



Food and
Nutrition
Service

OCT 18, 2018

Park Office
Center

SUBJECT: Update to FNS Handbook 310, Supplemental Nutrition Assistance Program (SNAP) Quality Control (QC) Review Handbook
QC Policy Memo: 19-01

3101 Park
Center Drive
Alexandria
VA 22302

TO: All SNAP State Agencies
All Regional SNAP Directors
Food and Nutrition Service

Effective for the October 2018 SNAP QC sample month, all reviewers must update their FNS 310 Handbooks to include the updated page changes listed below and shall follow the procedures amending those sections of the FNS 310 Handbook. These updates are the result of the following:

- Feedback received from the October 2017 handbook revision,
- Certification policy clarifications regarding changes in the *SNAP: Eligibility, Certification, and Employment and Training Provisions of the Food, Conservation and Energy Act of 2008* final rule,
- Technical handbook fixes and/or clarifications to terminology,
- Clarifications within Chapter 13 about the review of Negative cases,
- FNS 380-1 updates from policy clarifications regarding recertification actions made within 30 days of a household's certification ending, and
- Clarification of QC arbitration rules at 7 CFR 275.3(c)(4)(i)(A).

The contents of this guidance document do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

Please use the following chart to remove and insert pages to update your FNS 310 Handbook:

PAGE CONTROL CHART

Remove Pages	Dated	Insert Pages	Dated
Cover	2017	Cover	2018
i-xxi		i-xxvi	10-18-18
1-1 thru 1-2		1-1 thru 1-2	10-18-18
1-5 thru 1-8		1-5 thru 1-8	10-18-18
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14-1 thru 14-4		14-1 thru 14-4	10-18-18
A1		A1	10-18-18
C37-C39		C37-C39	10-18-18
D1-D2		D1-D2	10-18-18
Spine	2017	Spine	2018

Sincerely,

Signed

Ronald K. Ward
 Director Program
 Accountability and Administration Division
 Supplemental Nutrition Assistance Program

Attachment



United States Department of Agriculture

FNS HANDBOOK 310

Food and
Nutrition
Service

Alexandria, VA



October 2018

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Chapter 1 INTRODUCTION

100 GENERAL. This Handbook provides procedures for conducting quality control (QC) reviews of Supplemental Nutrition Assistance Program (SNAP) cases. The first chapter contains general provisions and definitions.

110 PURPOSE. Each State agency is responsible for conducting QC reviews as part of its Performance Reporting System. For QC reviews, a statistical sample of households is selected from households which are participating in SNAP (active cases) and households for which participation was denied, suspended, or terminated (negative cases).

All users of this handbook must comply with the directives and protocols outlined in a manner which maintains integrity of the QC system by employing activities which constantly and consistently avoid bias.

It is imperative the verification, documentation and coding of all QC cases accurately reflect the circumstances of the case. The data collected is used for multiple purposes including calculating official error rates, program research, and corrective action planning among other uses.

Reviews must be conducted on active cases to determine if households are eligible and receiving the correct allotment amounts. Reviews of negative cases must be conducted to determine the extent to which decisions and/or procedural processes to deny, suspend, or terminate cases are correct.

Reviews measure the accuracy/validity of SNAP cases at a given time (the QC review date).

The State agency must review cases against the SNAP Program standards established in the Food and Nutrition Act of 2008 and regulations as stated in the Code of Federal Regulations (CFR). Reviewers must take into account any waivers or state options approved by FNS and implemented by the state to deviate from specific provisions.

States must routinely address QC procedures in certification waiver requests. If the waiver will result in a need to deviate from the procedures in this Handbook, the State agency must:

- Identify the regulation citation and Handbook section,
- Describe what the new QC procedure will be, and
- Request approval of that procedure with a certification waiver request.

Approval must be granted by FNS before the QC procedure can be used by the State Agency. The reviewer must document any cases reviewed under modified procedures with the certification waiver name or description and the period for which the applicable waiver was in effect, as it pertains to the case under review.

120 OBJECTIVES. The objectives of QC reviews are to provide:

- A systematic method of measuring the accuracy/validity of the SNAP caseloads
- A basis for determining error rates
- A timely, continuous flow of information on which to base corrective action at all levels of administration; and
- A basis for establishing State agency eligibility for bonus awards or State agency liability for excessive error rates

130 DEFINITIONS.

Active Case - A household that was certified prior to or during the sample month, and issued a SNAP allotment for the sample month.

