



# How COVID-19 highlights the need for health and human services integration

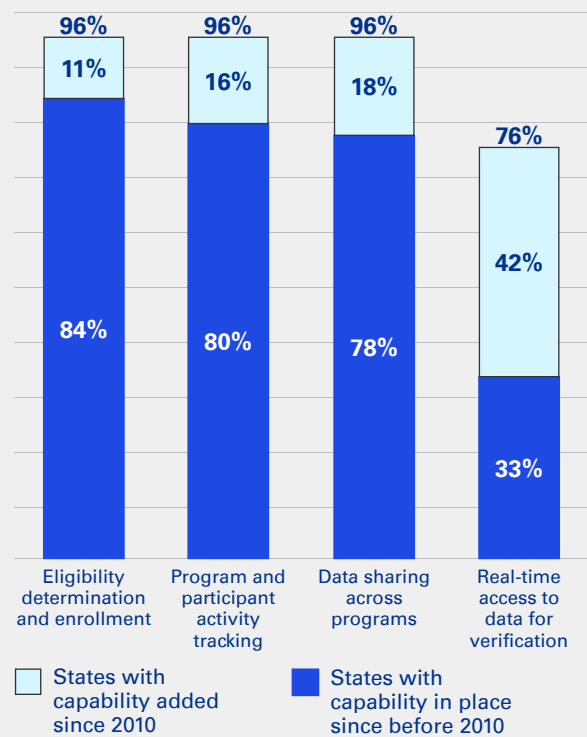
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The COVID-19 pandemic has drastically changed the way state agencies provide health and human services (HHS). Namely, the public health crisis has highlighted and accelerated the imperative for state agencies to integrate their HHS programs to better meet the changing needs of vulnerable residents, workers, and providers. According to the Office of the Assistant Secretary for Planning and Evaluation (ASPE), people currently enrolled in an HHS program are 87 percent more likely to be enrolled in multiple other benefit programs.<sup>1</sup> Integrating these services for citizens can provide states with increased flexibility to changing needs and service disruptions, helping ensure that communities are better equipped to handle complex and high-consequence public health challenges. Integration of HHS programs can also help states reduce their administrative costs, improve program outcomes, rebalance agency workloads, and promote healthier outcomes for constituents. The pandemic has accelerated the opportunity to recognize this integration imperative to better meet the whole-person needs of those most at risk.

The prepandemic practice of state agencies integrating their health and human services is not a new phenomenon, dating back over 20 years. The Tri-Agency Letter (A-87)<sup>2</sup> issued by the U.S. Department of Health and Human Services (HHS) and the U.S. Department of Agriculture was a financial motivator for states to achieve integration as it provided an approved cost-sharing arrangement between Medicaid, Supplemental Nutrition Assistance Program (SNAP), and Temporary Assistance for Needy Families (TANF)

### Exhibit A: Share of agencies with various eligibility and enrollment capabilities before and since 2010



N=45

Source: "Status of State Efforts to Integrate Health and Human Services Systems and Data: 2016," ASPE, [aspe.hhs.gov/reports/status-state-efforts-integrate-health-human-services-systems-data-2016](https://aspe.hhs.gov/reports/status-state-efforts-integrate-health-human-services-systems-data-2016). Accessed February 10, 2023.

<sup>1</sup> 87 percent is based off TANF participants that are enrolled in two or more additional programs. Suzanne Macartney and Robin Ghertner, "How Many People That Receive One Safety Net Benefit Also Receive Others?," January 20, 2023, [aspe.hhs.gov/sites/default/files/documents/340f9d2586fbc3cdc1510f793403d0c/program-overlap-datapoint.pdf](https://aspe.hhs.gov/sites/default/files/documents/340f9d2586fbc3cdc1510f793403d0c/program-overlap-datapoint.pdf).  
<sup>2</sup> Letter to State Exchange Grantees, Medicaid and CHIP Directors, and Health and Human Services Directors, U.S. Department of Health and Human Services (HHS), January 23 2012, [https://fns-prod.azureedge.us/sites/default/files/apd/Final\\_Tri-Agency\\_Letter\\_on\\_Addt\\_Guidance\\_on\\_OMB\\_Exception-Shared\\_Services.pdf](https://fns-prod.azureedge.us/sites/default/files/apd/Final_Tri-Agency_Letter_on_Addt_Guidance_on_OMB_Exception-Shared_Services.pdf).

programs. While some states used this resource to drive integration, this accelerator would later expire on December 31, 2015. After the A-87 expired, some states explored novel ways to allocate IT costs across integrated HHS projects. However, increasingly complex challenges with data governance, funding, and perhaps organizational resistance have often slowed or stalled some state efforts. More recently, with the onset of COVID-19, some unintegrated agencies and their staff were operationally, organizationally, and technologically underprepared for the volume of cross-HHS program need created by the COVID-19 pandemic.<sup>3</sup>

