



A GOVERNMENT TECHNOLOGY THOUGHT LEADERSHIP PAPER

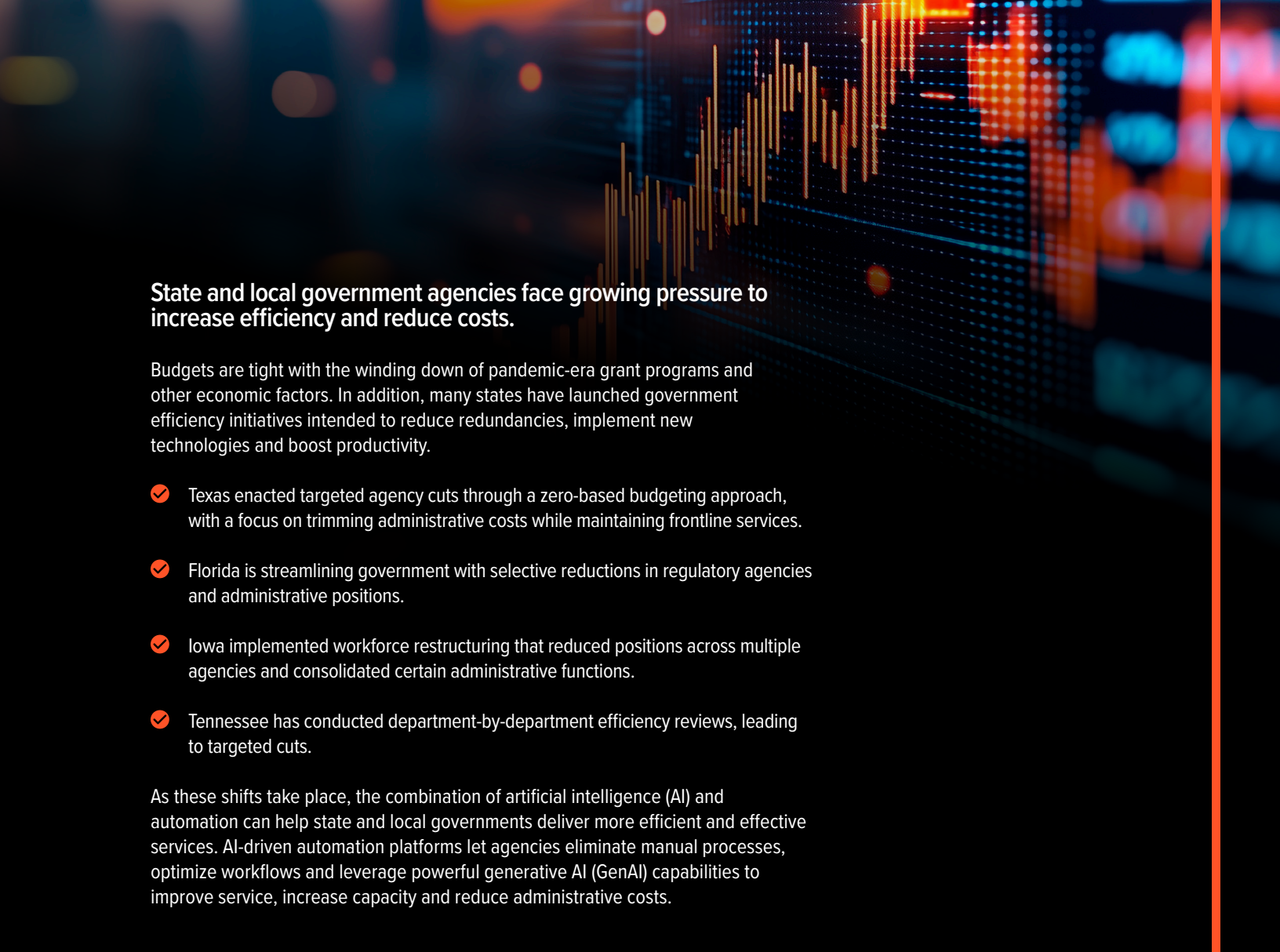
DIGITAL  
STATES

The background of the cover is a digital illustration of a classical building, possibly a government capitol, rendered in a wireframe style. The building is composed of glowing orange and blue lines, giving it a futuristic, digital appearance. It is set against a dark blue background with falling red and blue digital rain. The entire scene is reflected on a glossy surface at the bottom.

# Less Budget, More Impact

How AI-Driven Automation Boosts  
Government Efficiency

SPONSORED BY UiPath



## State and local government agencies face growing pressure to increase efficiency and reduce costs.

Budgets are tight with the winding down of pandemic-era grant programs and other economic factors. In addition, many states have launched government efficiency initiatives intended to reduce redundancies, implement new technologies and boost productivity.

- ✔ Texas enacted targeted agency cuts through a zero-based budgeting approach, with a focus on trimming administrative costs while maintaining frontline services.
- ✔ Florida is streamlining government with selective reductions in regulatory agencies and administrative positions.
- ✔ Iowa implemented workforce restructuring that reduced positions across multiple agencies and consolidated certain administrative functions.
- ✔ Tennessee has conducted department-by-department efficiency reviews, leading to targeted cuts.

As these shifts take place, the combination of artificial intelligence (AI) and automation can help state and local governments deliver more efficient and effective services. AI-driven automation platforms let agencies eliminate manual processes, optimize workflows and leverage powerful generative AI (GenAI) capabilities to improve service, increase capacity and reduce administrative costs.

