



# Consolidated Annual Report Required by Senate Bill 30, 75th Legislature

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## Section 22.0251, Texas Human Resources Code: Timely Determination of Overpayments

### ***Statutory Provision***

The statute requires the Health and Human Services (HHS) Office of Inspector General (OIG) to determine and record the time it takes the agency to establish an overpayment claim in the Supplemental Nutrition Assistance Program (SNAP) or the program of financial assistance; to set goals for increased timeliness; and to adopt a schedule to meet those goals. The statute also requires the agency to submit an annual report to the Governor and Legislative Budget Board detailing the progress in reaching these goals.

### ***Background***

One of the keys to recovering improperly received benefits is to determine overpayments in a timely manner. When the agency receives a referral regarding a potential overpayment of benefits, investigators with the OIG's Benefits Program Integrity (BPI) division analyze the case to verify whether an overpayment occurred and, if so, the amount of the overpayment. The investigator also determines whether the case involves an intent to commit fraud. If no intent to commit fraud is observed, the investigator notifies the recipient of their obligation to repay and their right to due process under the law. If probable cause exists that a felony-grade violation has occurred, the investigator may refer the case to the appropriate local district attorney's office for criminal prosecution. If the circumstances warrant a lower-grade offense, the investigator will pursue the case through an administrative hearing.

### ***Accomplishments***

The United States Department of Agriculture (USDA) requires BPI to complete at least 90 percent of cases within 180 days from the date of referral. This standard is one metric used to measure the investigator's performance.

From September 1, 2019, through August 31, 2020, investigators completed 9,417 SNAP investigations, including both fraud and non-fraud overpayment claims. Of the 9,417 cases, 6,811 were completed within 180 days, with an average timely completion rate of 72 percent. The lower percent of timely investigations in State Fiscal Year (SFY) 2020 is largely attributed to a high volume of cases in the large metropolitan areas of the state, such as Houston and Dallas/Fort Worth, that caused a backlog during the first half of the fiscal year. Additionally, in the first quarter of SFY 2020, HHSC AES ended a contract that inadvertently caused BPI to lose access to a critical employment and income verification resource. This loss has resulted in delays in obtaining evidence necessary to make an informed investigative conclusion. OIG is currently procuring that resource.

When the COVID-19 public health emergency was declared in March, BPI could not complete certain prosecution cases that require physical collection of evidence and/or ink signatures based on the requirements of individual district attorney's offices across Texas. In May, BPI's request to participate in USDA Food and Nutrition Services' temporary blanket waiver of the time frame for establishing new claims (within 180 days) was granted for the period of March through May. A subsequent extension was granted through June.

Despite the aforementioned challenges, BPI focused both processes and resources on reducing the backlog of cases and increasing the timeliness of investigations. By the fourth quarter of FY 2020, BPI's percent of timely investigation completions had risen to 85 percent.

<b>Benefits Program Integrity Timeliness</b>			
<b>Time frame</b>	<b>Investigations Completed</b>	<b>Investigations Completed within 180 Days</b>	<b>Percent Timely</b>
09/2009 - 02/2010	16,118	14,675	91.05%
03/2010 - 08/2010	20,130	18,461	91.71%
09/2010 - 02/2011	22,281	20,612	92.51%
03/2011 - 08/2011	23,425	21,555	92.02%
09/2011 - 02/2012	24,726	23,275	94.13%
03/2012 - 08/2012	15,222	15,126	99.37%
09/2012 - 02/2013	11,936	11,223	94.03%
03/2013 - 08/2013	13,033	12,203	93.63%
09/2013 - 08/2014	21,458	19,652	91.58%

<b>Time frame</b>	<b>Investigations Completed</b>	<b>Investigations Completed within 180 Days</b>	<b>Percent Timely</b>
09/2014 - 08/2015	16,854	15,583	92.46%
09/2015 - 08/2016	14,509	12,123	83.56%
09/2016 - 08/2017	10,639	9,846	92.55%
09/2017 - 08/2018	7,900*	6,830	86.46%
09/2018 - 08/2019	8,952	6,890	76.97%
09/2019 - 08/2020	9,417	6,811	72.32%
<b>TOTAL</b>	<b>236,600</b>	<b>214,865</b>	<b>90.81%</b>
*Prior to SFY 2018, all benefits programs investigated within a case were counted as individual investigations. Beginning in SFY 2018, BPI began counting all programs included in a case as a single investigation. Therefore, although it appears that fewer investigations were conducted from SFY 2018 onward, the number of investigations has continued to increase over time.			

