Eligibility verification findings

Survey overview

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Introduction

A recent GOVERNING Institute survey of 150 state and local government leaders highlights the growing need for eligibility verification and the prevalence of fraud across government agencies. In addition, because many government programs require individuals to qualify on more than one occasion, reverification of applicants poses yet another challenge. Only by ensuring beneficiaries are reverified regularly can state departments truly ensure program integrity.
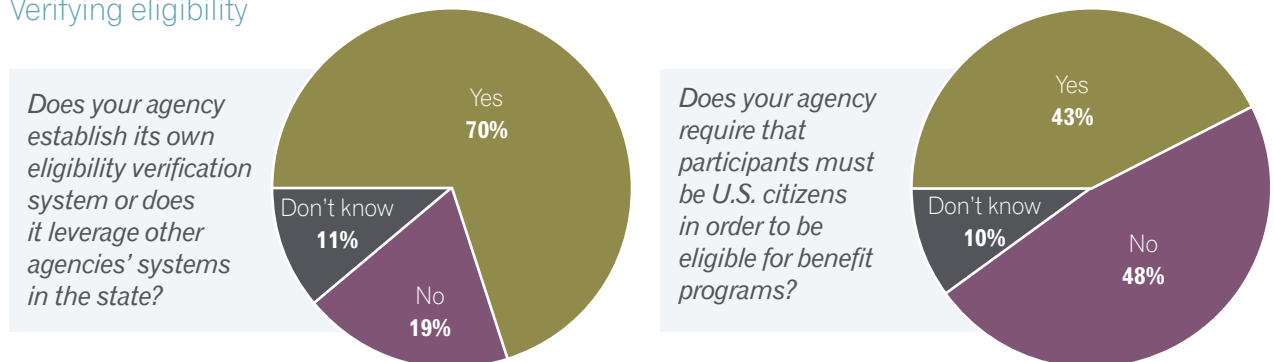
Survey overview

- GOVERNING surveyed **150 state and local government professionals** to determine their efforts on **eligibility verification**.

- Responses were gathered from the members of the GOVERNING Exchange in an online survey conducted in January 2013.

- The results are reflective of those who subscribe to either *GOVERNING* or *GovTech* magazine, with a maximum sampling error in this survey of +/- 8.7 percentage points at 95 percent confidence. Percentages have been rounded to the nearest whole number and may not total 100. The results of this survey cannot be projected to the entire population.

GOVERNING targeted audience

- **Executive command** — C–suite: CIOs and technology leaders

- **Lines-of-business managers** — HHS, tech, finance and management
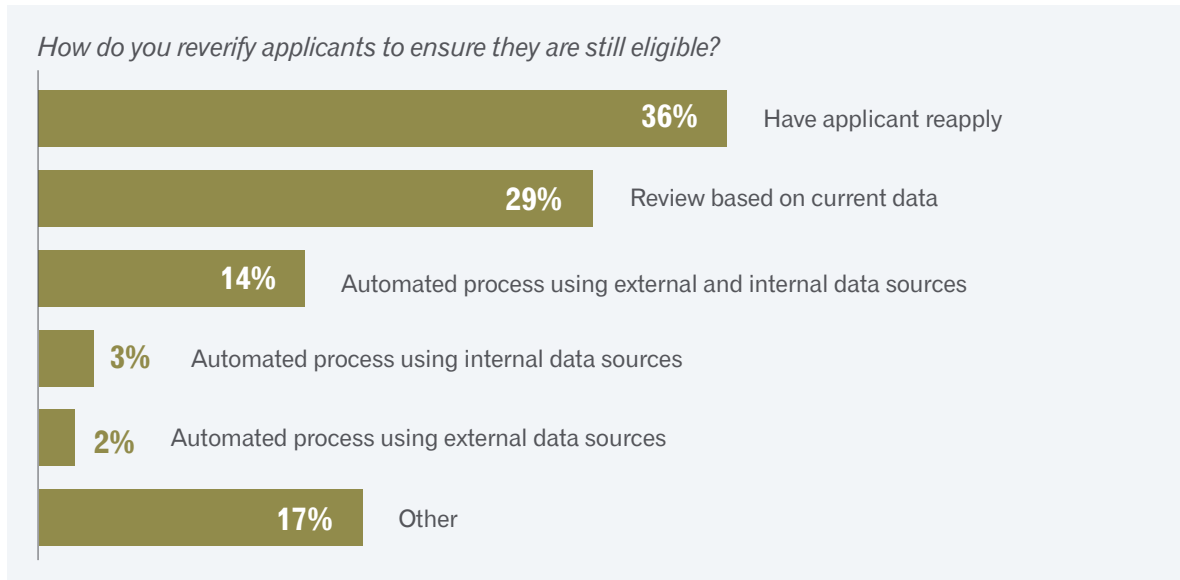
Verifying eligibility

Does your agency establish its own eligibility verification system or does it leverage other agencies' systems in the state?