This includes:

- Households certified in the sample month and issued an allotment in the next month
- Allotments subjected to recoupment

Issued benefits include:

- An online **Electronic Benefit Transfer (EBT) system** - benefits have been posted electronically to the household's account database
- A **Smart Card EBT system** - the card has been presented for update for the sample month. See Section 321 for details regarding participation in EBT systems

As of the Review Date (AORD) - As of the day within the sample month, either the first day of the fiscal or calendar month, or the day a certification action was taken to authorize the issuance being reviewed.

Bias - The act of treating cases differently.

Budget Month - The fiscal or calendar month from which a household's income and other circumstances are used to calculate the SNAP allotment for the corresponding issuance month.

- **One-month retrospective budgeting system** - the budget month begins a month before the first day of the issuance month

employers, schools, clergy or neighbors and government offices.

A collateral contact cannot be a person who is in the SNAP household under review, or a person who was involved in any way with the certification of the household, or an office within the State agency administering the program for purposes of primary or secondary evidence. A collateral serves to support or reinforce a statement or claim by the household, or to provide information about the household's circumstances.

Documentation - Documentation is a written or printed statement on paper, or recorded electronically and is used in multiple contexts, which include:

- The process of the reviewer recording information and explaining case circumstances related to each element under review as a part of the overall QC process.
- A written or printed statement on paper, or recorded electronically, that is used as verification of an element. Note that while documentation standards, as found in Chapter 5, require that written documents or forms must be used if available; the documentation of a verbal statement of verification may also be used when written or paper statements cannot be obtained.

Elements - A point or condition of SNAP eligibility that a household must meet. This must be verified and documented by the reviewer on the appropriate QC review worksheet

Eligibility Worker - The State Agency's employee who made the eligibility decisions on the case.

Error - A determination made by the quality control reviewer in which the active or negative action taken by the State agency differs from the findings of the QC review. An error is found when:

- It is determined that the household was either ineligible or was issued an incorrect allotment amount, or
- It is determined that the decision or process to deny, terminate, or suspend benefits is incorrect

Error Determinant Month - is the first full month that ends more than 30 days before the review date.

Error Review Committees - The role of an error review committee is to review cases for the purpose of future corrective action planning. Committees operate most effectively when they include representatives from QC, policy, and technical staff responsible for eligibility systems. This provides a variety of perspectives on the root causes identified through the QC process.

Future errors may be prevented during the eligibility and benefit determination process when the State agency uses this information through:

- Identifying error trends
- Utilizing training
- Implementing process improvements or technology to prevent future errors from occurring based on the root causes identified through the quality control process

Any process, discussion, and/or activity designed with the intention of fixing or mitigating errors in cases currently under review in order to artificially adjust the State's error rate are not an appropriate use of the error review committee and is an unacceptable practice:

- This applies whether or not formal committees are established
- QC reviews may only be discussed for future corrective action planning after case results have been transmitted to FNS
- QC reviews may not be examined in order to mitigate error findings prior to releasing case results to FNS
- Conference calls or meetings with a contractor to discuss individual sampled cases must be documented, including any action taken by the State within the case file

Error Threshold (tolerance level for excluding small errors) - For fiscal years 2015 and thereafter, the 2014 error threshold will be adjusted annually. The percentage of adjustment will correspond to the amount by which the Thrifty Food Plan (TFP) for the 48 contiguous States and the District of Columbia is adjusted. The value for the current fiscal year and previous years can be found in Appendix A.

Initial Month - The first month for which the household was certified for participation following any period when the household was not certified. For an initial month, benefits are prorated from the day of application to the end of the month.

However, for migrant and seasonal farmworker households, the initial month is the first month following a period of more than 30 days in which the household was not certified.

Interim Change - A recalculation of SNAP benefits resulting from a change reported by the household; or a change the State agency becomes aware of through a source other than the household.

Exception: Does not include *non-income* related mass changes.

Income related mass changes include, but are not limited to:

- Social Security Administration (SSA) and Supplemental Security Income (SSI)

- Cost of Living Adjustments (COLAs), and
- Across the board adjustments to Temporary Assistance to Needy Families (TANF)

Non-income related mass changes include, but are not limited to:

- Adjustments to Standard Utility Allowance (SUAs), and
- Standard deductions

Issuance Month - The fiscal or calendar month for which the State agency issued a SNAP allotment. A case's issuance month will always be the same as its QC sample month.

Likely Conclusion - The use of information, other than standard verifications, that is used in conjunction with verified case record information, and that supports a reasonable judgement for a particular element or elements.

Mitigate - An attempt to lessen or decrease a QC error to reduce the impact of the error instead of accurately reporting the error. Corrections for policy or math errors are not considered mitigation.

