

# Settlement reached over state's benefits management program

By John C. Ensslin

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A settlement has been reached in a class-action lawsuit over a flawed state computer system that forced thousands of social services clients to wait months for benefits.

Now the Department of Human Services will have deadlines to deliver services such as Medicaid and food stamps in a timely manner under terms of the settlement disclosed Wednesday.

State agencies also will have to file monthly progress reports, providing the plaintiffs in the lawsuit with data on how many people are filing for benefits, how many are being approved and whether they are getting payments within the deadlines.

"We're pleased that the case has been settled," said Ed Kahn, attorney for the Colorado Center on Law and Policy, which represented the six clients who filed the suit about three and a half years ago. "We believe it gives us a mechanism to be an effective watchdog of the system."

The settlement creates a 36-month period over which the performance of the Colorado Benefits Management System will be measured and monitored.

Shortly after its startup in the fall of 2004, the CBMS ran into problems such as cutting off benefits to thousands of people and mistakenly denying food stamps and medical assistance.

Last year, some county officials reported that the system was working better. The settlement will put that to the test, said Kahn.

"Some problems have been solved," he said. "But the system remains, in many ways, very bad."

Under terms of the agreement:

\* The Department of Human Services will be required to deliver ongoing food stamps to eligible clients within 30 days after their applications are filed. Families eligible for expedited food stamps must receive them within seven days.

\* The Department of Health Care Policy and Financing will be required to process applications for Children's Basic Health Plan benefits within 45 days.

\* Three times during the 36- month review period, HCPF also will be required to provide a random sample of cases so an independent auditor can review whether or not benefits were correctly approved or denied.

There are still some areas of disagreement that were not ironed out by the settlement. The two sides did not agree on what percentage of cases must be processed on time in order for the state to be in compliance. They also disagreed on at exactly what point an application is considered filed.

*ensslinj@RockyMountainNews.com or 303-954-5291*

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