GAO

Testimony

Before the Subcommittee on Human Resources, Committee on Ways and Means, House of Representatives

HUMAN SERVICES PROGRAMS

Opportunities to Reduce Inefficiencies

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GAO
Accountability ★ Integrity ★ Reliability

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HUMAN SERVICES PROGRAMS

Opportunities to Reduce Inefficiencies

Why GAO Did This Study

The federal government, often in concert with states, provides assistance to millions of individuals and families each year through a multiplicity of programs. These programs play a key role in supporting workers who have lost their jobs, families with low-incomes, and vulnerable children who have experienced abuse and neglect. However, given the fiscal pressures facing the federal government and the continued demands placed on assistance programs, it is critical that programs designed to serve those most in need provide benefits and services as effectively and efficiently as possible. In light of concerns about fragmentation, duplication, and overlap in government programs, this testimony addresses: (1) the key characteristics of some programs and tax expenditures that provide assistance to individuals and families; (2) problems in administering and providing services through multiple programs; and (3) actions that may help address these problems. We focused on programs under the jurisdiction of the Subcommittee of Human Resources and some related programs and tax expenditures for children and working-age adults; we developed an illustrative but not all-inclusive list of these programs. We relied on work conducted between 2001 and 2011, which employed an array of methodologies. These included surveys of federal and state officials; site visits to states and local areas; interviews with local, state, and federal officials; and analysis of agency data and documents.

View GAO-11-531T or key components. For more information, contact Kay E. Brown at (202) 512-7215 or brownke@gao.gov.

What GAO Found

Various federal programs and tax expenditures exist to assist individuals and families by providing income support, child care, and child welfare services. Other programs help meet these households' needs in other areas, such as health and nutrition. Overall, several congressional committees as well as six federal agencies oversee these programs at the federal level, while federal agencies, state and local agencies, as well as for-profit and nonprofit agencies directly provide services at the local level. Families can receive benefits from one or more of these programs. For example, a low-income family may be eligible for and receive income support through Temporary Assistance for Needy Families (TANF), the Earned Income Tax Credit (EITC), and Child Support Enforcement, as well as subsidized child care assistance.

This array of programs plays a key role in supporting those in need, but our work has shown it to be too fragmented and overly complex—for clients to navigate, for program operators to administer efficiently, and for program managers and policymakers to assess program performance. Individuals often must visit multiple offices to apply for aid and provide the same information and documentation each time—a process that is cumbersome and inefficient. The complexity and variation in eligibility rules and other requirements among programs contribute to time-consuming and duplicative administrative processes that add to overall costs. Some programs provide similar services through separate programs, resulting in additional inefficiencies. For example, we recently reported that TANF, Workforce Investment Act Adult (WIA Adult), and Employment Service (ES) programs often maintain separate administrative structures to provide some of the same services and activities, such as job search assistance, to low-income individuals. In addition, gaps in information can hamper program oversight.

Approaches such as simplifying policies, improving technology, and fostering innovation and evaluation can improve services and reduce costs. Simplifying policies can improve productivity and help staff focus more time on activities such as ensuring the accuracy of benefits. Facilitating technology enhancements can streamline eligibility processes and improve program integrity. In addition, fostering state innovation and evaluation can help the federal government and policymakers determine which approaches are the most cost-effective and limit investment in unproven strategies.

Because federal programs have evolved over time to meet various needs, it is not surprising to see multiple programs with some fragmentation of administration, some overlap in populations served, and some duplication of services offered. These features may be warranted, for example, to ensure quality services are provided and certain populations are served. However, our work indicates that further exploration of the extent of fragmentation, overlap, and duplication could help better identify ways to streamline and improve programs and to reduce inefficiencies.

_____ **United States Government Accountability Office**

Chairman Davis, Ranking Member Doggett, and Members of the Subcommittee:

Thank you for the opportunity to discuss our work related to some of the nation's most essential programs—under the jurisdiction of this Subcommittee—designed to aid American households. The federal government, often in concert with states, provides assistance to those who have lost their jobs, families with low-incomes, and vulnerable children who have experienced abuse and neglect at the hands of their parents. As important as these programs are at all times, several of them have played key roles as the number of households in need has risen to record levels and program expenditures increased to meet this heightened need. At the same time, the federal government is facing a structural imbalance in its budget, causing policymakers to carefully consider the effectiveness and efficiency of all federal programs. In particular, concerns have been raised about the multiplicity of programs that may show signs of fragmentation, overlap, and duplication that could introduce inefficiencies and increase costs. I am pleased to be here today to help shed light on how these concerns pertain to this array of programs. My statement draws on our previous work that identified inefficiencies among several programs that, taken together, serve as the nation's safety net for children and working-age adults in need of temporary or longer-term aid. In this testimony, I will refer to these as human services programs.

