STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY

EDMUND G. BROWN JR., Governor

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814

December 27, 1979

ALL-COUNTY INFORMATION NOTICE I- 143-79

TO: ALL COUNTY WELFARE DIRECTORS
FAMILY SERVICES DIVISION CHIEFS
COUNTY ADMINISTRATIVE OFFICERS
DISTRICT ATTORNEYS
COUNTY DATA PROCESSING MANAGERS
CHAIRPERSON, COUNTY BOARDS OF SUPERVISORS

SUBJECT: STATEWIDE PUBLIC SYSTEMS NETWORK BULLETIN

REFERENCE:

The attached informational bulletin is the first of a periodic series of updates describing the Statewide Public Assistance Network (SPAN). The new centralized delivery system is being designed for statewide implementation by July 1984. This bulletin is being released in an effort to keep you informed of our progress in this complex endeavor.

Should you wish to discuss the SPAN concept further or should you wish to meet with key Project staff to express your views relative to the concept, please contact Joe Kelly, Deputy Director, Centralized Delivery System at 916/323-3466.

Sincerely,

JOE KELLY
Deputy Director
Centralized Delivery
System Project

STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814
(916) 323-3466

STATEWIDE PUBLIC ASSISTANCE NETWORK

A Project to Centralize the Delivery of Public Assistance Benefits in California

BULLETIN

NO. 1 December 21, 1979

The Department of Social Services has begun the definition and development of an automated system to assist in the delivery of benefits and services to eligible, needy persons within the State. Mandated, as a result of recent legislation, this system will be known as the Statewide Public Assistance Network (SPAN).

The Department is keenly aware of the complexities involved in an undertaking of this magnitude and is sensitive to the need for a complete and thorough involvement of all entities affected. To assure that such involvement occurs, the Department has initiated regular meetings with a task force appointed by the County Welfare Directors Association (CWDA). In addition, the Department will in January 1980, organize and convene an Advisory Council which will be comprised of representatives from the following groups: Legislative staff, County Supervisors and County Administrative Officers, County Welfare Directors, County Data Processing Departments, Recipient Advocates, Taxpayer Groups and several State agencies. This council will offer advice and recommendations to the Department for its consideration in the formulation of policies and procedures relative to the implementation of SPAN. Department staff will regularly meet with the Advisory Council and update it on development activities. Council members will be encouraged to share information obtained at such meetings with their constituents in order to assure the necessary dialogue, review and evaluation of Project activities.

This bulletin provides an overview of the SPAN concept and how, at this state in its development, it is expected to be implemented. It is the intention of the Department to keep recipients of this bulletin fully informed as we proceed through the various phases of this project. This bulletin is, therefore, the first of a periodic series of updates which you may expect to receive between now and SPAN implementation.

BACKGROUND SUMMARY

In July 1979, the California Legislature passed, and the Governor signed into law, Assembly Bill 8. Chapter 4.1 of this bill entered Sections 10815 - 10822 into the Welfare and Institutions Code, mandating that the State Department of Social Services develop and implement an automated, state operated centralized delivery system which will provide certain key areas of operational support to the following public assistance programs: Aid to Families with Dependent Children (AFDC), Food Stamps, Medi-Cal eligibility, Aid For Adoption of Children, Special Adult Programs, and to the extent feasible, Social Services and Child Support Enforcement Programs. When implemented, this system will be known as the Statewide Public Assistance Network (SPAN).

In August 1979, the Department established a permanent organizational structure with divisional status in response to this mandate. This organization, known as the Centralized Delivery System Project, will be responsible for all aspects of the study, design, development and implementation of this multifaceted endeavor. Phase one, the study phase of the project, is now underway and is expected to be completed early next year.