Negative Allegation - Denial by a household regarding a circumstance related to their SNAP eligibility.

Negative Case - A household whose application for SNAP benefits was denied, or whose SNAP benefits were suspended, or terminated by an action in the sample month.

Overissuance - the amount of SNAP benefits the household was authorized to receive was greater than what they were eligible to receive.

Payment Error Rate (PER) - The measurement of the accuracy of the active case review.

Positive Allegation - Acknowledgement by a household regarding a circumstance related to their SNAP eligibility.

Processing Month - The month between the budget month and the issuance month in a two-month retrospective budgeting system.

Prospective Budgeting - The computation of a household's SNAP benefits for an issuance month is based on income and other circumstances reasonably anticipated for that month.

Prospective Eligibility - An eligibility system in which the eligibility determination is based on income and other household circumstances reasonably anticipated for the issuance month.

Public Assistance (PA) - Any of the following programs authorized by the Social Security Act of 1935, as amended:

- Old-age assistance
- TANF
- Aid to the blind
- Aid to the permanently and totally disabled, and
- Aid to aged, blind, or disabled

It does not include Supplemental Security Income.

Quality Control Review - A review of a statistical sample of active and negative cases to determine the extent to which households are receiving the SNAP allotments to which they are entitled, and to determine the extent to which decisions and/or procedural processes to deny, suspend, or terminate cases are correct.

Recertification - A certification action taken to authorize benefits for an additional period of time immediately following the expiring certification period.

Record Retention - The length of time a State agency must retain State QC files without loss or destruction. For any given fiscal year, all QC records (including the eligibility files relevant to those QC cases and any documentation or notes, including all applicable electronic files, that had an impact on how a QC case was finally determined by QC) must be retained for a minimum of three years following fiscal closure to meet federal record retention requirements. For States in liability status, record retention begins on the date their liabilities are resolved.

Reporting Systems - The household is required to report certain specified changes in its circumstances within 10 days of the date the change becomes known to the household or within FNS approved time frames and rules.

- **Certified Change Reporting with Status Reporting** - The household is required to report a change in wage/salary rate or a change in full-time or part-time employment status. Household cannot be certified for more than 6 months.
- **Certified Change Reporting with \$100 a month Earned Income** - The household is required to report a change of \$100 a month in earned income from the amount last used to calculate the household's allotment. Household cannot

Variance - The incorrect application of policy and/or a deviation between the information used and the information that should have been used to authorize the sample month's issuance.

Verification - Establishment of the accuracy of specific elements of eligibility and allotment by securing documentary evidence and/or by making collateral contacts with individuals, other than members of the household under review.

140 HANDBOOK MODIFICATION. This Handbook is designed for use by all State agencies. It provides review procedures for various combinations of eligibility, budgeting and reporting systems that are needed because of State differences resulting from the selection of options. Consequently, there are sections that do not pertain to certain States because of FNS-approved waivers and options; and there are some sections that need to be modified to fit particular circumstances in a State. Some certification waivers are very common.

NOTE: The reviewer must document any cases reviewed under modified procedures with the certification waiver name or description and the period for which the applicable waiver was in effect, as it pertains to the case under review.

150 ADMINISTRATION OF THE QC SYSTEM. Each State is responsible for maintaining sound administration of all facets of the QC system. It is responsible for complying with the SNAP Act and regulations, this handbook, and FNS policy memoranda, as well as the State agency's Plan of Operation.

151 Implementation of QC Indexed Policy Memoranda. FNS QC indexed policy memoranda must be implemented no later than the first sample month beginning 30 days after transmittal of the memoranda to the State agency.

152 Contracted Activity. A contractual agency may be used to conduct QC activities only if it is the department of the State regularly employed for this function (e.g., a State Inspector General's Office or a State Office of Audit). For those States in which QC is conducted by a contractual agency, the State agency must ensure that FNS-approved policies and procedures are followed.

153 Staffing Standards. In accordance with SNAP regulations, the State must employ sufficient QC staff to perform all aspects of the Performance Reporting System to ensure reviews are completed to meet reporting requirements, and to ensure the quality of the reviews.

154 Avoiding Bias. The QC review is to determine the accuracy of the eligibility and allotment for the sample month. The reviewer must verify actual circumstances of

the household in the sample month, and evaluate the accuracy of the initial determination. Following applicable regulations and policies, the reviewer must arrive at a case finding without consideration of its impact on the payment error rate, and case and procedural error rate.