My testimony today addresses three questions:

1. What are the key characteristics of some programs and tax expenditures that provide assistance to individuals and families in need?

2. What is known about problems in administering and providing services through multiple programs?

3. What actions may help address these problems?

For this testimony, we focused on several of the programs under the jurisdiction of the Subcommittee that provide assistance to individuals and families with low incomes, in need of child welfare services, and experiencing a job loss. We generally did not include programs targeted to the elderly. We also refer to a few related tax expenditures under the

jurisdiction of the full committee.[1] In addition, we refer to some programs under the jurisdiction of other committees that often provide assistance to these types of households also. We had not previously developed a comprehensive list of programs, including outlay programs and tax expenditures, that is aligned with the Subcommittee's interests. For purposes of this hearing we have drawn upon prior work and our subject matter knowledge to develop an illustrative but not all-inclusive list of such programs. We generally sought to illustrate the wide variety of such programs that can help address the needs of this population. We did not conduct any legal analysis in order to identify the programs or to determine their administration, objectives, funding, requirements, or goals.

To address the objectives, we drew upon reports we issued between 2001 and 2011. In this work, we have employed an array of methodologies, including surveys of federal and state officials; site visits to states and local areas; interviews with local, state, and federal officials; and analysis of agency data and documents. We conducted our work in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence we obtained provides a reasonable basis for our findings and conclusions.

We issued a report on March 1, 2011,[2] outlining opportunities to reduce duplication across a wide range of federal programs, raising attention to these issues. That report was prepared in response to a new statutory requirement that GAO identify and report annually on federal programs, agencies, offices, and initiatives—either within departments or governmentwide—that have duplicative goals and activities.[3] In that work, we also considered fragmentation and overlap among government programs or activities as these can be harbingers of unnecessary duplication. Fragmentation of programs exists when programs serve the

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[1]Numerous federal programs, policies, and activities are supported through the tax code. Tax expenditures are reductions in tax liabilities that result from preferential provisions, such as tax exclusions, credits, and deductions. They result in revenue forgone. For more information, see GAO, *Government Performance and Accountability: Tax Expenditures Represent a Substantial Federal Commitment and Need to Be Reexamined*, GAO-05-690 (Washington, D.C.: Sept. 23, 2005).

[2]GAO, *Opportunities to Reduce Potential Duplication in Government Programs, Save Tax Dollars, and Enhance Revenue*, GAO-11-318SP (Washington, D.C.: Mar. 1, 2011).

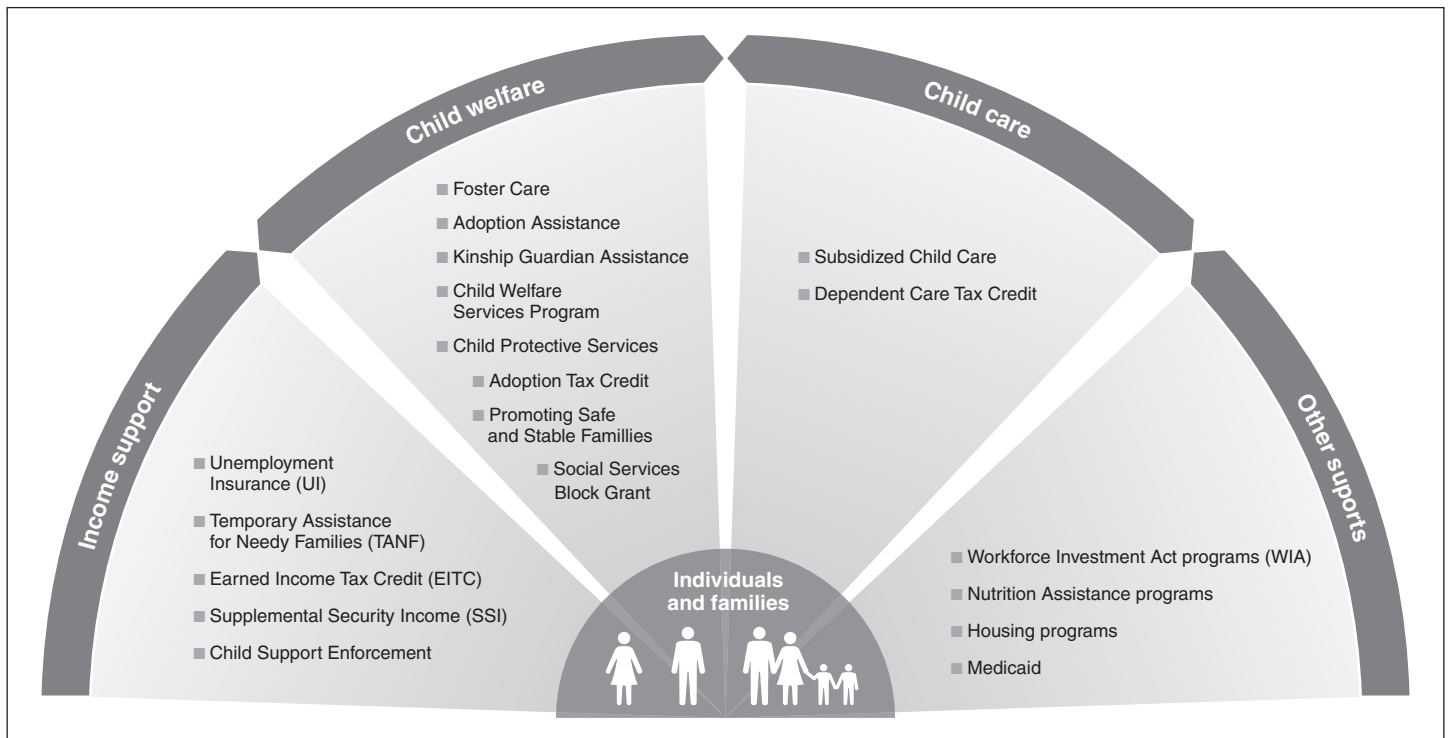[3]Pub. L. No. 111-139, § 21, 124 Stat. 8, 29 (2010), 31 U.S.C. § 712 Note.

