



United States Department of  
Agriculture  
Food and Nutrition Service  
Western Region

March 21, 2016

Reply to  
Attn. of: Administrative Notice 16-16

Subject: SNAP – Guidance for Improving State Timeliness Rates and Standardizing the Escalation Process

To: State SNAP Directors

The memorandum that follows is intended to update earlier guidance provided to State agencies on the Food and Nutrition Service's (FNS) process for improving Supplemental Nutrition Assistance Program (SNAP) application processing timeliness (APT) rates. This guidance replaces the previous memorandum describing the timeliness escalation process distributed on October 1, 2014.

The Food and Nutrition Act of 2008, as amended, requires that households have the opportunity to participate in SNAP within 7 days for expedited cases and 30 days for regular cases. While States are required to process all SNAP applications within the timelines provided in the statute, FNS considers an APT rate of 95 percent and above acceptable performance. Low APT rates have a real and significant impact on eligible families who struggle to put food on the table while their SNAP applications linger in the State system.

To reduce the burden on families who depend on SNAP, the attached guidance outlines the standardized escalation process FNS will use in response to States in poor compliance with timeliness regulations. The guidance further includes a list of resources available to help the State improve its APT rate.

If you have any questions or require any technical assistance concerning this memorandum, please contact your Team Lead.

Sincerely,

JACKIE BOURNE  
Program Specialist  
Integrity and Policy  
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Attachment(s)

## **Guidance for Improving State Application Processing Timeliness Rates: Standardizing the Escalation Process**

The purpose of this memorandum is to update the guidance provided to State agencies on the steps the Food and Nutrition Service (FNS) will take to improve Supplemental Nutrition Assistance Program (SNAP) application processing timeliness (APT) rates. This memo replaces guidance from memorandums dated October 1, 2014.

While the process outlined in this memo serves to standardize escalation procedures, note that FNS may deviate from this process when a State's application processing timeliness rate is particularly egregious, or because of other circumstances in the State. In these cases, FNS may proceed directly to the process under 7 CFR 276.4(d). In addition, the suggested actions or requirements at each step of the escalation process are only examples; individual State agencies may be directed to follow alternative procedures.

### **What is APT?**

The Food and Nutrition Act of 2008 (the Act), as amended, requires that households have the opportunity to participate in SNAP, defined as having been certified with access to their benefit allotment, within 7 days for expedited cases and within 30 days for regular cases. The rate is derived by dividing the number of SNAP applications approved within the 7 or 30 day processing requirement for a given period of time by the total number of applications approved within that same time period.

$$\text{APT Rate} = \frac{\text{\# Applications Approved Timely}}{\text{Total Applications Approved}} \times 100$$

### **Poor Timeliness Escalation Process: The 5-Step Approach**

#### *Step 1: Identify Poor Performing States*

Although State agencies are legislatively required to provide all eligible applicants with timely benefits, FNS considers an APT rate of 95 percent and above acceptable performance.

State agencies are subject to the escalation procedures described below when their APT rates fall below 90 percent. Any State with an APT rate below 90 percent should also have a corrective action plan (CAP).

FNS publishes quarterly timeliness data based on the sample of cases pulled during a quality control review. Cases used for the quarterly APT rate are aggregated and ultimately contribute to the annual timeliness measure. Quarterly data represents a rolling six month average, but has a lag of at least four months from the time the data is collected to its publication. Nonetheless, the data can be effective in flagging timeliness problems, particularly because in many cases timeliness issues develop and persist over time.

When States are identified and monitored for poor timeliness using quality control quarterly and/or annual data, FNS uses the upper bound of the confidence interval surrounding the estimated APT rate. For example, if the upper bound of the confidence interval surrounding the APT rate point estimate is below 90 percent the State agency is subject to the escalation procedures below.

