the amount of rent paid. Recipients who do not own or rent a residence can submit a Shared Housing Verification Form, in which a third-party residential host certifies that the recipient is staying at a particular address with the host. Homeless recipients verify their address by a variety of alternative means, including collateral contact with someone who can verify that the recipient lives in the area covered by the TAO, or a written statement indicating the same.[27]

II.   Reported Concerns

In its 2013 Report, the Office observed that recipients typically verified their addresses through either the Landlord Verification Form or Shared Housing Verification Form. The Office raised concerns that the forms did not include a sworn certification that the recipient had to sign under the penalties of perjury, and also that the Department generally did not independently verify information on the forms by contacting a landlord or host.

Additionally, the Office found a small percentage of cases (1.6% of its sample size) that contained inadequate or no proof of a Massachusetts address. Several of those files contained short, handwritten notes from people with whom the recipients purportedly lived. The notes did not provide the recipient's address or details about the living arrangement. The Office found a number of case files that contained only one address verification, despite the requirement that TAFDC recipients recertify their addresses once every thirty days.

III. The Department's Eligibility Process Changes

In response to the Office's 2013 Report, the Department made changes to its address verification practices.[28] The Department revised both the Landlord Verification Form and the Shared Housing Verification Form to include attestation clauses requiring the signor (typically the landlord or

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[26] See 106 CMR 203.650 (address verification); 106 CMR 701.420 (updates and recertification).

[27] See 106 CMR 203.650(B) (documents accepted for verification); 106 CMR 203.650(B)(2) (other forms of address verification).

[28] The Office also recommended that the Department reinitiate its former practice of verifying a recipient's address through random home visits. The Department responded that the practice was discontinued approximately eighteen years ago due to lack of staff and training resources, and there are no plans to reinitiate it.

host) to certify the information under the penalties of perjury. Following the Office's recommendation, the Department set up a data-match with the Registry of Motor Vehicles (RMV) and integrated the data so that case managers can review it directly on BEACON. Since July 2013, case managers have been able to review RMV address data for reference as they evaluate a recipient's address. The Department issued a directive that case managers may use RMV data to verify residency within the Commonwealth, but must not rely on RMV data to verify a recipient's specific address.[29] This approach is based on two presumptions: (1) not all recipients will appear in the RMV database; and (2) recipients are more mindful about updating their addresses with the Department than with the RMV because a current address is a condition of their continued eligibility for benefits.

IV.   Data Analysis

The Bureau requested and examined all address updates the Department received in open, active TAFDC cases between July 29, 2013 (the date when the RMV data match program was implemented) and October 1, 2013. In total, the Department received 4,100 address updates during this time period. The Bureau's goal was to identify the most prevalent sources of address verification for this set of address updates, and to determine whether there was any way to measure the extent to which RMV address data contributed to the address verification process.

The Bureau found that the most common sources for address verification are: (1) signed statements from a landlord, including the Landlord Verification Form; (2) documents that are evidence of rent, mortgage or utility payments; and (3) the Shared Housing Verification Form. The following is a breakdown of the primary sources that case managers used to verify 4,100 addresses (including new recipients' addresses and address changes) between July 29, 2013 and October 1, 2013:

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[29] See "Department of Transitional Assistance Operations Memo 2013-40," July 26, 2013, p. 3 ("Note: [The RMV] data *must not* be used to verify the client's mailing or residential addresses.") (emphasis in original).

Sources of Address Verification
(July 29 - Oct. 31, 2013)

Category	Percent
Landlord Verification Form	45%
"Other"	20%
Rent/Mortgage Payment, Utility, or other Identity Documents	16%
Shared Housing Verification Form	10%
Postal Service Records	5%
Lease	4%

Prepared by: The Office of the Inspector General
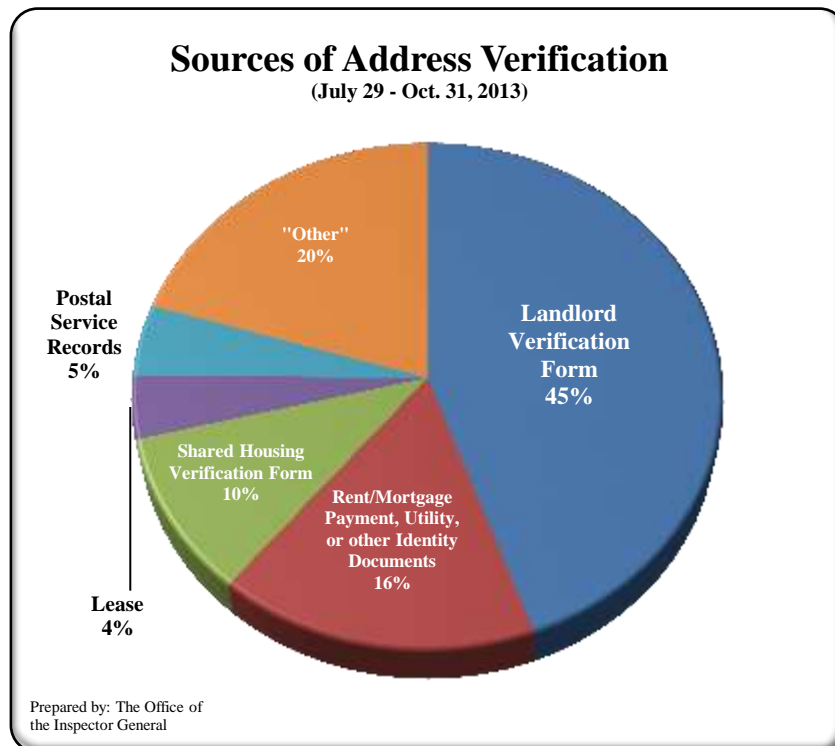
Landlord Verification Forms were used to verify the recipient's address in 1,825 cases (44.51%); documents used to verify rent, mortgage payments, utility or identity were used to verify the recipient's address in 676 cases (16.49%); and Shared Housing Verification Forms were used to verify the recipient's address in 417 cases (10.17%). In the chart above, the "other" category (20%) represents a combination of several smaller sources of address verification that were used only on a handful of occasions.[30]

While the Bureau was able determine the source of address verification by analyzing BEACON data, the Bureau was unable to use BEACON data to measure the impact of RMV-provided address data on the address verification process. RMV data is not a primary source of address verification and thus cannot be used as a basis for verifying an address. However, in the physical case file review, as described in the next section, the Bureau identified case examples in which case managers had access to RMV data to help verify addresses.

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[30] The types of documents used less frequently for verification are: (1) shelter placement documents; (2) records from a church or religious institution; and (3) documents that a case manager found "reasonably establish the applicant's residence." Also included in this "other" category are cases in which the case manager used alternate methods of verifying an applicant's address, including direct contact with a third party who can verify where the applicant lives.

V.   Approach to Case File Review

The Bureau used the same address updates between July 31, 2013 and October 1, 2013 to identify cases for its physical case file review. The Bureau narrowed the population to exclude cases with homeless recipients (identified by a field in BEACON) because the address verification process for this population is necessarily different. The Bureau then randomly selected twenty open and active cases from the five chosen TAOs – Brockton, Chelsea, Dudley Square, Newmarket Square and Worcester. During the case file review, members of the Bureau studied verification documentation regarding the recipient's address, as well as case managers' notes and other data available in the BEACON record.

VI.   Results of Case File Review

The Bureau found overall compliance with the Department's address verification documentation requirements. All twenty files the Bureau reviewed included sufficient documentation to verify the recipient's address. Several contained multiple documents and exceeded Department standards for primary sources of address verification.

In the physical files, the Bureau found several 2013 updated Landlord Verification Forms and Shared Housing Verification Forms as evidence that case managers are using the new versions, as opposed to the earlier versions of the forms. The 2013 forms comply with current regulations and appear to tighten recipient accountability. Current regulations require only a signed statement by the recipient, not a sworn statement.[31] The new forms do not, however, eliminate the concerns raised in the Office's 2013 Report. In each new 2013 form, a third party provides and certifies information, but the recipient certification does not indicate that he or she is adopting the third party's statements or swearing that those statements are true. See Appendix C for copies of these 2013 forms.

The Bureau's case file review also revealed that, in accordance with the Department's directive, case managers use the RMV information as an initial point of reference, or to corroborate alternatively provided address information, but not as a definitive source of verification.[32] The Bureau found six cases which illustrated that the Department's directive prohibiting case managers from using the RMV information as the sole source of address verification is well-informed, and also that case managers are complying with it. In these cases, the RMV address information for the recipient was different from the address that the recipient provided at intake or recertification, and the case files included sufficient documentation to demonstrate the case manager's reason for verifying the address provided by the recipient.

The case file review illustrated that case managers rely on a variety of address verification documents, such as utility bills, school forms and housing authority letters (letters stating that a recipient is a tenant in public housing). In general, there was more than one type of address

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[31] See 106 CMR 203.650 (B)(1)(a) and (B)(2)(b). In contrast, the regulations regarding citizenship verification require "a statement certifying under penalty of perjury to the truth of the information contained in the application of the citizenship status of each member in the assistance unit." 106 CMR 203.665.

[32] See "Department of Transitional Assistance Operations Memo 2013-40," July 26, 2013, p. 3.

verification in each file. In one file, for example, the primary source of address verification was a Shared Housing Verification Form, and the case manager used the recipient's driver's license and city records for corroboration (confirming that the third party who signed the form owned the home where the recipient lived).

To meet the ten-day deadline for notifying the Department of address changes, recipients generally submitted documentation related to a rental arrangement, such as a lease or a letter from a landlord. In several files, the landlord was a local housing authority, so the letters were standard and reliable. For address changes between recertification dates, the verification documentation was more limited, but still met the general standards for address verification found in 106 CMR 203.650.

VII.   Summary

The results of the Bureau's review indicated overall compliance with Department policies and procedures for verifying recipients' addresses. Nevertheless, the Department can improve the verification of addresses through revisions to standard forms and regulations. The Bureau concluded that the current approach to using RMV data as a tool for assessing the recipient-provided address – rather than as a primary source of verification – is appropriate. It is also consistent with a practical view that, to comply with eligibility requirements, TAFDC recipients may be more likely to keep the Department apprised of address updates than the RMV.

VIII.   Recommendations

1. The Department should edit the Landlord Verification Form and the Shared Housing Verification Form to require that the recipient adopt and certify the truth of third-party statements and housing details. On February 13, 2014, the Department issued revised versions of these forms to staff along with a related Operations Memo. The Bureau has not had an opportunity to evaluate these revised forms and their impact on eligibility processing. The revised forms and memo can be found in Appendix D.

2. The Department should revise its corresponding regulations to require that recipients provide sworn certifications on address verification forms. Current regulations for address verification require a signed statement, but not a statement signed under the penalties of perjury.

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Eligibility Process Review: Motor Vehicle Asset Verification

I.   Overview

TAFDC recipients are required to disclose their financial assets at the time of application, including any motor vehicles that they own. To be eligible for TAFDC benefits, recipients may not own assets collectively valued at over $2,500. In addition to motor vehicles, other countable assets include cash, bank deposits, retirement accounts, pensions, securities, life insurance policies, real estate and a variety of other lump-sum incomes.[33]

The determination whether a particular vehicle will be included in a recipient's countable assets calculation is based on both its fair market and equity values. Pursuant to the relevant regulations, when determining eligibility, case managers exclude the first $10,000 of the fair market value of one vehicle owned by the filing unit, or the first $5,000 of equity value of the same vehicle, whichever is greater. 106 CMR 204.120(G)(1). However, case managers must include any fair market value in excess of $10,000 or any equity value in excess of $5,000. Id. Additionally, if recipients own more than one vehicle, the exclusions only apply to the vehicle that has the greater fair market value, provided that the vehicle is primarily used for transportation purposes. Id. Any additional vehicles are counted fully as assets. Both the fair market and equity values must be verified at application, eligibility review and whenever recipients acquire a vehicle. Id. at (G)(2).

II.   Reported Concerns

In its 2013 Report, the Office reviewed 381 cases and identified 136 in which recipients appeared to own motor vehicles that they had not disclosed to the Department. Through subsequent examination, including a review of supporting documentation provided by the Department, the Office was able to resolve concerns about 115 of those cases, leaving 21, or 5.5% of the sample size unresolved. In the unresolved cases, the recipients failed to disclose the motor vehicles as financial assets, but all of the unreported vehicles fell below the regulatory value threshold and therefore would not have affected the eligibility determination.[34] Nevertheless, in light of the evidence that some recipients' failure to disclose vehicle assets went undetected, the Office recommended exploring the feasibility of obtaining motor vehicle information from the Registry of Motor Vehicles (RMV).

III.   The Department's Eligibility Process Changes

In response to the Office's 2013 Report, the Department greatly expanded case managers' access to RMV data on motor vehicle registrations. The Department modified BEACON so that it now imports RMV motor vehicle data for case managers to use during eligibility determination

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[33] See 106 CMR 204.120.

[34] The Department confirmed these calculations.

interviews. The Department anticipated that this increased access to RMV and vehicle registration data would enable case managers to scrutinize any potentially undisclosed vehicle assets owned by the recipient or any other members of the household.

The RMV match system automatically runs a data query for any vehicles registered to a recipient's address. BEACON then creates a list of vehicles and prompts the case manager to review that list. The case manager must review and process this list (the Department refers to this review and process as a "disposition") in order to continue the eligibility interview.[35] At the time of the Bureau's case file review, because the RMV data match provided information on all of the vehicles registered to the recipient's address, BEACON displayed information on vehicles that were not registered in the recipient's name. The RMV data match also included all vehicles listed at the recipient's address regardless of the status of the vehicle's registration (*e.g.*, active, inactive, expired or canceled). However, BEACON did not display the registration status to the case manager. The display did include a field to display the registration expiration date, but due to a systems glitch, it was blank for every vehicle. Thus, at the time of the Bureau's review, the RMV data match was a new source of information that listed a broad array of vehicles for each recipient, and the Department relied on case managers to determine whether any or all of the vehicles should be considered assets for purposes of eligibility processing.

The Department's procedures at the time of the Bureau's case file review instructed case managers to either import data (*e.g.*, year, make and model) into BEACON for vehicles on the RMV list or "ignore" the data.[36] The Department instructed case managers to enter a disposition of "ignore vehicle data" in three circumstances: (1) when the recipient no longer owns a vehicle on the RMV list; (2) when the vehicle already appears in the recipient's BEACON record; and (3) when the recipient is only requesting SNAP benefits, which do not involve the same vehicle asset eligibility standards as TAFDC benefits.[37] The Department provided no instructions on how to determine whether a recipient owns a vehicle.

The Department mandated that staff initiate a program integrity referral under the following circumstances: (1) if there was information from the RMV match suggesting that a client made an intentional misstatement to receive a benefit from the Department, or (2) if the information

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[35] See "Department of Transitional Assistance Operations Memo 2013-40," July 26, 2013, p. 3, 5 ("This page will be set to 'Requires Reedit' when vehicle information is known to RMV and the match has not been dispositioned."); ("A hard edit has also been added to the Interview Wrapup page that prevents a case manager from wrapping up a case record if RMV data has not been dispositioned."). See also "Department of Transitional Assistance RMV Data Matches in BEACON Job Aid," November 2013, p. 7 ("The Vehicles page will have a pencil icon next to it *if the RMV has a record of the client owning a vehicle*. You must process the RMV information to get rid of the pencil icon.") (emphasis in original).

[36] Because of its reliability, the Department classifies vehicle information from the RMV as verified upon receipt. See n. 35, infra. BEACON stores current and historical data on recipients' vehicles and determines eligibility based on the fair market value of currently owned vehicles.

[37] "Department of Transitional Assistance RMV Data Matches in BEACON Job Aid," November 2013, p. 11.

from the RMV match was inconsistent with or contradictory to the information the client presented, without reasonable explanation.[38]

IV.   Data Analysis

The Bureau obtained vehicle asset data from the Department in order to analyze the impact of RMV data on the verification of a recipient's assets during the eligibility process. First, the Bureau sought to determine how many open, active TAFDC recipients in the role of grantee had data records on the RMV database. The Department reported that as of October 1, 2013, BEACON had imported RMV records, including photographs, license information and vehicle information, for 29,845 TAFDC grantees. Based on the TAFDC population on October 1, 2013, the Bureau estimated that at least 65.10% of TAFDC grantees have RMV records.[39]

The Bureau also attempted to estimate the impact of RMV vehicle data on the eligibility process by examining data related to the number of times case managers proactively accessed the RMV data match. According to BEACON data, from July 29, 2013 to October 1, 2013, case managers made 5,391 inquiries of the RMV vehicle data. Of these inquiries, case managers recorded 745 vehicle dispositions in BEACON. Of the recorded dispositions, 426 were "ignore vehicle data." There was no BEACON data related to the specific reason for "ignoring" a vehicle. In the other 319 dispositions, the case manager added the vehicle to the recipient's BEACON record, calculated a value for the vehicle and included it in the eligibility determination. There were 4,646 inquiries of the RMV vehicle data that resulted in no disposition. This number includes inquiries where no RMV information was found (3,520), inquiries that were merely a quick check of the data rather than a disposition (781), and cases where there was no change noted in BEACON vehicle data after the case manager accessed the RMV data (345).[40]

V.   Approach to Case File Review

After analyzing the data the Department provided, the Bureau decided to focus its file review on cases in which the case manager entered a disposition of "ignore vehicle data" in BEACON, as defined above in Section III.

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[38] "If the information the client is reporting is inconsistent with the data provided by the RMV, the client must be given the opportunity to give a reasonable explanation for what is reported on the match but beyond his or her control." "Department of Transitional Assistance Operations Memo 2013-40," July 26, 2013, p. 5.

[39] The Department imports RMV data according to a rigorous five-point validation system that matches first name, last name, gender, date of birth and Social Security number. This validation system ensures that the Department imports only valid and reliable data, so it is possible that more TAFDC grantees have RMV data records which did not meet the Department's strict validation standards.

[40] From the data, it appears that BEACON only requires a "disposition" of the data in the RMV match if a BEACON prompt leads the case manager to the RMV vehicle list. If the case managers navigate to vehicle data without a prompt, BEACON permits them to leave the match without dispositioning the data. Additionally, the total number of inquiries of the RMV data match does not align with the actual number of unique inquiries because the Department reported that case managers make duplicate inquiries for the same case, each of which is counted separately. The Department also reported that when the RMV match was implemented in July 2013, case managers created an unusually high number of duplicate and misplaced inquiries as they experimented with the match.

The Bureau randomly selected twenty open and active TAFDC cases from the five chosen TAOs. As with the case file review for Social Security numbers and address verifications, members of the Bureau examined documents in the physical case files as well as any other relevant information available in the recipients' BEACON records.

VI.   Results of Case File Review

The Bureau's case file review illustrated that the vehicle data from the RMV match provides valuable information and verification. Case managers used the information as a starting point for reviewing vehicle assets instead of relying on recipients' voluntary disclosures. However, the case managers navigate through the motor vehicle asset verification process and use "ignore vehicle data" in a variety of ways. To address this, the Department should provide directives and forms to help case managers approach this process consistently and effectively.

In the sample of cases that the Bureau examined, the Bureau identified five cases in which it was clear that case managers followed Department directives for processing vehicle assets and demonstrated best practices for recordkeeping. In these cases, the case managers verified current ownership of each vehicle, recorded vehicle information, researched the fair market value and then recorded that value in BEACON.[41] In addition, these case managers printed the Kelley Blue Book valuation information and placed the printout in the file to explain their fair market value determinations.

Based on the other fifteen case files that the Bureau reviewed, the Bureau identified issues with the display of vehicle information on BEACON as well as some inefficiencies in eligibility processing. The list of RMV vehicles for each recipient does not include clear language about a vehicle's registration status (*e.g.*, whether it is inactive or canceled). Initially, during the Bureau's review, the list did not provide the expiration date for the vehicle registration. Later, the Bureau discovered that there was a glitch in the data match that left the expiration date field in every vehicle record blank. After the Bureau notified the Department of the glitch, it corrected the function, but from late July 2013 until early December 2013, case managers had no information about vehicle registration statuses. As a result, it was not immediately apparent to the case manager which vehicles were relevant to the eligibility determination.

Additionally, at the time of the Bureau's review, there were no Department directives on the methods that case managers should use to verify vehicle ownership as they sort through potential vehicle assets on the RMV list. As a result, the Bureau found evidence that case managers attempted to clarify the registration and ownership status of a vehicle using a variety of approaches. Some case managers requested an abstract (*i.e.*, a print-out of the "Registration Scroll") from the RMV mainframe database to obtain more explicit information about the status of each vehicle's registration. Before the RMV data match in July 2013, the RMV mainframe database was the only source of RMV vehicle data for case managers. Case managers consulted

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[41] See "Department of Transitional Assistance Training Unit, TAFDC Nonfinancial Eligibility Requirements (August 2012)," p. 38-41. According to 106 CMR 204.120, the case manager is required to record data for each vehicle and then sort through each vehicle's fair market value.

the mainframe database to research vehicle data on a case-by-case basis. The Department now considers the mainframe to be obsolete, so only a limited number of staff still has access to it, and case managers who want a "Registration Scroll" might not be able to retrieve one in real time during an eligibility interview.

Instead of using the RMV "Registration Scroll," some case managers requested that recipients provide documentation to verify vehicle assets (*i.e.*, to prove that they no longer owned the identified vehicles). Some documents that Department case managers accepted lacked sufficient indicia of reliability. For example, two case files in which the RMV data showed vehicles with inactive registrations contained simple handwritten notes from the recipients disclaiming ownership of those vehicles. The vehicles in both of these cases were of low value, and both had inactive registrations. Although the Bureau found no evidence that the recipients in either of these two cases would have been ineligible for benefits due to ownership of the vehicles, the informal handwritten notes were unreliable verifications.

The Bureau also identified issues with the Department's approach to recording the vehicle disposition process on BEACON. The case file review revealed that case managers selected the "ignore vehicle data" disposition option under a variety of divergent circumstances, some of which were not covered by existing Department policy. In addition, BEACON does not contain a field or function for recording the case managers' specific reasons for "ignoring" a vehicle. Drawing reasonable inferences from the circumstances and documentation, the Bureau identified files in which case managers selected the disposition of "ignore vehicle data" in the following situations, outside the parameters of Department policy: (1) when the RMV had no record of vehicle registrations associated with the recipient; (2) when the recipient disclaimed ownership but produced no verification; and (3) when the case manager estimated that the vehicle's value was below the countable asset limit for eligibility determination purposes. The Bureau also found two case files with no explanation for the disposition, and several with unclear explanations. In one file, for example, the case manager wrote and then crossed out notes about a vehicle on an application form, and then entered "ignore vehicle data" on BEACON.[42]

The vehicles in the cases identified here all fell below the fair market and equity value thresholds and therefore would not have ultimately affected the recipients' eligibility. Nevertheless, it is important that the Department establish clear eligibility processing records.

VII.   Summary

1. The Bureau found no evidence that case managers missed or overlooked vehicles that would have affected recipients' eligibility for benefits, but identified concerns with the procedures and the display and collection of data for vehicle assets.

2. The Bureau also found that RMV data on motor vehicles provides a valuable starting point for the motor vehicle asset verification process. There is RMV data for

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[42] The Bureau also checked RMV records independently in order to investigate whether case managers included all vehicles known to the RMV in their eligibility reviews. The Bureau focused on those cases where it was unclear what vehicles, if any, were returned on the RMV match. After checking the RMV records independently, the Bureau did not uncover any additional vehicles that were not included in the recipient's BEACON files.

approximately 65% of TAFDC grantees. Also, when recipients have registered vehicles, BEACON provides a list to guide the case manager through the vehicle asset verification process.