## 1. The pandemic shift

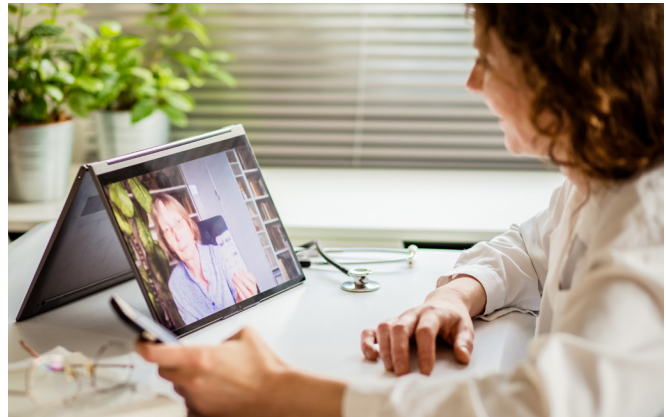
The COVID-19 pandemic has presented a unique opportunity for HHS agencies to integrate services and provide more comprehensive, seamless access to the people they serve. Many states were forced to transition their staff and in-person public-facing services to a more remote-access model during the pandemic, requiring both internal agility and seamless integration of systems. With the integration imperative increase for online and mobile applications, HHS programs could leverage online consent management tools to allow data to be shared and to coordinate services across programs. To embrace this shift toward a streamlined user-facing experience, the Centers for Medicare & Medicaid Services (CMS) now includes “user experience” in its Streamlined Modular Certification (SMC) outcomes-based certification process,<sup>4</sup> expecting Medicaid services to engage people where they are and when they are most available. The integration imperative provides an unprecedented opportunity for people to access the programs they need in an efficient and effective manner.

During the pandemic, Texas HHS encouraged residents to coordinate SNAP, healthcare, and TANF services using the “Your Texas Benefits” mobile application, to bypass long lines at HHS offices or 211 call centers.<sup>5</sup> Other states did likewise.

## 2. COVID-19-fueled acceleration

The integration imperative is key in addressing the long-term staffing repercussions of the pandemic. The pandemic has brought about an acceleration of retirement among HHS agency workers, creating both a staffing exodus and depletion of deep institutional HHS program and IT knowledge. The retirement of baby boomers coupled with the compounding phenomena of the “brain drain” and “Great Resignation” have further accelerated the exodus. The pandemic has demonstrated that as HHS agency workers retire from state service, and fewer new hires are retained, the knowledge gap accelerates. This shortage has been exasperated by the need to “do more with less” as the number of available HHS workers decreased and the volume of need for HHS services increased during the pandemic. To offset this phenomenon, some agencies are seeking new ways to fill the gap, such as new recruiting tools to attract young workers, offering incentives for employees to stay, moving to hybrid or fully virtual work environments, and increasing wages. These long-term operational disruptions can be minimized with an integration imperative response focused on coordinated agency service delivery.

Healthcare and social assistance job departures were 32.5 percent higher by November 2022 than they were before the pandemic.<sup>6</sup>



<sup>3</sup> M. Chehrehgosha, “The Unpreparedness of the Healthcare System for the Management of COVID-19 Pandemic Leading to the Mistreatment of the Elderly: A Newly Emerging Moral Dilemma,” *Journal of Nutrition, Health & Aging*, June 2020, <https://doi.org/10.1007/s12603-020-1410-8>.

<sup>4</sup> “Streamlined Modular Certification | Medicaid,” Centers for Medicare & Medicaid Services, [www.medicare.gov/medicaid/data-systems/certification/streamlined-modular-certification/index.html](http://www.medicare.gov/medicaid/data-systems/certification/streamlined-modular-certification/index.html).

<sup>5</sup> “Coronavirus (COVID-19) Information for People Receiving Services, Texas Health & Human Services Commission, <https://www.hhs.texas.gov/services/health/coronavirus-covid-19/coronavirus-covid-19-information-people-receiving-services>.

<sup>6</sup> Imani Telesford, Emma Wagner, Paul Hughes-Cromwick, Krutika Amin, Cynthia Cox, “Pandemic continues to affect healthcare jobs, tracker finds,” HEALTHCARE DIVE, Krutika Amin, Cynthia Cox. January 23, 2023. <https://www.healthcaredive.com/news/healthcare-job-growth-rates-not-returned-to-predicted-pre-pandemic-levels/640934/>

### 3. Worker reset

COVID-19 has reset worker expectations within HHS agencies. Increasingly, tech-savvy workers are accustomed to integrated online services, from retail and entertainment to education products. As such, they are generally unfamiliar with the functions of mainframes, green screen terminals, or fax machines. To keep up with workers' expectations, HHS agencies must prioritize integrated solutions that allow for efficient workflows founded on data analytics, artificial intelligence, and predictive machine learning, while also limiting redundant data entry across multiple systems. Moreover, as entry-level hires search for meaningful and modern HHS agency positions to grow their career, fully integrated benefit programs can potentially relieve staff attrition. Providing a modern workplace is an essential component of the integration imperative to recruit and retain staff for the success of HHS programs in the long term.