same broad area of need but are administered across different federal agencies or offices. Program overlap exists when multiple agencies or programs have similar goals, engage in similar activities or strategies to achieve them, or target similar beneficiaries. Unnecessary duplication of program services can occur when two or more programs are engaged in the same activities or provide the same services to the same beneficiaries, and this can in turn result in inefficient service delivery and unnecessary program costs.

A Multiplicity of Programs Exist to Meet the Needs of Individuals and families

A range of programs and tax expenditures assist individuals and families. Programs under the jurisdiction of the Subcommittee on Human Resources can roughly be grouped under three missions for children and working-age adults: providing income support, providing child care, and providing child welfare services. Other key programs address other needs of these households, such as Medicaid, housing, nutrition assistance, and Workforce Investment Act (WIA) employment and training programs. These programs fall under the jurisdiction of four other House committees. In addition, a wide array of tax expenditures assist individuals and families in these areas. Figure 1 shows an illustrative set of programs and tax expenditures.

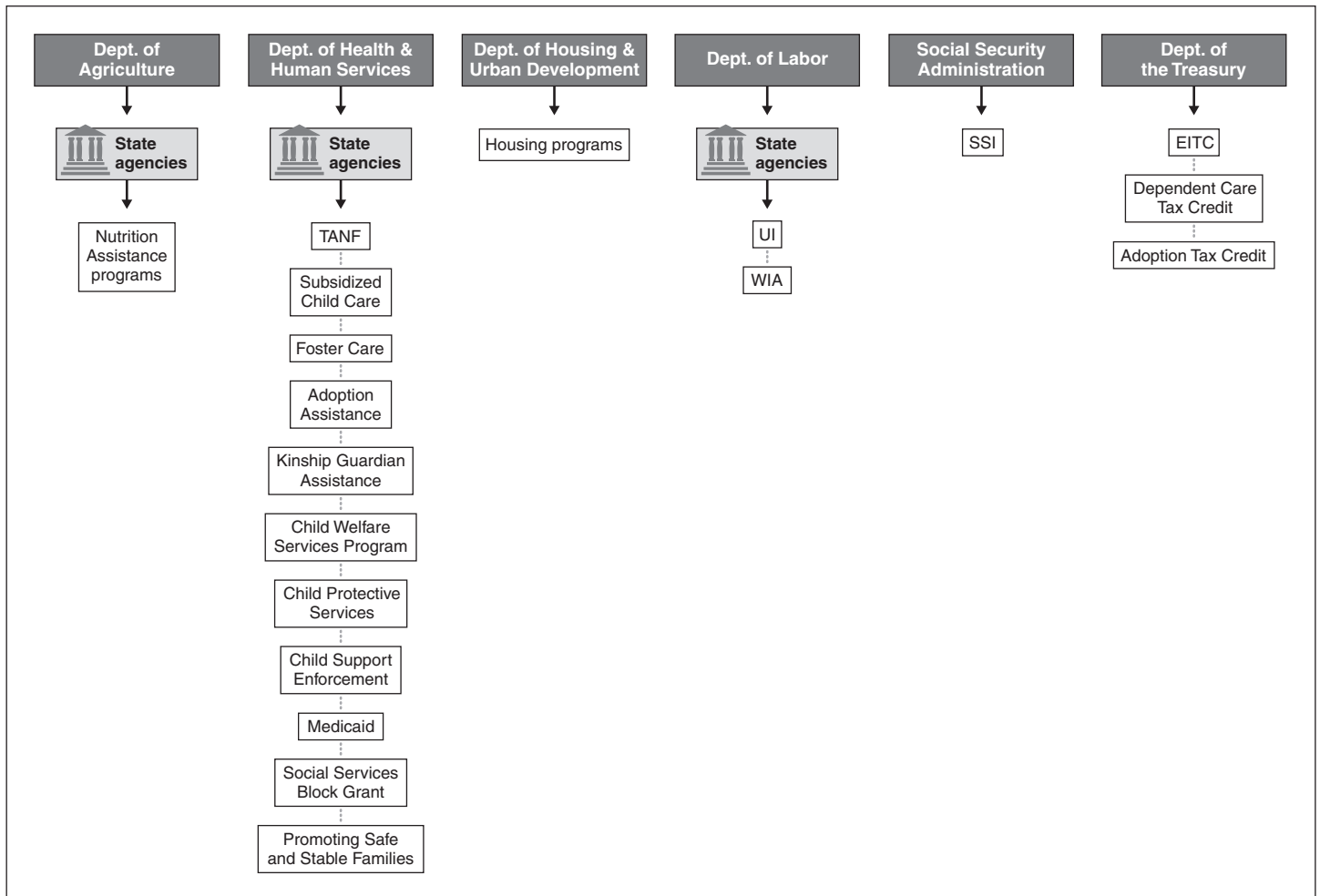**Figure 1: Illustrative Human Services Programs and Tax Expenditures**

