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STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
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GAVIN NEWSOM
GOVERNOR

April 13, 2020

Mr. Charles Tobin, Regional Program Director
Supplemental Nutrition Assistance Program
Western Regional Office
Food and Nutrition Service
90 Seventh Street, Suite 10-100
San Francisco, CA 94103

SUBJECT: CALIFORNIA QUALITY CONTROL (QC) WAIVER REQUEST PACKAGE

Dear Mr. Tobin:

As you know, the State of California (the State) and the California Department of Social Services (CDSS) are working to respond swiftly and effectively to the Coronavirus Disease 2019 (COVID-19) emergency. Because of a statewide stay at home order and public health guidelines regarding physical distancing, CDSS is requesting waivers of certain Supplemental Nutrition Assistance Program (SNAP) regulations from the US Department of Agriculture (USDA) Food and Nutrition Service (FNS) to ensure that Californians can continue to access SNAP benefits (known in California as CalFresh).

Please find attached our third waiver request package in response to the COVID-19 pandemic. This waiver package consists of four Quality Control (QC) waivers that seek to temporarily hold California harmless from errors caused by implementation of COVID-19 eligibility waivers, lift sanction requirements, provide flexibility when reviewers cannot locate a household, and accept collateral contact and/or client statement to complete QC reviews when attempts to verify information have been otherwise unsuccessful.

The CDSS requests that these waivers be effective for FFY 2020 QC sample months beginning October 2019 through September 2020. The CDSS also proposes the option to extend the waiver period if COVID-19 continues to be the cause of a state of emergency for the nation, California, or its local counties.

We appreciate FNS' consideration of California's request and appreciate a prompt response so that we may issue necessary guidance and implement changes to our business processes and operating procedures. In addition, to expedite the review and decision process for CDSS' request, we are available for a conference call at your earliest convenience to discuss our request.

If you have any questions, please do not hesitate to contact me at alexis.fernandez@dss.ca.gov or 916-653-6162.

Sincerely,

Alexis Fernández
Chief, CalFresh and Nutrition Branch
California Department of Social Services

WAIVER REQUEST
Temporarily Acceptance of Household Statement When Standard Verification is Not Obtainable for Quality Control Reviews

1. **Waiver Serial Number (if applicable):**
2. **Type of request:** Initial
3. **Regulatory citation:** 7 CFR Section 275.12; 7 CFR Section 275.12(c)(2); FNS 310 Handbook Section 442.3; FNS 310 Handbook Section 511; FNS 310 Handbook Section 513; FNS 310 Handbook Section 515
4. **State:** California
5. **Region:** Western Region
6. **Regulatory requirements:**

7 CFR § 275.12: Requires that a sample of households which were certified prior to, or during, the sample month and issued food stamp benefits for the sample month shall be selected for quality control review. These active cases shall be reviewed to determine if the household is eligible and, if eligible, whether the household is receiving the correct allotment. The determination of a household's eligibility shall be based on an examination and verification of all elements of eligibility (i.e., basic program requirements, resources, income, and deductions). The elements of eligibility are specified in 7 CFR Sections 273.1 and 273.3 through 273.9.

7 CFR § 275.12(c)(2): Requires that a reviewer obtain verification from collateral contacts in all instances when adequate documentation was not available from the participant. This second party verification shall cover each element of eligibility as it affects the household's eligibility and allotment. The reviewer shall make every effort to use the most reliable second party verification available (for example, banks, payroll listings, etc.), in accordance with FNS guidelines, and shall thoroughly document all verification obtained. If any information obtained by the QC reviewer differs from that given by the participant, then the reviewer shall resolve the differences to determine which information is correct before an error determination is made. The manner in which the conflicting information is resolved shall include re-contacting the participant unless the participant cannot be reached. When resolving conflicting information reviewers shall use their best judgment based on the most reliable data available and shall document how the differences were resolved.

FNS 310, Section 442.3 – Likely Conclusion: states that likely conclusion is the use of information, other than standard verification, in conjunction with verified case record information that supports a reasonable judgment of eligibility for a particular element or elements.

The reviewer must attempt to obtain the required standard verification as outlined in Chapters 5 and 8 through 11. The reviewer will not be allowed to use likely conclusion if the attempts and results of the attempts to gain standard verification are not evaluated and documented as outlined in Chapter 5. If the reviewer cannot obtain the required verification (see Chapter 5 and 8 through 11), the reviewer

should explore other evidence, review the eligibility worker's action in the context of the overall case record and other QC case findings. The case record must clearly indicate the household's statement about each element. If an element requires verification other than the household's statement, as outlined in Chapters 5 and 8 through 11, verification must exist in the case record. If there is no verification in the case record, likely conclusion cannot be used for the element.

FNS 310, Section 511 – Sources of Verification: requires that the reviewer must obtain evidence that establishes factual information of the household's circumstances for each element. Documentation must explain how the verifications meet the criteria for evidence in the specific element. Third Bullet: Reviewers may use sources other than those listed under standard verification as long as they meet the criteria for evaluating evidence.