Yes **70%**
Don't know **11%**
No **19%**

Does your agency require that participants must be U.S. citizens in order to be eligible for benefit programs?

Yes **43%**
Don't know **10%**
No **48%**
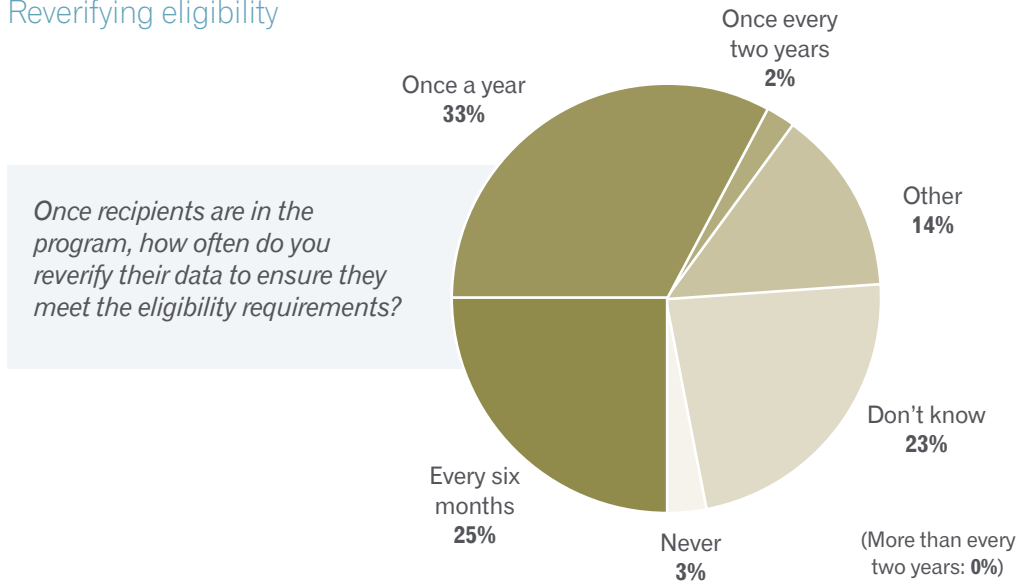
The following are the main federal or state agency data sources used to validate an applicant's information:

- Social Security

- Internal Revenue Service

- Unemployment information

- Department of Motor Vehicles

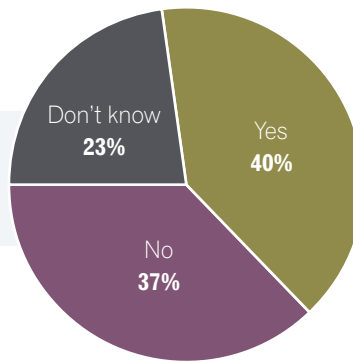- Various state and federal data sources

Reverifying eligibility

Once recipients are in the program, how often do you reverify their data to ensure they meet the eligibility requirements?

Once every two years
2%

Once a year
33%

Other
14%

Don't know
23%

(More than every two years: **0%**)

Never
3%

Every six months
25%

How do you reverify applicants to ensure they are still eligible?

36% Have applicant reapply

29% Review based on current data

14% Automated process using external and internal data sources

3% Automated process using internal data sources

2% Automated process using external data sources

17% Other

Understanding the issue
Eligibility verification is important

Respondents were asked to rate the level of importance of eligibility verification			
Importance	Eligibility verification versus other initiatives and priorities	Eligibility verification importance to achieve your agency's overall mission	Eligibility verification importance to your agency's political appointees
One of the most important	38%	29%	24%
Very important	50%	51%	26%
Somewhat important	11%	18%	28%
Not important	1%	2%	22%