Child welfare
- Foster Care
- Adoption Assistance
- Kinship Guardian Assistance
- Child Welfare Services Program
- Child Protective Services
- Adoption Tax Credit
- Promoting Safe and Stable Famillies
- Social Services Block Grant

Child care
- Subsidized Child Care
- Dependent Care Tax Credit

Income support
- Unemployment Insurance (UI)
- Temporary Assistance for Needy Families (TANF)
- Earned Income Tax Credit (EITC)
- Supplemental Security Income (SSI)
- Child Support Enforcement

Other suports
- Workforce Investment Act programs (WIA)
- Nutrition Assistance programs
- Housing programs
- Medicaid

Individuals and families

Source: GAO analysis of agency documents.

Note: This does not represent an exhaustive list of all relevant programs in these areas. In addition, while the figure includes a few of the related tax expenditures in the areas of income support, child welfare, and child care, it is not an exhaustive list of tax expenditures in these areas or of those related to other supports, such as health and housing.   While TANF and the Social Services Block Grant funds may be spent in categories in which they appear, their funds may also be used to meet a variety of needs.

Various federal agencies are responsible for the oversight of these programs and tax expenditures, as shown in figure 2. In addition, while the federal government is involved in some aspects of the design and funding of each of these supports, state governments are sometimes responsible for directly administering the benefits and services. For example, while SSI is directly administered by federal employees within the Social Security Administration, UI, TANF, subsidized child care, and various other programs are overseen by state governments and directly administered by state and, in some cases, local government employees as well as by nonprofit and for-profit entities.

Figure 2: Roles of Federal and State Agencies in Oversight and Administration of an Illustrative Set of Human Services Programs and Tax Expenditures

Dept. of Agriculture	Dept. of Health & Human Services	Dept. of Housing & Urban Development	Dept. of Labor	Social Security Administration	Dept. of the Treasury
State agencies	State agencies	Housing programs	State agencies	SSI	EITC
Nutrition Assistance programs	TANF		UI		Dependent Care Tax Credit
	Subsidized Child Care		WIA		Adoption Tax Credit
	Foster Care				
	Adoption Assistance				
	Kinship Guardian Assistance				
	Child Welfare Services Program				
	Child Protective Services				
	Child Support Enforcement				
	Medicaid				
	Social Services Block Grant				
	Promoting Safe and Stable Families				

Source: GAO analysis of agency documents.

Note: This does not represent an exhaustive list of all human services programs or related tax expenditures.

Across some of the programs and tax expenditures under the jurisdiction of the Subcommittee and Committee, key characteristics such as the population eligible for each and funding design vary. (See table 1.) For example, individuals and families are sometimes eligible for specific federal tax expenditures based on their employment or family-related circumstances, such as with an adoption. Further, SSI and TANF both provide monthly cash benefits to low-income people, but for SSI, individuals must be aged, blind, or disabled, and for TANF, a family must

include dependent children. In terms of funding design, SSI benefits and the tax expenditures are provided to all who apply and meet eligibility requirements. So too is the case with the EITC, which has a refundable portion for those without enough income to owe income taxes. Similarly, federal funding for monthly payments to support children in foster care, adoption, and kinship guardianship placements is also not capped and is dependent on the number of children eligible for such assistance. On the other hand, the federal funding level is fixed for programs such as TANF and subsidized child care and does not increase with the numbers of eligible people who apply.