3. In the case file review, the Bureau found that some case managers exhibited notable practices for processing and determining ownership (and non-ownership) of a vehicle, entering data on established vehicle assets in BEACON and documenting the valuation process in the physical case file.

4. In general, the Bureau concluded that case managers approach the vehicle ownership verification process inconsistently. Some case managers consult the RMV "Registration Scroll" even though the Department now considers it to be obsolete. Others accept handwritten notes from the recipient disclaiming ownership. Despite these divergent practices, the Department does not provide specific policy guidance on this issue.

5. Additionally, the Bureau concluded that case managers approach data entry related to vehicle assets inconsistently. In particular, case managers use the disposition of "ignore vehicle data" on BEACON in a variety of ways – both authorized and unauthorized – and the result is an imprecise eligibility processing record.

VIII. Recommendations

The Bureau offers the following recommendations to improve eligibility processing:

1. The Bureau recommends that the Department clarify policy and training materials related to processing motor vehicle assets. In particular:

   a. The Department should issue clear directives regarding situations when a recipient disclaims ownership of a vehicle on the RMV list. The Department should clarify which documents may be accepted to verify non-ownership.

   b. The Department should create a form to confirm and certify non-ownership of a vehicle when RMV data identifies that vehicle as having an inactive, expired or canceled registration. The form should require a sworn certification of the circumstances related to non-ownership, including details of the termination or transfer of title (*e.g.*, sale, donation, repossession, or other reason). This form should be used only for those vehicles where the recipient disclaims ownership and the vehicle's fair market or equity value falls below the relevant thresholds (and thus would not be counted against the recipient for eligibility purposes).

2. In addition, the Department should pursue systems enhancements to facilitate efficient processing and precise recordkeeping related to motor vehicle assets. In particular:

   a. The BEACON screen showing the list of vehicles from the RMV data should describe the registration status for each vehicle (*e.g.*, active, inactive, expired or canceled).

b. When a case manager "ignores" a vehicle from the RMV match for a recipient, BEACON should require the case manager to record a specific explanation for that decision, including a reference to the documentation the case manager relied upon to reach his or her decision.

Note: On February 13, 2014 and February 19, 2014, the Department issued two Operations Memos to its staff related to vehicle asset processing. The Bureau has not had an opportunity to evaluate these memos and their impact on vehicle asset processing. These memos can be found in Appendix E and Appendix F.

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Program Integrity Process Review

I.   Introduction

Within the Bureau's enabling statute, the Legislature issued a broad mandate to "coordinate with the program integrity division under the Department of Transitional Assistance." G.L. c. 6A, § 16V(d)(v). In Section 184 of the Acts of 2013, the Legislature charged the Bureau with the responsibility for examining the organizational structure of the Department to determine if it is "effective for ensuring that only those persons who are eligible receive benefits," and reporting "whether the [D]epartment would benefit from additional investigators to work with case [managers] to identify cases of waste or abuse." In response to the Legislature's mandate, the Bureau conducted a study of the Department's approach to program integrity.

In this section of the report, the Bureau presents the following:

- An overview of the Department's program integrity referral processing;

- An explanation and analysis of the processes for identifying and investigating Intentional Program Violations;

- A broad data analysis; and

- Results from a review of a sample of program integrity cases in which the Department found program violations.

Ultimately, the Bureau identified concerns about the Department's failure to coordinate existing resources and respond to evidence of potential fraud in a timely fashion. The Bureau determined that instead of hiring additional investigators, improvements in management, oversight and system capacity would improve the Department's approach to program integrity. Accordingly, the Bureau offers specific recommendations in the areas of program administration, systems enhancements, data mining and analysis and interagency collaboration.

II.   Background

A.   The Department's Program Integrity Division

Generally, for federal and state benefits programs, functions related to program integrity include a wide range of processes and activities to ensure compliance with existing regulations and to prevent fraud, waste and abuse. The Department established the Program Integrity Division (the Division) in 2008 in order to coordinate its program integrity processes and activities.

Within the Division, the Fraud Investigations and Data Matching (FIDM) Unit is responsible for processing all program integrity referrals.[43] This process includes sorting, screening,

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[43] As of the Department's February 2014 organizational restructure, the Division also encompasses a Program Assessment Unit, a Data Collection and Analysis Unit, and a Retailer Outreach and Education Unit. The Program

investigating and preparing for an administrative hearing. Department staff obtain information about overpayments and potential fraud from a variety of sources, including interviews with recipients and hotline tips.[44] Within the FIDM Unit, the Fraud and Overpayment Referral Screening (FORS) Unit does the initial screening of each referral, a Screening Unit provides more detailed screening and administrative support, and the Administrative Disqualification Unit (ADU) investigates allegations and pursues program violations, if warranted.

If, after an investigation, there is reason to believe a recipient committed a program violation, the case is scheduled for an administrative hearing. The Department's Division of Hearings (DOH) is responsible for administrative hearings. It operates independently from the Program Integrity Division and its Director reports to the Chief Operating Officer. At the hearing, a hearing officer determines whether a recipient intentionally violated a benefits program and sets the amount of overpayment.

Fundamental to the program integrity referral process, the Recoveries, Reimbursements and Reporting (RRR) Unit calculates and processes overpayments based on both agency and recipient errors. The Director of this Unit reports to the Department's Chief Financial Officer. The most common method of overpayment collection is recoupment through deductions from a current or future benefit allotment. 106 CMR 706.290. For recipients who are no longer receiving benefits, the recovery options include direct billing, lottery intercepts, state tax intercepts and judicially enforced payments. 106 CMR 706.280.

Most often, information about overpayments and potential fraud comes from data matching. Data matching is comparing different sets of personal data for a specific purpose. As discussed in the Eligibility Process Review section of this report, the Department uses data matching with the federal Social Security Administration (SSA) and the Massachusetts Registry of Motor Vehicles (RMV) for eligibility determinations and verifications. In addition to those data matches, the Department uses other data matches to identify assets and income from employment or other sources.[45]

B.   Program Integrity Referrals

Program integrity referrals involve a variety of factual circumstances. While some involve misrepresentations or withheld information, others result from recipient or Department errors. Overpayments occur when the Department provides benefits to ineligible recipients or miscalculates the amount of benefits to eligible recipients. 106 CMR 706.200. When Department staff members identify circumstances that could indicate fraudulent activity or erroneous benefits payments, or both, they are required to send program integrity referrals to the Program Integrity Division. The Division screens and assigns these referrals for further investigation. In some circumstances, after its investigation, the Division can elect to pursue an intentional program

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Assessment Unit includes a Quality Control section as well as the Local Office of Quality Control (LOQC), referenced in greater detail in the Management and Operations Section of this Report. See Appendix G.

[44] The Division operates a Fraud Hotline (1-800-FRAUDXX), whereby members of the public can report allegations of fraudulent activity and other misuse of public benefits.

[45] See Data Match Chart in Appendix H for a list and description of the Department's current data matches.

violation, sanctions and an order for recovery of overpayments. According to 106 CMR 706.300, an intentional program violation is:

> "any action by an individual for the purpose of establishing or maintaining eligibility or for increasing or preventing a reduction in the amount of the grant which is intentionally:
>
> > (A) A false or misleading statement(s) or misrepresentation, either orally or in writing, concealment or withholding of facts from the Department; or
> >
> > (B) Any act(s) intended to mislead, misrepresent, conceal or withhold facts or to propound a falsity."

In the alternative, the Division may determine that the recipient did not intentionally commit the program violation and resolve a program integrity referral with an Unintentional Program Violation, explained in greater detail below. The Division can also choose not to pursue the referral at all, in which case the referral is closed.

The Division also sends certain referrals to the Bureau of Special Investigations (BSI) within the Office of the State Auditor for further investigation.[46] 106 CMR 706.210. BSI is authorized to investigate all overpayments involving possible fraud, and has access to all relevant Department records and files. 106 CMR 706.230. Based on the evidence and the circumstances of the case, BSI identifies which program integrity referrals are appropriate for criminal prosecution and coordinates with the appropriate law enforcement agencies.[47]

III.   Reported Concerns

The Office's 2013 Report included several recommendations related to the Program Integrity Division. Specifically, the Office suggested that the Department: (1) review its procedures for referring cases to the Program Integrity Division; (2) employ an adequate number of investigators to conduct front-end fraud and abuse detection during the eligibility determination process; (3) pursue data matching with other state and law enforcement agencies; and (4) establish standard procedures to share information about potential program violations with state and federal oversight agencies.[48]

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[46] In accordance with its legislative mandate, the Bureau focused on internal processes at the Department, not BSI processes. Nevertheless, BSI assisted with this report by providing context and background on its approach to program integrity referrals. See Office of the State Auditor, Bureau of Special Investigations Annual Reports for details on criminal prosecutions for benefits fraud. Annual Reports are located on the State Auditor's website at http://www.mass.gov/auditor/reports/bureau-of-special-investigation-reports/ (last visited Feb. 6, 2014).

[47] Chapter 18, Section 5B, of the General Laws provides that if a recipient "knowingly makes a false representation . . . or knowingly fails to disclose any material fact affecting eligibility or level of benefits to the [Department] . . . for the purpose of procuring payment under any assistance program administered by the [D]epartment," there may be grounds for criminal prosecution. A recipient who is convicted under this statute can be sentenced to prison for up to one year and/or fined between $200 and $500.

[48] The Office's 2013 Report, p. 40-41.

IV. The Department's Program Integrity Process Changes

In its response to the Office's 2013 Report, the Department asserted that it was "committed to continually strengthening program integrity and insuring that the right people get the right resources in a timely fashion."[49] At that time, according to the Department, the Program Integrity Division's focus was on "automating program integrity functions and strengthening eligibility processes on the front-end," and its initiatives were "aimed at automating the data matching process to receive real time, front-end information, increase accuracy and efficiency and minimize client hardship."[50] "Front-end" refers to the early stages of eligibility processing, and the Department announced plans to provide case managers with access to all data that could affect eligibility or indicate potential fraud at the earliest opportunity. The Department also highlighted new data matches (such as the Death Match Master File from the U.S. Department of Commerce), enhancements to existing matches with Department of Children and Families and PARIS (the Public Assistance Reporting Information System) and other planned initiatives.[51]

In a report released in September 2013, the Executive Office of Health and Human Services (EOHHS) announced that the Department had implemented a number of new "front-end detection" mechanisms and enhanced its data matches.[52] These included new matches with the Registry of Motor Vehicles (RMV) and the Department of Correction (DOC) and an expanded match with the Department of Revenue (DOR). The Department also negotiated an agreement with Equifax to provide case managers with direct access to The Work Number, which provides employment information nationwide.[53]

In 2013 and early 2014, the Department enhanced BEACON to support the automation of program integrity referrals. In February 2013, the Department automated and simplified the process by which a case manager sends a program integrity referral from BEACON to the Division. In July 2013, with a grant from the Office of the State Comptroller, the Department automated the overpayment calculation process and eliminated a time-consuming manual process that was causing backlogs. In February 2014, the Department created a recordkeeping and tracking system for administrative hearings related to alleged program violations.

For several months, the Department has been designing a more comprehensive systems enhancement referred to as the Program Integrity Checklist (the Checklist). The Checklist is

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[49] Id. at Appendix D.

[50] Id.

[51] The Department of Commerce Death Match provides data on recently deceased individuals nationwide. PARIS is a nationwide database operated by the Administration for Children and Families in the federal Department of Health and Human Services. The PARIS Interstate Match confirms whether any Department recipients are receiving public assistance in another state. The PARIS Federal Veterans Match alerts the Department to any recipients that are receiving federal Veterans benefits. See Appendix H for a chart with details and descriptions of the Department's data matches.

[52] See Appendix A for a full copy of the report.

[53] Equifax is one of the three largest consumer credit reporting agencies in the United States. One of the commercial databases that it maintains is called The Work Number. The Work Number provides the Department with real time access to employment and wage information for recipients whose employers provide that information to Equifax.

actually a BEACON process for integrating and displaying data-match information for case managers to use during benefits applications and eligibility reviews. Currently, case managers must access data-match information by navigating through a number of BEACON screens. The proposed Checklist is intended to increase efficiency and mandate timely data processing and evaluation. The data-match information that will be accessible through the Checklist is from RMV, DOR (including employment, wage, bank and child support data), PARIS and The Work Number, among other sources. The Department's project plan indicates that the Checklist will be implemented over several months through June of 2014.

In 2013, the Department hired its first Director of Data Collection and Analysis, and has been in the process of hiring an additional data analyst for several months. The Department reported that it plans to assess its current data reports to eliminate those that are obsolete and to identify additional data reports related to program administration and program integrity initiatives.

The Department increased investigator staffing in 2013 as well. In the Fraud Investigations and Data Matching Unit (FIDM), the Department added four new investigators in March of 2013 to work on preparing alleged program violation cases for administrative hearings. By December 2013, the Department added ten more investigators to perform a variety of functions, including data analysis and specific project assignments. According to the Department, several of these newly-hired investigators will be assigned to local TAOs, where they will work on program integrity projects and also assist TAO staff on program integrity issues.

V. Approach

The Bureau's primary mandate is to ensure that EOHHS agencies administer their respective benefits programs properly, and that they identify and respond to changes in eligibility and potentially fraudulent activity at the earliest opportunity. Based on the statutory parameters and available resources, the Bureau outlined the following scope for this review:

- Describe the identification and investigation of program integrity referrals within the Department;

- Provide a broad data analysis related to program integrity referrals processes and results;

- Review a small group of representative, strategically selected case files;

- Identify areas of concern and areas ripe for improvement; and

- Make recommendations to enhance current processes and introduce additional resources.

The Bureau also set necessary limitations. Based on the statutory mandate, the Bureau focused on whether the Department has effective procedures for determining and reevaluating eligibility for benefits, as opposed to benefits use (or misuse). This report focuses on the identification and processing of intentional program violations, not unintentional violations and overpayment errors. Although a case file review was not in the statutory mandate, the Bureau determined that a review of a small, representative sample of cases would provide important insight into the

Department's program integrity referral processes. For the file review, the Bureau focused exclusively on cases referred for intentional program violations. The Bureau determined that this scope would best facilitate a response to the Legislature within the prescribed timeframe.

To better understand the Division and its program integrity referrals processes, the Bureau interviewed Division staff from a variety of administrative levels. The Division provided the Bureau with ongoing access to managers, staff, program resources (including policy and training materials) and systems enhancement plans. The Division provided demonstrations of BEACON processes as well as its internal DOS-based recordkeeping system used to monitor pending investigations. In addition, the Bureau met with field operations managers and TAO staff to discuss their efforts to detect fraud during eligibility determinations and initiate program integrity referrals when necessary.

To conduct its data analysis, the Bureau requested data from specific queries related to program integrity referrals in 2012 and 2013. The Bureau analyzed the data and developed specific inquiries based on its contextual understanding of these referrals as well as input gained from Division staff. The Division's data analyst reviewed all of the results of the Bureau's queries and analyses, and confirmed the results of both.

For the review of case files, the Bureau focused on TAFDC cases in which the Department's investigation revealed an intentional program violation. (Because of overlapping eligibility, all of these cases also involved SNAP benefits.) The Division provided data on all Administrative Disqualification Hearing (ADH) decisions issued for all benefits programs from May 2012 to September 2013. Out of a total of 705 ADH decisions, 46 involved recipients with a combination of TAFDC and SNAP benefits in 2013. From the list of 46, the Bureau identified 24 cases from a range of referral sources, such as external data matches, case managers, BSI and hotline calls.

VI.   Program Integrity Referral Process

A.   Initiating Referrals

In a February 2013 Operations Memo, the Department directed its staff to initiate a program integrity referral (internally called a "fraud/overpayment referral") when:

- information is presented that suggests an applicant or client has made an intentional misstatement to receive a benefit from the Department;

- a client has received an overpayment that was not caused by either Department error or the continuation of payments pending a fair hearing;

- a case involves inconsistent or contradictory information concerning current eligibility that cannot be resolved through collateral contact or other additional verifications; or

- information from a computer match or another outside source indicates that an overpayment may have been made.[54]

Some Fraud Investigation and Data Matching (FIDM) Unit staff are specially assigned to review data-match lists and regularly initiate program integrity referrals. Case managers are also responsible for reviewing data-match information related to the cases assigned to them. For case managers, there is a BEACON screen that displays data-match information for each assistance unit. If there is information from a data match about employment, income or assets, case managers and supervisors must navigate to the screen and consider the information before approving initial eligibility or recertification. In addition, case managers can view consolidated data-match information for all of their cases in a list called the "Match View" on BEACON. Department supervisors and managers have access to each case manager's BEACON profile to oversee whether case managers initiate program integrity referrals timely and according to Department directives. As discussed below, the Bureau's case file review raised concerns about whether supervisors and managers consistently engage in such oversight and take appropriate action when case managers fall behind on reviewing data-match information for their cases.

To initiate a program integrity referral, Department staff create an "AR (Accounts Receivable) record" in BEACON, which serves as the investigation record for the referral. As mentioned above, in February 2013, the Department installed a new referral "check-box" into a frequently used screen on BEACON and created functionality to pre-populate certain recipient data in the referral. This "point and click" functionality made the referral process more convenient and straightforward. When staff initiate the referral, BEACON prompts them to enter information about the source of the alleged program violation and to explain reasons for the referral in a comments field. The referral is then transmitted to the Fraud and Overpayment Referral Screening (FORS) Unit for initial screening.

B. Sorting and Screening Referrals

The FORS Unit screening is a manual screening process assigned to a single employee who reviews each new referral individually and determines the appropriate next step.[55] The FORS Unit is also responsible for responding to the Fraud Hotline phone calls.

In the initial screening process, the screener confirms that the Department staff member (generally a case manager) who initiated the referral provided all of the necessary information. If information is missing, the FORS Unit rejects the referral and sends it back to the staff member for additional information.[56] According to the FORS Unit, there was an unusually high number of

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[54] See "Department of Transitional Assistance Operations Memo 2013-18," February 13, 2013, p. 3. See also 106 CMR 706.220.

[55] This is an enormous volume of daily work for one staff member because the unit receives, on average, approximately 100 referrals a day. In addition to recordkeeping in BEACON, the screener is responsible for recordkeeping in a DOS-based system which captures more detailed information about past and current referrals. See additional discussion in the Management and Operations Analysis Section, below.

[56] The FORS Unit sends referrals to the staff member's "rejected referral" mailbox in BEACON. The staff member is then expected to review and re-submit the referral with complete information.

rejected referrals in 2013 as Department staff adjusted to the new BEACON referral functionality. Many staff members transmitted referrals with incomplete information.

If the information in the referral is complete, the initial screener determines the appropriate next step for the case based on its particular facts and circumstances. The screener may assign the referral to the Division's Screening Unit in order to obtain additional information (such as verification and other documents from outside sources) to complete the referral. Alternatively, she may send the referral to the Division's Administrative Disqualification Unit (ADU) for immediate investigation as a potential intentional program violation.

Finally, the FORS screener may elect to transfer a referral to BSI. According to the FORS Unit, the following types of referrals require BSI investigation: hotline referrals, allegations that a noncustodial parent is living in the home, allegations that the recipient is working "under the table" and case manager suspicions that the recipient is living above his or her means. The FORS Unit may also send referrals to BSI that require field work and interviews, and referrals that appear likely to result in a criminal prosecution.

For referrals transferred to the Screening Unit, staff perform additional administrative work to evaluate the referral for a 30 to 60 day period. The Screening Unit sends document requests to external sources to confirm the details – generally, dates and amount – of the alleged fraud or overpayment. Based on the details of the overpayment, the recipient's reporting requirements, and the recipient's specific conduct (*e.g.*, failing to report or making false statements, etc.), Screening Unit staff recommend one of the following:

- *Do Not Pursue (DNP)***:** a determination that there is insufficient evidence to support a program violation. If the Division accepts this recommendation it closes the referral.

- *Agency Error (AE)***:** a determination that a Department – not recipient – error caused the overpayment.

- *Unintentional Program Violation (UPV)***:** a determination by the Program Integrity Division or the Division of Hearings that there was a program violation, but there is either insufficient evidence to indicate that the violation was intentional, or there are extenuating or mitigating factors. There are no disqualification penalties, but the Department still calculates overpayments for UPVs and pursues recovery.

- *Intentional Program Violation (IPV)***:** a referral to the Division of Hearings for an administrative disqualification hearing to determine whether the recipient intentionally acted or made a false or misleading statement or misrepresentation for the purpose of establishing eligibility or preventing a reduction in his or her grant.[57]

In addition to these options, the Screening Unit, like the FORS screener, can recommend sending the referral to BSI for additional investigation or to consider a criminal prosecution. For each

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[57] See 106 CMR 706.300.

referral, the FORS Unit supervisor reviews and approves the Screening Unit's recommendations.[58]

C.   Investigations and Administrative Disqualification Hearings

If the Screening Unit determines that there is "reason to believe an IPV was committed," the Unit transfers the case to an ADU investigator who prepares the case for an Administrative Disqualification Hearing (hearing). 106 CMR 706.315. Investigators review the facts and circumstances of the alleged fraud and obtain documents and other evidence to present at the hearing. Investigators review the TAO case files and interview case managers and recipients. Before proceeding to a hearing, investigators assess the evidence once again to ensure that it is sufficient to support an IPV. Where there is insufficient evidence, investigators either recommend a UPV or close the referral with a DNP resolution. If the facts and circumstances of a referral change later, while a hearing is scheduled or under way, investigators can request a delay or break in the proceedings and make alternate recommendations for a UPV or DNP.

Of the Division's seven ADU investigators, three have over fifteen years of experience gathering and assessing evidence for IPV hearings. While the Department's rules recognize the ability of these investigators to correctly identify fraudulent activity, supervisors (generally, the Director or Deputy Director of Fraud Investigations) must approve all investigators' recommendations for resolving program integrity referrals.

The Department's Division of Hearings (DOH) conducts structured, administrative hearings in which the Department and recipients both have an opportunity to present evidence and question witnesses. Hearing officers apply a "preponderance of the evidence" standard to determine if the Program Integrity Division has presented sufficient proof of an IPV. 106 CMR 706.335. Hearing officers must provide written decisions citing the evidence and factual findings in support of the IPV, as well as the applicable regulations and penalties. 106 CMR 706.345.

The "preponderance of the evidence" standard is a lower standard than "proof beyond a reasonable doubt" in a criminal proceeding. For the evidence to be sufficient, a hearing officer must determine that the Department's allegations related to the program violation are more likely to be true than not. Moreover, while there are procedural rules for administrative hearings, they are less stringent than the rules governing criminal proceedings.

D.   Disqualification Penalties

When hearing officers find IPVs, they determine a specific overpayment amount and may order specific methods of recovery. According to 106 CMR 706.305, the penalties for IPV findings on TAFDC cases are as follows:

- *First IPV finding*: disqualification from benefits for 6 months

- *Second IPV finding*: disqualification from benefits for 12 months

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[58] The Division provided the Bureau with its FIDM Unit training materials, including a presentation entitled "Fraud and Overpayment Detection," which it currently uses for new hires and periodic TAO training.