FNS 310, Section 513 – Evaluating Evidence: requires that as the reviewer obtains evidence, he/she must evaluate the evidence to ensure:

- It meets the verification requirements for the element
- It does not conflict with other evidence, or the conflicts are resolved and documented
- It proves (either by itself or in combination with other evidence) the facts being verified
- It pertains to the case member(s) or other individuals to whom it is supposed to apply
- It establishes the circumstances for the element AORD for the appropriate issuance and budget month

FNS 310, Section 515 – Verification Guidance: provides guidance for appropriate verifications is provided in Chapters 8 through 11. Each element will have a standard verification and verification process. The state must use the IEVS data in accordance with Chapter 9 on resources and Chapter 10 on income.

7. Description of alternative procedures:

California requests to temporarily accept collateral contacts and/or client statements after all reasonable efforts have been exhausted, to complete QC reviews when verification is not available.

California will continue to follow the guidance to acquire the appropriate verifications provided in Chapters 8 through 11. If obtaining verification is a hardship to the household, California will temporarily attempt to verify the information by using sources other than those recognized as standard verifications. California will temporarily expand current standard verifications to include collateral contacts and client statements. Use of the client statement, in the form of an affidavit, and collateral contacts will be made available after all reasonable efforts have been exhausted and the household has demonstrated a good faith effort in obtaining a standard verification. This flexibility will be granted to SNAP households who are unable to verify due to the temporary shutdown of certain establishments and are unable to provide required verifications for this reason. These households shall provide an affidavit that certifies the household circumstance in the sample month, demonstrating the need to utilize this additional flexibility.

8. Justification for request:

The Governor of California declared a State of Emergency on March 4, 2020, to reduce the spread of the Coronavirus Disease 2019 (COVID-19). Extensive public health warnings have been issued statewide to reduce exposure, including orders to implement social distancing, eliminate large group gatherings, and to require home isolation for vulnerable populations, including all people aged 65 years of age or older. Additionally, Governor Newsom issued a statewide “stay-at-home” order. These restrictions may be in place for weeks and months to come.

Many non-essential businesses have temporarily closed or have significantly reduced staffing, resulting in rapid and immediate job loss across the state. The economic impacts of COVID-19 have affected many employers and organizations who are unable to provide required standard verifications for certain SNAP households. To further support the Quality Control review process, California is requesting to waive the requirement to utilize the existing standard verifications and to provide additional flexibility in allowing California to utilize both the client statement and collateral contacts when appropriate, given current economic and public health conditions.

9. Anticipated impact on households and State agency operations:

California does not anticipate any impact on state agency operations.

For all QC active reviews impacted by COVID-19 such that the QC reviewer has not been able to obtain the appropriate verifications because either (1) the household is not able to provide the standard verifications or (2) the collateral contact(s) is not able to provide verification, this waiver will allow California to temporarily accept collateral contact or the household’s statement.

California’s completion rate may be affected if QC reviewers are not able to take an alternative approach in accepting verifications. Approval of the requested waiver will maintain and possibly increase California’s Federal Active completion rate as households will have the ability to provide collateral contacts/client statements.

California does not anticipate the waiver will have any negative impact on California SNAP households. This waiver ensures that families will not be penalized due to failure to obtain verification when an establishment has been closed due to COVID-19 and may instead use collateral contacts/client statement as verification.

10. Caseload information, including percent, characteristics, and quality control error rate for affection portion (if applicable):

California anticipates this waiver will impact approximately 350 federal sample cases and 1800 state sample cases for FFY 2020.

11. Anticipated implementation date and time period for which waiver is needed:

California proposes that the requested waiver be approved retroactively. If approved as proposed, the waiver would apply to FFY 2020 QC sample months beginning

October 2019 through September 2020. California also proposes the option to extend the waiver for additional months if COVID-19 continues to be the cause of a state of emergency for the nation, California, and its local counties.

12. Proposed quality control review procedures:

Refer to item 7 for proposed QC review procedures with this waiver.

13. State agency submitting waiver request and State contact person:

Contact Name: Alexis Fernández
CalFresh & Nutrition Branch Chief
California Department of Social Services
916-653-6162 | Alexis.Fernandez@dss.ca.gov

14. Signature and title of requesting official:

Alexis Fernández
Chief, CalFresh & Nutrition Branch
916-653-6162 | Alexis.Fernandez@dss.ca.gov

15. Date of request: 04/08/2020

16. State agency staff contact (name/email/telephone):

Tami Gutierrez
CalFresh Operations Bureau Chief
916-651-2949 | Tami.Gutierrez@dss.ca.gov

Kristina Meza
Acting Bureau Chief, CalFresh Policy & Employment Bureau
916-653-1493 | Kristina.Meza@dss.ca.gov

17. Regional office contact person (to be completed by FNS regional office):