



cutting through complexity

Integrated Services Delivery: Finding the “Right Doors” for Your Clients

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Introduction

States across the country are aggressively pursuing opportunities for program and service integration to improve the delivery of health and human services (HHS). With recent actions and guidance issued by the federal government, states are increasing their focus on cross-program integration. Federal support for that focus has just been reaffirmed in the third “Tri-Agency” letter issued by the Department of Health and Human Services and the Department of Agriculture, which speaks to the federal government’s desire “to maintain the progress states have made, and to promote further integration.”¹ In fact, there is no better time than the present to pursue program and service integration to create cost efficiencies and provide better outcomes to client beneficiaries.

Meanwhile, clients themselves are increasingly expecting more self-service options, providing a significant opportunity for states to transform their delivery channels, while enhancing the client and applicant experience and satisfaction.

This issue brief is the first in a three-part series, prepared in conjunction with the KPMG Government Institute, on aspects of Integrated Services Delivery (ISD), providing cross-state perspectives, discussing key trends, and offering leading practices on HHS delivery integration in the following areas:

- **Integrated channel management (Part 1)**—Establishing shared customer service across multiple channels, including (as desired) in-person office channels, electronic portal channels, call center and interactive voice response (IVR), mobile device interfaces, and in-person channels at partner locations
- **Integrated client and case management (Part 2)**—Identifying common service delivery capabilities, such as client information management, case management, and establishing common processes and data management approaches to reduce duplication
- **Integrated back-office management (Part 3)**—Identifying common management functions, such as partner contract management, information verification, or Electronic Benefits Transfer (EBT) financial management, and developing common processes and technical interfaces that can be collectively leveraged

This first paper in the series focusing on integrated channel management highlights the critical ways states can unlock the power of delivery channels to enhance client self-service, improve customer experiences, drive clients towards the “right door” that benefits them, and realign costs to worker-based activities that can improve client outcomes.

This KPMG Issue Brief series on ISD builds upon previous KPMG thought leadership that documents the specific ways states and localities are improving service delivery through critical integration strategies:

- “[The Integration Imperative: reshaping the delivery of human and social services](#),” developed by KPMG International in collaboration with the Mowat Centre
- “[The Integration Imperative as the Driver of Reform](#),” a research paper developed by KPMG LLP and the Governing Institute

Integrated channel management: Creating the “right doors”

Even prior to the Affordable Care Act (ACA) and the development of the Federally Facilitated Marketplace (FFM) and State-Based Marketplaces (SBM), many states made progress towards building delivery channels such as online portals and customer contact centers. The idea was to promote a “no wrong door” approach consistent with the “client pathways” global ISD trend. (See sidebar below for a description of ISD.) Many states, however, still rely heavily on manual-based business processes that are supported by limited automation to deliver HHS programs and services, especially throughout the eligibility and enrollment process.

Certainly, one goal of integrated channel management involves enhancing benefit-delivery channels to enable more client self-service, as well as transitioning to lower-cost channels. But more important, integrated channel management is about providing the right and most effective channel to serve each client. The vision for integrated channel management includes providing the capability of a single access point for clients and applicants to use

What is integrated services delivery?

ISD includes increasing the coordination of operations within the HHS system. The overall aim is to improve efficiency and client outcomes. Several key drivers are advancing this goal of service integration:

- **Service fragmentation.** Federal and state policy incentives, as well as increasing citizen expectations for government efficiency and effectiveness, mean it is no longer acceptable for agencies to operate with hard-to-navigate programs, lack of coordination and information sharing, and organizational silos.
- **Client needs.** Aging populations, increasing numbers of people needing help, and increasingly complex client needs mean that services can no longer be delivered in isolation.
- **Technology.** New technologies are available to improve service delivery for agencies, which also must meet client expectations for using technology to access services.
- **Budget constraints.** Agencies must continue to streamline operations and help staff work more efficiently and effectively within limited growth or declining budgets.