Eligibility verification is difficult

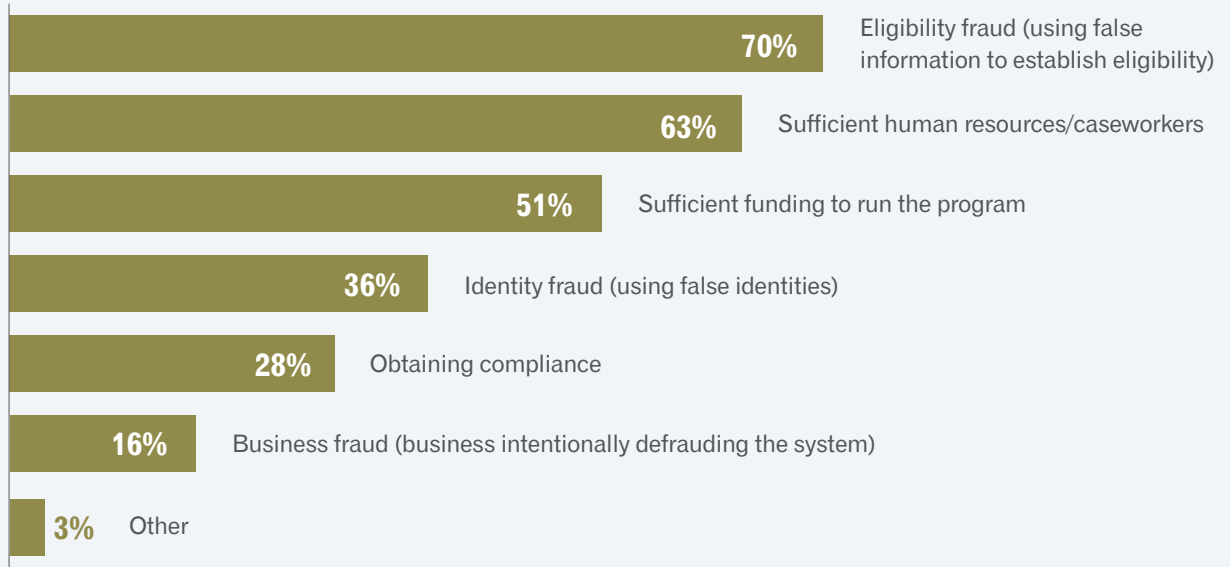*Is it possible for a beneficiary to establish an identity in multiple jurisdictions?*

Don't know 23%
Yes 40%
No 37%

What types of applicant information does the state need to verify and validate?

94% Identity
77% Address
73% Citizenship/Permanent residency
56% Assets
45% Bank accounts
36% Balance information
20% Other
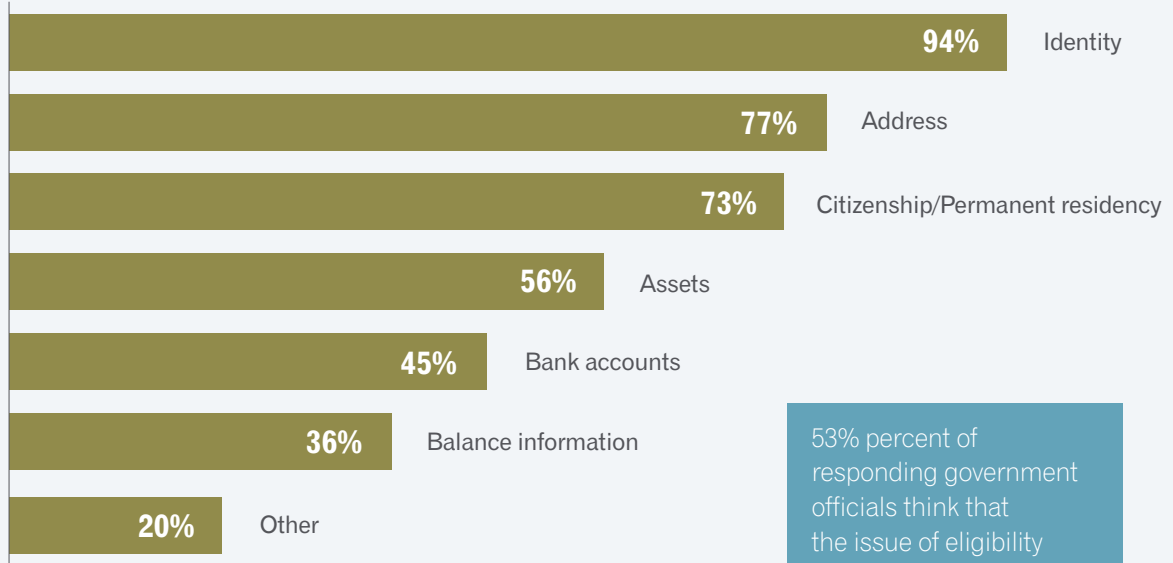
53% percent of responding government officials think that the issue of eligibility fraud will increase in importance over the next two years.
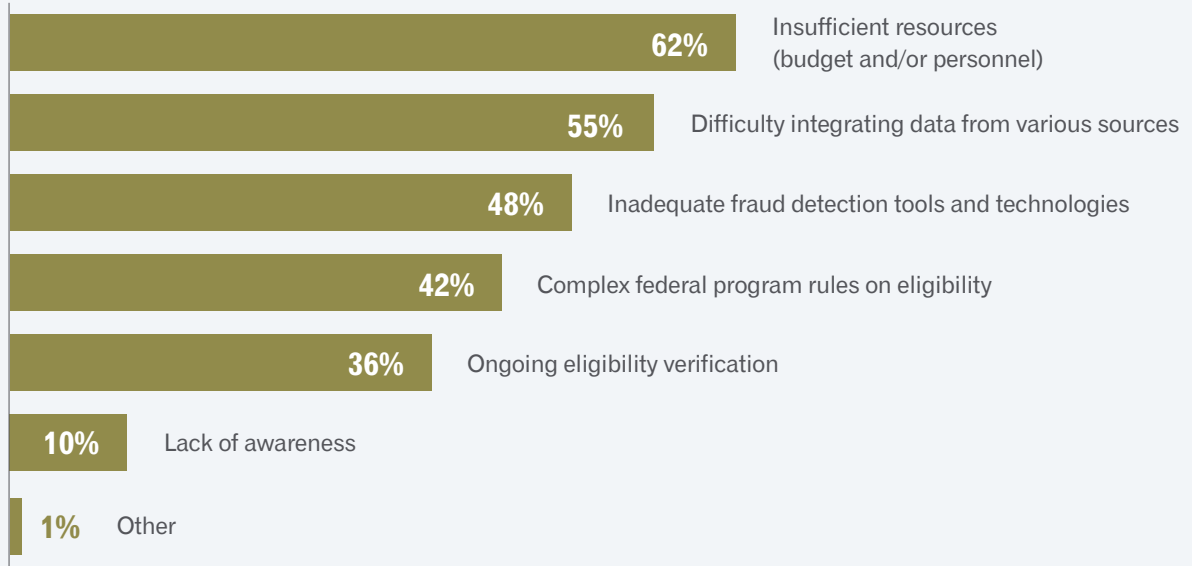
What are states trying to solve?