States also generate their own timeliness data. State generated data includes the entire universe of State SNAP cases, thus there is no confidence interval used for identification and monitoring of timeliness problems. State data may also be used for the escalation process, either to identify a problem or to monitor progress towards the achievement of benchmarks. In these instances, State agencies must make use of the State Timeliness Data Protocol (attached) to pull and analyze timeliness data for their entire caseload. For example, if the State Timeliness Data Protocol generates an APT rate below 90 percent, the State agency is subject to the escalation procedures below.

In addition to the data sources described above, FNS may also rely on other valid sources of information that indicate a pattern of poor timeliness in a State. FNS will pay particular attention to data representing the most current picture of timeliness.

### *Step 2: Review State Actions to Date*

After identifying a State with an APT rate falling below 90 percent, FNS will review if that State already has a timeliness CAP (7 CFR 275.17) in place, or if the State has a new timeliness problem.

#### a. States with Existing Timeliness CAPs

State agencies with an existing timeliness CAP, who do not yet have a timeliness warning letter, will receive an Advance Warning (Step 3) or Formal Warning (Step 4) letter, depending on the severity of the timeliness problem and the success of actions taken by the State agency to improve timeliness.

In order to phase in the adoption of these escalation procedures, all State agencies with existing timeliness CAPs and APT rates below 90 percent will have two cycles of quarterly APT data, from the publication date of this guidance, to increase their APT rate to 95 percent or above to avoid the actions in Step 2(a). If these State agencies do not increase their APT rates to at least 95 percent after two cycles of quarterly APT data, they will be subject to the escalation procedures in Step 2(a). This “phase in”

period will end after two cycles of quarterly APT data following the publication of this guidance, and at that time all State agencies with poor APT rates and a timeliness CAP will be subject to Step 2(a).

b. States with a New Timeliness Problem

A State agency that does not have an existing timeliness CAP will receive a letter requesting a timeliness CAP and be advised they are at risk of receiving an Advance Warning letter if they do not achieve an APT rate of 95 percent or above one year from the date of the approval of their CAP. The State agency will be given 30 calendar days to submit their CAP in response to FNS's letter.

At a minimum, the CAP should include an analysis of the root causes of the timeliness problem and concrete steps the State agency will take to address the root causes. Milestones for achieving a 95 percent APT rate one year from the date of the CAP approval should also be included in the CAP, and may be developed through consultation with regional staff. FNS will require periodic reports from the State agency on action items in the CAP, including, at a minimum, monthly APT rates calculated by the State agency using the State Timeliness Data Protocol. FNS will review this data to ensure it is collected in accordance with the State Timeliness Data Protocol and other applicable standards.

The State agency may also present to FNS its own timeliness data for the preceding six months before the "request a CAP letter" to demonstrate how recent actions may have improved timeliness. This information may inform the types of activities listed in the CAP. APT rates for this six month look-back will be calculated in accordance with the State Timeliness Data Protocol.

FNS will work closely with the State agency to identify the root causes of the timeliness issue and offer technical assistance and other appropriate resources (see below: *FNS Support*). State agencies may be released from the CAP after two cycles of quarterly data and/or State agency generated data show a sustained APT rate of 95 percent or above and other relevant factors.

*Step 3: Send Advance Warning Letter*

A State agency with a timeliness CAP that fails to show acceptable improvement – as defined in Step 2 - will receive an Advance Warning letter in accordance with 7 CFR 276.4(d)(1). Although, FNS reserves the ability to move directly to a Formal Warning letter if the timeliness problem is especially severe and/or the State agency has failed to take positive actions to address the underlying root causes of poor timeliness. The Advance Warning letter will alert the State agency it is at risk of receiving a Formal Warning if it does not achieve 95 percent compliance with timeliness statutory requirements by a specified time. If a State agency has already been working with FNS to correct a timeliness problem, intermediate benchmarks and action steps specified in

the Advance Warning letter may be similar to those already in place, or modified to reflect new circumstances in the State.