¹ www.medicaid.gov/federal-policy-guidance/downloads/SMD072015.pdf

for each channel, regardless of the program or programs they are attempting to interact with, preventing the duplication of efforts—in other words, identifying and creating delivery channels with the goal of building the “right doors” for applicants and clients.

The ability for a state to successfully implement integrated channel management and create these “right doors” is vital to achieving its transformation vision and associated Key Performance Indicator (KPI) metrics. States should consider allowing their residents to apply for or manage their benefits and services via multiple mechanisms.

Delivery channels

Contact Center/IVR



Client portal



Application assisters



Mobile



Local office



Storefronts



These include call centers/IVR, client portals, worker portals, mobile, local offices, and storefronts. Some of these points of entry already exist but may require enhancements to provide better customer service. In particular, states should consider the following enhanced self-service channels as a key plank of their integrated channel management strategy:

- **Mobile access channel.** With the implementation of a mobile access channel, a state can reach individuals who otherwise may have had to visit state or local social services offices to submit documentation, report basic household changes, view communications, or view and manage their HHS program benefits.
- **A new or enhanced client portal.** States should consider developing an integrated client portal across all HHS programs and services, while allowing applicants to apply for specific/individual programs where applicable (e.g., Modified Adjusted Gross Income (MAGI) Medicaid.)
- **“Storefronts.”** With the adoption of “storefronts,” states can provide a channel for an applicant or client who may need a fully dedicated eligibility worker but can still receive assistance in applying or recertifying using the various technological tools. In this channel, clients can walk into a “brick and mortar” location and complete transactions using enhanced technical components implemented by the state (e.g., client portal, self-service scanning). These transactions may be performed autonomously by the client or with a facilitated enroller’s assistance. In-person assistance can continue to be provided at appropriate points for clients needing complex transactions, such as the development of an employment plan for Temporary Assistance for Needy Families (TANF).

With regard to mobile and digital, some states may be reluctant to employ these technologies on the assumption that their target clients do not have easy access to the Internet. But according to the Pew Research Center’s “Digital Differences,” groups that have traditionally been on “the other side” of the digital divide are now leveraging wireless connections to access the Internet.² (See sidebar below.)

Through these options, states can implement more cost effective client self-service capabilities in an effort to migrate clients to lower-cost service delivery channels while simultaneously enhancing customer service.

Target populations using wireless, smartphones to access Internet

- Nearly two-thirds of Americans are now smartphone owners, and for many, these devices are a key entry point to the online world.
- Ten percent of Americans own a smartphone but do not have broadband at home, and 15 percent own a smartphone but say that they have a limited number of options for going online other than their cell phone. Those with relatively low income and educational attainment levels, younger adults, and nonwhites are especially likely to be “smartphone-dependent.”
- Some 13 percent of Americans with an annual household income of less than \$30,000 are smartphone-dependent. Just 1 percent of Americans from households earning more than \$75,000 per year rely on their smartphones to a similar degree for online access.

Source: U.S. Smartphone Use in 2015, Pew Research Center

Benefits

Integrated channel management provides states with both qualitative and quantitative benefits. Among them:

- Ability to provide more timely feedback to clients and applicants
- Reduced operating costs for the state
- Faster processing times
- Shorter lines and less waiting for clients
- Reduced duplicate processes between programs
- Improved quality due to less inputting and reinputting of data into systems by workers
- More time for eligibility and case workers to focus on activities that can enhance client outcomes (e.g., what is the root cause for a client to need shelter services) to help address the issue
- Lower-cost delivery channels that may reduce costs of overall program administration
- Cost and business-process efficiencies through automation (e.g., e-noticing capabilities will reduce printing and mailing costs, enterprise content management will reduce document storage and retention costs to support potential fair hearings and appeals)

² U.S. Smartphone Use in 2015, April 1, 2015 – Pew Research Center

Current channel service delivery

- Predominance of worker-delivered service
- Higher average transaction cost
- Longer average transaction duration
- Longer client wait times
- Significant use of paper
- Different processes for every program
- Low client satisfaction levels

Channel service delivery modernization options

- Predominance of client self-service
- Lower average transaction cost
- Shorter average transaction duration
- Shorter client wait times
- Minimized use of paper
- Consistent processes across programs
- High client satisfaction levels

How can states implement integrated channel management?

