

- active food stamp policy work group
- discuss - lawsuits around
did in IL last yr. + clients
not fully enrolled
- make the system work

Carol McDaniel - WIT Council child + family
 support and education

- big problem for access to eligible
workers
- 300 cases per worker affects accuracy
to affect process, each worker
even if 1 case of 500 cases
- increase in cases waiting for
- highly volatile workload
impossible to deal w/
Milw. Co. - enabling them to reduce
caseload
- State line - state med 20% of people
- things are improving - situation is
improving in Milw.

W-2 partic have to go diff places

food stamps lowest need up 13.4%

Jonathan Bador, WISCAP

180,000 indiv.

better job - reach low inc indiv

\$70mil of cub in bag - ~~passing to~~
art

40% inc in last month's

140mil of benefit - so raised

- remainder loss - ~~inc~~ credit

- DHP made - ~~inc~~ ~~inc~~ ~~inc~~ ~~inc~~

\$140mil a yr.

- in some cases let force still continues

- customer satisfaction

~~appeal process~~

~~11/11/13 - 1/1/14~~

Asbjornson, Karen

From: Asbjornson, Karen
Sent: Monday, August 02, 2004 3:35 PM
To: Welsh, Diane; DHFS - Ron Hermes (E-mail)
Subject: Re: Hearing on August 11

Hi Diane and Ron,

Here is the invitation letter and hearing notice for the August 11 hearing.

Please call or email me confirmation of Secretary Nelson's attendance as well as any questions you may have.

A hard copy will follow in the mail tomorrow.



DHFS Sec Nelson
invite.doc



P20040811.doc

Thanks!

Karen Asbjornson
Office of Senator Carol Roessler
(608) 266-5300/1-888-736-8720
Karen.Asbjornson@legis.state.wi.us

Asbjornson, Karen

From: Asbjornson, Karen
Sent: Monday, August 02, 2004 3:43 PM
To: Klein, Christopher
Subject: Re: Audit hearing August 11

Hi Chris,

Here is the invitation letter and hearing notice for the August 11 hearing.

Please call or email me confirmation of Secretary Strong Hill's attendance as well as any questions you may have.

A hard copy will follow in the mail tomorrow.



P20040811.doc



RL Sec Strong Hill
invite.doc

Thanks!

Karen Asbjornson
Office of Senator Carol Roessler
(608) 266-5300/1-888-736-8720
Karen.Asbjornson@legis.state.wi.us

Asbjornson, Karen

From: Asbjornson, Karen
Sent: Monday, August 02, 2004 5:14 PM
To: Klein, Christopher
Subject: RE: Re: Audit hearing August 11

Hi Christopher - Good to talk with you on the phone. I regret the Deputy Secretary will not be available for Audit hearing. The Secretary should give testimony and provide a written copy for members. Following her testimony, she should be available to answer questions about the audit from the committee members.

Here is how the lineup will work for people testifying next week:

1. Jan Mueller, Legislative Audit Bureau - State Auditor
2. Donsia Strong Hill, Regulation and Licensing Secretary
3. Legislators who may want to testify - I don't know of any that want to
4. Public testimony

Karen Asbjornson
Office of Senator Carol Roessler
(608) 266-5300/1-888-736-8720
Karen.Asbjornson@legis.state.wi.us

-----Original Message-----

From: Klein, Christopher
Sent: Monday, August 02, 2004 4:00 PM
To: Asbjornson, Karen
Subject: RE: Re: Audit hearing August 11

Karen, does the Secretary actually give testimony or just be available for staff?

Christopher P. Klein
Executive Assistant,
Legislative Liaison
Wisconsin Department of Regulation & Licensing
608-266-8608

-----Original Message-----

From: Asbjornson, Karen [mailto:Karen.Asbjornson@legis.state.wi.us]
Sent: Monday, August 02, 2004 3:43 PM
To: Klein, Christopher
Subject: Re: Audit hearing August 11

Hi Chris,

Here is the invitation letter and hearing notice for the August 11 hearing.

Please call or email me confirmation of Secretary Strong Hill's attendance as well as any questions you may have.

A hard copy will follow in the mail tomorrow.