Table 1: Key Characteristics of Several Programs under the Jurisdiction of the Human Resources Subcommittee and a Few Related Tax Expenditures under the Jurisdiction of the Ways and Means Committee

Program or tax expenditure	Population eligible[a]	Funding
Income Support		
UI	Workers who become unemployed through no fault of their own	Federal funds and payroll taxes
EITC	Individuals and families with low levels of earned income	Federal tax expenditure and outlays
TANF	Low-income families with dependent children may receive cash assistance and other services	Capped federal funds matched by state funds
Child Support Enforcement	Children with non-custodial parents	Open-ended federal funds match state spending
SSI	Aged, blind, and disabled individuals	Open-ended federal funds
Child Care		
Subsidized Child Care	Low-income families with dependent children in which the parents are engaged in work or education and training	Capped federal funds, with matching state funds required to draw the maximum amount of federal funds
Dependent Care Tax Credit	Individuals and families with employment-related dependent care expenses	Federal tax expenditure
Child Welfare		
Foster Care	Children from low income families who are placed in licensed foster homes	Open-ended federal funds match state spending

Program or tax expenditure	Population eligible[a]	Funding
Adoption Assistance	Families who provide adoptive homes to children from low income families identified as having special needs that make placement difficult	Open-ended federal funds match state spending
Kinship Guardianship Assistance	Relatives who assume legal guardianship of certain children for whom they have cared while foster parents	Open-ended federal funds match state spending
Child Welfare Services Program	Funding can be used for broad child welfare purposes, including keeping families together	Capped federal funds to states with state match requirement
Promoting Safe and Stable Families	Funding can be used for family support, family preservation, time-limited family reunification, and adoption promotion and support	Capped federal funds to states
Child Protective Services	Funding provided to help states improve child protective service systems	Capped federal funds to states
Social Services Block Grant	Funding can be used for a range of services to individuals and families, such as foster care and child protective services	Capped federal funds to states
Adoption Tax Credit	Individuals and families who have adopted children	Federal tax expenditure and outlays

Source: GAO review of agency documents.

Note: We did not conduct any legal analysis in order to identify the programs and tax expenditures or determine their eligibility requirements or funding mechanisms. This does not represent an exhaustive list of all relevant programs and tax expenditures in these areas.

[a]This column generally describes the population eligible for each program and tax credit. However, these groups must meet additional eligibility criteria that are specific to each program and credit to fully qualify.

With this array of human services programs, a family and its members may receive benefits or services from one or more of these programs. Interactions between the programs vary, and in some cases, the programs are specifically designed to provide multiple sources of support for individuals and families. For example, a low-income family may be eligible for and receive income support through TANF, EITC, and Child Support Enforcement, as well as subsidized child care assistance. However, at the same time, another family may be eligible for only one of those supports,

such as EITC, due to income or other eligibility requirements. Also due to varying eligibility criteria, a family may have several members who are receiving income support through TANF while another member receives such support through SSI.

Existing Array of Programs Leads to Cumbersome Service and Inefficient Administration

While these programs provide important supports and services to millions of households each year, they comprise a patchwork of support developed over time and under different circumstances. Some programs were begun under the original Social Security Act passed in 1935 and have evolved over time. Congress has added other programs to meet emerging needs. For example, to encourage more low-income women to move into the workforce, Congress created child care subsidy programs designed to support parents' work efforts.[4] Today, our work has shown this patchwork of programs to be too fragmented and overly complex—for clients to navigate, for program operators to administer efficiently, and for program managers and policymakers to assess program performance.

People Face Difficulties in Accessing Aid

People seeking aid often must visit multiple offices and provide the same information numerous times. The routes by which people access services varies by program, state, and sometimes locality, and can be cumbersome for those seeking aid from more than one program. Low-income individuals and families often receive aid from multiple programs to meet their income support, health, nutrition, employment and training, and housing needs. Typically, clients may access several programs through one office that administers TANF, the Supplemental Nutrition Assistance Program (SNAP), and Medicaid. However, clients may need visits to other offices to apply for housing assistance and SSI, while they must file a tax return with the Internal Revenue Service (IRS) for the EITC. Typically, clients have to provide the same basic information and required documentation multiple times if they are trying to access more than one program. Some states and localities have moved toward more use of call centers and online applications, though this varies among the programs and states.