Welfare and services programs will continue to operate as a joint county/state effort subsequent to SPAN implementation. As in the past, counties will provide direct client contacts for processing of applications, determining eligibility, explaining client rights and responsibilities, and providing in-home or in-office services and consultation. In operating the SPAN system, the state will provide expanded management support through the development and maintenance of uniform procedures, standardization of forms, operation of a benefit delivery and control system, and implementation of a comprehensive training program.

In accord with the legislation, SPAN is planned to be implemented in all counties by July 1984. The magnitude of this endeavor requires the teamwork of county and state staffs through all phases of development.

SYSTEM COMPONENTS

Although the design of the SPAN system will be determined during the course of the next several months, conceptually it is viewed as consisting of several interrelated functions necessary to welfare administration. These are discussed below:

Central Index

A central index is a basic requirement of any automated system of this nature. A SPAN central index will contain data on individuals and families who are currently, or were previously, "known to welfare". This information will aid in determining eligibility for benefits, performing case management tasks, answering inquiries that originate within the welfare department or other authorized organizations, and reducing the possibility of fraud.

Data Collection and Validation

Equally essential to a system of this nature is a process to assure validity of the data in the central index. This function will aid the county welfare departments in establishing and maintaining accurate case information. Each item of data to be used for creating or altering case records will be compared against predetermined edit criteria to ensure continuing file integrity. Logical inconsistencies or data elements not compatible with existing regulations would be rejected, and the county notified, thus enabling it to take appropriate corrective action.

Eligibility Verification

The determination of a client's initial or continuing eligibility for benefits within the spectrum of assistance programs is a complex process. An eligibility verification function would aid the worker by providing a consistent cross-checking of the many variables involved in this process, including assets, family-household characteristics and special circumstances. In addition, this function would check employment wage files such as the Employment Development Wage file, and Unemployment Insurance/Disability Insurance (UI/DI) files, and interface with existing income verification systems such as the Earnings Clearance System (ECS), the Beneficiary Data Exchange (BENDEX), and the Duplicate Aid Detection System (DADS).

Budget Computation

This function would calculate the benefit amounts to be delivered to recipients including vendor payments, warrants, authorizations to participate in Food Stamps and Medi-Cal share of cost. This feature would ensure that all benefit amounts statewide are computed in the same manner.

Benefit Delivery and Reconciliation

This function would provide for the delivery of benefits to recipients in the form of warrants, Authorizations to Participate (ATP) in the Food Stamp Program, and issuing special or supplemental payments. Detailed registers and other control information would be utilized to ensure that benefits delivered are equivalent to benefits that were authorized.

Automatic Notices of Action

Notices of case actions for recipients and case status (turnaround) documents for case folders would be prepared and sent to recipients and county welfare departments.

Management Reporting and Control

Any system of this nature will by necessity contain control systems and generate various management reports. It is envisioned that, at the very least, that core of program data required for federal, state and local management purposes will be generated by the system. This function will provide the communication link between the various levels of government, providing each with the information needed to provide service to recipients and administer the welfare programs. In

addition, the system will monitor cash flow, maintain the balances, and control the disbursement of county, state and federal funds. It will perform the subvention accounting for the welfare programs and provide data for budget planning. The system will also have the capability of selecting appropriate samples from client case files, analyzing prescribed parameters and generating accuracy profiles to verify that case administration activities were properly performed.

SYSTEM DESCRIPTION

The SPAN system is a three tiered network with operational components at the state, county and local levels. SPAN will be a highly sophisticated benefit delivery and management information system capable of providing managers with reliable, up-to-date program information and documentation.

Figures 1 and 2 (Attachment I) are diagrammatic expressions of the functions of the SPAN system.

Logistics

Figure 1 displays the program functions currently contemplated for the system. The central core of the network will be the state computer complex located in Sacramento. The functions of this installation, which are shown in Figure 1A, are to administer and maintain the central index, verify eligibility, compute benefit amounts, issue warrants and ATP's, provide Notices of Action, produce management reports, and generate certain case folder documents. The main computer will be backed up by an additional computer. This redundant processing will help to assure reliability of the system and integrity of the data base.