- ***Third IPV finding*:** permanent disqualification from benefits

When the Department disqualifies an individual recipient due to an IPV finding, the other members of the assistance unit (generally dependent children) continue to receive benefits if they are eligible. However, the Department reviews the disqualified recipient's income and assets in order to verify the assistance unit's eligibility. Id.

E.   Recovery of Overpayments

The most common method of collecting an overpayment is deducting funds from a current benefit allotment. 106 CMR 706.290. For UPVs, the Department deducts 10% of the recipient's benefit amount or $10 each month, whichever is greater. For IPVs, the Department deducts 20% of the recipient's benefit amount or $20 each month, whichever is greater. For recipients who are no longer receiving benefits, the Recoveries, Reimbursements, and Reporting (RRR) Unit uses direct billing or voluntary wage assignment. In addition, the Department pursues recovery of overpayments through the Federal Treasury Offset program, a matching program through which the federal government deducts SNAP overpayments from other federal payments (for example, federal benefits programs through the Social Security Administration).

There is statutory authority for mandatory wage assignment, but the Department has not implemented it. The Department conducts wage assignment only on a voluntary basis, when a recipient arranges it with an employer. The relevant statute, G.L. c. 18, § 30, suggests that wage assignment should be mandatory and involuntary where a recipient – past or present – owes a balance on an overpayment. "Any judgment or order of court requiring repayment to the [D]epartment of financial assistance, any overpayment obligation established by the administrative hearing, and any voluntary agreement to repay such overpayment *shall include* an assignment to the [D]epartment of a portion of the obligor's salaries, wages, earnings, or other periodic income . . . ." G.L. c. 18, § 30 (emphasis added).

(For a visual representation of the program integrity referral process, please refer to the diagram on the next page.)

PROGRAM INTEGRITY REFERRAL PROCESS
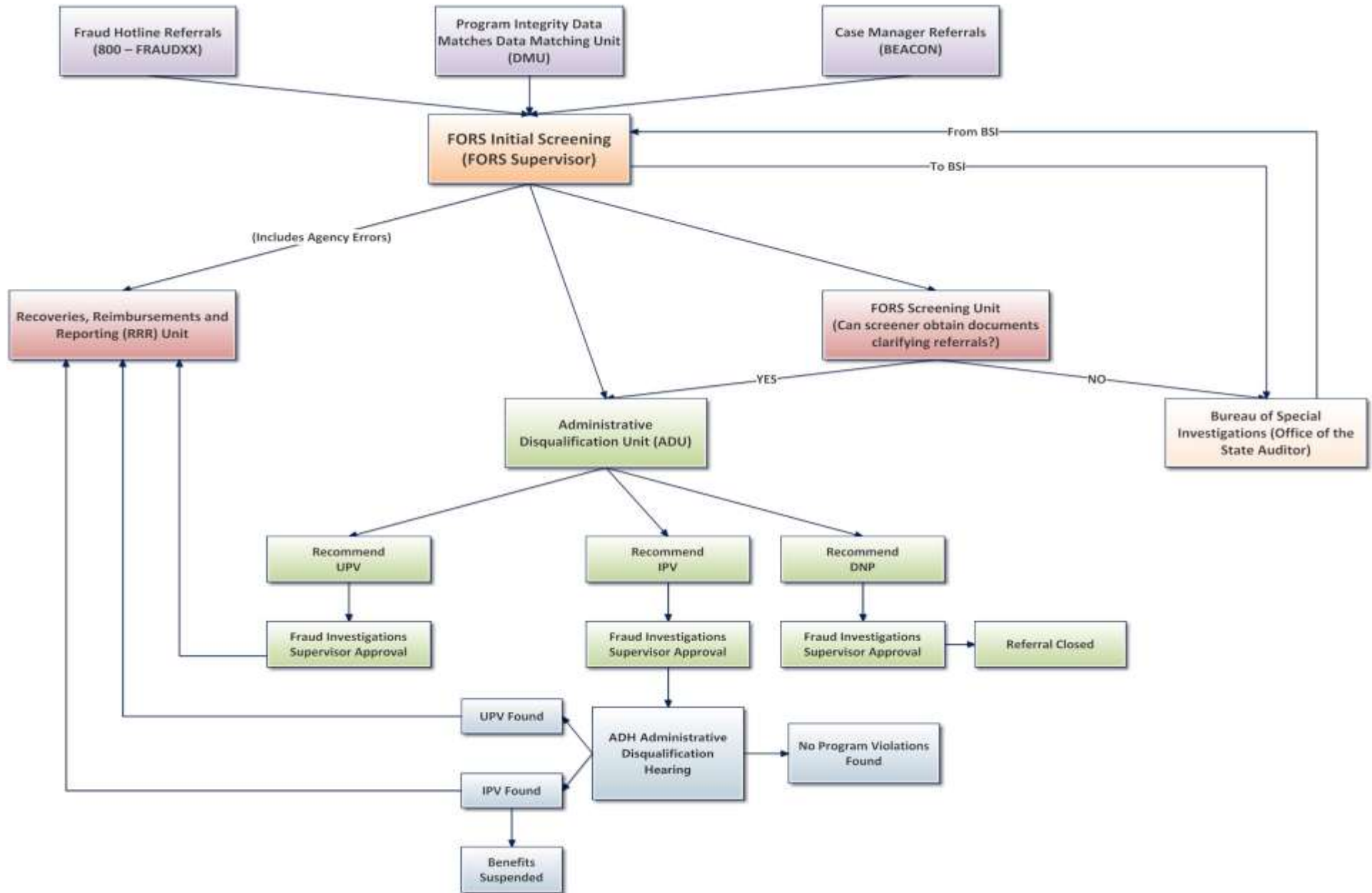
VII.   Data Analysis

A.   Data Requested

In order to understand the scope of the Division's work and to identify broad trends that might inform its recommendations, the Bureau requested data sets and specific data queries related to sources, procedural history and outcomes of 2012 and 2013 program integrity referrals. The scope of the data was a ten-month time period – January 1 to October 31 – for both 2012 and 2013.[59] In this section, the Bureau provides data to address the following areas of interest: (1) the number of program integrity referrals; (2) the number of program violations; (3) the number of recipients with multiple program violations; (4) the sources of program integrity referrals; and (5) the length of time the Department took to initiate program integrity referrals (*i.e.*, whether the Department responded to evidence of potential fraud or overpayment at the earliest possible opportunity).

B.   Program Integrity Referrals – Broad Analysis

The Bureau first examined the total population of referrals for TAFDC and SNAP recipient cases (or a combination thereof). The total number of referrals is the total number of instances in which a staff member initiated a program integrity referral, as described above in Section VI. It includes incomplete as well as duplicative referrals for the same recipient. Therefore, it does not reflect the actual number of referral screenings and investigations that the Division conducted. Nor does it represent the total amount of fraudulent activity among recipients. Instead, it reflects the number of times a Department staff member initiated a referral to raise a concern about either a potential program violation or an overpayment.

In 2012, there were 12,347 referrals and in 2013 there was a significant increase to 19,790. Referrals from the SNAP program increased 87%, while referrals from the TAFDC program decreased by 3%. From the data analysis itself, the Bureau could not draw any conclusions about the reasons for the dramatic increase in SNAP referrals or the slight decrease in TAFDC referrals. However, the Division attributed the increase in SNAP referrals to the new (and simplified) program integrity referral functionality on BEACON and some agency-wide data clean-up projects.

 (For reference, <u>see</u> the chart and table below and on the following page.)

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[59] At the time the Bureau requested 2013 data, only ten months of data were available. For comparison purposes, we requested data from the same time frame in 2012.

TOTAL PROGRAM INTEGRITY REFERRALS						
PROGRAM	1/1/2012-10/31/12		1/1/13-10/31/13		CHANGE	% CHANGE
SNAP	7,736	63%	14,431	73%	6,695	87%
TAFDC	1,203	10%	1,163	6%	-40	-3%
SNAP/TAFDC	2,387	19%	2,847	14%	460	19%
EAEDC & Other Programs	1,021	8%	1,349	7%	328	32%
Total	12,347	100%	19,790	100%	7,443	60%

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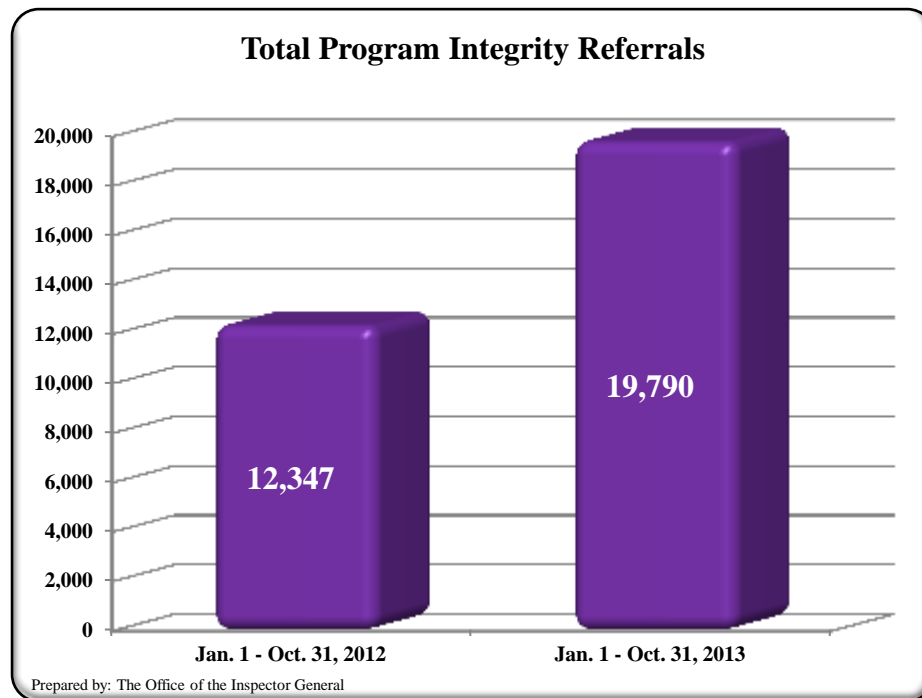
In examining the breakdown of referrals from within the Department, the Bureau found that Program Integrity staff initiated the largest number of referrals for both TAFDC and SNAP in 2013, accounting for over 40% of those referrals. Most of those were referrals from FIDM staff based on data-match results.

C.   Program Violations

As described above, the sorting and screening process within the Division is designed to identify cases which should be referred for an administrative hearing to determine whether a recipient committed an IPV. In the sorting and screening process, the Division eliminates incomplete referrals, duplicate referrals, referrals in which the evidence shows an unintentional program violation or a mistake, and referrals which the Division declines to pursue after reviewing the evidence. Whereas program integrity staff perform all of the aforementioned sorting, screening and investigation, the administrative hearing officers from the Division of Hearings make the ultimate decisions whether the evidence is sufficient to warrant an IPV finding.

From January 1 to October 31, 2013, there were 3,312 IPV findings. The underlying program integrity referrals for these IPV determinations in 2013 did not come exclusively from the group

of 19,790 program integrity referrals in 2013 that the Bureau reported above. These findings resulted from referrals and investigations that occurred over an extended period of time, including referrals from 2013 as well as 2012 and earlier. The length of time depends both on the type of case referral and the extent and duration of the investigation. (For reference, see the chart below.)

Program Integrity Referrals That Resulted in an IPV
(January 1 - October 31, 2013)

Other Programs 202

TAFDC
696

SNAP
2,414

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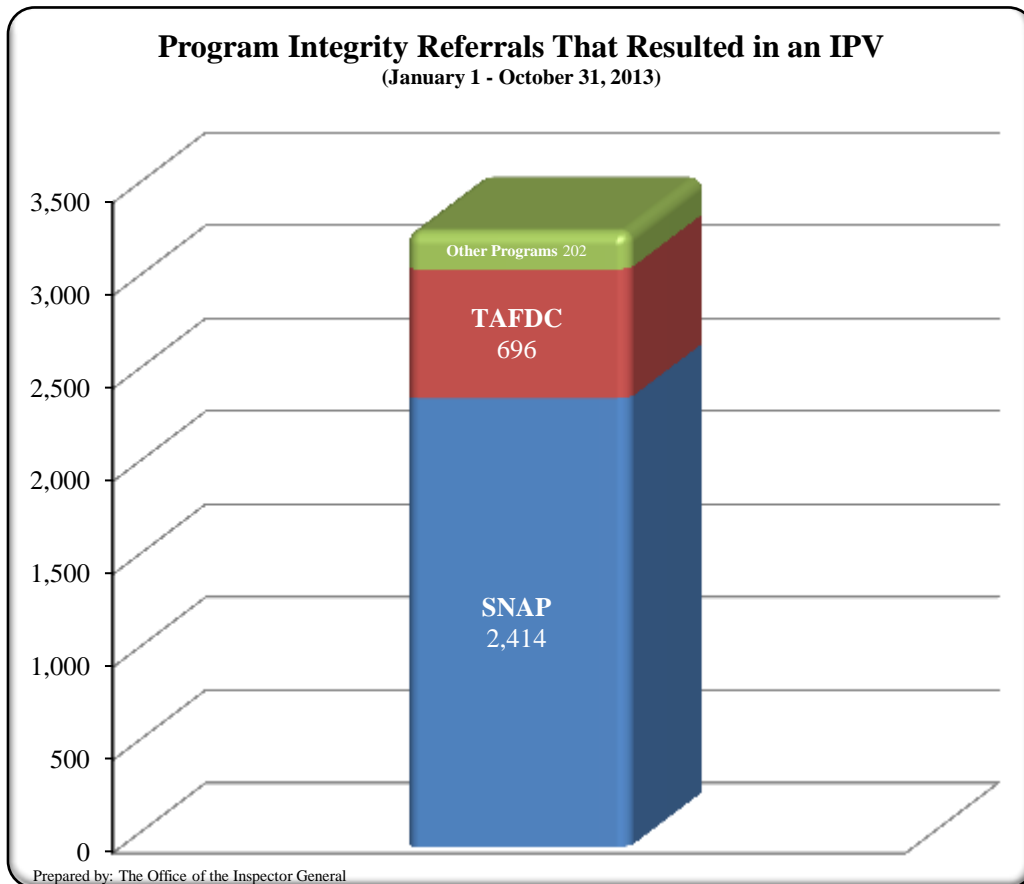
D. Multiple Program Violations

In order to determine whether recipients with program violations tend to reoffend, the Bureau requested data on recipients with one or more program violations. The Department's data revealed that the 2013 population of TAFDC recipients included a very low number of recipients with one or more program violation findings. For comparison, the Bureau also reviewed 2013 SNAP recipients with one or more program violation findings. (For reference, see the table below).

INTENTIONAL PROGRAM VIOLATIONS (Active Recipients from Jan.1 - Oct. 31, 2013)		
PROGRAM	**SNAP**	**TAFDC**
1st Lifetime IPV	2,265	673
2nd Lifetime IPV	67	10
3rd Lifetime IPV	5	1
Total	**2,337**	**684**

Prepared by: The Office of the Inspector General

Although the number of recipients with multiple program violations is low, the process of identifying and analyzing this data led to additional concerns. The Bureau's review of BEACON revealed that the information about a recipient's history of program violations is not easily accessible, and case managers must navigate through a number of different screens to discover whether an applicant or recipient has pending or past program violations. It is equally cumbersome to determine whether a recipient is the subject of past or pending program integrity referrals, regardless of their outcome. As the Bureau learned from demonstrations, during the initial screening process, the FORS screener must navigate through the same screens for each referral to find out if there is a history of program integrity referrals for a particular recipient. A recipient's track record for program violations and program integrity referrals is relevant to any subsequent eligibility determination process or subsequent program integrity referral, and therefore should be more readily accessible in BEACON.

E. Sources of Program Integrity Referrals

Case managers and program integrity staff who initiate program integrity referrals are required to identify the source of their concern about possible fraudulent activity in BEACON. In 2013, data matches were the sources of 69.39% of program integrity referrals. The Department's new procedures for replacement EBT cards also contributed to the increase in referrals.[60] (For reference, see the chart on the following page.)

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[60] The Department requires case managers to initiate program integrity referrals to the EBT Review Team (which administers replacement cards) if the circumstances around the request for replacement suggest possible fraudulent activity (*e.g.*, when a recipient requests a fourth or subsequent EBT card replacement within a twelve-month period). The EBT review team then has seven days to determine the outcome of the referral. See "Department of Transitional Assistance Operations Memo 2014-7," February 6, 2014, p. 10, 13.

Top New Sources of
Program Integrity Referrals
(Jan. 1 - Oct. 31, 2013)

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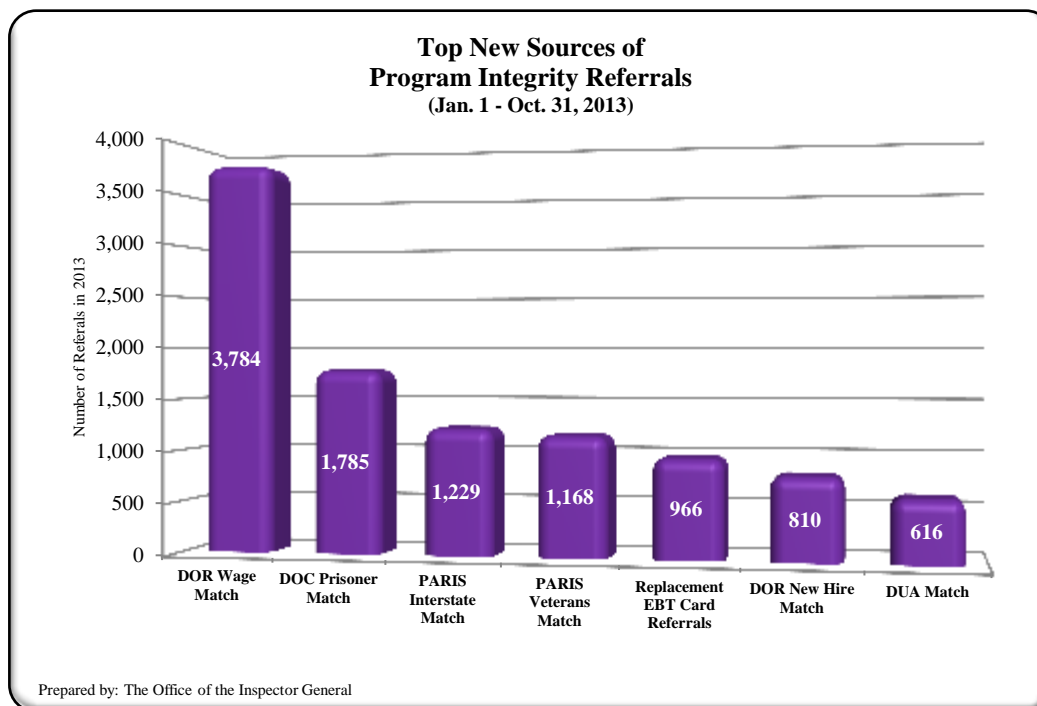
Of the Department's new 2013 data matches, the DOR Wage Match was the primary source for 3,784 referrals in 2013 while the DOR New Hire Match accounted for another 810 referrals.[61] (For reference, see the chart above.) Together, these two DOR matches and the two PARIS matches led to nearly 7,000 program integrity referrals in 2013.[62]

The Bureau also analyzed the outcomes (IPVs and UPVs) of program integrity referrals according to data-match source. This analysis revealed that in 2013, approximately 40% of the DOR Wage Matches and New Hire Matches resulted in IPV findings.[63] In other words, referrals that originated in the DOR Wage or DOR New Hire matches resulted in an IPV finding nearly 40% of the time. The two DOR data matches, the Wage Match and the New Hire Match, along with the Replacement EBT Card referrals, led to the highest number of IPV findings in 2013. For the remaining approximately 60% of these referrals, the Department exercised its discretion to either submit the referral for a UPV or to close the investigation.

In contrast, the PARIS Veterans Match exemplifies a data match that generally leads to a UPV. The PARIS Veterans Match is a quarterly match which provides information about recipients

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[61] The Department enhanced the DOR Wage Match in 2013 by expanding the types of earnings data included in the exchange and by providing eligibility staff with direct access to the match in BEACON. See Appendix H for a chart with details and descriptions of the Department's data matches.

[62] The PARIS Interstate Match and Veterans Match were newly created in 2013.

[63] As previously stated, the analysis was limited to the first ten months of 2013 (January 1 to October 31) because that was the data available at the time of the Bureau's queries.

who are also receiving federal Veterans benefits. The Department opted not to pursue 31% of these referrals, and almost all of the remaining referrals (68%) resulted in a UPV finding.[64]

F. Length of Time to Detect Program Integrity Issues

As part of its data analysis, the Bureau studied the length of time it took Department staff to identify and refer program integrity issues. The Bureau focused on two key dates that appear in the BEACON record for each program integrity referral: the date that the benefits overpayment began and the date that the Department became aware of it.[65]

According to the Bureau's analysis, in 2013 it took the Department an average of 239 days, or just short of eight months, to detect a program integrity issue in cases where the assistance unit received both TAFDC and SNAP benefits. The Bureau recognizes that there are a number of factors that contribute to the amount of time it takes to detect fraudulent activity after it occurs, and some of these factors are outside the Department's immediate control. For example, when the information about the program integrity issue comes from a data match, there is potential for some built-in delay depending on how often the data source sends data to the Department (*i.e.*, daily, monthly, quarterly, etc.). Nevertheless, the Bureau's case file review revealed that the Department's practices also contribute to delays in detecting and reporting fraud. As described below in relation to the case file review, the Bureau found evidence that Department staff do not always act on information from data matches or initiate program integrity referrals at the earliest possible opportunity.

VIII. Results of Case File Review

The Bureau reviewed the case files of 24 program integrity referrals for TAFDC cases. The Bureau chose the 24 referrals because they were initiated as the result of a wide variety of factual circumstances and referral sources, and because the Division pursued IPV findings for each of them in 2013. The Bureau conducted the review with the following goals in mind: (1) to survey the factual background, evidence and results of the hearing for each case; (2) to identify the original source of the program integrity referral; and (3) to identify areas of concern and areas with potential for improvement. As a result of the case file review, the Bureau concluded that the Department missed significant opportunities to identify fraudulent activity and mitigate the loss of public funds due to unnecessary overpayments. In several cases, the Bureau identified compelling evidence that the Department has failed to coordinate and maximize existing program integrity resources through appropriate oversight and management.

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[64] The Department has reported plans to collaborate with the Department of Veterans Services in an effort to eliminate overlapping benefits issues in the future.

[65] The Bureau used the date that the overpayments began (called the "Program Overpayments Start Date" in BEACON) as the date after which the Department could reasonably have been expected to detect the fraud or overpayment. The Bureau used the "Known to Department" date as the date on which the Department actually detected the fraud or overpayment. The Bureau calculated the difference between the "Known to Department" date and the "Program Overpayments Start Date" to determine the length of time it took the Department to discover the fraud or overpayment in each case. There are limitations on the accuracy of this data analysis because Department staff varied in their approach to calculating and entering these two dates into BEACON.

Administrative hearing officers found IPVs in 22 of the 24 cases that the Bureau reviewed. Of the two cases where hearing officers did not find an IPV, one involved mitigating circumstances that led the hearing officer to find a UPV. The other case involved conflicting testimony, and the hearing officer determined that there was insufficient evidence to find that there was a program violation.