<< File: P20040811.doc >> << File: RL Sec Strong Hill invite.doc >>

Thanks!

Karen Asbjornson
Office of Senator Carol Roessler
(608) 266-5300/1-888-736-8720
Karen.Asbjornson@legis.state.wi.us

Asbjornson, Karen

From: Matthews, Pam
Sent: Wednesday, August 04, 2004 3:43 PM
To: Alberta Darling; Bob Cowles; Cale Battles; Carol Roessler; Chris Slinker; Connie Schulze; Cynthia Boley; Dan Kursevski; Dave Cullen; Dave Hansen; David Volz; Dean Kaufert; Diane Handrick; Diane Harmelink; Glenn Wavrunek; James Chrisman; Janice Mueller; Jay Schulze; Jeff Plale; Jeff Valenzuela; Jennifer Halbur; Jennifer Toftness; Jessica Kelly; Jessica Tormey; Julie Lassa; Karen Asbjornson; Katy Venskus; Mark Pocan; Matt Kussow; Pam Matthews; Pam Shannon; Rebecca Hogan; Ritch Williams; Roger Frings; Samantha Kerkman; Sara Seaquist; Sarah Popp; Susie Schooff; Suzanne Jeskewitz; Todd Stuart; Tom Petri
Subject: August 11th Audit Committee hearing information

Dear Legislators and Staff of the Joint Legislative Audit Committee:

In preparation for the upcoming audit hearing on August 11th, I am enclosing documents that were recently obtained from DHFS that may help you to prepare for the Milwaukee Child Welfare portion of the hearing. If you have any questions regarding these documents, please contact Diane Welsh (DHFS) at 608-266-9166.



Individualized Child Assessmen... International adoption forms.d... Cover Letter to Joyce Thomas f... Documentation of Tribal Child Welfare placement mat... Prioritie...

Thank you,

*Pamela B. Matthews
Research Assistant
Office of Representative Sue Jeskewitz
24th Assembly District*

*Office: 608-266-3796
Toll Free: 888-539-0024
Pam.Matthews@legis.state.wi.us*

Asbjornson, Karen

From: Bohling, Judy
Sent: Tuesday, August 03, 2004 8:56 AM
To: Asbjornson, Karen
Cc: Himsel, Linda; Romanski, Randy; Klein, Rose
Subject: hearing on August 11

I am confirming that Secretary Busalacchi and Executive Assistant Randy Romanski will attend the August 11 hearing. As you indicated earlier, the hearing will begin at @ 10:00 and DOT testimony is expected to begin at 11:30.

Thank you.

-----Original Message-----

From: Asbjornson, Karen
To: Romanski, Randy
Sent: 8/2/04 3:40 PM
Subject: Re: hearing on August 11

Hi Randy,

Here is the invitation letter and hearing notice for the August 11 hearing.

Please call or email me confirmation of Secretary Busalacchi attendance as well as any questions you may have.

A hard copy will follow in the mail tomorrow.

<<P20040811.doc>> <<DOT Sec Busalacchi invite.doc>>

Thanks!

Karen Asbjornson
Office of Senator Carol Roessler
(608) 266-5300/1-888-736-8720
Karen.Asbjornson@legis.state.wi.us

Joint Legislative Audit Committee
Testimony of Mark Moody on Wisconsin Food Stamp Program
State Capitol, Room 411 South
August 11, 2004

Good Morning. I am Mark Moody, Administrator of the Division of Health Care Financing in the Department of Health and Family Services (DHFS). I would like to thank you for the opportunity to testify today about Wisconsin's Food Stamp program. I appreciate your interest and support for our efforts to improve the administration and effectiveness of this program.

Our goals for Wisconsin's Food Stamp program:

- Improve payment accuracy
- Increase participation
- Streamline administration

At our last meeting in October 2003, we reported that we were making good progress on all fronts. I am pleased to report that we are continuing to make the same good progress, almost one year later:

- The error rate has dropped by 5.7% since October 2002 and 2.3% in the last eight months;
- Participation has grown by over 79% in the last five years; and
- Program rules have been simplified and administrative costs have been reduced.

While it is challenging to work on all three goals at the same time, we are committed to doing so because this makes good economic sense and will produce excellent results for Wisconsin.