Due to the size of the SPAN system and the anticipated frequency of inquiry, up to 150 remote concentrators (mini computers) will be installed on a regional or county basis. These processors, each with 10-20 terminals located in district offices, (Figure 1B) will store each day's transactions for later batch mode input to the central computer in Sacramento. This will help to assure system dependability and timeliness of response as well as providing additional processing capacity. High speed printers will be located at this level for the production of management reports and turn around documents.

The functions to be performed at the local level are illustrated in Figure 1C. Case data entry will be made through terminals located in each local or district office. As data is entered on the data concentrator it will be validated, with exceptions noted on the local office terminal prior to being stored. In addition, terminals will have on-line access to the main computer in Sacramento. Local offices will also have printers to create Medi-Cal cards, immediate need warrants and worker ticklers as required.

The Process

The basic system input documents will consist of application forms, change documents, services documents and inquiry forms.

When an individual applies for aid at the local welfare office, a direct on-line inquiry will be made into the Central Index File in Sacramento. This file will contain information on individuals and families who are currently or were previously "known to welfare". The requested information will be provided to county staff in less than 10 seconds. Once the response is received and no immediate barriers to eligibility are established, the remaining application data will be entered via the terminal (Figure 1C). This data will be transferred to a remote processor where it will be validated, corrected if necessary, and stored for later batch processing to the main computer in Sacramento during the nonpeak hours of the night and early morning (Figure 1B).

In addition to the intake application material, various other ongoing data, such as income reports, address changes, and services data will be input at the local level on the terminals and batched at the regional level.

The main computer will also produce the various hard copy documents shown in Figure 1A during nonpeak hours. Such documents will be either directly mailed to the recipient or otherwise transferred to the pertinent parties depending on the document involved. County staff making inquiry of the system will also have the capability of having the information printed.

Administrative Functions

To facilitate the objectives established for the centralized delivery system, administrative processes are envisioned for SPAN to insure that changes in benefit deliveries are implemented simultaneously statewide in a timely manner. Whether the changes are due to federal mandates, legislative action, policy decisions, administrative efficiencies or legal decisions, a change will be required in the delivery system to meet the new requirement.

Figure 2 illustrates conceptually the administrative processes involved when a program change is introduced. Regulations, procedures and training materials would be maintained on computer accessible files with the ability to immediately access the data via terminals. When, for instance, federal regulations mandate a change in the budget computation procedures for an AFDC recipient, California would have the capability to make the appropriate revisions to regulations, procedures, training materials, and forms, as required, in a consistent and uniform fashion. These changes would then be disseminated to all local offices via the SPAN system. At the local office, the changes would be displayed in hard copy form and/or be available on the terminal screens.

As changes are made to the delivery system, an effective date can be established. The data files associated with the regulations, procedures and training materials can be changed and the data made available at the local level on that date. On the effective date of procedural changes, a notice would be issued through the terminals that a change is now in effect and would identify to the workers what training is available, if needed, to ensure the change is administered correctly.

The automated regulation procedure is currently under pilot operation in the Department of Social Services and provides the regulation staff and program staff access to EAS Manual data by use of a key word, key phrase or section number. The process will enable regulatory staff to make changes in and publish revisions to the EAS Manual. The process is planned to include other regulatory data after the pilot test using the EAS Manual text is completed.

Because welfare changes will be both administered and implemented through a statewide system, uniform application and observance in each county will be assured.

BENEFITS

The Statewide Public Assistance Network offers substantial benefits not available under the present delivery system. The current system utilizes county administration of public social services programs with state supervision and is essentially a decentralized benefit delivery system. Through a centralized delivery system, more effective program coordination and more accurate and timely delivery of benefits and services is possible in a number of ways.