Overall, the Division's case files were well-documented. The evidence gathered for hearings included eligibility determination documents from the TAO case file and other documents related to the particular facts of the program violation, including documents showing changes in income, assets and custody. Generally, the files reflected a range of investigative steps, and investigators explained their analysis of the facts with clear notes, even when the circumstances of a particular case revealed poor practices or errors by other Department staff.

In several cases, the Bureau found that case managers did not discover information that would have led to a program integrity referral during one or more redetermination interviews. In such cases, the Bureau could not determine whether case managers failed to conduct redetermination interviews, or conducted the interviews but did not discover the new information.

In some cases where there was data-match information that pointed to potential fraudulent activity (*i.e.*, unreported new employment, wages, or collection of unemployment benefits), the designated case manager did not initiate a program integrity referral until several months after receiving the match information. These cases revealed that the case manager received but failed to respond to multiple prompts about match data in the "Match View" on BEACON. This reflects poor case management as well as poor oversight because supervisors have a responsibility to review match data on a case-by-case basis when they approve initial applications and redeterminations. Supervisors also have the capacity to check the "Match Views" for each case manager under their supervision.

One case with a delayed program integrity referral exhibited numerous data matches showing that the recipient was employed while she was receiving TAFDC and SNAP benefits. In addition, the recipient had income from child support and unemployment compensation but failed to report either to the Department. For five months, the case manager failed to verify the information in the matches and also failed to make the program integrity referral so that the unreported income could be investigated.

Several cases that the Bureau reviewed involved overpayments due to the recipient's collection of unemployment compensation from the Department of Unemployment Assistance (DUA). The Department and DUA share a substantial portion of their recipient population and therefore applications for benefits often overlap. In fact, according to the Department's regulations, "[a]n applicant or recipient of TAFDC . . . who may be eligible to receive other benefits, such as Unemployment Compensation, . . . *must* apply for these benefits as a condition of eligibility. If such benefits are available at the time of application, the applicant must apply for them at that time." 106 CMR 702.700(A) (emphasis added). Case managers must "make any necessary referrals or arrangements for related services or benefits, and inquire about any other benefits which may have become available to the recipient." 106 CMR 702.230(C).

In one case the Bureau reviewed, the recipient applied and was approved for TAFDC and SNAP benefits. Less than a week after the Department's eligibility determination, the recipient began collecting $306 per week in unemployment compensation from DUA. The recipient never reported this income and the Department did not detect the DUA benefits until two months later when an unemployment compensation payment came to the Department through a data match. If the case manager had obtained the DUA benefits information shortly after approving benefits, the Department could have minimized the overpayment. Instead, the Department overpaid benefits, expended significant resources to pursue the overpayment through a lengthy IPV process, and delayed recoupment of the funds. This case illustrates the importance of "front-end" fraud detection, starting at intake and continuing throughout the benefits period.

Other cases highlight the Division's ongoing responsibility to explore new data sources and investigative tools. One case involved parents of the same dependent child who applied for benefits at different times and both claimed to have custody. The noncustodial parent obtained benefits first, even though a court order showed that the other parent had custody. If staff had direct access to research Probate and Family Court orders on the court database, the Department could have minimized or prevented at least part of this particular overpayment.

Finally, one case illustrated the need for additional resources to track recipients who move outside of Massachusetts, or collect cash benefits in another state, or both. The recipient in this case received benefits from two other states in addition to Massachusetts, but because of limitations of the PARIS Interstate match (which is a federal database, over which the Department has no control), the fraudulent activity was not detected for two months.[66]

IX.   Summary

1. The Department added to its staff a total of fourteen investigators, some of whom will be assigned to work locally at TAOs.

2. The Department's investigators assist with a variety of program integrity functions. Some investigators are assigned to review program integrity referrals to determine if there is sufficient evidence to support an IPV (Intentional Program Violation) finding and to prepare cases for administrative hearings.

3. At administrative hearings, Department hearing officers make program violation findings and impose penalties. The Department then pursues recoupment of overpayments.

4. Throughout 2013, following the Office's 2013 Report, the Department incorporated new data matches and enhanced existing program integrity data matches.

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[66] States contribute to the PARIS interstate database on a voluntary basis, and some do not contribute data on a regular weekly or monthly basis. Because the information in the PARIS interstate database is often outdated and incomplete, the Department does not consider it to be verified upon receipt. The Department is pursuing individual data matches with other states to obtain more timely and reliable data, and recently reached an agreement with New York to exchange such data.

5. Data analysis confirmed that the Department relies on data matches as a critical and objective source of information for program integrity referrals – particularly for changes in income.

6. Program integrity referral processing involves significant manual processing and should be automated. The Department has already automated certain phases of the process and is pursuing further automation, but gaps in automation remain. For example, although the process of initiating a program integrity referral is simple and partially automated, the screening and sorting of the referrals is an unnecessarily cumbersome duty performed by a single staff member. This approach creates an ongoing risk of backlog.

7. The Bureau's data analysis and case review both revealed significant concerns about delays in the Department's detection and reporting of program integrity issues. The data analysis revealed that, on average, staff did not identify and report program integrity referrals until approximately eight months after the program integrity issue arose. In other words, as the Bureau's case file review illustrated, there was evidence that Department staff did not identify and respond to data-match information especially related to changes in income, at the earliest possible opportunity.

8. The Bureau also found evidence in its case file review that Department supervisors failed in their oversight responsibilities and contributed to delays in program integrity referrals. Supervisors missed opportunities to identify changes in income as they approved ongoing benefits for recipients who were later found to have committed intentional program violations.

X.   Recommendations

A.   Strategic Management

1. The Department should facilitate collaboration between field operations staff and program integrity staff in an effort to maximize each division's resources. Field operations staff and program integrity staff should engage in cross-training and develop a new curriculum for training all staff on program integrity processes. The Department should implement plans for program integrity staff (in particular, newly-hired investigators) to provide assistance and offer program integrity resources onsite, as requested, at TAOs.

2. The Department should set clear and strict standards regarding staff responsibilities for reviewing and processing data-match information. The Department should communicate standards to all staff and monitor compliance. In particular, the Department should set standards to hold managers and supervisors responsible for reviewing data-match information during eligibility redetermination processes.

B.   Systems Enhancements for the Program Integrity Division

1. The Department should explore options for automating as many program integrity processes as possible, particularly the FORS initial and secondary screening processes. This should be a top priority for the Department and the Division as automation would greatly reduce present inefficiencies. The Department should also eliminate and replace the outdated DOS-based database for program integrity referrals. While this will be a lengthy transition, in the meantime, the lone staff member that is responsible for the FORS screening should train another individual with program integrity referral experience to function as that individual's backup should the need arise.

2. The Department should continue with plans to incorporate data-match programs into the eligibility process so that case managers and field staff have access to "real time" data while processing applications and redeterminations in order to prevent or reduce overpayments.

3. The Department should enhance BEACON to provide staff with immediate access to valuable information about recipients' pending program integrity referrals and their program violation histories.

4. The Department should pursue systems enhancements to implement the legislation related to mandatory wage assignment for recovery of overpayments.

C.   Data Resources

1. The Department should examine broad trends and referral patterns, such as delays in initiating program integrity referrals, in order to inform strategies for identifying and responding to potential program fraud at the earliest possible opportunity.

2. The Department should continue to develop strategies for using data to identify patterns of fraud and set priorities for investigations and staffing.

D.   Interagency Collaboration

1. In general, the Department should explore options for increasing the frequency with which it runs certain key data-match programs, particularly those with DOR and DUA.

2. The Department should collaborate with DUA and the Department of Veterans Affairs to address issues surrounding each respective agency's applications and eligibility determination processes as well as the potential for overlapping benefits.

3. The Department should continue to identify individual interstate matches in order to supplement the PARIS match and quickly detect recipients who apply for and receive benefits simultaneously in Massachusetts and other states.

4. The Department should explore options for acquiring access to the state's Probate and Family Court database in order to view custody and child support orders.

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Management and Operations Analysis

I.   Introduction

This section of the report addresses the mandate in Section 184 of Chapter 38 of the Acts of 2013 to review the Department's management and operations. In accordance with the statute, the Bureau considered "reports conducted by external consultants" and summarized recommendations from those reports. Section 184 of Chapter 38 of the Acts of 2013. Additionally, the Bureau offers "recommendations on a standardized filing system for case file organization to be implemented throughout all of the [D]epartment's offices." Id. Finally, the Bureau will "recommend whether the current organizational structure is effective for ensuring that only those persons who are eligible receive public benefits." Id.

In this section, the Bureau provides:

- A description of the organizational structure at the Department;

- A summary of previously identified concerns, with recommendations from external consultants;

- Observations and a preliminary analysis of the Department's current Electronic Document Management initiative; and

- Observations and analysis of the Department's approach to internal controls, based on standards set forth by the Office of the Comptroller.

Based on this review, the Bureau concluded that the Department made some valuable improvements to its organizational structure and accomplished some short-term goals in 2013. The Department must now focus on long-term strategic changes to its management and operations. Specifically, the Department must commit to adopting a streamlined and consistent approach to case management, implementing standard operating procedures and creating a comprehensive system of internal controls.

II.   The Department's Organizational Structure

The Department operates under the direction, supervision and control of a Commissioner appointed by the Secretary of Health and Human Services. G.L. c. 18, § 3. The Secretary appointed the current Commissioner in February 2013, originally on an interim basis. Under the Commissioner, there is one Deputy Commissioner. The senior management team works at the Department's headquarters, called the Central Office. In February 2014, the Department reorganized the Central Office management structure.[67] The 2014 organizational structure includes the newly created position of Chief Operating Officer, among others.

The Department is organized into seven functional areas:

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[67] See Appendix G, February 2014 Organizational Chart.

1. Field Operations Division:

   - Includes the regional TAOs and eligibility processing functions of the Department, as described in Section III of the Introduction.

   - Reports to the Deputy Commissioner.

2. The Program Integrity Division:

   - Includes several sub-units, as discussed in detail in Section II of the Program Integrity Process Review.

   - Reports to the Chief Operating Officer.

3. The Division of Hearings:

   - Also discussed in Section VI(C) of the Program Integrity Process Review.

   - Reports to the Chief Operating Officer.

4. Policy, Program and External Relations Division:

   - Develops policy and administers SNAP and cash assistance programs.

   - Reports to the Deputy Commissioner.

5. EOHHS (Executive Office of Health and Human Services) Management Information Systems Division:

   - Maintains and enhances BEACON and other database resources for the Department.

   - Reporting structure is governed by EOHHS.

6. Administration and Finance Division:

   - Coordinates with EOHHS Management Information Systems to transmit benefits to eligible recipients.

   - Reports to the Chief Operating Officer.

7. Legal Division:

   - Represents the Department in litigation and provides legal counsel for Department staff, projects and programs.

   - Reports to the Commissioner.

Although the Program Integrity and Field Operations Divisions collaborate on eligibility determinations and case management, they function within separate branches of the Department. The 2014 organizational structure also includes the newly created position of Director of Project Management, reporting to the Chief Operating Officer. The Director of Internal Controls, a position created earlier in 2013, reports to the Chief Operating Officer as well. More detailed descriptions of these roles and their significance within the Department follow below.

III.   Reported Concerns

A.   The Office's 2013 Report

The Office's 2013 Report included broad recommendations regarding management and operations. The Office recommended incorporating control systems into eligibility processing and implementing a standardized filing system, preferably paperless. Overall, the Office found that the Department's documentation policies were inadequate, and that the files were not organized to facilitate effective oversight or review.[68]

B.   External Consultants' Reports

Over recent years, two major consultant groups studied and analyzed the Department's management and business processes. Brief summaries of their findings and recommendations follow.

1.   Public Consulting Group Report

In June 2010, the Public Consulting Group (PCG) reviewed program administration and case management at the Department.[69] The purpose of the review was to assist the Department in streamlining operations and to facilitate more efficient and effective case management in the local TAOs. PCG's approach to the review included meetings, focus groups, senior management interviews, observations at TAOs and research on best practices in other states.

The report outlined several areas for improvement. In reviewing the Department's overall management and program administration, PCG found that the Department missed opportunities for evaluation by failing to collect and analyze data. PCG found that high-achieving TAOs held regular staff meetings and provided direct and effective supervisory support, but that these were not standard practices in all TAOs. In the Department's case files, PCG observed a variance in the amounts and types of documents used to verify eligibility. In addition, just as the Office discussed in its 2013 Report, there were no outlined protocols for document handling, file organization or file management.

PCG included two particularly pivotal recommendations in its report:

- Introduce policies and procedures for document and file management, and implement a central filing system; and

- Shift to the intake/ongoing model for case initiation and maintenance.

At the time of the PCG report in 2010, the Department operated exclusively under the caseload model. Under the caseload model, case managers take case assignments at intake on a rotating

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[68] See the Office's 2013 Report, p. 35-36.

[69] Public Consulting Group, "Massachusetts Department of Transitional Assistance: Business Process Specialization and Document Management," June 2010.

basis and maintain the case throughout its duration. Under the intake/ongoing model, staff are divided into two specialized units: intake processes and ongoing case management.[70] Intake staff assist recipients with verifications and determine eligibility, while ongoing staff manage the case after initial determination and through subsequent redetermination processes. Staff generally have input into which role they assume, and supervisors place staff into roles that fit their skill sets. The model is designed specifically for SNAP operations, but PCG suggested that it could be applied to at least certain types of TAFDC and EAEDC cases.[71]

PCG drew on studies of case management in other states to recommend that the Department adopt the intake/ongoing model. In addition, PCG reviewed "pilot" implementations of the intake/ongoing model at select TAOs and found them functioning well, with positive feedback from TAO staff.[72]

2.   Ernst & Young Report

In May 2013, Ernst & Young (EY) conducted an Operational Review of the Department. The focus of the review was on "internal controls and processes" and included the following functional areas: Program Integrity, Administration and Finance, and Field Operations and Governance.[73] Like PCG, EY took an approach that combined TAO observations and staff interviews. Unlike PCG, EY also studied Program Integrity Division processes and other Central Office functions, such as communication, policy development and staff resources.

EY reported a number of observations, each of which was identified as high, moderate or low priority.[74] EY categorized the following as high priority observations:

- The Department's current governance structure lacks the flexibility to align key programs, roles and responsibilities in a standardized fashion;

- The Department has not clearly explained roles and responsibilities within the Central Office;

- The Department has not promoted an understanding among staff of the strategic direction of the Department;

- There are inconsistencies in business processes and operations in the Central Office and at TAOs, and the Department does not have a consolidated set of standard operating procedures; and

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[70] See id. at 50.

[71] See id. at 33-34. In a 2011 report, the United States Department of Agriculture (USDA) encouraged all states to consider redesigning and re-engineering business processes according to the intake/ongoing model for SNAP cases because of its potential for improving efficiency and reducing processing time for eligibility determinations. USDA, "State's SNAP Business Process Re-engineering (BPR) Efforts," 2011.

[72] See id. at 11. Over a decade ago, the Department functioned under an early version of the intake/ongoing model, without sophisticated systems support, so some experienced staff members are familiar with it.

[73] Ernst & Young, "Review of Operations Report," May 2013, p. 5.

[74] See id. at 12-22 for a complete description of EY's observations and recommendations.

- There are critical vacancies in executive positions throughout the Central Office as well as staffing deficits at TAOs. The Department's succession planning is inadequate to address existing and expected leadership vacancies, given that 55% of its workforce was eligible for retirement as of EY's reporting period in May 2013.

Medium and low priority observations included the following:

- The Department has two different case management models in place in the TAOs – the caseload model and the intake/ongoing model;

- The Department's Operations Memos, which serve as the primary source for Department policy, are interpreted and implemented differently across the organization;

- The Department is not utilizing data reports for planning and business decisions; and

- The Department's current internal controls framework is not designed effectively to provide full support to the organization.

Through its report, EY recommended generally that the Department improve communication, improve processes to foster efficiency and consistency, develop standard operating procedures, address staffing needs and enhance internal controls. The report also made specific recommendations to implement Electronic Document Management, a digitized case file system described in detail below.

IV.   The Department's Management and Operations Changes

Throughout the past year, the Department has focused on responding to high-risk issues identified in the Office's 2013 Report and other recent audits. The Department made changes to its Central Office management structure and took initial steps to alter its approach to management processes.

As described above, the Department recently announced a new management structure at the Central Office. The Department created the position of Chief Operating Officer to oversee six senior managers. One of the senior managers is the Director of Internal Controls, the first senior manager to serve with that title. The Department also recently added an Internal Controls Data Analyst to assist the Director. In June 2013, the Department distributed to managers an Internal Controls Plan for fiscal year 2013. The Department also documented controls related to new EBT card procedures. A more detailed discussion of the internal controls and the Department's Internal Controls Plan follows below.

The Department developed resources for data collection and analysis. As discussed above in relation to the Bureau's program integrity process review, the Department hired a Director of Data Collection and Analysis and reported plans to hire a data analyst to assist the director. In addition, the Department convened a cross-functional project team to design a "data dashboard." A data dashboard is an interactive tool used to display data in an organized, readable format. The Department also has a project to make its Data Warehouse, the central repository for BEACON data, more accessible.

Within the Department's current approach to management processes, there are some new structures for project management. As previously noted, there is a new senior staff position for a Director of Project Management in the 2014 organizational chart. In October 2013, the Department distributed a project management protocol for initiatives that affect multiple business units and initiatives that include changes to policy, procedure, procurement and systems. In its protocol document, the Department provided a standard Project Plan with objectives, timeframes and milestones. The Department also outlined standards and timelines for communicating with agency stakeholders such as EOHHS and the Governor's Office.

V.   Observations and Analysis: Electronic Document Management

This section of the report focuses on the legislative mandate to offer recommendations on a standardized filing system for the Department. Section 184 of Chapter 38 of the Acts of 2013. The Bureau provides observations and an analysis of Electronic Document Management (EDM), the Department's current project intended to digitize and index documents for new electronic case files. The Bureau also provides a preview of the Department's long-term plan for Business Process Redesign, which includes a new model for case management. Overall, the Bureau concludes that the first stages of EDM implementation were well-planned, but the next stage will be more complex, and the Department must make critical organization-wide changes in order to function properly with EDM.

Starting in April 2013, the Department and EOHHS committed resources to implementing EDM. In doing so, the Department responded to recommendations made both by the Office as well as by external consultants to modernize file management and create standard operating procedures for recordkeeping. The EDM implementation process was already under way when the Legislature mandated that the Bureau make recommendations on a standardized filing system for case files. The Bureau analyzed the implementation process and offers the following observations and analysis.

A.   Electronic Document Management

The Department summarized the intended purpose of EDM in a 2013 internal memo as follows: "EDM will automate the flow of paper within the Department. The goal is to increase the efficiency of [Department] operations by digitally copying (scanning) all documentation that recipients must provide to obtain and retain benefits."[75] When the initiative is complete, the Department intends to rely on digital documents for case records by setting up processes for scanning documents as the Department receives them.

Document scanning will occur at a central scanning center, called the Electronic Document Management Center (EDMC) in Taunton, Massachusetts. Documents received by mail, fax and hand-delivery will not be filed in case folders at TAOs; instead, documents will be sent to the EDMC for scanning. After scanning, the documents will be shredded, unless they are original copies of official records, like birth certificates. The digital documents will be stored in a database and indexed by recipient and form type. The database, called myWorkspace, will send

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[75] "Department of Transitional Assistance Operations Memo 2013-61," December 12, 2013, p. 1.

"tasks" to Department staff to notify them when a document submitted for their review has been scanned at the EDMC. The myWorkspace software includes data reporting and oversight and review functionality, so Department managers and supervisors will be able to monitor quality control and ensure that case managers review documents in a timely manner.

The plan for scanning documents is entirely prospective; at least for now, there is no plan to scan existing case files or closed files. As a result, the Department will be functioning in a transitional period with case records split between electronic and physical files. Case managers will need to review documents in myWorkspace and in physical files as they move through eligibility processing, and the Department will need to monitor these processes closely. Over time, as documents used for verification are scanned into the case record, recipients will not be required to re-submit the same document during subsequent eligibility determination processes. For example, once a grantee submits a child's birth certificate, case managers will be able to retrieve it from the digital case record and use it for redetermination or a subsequent application for benefits.

The EDM project is a group effort that includes the Department, EOHHS and PCG, as an external project management consultant. MassHealth has used the EDMC to scan documents for approximately fifteen years, and added the myWorkspace software to its processes in recent years. EOHHS and PCG are working jointly to adapt myWorkspace to Department needs.

In late 2013 and early 2014, Department staff received training on myWorkspace. The Department conducted the training in partnership with PCG and organized the training by functional group. The Department plans to provide ongoing "coaching" to managers as staff become more familiar with myWorkspace and the volume of scanned documents grows.

The Department is using a phased approach to EDM implementation. For the first phase – called Release 1 – the planning started in May 2013, and implementation began on January 31, 2014. Release 1 included only postal mail sent to the Department at a new post office box in Taunton, which will be used as a central depository for documents to be scanned at the EDMC. The Department distributed pre-paid, self-addressed envelopes to this post office box and posted the address on the Department's website. The Department also notified recipients and advocates that they should send all case-related mail to the new post office box. As of the writing of this report, only a small volume of documents have been processed according to new Release 1 protocols.

Release 2 will expand imaging to other documents, including faxed documents and documents hand-delivered to TAOs. The planning for Release 2 is under way, and implementation is slated for April 2014.

B.   Analysis of EDM

For four months prior to this report, the Bureau observed the Department's EDM planning and the Release 1 implementation. Bureau staff attended weekly EDM workgroup meetings and listened to conference calls with TAO staff designated as communication liaisons (called "Champions of Change") and other TAO staff designated to provide technical support on issues with myWorkspace ("Champions of Train"). The EDM workgroup provided the Bureau with access to myWorkspace training materials, and a Bureau staff member attended a training

session with TAO staff. The EDMC provided a tour of the facility and a demonstration of the scanning process. Bureau staff visited TAOs before and after Release 1 to identify any immediate risks or issues with the Release 1 implementation.

Based on these initial observations, the Bureau found no immediate concerns related to the EDM Release 1 implementation. Since Release 1 implementation was limited in scope and only involved processing of postal mail received as of January 31, 2014, it is too early to engage in a full evaluation. As a result, the Bureau will limit its analysis to a general discussion of effective practices and concerns.

The Release 1 implementation effort involved a variety of internal and external resources. To support EDM and the broader efforts to modernize case management processes, the Department designated a Director of Business Process Redesign and created three new positions to bring expertise in operations management, systems troubleshooting and data collection and analysis. EOHHS also dedicated project management leadership and technical staff to expand and adapt the EDM infrastructure previously implemented at MassHealth. EOHHS contracted with PCG to provide management consultation and systems enhancement support for the Department's EDM implementation. PCG coordinated the project management workgroup, which includes all of the aforementioned EDM resources, along with Department representatives from the Field Operations and Policy, Programs and External Relations Divisions.

The Department's Director of Internal Controls has not yet been involved in the EDM project, but the Department has designated internal project managers to monitor the project based on data collection, analysis and other tracking methods. At each workgroup meeting, PCG documents risks, issues and resolutions. In addition, the project team used the Champions of Change and the Champions of Train to gather and convey concerns from TAO staff and bring technical assistance back to them.

The Bureau identified a concern that MassHealth's operational model is markedly different from the Department's operational model, so the implementation of EDM will need to contemplate the Department's unique structure, mission and service delivery. TAOs are the hubs of case management for the Department and case managers at TAOs need immediate and ongoing access to documents for eligibility processing. Even though MassHealth engages in eligibility processing, it does not provide the same level of case management at regional offices as the Department, so the protocols for sending documents from TAOs for immediate turnaround scanning have not been tested. The Department's forms are entirely different from those of MassHealth, so the protocols for indexing documents have not been tested either. Moving forward, the project team and the Department will need to significantly expand quality control efforts to ensure that the protocols are effective.

