

Courageous Imperatives for Human Services

Driving Human Services Technology and Process Innovation: Opportunities for Modernizing and Aligning Service Delivery for America's Communities

APHSA's Transition Recommendations for the Administration and Congress

APHSA
American Public Human Services Association

The following is part of APHSA's series, *Courageous Imperatives for Human Services*, which provides recommendations to the incoming Administration and Congress to help develop strategies that unlock the potential of human services. To learn more about this series and how we can work together to create a country where everyone thrives, visit our [Election Transition Recommendations page](#).



Courageous Imperative #2: Modernize human services technologies through process innovation, enhanced cross-programmatic interoperability, and strategic systems implementation.

Outcomes

1. Integrity and Accuracy:

- Improved program integrity and payment accuracy by adopting Artificial Intelligence (AI)-enabled service delivery processes and analytic tools.
- Increased efficiency and alignment through strategic deployment of shared technologies.
- Improved customer service, workforce retention, and quality control when workers are freed from repetitive administrative tasks and enabled to do value-added, interpersonal services.

2. Efficiency and Simplicity:

- Simplified program access for customers; more efficient program administration for workers; and removed barriers to service delivery for providers.
- Simplified and modernized federal technology policy and funding mechanisms to enable efficient program administration and to build and maintain modern interoperable systems.

Why It Matters

A coordinated approach to technology modernization across the human services sector can lay the groundwork for sustainable and scalable improvements to public service delivery. We no longer need to build information technology systems one program at a time. Federal policy makers should pursue technologies that cut across federal programs, simplifying engagement for clients, reducing duplication of work for states, and increasing accuracy and integrity in all programs.

Each year, state, county, and city human services agencies invest billions of dollars in technology, nearly all of which is matched by federal funds. The federal government plays a key role in human services innovation, contributing significantly to the resourcing of human services Information Technology (IT), covering between 50 to 90 percent of development and maintenance expenses, depending on the program.

One of the biggest challenges in delivering effective human services is overcoming the fragmented funding streams, rules, requirements, and operating agencies that keep our systems and sectors disconnected. The federal government sets IT policy, systems, and funding from Washington down, rather than starting from the experience of the American people and building solutions up. The results are disjointed, misaligned, burdensome, and expensive.

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To receive federal financial participation (FFP), states must submit a plan for approval, which grants the federal government influence over the planning, direction, and procurement of human services systems. This process was intended to enable federal agencies to ensure system development meets federal requirements. However, the current process for submitting plans and having them approved represent a significant administrative burden for state agencies.

Between the extensive time required for planning, submission, and final negotiations and approvals of plans, it is common for it to take more than a year for a state to begin a procurement. It then commonly takes another year for agencies to complete the competitive procurement process. The result across the United States is a typical three-year development timeline for a new system. From initial planning to implementation, the entire process takes approximately five years to complete. Meanwhile, requirements often change, and new technologies emerge. This process is duplicated by multiple federal agencies or division of agencies.

Another unintended consequence of the current IT planning and financing structure is the development and purchasing of software solutions duplicated across states, each of whom procure their own solution for each individual program, often with federal matching funds. Federal agencies spend resources certifying and monitoring the compliance of each individual system.

Growth of AI-Powered Solutions

AI technology has become much more pronounced in IT solutions on the market in recent years. The opportunity for effective use of this advancing technology could be endless. Yet, the federal government’s approach to developing guidance to states and our partners on the use of AI is being provided uniquely and distinctly through each federal agency. This approach runs the risk of repeating past experiences of each agency developing its own rules and guidance that are misaligned with other federal agencies/programs, or in the worst case, conflicts with the same.

Effective technology modernization and AI adoption, policy simplification, and streamlined workflows can solve persistent challenges agencies face. By embracing AI and other technological innovations, agencies can create efficiencies that reduce administrative costs, directing more resources towards providing services. Such changes can enhance program outcomes, improve time and cost efficiencies for both workers and program participants, and strengthen program integrity. Despite significant interest at the state, county, and city levels of government, human services agencies have not yet been able to fully adopt technological advancements such as AI, robotic process automation (RPA), payment technology advancements, and other innovations that promise to improve the efficiency and effectiveness of human services. The Trump administration can catalyze a significant shift toward a more efficient

and customer-centric human services system by supporting tech-enabled program innovation. We encourage the Trump administration to pursue a new path by aligning and coordinating federal rules and guidance to states on AI that are consistent and uniform across federal programs whenever possible and to reverse policies that limit the use of these advanced technologies.