Ability to Respond Immediately

This system will have the capacity to respond rapidly to changes that may occur in regulations, laws, and policies as they affect welfare programs. When new regulations are implemented, the system will provide the capability to make simultaneous revisions to regulations, procedures, and training materials in a consistent and uniform manner. These changes would be disseminated to all local offices via the SPAN system. At the local office, the changes would be displayed in hard copy form and/or be available on the terminal screen. In addition, SPAN will have the capacity to respond to immediate need and emergency loan situations.

More Equitable Treatment of Recipients

Due to the very nature of a centralized delivery system with statewide application, greater program uniformity is assured. Through central eligibility verification and budget computation, all benefit amounts statewide are computed in the same manner, thereby affording recipients uniform and predictable treatment from county to county. Case transfers from one county to another and from one program to another will be easier to process and less burdensome to the recipient. The automated processing of welfare documentation in a central location will minimize errors and the resulting delays, thereby enhancing benefit distribution to the recipients.

Enhanced System Effectiveness

The various functions of SPAN will greatly increase the overall effectiveness of public assistance delivery within the state. A comprehensive management reporting system will have the capability to produce invaluable quantitative and trend data for state, county and federal reporting purposes as well as for

planning and evaluation. This detailed information will allow all levels of government to "fine tune" program administration and make appropriate policy decisions in a timely and effective manner. System interfaces with other data files will provide effective fraud detection and prevention tools not available without a centralized system.

A system to develop and distribute a complete training package to the appropriate parties will be a benefit of SPAN. Whenever a policy or legislative change requires a modification of procedures, the system will make the required materials available to train the personnel affected. The persons to be trained will utilize both the remote terminals and off-line printers in their training. Creating the training materials in a central location and using the system itself as a training tool will help insure uniform implementation of revisions that affect employees on a statewide basis.

Lower Error Rates

SPAN will offer improved control of program error rates. The eligibility verification and automated case budgeting modules, together with local on-line terminals, will effect reduction of errors by assisting the eligibility worker to prevent the inappropriate granting of benefits to noneligibles and by reducing duplicate aid payments. In addition, the statewide reporting system will serve as a basis for early error trend recognition and prompt corrective action, prior to the trend becoming a major problem.

Fiscal Benefits

SPAN will consolidate programming and design functions which are currently duplicated in separate county systems and reduce or eliminate various functions performed manually at this time. Since the current degree of automation varies, the benefit of a central delivery system would vary for each county.

Centralized check writing and mailing would eliminate duplication in the various accounting functions, and the need for preparation of aid claims and numerous fiscal and statistical reports. The effectiveness of resources devoted to functions, such as fraud prevention and the Earnings Clearance System would be increased, due to the automation of some routine tasks. Tighter fiscal controls will give the state and counties greater ability to prevent inappropriate disbursal of federal funds and subsequent federal audit exceptions.