Additionally, the Department will need to shed inconsistent business practices at TAOs within a short period of time. As the consultants' reports discussed, the Department has a long-standing track record of operating without standard business procedures for all TAOs. For example, TAOs approach internal file transfers, such as transfers from SNAP to TAFDC staff (and vice versa) based on different rules. To facilitate transmission of document "tasks" to the appropriate staff member, the Department provided the EDMC with a single set of rules for case assignment and transfer, and the Department must instruct TAOs to observe the same rules. In addition, some

TAOs created forms without approval from the Central Office. In order to design the document index in myWorkspace, the Department reviewed and modified a significant number of forms, and provided EOHHS and PCG with a central list of documents. Now that the Department has committed to a uniform set of documents, the Department must prohibit "home-grown" forms in TAOs. As the Department continues with modernization efforts, the Department will need to make similar (and more complex) decisions to streamline operations and commit to uniformity in all aspects of eligibility processing.

As discussed above, EDM has the potential to benefit the Department and its business processes by eliminating both paper files and the need for recipients to provide the same verification documents on multiple occasions. EDM promotes efficient use of resources by providing immediate access to key eligibility documentation, but the transition to EDM will involve splitting case files into electronic and paper components and could bring confusion and inefficiencies.

C.   Business Process Redesign

After EDM is fully implemented, the Department will transition into broader Business Process Redesign (BPR) which involves identifying, analyzing and redesigning business processes in order to improve efficiency, quality of service, accuracy and timeliness.[76]

According to the Department, BPR planning and implementation will continue through September 2014. As of this report, the Department reported plans to implement the intake/ongoing model, as recommended by external consultants and the USDA, throughout the TAOs. However, the Department is still refining specifics for the scope and application of the model, specifically whether it will apply only to SNAP cases or to cash assistance cases as well. For functional support, the Department has indicated that it will continue to partner with EOHHS to expand the use of "tasks" in the myWorkspace software. According to the current plan, "tasks" from myWorkspace will streamline the eligibility determination process by prompting staff to complete verification steps based on documents received and eligibility deadlines. Here, too, the Bureau has identified concerns about the challenges of transforming long-standing, disparate business practices at TAOS within a short period of time. The changes are long overdue, but the implementation will be complex, and the Department will need to coordinate all of its leadership, policy, operations and training resources effectively.

VI.   Observations and Analysis: Internal Controls

In this section of the report, the Bureau focuses on the legislative mandate to review the management and operations of the Department and recommend whether they support eligibility processing and fraud identification. As part of its review, the Bureau will explain the concept of internal controls, describe the standards for internal controls that apply to Commonwealth agencies and analyze the Department's current approach to internal controls. The Bureau chose to focus specifically on internal controls as they influence all areas of management and operations, and therefore serve as an instructive point of reference for a broader analysis. The

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[76] See USDA report, supra.

Department has started working towards creating a framework for internal controls, but must build a much more functional infrastructure based on detailed and comprehensive controls.

A.   Introduction to Internal Controls

Internal controls are management and oversight processes designed to promote effective operations, consistent business practices, efficient use of resources and compliance with applicable laws and regulations. A framework of internal controls provides an essential infrastructure for an organization to achieve its goals and fulfill its mission. There is a common misconception that internal controls requirements apply only to accounting and audit functions. The concept of internal controls is much broader, and involves basic concepts of strategic planning and oversight.[77]

In Chapter 647 of the Acts of 1989, the Legislature set forth several minimum requirements for internal controls at state agencies. Pursuant to the statute, state agencies must design and structure systems of internal controls according to guidance issued by the Office of the Comptroller. Each agency must identify a senior manager to ensure compliance with this legislation, to oversee internal controls systems and to evaluate and address ongoing internal controls concerns. Additionally, each agency must document its procedures related to internal controls. This documentation must include the following: "(1) internal control procedures; (2) internal control accountability systems; and (3) identification of the operating cycles." Id.

In accordance with the statute, the Office of the Comptroller promulgated a guidebook called "Internal Control Guide" (hereinafter, "Comptroller's Guide"), which provides explicit and detailed instructions on how to implement controls into the management and operations of Commonwealth agencies.[78] The Comptroller's Guide states that every employee of a state agency must be responsible for developing, implementing and monitoring internal controls. As the Comptroller's Guide points out, for managers, this is a core function and not an extraneous obligation.[79]

B.   Analysis

To guide this analysis, the Bureau used the Comptroller's Guide as an objective foundation. By statute, the Comptroller's Guide is immediately applicable to the Department's management and operations. The Comptroller's Guide provides several key components for internal controls: organizational culture; setting objectives; risk identification; risk assessment; risk response; control activities; information and communication; and monitoring. These components are

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[77] See Office of the Comptroller, "Internal Control Guide," September 13, 2007, p. 5-7. Throughout its guide, the Office of the Comptroller relies on and incorporates standards set by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). COSO is a national, private sector organization dedicated to improving the quality of financial reporting.

[78] Statutory authority for the Comptroller's Guide can be found in G.L. c. 7A, § 9A. "The comptroller shall review, revise and publish internal control guidelines mandated by chapter six hundred and forty-seven of the acts of nineteen hundred and eighty-nine."

[79] See id. at 25-30.

interdependent and must function cohesively within the overall framework in order to be effective. In this section, the Bureau provides a brief description of these components and an analysis of the Department's current practices with examples to illustrate observations and recommendations.

1.   Organizational Culture and Setting Objectives

The organizational culture facilitates proper functioning of an agency's internal control framework.[80] The internal control plan sets the tone and priorities for an organization. In its plan, an organization must outline and detail its mission statement, goals, and specific objectives. According to the Comptroller's Guide, an internal control plan is "a high level department-wide summarization of the department's risks and the controls used to mitigate those risks. This high level summary must be supported by lower level detail, *i.e.*, departmental policies and procedures."[81]

In 2013, the Department distributed an Internal Controls Plan for fiscal year 2013 (FY2013). The Department's Internal Controls Plan for FY2013 follows the Comptroller's guidelines in that it identifies goals, objectives, risks and controls, though the plan lacks sufficient detail regarding risks and controls. The list of controls is not comprehensive and does not explain the integral relationship between eligibility process and program integrity process controls. There are no references to policies or standard operating procedures in other Department documents and materials.

The Bureau identified concerns about the culture of the Department and the overall commitment to internal controls. While there has some training on control procedures for managers, there is no agency-wide training curriculum specifically related to internal controls. The Department provides training on policy and procedures, but not on the overall concept of controls.

The Department has not yet accomplished changes in tone and culture to fully incorporate internal controls into eligibility and program integrity processes, or to foster the understanding that all Department functions are interrelated. For example, even though field staff and program integrity staff have interrelated responsibilities for case management, they do not function in an integrated and coordinated fashion, and they generally consider themselves to be separate and distinct. Accomplishing an organization-wide change in culture will require communication, management training and ongoing efforts to dismantle silos.

2.   Risk Identification, Assessment and Response

The Comptroller's Guide defines a risk as a negative event that hinders an organization's ability to achieve its objectives and goals.[82] An agency must identify all potential risks and analyze the

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[80] See Comptroller's Guide, p. 6 ("Internal controls are likely to function well if management believes that those controls are important and communicates that view to employees at all levels.").

[81] Comptroller's Guide, p. 19.

[82] See id. at 9-10.

factors that may contribute to the negative event. Risk assessment also includes an evaluation of risks to identify those that are likely to have the greatest impact on the agency's goals.[83] The agency must weigh the costs and benefits of responding to a risk versus ignoring a risk.[84]

Insofar as the Department identifies risks in its Internal Controls Plan, it does so only generally and fails to evaluate detailed risks for their impact on the agency's overall goals. The risks are generally phrased as contrapositives to the objectives. The plan does not indicate the priority level for either the risk or the specific methods for addressing it. For example, the first goal related to eligibility determinations identifies two risks: "[i]neligible individuals may receive benefits" and the Department "continues to provide benefits to clients who have become ineligible."[85] To adopt an effective internal controls framework, the Department needs to communicate more detailed risks and vulnerabilities, many of which have already been identified by external audits.

During the eligibility process review, the Bureau identified an example that illustrates the need for risk assessment and risk response. As discussed in the Vehicle Asset Verification section of this report, the Department implemented the RMV match expeditiously, but issues arose immediately after implementation suggesting it did not engage in an adequate preemptive risk assessment. As a result, the Department did not provide comprehensive new procedures, and there were no directives to address scenarios in which recipients disclaim ownership of an RMV-identified vehicle. Without clear guidance, case managers chose varying approaches to verifying ownership. If the Department had assessed risks associated with new vehicle processing procedures before implementing them, the Department could have identified and avoided these vulnerabilities.

3. Control Activities

Control activities involve a broader evaluation of ongoing processes, aimed at minimizing risks. The Comptroller's Guide explains that managers must consider each objective and determine whether there are adequate policies and procedures to support its achievement, whether staff are following those policies and procedures and whether new policies and procedures should be developed. The Comptroller's Guide categorizes control activities as either preventive or detective, and indicates that a comprehensive plan must include both types of controls. According to the Comptroller's Guide, controls are most frequently comprised of policies and procedures.[86] Policies establish what should be done; procedures describe specifically how policies are implemented.

As the Bureau learned when observing the Fraud and Overpayment Referral Screening (FORS) Unit, sorting program integrity referrals is a complex process that requires specialized knowledge, but presently there are no documented procedures. Without documented procedures,

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[83] See id. at 10. The Comptroller's Guide provides a step-by-step method for completing this analysis. See id. at 19-22.

[84] See id. at 10.

[85] Internal Controls Plan for FY2013, p. 4.

[86] Comptroller's Guide, p. 10.

the process cannot be replicated by other staff, properly analyzed or easily automated. A single staff member with extensive experience performs the initial screening function for all referrals. Based on the volume of referrals received in the first ten months of 2013, this staff member was responsible for reviewing approximately 100 referrals each day.[87] Elsewhere within the Department, other specialized staff perform a variety of key functions but the Department has not promoted cross-training and succession planning by documenting policies and procedures.

Cross-training and succession planning are key preventive controls. Although they require time and coordination, the investment is necessary and the benefit will outweigh the cost.

4. Information and Communication

In this section, the Bureau analyzes the Department's data analysis resources and communication methods, respectively.

As an internal control component, an organization's information must encompass available, relevant data. Management must access and provide the right information in an understandable format and in a timely fashion.[88]

Many of the Department's standard data reports are obsolete, and requests for customized queries are generally time-consuming and difficult to make. Most managers do not have access to the data that is necessary for effective problem-solving in their specific functional areas. Additionally, while performing its own data analysis, the Bureau learned that the Department has not designed BEACON fields or processes to facilitate clear recordkeeping or effective data retrieval. For example, the Department created the "ignore vehicle data" function for vehicle asset verifications to use in three different factual circumstances. However, there was no field or functionality on BEACON for case managers to record their specific reason for using the "ignore" option. Thus, as the Bureau found, it was impossible to obtain a data report with detailed reasons for case managers' vehicle dispositions.

Throughout its review, the Bureau found other examples of BEACON fields collecting ambiguous, mixed data. In order to preserve the integrity of the data, reliable data analysis depends on discrete fields and functions, as well as clear protocols for data entry. Unless the Department redesigns the fields in BEACON to support data collection, the Department's ability to perform risk assessment using data analysis will remain significantly hampered.

To benefit fully from effective data analysis, an organization must develop efficient means of communicating information about risks, policies and procedures to its members. Organizations must tailor the information it communicates to an employee's particular role and responsibilities. The Comptroller's Guide recommends providing necessary information for all employees to fulfill their roles and responsibilities.[89]

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[87] The Department has provided some cross-training for this position to "back-up" staff, and has developed plans for automating the process, but there is an ongoing risk of backlog.

[88] See Comptroller's Guide, p. 12.

[89] See id. at 13.

The Department relies on the Policy, Program and External Relations Division (PPER) for communicating operative internal controls through its policies and procedures. The Bureau determined that the Department's methods for communicating controls are outdated and in need of key improvements. For the PPER Division, the primary communication vehicle is the Operations Memo, a policy memo distributed to staff when there are changes to BEACON or when the Department issues a new directive for case processing. Operations Memos are posted chronologically on the Department's intranet site, but there is no word-search functionality on the site. Nor is there a table of contents or a comprehensive policy topic index identifying and consolidating relevant memos. To search for all Operations Memos related to one topic, staff must scroll through lists of memos and review their topic headings.[90] Experienced staff help newer staff with this process and provide historical perspective on policy directives, but there is no complete, cumulative source for all policy directives, searchable by topic. There is a project pending to present procedures in an updatable, online format on BEACON, with word-search capacity, but the Department has focused its limited policy and systems resources on other priorities throughout the past year.

The Bureau also determined that the Department's policy development process does not foster cross-functional input to increase the quality of new procedures. In order to effectively communicate controls, the Department should take steps to enhance the quality of procedures while they are in development. The current policy development process includes an open call for input from a variety of resources, including the Legal Department, the Director of Internal Controls and other Central Office senior management. The TAO Directors also provide informal input on policy at their monthly statewide meeting. However, the policy development process is missing structured stakeholder input from the perspective of TAO staff. The Department should designate particular field managers to review and test new procedures. After implementing new procedures, the Department should conduct structured reviews with these designated field managers to assess whether policies and directives are clear and effective, or whether they create unintended consequences and potential vulnerabilities.

5.   Monitoring

According to the Comptroller's Guide, monitoring is the process by which an organization reviews its "activities and transactions to assess the quality of performance over time and to determine whether internal controls are effective."[91] Because circumstances constantly change, monitoring must occur on a regular schedule. Monitoring is a basic management duty, which includes performance evaluations and ongoing supervision.[92]

The Department has not set and enforced clear standards related to monitoring and quality control. One of the controls in the Internal Controls Plan requires case managers to close a case if data-match information negatively impacts eligibility. In order to accomplish this control, case managers must continually check their Match Views. However, the plan does not provide or

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[90] For complex topics, the Department issues simplified training presentations called Job Aids. The Department also issues a newsletter called "Transitions" to provide Department updates, highlight specific initiatives, and offer quality assurance tips.

[91] Comptroller's Guide, p. 14.

[92] See id. at 14.

refer to specific time standards for how often case managers must review their matches and how quickly they must close a case after receiving external match information.

Additionally, the Department has not set and enforced clear expectations for how often supervisor should check Match Views to ensure that staff are processing data-match information and taking appropriate follow-up steps. As discussed in relation to the Bureau's review of program integrity referrals, the Bureau found several case examples with problematic delays in reporting referrals. These cases illustrate the need for careful, on-going monitoring based on clear internal control standards. The Bureau learned that BEACON already provides supervisors with access to the Match Views for staff under their supervision, but identified concerns about whether supervisors were utilizing this monitoring functionality. Based on its case file review and data analysis, the Bureau concluded that this monitoring failed to provide effective quality control. Supervisor oversight of Match Views is a crucial, time-sensitive monitoring function and could be improved immediately if the Department sets and enforces standards for executing it.

VII. Summary

1. For the past year, the Department has been focused (by necessity) on resolving long-standing vulnerabilities that lapsed into major flaws. The Department reorganized its Central Office management structure and created new positions related to operations, internal controls, data analysis and project management but has not yet fully transformed its management and operations.

2. Moving forward, the Department must make essential changes to its infrastructure, such as: creating a single model for TAO case management, standardizing operating procedures, integrating separate functional units and implementing a comprehensive system of internal controls. The Department must also promote an understanding within the organization that eligibility and program integrity processes are interrelated and must function cohesively in order to achieve its overall mission.

3. The Department's Electronic Document Management (EDM) initiative represents the Department's response to long-standing concerns about case file organization and document management. EDM will eventually support electronic case files, but during a transitional period, case files will still include paper and electronic components. This transitional period will present challenges, especially since TAO staff will need to adjust to new uniform practices related to documentation and case assignment.

4. The first phase of EDM occurred on time in January 2014 with systems enhancements, communication and staff training properly coordinated. It was a very limited implementation, however, and future phases will require more extensive leadership, coordination and planning.

5. The Department has taken some initial steps to create a framework for internal controls. The Department's Internal Controls Plan for FY2013 correctly identifies eligibility determination and fraud detection as critical functions requiring specific internal controls. However, the plan does not provide sufficient detail on how the

Department coordinates eligibility and program integrity processes, and it does not cross-reference key, related policies or procedures.

6. The Department needs organization-wide communication so that staff understand both the critical need for controls in case management and the Department's approach to internal controls. Managers also need training on their responsibilities for ongoing risk-assessment.

7. The Department's format for communicating policies and procedures is outdated and does not provide direct access to all directives on one topic. Structured stakeholder feedback from field staff would enhance the policy development process.

8. The existing design scheme for BEACON fields and functions impedes effective data mining. Data reports provided to managers are generalized and not tailored to resolving immediate risks.

VIII. Recommendations

A. Strategic Management

1. The Department should focus on long-term planning to fulfill its mission and meet objectives for improving program administration and case management. This requires proactive, strategic leadership, policy development and project management.

2. Managers should engage in cross-training and succession planning instead of relying on specialized, experienced staff to fill structural and processing gaps.

3. The Department should hold all staff responsible for meeting expectations to promote the quality and integrity of case management.

4. The Department should continue to devote resources to modernize and standardize eligibility processing through EDM and BPR projects. As the EDM project moves forward, the Department should focus on providing leadership, operations planning and clear, uniform procedures to support the transition to digital case files and streamlined eligibility processing.

B. Internal Controls

1. The Department should continue to build a framework for internal controls that integrates both eligibility processing and program integrity systems.

2. The Department should create a culture to support and encourage ongoing risk-assessment and identify such assessment as a separate objective for managers.

3. The FY2014 Internal Controls Plan should provide detail and specificity regarding standard operating procedures, risk classifications and monitoring practices. The plan should also cross-reference and incorporate Department-wide policy directives.

4. The Department should enhance training for managers on internal controls, and develop a controls training curriculum for all agency staff.

5. The Department should set clear expectations for managers' ongoing monitoring responsibilities.

6. The Department should regularly and proactively integrate internal controls protocols into Department-wide initiatives during the early stages of project planning. In addition, the Department should periodically document and update plans to mitigate and eliminate ongoing risks.

C.   Communication

1. The Department should integrate staff assigned to different functions into consolidated project teams in order to ensure that teams have input and subject matter expertise from appropriate, relevant sources. In particular, the Department should foster communication and collaboration between the Field Operations and Program Integrity Divisions to focus on their shared responsibilities for case management and effective front-end fraud detection and prevention.

2. The Department should improve its approach to communicating policy and directives to staff. Directives related to eligibility processing should be clearly defined and presented in an accessible format.

3. Designated field staff stakeholders (such as TAO managers or assistant managers) who will be responsible for implementing policy and procedures should provide input in a structured fashion, both while the policy is in development and immediately following implementation.

D.   Data Resources

1. The Department should continue to build data analysis resources and utilize existing data analysis capabilities to inform strategic decisions. Department managers need relevant data reports in order to set priorities, identify and respond to trends, and guide specific troubleshooting strategies.

2. The Department should use data analysis to test staff compliance with specific directives and identify cases in need of special attention.

3. The Department should design systems enhancements in BEACON with a view towards future data collection priorities – complete with distinct fields, processes, and data entry points.

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Conclusion

The Bureau of Program Integrity (the Bureau) conducted this report based on its statutory responsibility to monitor the quality, efficiency and integrity of benefits programs administered by agencies within the Executive Office of Health and Human Services. This report focused primarily on the Transitional Aid to Families with Dependent Children (TAFDC) cash benefits program administered by the Department of Transition Assistance (Department). Based on an examination of policies and procedures, statistical analysis, operational workflow and Department case files, the Bureau determined that the Department's current eligibility and program integrity processes are functioning adequately to identify eligible recipients for TAFDC. Nevertheless, the Department needs to execute a strategic plan to improve fundamental elements of its organization. In accordance with its statutory responsibility, the Bureau provided extensive recommendations, and they can be summarized simply. The Department must focus on improving its communication, risk assessment, standard operating procedures, data analysis and systems enhancements. Ultimately, like all state agencies, the Department must commit to a structured and comprehensive system of internal controls.

The Bureau is in a unique position to maintain an ongoing relationship with the Department and continue to contribute oversight and recommendations during its four-year term. Consistent with the Legislature's broad mandate, the Bureau will continue to monitor the Department's eligibility and program integrity processes. In particular, the Bureau will review the Department's response to the recommendations in this report and the Department's 2014 Operations Memos. Finally, as mandated by the Legislature, the Bureau will assist the Department in coordinating with other state agencies to develop new data-sharing initiatives and foster interagency collaboration.

<center>***</center>

The Bureau would like to thank the Commissioner of the Department of Transitional Assistance (DTA) as well as her Chief of Staff for making Department staff and resources available to the Bureau during the research and writing of this Report. The Bureau and the Department have developed a productive working relationship, and the Bureau is confident that this relationship is the foundation that will lead to positive change for the Department.

The Bureau would also like to thank the Commonwealth's Office of the Comptroller and the Office of the State Auditor for assisting with this report.

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APPENDIX A:

Executive Office of Health and Human Services, "A Report on the Department of Transitional Assistance: Clients Served, Benefits Offered, Partnerships, and Program Integrity Enhancements," September 17, 2013

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**A REPORT ON THE DEPARTMENT OF TRANSITIONAL ASSISTANCE:
CLIENTS SERVED, BENEFITS OFFERED, PARTNERSHIPS,
AND PROGRAM INTEGRITY ENHANCEMENTS**
September 17, 2013

DTA Financial Overview and Benefits Summary

The Massachusetts Department of Transitional Assistance (DTA) serves one in seven residents throughout the Commonwealth, helping them meet their most critical needs, such as feeding their families and supporting basic living expenses. Many of the clients the Department serves are elderly or disabled individuals, children, or pregnant mothers who represent some of the Commonwealth's most vulnerable residents.

The vast majority of the clients DTA serves receive benefits under the federally-funded Supplemental Nutrition Assistance Program (SNAP), which provides assistance that can be used to purchase unprepared food items, and cannot be withdrawn as or converted to cash. According to a review of participation in SNAP from August 2013, 49 percent of SNAP clients were identified as nonelderly adult recipients (mostly women); 36 percent were children; and 15 percent were elderly residents.

Of the Commonwealth's households receiving Transitional Aid to Families with Dependent Children (TAFDC) cash benefits, 93 percent were headed by women and 28 percent had disabilities. Of clients receiving Emergency Aid to the Elderly, Disabled and Children (EAEDC) cash benefits, 61 percent were disabled, 36 percent were elderly and more than half were women. More information about SNAP, TAFDC and EAEDC can be found below, in addition to other programs DTA administers.

Eligibility

Eligibility for transitional assistance differs based on the program. Recipients of transitional assistance programs must meet low-income guidelines, and be United States citizens or legal non-citizens. Benefit eligibility determinations can include factors such as household size, work status and countable income and assets. To be eligible for assistance, all clients must have a Social Security Number or verify that they have applied for an SSN, per DTA regulations. DTA verifies an applicant's SSN through a daily match with the Social Security Administration. DTA verifies an applicant's citizenship status through documentation such as a passport, birth certificate, naturalization papers, etc. Qualified non-citizen status is verified through the Systematic Alien Verification for Entitlements system, which is run by the Department of Homeland Security. If verification is not received, applicants are deemed ineligible for benefits.