1. ACCURACY

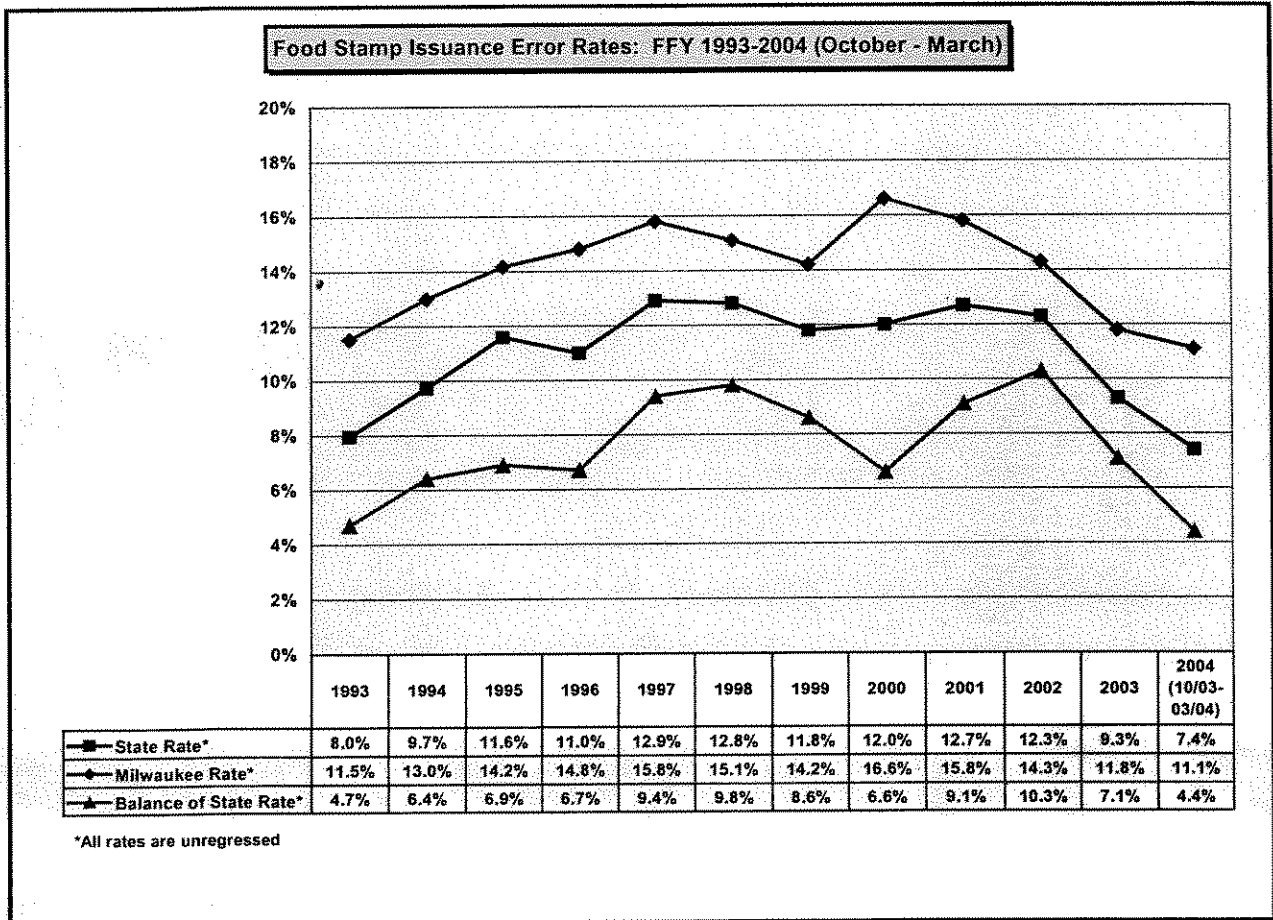
We are improving the accuracy of eligibility decisions to make sure that people get the right amount of benefits.

And, we do not want to pay sanctions to the federal government for high error rates. Therefore, we have been aggressively working to improve program performance and reduce errors.