**Section 531.108, Texas Government Code:  
Data Matching Efforts from HHSC with Information from  
Neighboring States and Texas Department of Criminal  
Justice**

***Statutory Provision***

This statute requires OIG to submit an annual report to the Governor and the Legislative Budget Board regarding the computerized (data) matching of agency information from neighboring states and information from the Texas Department of Criminal Justice (TDCJ).

***Background***

Under this provision, OIG identifies individuals receiving benefits in another state and identifies incarcerated individuals illegally receiving public assistance benefits.

***Accomplishments***

Since August 2010, HHSC OIG has participated in the Public Assistance Reporting Information System (PARIS) interstate compact on behalf of Texas. The PARIS interstate match cross-checks Social Security numbers of active Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF) program, and Medicaid clients as sent by State Public Assistance Agencies (SPAA) for a predetermined month within the match quarter. If matched, PARIS sends the matched records back to the respective SPAA for review and investigation. Although once-a-year participation is

mandatory for Medicaid, the data provided to the program is at the discretion of each SPAA. Texas participates for each match quarter. In Texas, the PARIS match meets the legislative requirement for OIG to match with border states to identify duplicate benefits.

From September 1, 2019, through August 31, 2020, the agency identified and established overpayment claims for \$417,952 in benefits that had been simultaneously received by individuals in both Texas and another state and in which it was determined that the benefits obtained in Texas should not have been received. During this time, the agency also identified and established overpayment claims for \$656,592 in benefits received by individuals who were ineligible because of incarceration.

<b>PARIS Interstate Match</b>					
<b>Timeframe</b>	<b>Match Count</b>	<b>Referrals Created</b>	<b>Investigations Created</b>	<b>Claims Created</b>	<b>Claim Amounts</b>
09/2009 - 02/2010	*	*	*	*	*
03/2010 - 08/2010	3,542	90	35	37	<b>\$45,161</b>
09/2010 - 02/2011	28,756	452	182	137	<b>\$164,888</b>
03/2011 - 08/2011	27,074	341	151	152	<b>\$163,158</b>
09/2011 - 02/2012	30,368	217	112	93	<b>\$82,813</b>
03/2012 - 08/2012	25,634	243	125	131	<b>\$135,203</b>
09/2012 - 02/2013	28,322	372	86	117	<b>\$128,421</b>
03/2013 - 08/2013	30,154	443	197	236	<b>\$295,174</b>
09/2013 - 08/2014	63,775	455	325	384	<b>\$697,290</b>
09/2014 - 08/2015	118,316	643	188	218	<b>\$338,132</b>
09/2015 - 08/2016	148,432	507	267	242	<b>\$439,124</b>
09/2016 - 08/2017	183,781	287	117	63	<b>\$139,217</b>
09/2017 - 08/2018	217,525	537	461	201	<b>\$410,256</b>
09/2018 - 08/2019	212,284	906	501	472	<b>\$858,077</b>
09/2019 - 08/2020	207,758	276	206	251	<b>\$417,952</b>
<b>TOTAL</b>	<b>1,325,721</b>	<b>5769</b>	<b>2953</b>	<b>2734</b>	<b>\$4,314,866</b>

\*PARIS Interstate Matches were implemented effective August 2010

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**TDCJ Incarceration Match**

<b>Timeframe</b>	<b>Referrals Created</b>	<b>Investigations Created</b>	<b>Claims Created</b>	<b>Claim Amounts</b>
09/2009 - 02/2010	445	374	375	<b>\$234,142</b>
03/2010 - 08/2010	679	579	560	<b>\$364,729</b>
09/2010 - 02/2011	422	360	357	<b>\$251,007</b>
03/2011 - 08/2011	1,010	848	832	<b>\$547,003</b>
09/2011 - 02/2012	621	493	476	<b>\$302,980</b>
03/2012 - 08/2012	717	546	534	<b>\$533,272</b>
09/2012 - 02/2013	552	457	463	<b>\$458,241</b>
03/2013 - 08/2013	428	374	405	<b>\$372,440</b>
09/2013 - 08/2014	850	683	720	<b>\$761,225</b>
09/2014 - 08/2015	655	354	388	<b>\$367,928</b>
09/2015 - 08/2016	815	582	527	<b>\$752,669</b>
09/2016 - 08/2017	1024	1037	769	<b>\$995,128</b>
09/2017 - 08/2018	664	524	459	<b>\$561,185</b>
09/2018 - 08/2019	739	617	531	<b>\$694,659</b>
09/2019 - 08/2020	443	434	445	<b>\$656,592</b>
<b>TOTAL</b>	<b>10,064</b>	<b>8262</b>	<b>7841</b>	<b>\$7,853,200</b>