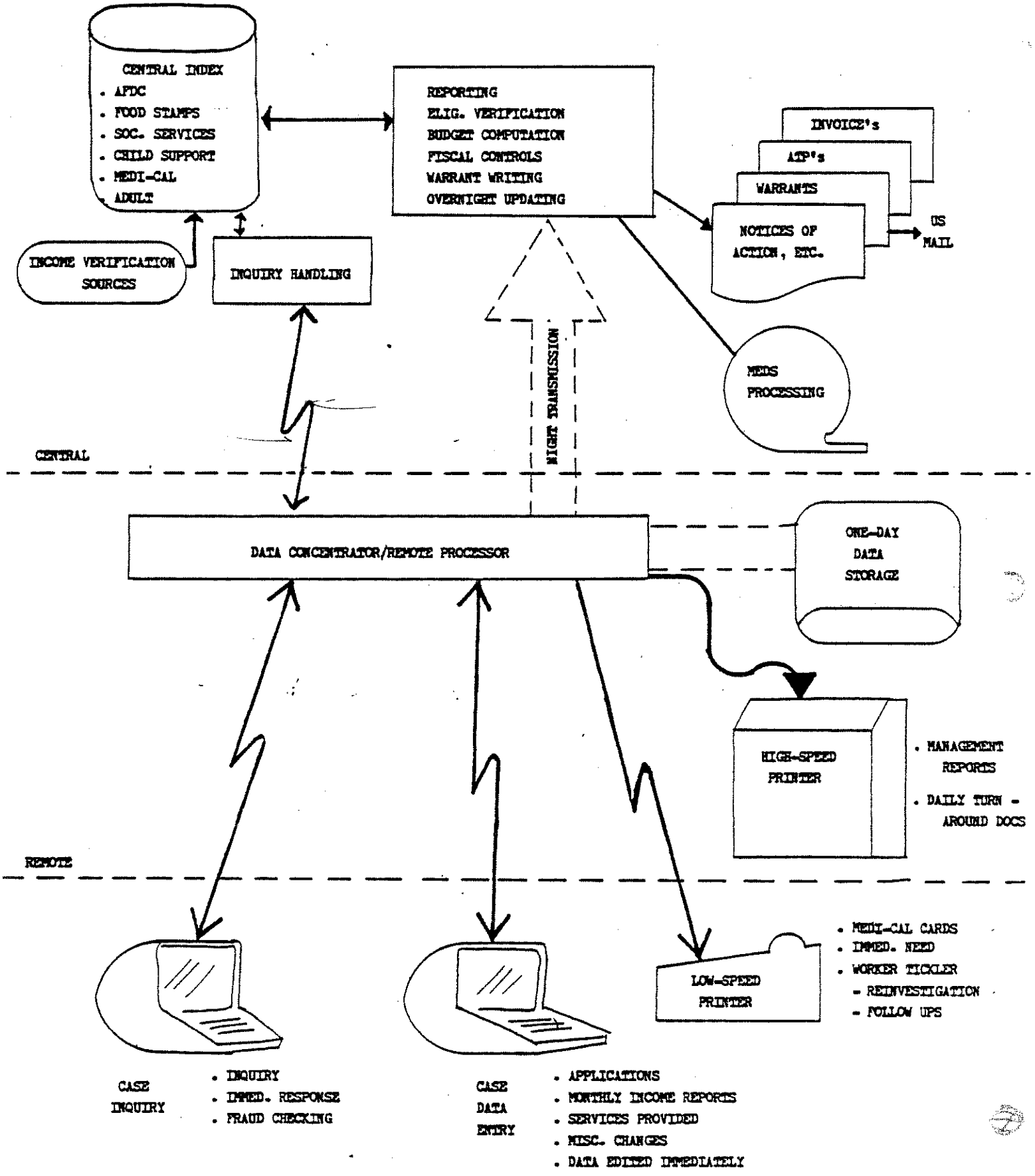
Some reductions in county workload are anticipated as a result of the central index and automated budget computations. This impact will vary from county to county depending on the degree of automation currently in place in each county. State staff will be working closely with each county to minimize any adverse impact as a result of this workload reduction.

Attachment II lists the key milestone dates which must be met to assure implementation by 1984. Periodic bulletins will be issued throughout the duration of the project to keep you fully informed of our progress.