*What are your agency's primary concerns surrounding eligibility?*

70%	Eligibility fraud (using false information to establish eligibility)
63%	Sufficient human resources/caseworkers
51%	Sufficient funding to run the program
36%	Identity fraud (using false identities)
28%	Obtaining compliance
16%	Business fraud (business intentionally defrauding the system)
3%	Other

What's standing in the way?

What are your organization's biggest challenges to eligibility fraud prevention?

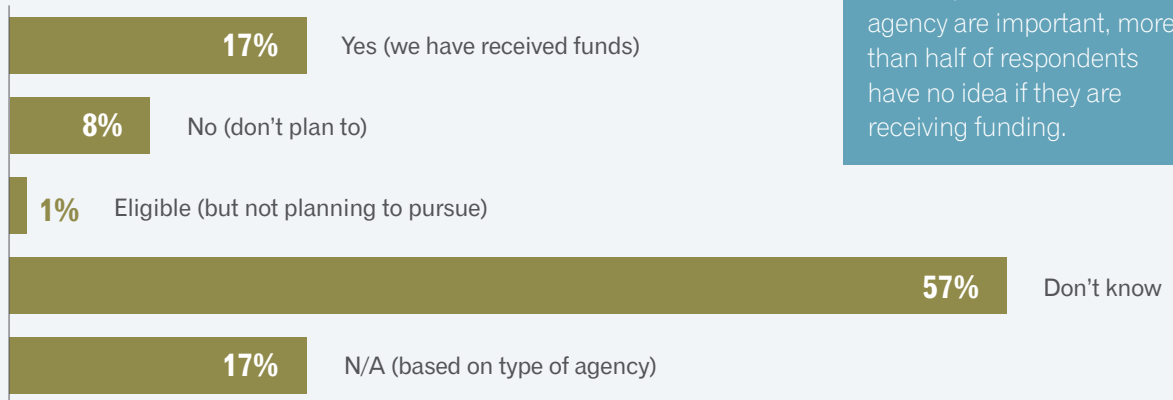|	
62%	Insufficient resources (budget and/or personnel)
55%	Difficulty integrating data from various sources
48%	Inadequate fraud detection tools and technologies
42%	Complex federal program rules on eligibility
36%	Ongoing eligibility verification
10%	Lack of awareness
1%	Other

Fraud detection

Do you currently leverage fraud detection analytics or risk models in your benefits programs to help detect fraud?