The average monthly SNAP benefit, per household, per month is $234. The average monthly cash benefit, per family, per month is $453. The amount of monthly assistance that a household receives can vary based on household size, work exemption status, countable income and certain expenses. DTA's regulatory eligibility requirements also limit TAFDC cash client countable assets to under $2,500.

Benefits Summary

SNAP benefits are administered by DTA and funded by the federal government, which also provides partial reimbursement for the state's operational costs.

· FY13 federal SNAP benefits administered by DTA – nearly $1.4 billion

DTA also receives funding through the federal Temporary Assistance for Needy Families (TANF) block grant to support a variety of programs and services to support low-income families as they transition into the workplace. Recipients must demonstrate active participation in a job or in an educational program designed to improve occupational skills, unless exempt by state or federal law.

· 2013 federal TANF funding administered by Massachusetts – $459.4 million

While the majority of benefits DTA administers are federally-funded, in FY13, DTA received $786 million from the state budget for its operations and programs, including $641 million in state-funded benefits to low-income Massachusetts residents. Those benefits were funded by the following line items:

· 4403-2000, TAFDC Grant Payments – $315.3 million
· 4405-2000, State Supplement to SSI – $237.2 million
· 4408-1000, EAEDC – $87.2 million
· 4403-2007, State Supplemental Nutrition Program – $1.2 million

DTA Program Integrity Summary

Preventing Fraud, Waste and Abuse

The Department takes any instances of fraud, waste or abuse seriously. DTA's program integrity unit works with members of law enforcement and other state and federal agencies to monitor and address any reports of abuse, whether identified through its public tipline, or through audits and internal controls. While the vast majority of clients use their benefits as intended, and instances of misuse represent a very small portion of the total benefits administered, DTA has a zero tollerance policy for fraud, waste or abuse.

Program Integrity Partnerships

The Administration has a strong partnership with the state auditor in protecting the integrity of public assistance programs. Through the partnership, DTA and MassHealth identify cases of potential public benefits fraud and refer them up to the auditor's Bureau of Special Investigation for further collaborative action.

Results from the program integrity partnership show that more than 99 percent of benefits are being used as intended to meet basic needs. MassHealth and DTA have both launched aggressive, new program integrity initiatives to stop fraud on the front end and protect benefits for those who truly need them.

100-Day Plan Updates and 18-Month Outlook

In March, 2013, Secretary of Health and Human Services John Polanowicz and DTA Commissioner Stacey Monahan launched a 100-day action plan to enhance program integrity, improve client services and restore public trust in the agency. The 100-day plan was completed on time and within the Department's current appropriation. DTA is also working on longer term initiatives, including a business process redesign to improve efficiencies and partnering with the Legislature on additional reforms to help clients transition.

DTA 100 Day Action Plan Success

EBT-RELATED PROGRAM INTEGRITY ENCHANCEMENTS

Enhancements	Initiative Descriptions	Status
State Law Enforcement Bureau (SLEB) Agreement	The agreement allows DTA and local law enforcement to investigate SNAP trafficking, enhance program integrity, and protect benefits for those who truly need them. DTA has signed six sub-agreements with cities and towns in the Commonwealth.	Signed
ATM/POS Blocking	Working with its vendor, Xerox, DTA is blocking ATM and Point of Sale use at restricted locations, tightening controls on cash assistance and fulfilling legislative mandates.	Implemented/ ongoing
Implement $5 fee for replacement EBT cards	DTA implemented a $5 fee for replacement EBT cards for both SNAP and cash assistance clients. Since December, 2012, DTA has collected more than $234,000 in replacement card fees while reducing replacement card requests by more than 60%.	Implemented

NEW FRONT END DETECTION & ENHANCED DATA MATCHING

Dept. of Revenue Match	This new match makes employment information for all household members available at the time of eligibility determination, and expands data received by DTA to include self-employment income, rental income, and alimony.	Pilot implemented
Registry of Motor Vehicles Match	Allows DTA to verify all vehicles owned by the applicant to eliminate reliance on client self-disclosures. DTA also crosschecks license photos for identification purposes.	Implemented
Department of Correction Match	Weekly match with Mass Dept. of Correction supplements DTA's existing federal quarterly match and minimizes lag time between incarceration and closure of benefits.	Implemented

ADDITIONAL PROGRAM INTEGRITY ENHANCEMENTS

Building Program Integrity Unit Capability	DTA's program integrity unit is increasing its staff, adding 10 new investigators to carry out the additional matches and enhancements in the 100-day plan.	In process
Residency and Address Verification	DTA revised landlord verification and shared housing forms to require clients to sign "under penalty of perjury." The Department also increased address verification controls.	Implemented
Social Security Number Verification Enhancements	DTA enhanced verification of names, date of birth and gender of clients who have a system generated number, through the SSA and EVS verification process for updated SSNs.	Implemented

Income Verification	DTA implemented front-end income verification through Equifax's national database in every office to significantly increase timeliness of employment information available, while reducing reliance on "pay and chase" process.	Implemented
Bridge to Stability Listening Tour	DTA held 29 listening sessions across the state with over 500 public attendees, 30 members of the Legislature and valuable public comments submitted.	Complete

DTA 18-Month Outlook

Business Process Redesign	As part of its ongoing business process redesign, DTA is making organizational improvements and implementing an Integrated Eligibility System to improve compliance and customer service (reducing wait times and improving response to phone calls). DTA is also modernizing business practices by integrating Electronic Document Management.	In progress
Implement Photo Identification Law	Implementation of legislation requiring photo ID on client EBT cards is underway and scheduled for completion well in advance of the required timeframe.	In progress
Welfare Reform Legislation	DTA is working with its partners in the Legislature to support reforms that help increase client self-sufficiency, tighten rules and sanctions, and invest in program integrity.	Pending legislation

MassHealth Program Integrity Enhancements

In September, 2013, the Commonwealth's MassHealth program announced the launch of an innovative new program to detect and prevent provider fraud, waste and abuse in real-time by freezing payments to providers with suspicious claims until they are investigated. The system will generate significant cost savings for the Commonwealth and federal government by preventing improper billing, waste, and abuse before it happens. The predictive modeling system builds on the already strong program integrity measures built into the state's Medicaid claims system to detect anomalies and trends typically identified through post-payment analysis.

Through changes to Health Information Exchange Integrated Eligibility System as part of the Affordable Care Act (ACA), MassHealth will have more tools to access to real-time state, federal and private databases to enhance data verification checks. MassHealth is also working through the ACA to expand health care access, improve quality, and reduce costs.

Conclusion

The Patrick Administration is committed to implementing strategies aimed at strengthening our critical safety net programs and helping people help themselves. This includes enhancing program integrity, improving client services, and ensuring that taxpayer resources are used appropriately and as intended, to help the Commonwealth's most vulnerable residents meet their basic needs. The Administration looks forward to continuing its work with partners at the state and federal level to accomplish these goals.

###

APPENDIX B:

Department of Transitional Assistance Operations Memo 2014-12, February 19, 2014

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DEVAL L. PATRICK
Governor

JOHN W. POLANOWICZ
Secretary

STACEY MONAHAN
Commissioner

Operations Memo 2014-12
February 19, 2014

To: **Department of Transitional Assistance Staff**

From: **Lydia Conley, Acting Assistant Commissioner for Policy, Program and External Relations**

Re: **TAFDC, EAEDC and SNAP – Failure to Verify Social Security Administration (SSA) Data**

Overview

To comply with program rules, a Social Security Number (SSN) must be provided either orally or in writing for each applicant or client (hereafter called client) applying for or receiving TAFDC, EAEDC and SNAP, unless good cause exists, in accordance with 106 CMR 701.230(C) and 362.500(C). An overnight batch process using SVES (State Verification Exchange System) with the Social Security Administration (SSA) is used to validate the SSN.

Clients with temporarily assigned numbers in the SSN field are processed through a monthly batch process using the Enumeration Verification System (EVS) with SSA.

If a client fails to provide, or verify, mandatory verifications as matched with or obtained from SSA, the case must be closed for failure to provide verification. See Policy References section below.

Purpose of Operations Memo

This Operations Memo:

- advises DTA staff when a case must be closed if a client fails to provide or verify SSA-matched data;

- provides examples of case scenarios; and

- details how to close cases on BEACON for failure to verify SSA-matched data.

Case Closing Situations: Case Manager Responsibilities

As a condition of eligibility, clients must provide an SSN or proof of application for an SSN, unless good cause exists, along with all other required financial and non-financial eligibility factors. This applies to all household members.

The SSN the client provides is sent in an overnight batch process with SSA for verification. The data elements matched with SSA are:

- DOB;

- SSN; and

- Name.

If the data matches the information provided by SSA, the SSN is considered verified. This data is viewable in the Match History tab under the Match group SSN Verification Matches. SSN Verification matches that are discrepant also appear under the case manager's External Agency Matches view.

If the data does not <u>exactly</u> match the information provided by SSA, the case manager should first attempt to resolve the discrepancy by reviewing the SSN Verification Matches and the case record to resolve any data entry errors. If there does not appear to be any BEACON data entry errors, the case manager must then send a BEACON-generated Verification Checklist (VC-1) giving the client ten days to verify the discrepant data. When requesting verification(s) to resolve the discrepant or missing data, the applicable language below **must** be used on the VC-1.

When the discrepancy is:

- *DOB is Different*, a User Created verification of Date of Birth must be created. Only the following language must be used for Value field on the VC-1: "Proof of date of birth";

- *Listed Under Another Name*, a User Created verification of Identity must be created. Only the following language must be used for Value field on the VC-1: "Proof of the legal name, any alternate names and social security number";

Case Closing Situations: Case Manager Responsibilities (Continued)

- *Unknown to SSA* or *Does Not Match with SSA*, a User Created verification must be created selecting Other from the Item drop down menu. Only the following language must be used for the Other and Value fields on the VC-1: "Proof of social security number; Proof of application or pending application for social security number; or ineligibility for a social security number."

If a client does not verify the discrepant information by the tenth day in response to the VC-1, the case manager must close the case for failure to provide required verification. This applies to all household members, whether or not they are in receipt of benefits.

A fraud referral must be created if the case manager suspects fraud.

Example: William Anthony Johnson is a SNAP client. A match is returned from SSA with a discrepancy type of *Listed Under Another Name*. BEACON data reflects that the client's only known name is **William Anthony Johnson**. Upon reviewing the case record, the case manager notes that the name on the client's birth certificate is listed as William David Johnson and that his father's name is listed as William Anthony Johnson. The case manager further notes that the application was signed as William A. Johnson. The case manager issues a VC-1 for Identity. Mr. Johnson does not provide any information. The case manager must initiate a closing action on the case for failure to provide required verification and make a referral to the FIDM Unit for potential identity fraud.

Case Closing Situations: FIDM Responsibilities

As outlined in Operations Memo 2013-7, the Fraud Investigation Data Match (FIDM) Unit receives matches from SSA for identified clients with temporarily assigned numbers in the Social Security Number (SSN) field, but for whom the EVS process has provided data elements that are unknown to BEACON and require review. The FIDM Unit reviews case information on BEACON and sends a BEACON-generated Verification Checklist (VC-1) giving the client ten days to verify the SSN. A User Created verification must be created selecting Other from the Item drop down menu. Only the following language must be used for the Other and Value fields on the VC-1: "Proof of social security number."

Important: A VC-1 requesting the information **must** be generated.

If the client does not verify the discrepant information listed on the VC-1, the case must be closed for failure to provide verification. This applies to all household members, whether or not they are in receipt of benefits.

Examples

Example 1: Mary Jones is a client who has been receiving benefits. A match is returned from SSA with a discrepancy type of *Listed Under Another Name*. The case manager reviews the case record, which contains a copy of Ms. Jones' marriage certificate, and determines that SSA is using Ms. Jones' birth name, Mary Morris. The match can be dispositioned without sending out a VC-1. The case manager must enter Mary's married name in the Alternative Names field of the Assessed Person page and use Mary's maiden name as the Primary name. Mary must be advised that the Department utilizes the name on file with SSA as the Primary name and can only change the Primary name if and when it is updated by SSA.

Example 2: At application, Mary Smith states she does not have an SSN and reports that she is ineligible for one due to her immigration status. She is the grantee and her case is established and approved with a temporary identification number in the SSN field. A month later, the FIDM Unit gets a match from SSA of *Does Not Match with SSA* for Mary Smith. The match indicates Mary may have an SSN. The FIDM Unit sends Mary a VC-1 requesting proof of SSN following the procedures and language outlined above. Mary does not provide any verification within the required 10 days. The FIDM Unit initiates a closing action on the case for failure to provide required verifications.

Closing A Case   When the Department has received information from SSA contrary to what a client has provided and the client subsequently fails to verify the information (including the SSN of any household members), the entire case must be closed as follows:

- on the AU Composition Results page, select the case to be closed;

- select Noncooperation from the Reason Category drop-down box;

- select Failure to submit the required verification from the Reason drop-down box;

- click Save; and

- proceed to authorize the case according to existing procedures. The client will receive a standard closing letter.

Reminder:
Confidentiality of Personal Information

Employees of the Department are privy to certain information of a personal, private, and confidential nature. Department policy prohibits all staff from **accessing** or **disclosing** such information, including client information, unless authorized to do so. Client information may be accessed only for the purpose of performing a specific work-related assignment. (See Legal Memorandum *Confidentiality of Personal Information* issued April 25, 2013, on DTA Online under Administrative Memos, for more information.)

Card Issuance and Client Notification

Additionally, staff are reminded that grantees will receive an automated notice when they or any member of the case has a change in the SSN field. If the number in the grantee's SSN field has changed, the notice will include his or her new benefit date(s) and, if benefits are received by EBT, it will also include language informing the client:

- of the issuance of a new EBT card and expected date of receipt;
- of the activation of the new EBT card for the next cyclical benefit issuance;
- that the current EBT card will be valid until the next cyclical benefit issuance; and
- that the remaining balance on the current EBT card will be transferred to the new EBT card on their next cyclical benefit date.

This process applies to both systems and manual updates of the SSN field. Details of this process, the applicable notices, and case manager responsibilities are outlined in Operations Memo 2013-7. Staff are reminded of the importance of monitoring the Enumeration Process (SSA) SSN Changes view as an SSN change may require that a case status be changed from exempt to nonexempt, to be subject to the TAFDC Work Program Requirements, the lower Need and Payment standards; and time limited benefits. Additional verifications, such as immigration status, may need to be requested.

Policy References

TCAP – 106 CMR 702.300 through 702.340.
TCAP – 106 CMR 701.230.
SNAP – 106 CMR 361.600 through 361.660.
SNAP – 106 CMR 362.500.

Operations Memos Changes

Operations Memos 2004-34 and Operations Memo 2010-55 will be updated to address this change.

Questions

If you have any questions, please have your Hotline designee call the Policy Hotline.

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APPENDIX C:

2013 Landlord Verification Form and Shared Housing Verification Form

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Landlord Verification Form

Instructions to the client:

You may use this form, if you wish, to prove where you live and how much you pay for rent and utility expenses. **If you would like to provide a different type of proof instead of this form, please see below for other acceptable types of proof or ask your case manager.**

You must provide proof of where you live. You do not have to provide proof of how much you pay for rent and utilities unless you wish to do so. However, you may be able to get more benefits if you do.

To prove **where you live**, you must provide **this completed form or any one of the following (residency must be verified):**

- current rent receipt or lease,
- current utility bills,
- voter registration card,
- wage stubs or employer's statement,
- health insurance statement,
- driver's license or school ID showing your current address, or
- other acceptable proof of where you live.

To prove **rental costs,** you may provide **this completed form or any one of the following (providing the information may increase your benefits):**

- current rent receipt or lease,
- proof of rent if subsidized,
- current cancelled check or money order receipt showing rent payment, or
- other acceptable proof of rent.

To prove **heating, cooling and other utilities or telephone costs separate from rent,** you may provide **this completed form or any of the following (providing the information may increase your benefits):**

- a current fuel bill for heating or cooling,
- current bills for oil, gas, electricity, phone (including cell phone),
- current bills for other utilities such as wood, coal, water, sewerage, trash disposal,
- fuel assistance letter, or
- other proof that the household has costs for heating/cooling and/or other utilities.

If you have any questions about the types of proof you may provide, please ask your case manager. If you are having any difficulty obtaining verifications, please ask your case manager to help you obtain them.

Instructions for completing this form:

Part I (to be completed by the Department)

- Enter the name of the Department case manager and the date the form must be returned; and
- Enter the name and address of the tenant.

Part II (to be completed by the Landlord or Representative of Landlord)

Please complete the following sections:

A. Rental Information

B. Utility Information

- If all utilities are included in the rent, answer number **1** only.
- If the tenant pays for any of the listed utility expenses, check the appropriate box (es).

C. Landlord/Representative Information

(See other side)

LANDLORD VERIFICATION

Part I

_____
Tenant's Name

_____
Tenant's Address

Name of Department Case Manager

Return completed form by _____/_____/_____

_____
City/Town   **ZIP**

I certify under penalty of perjury that my answers are correct and complete to the best of my knowledge.

_____
Tenant's Signature   **Date**

Part II Landlord/Representative (*Please complete, sign and date this form.*)

A. Rental Information

1. The total rent for this address is: $_____ per ☐ month ☐ week ☐ other _____ (specify)

2a. Does the tenant live in: Public Housing?   ☐ Yes ☐ No

2b. Section 8 or Massachusetts Residential Voucher Program? ☐ Yes ☐ No

3. If subsidized: Tenant Payment is: $_____ per ☐ month ☐ week ☐ other _____ (specify)

4. Is the tenant behind on the rent? ☐ Yes ☐ No

B. Utility Information

1. Are heat/air conditioning and all other utilities included in the rent?   ☐ Yes ☐ No

2. If not, does the tenant pay for any of the following separate from the rent?

Utilities	
Heat	
Air conditioning	
Electric	
Gas for cooking	

C. Landlord/Representative Information

I certify under penalty of perjury that my answers are correct and complete to the best of my knowledge. If I am signing as the landlord's representative, I also certify under penalty of perjury that I have the legal authority to sign on the landlord's behalf.

Landlord/Representative's Signature _____

Landlord/Representative's (print) _____ Date _____/_____/_____

Landlord/Representative's Address_____

Landlord/Representative's Daytime Telephone Number (_____) _____ - _____

Shared Housing Verification Instructions

Part I (to be completed by the case manager):

- Enter your name and the date the form must be returned.

Part II (to be completed by the case manager):

- Enter the name and address of the head of household sharing housing expenses with the person named in Part III; and

Part III (to be completed by person applying for benefits who is sharing expenses with the head of household):

The *Authorization to Release Information* must be fully completed.

Part IV (to be completed by the head of household who is either the primary tenant or homeowner):

A. Household Information: Please answer all five questions;

B. Rental Information: Please answer all three questions;

C. Utility Information: answer one of the five questions in this section.
   - If all utilities are included in the rent, answer number **1**.
   - If the tenant pays for heat, or air conditioning or both, answer number **2**.
   - If the tenant pays for electricity (nonheat), gas/oil (nonheat), garbage removal, answer number **3**.
   - If the tenant pays for a land phone or a cell phone, answer number **4**.
   (Check unknown if you do not know if the tenant pays for a land or cell phone.)

D. Head of Household Information: The head of household who is the primary tenant or homeowner must print their name, sign and date this section.

NOTE: The case manager should complete the *Case Manager Name* section.

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Shared Housing Verification

Part I

Case Manager Name _____

Return the completed form by _____ / _____ / _____

Part II

Name of head of household sharing expenses with the person named in Part III.

Street Address

City/Town   ZIP

This Shared Housing Verification form explains how you and the other people living at your address share the costs for rent, utilities, and food. **Section IV, below, must be completed by the head of household.**

Part III

Authorization to Release Information

I, _____ ,
                              (Print Name)

give my permission to the requester to obtain and verify this information.

_____   _____
Signature   Date

Part IV (TO BE COMPLETED BY THE HEAD OF HOUSEHOLD)

A. Household Information

1. Do you live in public or state or federally subsidized housing? ☐ Yes ☐ No

2. Is anyone in your family related to the person named in Part III? ☐ Yes ☐ No

3. Do you purchase and prepare meals together? ☐ Yes ☐ No

4. Name of **all** household members, including the person named in Part III.

_____ _____ _____

_____ _____ _____

5. Date person named in Part III moved in: _____/_____/_____

CASE MANAGER USE ONLY
SUA Type
☐ Heating
☐ Nonheating
☐ Phone

B. Rental Information (for person living with you)

The person living/sharing with you:

1. Gets meals provided? ☐ Yes ☐ No If yes, how many meals per week? _____

Amount paid per week for these meals is $ _____

2. Rents a room? ☐ Yes ☐ No

3. Pays rent in the amount of $_____ per ☐ month ☐ week ☐ other _____ (specify)

C. Utility Information (for person living with you)

1. **No Separate Utilities:** All utilities are included in the rent. ☐ Yes ☐ No

2. **Heating/Cooling:** Does the person living/sharing with you pay for either of the following SEPARATE from rent? ☐   ☐ heating *(seasonally)*   ☐ air conditioning *(seasonally)*

3. **Nonheating:** Does the person living/sharing with you pay for any of the following utilities SEPARATE from rent?

☐ electricity (nonheat)   ☐ gas/oil (nonheat) ☐ water/sewerage ☐ trash/garbage removal

☐ other_____ (specify)

4. **Telephone:** Does the person living/sharing with you pay for a telephone (may include a cell phone)?

☐ Yes ☐ No ☐ Unknown

D. Head of Household Information

I certify under penalty of perjury that my answers are correct and complete to the best of my knowledge.

_____ _____ _____
Name of Head of Household   **Signature of Head of Household**   **Date**
(Please print or type)

APPENDIX D:

Department of Transitional Assistance Operations Memo 2014-14, February 13, 2014

2014 Landlord Verification Form and Shared Housing Verification Form

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Operations Memo 2014-14
February 13, 2014

To:	**Department of Transitional Assistance Staff**
From:	**Lydia Conley, Acting Assistant Commissioner for Policy, Program and External Relations**
Re:	**TAFDC, EAEDC and SNAP – Change to the Landlord Verification Form (LL-VER) and the Shared Housing Form (VLA)**

Changes to Forms

The Landlord Verification form (LL-VER) and Shared Housing form (VLA) are used to verify where clients live and how much they pay for household expenses.

In an effort to strengthen program integrity, a recommendation was made by the Bureau of Program Integrity of the Office of the Inspector General, to add a "signing under penalties of perjury" phrase before the client's signature on these forms.

These forms are to be used effective immediately. All old versions of this form must be recycled.

Questions

If you have any questions, please have your Hotline designee call the Policy Hotline.

Landlord Verification Form

Instructions to the client:

You may use this form, if you wish, to prove where you live and how much you pay for rent and utility expenses.
If you would like to provide a different type of proof instead of this form, please see below for other acceptable types of proof or ask your case manager.

You must provide proof of where you live. You do not have to provide proof of how much you pay for rent and utilities unless you wish to do so. However, you may be able to get more benefits if you do.

To prove **where you live**, you must provide **this completed form or any one of the following (residency must be verified):**
- current rent receipt or lease,
- current utility bills,
- voter registration card,
- wage stubs or employer's statement,
- health insurance statement,
- driver's license or school ID showing your current address, or
- other acceptable proof of where you live.

