



Change & Innovation Agency

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## Case Study, HI:

### Hawaii Department of Human Services Benefit, Employment and Support Services Division

**Areas: Food Assistance, Cash, Medical, TANF**

**# of Agency Staff: 500**

**Project Title: Process Management**

**Timeframe: 2010-2012**

## Type of Services Provided

- Business process reengineering
- Assessment/Program Evaluation
- Statewide Process Redesign
- Leadership, Staff & local management Training
- Planning for statewide implementation
- “Go-live” roll-outs statewide

## Project Overview

Hawaii’s economy, which heavily relies on revenue from tourism, is one of the hardest hit by the recent economic downturn. The state boasts one of the most culturally diverse populations in the United States – it has the highest percentage of Asian Americans and Multiracial Americans in the country.

The current economic conditions facing our country are driving an ever-increasing number of Hawaiians to seek access to much needed safety-net services (SNAP, Medicaid, Cash, Employment & Training Services, etc.) administered at the state level through a network of 15 service centers (local offices). These same economic challenges are also impacting the state’s revenues and forcing leaders to reduce staffing and funding for administrative costs. The principal challenge facing Hawaii, like many other states and local governments across the nation, is one of capacity—having to withstand an unprecedented increase in demand for services with less staff and diminishing resources. Human service providers have experienced first-hand how families are struggling to make ends meet while feeling the impact from larger caseloads, less staff, and added stress.

During 2009-2011, Hawaii’s caseload increases ranged from 15 to 115% depending on program. During this time, their staffing level was reduced by 50% due to budget cuts. Consequently, the State was facing sanctions from USDA, Food and Nutrition Services (FNS) and a State Court injunction due to timeliness

– for example, timeliness in the Maui Section was 29%. In other words, only 29% of applicants were receiving a determination within 30 days. Hawaii realized that the previous business model for determining eligibility and managing public assistance caseloads was not designed to handle the pressures presented by double digit increases in workload and devastating staffing reductions.

## Challenges

- Staffing levels that do not match the caseload increases.
- Quality and timeliness that is adversely impacted by the workload increases
- Well intended technology projects that have not always delivered as promised
- Multiple customer contacts, either in person or over the phone, before completing an eligibility determination
- Large backlogs and unfinished determinations (pending cases), which in many circumstances represent cases that are ready to be worked because the customer turned in the required information – further increasing the number of unnecessary customer contacts.
- Large variance in how staff perform the work.

Hawaii embarked in an effort to modernize the delivery of human services and public assistance programs. At the core of their modernization effort was a commitment to reengineer their processes and business practices.

## Tasks Performed

In the summer of 2011, Hawaii and the Change & Innovation Agency (CIA) began to analyze the agency's most important eligibility practices to determine different strategies for processing the work. This business process reengineering (BPR) effort consisting of eligibility line staff, team supervisors, office managers, labor, and administrative staff followed a structured approach for identifying opportunities and devising a new set of business practices. Every step and interaction was focused on evaluating the processes and systems in which staff do the eligibility work and developing/implementing a plan to bring improvements and increased efficiency. The major tasks performed during the life cycle of the project included:

- Assessment of local office operations and staff.
- Strategy sessions with leadership to develop a plan of action and approach.
- Redesign Teams to create work processes that are faster, more accurate, flexible, and focused on using precious eligibility worker time only on value-added tasks. As-is process mapping was conducted, barriers and bottlenecks were identified, and new processes were developed.
- Pilot Planning and Preparation to implement the new processes and business model developed by the Redesign Team in the Maui Section. This phase included implementing service strategies needed to ensure a successful statewide rollout of the full model at all local offices. Readiness plans were developed and planning sessions conducted.
- Full Implementation Planning and Support for Rollout statewide.

## Outcomes

Hawaii started transitioning in the Fall of 2011 to their new service delivery model. The new processes focus on freeing up administrative capacity and improving quality by streamlining the most important eligibility practices and processes: Initial Application and Interviews; Verification and eligibility Decisions; Maintenance and Re-certification. Outcomes include:

- Achieved a statewide timeliness rate of 91% statewide. The State is on course for meeting the 95% standard by December 2012.
- Mitigated an overall caseload increase (all programs) and staffing losses of 50%.
- Provide customers with same-day service and on-demand interviewing/processing at all local offices – Hawaii successfully eliminated the practice of scheduling appointments to conduct interviews for all new/initial applications and renewals from existing customers (walk-in and telephone). Customers are seen, or interviewed over the phone, as they come-in or call. In most cases the applications and renewals are processed same day and the customers leave with a completed eligibility determination.
- Increased the percentage of families receiving benefits on same-day of application from 10% to 70% – 7 out of every 10 customers who interact with a local office end their interview with a determination on the same-day they apply or renew their eligibility.
- Eliminated backlog of pending actions (applications, renewals, changes, interim reports). All local offices are processing incoming mail/work within 5-6 days of receipt.
- Developed tools to bring consistency to the eligibility determination work.
- Developed standard operating procedures.
- Maintained exceptional payment accuracy standards during this transition