Announced in 2022, the Virginia "Right Help. Right Now." Plan<sup>7</sup> includes multiple technology modernization topics including:

- Develop Public Health Information Exchange with referral capability
- Link crisis data platform to all relevant providers and managed care organizations, and plan for linkage to 911
- Develop technology infrastructure to enable crisis system

### 4. A postpandemic HHS

In the wake of COVID-19, state agencies have realized the integration imperative to coordinate medical, behavioral, and mental health services to help individuals and communities manage the effects of the pandemic. According to the Office of the ASPE, about two-thirds of states have integrated eligibility and enrollment (E&E) systems shared by Medicaid and at least one

human services program.<sup>8</sup> HHS agencies have had to adapt to the changing landscape of the pandemic and focus on providing individuals with the necessary integrated resources to manage the psychological and emotional stress that has come with the pandemic. Similar demands for integration are being placed on the SNAP and TANF programs, with more at-risk families needing assistance in the changed economic and societal landscape. To meet the needs of those affected, state HHS agencies need to continue integrating their programs to help ensure that those in need can readily access the necessary support. To this end, there is an increased demand to integrate care delivery and intelligently manage the COVID-19 elevated responsibility placed on the provider community. The provider community is finding it increasingly difficult to replace the healthcare workforce lost during the pandemic. The overall health sector of the economy has seen a 3.9 percent decline in actual job growth when compared to prepandemic projected job growth rates. The result is that providers are increasingly forced to "make do," creating potential risks in the care delivery framework.

### 5. All eyes on CMS

In the postpandemic period, CMS has been increasingly focused on making a difference. More and more, CMS is using data to measure the impacts of Medicaid programs and the underlying technology they fund. Every state Medicaid IT project funded by CMS must follow SMC guidance, establishing measurable outcomes-based criteria. States are considering metrics such as the "social determinants of health" (SDOH) and "health equity" as agencies push the traditional boundaries of healthcare and embrace a "whole-person" view of human care.<sup>9</sup>

CMS leadership spoke about the need to advance to "whole-person" care at the 2023 National Association of Medicaid Directors conference.

<sup>7</sup> Commonwealth of Virginia, "Right Help. Right Now. Behavioral Health Transformation", December 14, 2022, <https://www.cto.virginia.gov/media/governorviriniagov/chief-transformation-officer/pdf/12-14-2022-VA-BH-Transformation-Plan.pdf>.

<sup>8</sup> Suzanne Macartney and Robin Ghertner, "How Many People That Receive One Safety Net Benefit Also Receive Others?," January 20 2023, [aspe.hhs.gov/sites/default/files/documents/340f9d2586fbc3cdc1510f793403d0c/program-overlap-datapoint.pdf](https://aspe.hhs.gov/sites/default/files/documents/340f9d2586fbc3cdc1510f793403d0c/program-overlap-datapoint.pdf).

<sup>9</sup> Office of the Assistant Secretary for Health (OASH), "Driving Long COVID Innovation with Health+ Human-Centered Design," U.S. Department of Health and Human Services (HHS), November 21, 2022, <https://www.hhs.gov/blog/2022/11/21/driving-long-covid-innovation-with-health-plus-human-centered-design.html>.

## Summary

COVID-19 tested state HHS operational excellence to a level not seen before in our lifetimes. Operational excellence advances when HHS program processes, the HHS workforce, governance, and technology work together. According to ASPE, challenges to improvements include lack of alignment of policies related to data sharing or program eligibility, limited funding, outdated or inflexible legacy systems, and federal or state rules limiting data sharing.<sup>10</sup> Solutions to these challenges do not come overnight, but with the right HHS modernization approach, both short- and long-term goals may be achieved. The dramatic care delivery shifts that COVID-19 has placed on HHS agencies reinforces the integration imperative to coordinate program services.

As some states have painfully learned, proceeding without a fully fleshed-out modernization vision can lead to protracted delays, excessive change orders, or worse, HHS project failures. If your state's HHS

program goals call for improved care delivery, healthcare cost containment, and/or optimizing your workforce, HHS program integration could help achieve those goals.

KPMG is a trusted market leader in care delivery transformation, helping more than 22 states navigate HHS modernization for over 25 years. Our focus on "innovation to outcomes" underscores the KPMG philosophy for a business-first delivery approach to help states focus on finding innovative care delivery improvements and reaching their outcome target. We are well suited to help assist states with the right resources to help develop your integrated modernization roadmap, governance, policy review, fiscal cost sharing, systems integration, testing, and CMS certification.

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<sup>10</sup> Suzanne Macartney and Robin Ghertner, "How Many People That Receive One Safety Net Benefit Also Receive Others?," January 20 2023, [aspe.hhs.gov/sites/default/files/documents/340f9d2586fbc3cdc1510f793403d0c/program-overlap-datapoint.pdf](https://aspe.hhs.gov/sites/default/files/documents/340f9d2586fbc3cdc1510f793403d0c/program-overlap-datapoint.pdf).

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