After receiving the Advance Warning letter, the State agency will be expected to modify their CAP within 30 days of receiving the Advance Warning letter. FNS will then review the modified CAP, request revisions, if needed, and approve the CAP when it is to FNS' satisfaction. FNS will work closely with the State agency, and will require weekly or monthly progress reports towards the specified benchmarks. These progress reports will include monthly updates, at a minimum, on the State APT rate using the procedures specified in the State Timeliness Data Protocol.

The State agency may also present to FNS its own timeliness data, calculated in accordance with the State Timeliness Data Protocol, for the preceding six months before the Advanced Warning letter to demonstrate how recent actions may have improved timeliness. In some cases FNS may have already been receiving this information; for instance, if monthly timeliness data was collected under the terms of a CAP (see Step 2). However, FNS recognizes that historically this information was not always collected as part of the CAP, and some State agencies with existing timeliness CAPs who are receiving their first Advance Warning letter, may want to present more recent information. Information from the six month look-back may inform the types of activities listed in the new CAP.

Under the Advance Warning, once the State agency achieves 95 percent compliance, FNS will send the State agency a letter closing the Advance Warning. FNS will make use of State agency generated data and quarterly quality control data to make this determination. FNS may continue to require additional progress reports to ensure maintenance of improvements.

#### *Step 4: Send Formal Warning Letter*

If the State agency fails to satisfactorily achieve 95 percent compliance with the timeliness statutory requirements within the timeframe specified in the Advance Warning letter, FNS will issue a Formal Warning letter in accordance with 7 CFR 276.4(d)(2). FNS may also issue a Formal Warning without first issuing an Advance Warning if a State agency has failed to comply with an earlier CAP, or the timeliness problem in a State is particularly egregious or long-standing. The Formal Warning will include a description of the timeliness problem; a statement as to whether Federal funds will be suspended, disallowed, or both, if appropriate; the amount of Federal funds that will be suspended and/or disallowed, or an estimate if the actual amount is not available; and a description of FNS's willingness to assist the State agency in meeting its benchmarks.

A State agency shall have 30 days from the receipt of the Formal Warning letter to submit evidence that it is in compliance with application processing standards (i.e. 95 percent compliance). If the State agency is not able to meet this requirement, the State

agency shall submit a CAP within 30 days of the receipt of the Formal Warning letter establishing how it will meet this benchmark, including the date by which this will be achieved. The Formal Warning shall be held in abeyance until the State agency achieves the actions outlined in the CAP within the specified period of time.

FNS will continue to work closely with the State agency, and may require progress reports at regular intervals. If FNS gathers sufficient convincing evidence that the State agency has achieved 95 percent compliance, then FNS will close the Formal Warning. FNS will make use of State agency generated data and quarterly quality control data to make this determination. FNS may continue to require additional progress reports after benchmarks and action steps in the CAP have been achieved to ensure maintenance of improvements.

#### *Step 5: Sanction Administrative Funding*

If a State agency fails to reach 95 percent compliance with Federal timeliness standards within 30 days of receiving the Formal Warning letter, fails to submit a satisfactory CAP within 30 days of receiving the Formal Warning letter, or fails to achieve the commitments in its CAP by the dates specified in the CAP, FNS will take action to suspend and/or disallow Federal funds afforded to the State (7 CFR 276.4(e)).

#### **Policy Implementation Date**

This policy will be effective March 18, 2016.

#### **FNS Support**

Although State agencies subject to these escalation procedures will receive support from FNS to improve their APT rates, State agencies are ultimately responsible to bring their timeliness rate up to an acceptable level.

FNS will engage poor performing State's senior management, as appropriate, by:

- Sending "call for action" letters;
- Scheduling a meeting between the FNS Regional Administrator and the State Commissioner to discuss actions needed; and
- Arranging a meeting between the State Commissioner and the Undersecretary.

FNS will also expand technical assistance to poor performing States by:

- Analyzing the State CAP to advise on additional actions the State should consider;
- Sharing information on effective practices, procedures, and policies of States with recent improvements or sustained high performance in APT;
- Using State exchange funds to support sharing of best practices;

- Offering State waivers and options that may assist timeliness; and
- Providing consultation on business process reengineering (BPR).

