

ACLU takes Indiana to court over outsourced welfare

Posted At : May 29, 2008 5:05 PM | Posted By : Chris Dixon

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The recent history of social services outsourcing in places like Indiana, Texas, and Colorado has not been a success. Projects are initiated with intent to reduce costs and improve service. However, at the end of the day it mostly ends up looking like automation and outsourcing were used to boot recipients off the rolls. Now, many of the stakeholders in these systems (i.e., beneficiaries, state/county caseworkers, and welfare advocates) would like to exploit these failures and put the very idea of social services outsourcing on trial.

Here at GovWin, we've blogged about Indiana's welfare outsourcing effort several times going all the way back to its inception. (Just search this blog for: "Indiana".) As Gov. Mitch Daniel's re-election effort heats up, it looks like the state's deal with IBM-ACS will be a political football. Most recently, the state's chapter of the American Civil Liberties Union (ACLU) is [suing the state](#) for the shortcomings of the system. The ACLU claims that new Internet/fax/call center-based eligibility determination process has created barriers for some of the state's welfare population and wrongfully terminated benefits in some instances.

Of course, much of the case will hinge on whether the problems are related to...

1. client "failure to cooperate,"
2. automated procedures, or
3. third-party caseworkers.

Vendors interested in social services outsourcing should keep a close eye on this case (Gibson v. Roob) as it has ramifications beyond the state of Indiana. GovWin will be following it and chiming in here as events merit.