Attachment I

PROGRAM FUNCTIONS

FIGURE I

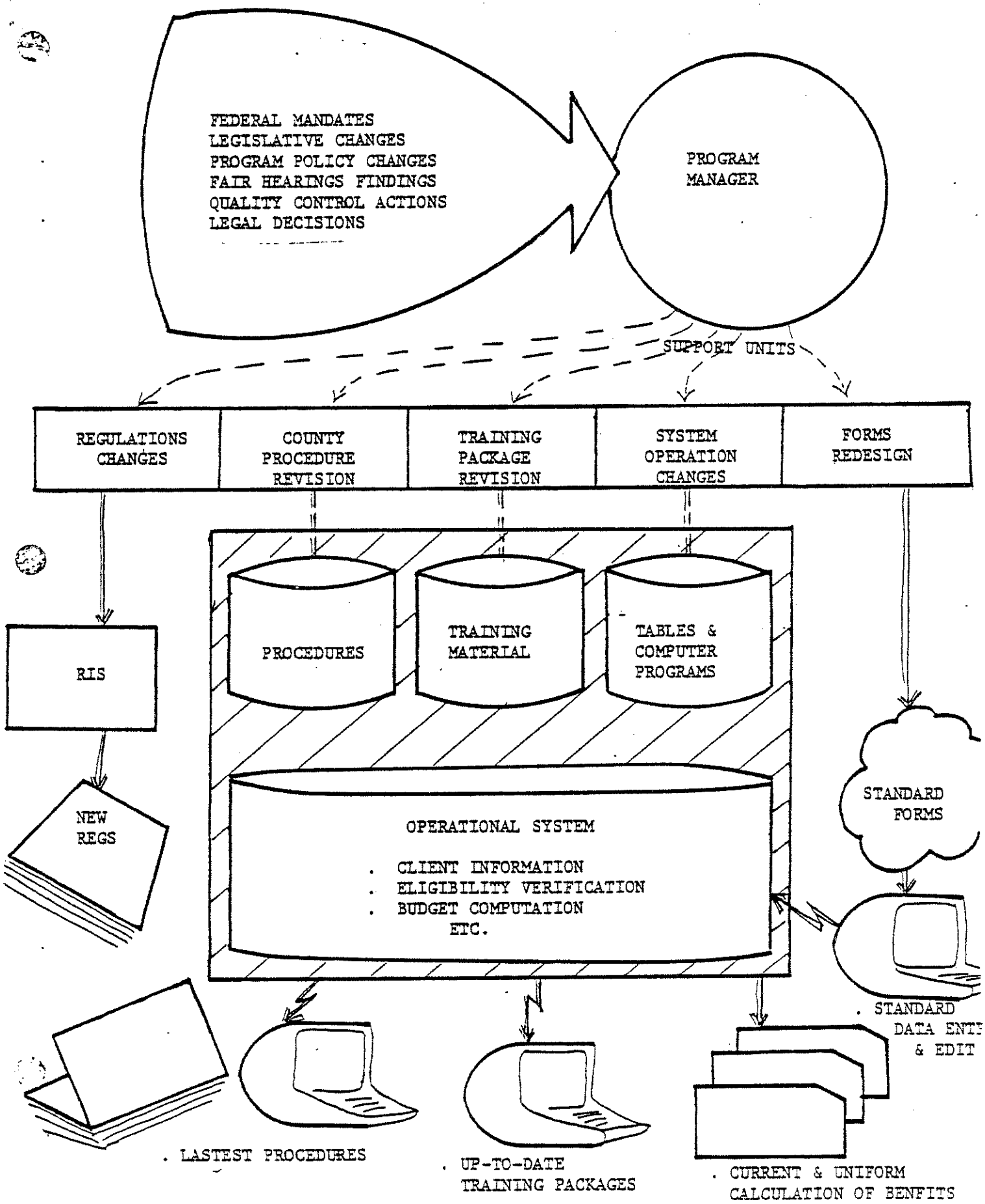


DISTRICT OFFICE

Attachment I

ADMINISTRATIVE FUNCTIONS

FIGURE II



Attachment II

KEY MILESTONES

Program Needs Identified	March 31, 1980
Implementation Plan to Counties	May 1, 1980
Implementation Plan to Joint Legislative Budget Committee	June 1, 1980
System/Program Requirements Defined	July 15, 1980
Pilot County Selection	December 15, 1980
Functional Design Completion	March 31, 1981
Hardware Requirements to Legislature	April 1, 1981
Begin Pilot Operation	October 1, 1981
Annual Progress Report to Legislature	March 1, 1982 thru 1986
SPAN Implemented	July 1, 1984