Treasury calls on content management to avoid costs, brings more benefits

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Pennsylvania Treasury Department

The Challenges
- Unemployment payment issuance tough to keep up with
- Paper-based SSP processes cost millions
- Paying federal government to perform payment processing

The Results
- Meets skyrocketing unemployment demands
- Brings processing in-house, reduces transaction costs
- Avoids $8 million every quarter, $30 million each year

The Customer

Although many may think of the Pennsylvania Treasury as a virtual checkbook for many of the Commonwealth's citizens, the organization does much more. It helps keep taxes low by investing taxpayer money and offers other financial resources like college savings programs.

The Challenges:

One of the Treasury's main responsibilities, though, is to make sure eligible citizens get funds they've been approved to receive. Even in times of high demand, these payments – like unemployment and other supplementary payments – must be processed quickly and efficiently. Additionally, because the Commonwealth was outsourcing the processing to the Social Security Administration, some payments would have cost more than $10 each to process. And with more than 300,000 payments going out each month, the expenses quickly added up.

The Journey:

The Treasury went in search of a solution that would help them transform their paper-based processes to electronic. After lengthy request for information (RFI) and request for proposal (RFP) processes, the Treasury narrowed their product choices to three. In the end, though, there was one thing that stood out across the field of vendors.

The Solution:

"The other vendors said we'd have to change our process to fit their software," says Paul H. Alpaugh, Director, UC Disbursements. "OnBase was the only software that could fit to our processes and wouldn't change how we already worked." Working with IMR Limited, an Authorized OnBase Solution Provider, the Treasury purchased OnBase and implemented it to support and drive three of its most important processes. Since installing OnBase in 1999, the Treasury has avoided hundreds of millions of dollars in costs across many processes.

Increased demand doesn't slow down on-time unemployment checks
With the help of OnBase, the Treasury has sped up processes across the organization and responded to constituent need faster. One of its most notable successes is the automation of the unemployment payment process. Even before the deluge of requests started pouring in during late 2008, the Treasury battled truckloads of paper to manage this process. "The notion that we could manage the recent demand for unemployment checks without OnBase is inconceivable," says Alpaugh.

OnBase

a Hyland Software solution

In fact, despite the increase in demand, the Treasury needs little interaction with the process to ensure citizens receive their checks reliably and on time. Using OnBase Workflow, 99 percent of these transactions are completely electronic – beginning with the time a citizen files an application to the time they receive their check. Just as impressive, the Treasury enables citizens to have their payments issued via direct deposit or debit card. Less than one percent of citizens receive paper checks.

Even when Congress stopped and started the flow of unemployment benefits with its extensions, the Treasury was able to keep up. "Because of OnBase, we were ready to flip the switch to turn the payments back on," says Alpaugh. "Within a four to five day period, we were able to post to bank accounts or debit cards in excess of 600,000 much needed payments."

Department of Public Welfare avoids $30 million+ in costs annually with OnBase

OnBase also improves another critical process for the Treasury, the State Supplementary Payment (SSP) process. In terms of pure return on investment (ROI), the Treasury achieved its OnBase ROI in less than eight hours with this process.

Prior to 2005, the Department of Public Welfare (DPW) contracted with the Social Security Administration to administer SSP payments. However, this would have cost the Treasury more than $10 to process each payment. And at more than 300,000 payments to send each month, this cost the department more than $30 million each year.

By taking over the process itself and completely automating it with OnBase, the Commonwealth significantly reduced the cost for each transaction. "By automating the SSP process with OnBase, we realized a return on investment almost immediately," says Alpaugh. "This means that DPW can use that money to fund other programs that serve our constituents."

Why OnBase?:

Measuring the success of any technology purchase comes down to ROI. Although not every OnBase Government customer can claim a $30 million annual cost avoidance, the value of the solution is clear. In fact, most agencies achieve an ROI from OnBase within their budget cycle.

- Meets skyrocketing unemployment claims demands
- Brings processing in-house from federal government, reduces transaction costs
- Avoids $8 million every quarter, $30 million each year allowing more funding to flow to those in need

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