Accomplishing the objectives of QC depends upon the successful operation of all facets of the QC subsystem. Specifically it depends on:

- The integrity of the sample selected
- The training provided to reviewers on conducting reviews
- The skills with which the reviewers conduct reviews
- The accuracy and detail used by the reviewer to record their findings
- The completeness and accuracy of data analysis
- The correct use of appropriate corrective action planning
- The correct determination of liability for errors
- The correct determination of high performance bonus eligibility

The QC System must eliminate bias. Otherwise, the results will not be valid and will have little use in planning corrective actions.

Common sources of bias include:

- Reviewing cases with the intent to mitigate or lower errors
- Inadequate sampling techniques (see FNS-311, The Quality Control Sampling Handbook)
- Lack of objectivity on the part of the reviewer or State management
- Inappropriate involvement by the local office
- Inconsistent application of the statute, regulations, FNS policy or QC procedures
- Failure to follow the statute, regulations, FNS policy, QC policy, QC handbooks, and QC memorandums
- Non-completion of cases
- Inconsistent or inappropriate use of second-party reviews, and
- Inappropriate use of error review committees or any process used in the same manner during the review process

The following actions, which are not all inclusive, are examples of activities that produce an unacceptable bias in the QC system:

- Prior knowledge by the reviewer of cases scheduled for review, resulting in the agency's intentional or unintentional treatment of these cases in a special manner that, in turn, makes the sample results unrepresentative of the whole caseload. A reviewer with prior knowledge is defined as individuals who have had:

- Any participation in the decision that had been made in the case
- Any discussion of the case with staff who participated in the decision; or
- Any personal knowledge of, or acquaintance with, the household.

NOTE: Personal knowledge by a State staff member shall disqualify that worker from being able to be the case reviewer but the staff member may still be a collateral contact. Any contacts for those purposes must adhere to all rules pertaining to information sought and shared with any other collateral contact, as found in Section 431.

- The State or local agency adding documentation to, removing documentation from, and/or altering documentation from the official record of a sampled case
- Approaching the review with the intention of proving the case correct or incorrect. The QC reviewer must pursue all evidence in the case to arrive at the actual circumstances of the household
- Failing to interview the household appropriately to determine all of the household's relevant circumstances such as
 - Failing to ask the household if there have been any changes in, for instance, household composition, shelter, or any other elements of eligibility
 - Not inquiring about household management of expenses when income is less than expenses and all expenses are currently being met
 - Ignoring information from a collateral contact or household because it presents discrepant information that would have to be resolved.
- Not following all leads or questionable circumstances regardless if the verification and documentation requirements of the HB 310 have been met
- Structuring staff performance metrics to encourage under counting errors
 - States must take precaution to ensure performance metrics do not introduce bias by encouraging or instructing the staff to find cases correct or mitigate errors
 - States must not incentivize staff to find the eligibility worker was correct in the initial determination
 - The State's error rate or number of payment error cases discovered by QC must not be a factor in the performance rating for reviewers

Involvement of the State Agency Local Office:

The following actions involving the State agency local office, which are not all inclusive, are examples of activities that produce an unacceptable bias in the QC system:

- Prior knowledge by the local agency of cases scheduled for review, resulting

in the agency's intentional or unintentional treatment of these cases in a special manner making the sample results unrepresentative of the whole caseload

- The State or local agency adding documentation to, removing documentation from, and/or altering documentation from the official record of a sampled case

Exception: An exception to this rule exists when the State or local agency adds documentation to the file that is the result of efforts by an eligibility or certification worker to gain the cooperation of a household after being appropriately requested by QC.

Exception: An exception to this rule also exists for normal case management functions that will not impact the documentation pertaining to the review and review timeframes under examination.

- An eligibility or certification worker contacting a QC sampled household or collateral contact:
 - To obtain additional information in an attempt to clarify the household's circumstances
 - Get statements to alter the findings of the QC reviewer, or
 - Coerce the household into saying or doing anything that might misrepresent the household's circumstances
- The State or local agency asking or coercing a household or collateral contact to engage in any activity (such as not participating in the QC sample month and the two consecutive months) for the purpose of gaining a desired case disposition or finding in a QC review
- Requesting information from collateral contacts or non-household members in such a way as to encourage the person to not cooperate or not provide the requested information
- Reducing the household's allotment for the sample month because of an apparent overpayment on a sampled case
- Local offices should not review the cases, make the changes that would affect the eligibility or benefits for the cases, or contact the household or a collateral contact prior to the QC review being conducted in order to make any changes to the case once the sample is pulled/selected
 - This does not apply to routine case management changes such as filing household reports, acting on reported changes, issuing notices of expiration, or conducting recertification interviews. Normal case management activities should not be initiated or undertaken at an accelerated pace in order to affect the cases under review
- Contacting the eligibility or certification worker responsible for

administering the case selected for QC review. This also includes contacting any additional eligibility or certification staff who participated in the certification action under review

Exception: This does not apply for a situation where the QC reviewer needs assistance from a local office to locate, or gain the cooperation of the household. In such situations, contact must be strictly limited to locating the household or gaining its cooperation with the QC reviewer and any documents produced or used to gain the cooperation of the household must be included in the case file.