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[4]GAO, *Welfare Reform: States' Efforts to Expand Child Care Programs*, GAO/HEHS-98-27 (Washington, D.C.: Jan. 13, 1998).

Myriad Program Rules Foster Duplicate Administrative Processes and Inefficiencies

The complexity and variation in eligibility and other rules and requirements among the programs have contributed to time-consuming and duplicative administrative processes that are inefficient and add to overall costs. Separate eligibility processes for some programs result in considerable duplication of administrative activities because caseworkers in different offices collect and document much of the same personal and financial information. Even when programs are administered jointly, each has its own eligibility rules and reporting requirements, limiting the extent to which joint administration reduces administration costs. In our previous work, state and local officials reported that this complicated the work required of caseworkers to determine eligibility and also contributed to errors.[5] Excessive time spent working through complex procedures can consume resources and diminish staffs' ability to focus on other activities that might improve service quality or improve program integrity. In addition, other complex processes occur to meet federal cost allocation requirements. For example, we heard from some local staff that they track the amount of time they spend working on different programs and report this information to financial managers. Local financial managers then determine what portion of staffs' time is defined as administrative costs in each of the programs and charge the programs appropriately.

Providing similar services through separate programs can lead to additional inefficiencies. We recently reported on the potential overlap and duplication in employment and training programs.[6] Specifically, we found that TANF, Workforce Investment Act Adult (WIA Adult), and Employment Service (ES) programs often maintain separate administrative structures to provide some of the same services, such as job search assistance, to low-income individuals. Some individuals may be receiving similar services from each program, although the extent to which this is occurring is not known. We recommended that Labor and

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[5]GAO, *Human Services Programs: Demonstration Projects Could Identify Ways to Simplify Policies and Facilitate Technology Enhancements to Reduce Administrative Costs*, GAO-06-942 (Washington, D.C.: Sept. 19, 2006).

[6]In 2011, we updated our prior reports that focused on programs whose primary purpose was employment and training. For fiscal year 2009, we identified 47 employment and training programs administered across nine agencies that spent approximately $18 billion on employment and training services. Forty-four of these programs, which include broad multipurpose block grants, overlap with at least one other program, in that they provide at least one similar service to a similar population. GAO, *Multiple Employment and Training Programs: Providing Information on Colocating Services and Consolidating Administrative Structures Could Promote Efficiencies*, GAO-11-92 (Washington, D.C.: Jan. 13, 2011).

HHS disseminate information on state efforts to consolidate administrative structures and colocate services. Both agencies agreed with our recommendation and we will follow up on their efforts in the future.

Information Gaps Hamper Program Oversight

While we have not reviewed all of the accountability measures for the relevant programs, we have identified some information gaps that hinder oversight of some programs. For example, our work on the TANF program has shown that work participation rates—a key performance measure for TANF, as currently measured and reported, do not appear to be achieving the intended purpose of encouraging states to engage specified proportions of TANF adult recipients in work activities. In addition, although states have shifted a large share of their TANF funds from cash assistance to other programs, supports, and services such as child care subsidies and child welfare, existing oversight mechanisms continue to focus on cash assistance. As a result, there are gaps in the information available at the federal level on how many families received TANF services and on how states have used funds to meet TANF goals. While a key feature of the TANF program is flexibility in the use of federal funds, this flexibility must be balanced with mechanisms to ensure state programs are held accountable for meeting program goals. Information gaps hinder decision makers in considering the success of TANF and what trade-offs might be involved in making any possible changes to TANF through the reauthorization process. In addition, in our work on potential duplication of TANF and WIA, we noted that lack of data hindered our ability to assess the extent to which individuals may have received services from both programs.

We also identified information gaps that make it difficult to assess fully the federal role in supporting child care assistance for families. Such an assessment is also complicated by the use of tax expenditures in supporting families' child care needs. With the flexibility allowed under TANF, states have used a significant portion of their TANF funds to augment their child care subsidy programs. However, states do not need to report on the numbers or types of families provided TANF-funded child care, leaving an incomplete picture of the numbers of children receiving federally-funded child care subsidies, which would be useful information for policymakers. In addition, because tax expenditures do not compete overtly with other priorities in the annual budget process, policymakers do not typically consider tax expenditures along with other programs when making budgetary and programmatic decisions. Nevertheless, considerable resources are provided to families through the Dependent Care Tax Credit for their child care and other dependent care needs. A more complete picture of the federal role in child care subsidies and who

benefits would include tax expenditure information. We identified the importance of paying more attention to tax expenditures in our recent work on opportunities to reduce duplication in federal government programs.[7]