## A Platform for Progress


A cloud-based, AI-driven automation platform delivers comprehensive capabilities in a unified package, says Pradeep Paruchuri, senior director of solutions engineering for the public sector at UiPath.

**Document understanding.** AI-driven document understanding dramatically reduces paper-based processes by enabling agencies to automatically extract, interpret and process data from PDFs, images, handwritten documents and scanned forms.

“This automates the entire document management process with minimal manual intervention for validations or exceptions,” Paruchuri says.

Document understanding leverages generative and specialized AI models to extract insights from structured data such as forms with a consistent format, semi-structured data like tax returns, and unstructured data such as emails and memos. The platform includes a taxonomy for identifying document types, tools to digitize paper documents, machine learning features for classifying and extracting data, human review for handling exceptions, and continuous model training that helps the system improve and correct itself.





Automated document understanding is already driving value for government organizations. For example, one human services agency uses this capability to automate Medicaid eligibility verification. The agency reduced document processing time by 70%, allowing case workers to focus on assisting applicants instead of chasing documents.

**User-friendly AI tools.** An automation platform gives agencies a low-risk way to use AI. It provides easy access to traditional and GenAI tools, helping agencies quickly find, process and verify data. The platform includes built-in integrations to simplify tasks, dashboards to track and improve AI performance, and features for audit and governance to ensure responsible use.

Paruchuri says UiPath's platform tracks every transaction or task automatically and uses dashboards to compare manual and automated processing times. Public sector customers reduced document processing time by an average of 60% and increased throughput by 30 times, the company says. Other benefits include:


- ✓ **Reduced labor hours:** Automating repetitive tasks saves thousands of hours for employees, allowing them to focus on higher-value work.
- ✓ **Streamlined workflows:** AI-powered automation optimizes processes across multiple government functions.
- ✓ **Improved constituent services:** By freeing up employee time, agencies can provide more responsive and personalized customer experiences.
- ✓ **Better compliance:** Streamlined audit functions and integrated data governance features strengthen compliance with federal and state regulatory requirements.
- ✓ **Increased capacity:** Agencies can handle larger workloads without increasing staff.
- ✓ **Cost savings and program efficiencies:** AI-driven automation reduces manual effort and errors in common government processes like eligibility verification. It can eliminate duplicate payments and mitigate fraud, generating significant cost savings and operational efficiencies.

**Continuous testing.** AI lets agencies easily generate testing scripts to evaluate automations and adjust them for greater impact. Change impact analysis capabilities proactively monitor changes to ERP systems and other business-critical processes to increase efficiency, enhance decision-making and reduce costs. Heat maps provide timely insights and identify opportunities for improvement.

These features help agencies resolve automation issues before wide-scale deployment, accelerate time to value and maximize their automation investments.

---

**Automation cut processing time for Medicaid eligibility documents by 70% for one human services agency.**



**Flexibility and Security.** An automation platform must be flexible enough to support agency requirements. For example, UiPath’s platform can be deployed in an isolated environment with no internet connection or in a secure cloud environment that meets FedRAMP and GovRAMP cybersecurity standards.

“You can design this architecture so that data never leaves your network, or we can completely host the platform and take care of the uptime,” Paruchuri says. “That platform deployment flexibility gives agencies a lot of control and governance.”

Look for a platform further enhances security with role-based access controls, encrypted credential storage, audit logging and PII protection that aligns with HIPAA, FISMA and NIST 800-53 security guidelines.

## Best Practices For Success

- ✔ **Identify high-impact use cases.** Focus less on a specific AI solution and more on automating cumbersome and costly manual tasks. Start by identifying a repetitive, rules-based and high-volume process that consumes excessive staff time. Look for manual data entry, compliance reporting, case management tasks and document processing — these are common areas that drain resources.
- ✔ **Find the right strategic partner.** Choose a partner that can help your agency capitalize on existing data and implement AI without requiring large-scale system replacement. Look for a platform that orchestrates processes across systems to drive automation and extend the value of existing technology investments — without forcing you to work with a specific vendor or move your data to a single location.
- ✔ **Improve incrementally.** Launch small test cases focused on specific departmental objectives to build buy-in. Use these deployments to learn and adapt and then scale automation to other mission-critical processes. “Quick wins are like stepping stones toward end-to-end process modernization and orchestration,” Paruchuri says.

## The Automation Imperative

AI-driven automation is a policy imperative for state and local governments striving to achieve more with fewer resources. As budgets tighten and public expectations rise, automation offers a practical path to achieve operational efficiency and improve constituent services. By prioritizing high-impact use cases and investing in flexible and secure automation platforms, government leaders can advance modernization goals while boosting efficiency and performance.

---

Repetitive processes that consume staff time are great targets for automation.



*This piece was written and produced by the Government Technology Content Studio, with information and input from UiPath.*



**Produced by Government Technology**

Government Technology is about solving problems in state and local government through the smart use of technology. Government Technology is a division of e.Republic, the nation’s only media and research company focused exclusively on state and local government and education.

[www.govtech.com](http://www.govtech.com)



**Sponsored by UiPath**

UiPath has a vision to deliver the Fully Automated Enterprise™, one where companies use automation to unlock their greatest potential. UiPath offers an end-to-end platform for automation, combining the leading robotic process automation (RPA) solution with a full suite of capabilities that enable every organization to rapidly scale digital business operations.

[www.uipath.com](http://www.uipath.com)