To prove **rental costs**, you may provide **this completed form or any one of the following (providing the information may increase your benefits):**
- current rent receipt or lease,
- proof of rent if subsidized,
- current cancelled check or money order receipt showing rent payment, or
- other acceptable proof of rent.

To prove **heating, cooling and other utilities or telephone costs separate from rent,** you may provide **this completed form or any of the following (providing the information may increase your benefits):**
- a current fuel bill for heating or cooling,
- current bills for oil, gas, electricity, phone (including cell phone),
- current bills for other utilities such as wood, coal, water, sewerage, trash disposal,
- fuel assistance letter, or
- other proof that the household has costs for heating/cooling and/or other utilities.

If you have any questions about the types of proof you may provide, please ask your case manager. If you are having any difficulty obtaining verifications, please ask your case manager to help you obtain them. Mail this Landlord Verification to: DTA, P. O. Box 4406, Taunton, MA 02780-0420. Please include your name, the TAO servicing your case and the last 4 digits of your Social Security Number on each page of the documents you submit.

Instructions for completing this form: Part I (to be completed by the Department and client)

- Enter the name of the Department case manager and the date the form must be returned; and

- Enter the name and address of the tenant.

Part II (to be completed by the Landlord or Representative of Landlord)

Please complete the following sections:

A. Rental Information

B. Utility Information

- If all utilities are included in the rent, answer number **1** only.

- If the tenant pays for any of the listed utility expenses, check the appropriate box (es).

C. Landlord/Representative Information

LANDLORD VERIFICATION

Tenant's Name

Part I

Tenant's Address

Name of Department Case Manager

City/Town　　　　　　　　　　　**ZIP**

Return completed form by _____

I certify under penalties of perjury that the answers on this form are correct and complete to the best of my knowledge.

Tenant's Signature　　　　　　　　**Date**

Part II Landlord/Representative (*Please complete, sign and date this form.*)

A. Rental Information

1. The total rent for this address is: $_____ per ☐ month ☐ week ☐ other_____(specify)
2a. Does the tenant live in:　　　Public Housing?　　　☐ Yes ☐ No
2b. Section 8 or Massachusetts Residential Voucher Program? ☐ Yes ☐ No
3. If subsidized: Tenant Payment is: $_____ per ☐ month ☐ week ☐ other_____(specify)
4. Is the tenant behind on the rent? ☐ Yes ☐ No

B. Utility Information

1. Are heat/air conditioning and all other utilities included in the rent? ☐ Yes ☐ No

2. If not, does the tenant pay for any of the following separate from the rent?

Utilities	
Heat	
Air conditioning	
Electric	
Gas for cooking	

C. Landlord/Representative Information

I certify under penalty of perjury that my answers are correct and complete to the best of my knowledge. If I am signing as the landlord's representative, I also certify under penalty of perjury that I have the legal authority to sign on the landlord's behalf.

Landlord/Representative's Signature _____

Landlord/Representative's (print)_____Date_____

Landlord/Representative's Address_____

Landlord/Representative's Daytime Telephone Number (_____)_____- _____

Shared Housing Verification Instructions

Part I (to be completed by the case manager):

- Enter your name and the date the form must be returned.

Part II (to be completed by the case manager):

- Enter the name and address of the head of household sharing housing expenses with the person named in Part III; and

Part III (to be completed by person applying for benefits who is sharing expenses with the head of household):

The *Authorization to Release Information* must be fully completed.

Part IV (to be completed by the head of household who is either the primary tenant or homeowner):

A. Household Information: Please answer all five questions;

B. Rental Information: Please answer all three questions;

C. Utility Information: answer one of the five questions in this section.
   - If all utilities are included in the rent, answer number **1**.
   - If the tenant pays for heat, or air conditioning or both, answer number **2**.
   - If the tenant pays for electricity (nonheat), gas/oil (nonheat), garbage removal, answer number **3**.
   - If the tenant pays for a land phone or a cell phone, answer number **4**.
     (Check unknown if you do not know if the tenant pays for a land or cell phone.)

D. Head of Household Information: The head of household who is the primary tenant or homeowner must print their name, sign and date this section.

    NOTE: The case manager should complete the *Case Manager Name* section.

Mail this Shared Housing Verification to: DTA, P.O. Box 4406 Taunton, MA 02780-0420. Please include your name, the TAO servicing your case and the last 4 digits of your Social Security Number on each page of the documents you submit.

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Shared Housing Verification

Part I

Case Manager Name _____

Return the completed form by _____ / _____ / _____

Part II

_____
Name of head of household sharing expenses with the person named in Part III.

_____
Street Address

_____
City/Town   ZIP

This Shared Housing Verification form explains how you and the other people living at your address share the costs for rent, utilities, and food. **Section IV**, **below, must be completed by the head of household.**

Part III

Authorization to Release Information

I, _____ ,
                        (Print Name)
give my permission to the requester to obtain and verify this information. I also certify under penalties of perjury that the answers on this form are correct and complete to the best of my knowledge.

_____   _____
Signature   Date

Part IV (TO BE COMPLETED BY THE HEAD OF HOUSEHOLD)

A. Household Information

1. Do you live in public or state or federally subsidized housing? ☐ Yes ☐ No

2. Is anyone in your family related to the person named in Part III? ☐ Yes ☐ No

3. Do you purchase and prepare meals together? ☐ Yes ☐ No

4. Name of **all** household members, including the person named in Part III.

_____ _____ _____

_____ _____ _____

5. Date person named in Part III moved in: _____

CASE MANAGER USE ONLY
SUA Type
☐ Heating
☐ Nonheating
☐ Phone

B. Rental Information (for person living with you)

The person living/sharing with you:
1. Gets meals provided? ☐ Yes ☐ No   If yes, how many meals per week? _____

    Amount paid per week for these meals is $ _____

2. Rents a room? ☐ Yes ☐ No

3. Pays rent in the amount of $_____ per ☐ month ☐ week ☐ other_____ (specify)

C. Utility Information (for person living with you)

1. **No Separate Utilities:** All utilities are included in the rent. ☐ Yes ☐ No

2. **Heating/Cooling**: Does the person living/sharing with you pay for either of the following SEPARATE from rent? ☐ ☐ heating *(seasonally)* air conditioning *(seasonally)*

3. **Nonheating:** Does the person living/sharing with you pay for any of the following utilities SEPARATE from rent?

    ☐ electricity (nonheat) ☐ gas/oil (nonheat) ☐ water/sewerage ☐ trash/garbage removal

    ☐ other_____ (specify)

4. **Telephone:** Does the person living/sharing with you pay for a telephone (may include a cell phone)?

    ☐ Yes ☐ No ☐ Unknown

D. Head of Household Information

I certify under penalty of perjury that my answers are correct and complete to the best of my knowledge.

_____ _____ _____
Name of Head of Household **Signature of Head of Household** **Date**
(Please print or type)

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APPENDIX E:

Department of Transitional Assistance Operations Memo 2014-15, February 13, 2014

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DEVAL L. PATRICK
Governor

JOHN W. POLANOWICZ
Secretary

STACEY MONAHAN
Commissioner

Operations Memo 2014-15
February 13, 2014

To: **Department of Transitional Assistance Staff**

From: **Lydia Conley, Acting Assistant Commissioner for Policy, Program and External Relations**

Re: **External Agency Data: Registry of Motor Vehicles**

Overview

In an ongoing effort to enhance the Department's program integrity, DTA continues to expand data verification by interfacing with real time online services provided by external sources.

DTA has expanded access to the MassDOT Registry of Motor Vehicles (RMV). This access will include information on state issued driver's licenses, identification cards (Massachusetts IDs and Massachusetts Liquor IDs) (hereafter referred to as licenses) and vehicle registration information for applicants and clients (hereafter referred to as clients) for all DTA programs.

Access was later expanded for DTA staff to view client picture images from RMV.

Purpose of Memo

Operations Memo 2013-40 provided DTA staff with information about the enhanced data verification interfacing capabilities between DTA and the RMV. This Operations Memo is being issued to:

- remind staff that RMV photos were available on BEACON effective Monday, September 23rd; and
- correct the types of verifications for which this match can serve under the Purpose of the RMV Enhancements section. This match can serve for Massachusetts residency, not address.

There are no other substantive changes.

Obsolete Memo

This Operations Memo obsoletes Operations Memo 2013-40.

Purpose of the RMV Enhancements

The purpose of the RMV interface is to assist DTA staff in determining a client's initial and on-going eligibility for the TAFDC, EAEDC and SNAP programs, with respect to the verification of identity, residency, household composition, and vehicle assets. Access to RMV license and vehicle registration data allows DTA to verify vehicles owned by the client and other members of the household.

New BEACON Features:
Ext Data – RMV Button

A feature called the "Ext Data – RMV" button has been created to enable staff to view RMV license and/or vehicle data for a client. This button has been added to the following workflows and pages in BEACON:

- Client Search;
- Assessed Person – RFA page;
- Address - RFA page;
- Address – Household Composition page;
- Household Query List;
- Assessed Person – AU Composition page;
- Assets Q and A Navigator; and
- Vehicles

External Agency RMV Page

A featured called, External Agency - RMV page, has been added to BEACON. The External Agency - RMV page is a popup page accessed by clicking the "Ext Data – RMV" button.

The External Agency - RMV page displays license and registration data currently on file with the RMV and when available from RMV will display license photos.

Changes to Workflow Functionality to Support the RMV Process

Changes have been made to BEACON to enable staff to view license and vehicle registration data from the RMV for pending, active and closed TAFDC, EAEDC, and SNAP cases. These enhancements are as follows:

- **Client Search:** An "Ext Data – RMV" icon has been added to the Client Search tool bar to allow users to access RMV information. A view only version of the External Agency – RMV page will be displayed;

- **Assessed Person – RFA page and AU Composition page:** On these pages, an "Ext Data – RMV" button has been added (to the right of the Name Clearance button) to access a view only version of the External Agency – RMV page;

- **Address-RFA page and Household Composition page:** Case managers can view the client's existing address with the RMV on these pages. An "Ext Data – RMV" button was added (to the right of the Address Type) to access a view only version of External Agency – RMV page;

  Note: This data *must not* be used to verify the client's mailing or residential addresses.

- **Household Query List:** A new "RMV List" button was added to this page (located next to the Select button). This button queries the RMV database using the current residential address listed in BEACON and matches it against the RMV License Address and the RMV Registration owner address. All clients matched will be displayed in the list. The address column on the page will display "RMV" if the address is matched from the RMV's license or registration data. Clients populated in the Query list from the RMV database cannot be selected.

  Note: No additional RMV details are displayed for clients shown on the Query list.

- **Assets Q and A Navigator:** The "Ext Data – RMV" button has been added to the right side of the Vehicle question in the Assets Q and A Navigator page. If vehicle registration data is known to the RMV, a pop-up message will display on the Assets Q and A Navigator page: "Vehicle Registration data was found through MassDOT RMV. Please click on the 'Ext Data' button to view the information";

  Note: The case manager must click on the "Ext Data – RMV" button and view the External Agency – RVM page data before moving to the next page.

**Changes to
Workflow
Functionality to
Support the
RMV Process
(continued)**

- **Vehicles:** This page will be set to 'Requires Reedit' when vehicle
  information is known to RMV and the match has not been dispositioned.
  The "Ext Data – RMV" button has been added below the End button.
  Upon clicking the Vehicles radio button, if RMV data is matched for any
  client in the household, the following message will display: "Vehicle
  Registration data was found through RMV Batch Process. Please click on
  the "Ext Data – RMV" button to view the information."

**Dispositioning
the Vehicles
Page and the
RMV Matched
Data**

The "Ext Data – RMV" button has been added to the Vehicles page below
the End button. Clicking the "Ext Data – RMV" button will display the
External Agency – RMV page containing any license and vehicle registration
data found for the client. A "Requested action" dropdown list located on the
upper right side of the External Agency – RMV page must be accessed and a
selection must be made from the list to disposition the data and remove the
'Requires Reedit' from the Vehicles page.

Upon viewing the External Agency – RMV page, the case manager must
determine if some, all or none of the vehicle registration data should be
copied to the Vehicles page.

The case manager must process the External Agency – RMV page as
follows:

- To add a new vehicle to the Vehicles page from the External Agency –
  RMV page, check the Include Checkbox on the Vehicle Data to be
  included and select "Add a new vehicle" from the Requested action
  dropdown list and click the Save button.

- To update an existing vehicle on the Vehicles page from the External
  Agency – RMV page, check the Include Checkbox on the Vehicle Data
  to be updated and select "Update an existing vehicle" from the
  Requested action dropdown list and click the Save button.

- If vehicle data is already available on the Vehicles page and no new
  updates are found on the External Agency – RMV page, select "Ignore
  vehicle data" from the Requested action dropdown list and click the
  Save button.

New Edits   The following edits have been made to BEACON:

- **ECF/Workflow tab:** When the client has vehicle registration data available through the RMV, and the data has not been dispositioned in BEACON, the following pop-up message will display when a Workflow type is selected and the Go button is clicked: "Client(s) in the Household has Vehicle Registration data reported by RMV. Please review the data by clicking on the "Ext Data – RMV" button on the Vehicles page";

- **Interview Wrapup Edit:** A hard edit has also been added to the Interview Wrapup page that prevents a case manager from wrapping up a case record if RMV data has not been dispositioned.

  Important: According to 106 CMR 363.140(D), vehicles are noncountable for SNAP. For SNAP-only cases, "Ignore Vehicle Data" must always be selected from the Requested action dropdown list in order to disposition the Vehicles page and RMV matched data. On the Vehicles page, the Countable Amounts FS field is set to disabled, and therefore a vehicle's asset value is not included in the BEACON Food Stamp EBC calculation.

Inconsistent Information

While information provided by the RMV is considered verified upon receipt, it is important to review with the client data obtained through the RMV. If the information the client is reporting is inconsistent with the data provided by the RMV, the client must be given the opportunity to give a reasonable explanation for what is reported on the match but beyond his or her control.

For example, if a client attests that the father of her child is absent from the home, but the RMV indicates that a vehicle is registered at that address in his name, a referral **must** be made to the Fraud Investigation and Data Match (FIDM) unit. It is not the client's responsibility to provide additional verification to prove the absence. However, the client should be made aware that a referral for further inquiry is being made.

Important: The case manager must refer cases to the FIDM when:

- ✓ information is presented that suggests a client has made an intentional misstatement to receive a benefit from DTA; and

- ✓ information from the RMV Match indicates inconsistent or contradictory information to the information presented by the client.

Job Aid

A job aid to assist DTA staff with completing the RMV Match process is available at: http://dtaonline/training/tr_online/job_aids.asp.

Reminder:
Confidentiality of Personal Information

Employees of the Department are privy to certain information of a personal, private, and confidential nature. Department policy prohibits all staff from **accessing** or **disclosing** such information, including client information, unless authorized to do so.

Client information may be accessed only for the purpose of performing a specific work-related assignment.

(See Legal Memorandum *Confidentiality of Personal Information* issued April 25, 2013, on DTA Online under Administrative Memos, for more information.)

Questions

If you have any questions, please have your Hotline designee call the Policy Hotline.

APPENDIX F:

Department of Transitional Assistance Operations Memo 2014-19, February 19, 2014

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Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Transitional Assistance

Operations Memo 2014-19
February 19, 2014

To: **Department of Transitional Assistance Staff**

From: **Lydia Conley, Acting Assistant Commissioner for Policy, Program and External Relations**

Re: **Registry of Motor Vehicles – Asset Verification and Processing**

Overview

Operations Memo 2014-15 introduced the expansion of access for Department employees with the MassDOT Registry of Motor Vehicles (RMV). This access allows staff to view the image of applicants and clients (hereafter referred to as clients) when available, as well as the title information of any vehicle(s) on file with that client.

A review by the Commonwealth's Bureau of Program Integrity revealed some variations in how RMV data is being recorded in BEACON. This Operations Memo will serve to ensure consistency in how RMV data is used.

Purpose of Memo

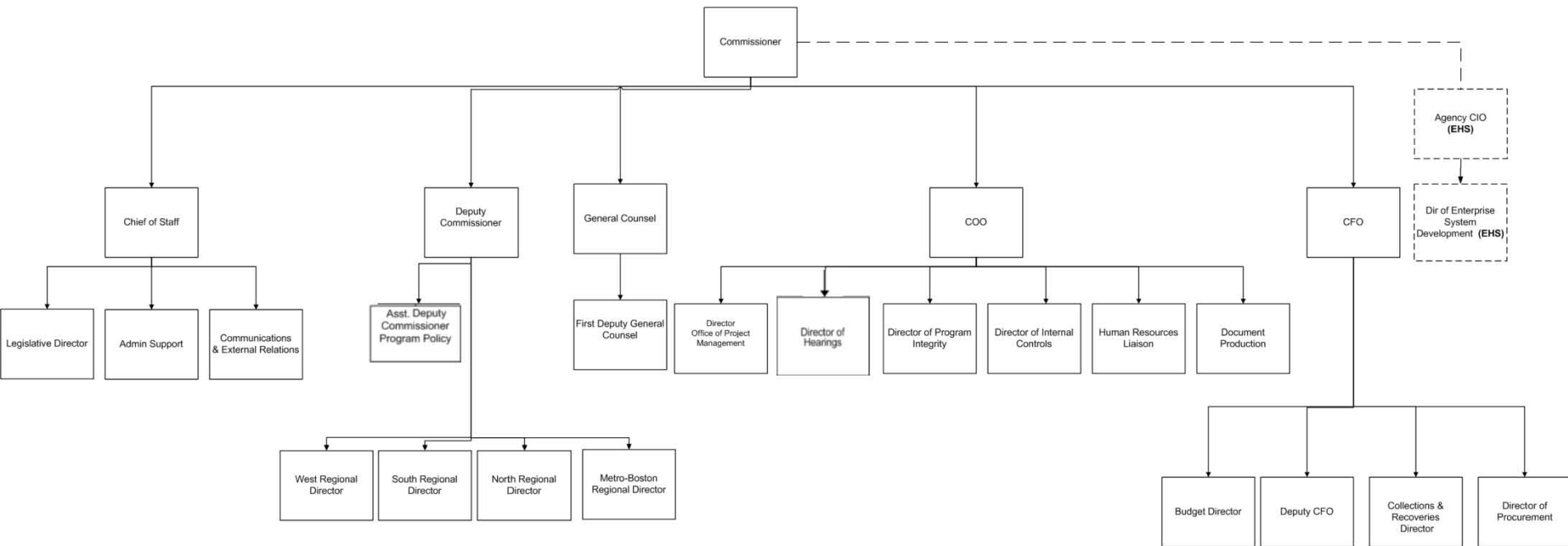The purpose of the Operations Memo is to:

- inform staff that the Mainframe system is no longer to be used for verifying RMV information, and
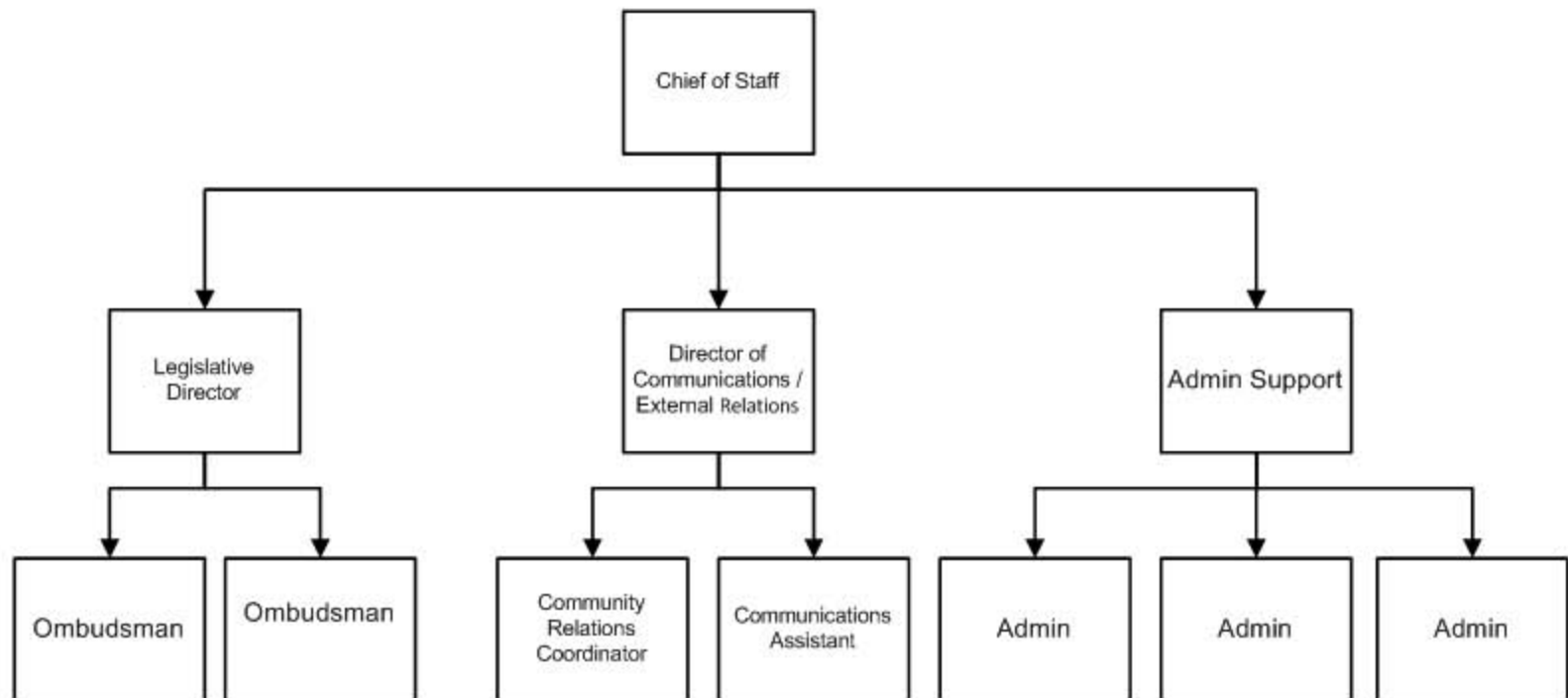- clarify for staff when to import RMV vehicle data.

Mainframe

All relevant RMV data can be found through the External Agency Data Match with the RMV. Information found through this match should be imported directly into BEACON, as outlined in Operations Memo 2014-15. The Mainframe system should no longer be used as a source for RMV information.

Vehicle Data

The information available through the RMV External Agency Data Match identifies all vehicles, which the RMV has on file as belonging to that client. This information must be added or updated in BEACON if not already listed on the Vehicles page from the External Agency – RMV page. "Ignore vehicle data" should only be selected if the vehicle is already known to BEACON or the client is in receipt of SNAP benefits only, and therefore no vehicles are countable as assets.

Important: The status of a vehicle's registration has no bearing on the ownership of the vehicle. Only vehicles for which the RMV has the title (ownership) in the name of the client are shown through the match.

The vehicle(s) Countable Amounts must be entered in accordance with program rules.

BEACON changes

A future BEACON build will make additional adjustments to the RMV External Agency Match.

Policy

TAFDC 106 CMR 204.120(G).
EAEDC 106 CMR 321.120(G).
SNAP 106 CMR 363.140(D).

Questions

If you have any questions, please have your Hotline designee call the Policy Hotline.