Simpler Policies, Better Technology, and More Innovation and Evaluation Could Reduce Inefficiencies

The need for improving the administration of these programs has been voiced recurrently for the past several decades. Stretching as far back as the 1960s, studies and reports have called for changes to human service programs, and we issued several reports during the 1980s that focused on welfare simplification. Over the years, Congress has taken many steps to simplify programs and procedures. For example, in 1996 Congress replaced the previous welfare program with the TANF block grant and consolidated several child care programs into one program, which our previous work has shown provided states with additional flexibility to design and operate programs.[8] In addition, numerous pilot and demonstration projects have given particular states and localities flexibility to test approaches to integrating and coordinating services across a range of human service programs. Some states have taken advantage of recent changes and additional flexibility granted by the federal government to simplify eligibility determination processes across programs. For example, states may automatically extend eligibility to SNAP applicants based on their participation in the TANF cash assistance program—a provision referred to as "categorical eligibility."[9]

While the need for simplification of program policies and other improvements has been widely acknowledged, there has also been a general recognition that achieving substantial improvements in this area is exceptionally difficult. Many of these efforts have had limited success due, in part, to the considerable challenges that streamlining program processes entail, given the involvement of numerous congressional committees and federal agencies involved in shaping human service program policies. An additional challenge to systematic policy simplification efforts is the lack of information on the costs and effects of these efforts. Streamlining policies could expand client access and

[7]GAO-11-318SP.

[8]GAO, *Welfare Reform: States Are Restructuring Programs to Reduce Welfare Dependence*, GAO/HEHS-98-109 (Washington, D.C.: June 17, 1998).

[9]GAO, *Supplemental Nutrition Assistance Program: Payment Errors and Trafficking Have Declined, but Challenges Remain*, GAO-10-956T (Washington, D.C.: July 28, 2010).

increase caseloads and program costs, but it could also limit access for particular populations, depending on which policies were adopted. In addition, no definitive information exists to demonstrate the type and extent of changes that might result in reduced administrative costs or to demonstrate how strategies might work differently in different communities. To help address these issues, in 2001 and 2006, we recommended that Congress consider authorizing demonstration projects designed to streamline eligibility determination and other processes across federal human services programs.[10] In the Consolidated Appropriations Act, 2010, Congress appropriated funds for pilot projects that, in part, demonstrate the potential to streamline administration or strengthen program integrity.[11] Using the funds appropriated by Congress, the Partnership Fund for Program Integrity Innovation funds pilot projects that test and evaluate ideas for improving federal assistance programs through the following measures: reducing improper payments, improving administrative efficiency, improving service delivery, and protecting and improving program access for eligible beneficiaries.[12]

The current environment calls for continued and increased attention to this set of programs and opportunities to reduce inefficiencies. At both the federal and state levels of government, short-term and longer-term budgetary conditions require review of all federal programs and activities and efforts to make government more efficient and effective. Based on our review of our past and recent work, we have identified three approaches that warrant increased attention in this environment.

1. Simplifying policies and processes

Simplifying policies and processes—especially those related to eligibility determination processes and various federal funding sources—could potentially save resources, improve productivity, and help staff focus more time on performing essential program activities, such as providing quality services and accurate benefits to recipients. In our 2006 report, we noted that many believe that being able to draw funds from more than one federal assistance program while simplifying the administrative

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[10]GAO, *Means-Tested Benefits: Determining Financial Eligibility Is Cumbersome and Can Be Simplified*, GAO-02-58 (Washington, D.C.: Nov. 2, 2001) and GAO-06-942.

[11]Pub. L. No. 111-117, 123 Stat. 3034, 3171.

[12]See http://partner4solutions.gov for more information.

requirements for managing those funds would ease states' administrative workload and reduce administrative spending.[13] This would also serve to help service providers better meet the complex needs of at-risk families. Such efforts are in keeping with the February 28, 2011, Presidential Memorandum issued for the heads of executive departments and agencies on the subject of administrative flexibility, lower costs, and better results for state, local, and tribal governments.[14] Another way to streamline programs is consolidation. Consolidation has been a useful approach in the past to easing the burdens of federal rules and requirements, though care must be taken to ensure intended target groups still have their needs meet. In addition, adequate accountability measures can be challenging to design.

2. Facilitating technology enhancements

Facilitating technology enhancements across programs may save administrative and benefit costs by creating more efficient processes and improving program integrity. Our previous work indicates that the federal government can help simplify processes and potentially reduce long-term costs by facilitating technology enhancements across programs and in states.[15] Technology plays a central role in the management of human service programs and keeping up with technological advancements offers opportunities for streamlining eligibility processes, providing timely services, and improving program integrity. Along with technology enhancements, data-sharing arrangements, where permitted,[16] allow programs to share client information that they otherwise would each collect and verify separately, thus reducing duplicative effort, saving money, and improving integrity. For example, by receiving verified electronic data from SSA, state human service offices are able to determine SSI recipients' eligibility for Food Stamp benefits without

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[13]GAO-06-942.