FNS has other resources to improve timeliness including:

- Modernization Central to promote the exchange of best practices among States to improve the administration of SNAP (e.g., BPR and a workload reduction matrix highlighting waivers and options);
- Process and Technology Improvement grants for extensive system changes; and
- Yearly performance bonuses to high performing States.

## State Timeliness Data Protocol

The purpose of this data protocol is to provide State agencies guidance on how to gather appropriate certification data in order calculate a reasonable approximation of the State's application processing timeliness (APT) rate similar to a State's Quality Control (QC) APT rate. It is important to note that a more thoroughly determined APT rate results from the QC process. This protocol uses a snapshot of a universe of certification data from a State's eligibility system instead of a sample of case files. Using certification data instead of conducting case file review allows the State to generate a more timely APT rate that can be used by the State and FNS to track progress and determine if corrective action strategies have the intended impact on the State's APT performance.

### *APT Rate Formula*

$$\text{APT Rate} = \frac{\text{\# Applications Approved Timely}}{\text{Total Applications Approved}} \times 100$$

The APT rate is calculated by dividing the number of SNAP applications approved within the 7 or 30-day processing requirement by the total number of applications approved within a specified timeframe.

### *Definitions*

**APT Rate:** Application Processing Timeliness (APT) Rate is the percent of a State's approved SNAP initial applications that were approved within 7 or 30-day SNAP statutory processing requirements.

**SNAP Initial Application:** An application to receive benefits from SNAP, including multi-program applications where the applicant has identified SNAP, from an applicant that has never received SNAP from the State agency or whose SNAP certification period has ended.

**Properly Pended for Applicant Delay in Providing Verification (Properly Pended):** An approved SNAP Initial Application that is pended on the 30<sup>th</sup> day from the date of application *because the applicant has not submitted required verification requested by the State* and the State has assisted, notified, and provided sufficient time for the actions outlined in 7 CFR 273.2(h)(1)(i). Approved SNAP properly pended (for applicant delay in providing verification) initial applications are excluded from the QC APT Rate. An approved SNAP Initial Application that is pended for any other reason is **not** excluded from the QC APT rate and therefore considered untimely. While actual case files are used to accurately determine if an application was properly pended due to a client's delay in providing verification for QC purposes, this protocol uses a universe of certification data pulled from an eligibility system where all factors needed to determine properly pended are unlikely to be available. For this reason, this protocol will not adjust for properly pended applications.

**\# of Applications Approved Timely:** Within a specified timeframe, the number of SNAP initial applications subject to the 7-day processing requirements that were certified to receive benefits by the 7<sup>th</sup> day from the date of application plus the number of SNAP initial applications subject to the 30-day processing requirements that were certified to receive benefits by the 30<sup>th</sup> day from the date of application.

**Total Applications Approved:** Within a specified timeframe, the total number of SNAP initial applications, including those applications that make up the “# of Applications Approved Timely.”

**Date of Application:** The date the State agency receives a SNAP initial application and the application has, at minimum, a name, address and signature of the applicant or authorized representative.

**Date of Certification:** The date the State agency certifies a SNAP Initial Application for SNAP.

**Date of Issuance:** The date that SNAP benefits are available for a certified SNAP Initial Applicant to use.

**Opportunity to Participate:** An applicant certified for SNAP must receive an active EBT card, EBT PIN and have their benefits posted to their EBT card for use by the 30<sup>th</sup> day or 7<sup>th</sup> day for applicants that meet expedited service criteria. While actual case files are used to accurately determine opportunity to participate for QC purposes, this protocol uses a universe of certification data pulled from an eligibility system where all factors needed to determine Opportunity to Participate may not be readily available. For this reason, the Date of Issuance will be used as a reasonable proxy for Opportunity to Participate in this data protocol.