In order to implement integrated channel management, states will need to reassess their services delivery vision, goals, and objectives. This will require redefining their future state Target Operating Model (TOM) to identify and document the delivery channels that will need to be implemented to meet their redefined vision, goals, and objectives.

States can do this by executing the following three steps:

- 1. Establish a channel management strategy.** This process will entail evaluating the types of client interactions performed across programs. Next, states would prioritize capability enhancement across channels, followed by prioritizing interaction types across channels.
- 2. Design an integrated/shared-service operating model.** To do so, states would need to identify an organizational model for their operating channels and establish service-level requirements (by program and by channel) to facilitate benefits issuance and increase client satisfaction.
- 3. Develop an overall implementation strategy and plan.** Such a plan would include an Organizational Change Management (OCM) strategy to assist state and local stakeholders in adopting the future state TOM. Likewise, a communication and marketing strategy would be needed to help ensure effective communications to empower clients to use the desired channel, or “right door,” for their needs. It should be noted that it may not be necessary to implement all channels together. An appropriate sequencing will vary between states depending on the other transformation initiatives concurrently under way and the key drivers for a particular state’s channel management strategy.

What resources are available from the federal government to help enable integration?

States do not need to go it alone when it comes to implementing a plan for integrated channel management. The federal government offers a number of resources to assist states with enabling integration.

- **The Office of Management and Budget (OMB) A-87 Cost Allocation Waiver** allows other HHS programs to benefit from business and technical capabilities developed for Medicaid at an enhanced Federal Financial Participation (FFP) rate of 90/10, including allowable shared services to advance a state’s integrated channel management strategy. For example, the A-87 Cost Allocation Waiver allows other HHS programs to benefit from technologies implemented to support Medicaid eligibility determination, referred to as allowable shared services, at the enhanced FFP rate such as an integrated client portal and document management solution. Potential allowable shared services components that could support integrated channel management include components such as client portals, user interfaces, call centers and IVR systems, and document imaging solutions.
- **The Administration for Children and Families (ACF) National Human Services Interoperability Architecture (NHSIA)** is a framework to facilitate information sharing, improve service delivery, prevent fraud, and provide better outcomes for children and families. NHSIA includes eight high-level categories, with one (Convenient Access for Clients) focusing on channel management.
- **ACF’s Interoperability Initiative, including the Confidentiality Toolkit.** The Confidentiality Toolkit was developed to help jurisdictions successfully navigate the delicate balance between privacy and security with the delivery of efficient and effective services. The Confidentiality Toolkit analyzes, explains, and aids states and local jurisdictions in the navigation of a number of federal laws that impact the implementation of human services. Embedded throughout are success stories and sample documents from across the country from which jurisdictions using the Toolkit can borrow freely. The Confidentiality Toolkit provides data-sharing guidance to states across programs, which is imperative to enabling integrated channel management.

Policy considerations

Many states are considering integrated channel management across programs and services to enable a more holistic client experience. However, many programs have unique requirements for areas such as direct client involvement and verification of eligibility elements. This creates challenges in

aligning these programs to an integrated channel management approach. Some, although not all, of these challenges of misalignment of program requirements can be addressed through flexibility provided by federal partners, through the execution of programmatic waivers. States where programs and services are locally administered may require an additional level of approval steps, which adds to this complexity. However, states can expand upon existing or request additional waivers from the Centers for Medicare and Medicaid Services (CMS) and the Food and Nutrition Service (FNS), such as:

- **On-Demand Interview Waiver:** This waiver permits the state agency to waive certain Supplemental Nutrition Assistance Program (SNAP) date/time interview scheduling requirements at 7 CFR 273.2(e)(3). This allows applicants and clients to call the agency at their convenience to conduct their eligibility interview.
- **Electronic Notice Waiver:** Electronic notice (e-notice) waivers allow states to issue notices electronically to clients instead of mailing notices to a physical address. Clients can opt in to be “paperless” and will receive an e-mail and paper confirmation notice with instructions on how to retrieve their e-notices.
- **Paper Copy of Application Waiver:** This waiver allows the state agency to forego the regulation 7 CFR 273.2(c)(1) that requires the state to provide clients who apply for SNAP benefits online at the local office with a paper copy of the information submitted for their records.
- **Waiver to Postpone the Certification Interview for Certain Expedited Service Households:** This waiver allows the state agency to waive regulation 7 CFR 273.2(i)(3)(iii) that requires completion of the SNAP certification interview within seven days for households that meet expedited service criteria. Under this waiver, state agencies may certify and issue benefits to households that meet expedited service criteria but are otherwise unable to complete the required certification interview within the seven-day period, provided identity has been verified and state agency staff have attempted to contact the household.

Conclusion

For many citizens, a state’s HHS programs are critical resources to help them maintain an acceptable quality of life. States are looking for ways to make the delivery of these vital services easier and more efficient for these residents. ISD, the coordination of operations within the human and social services system, is an effective means to achieve that goal.

Integrated channel management, a key component of this effort, can help states provide their residents with multiple paths to HHS programs—including electronic portal channels, call center and IVR, mobile device interfaces, and potentially in-person partner channels—which they can access depending on their particular abilities and needs.

To be sure, states implementing integrated channel management will need to step back and reassess their services delivery vision, goals, and objectives. However, a number of resources are available to assist states with this transformation.

Regardless of the challenges, integrated channel management can offer a number of benefits, including lowering operating costs for states and allowing more time for caseworkers to work to enhance client outcomes. More importantly, integrated channel management can help ensure HHS applicants and clients will always find the “right door” for help.

Next in our series

The next paper in our series on the trends and practices of ISD will address the topic of integrated client and case management. This practice aims to reduce duplication by identifying common service delivery capabilities and creating common processes and data management approaches around them.

Part 1: Integrated channel management

Establishing shared customer service and contact management across multiple channels, including in-person office channels, electronic portal channels, call center and IVR contact, mobile device interfaces, and potentially in-person partner channels

Part 2: Integrated client and case management

Identifying common service delivery capabilities, such as client information management, case management, and establishing common processes and data management approaches to reduce duplication

Part 3: Integrated back office management

Identifying common management functions, such as partner contract management, information verification, or EBT financial management, and developing common processes and technical interfaces that can be commonly leveraged

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About KPMG's Health and Human Services practice

KPMG leverages a global network of highly experienced HHS professionals from across a wide range of functional service areas to deliver tailored and practical methodologies to our firms' local clients. Our teams have strong skills and deep knowledge in modernizing service delivery models, harnessing data analytics, and improving program outcomes. In helping states transform their HHS delivery models, KPMG can implement KPMG's Enterprise Reference Architecture (KERA) for Health and Human Services. KERA represents a single, cohesive, and wide-ranging reference architecture that aligns the various streams of federal guidance and regulations that a state must follow if it is to undertake an integrated service delivery modernization initiative and meet the requirements of the CMS Seven Standards and Conditions. KERA aligns and is integrated with the relevant federal reference architectures, including:

- Exchange Reference Architecture (ERA)
- National Human Services Interoperability Architecture (NHSIA)
- Medicaid Information Technology Architecture (MITA) 3.0

About the KPMG Government Institute

The KPMG Government Institute was established to serve as a strategic resource for government at all levels, and also for higher education and nonprofit entities seeking to achieve high standards of accountability, transparency, and performance. The Institute is a forum for ideas, a place to share leading practices, and a source of thought leadership to help governments address difficult challenges such as effective performance management, regulatory compliance, and fully leveraging technology.

For more information, visit us at www.kpmginstitutes.com/government-institute/.

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