- Our error rate for Federal Fiscal Year (FFY) 2002 was 12.69%. This is a combined error rate reflecting both over and underpayments. Of the cases reviewed, 3.49% received too little in benefits for the month of review and 9.19% received more in benefits than they should have, based on household income and other circumstances.
- Our error rate for FFY 2003 was 9.32%, down by 3.3% from 2002. This reduction was the 5th largest reduction by any state in the nation and the lowest Wisconsin's rate has been in ten years.

- We continue to get even better in 2004. Through the first eight months of FFY 2004, we calculate our statewide error rate to be 7.4%.

The following chart shows Wisconsin's error rate over the past ten years.



- The chart provides the rate for Milwaukee, the balance of the state and statewide. Error rates by year are shown across the bottom.
- As you can see, Milwaukee has a higher rate than the balance of the state, and this drives the state's error rate since Milwaukee represents about 45% of the state's food stamp caseload. There are unique issues in Milwaukee County due to the mix of public and private agencies in the service delivery system, the large number of cases they manage and the impact of cuts in local funding.
- We are very pleased, however, to see the downward trend in Milwaukee since 2000.
- We continue an intensive effort to help Milwaukee County maintain its downward trend in errors and to improve program administration.

- For example, since March 2004, state and Milwaukee county staff have reviewed over 11,000 Food Stamp cases for accuracy. Cases that are determined to be incorrect, are corrected immediately. Data by case and by worker is collected and used to determine additional training needs for individual workers and units of workers. This training will help improve worker knowledge and skills so that payment accuracy can be sustained in Milwaukee County.
- Our goal is to improve the payment accuracy to 94%, and to achieve an error rate of 6% in FFY 04. This is the federally required threshold to avoid sanctions.

2. ACCESS

In 1974, Congress required all states to offer the Food Stamp program as a way to help support the nation's farmers and growers and to help address the nutritional needs of poor families. The benefits are fully funded by the federal government. Administrative costs are shared 50/50.

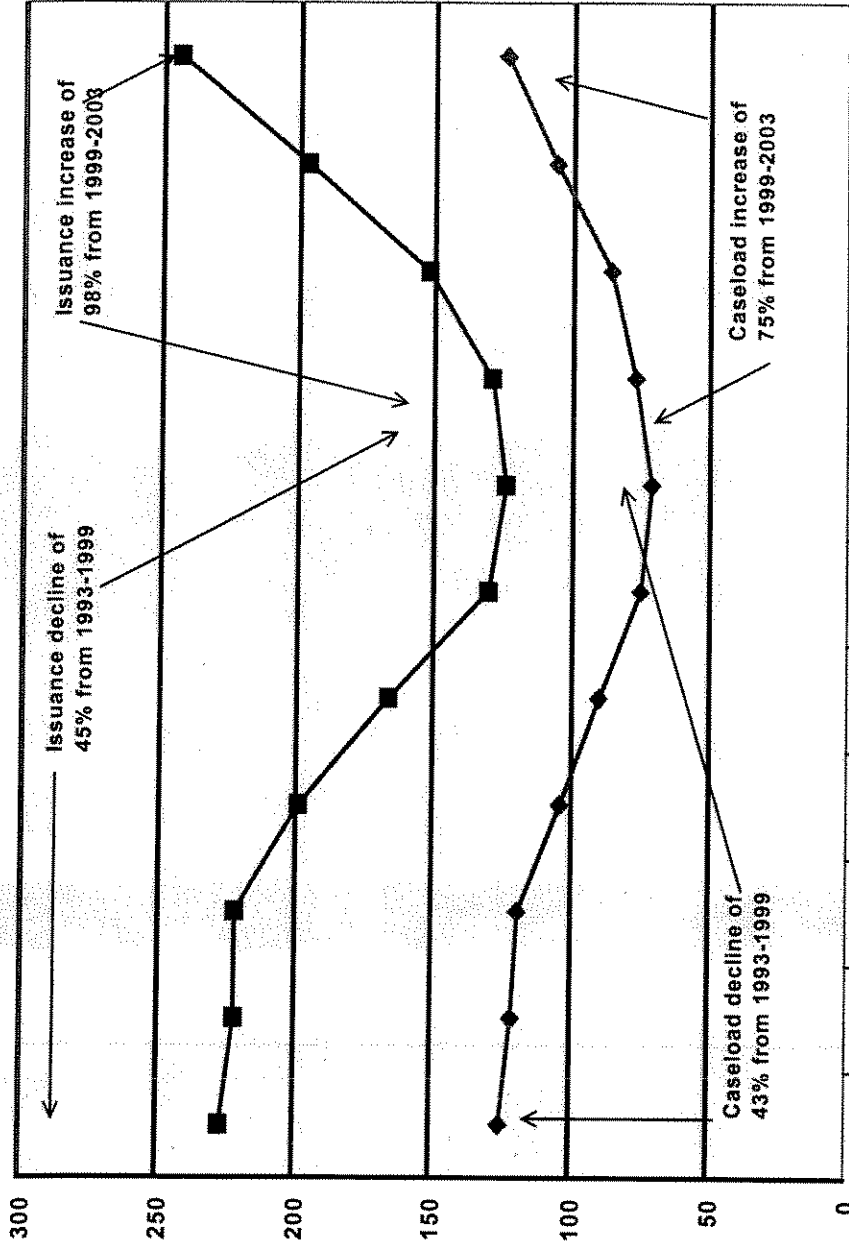
We want to increase enrollment to make sure that eligible people get the benefits that they need and are entitled to, so that the low-income families have more resources to spend on food products including those grown and raised in Wisconsin, and so that Wisconsin gets its fair share of federal revenue.

