



United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

SEP 23 2015

Mr. Will Lightbourne
Director
Department of Social Services
744 P Street, MS 8-17-11
Sacramento, California 95814

Dear Mr. Lightbourne:

Thank you for your effort in support of the Department of Agriculture's ongoing priority to improve integrity in the Supplemental Nutrition Assistance Program (SNAP) while ensuring access to the benefits for those in need of food assistance. The strong partnership between the Food and Nutrition Service (FNS) and your State agency ensures that families and communities benefit from this vital program while practicing strong public stewardship. FNS is committed to continuing our work together to ensure that the integrity of SNAP is not compromised.

I am certain you share this commitment, and so I am writing to you today to bring to your attention a matter of great concern. FNS regularly reviews State quality control operations to ensure the integrity of the system and that controls are effectively established to prevent the introduction of bias into the statistical reporting for SNAP error rates. Through recent reviews, FNS has identified issues in a number of States that require us to clarify expectations regarding each State's responsibility with respect to quality control operations, specifically with respect to statistical reporting of error rates.

Due to the seriousness of these issues, I believe it is imperative to bring this to your attention. The purpose of the quality control system is two-fold—first to assess improper payments, and second to assist States in determining errors that need to be corrected in the eligibility determination process. Access to a proper SNAP eligibility determination and allotment is critical to the integrity of this important nutrition program—I know you agree with me on that point.

As you know, to improve accuracy, FNS strongly encourages States to take corrective actions to address the root causes of errors in the eligibility determination and payment processes to prevent errors from re-occurring. However, FNS has discovered that, instead of implementing process improvements at the point an eligibility determination or payment is made, some States have implemented processes intended to mitigate identified eligibility or payment errors among sampled cases before they are reported to FNS. As such, some States are treating cases differently and singling out error cases for review in order to mitigate those errors prior to reporting this quality control information to FNS.

It is important to make clear that achieving effective accuracy for eligibility determinations or payments should involve using quality control as a tool to identify statistical trends in order to implement process improvements that prevent errors before they occur. The practice of using quality control processes to simply reduce or eliminate reportable errors after-the-fact introduces unacceptable bias into the reporting system.

FNS is concerned that States may have adopted processes that directly contradict SNAP regulations and policies. Thus, I would like to take this opportunity to clarify our expectations and requirements under the SNAP regulations at § 275.21 to ensure the integrity of the quality control system:

- The role of a State quality control reviewer is to determine the actual circumstances of the case, as well as the associated program eligibility and allotment level of the household.
- Quality control procedures do not allow reviewers to treat cases differently or to apply policy inconsistently in order to mitigate errors. For example, searching for additional deductions that were not originally provided to the eligibility worker at the time of certification with the sole purpose of attempting to offset an identified error is not allowable.
- States should use standardized processes to determine monthly income amounts to ensure that all cases are treated the same.
- States may not adopt processes intended to result in the dropping of error-prone cases. To do so inserts bias into the data collection and leads to invalid statistical reporting.
- FNS finds it is necessary to reiterate the proper use of error review committees. FNS guidance specifically instructs States that the role of an error review committee is “primarily one of reviewing cases to assess for future corrective action planning, not to review individual error cases to assess the potential for reducing or eliminating errors in a sampled individual case” (FNS Handbook 310, Part 154: Avoid Bias). If your State is using any process that treats sampled cases differently from non-sample cases or treats certain sample cases differently from other sample cases, then you have introduced bias into your quality control reporting system.
- States may not add, alter, or remove documentation from an official record of a sample case with the intention of proving that the eligibility worker was correct in the initial eligibility determination. If a case is selected for a federal sub-sample, FNS expects the State to forward the complete file to federal reviewers, not an abridged version.
- States may not incentivize State quality control reviewers to avoid finding or reporting errors, or to pressure reviewers to mitigate identified errors.

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- States may not restrict Federal reviewer access to State systems, certification files, or any information maintained within the State quality control system. Additionally, States are required to provide Federal reviewers access to full certification case files and to all data collected by the State to determine SNAP eligibility upon request by FNS per section 16(c)(4) and (5) of the Food and Nutrition Act of 2008, as amended (the Act).

I request that you review these expectations with your State SNAP and Quality Control Directors to ensure you are in compliance with SNAP regulations and policies. If a State is using any of the processes described in this letter to mitigate identified errors, then it has introduced bias into its reporting system and is jeopardizing the integrity of statistical information. Such actions constitute violations of federal law, SNAP regulations, and policies, potentially subjecting the State to penalties, including the implementation of a corrective action plan and the potential for withholding of administrative funding as specified in section 11(g) of the Act. Furthermore, if FNS determines that a State has deficiencies in its quality control system, particularly with regards to operating under biased practices that attempt to mitigate identified errors, FNS will implement administrative penalties that may include assigning the State an error rate per SNAP regulations at § 275.23(b)(2)(ii).

Finally, FNS has initiated a focused review of State quality control operations nationwide and is expecting your assistance and cooperation if your State is selected for review. FNS is willing to provide any technical assistance that is required to help you to assess the compliance and effectiveness of your State quality control operations.

I would like to thank you in advance for your attention to this matter. If you have any additional questions, or would like FNS technical assistance in initiating a review of your quality control operations, please contact your FNS Regional Administrator.

Sincerely,



Kevin W. Concannon
Under Secretary
Food, Nutrition, and Consumer Services