EBT Modernization Needs

The growth of skimming benefits from Supplemental Nutrition Assistance Program (SNAP) participant's Electronic Benefit Transfer (EBT) cards has become an epidemic across the country. In response to the continued challenges that states are facing with EBT fraud from skimming, the American Public Human Services Association (APHSA) conducted a nationwide survey of our members in November 2024 to assess how states are responding and taking action to enhance EBT security and reduce the chances of third-party theft from SNAP EBT cards in the future. Most states reported the prevalence of SNAP EBT fraud continues to grow, with over 60 percent of states reporting that fraud is more prevalent now than in 2022 when legislation was first passed to replace grocery benefits that were stolen from customers. States are working aggressively to expand EBT security measures, with each of the 43 states who responded sharing that they have implemented new strategies in the past two years. Yet, the most effective measure that we have at our hands to end skimming of federal benefits is to embed "chips" into EBT cards. But upfront costs and dedicated funding are the most significant challenges to transitioning to chip cards. Investments in technology to reduce skimming and modernize anti-fraud technologies should be shared between states and the federal government. We encourage the federal government to respond to this epidemic of fraud by enhancing funding to states for a limited period of time to build necessary chip-enabled technology.

Taking Action—Opportunities for Impact

The Trump Administration can help human services agencies unlock the promise of advancing technology to improve program delivery by taking action to catalyze innovation and by instituting policy and planning changes that assure systems interoperability.



Technology and Process Innovation

Key Issues:

- State human services agency leaders navigate complicated and time intensive requirements to gain approval from the federal government to test innovations and introduce new technologies to administer federal benefit programs.
- Merit staff requirements in SNAP require eligibility and certification functions be done by public sector "merit" employees. Not only does this requirement prevent the use of qualified contractors which could reduce costs to government, the USDA interprets this requirement as to prevent the use of AI, RPA, and other technology innovations.
- Insufficient resources are provided for states to pursue technological advancements to reduce stolen federal benefits.

Key Opportunities:

- Streamline and modernize the process and reduce the approval timeframes for the Advanced Planning Document (APD) processes, including the elimination of the "major change requirement" which would allow states to implement new technologies without seeking additional federal approval.
- Encourage innovation by simplifying the process for approving program waivers, conducting program demonstration projects (including eliminating the cost neutrality requirement), and encouraging states and local governments to test the use of new technologies.
- Give states the flexibility to use non-merit staff and automation to perform necessary eligibility and certification functions in SNAP.
- Increase the administrative matching funds for states to 90% for costs associated with implementation of chip-enabled Electronic Benefit Transfer (EBT) cards for a period of 3 years.



Data Sharing and Interoperability

Key Issues:

- Limited data sharing or other interoperable policies and solutions exist across federally funded programs and systems, despite serving the same individual and/or family and using the same service providers.
- Siloed system implementation that repeats common functionality (intake, eligibility, case management, provider management, financial management) and requires the same data elements to be entered multiple times for different federal programs.
- Duplication of processes, multiple systems and protocols, and lack of federal coordination adds costs, increases risk of fraud and errors, and diminishes the client experience with government services.

Key Opportunities:

- Direct clear authority across human service and workforce development programs to share individual-level data for the purpose of program administration while respecting individual privacy and providing the necessary consent language, driving efficiency and effectiveness across health and human services programs.
- Increase the federal financial participation for all systems development and maintenance to the 90/10 Medicaid rate if states meet federal requirements for interoperability.
- For receipt of federal funding (through the ADP process), require that proposed solutions include the following:
 - Human-centered design principles to redesign systems based on the needs and experiences of human services customers;
 - Demonstrate how solution components/modules can be leveraged or re-used by other programs;
 - Require the use of interoperability technologies and standards to facilitate cross-system and thus cross-program data sharing and case management; and
 - Require continuous testing and monitoring of an AI-based system during its deployment in government operations to mitigate risks.





Strategic Systems Implementation

Key Issues:

- The absence of a coordinated federal-to-state technology strategy in the administration of federal benefit programs impedes scalable modernization efforts among states and perpetuates inefficiencies in the use of taxpayer supported federal match funds.
- State, city, and county agencies must interpret and reconcile separate guidance from multiple federal agencies regarding AI adoption and the use of other technology innovations.

Key Opportunities:

- Work with states, counties, and other public human service agencies, as well as the IT vendor community, to explore and pursue new approaches to planning, developing, purchasing and implementing IT solutions that states and local governments can use to administer federal benefit programs.
- Create technology modernization changes that reduce layers of federal approval, speeds, implementation of technology advancements for state and local human services agencies and reduces costs for all levels of government.
- Facilitate coordinated and aligned rulemaking and provide clear, uniform guidance with regard to use of AI across federal agencies to ensure consistent guidance to state and local human service agencies.

APHSAs and our members are committed to working with the Trump Administration to strengthen the nation's human services system so it continues to provide foundational support to families across the country. Through leadership, innovation, and executive action, human services programs can become an instrumental tool to attain our national priorities of health, well-being, and prosperity for all. To discuss our recommendations, please reach out to policy@aphsa.org. For media inquiries, please reach out to media@aphsa.org. Visit our [Election Transition Recommendations page](#) for additional publications.

APHSAs is a bipartisan membership association representing state, county, and city human services agencies that improve outcomes for people nationwide through the administration of programs that build resilience and bolster the well-being of people through access to food, healthcare, housing, employment, child care, community support, and other key building blocks. [Learn more](#) about APHSAs.