As discussed in the past, the broader economic benefits of increased enrollment are clear. The USDA now estimates that every \$5 in Food Stamps transacted at local grocery stores generates \$10 in economic activity for the community and the state.

- The value of Wisconsin's total Food Stamp issuance in FFY 2003 was \$233.7 million, an increase of \$35 million, or 17.5%, from 2002. That is \$233.7 million in net federal funds in flow to Wisconsin with total economic impact of \$468 million.
- Improving access to nutritious food for poor people also helps improve health status. In turn, healthier people will reduce our costs for health care services and improve the quality of life in Wisconsin.
- The Governor's KidsFirst Agenda builds on previous outreach efforts to increase enrollment.
- Next week, DHFS will be launching a new web-based self-assessment tool, called "Access to Eligibility Support Services for Health and Nutrition," or ACCESS. This web site will allow people to better understand their eligibility for food stamps to help them decide if they want to apply.
- We will continue to work with community-based organizations and coordinate with other nutrition, health and employment programs to enhance outreach efforts to eligible, under-served families.

- Also, this fall, a new “eligibility van” will hit the road in Milwaukee County. This van will be equipped with two stations for eligibility workers to determine eligibility for Food Stamps and Medicaid. The van will travel to various locations such as food pantries, health clinics, grocery stores and schools.
- After a significant decrease in participation in the mid to late 1990s, the Food Stamp caseload is just about back to the level that it was in the mid-1990s.
- The following chart shows the changes in benefits issued and caseload over the past ten years. The upper line is the benefits issued in millions of dollars. The lower line is the cases (in thousands). As shown in the chart, the number of Food Stamp cases grew by 75% between 1999 and 2003.
- Based on a report issued by a national research center just issued a report showing that Wisconsin’s Food Stamp participation increase by 79% in the last five years, the fourth highest growth rate in the nation.

Food Stamp Issuance & Caseload: 1993-2003



Year	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Average Cases per Month (thousands)	125	121	119	104	90	75	71	77	86	106	124
Benefits Issued (millions)	227	222	222	199	166	130	124	129	152	197	244

- Our current participation rate (% of eligible people who are enrolled) is estimated to be about the same as the national average – which is reported as 62%.
- Our goal for FFY 04 is to increase participation to 366,000 to achieve a participation rate of 80%. Today, we have 326,500 active participants enrolled.