[14]The memorandum instructs "agencies to work closely with state, local and tribal governments to identify administrative, regulatory, and legislative barriers in Federally funded programs that currently prevent states, localities, and tribes, from efficiently using tax dollars to achieve the best results for their constituents." http://www.whitehouse.gov/the-press-office/2011/02/28/presidential-memorandum-administrative-flexibility.

[15]GAO-06-942.

[16]The ability to share data across programs may be limited by laws that have been established to protect individuals' privacy, an important consideration.

having to separately collect and verify applicant information. According to officials we spoke with, this arrangement saves administrative dollars and reduces duplicative effort across programs. We also recently reported that more data matching of applicant information with existing databases could help prevent fraud in state CCDF programs.[17]

Progress on technology improvements could be further facilitated through greater collaboration across program agencies and levels of government as well as additional sharing of technology strategies among the states. For example, call centers and scanning of required documentation have been strategies used by some states to meet increasing workloads attributed to the weakened economy at the same time the states faced tightened budgets.

3. Fostering state innovation and evaluation for evidence-based decisionmaking

In our complex, decentralized intergovernmental system, states and localities have frequently served as laboratories that foster innovation and test approaches that can benefit the nation. Providing states and localities with additional demonstration opportunities would allow them to challenge the current stovepipes and open the door to new cost-efficient approaches for administering human service programs. Demonstration projects would allow for testing and evaluating new approaches that aim to balance cost savings with ensuring program effectiveness and integrity. The information from these evaluations would help the federal government determine which strategies are most effective without investing time and resources in unproven strategies. Congress can allow for such approaches to thrive by not only giving states opportunities to test these approaches but by following up to identify and implement successful strategies. While it may be difficult to fully determine the extent to which observed changes are the result of the demonstration projects, such projects would be useful to identify lessons learned and help identify possible unintended consequences.

Essential to all of these approaches is collaboration among many entities. We recently identified collaboration as a governmentwide management challenge. Achieving meaningful results in many policy and program areas

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[17]GAO, *Child Care and Development Fund: Undercover Tests Show Five State Programs Are Vulnerable to Fraud and Abuse*, GAO-10-1062 (Washington, D.C.: Sept. 22, 2010).

requires some combination of coordinated efforts among various actors across federal agencies, with other governments at state and local levels, nongovernmental organizations, for-profit and not-for-profit contractors, and the private sector. Congress will increasingly need to rely on integrated approaches to help its decision making on the many issues requiring effective collaboration across federal agencies, levels of government, and sectors.[18]

In addition to collaboration, caution is urged in addressing any duplication and resulting inefficiencies in these programs that many individuals and families rely on. Because of the array of services provided to meet households' various needs, it is not surprising to see various entities involved, with some fragmentation of administration, some overlap in populations served, and some duplication of services offered. These features may be warranted, for example, to ensure quality services are provided and certain populations are served. However, our work indicates that further exploration of the extent of fragmentation, overlap, and duplication is warranted to better identify ways to streamline and improve programs. We are happy to work with the Subcommittee to meets its needs in this area.

We provided a draft of the reports we drew on for this testimony to the relevant agencies for their review and copies of the agency's written responses can be found in the appendices of the relevant reports.

Chairman Davis, this concludes my statement. I would be pleased to respond to any questions you, Ranking Member Doggett, or other Members of the Subcommittee may have.

GAO Contacts and Acknowledgments

For questions about this statement, please contact me at (202) 512-7215 or brownke@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this statement. Individuals who made key contributions to this testimony include Rachel Frisk, Gale Harris, Kathryn Larin, and Yunsian Tai. Additional staff who contributed to this testimony include James Bennett, Susan Bernstein, Alexander Galuten, and Carla Rojas.

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[18]For more information on this topic, see http://www.gao.gov/highrisk/challenges/collaboration.php.

Related GAO Products

Opportunities to Reduce Potential Duplication in Government Programs, Save Tax Dollars, and Enhance Revenue, GAO-11-318SP, Washington, D.C.: March 1, 2011.

Multiple Employment and Training Programs: Providing Information on Colocating Services and Consolidating Administrative Structures Could Promote Efficiencies, GAO-11-92, Washington, D.C.: January 13, 2011.

Child Care and Development Fund: Undercover Tests Show Five State Programs Are Vulnerable to Fraud and Abuse, GAO-10-1062, Washington, D.C.: September 22, 2010.

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