Don't Let Legacy Technology Derail Your Modernization

Legacy Modernization

This infographic series focuses on some of the **National Association of State Chief Information Officers' (NASCIO's)[1] top priority pillars**, which identify and prioritize the biggest policy and technology issues facing government agencies – as well as provide solutions for addressing these needs. This infographic features **Legacy Modernization**.

Legacy modernization is a crucial and immediate endeavor for government agencies because it enables government agencies to improve operational efficiency, enhance citizen services, reduce costs, and bolster security. Unfortunately, these aging systems have become roadblocks to progress. According to Forrester, 70-90% of these systems will require overhauling within the next five years, underscoring the urgency of transformation.[2]

The Prohibitive Cost of Legacy Technology for Agencies

A study on the maintenance costs of legacy systems in the United States indicates approximately $337 million annually is shelled out to operate and maintain just ten of the government's legacy systems.[3]

A SnapLogic survey of 750 IT decision-makers found that legacy technology upgrades cost the average business $2.9 million in 2023.[4]

More than three-quarters of IT decision-makers said their teams spend 5 to 25 hours a week updating and patching legacy systems.[4]

Lingering Legacy Challenges

Cybersecurity Risks

Cybercriminals target outdated systems, seeking out weaknesses to infiltrate and gain access. Government programs that neglect their security are exposing themselves to increasing attacks.

Agencies work hard to close these loopholes and stop fraudsters from taking advantage by adopting risk mitigation solutions. But with legacy systems, there may be system maintenance challenges, leading to a system that's open to a breach.[5]

Inefficiencies

Too often, legacy systems cannot keep up with modern technology demands. They can slow down critical agency operations, resulting in decreased productivity and increased costs –and, even more worrisome, may create delays in delivering critical benefits to constituents.[6]

Integration Issues

Modern solutions can be incompatible with older legacy systems, which means incorporating new tools and programs, as well as extensive customization. This is both time-consuming and expensive, and this lack of integration often creates data silos – where different departments across agencies cannot access the data they need.[6]

Maintenance Costs

As legacy systems become older, they also become more expensive to maintain. Hardware and software components are harder to find, and IT staff with the skills and knowledge to maintain the systems are more and more scarce.[6]

Ongoing Improvement Initiatives Continue

Some government agencies are still leveling up to the private sector when it comes to legacy modernization. According to government leaders in a recent survey, outdated software (42%) and hardware (38%) are some of the biggest barriers to modernization efforts at their agencies. Results also revealed widespread operational challenges to adoption, with 67% of leaders saying their agency's IT infrastructure is not built to handle emerging technologies.[7]

Modernization Optimizes Return on Investment and Improves Constituent Experience

A recent 2024 LexisNexis® Risk Solutions True Cost of Fraud™ Study for Supplemental Nutrition Assistance Program Agencies (SNAP) and Integrated Eligibility Systems (IES)[8] found that government agencies that combine operating modernization with front-end fraud detection solutions:

- **Enhance constituents' experience.**
- **Improve Application Processing Timeliness (APT).**
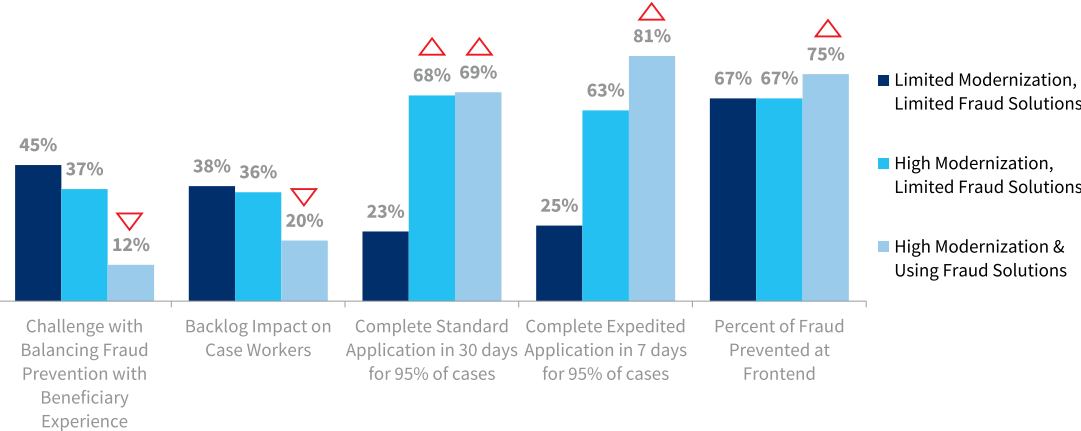- **Generates Immediate ROI.**
- **Have a lower cost of fraud.**

Elevating the beneficiary and case worker experience through operating modernization is strengthened when combined with fraud detection and mitigation solutions that expedite fraud assessment during application processing.

This also increases the amount of fraud prevented at the frontend while lowering the cost of fraud.

Elevating the Beneficiary and Case Worker Experience, Reducing the Cost of Fraud

Legend:
- Limited Modernization, Limited Fraud Solutions
- High Modernization, Limited Fraud Solutions
- High Modernization & Using Fraud Solutions

Category	Limited Modernization, Limited Fraud Solutions	High Modernization, Limited Fraud Solutions	High Modernization & Using Fraud Solutions
Challenge with Balancing Fraud Prevention with Beneficiary Experience	45%	37%	12%
Backlog Impact on Case Workers	38%	36%	20%
Complete Standard Application in 30 days for 95% of cases	23%	68%	69%
Complete Expedited Application in 7 days for 95% of cases	25%	63%	81%
Percent of Fraud Prevented at Frontend	67%	67%	75%

Every $1 of lost benefits value actually costs
- $4.04
- $3.81
- $3.55

▽ Difference from other segment within response category
Q: Which solutions/tools/resources does your agency currently use to detect and mitigate fraud associated with SNAP applications/eligibility/recertification (pre-issuance)?
Q: To what degree has your agency implemented any of the following SNAP modernization features?
Q: Within the most recent reporting to FNS, what percent of your **regular** SNAP applications and payments have been processed within 30 days? For applications and payments that **need expediting** have been processed within 7 days?
Q: In a typical month, approximately what percent of fraudulent applications are **prevented** at the front-end by your agency?

62% of agencies that use more digital fraud detection solutions indicate meeting the APT threshold of 30-day completion for 95% or more cases
71% indicated meeting the 7-day completion threshold; for those with limited solutions use, only 43% of agencies cited meeting this threshold

LexisNexis® Risk Solutions Can Help

Mission-critical government modernization initiatives demand solutions that can be tailored and customized to work within agencies' current systems.

Our technology integrates with legacy systems to help orchestrate optimal workflow and user experience for:

- **Better service.**
- **Reduced operational risk.**
- **Tighter control of waste, fraud, and abuse.**

LexisNexis® RISK SOLUTIONS

For more information: Scan QR Code or Call 1-888-216-3544

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