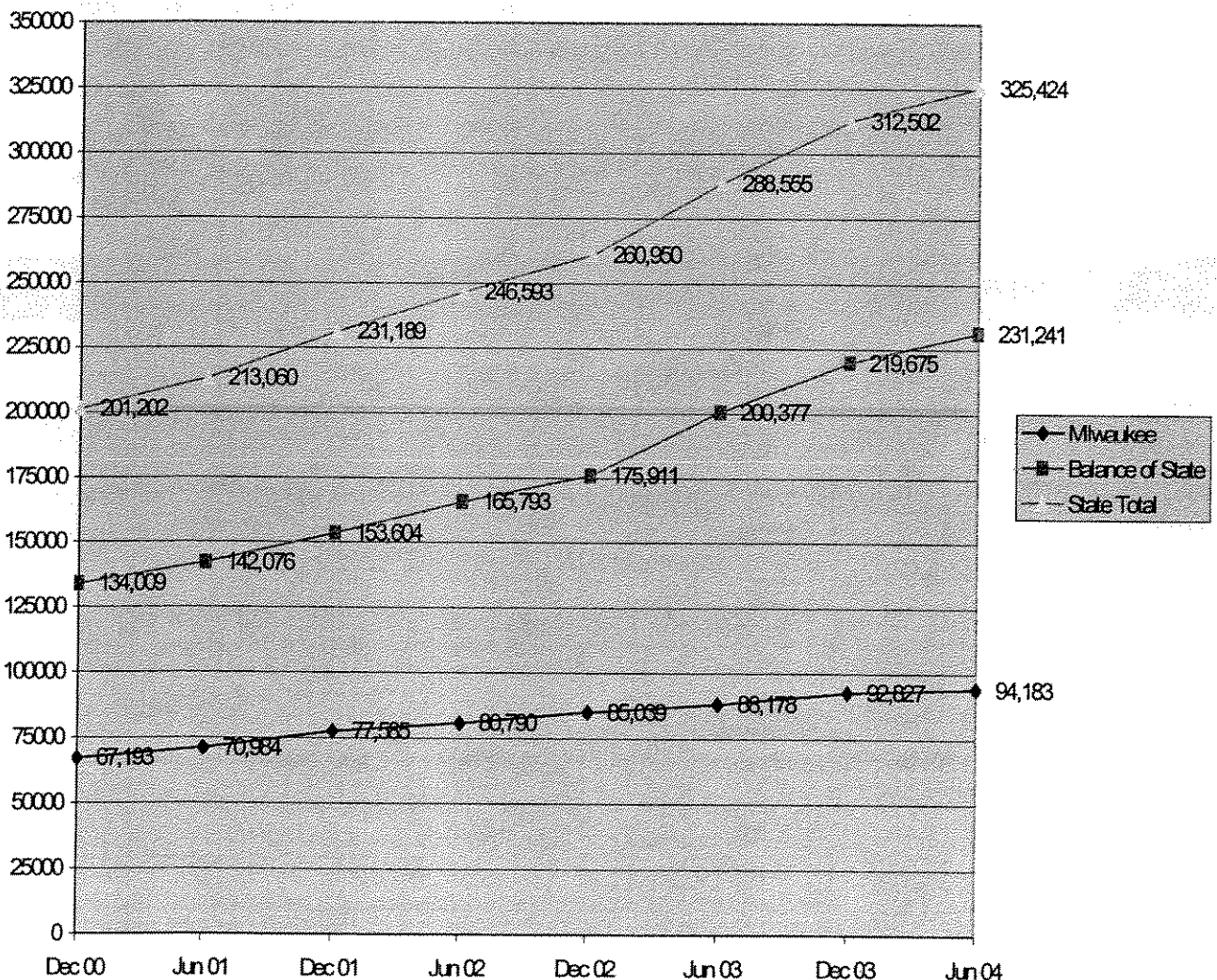
3. ADMINISTRATIVE EFFICIENCY

We continue to work on many fronts to reduce the costs of government including policy simplification, coordination with other programs and streamlining the application process to make it easier for customers to navigate, easier for eligibility workers to administer, and less costly to operate.