APPENDIX G:

Department of Transitional Assistance Organizational Chart February 2014

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Commissioner

Agency CIO **(EHS)**

Dir of Enterprise System Development **(EHS)**

Chief of Staff
- Legislative Director
- Admin Support
- Communications & External Relations

Deputy Commissioner
- Asst. Deputy Commissioner Program Policy
  - West Regional Director
  - South Regional Director
  - North Regional Director
  - Metro-Boston Regional Director

General Counsel
- First Deputy General Counsel

COO
- Director Office of Project Management
- Director of Hearings
- Director of Program Integrity
- Director of Internal Controls
- Human Resources Liaison
- Document Production

CFO
- Budget Director
- Deputy CFO
- Collections & Recoveries Director
- Director of Procurement

Deputy Commissioner

Asst Deputy Commissioner Director Program & Policy

Program & Data Coordinator

Program Coor Supervisor

Admin Assistant

Program Coordinator

Director of SNAP

Director of Cash and Full Engagement

Director Policy, Program

Asst. Director Program Development / Contract

Asst. Director Program Implementation

Asst. Director/ Special Projects

SNAP Nutrition Education Services

Director For Program Implementation

Intern Supervisor

Asst. Director ESP

Director of Policy Research

Director of Domestic Violence

Director of Program Operations

Deputy Commissioner

Metro Boston Regional Director — South Regional Director — North Regional Director — West Regional Director

Metro Boston Regional Director:
Dudley Square
Newmarket

South Regional Director:
Brockton
Fall River
Centralized
Hyannis
New Bedford
Plymouth
Taunton

North Regional Director:
Malden & SSIX
Lawrence
Lowell
North Shore
Chelsea

West Regional Director:
Fitchburg
Framingham
Greenfield
Holyoke
Pittsfield
Southbridge
Springfield Liberty
Springfield State
Worcester
Web Unit

TAO s

The 22 Transitional Assistance Offices (TAOs) are the service delivery system for DTA administered programs (SNAP and cash benefits).

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APPENDIX H:

List of Data Matches Used by the Department of Transitional Assistance
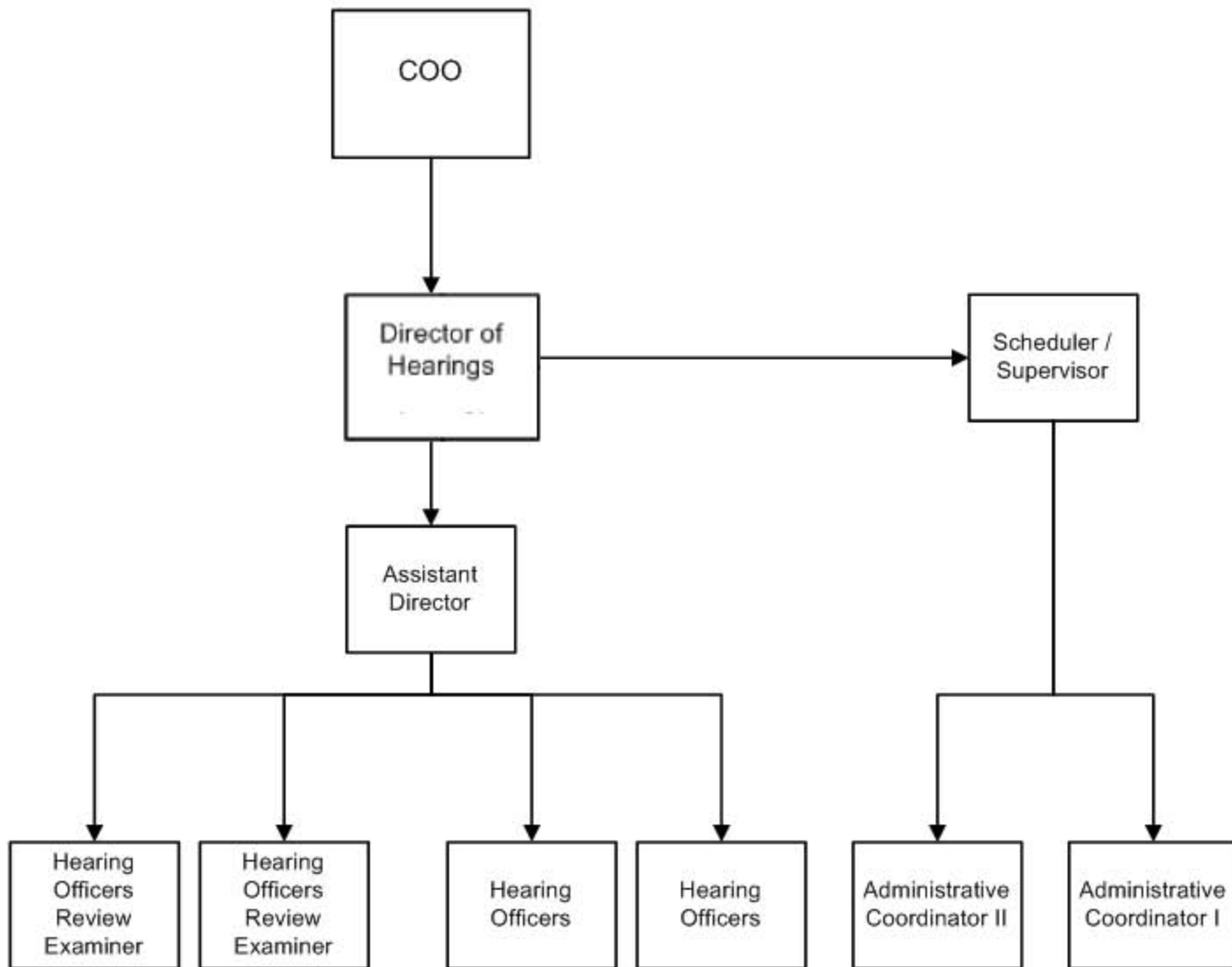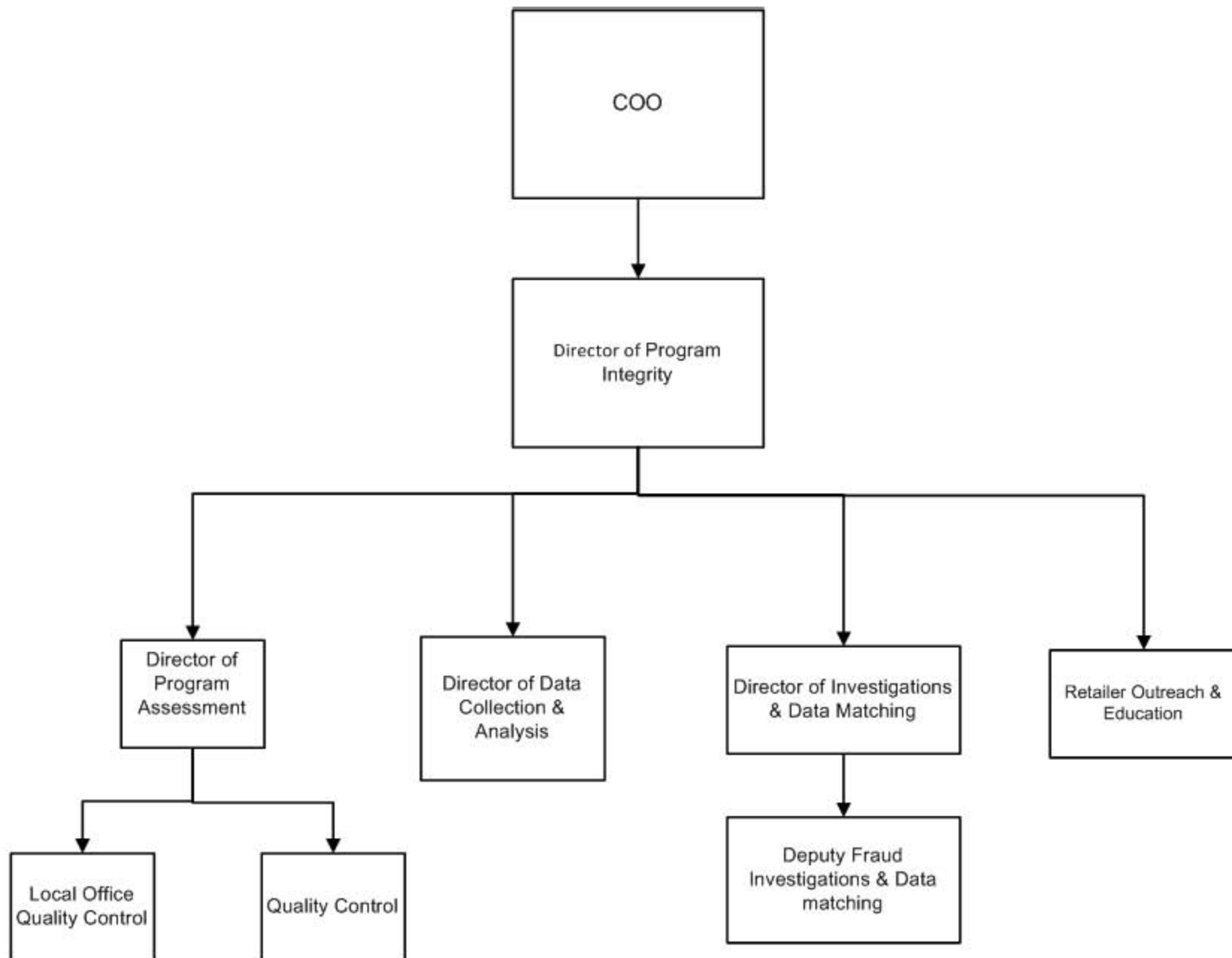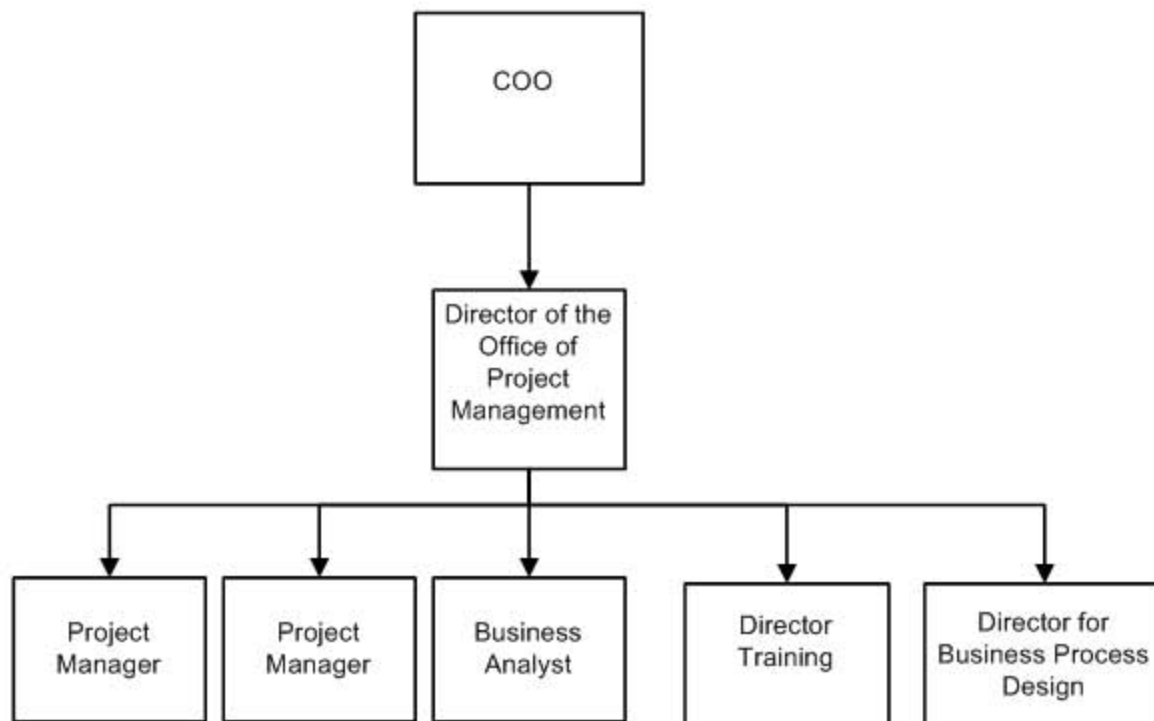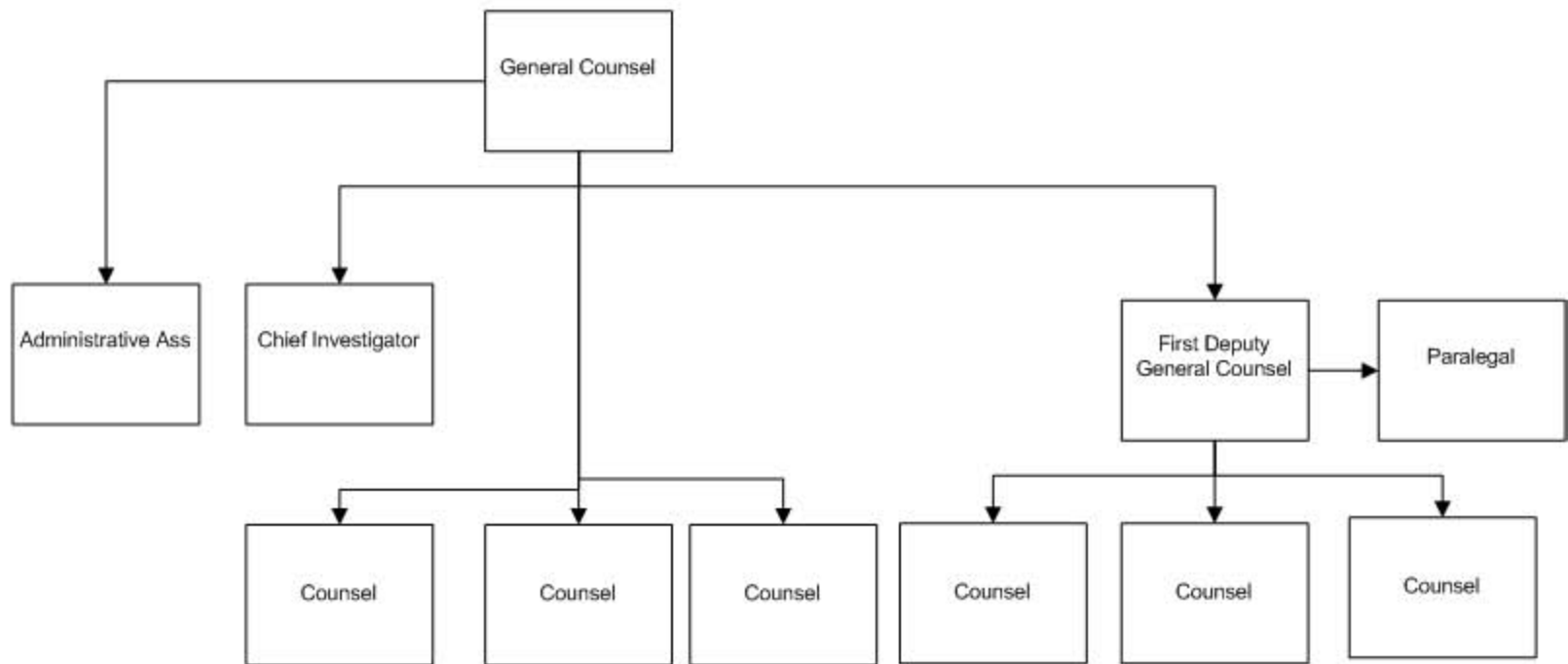
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LIST OF DATA MATCHES USED BY
THE DEPARTMENT OF TRANSITIONAL ASSISTANCE

NAME	DESCRIPTION	FREQUENCY
Income Matches		
DOR Wage	The Department sends a list of all recipients to the state Department of Revenue (DOR). In turn, DOR matches that data against its wage reporting files and reports back to the Department any recipients for whom wages have been reported.	Monthly
DOR New Hire	The Department matches its recipient list against a list of recently hired individuals as reported by employers to the state Department of Revenue.	Twice a Month
IRS Match	The Department provides a list of recipients to the IRS which in turn determines if any of the recipients has unearned interest income for the previous tax year as reported on IRS Form 1099. The IRS then provides a list of those recipients to the Department.	Annually
Massachusetts Lottery	The Department sends a list of all recipients to the Massachusetts Lottery Commission, which in turn compares it to a list of lottery winners and then sends back to the Deparment a list of all recipients with winnings.	Weekly
DOR Absent Parent Information	The state Department of Revenue sends a list of cash recipients who are receiving child support payments from non-custodial parents to the Department.	Weekly
The Work Number	"The Work Number" is a subscription employment verifciation service maintained by Equifax Workforce Solutions. This real time internet-based look-up allows the Department to verfy employment, earnings, and other information for recipients employed by 2,500 employers nationwide.	Daily
Department of Unemployment Assistance	The Departmentof Unemployment Assistance provides a list of recipients with unemployment compensation payment information to the Department, which then cross-checks it with a list of all recipients.	Monthly
SSA SDX File	Through the State Data Exchange (SDX), the Department recieves a list from the federal Social Security Administration which adminsters SDX detailing any recipients who are also receiving Supplemental Security Income as well as the amount they are receiving.	Daily
SSA BENDEX	The Benefits and Earnings Data Exchange (BENDEX) is a match in which the federal Social Security Administration provides the Department with Social Security and Medicare payment information for applicants and recipients.	Daily
PARIS Federal Veterans	The Department sends a list of recipients to the federal Administration for Children and Families (ACF) who, in turn, sends to the Department a list of clients receiving Veteran's benefits drawn from ACF's Public Assistance Reporting Information System (PARIS).	Quarterly
Asset Matches		
DOR Bank	The Department sends the state Department of Revenue (DOR) a list of all current recipients. In turn, DOR compares this list against all known bank account holders in the Commonwealth. DOR then notifies the Department of any recipients who have assets in a bank account in the Commonwealth. The recipients must then verify the account balances as assets.	Monthly
Registry of Motor Vehicles	The Department receives a list from the state Registry of Motor Vehicles (RMV) of all license and registration information. The Department uses this data to link RMV photographs with recipients. Caseworkers also use the information to lookup license and registration information to locate vehicle assets as well as address information for applicants or recipients.	Monthly
Social Security Number Matches		
SSA SVES	The Department uses the State Verification and Exchange System (SVES) administered by the federal Social Security Administration (SSA) to verify that Social Security Numbers given by recipients to Department case workers are valid SSNs assigned to that particular recipient.	Monthly
SSA EVS	The Department sends the name, DOB, and gender of all clients who have a temporary identifer instead of a Social Security number (SSN) to the Social Security Administrations Enumeration Verification System (EVS) batch process. If there is a hit in the EVS database, based on the demographic information, the temporary identifier in BEACON is replaced with the updated SSN.	Monthly
Child Related Matches		
DCF Placement	The Department sends a list of recipients to the Department of Children and Families DCF) which then identifies any dependents that are in DCF custody (foster care or guardianship) or who's head of household is receiving a DCF subsidy.	Monthly
Department of Elementary and Secondary Education	The Department matches with the state Department of Elementary and Secondary Education to verify public school attendance for any recipient aged six to thirteen to satisfy the Learnfare requirement.	Monthly
Department of Youth Services	The state Department of Youth Services (DYS) provides a list of all individuals currently placed into DYS custody. The Department then compares this list against all recipients to determine if any clients are in DYS custody.	Twice a Month
DOR Acosta File	The state Department of Revenue notifies the Department of child-support payments received from non-custodial parents that exceed the TAFDC grant for clients who are receiving TAFDC benefits.	Monthly
DOR Defra File	The state Department of Revenue (DOR) notifies the Department of child support for TAFDC clients that it received from the non-custodial parent. DOR will retain the payment in order to defray the cost of benebits paid out less $50 which sent directly to the custodial parent who is on TAFDC.	Monthly
Out-of-State Activity Matches		
Food and Nutrition Services (FNS) eDRS	The Department matches the Social Security Number of any SNAP recipient with the Electronic Disqualified Recipient System (eDRS) online database maintained by FNS to determine if any recipient has been disqualified in another state for Intentional Program Violations (IPVs).	Daily
Out of State EBT	The Deparment recieves a file from the Xerox Corporation which matains the Electronic Payment Processing Information Control database that shows SNAP recipients who have used their EBT card in another state.	Daily
PARIS Federal Multi-Interstate	The Department sends a list of recipients to the federal Administration for Children and Families (ACF) who in turn reports back to the Department a list of clients receiving benefits in other states drawn from ACF's Public Assistance Reporting Information System (PARIS).	Quarterly
New York State	The Department has direct access to recipient information from the New York State Office of Temporary and Disability Assistance in order to determine if Department recipients are also collecting benefits in New York State.	Monthly
Death Matches		
Department of Commerce Death	The federal Department of Commerce sends the Department a list of all newly deceased persons nationwide which the Department then compares to a complete list of recipients.	Weekly
Department of Public Health (DPH) Death	The Department recieves a list of all new deaths in the state in the previous month which it then compares to a list of all recipients.	Monthly
SSA SDX File	In addition to information on recipients who are receiving Suppplemental Security Income (See "SSA SDX File" above), the Department also receives information through the SDX File on recipients that the federal Social Security Administration shows as being recently deceased.	Daily
SSA BENDEX	In addition to Social Security and Medicare payment information (See "SSA Bendex" above), the Benefits and Earnings Data Exchange (BENDEX) also sends the Department information on those recipents that are newly deceased.	Daily

LIST OF DATA MATCHES USED BY
THE DEPARTMENT OF TRANSITIONAL ASSISTANCE

NAME	DESCRIPTION	FREQUENCY
Prisoner Matches		
Massachusetts Department of Corrections	The state Department of Corrections sends the Department of list of all indivduals incarcerated in a state correctional facility. The Department then compares this list against its list of recipients.	Monthly
SSA Prisoner Verification	The Department sends a list of all recipients to federal Social Security Administration (SSA). The SSA compares that file to a list it maintains of incarcerated individuals throughout the country. The SSA then sends a list of those recipients that match back to DTA.	Monthly
Hampden County House of Corrections	A monthly incoming batch match whereby the Hampden County House of Corrections sends a list of all incarcerations for the previous month.	Monthly
Berkshire County House of Corrections	A monthly incoming batch match whereby the Berkshire County House of Corrections sends a list of all incarcerations for the previous month.	Monthly
Plymouth County House of Corrections	A monthly incoming batch match whereby the Plymouth County House of Corrections sends a list of all incarcerations for the previous month.	Monthly
Rhode Island Department of Corrections	The Department receives information on individuals incarcerated in Rhode Island and compares it to a list of recipients.	Monthly
Other Matches		
Parole Violator	The Department matches with the state Criminal Systems History Board to obtain information on recipients who may be parole violators.	Weekly
CJIS Warrant Inbound	The Department sends a list of recipients to the federal Criminal Justice Information Services (CJIS) which identifies any recipients that have outstanding warrants.	Quarterly
SSA 40 Quarter	A match the Department uses with the federal Social Security Administration (SSA) to verify whether a Legal Permanent Resident has worked the required 40 quarters in order to become eligible for SNAP and TAFDC benefits.	Monthly
National Change of Address	The Department utilizes the National Change of Address (NCOA) database maintained by the United States Postal Service (USPS) to update mailing addresses. When a recipient updates their mailing address with the USPS, the address will be updated in the NCOA database which the Department will then use to update recipient addresses in BEACON.	Monthly

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