### *Gathering and Analyzing the Data*

- **Data Pull: Send Request to State Agency Data Office**
  - Collect the following data elements for any SNAP initial application with a *Date of Certification* within [month] [year] from the eligibility system:
    - Case Number
    - Date of Application
    - Expedite Indicator
    - Date of Certification
    - Date of Issuance
- **Data Analysis**
  - Determine Expedite Timeliness:
    - For records with an expedite indicator, determine the number of days from the Date of Application to the Date of Issuance. If the number of days is less than or equal to 7, flag as timely. If not, flag as untimely.
  - Determine Regular Timeliness:
    - For records without an expedite indicator, determine the number of days from the Date of Application to the Date of Issuance. If the number of days is less than or equal to 30, flag as timely. If not, flag as untimely.
  - Determine # of Applications Approved Timely:
    - Count the number of records flagged as timely.
  - Determine Total Applications Approved:
    - Regardless if a record is flagged as timely, count the number of records.
- **Calculate APT Rate**
  - Divide the # of Applications Approved Timely by the Total Applications Approved. Multiply this number by 100 to get that month’s APT rate.

*Example State Agency Data Pull*

All applications with a certification date within the month of April 2014.

**Determine Timeliness (columns in red)**

| Case Number | Date of Application | Expedite Indicator | Date of Issuance | # of Days | Timely? |
|-------------|---------------------|--------------------|------------------|-----------|---------|
| 2345678     | 4/1/2014            |                    | 5/1/2014         | 30        | Yes     |
| 3456789     | 3/25/2014           |                    | 4/10/2014        | 16        | Yes     |
| 4567890     | 4/5/2014            | x                  | 4/8/2014         | 3         | Yes     |
| 5678901     | 3/5/2014            |                    | 4/5/2014         | 31        | No      |
| 7890123     | 2/17/2014           |                    | 4/17/2014        | 59        | No      |
| 8901234     | 4/3/2014            | x                  | 4/11/2014        | 8         | No      |

**Determine Numerator and Denominator**

Number of applications approved timely = 3 (Numerator)

Total number of applications approved = 6 (Denominator)

**Calculate APT Rate**

APT Rate =  $3/6 \times 100 = 50\%$

*Monthly Timeliness Rate*

For a monthly timeliness rate, the data for the numerator and denominator will be those applications approved within a month regardless of the date of application.

For example, if the State approved 10,000 applications in May and 9,000 of those approved applications were approved by the 7 or 30-day processing requirement, the State’s APT rate would be 90 percent (9,000 divided by 10,000 = 0.90 x 100 = 90.00 percent).

*6-Month Timeliness Rate*

For a 6-month timeliness rate, the data for the numerator and denominator will be those applications approved over the 6-month period regardless of the date of application.

For example, if the State approved 150,000 applications between January and June and 100,000 of those approved applications were approved by the 7 or 30-day processing requirement, the State’s APT rate would be 67 percent (100,000 divided by 150,000 = .6667 x 100 = 66.67 percent).

*Data Provided to FNS*

The State should provide FNS with the numerator and denominator for each month along with the calculated rate in Excel format.

For example:

For a monthly timeliness rate, the State would submit the following report:

|                 |               |
|-----------------|---------------|
|                 | March         |
| Approved Timely | 13,456        |
| Total Approved  | 25,678        |
| <b>Rate</b>     | <b>52.40%</b> |

For a 6-month timeliness rate, the State would submit the following report:

|                      |        |        |        |        |        |        |                |
|----------------------|--------|--------|--------|--------|--------|--------|----------------|
|                      | March  | April  | May    | June   | July   | August | Total          |
| Approved Timely      | 13,546 | 12,980 | 15,691 | 15,908 | 16,023 | 14,307 | <b>88,455</b>  |
| Total Approved       | 25,678 | 26,871 | 25,487 | 25,558 | 24,601 | 25,866 | <b>154,061</b> |
| <b>6-month rate:</b> |        |        |        |        |        |        | <b>57.42%</b>  |