Don't know
32%

Yes
38%

No
30%
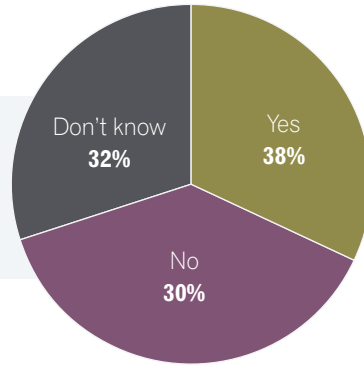
Improving the process
Eligibility verification funding

Where are you in the process of receiving funding through ACA/CMS?

17% Yes (we have received funds)

8% No (don't plan to)

1% Eligible (but not planning to pursue)

57% Don't know

17% N/A (based on type of agency)

Although 71% of respondents stated that efforts to reach constituents who require benefits/services from their agency are important, more than half of respondents have no idea if they are receiving funding.

Modernization is under way

If you have plans to upgrade or move toward an integrated eligibility system for statewide use, where are you in the process?

16% In implementation

21% Will have multiple phases; implementing

4% Postsolicitation/preaward

5% Presolicitation

40% No plans to upgrade at this time

13% Other
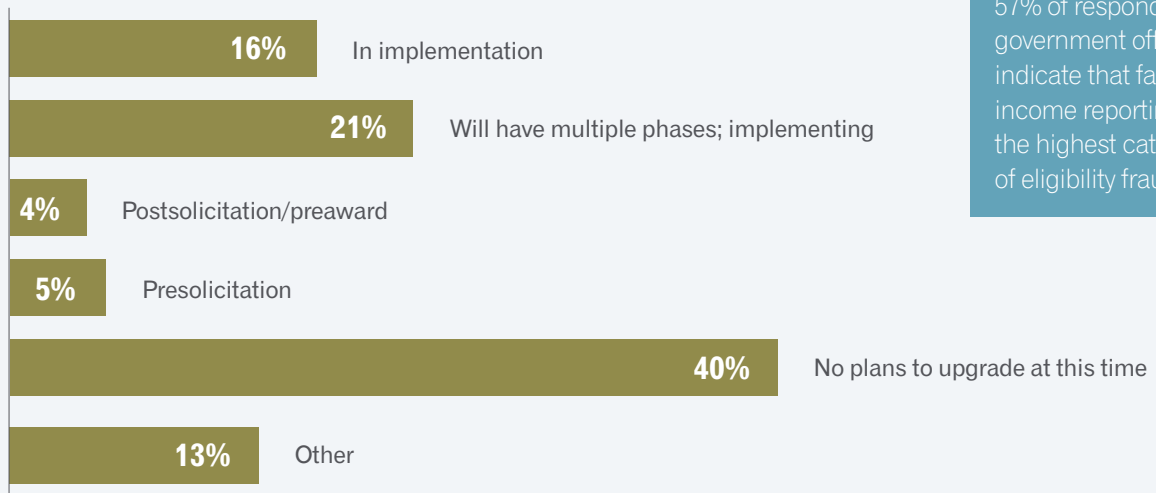
57% of responding government officials indicate that false income reporting are the highest category of eligibility fraud.

What are states looking for?

Top three features for program integrity:

1. Interfaces to federal/state verification sources **(53%)**

2. Validation of applicant information **(40%)**

3. Quality of data entered by caseworkers **(37%)**

What are the most important areas in the eligibility verification process that should be improved?

Area	Percentage
Accuracy of determinations	69%
Fraud detection within programs	63%
Timeliness of determinations	63%
Caseloads of staff	46%
Policy of compliance	30%
Various quality assurance reports	24%
Other	4%

Conclusion

The need to effectively address benefit-distribution challenges is the reason to go beyond the traditional methods of eligibility verification. Innovative tools based on data and analytics provide the ability for state agencies to create efficiencies and better combat fraud simultaneously. By reducing waste in government, agencies help curb federal debt and salvage state budgets.

About the GOVERNING Institute

The GOVERNING Institute advances better government by focusing on improved outcomes through research, decision support, and executive education to help public sector leaders govern more effectively.

With an emphasis on state and local government performance, innovation, leadership and citizen engagement, the Institute oversees GOVERNING's research efforts, the GOVERNING Public Official of the Year Program, and a wide range of events to further advance the goals of good governance.

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