- In addition to the many projects reported on at the previous hearing before this Committee, we have implemented several significant changes that create greater administrative efficiencies:
 - In March 2004, we implemented 12-month certification periods for most Food Stamp households. This change means that Food Stamp recipients no longer need to complete an in-person interview with their worker after six months of eligibility. Instead, they must only complete and mail in a pre-printed change report form that is sent directly to their homes.
 - In May 2004, we implemented “broad-based categorical eligibility” for most Food Stamp households. This change means that Food Stamp households no longer need to pass an asset or gross income test, as long as they are eligible for certain TANF services. Eliminating the asset test for most Food Stamp applicants significantly simplifies the eligibility process for applicants and workers and allows increased access to the program.
 - DHFS will soon be launching pilots of two systems enhancements that will positively impact payment accuracy and local agency workload. The first is the electronic case file project. This project will create the capacity for all case file documents to be scanned and stored electronically. The second is the “worker web” project. This project will replace the mainframe screens of the automated eligibility determination system (CARES) with web pages, significantly reducing the complexity and workload associated with application processing and ongoing management of cases.
- Administrative costs per case continue to decline, as local agencies are handling more cases with no increase in funding and DHFS has cut state staff working on the Income Maintenance programs by 10% over the past year.
- We have consolidated two bureaus, the Bureau of Health Care Eligibility and the Bureau of Income Maintenance Administration into one Bureau.

- All Food Stamp benefits are paid using electronic debit cards, vastly increasing efficiency of administration and lowering handling costs for food retailers.
- We have renegotiated our contract for Electronic Benefit Transfers (EBT) to bring customer service for EBT back to the United States. Effective November 15, 2004, EBT customer service currently provided in India and Mexico will instead be provided from Jacksonville, Florida.
- Our EBT cost per case is below most states our size.
- Over the past few years the caseload served by local agencies has grown significantly with no increase in funding for eligibility-related services. This growth in the cases handled by local agencies is shown on the following chart.

Unduplicated Cases for CC, FS, MA & W2
 (MA includes only those Cases that are entered into CARES)



- The top line shows that from December 2000 to June 2004, the unduplicated caseload served by local agencies statewide has increased by 62%, from 201,202 to 325,424 cases.
- The caseload in the balance of the state in the middle has increased by 73%, from 134,009 to 231,241 cases.
- The Milwaukee caseload has increased by 40%, from 67,193 to 94,183 cases.
- State funding for local Income Maintenance Administration was reduced in the 03-05 Budget. Nearly \$10 million in state funds were saved over the course of the biennium.
- This cut in funding is based on increased productivity, efficiency and administrative streamlining initiatives that will relieve the work required of eligibility workers – generally changes to the CARES system to automate functions and provide more timely and accurate data to workers.
- As this cut comes at a time of rapidly increasing caseload, DHFS is working with local agencies on both short and long range strategies for funding local services.
- This is a key challenge for us as we strive to reduce errors and reduce costs at the same time the caseload is growing dramatically.

In closing, I would like to reiterate the important role of the Food Stamp program. It is the largest food assistance program in Wisconsin. It now serves about 5% of our citizens. We intend to increase participation so that poor families have the means to secure nutritious food and to bring more federal revenue to Wisconsin.

Consistent with our report last October, we continue to make good progress on three tracks to improve program performance. The error rate continues to decline, enrollment continues to increase, and we have made significant program changes to streamline operations.

Thank you again for the opportunity to appear before the Committee.

12:30 FOOD STAMP PROGRAM -

- 9-11-03 LAB puts together some updated food stamp program information for cochairs
- 10-9-04 Sec. Nelson sends letter saying their priorities are:
 - Increase Wisconsin's payment accuracy rate so that no sanction is imposed on Wisconsin.
 - Increase enrollment to expand access to nutritious food and benefit the state economically.
 - Increase automated support to relieve the work for eligible workers so they can concentrate on payment accuracy and customer service.
 - Create new, easier options for customers to apply, report changes, and retain eligibility.
 - Streamline and align Food Stamps and Medicaid policies and processes.
 - Establish new partnerships and public and private organizations to promote the importance of good nutrition and physical activity.
- 10-28-03 Audit Committee held a hearing on the Food Stamp Audit issued July 2000. The Co-chairs called for the hearing for a number of reasons:
 1. Newspaper accounts in June 2003 said WI had the third highest error rate (only CA and MI had higher error rates than WI). WI's error rate has been above the national average since at least federal fiscal year FFY 1994-95. It was 4.4 percentage point above the national average in each of the past two federal fiscal years.
 2. The federal Farm Security and Rural Investment Act of 2002, known as the Farm Bill, made a number of changes to the Food Stamp Program that are intended to reward states that demonstrate good performance in administering the program and helping working families. The state was required to spend \$6.2 million in federal funds through FFY 2004-05 on projects intended to improve the accuracy of food stamp benefit determination. If the State does not reduce its error rate to the national average for benefits paid in FFY 2003-04, it will be required to pay the federal government \$871,500 and an additional 871,500 if it does not meet the national average in FFY 2004-05.
 3. Rep. Ward asked us to audit the Food Stamp program.
 4. The cochairs felt given 1, 2 and 3 above that we should hear from DHFS before they would forward an audit request to the committee.

After the hearing the co-Chairs felt changes were being made and that we should have follow-up on the issue in 2004, instead of commissioning an audit at that time.

- 8-11-04 Hearing today - We hope to get the following information from DHFS today:

Questions:

1. What is our food stamp error rate now? *in relation to national ave.*
2. How much will we pay or be required to pay for the error rate?
3. What steps are in place to ensure future compliance?

FOR IMMEDIATE RELEASE:
Contact: Rep. Samantha Kerkman

August 12, 2004
1-888-534-0066

Wisconsin Food Stamp Program Moving in the Right Direction

Madison- Representative Samantha Kerkman (R-Powers Lake) and other members of the Joint Committee on Audit heard from the Department of Health and Family Services (DHFS) regarding Wisconsin's Food Stamp Program. The meeting was a follow-up to an October 2003 meeting.

Since last October, Wisconsin's Food Stamp program has worked to make great strides with improving payment accuracy, accurately determining who should be receiving funds and streamlining administration.

"Our Food Stamp program provides critical resources for those in need. As a member of the Audit Committee I want to make sure that we make funds available to those who truly need it," said Kerkman. "Additionally, it is important that as many dollars as possible are going to help those in need and not for government bureaucracy."

According to DHFS they have found numerous administrative efficiencies, including consolidating two bureaus, the Bureau of Health Care Eligibility and the Bureau of Income Maintenance Administration into one bureau. The department has also eliminated the need to conduct in-person six-month interviews; instead recipients complete a report that is mailed to their home.

"I have always prioritized finding government efficiencies. I am thrilled that DHFS is working to continue to find waste in government. If all departments were to do this, taxpayers might see a savings," said Kerkman.

DHFS has also worked diligently to drop their error rate. The error rate reflects the accuracy in which eligibility decisions are made. In 2002 DHFS logged an error rate of 12.69%, reflecting both their over and underpayments to recipients. In 2003, the error rate dropped to 9.32%, this reduction equaled the 5th largest reduction by any state in the nation, and the lowest Wisconsin's rate has been in ten years. Now, in 2004 the error rate has dropped to 7.4%.

"Clearly this is a move in the right direction. I want to make sure that everyone who needs Food Stamps receives assistance. At the same time, it is important to make sure that individuals who aren't eligible aren't continuing to receive aid," stated Kerkman.

Dear Friends & Colleagues,

After more than six and a half years at the H.O.P.E. Center for the Prevention of Child Abuse helping children & families, I have come to a very difficult decision to seek new employment.

I am proud of the growth, stability and quality of the programs and services we have offered consistently each year to hundreds of families. The H.O.P.E. Center has made a true difference in the lives of thousands of people since its humble beginnings with the Boys & Girls Club in 1992. I have enjoyed partnering and collaborating with many of you in the time I have been with the Center. Due to recent developments, the direction of the center no longer is in sync with my vision for its future growth. Regardless of my future employment, child abuse prevention is in my soul and will always be a priority for me personally.

I am attaching my resume for your consideration and would appreciate it if you would forward it to any contact you may have. As you all know, my qualities include a huge work ethic, energy and passion for anything I undertake. I love people, life and am dedicated and committed to my work. I believe in diversity and openness with people in all walks of life. Creativity, management experience and program implementation are just a few of my strongest skills. My integrity, principles and values are unshakable regardless of circumstances.

Thank you again for your past support and ask for your continued support as I begin my search down a new career path. If you have any suggestions or potential networking individuals who you believe I should contact, please email them back to me or give me a call on my cell (920) 642-3406.

I look forward to hearing from you!!

Sincerely,

Angelica m. Mccarthy