- Contacting the eligibility or certification office responsible for administering the case about any reports shared with QC prior to submitting completed cases to FNS.
- Reviewing cases with the intent to mitigate or lower the error of a sampled QC case

Reviewers must apply policy in accordance with Federal Regulations, FNS policy, QC policy, QC handbooks, and QC memorandum, options selected by the State, and active waivers during the review of each individual case.

The same policy must be applied to all cases consistently within the State and not on an individual basis regardless of whether or not the policy makes the case correct or incorrect.

This ensures every household is treated equally. The reviewer must:

- Fully document their findings
- Explain the basis for their findings in each individual element
- Show all computations and results
- Attach copies of verification to support their findings for both active and negative cases, and
- Ensure all facts are evident in the case

State QC can contact State policy staff for clarification about general SNAP policy, however case specific information cannot be discussed, including, but not limited to, the case number, client's name(s), or details about variances in the case that would allow someone to identify the household under review. The State QC reviewer may not discuss their case findings with an eligibility worker, policy official, or a third party in a manner that can be construed as attempting to mitigate an error case finding. This means the communication with such persons must be limited to a clarification of the policy involved in the case. The reviewer should not discuss how the policy clarification can alter the findings of the case nor indicate how the policy clarification can be used to resolve an apparent error in the case being reviewed. Any clarification obtained for a specific case that is used to substantiate or decide the case must be fully documented in the case file.

The purpose of the QC System is to determine the correct eligibility and benefit level of each case. Whether a case is correct or in error, the reviewer must establish the facts of the household and make their determination based upon those facts. When required verification cannot be obtained, the reviewer must explore other evidence to arrive at a likely conclusion when possible. In the context of the overall case record, the reviewer must review the eligibility worker's actions and previously verified evidence.

The State reviewer must document the steps taken and the results of the steps taken to verify each element. The reviewer has to document how any alternate information helps support the reviewer's determination. The intent of Section 442.3 in the 310 Handbook "Likely Conclusion" is not to be used as a mechanism for dropping cases by purposely introducing extraneous information that cannot be verified.

Once the QC findings are provided to the State agency, additional information developed to contest the federal finding either through informal resolution or arbitration must be verified in order to be considered. Unverified information must not be considered and cannot be used to code the case either as "incomplete" or "NSTR."

Second-Party Reviews: If a State elects to implement second party review procedures, the following actions, which are not all inclusive, are examples of activities that produce an unacceptable bias in the QC system:

- Applying second party reviews only to error cases
 - Subjecting only error cases to additional scrutiny introduces bias by treating them differently from cases not found in error
- Emphasizing the reduction of payment errors, rather than the accuracy of the findings
 - Modifying reviewer findings to offset an error or hide household circumstances from the QC case file violates program rules
- Treating error cases differently from non-error cases
 - Using different processes to verify household composition, income, deductions, or other information to offset or mitigate an error violates program policy

Error Review Committees: The role of an error review committee is to review cases for the purpose of future corrective action planning. Committees operate most effectively when they include representatives from QC, policy, and technical staff responsible for eligibility systems. This provides a variety of perspectives on the root

causes of errors identified through the QC process.

Future errors may be prevented during the eligibility and benefit determination process when the State agency uses this information through:

- Identifying error trends
- Utilizing training
- Implementing process improvements or technology to prevent future errors from occurring based on the root causes identified through the quality control process

Any process, discussion, and/or activity designed with the intention of fixing or mitigating errors in cases currently under review in order to artificially adjust the State's error rate are not an appropriate use of the error review committee and is an unacceptable practice:

- This applies to whether or not formal committees are established
- QC reviews may only be discussed for future corrective action planning after case results have been transmitted to FNS
- QC reviews may not be examined in order to mitigate error findings prior to releasing case results to FNS
- Conference calls or meetings with a contractor consultant to discuss individual sampled cases must be documented, including any action taken by the State within the case file
- FNS reserves the right, upon request, to participate in any conference calls, meetings, and review emails between the State and any vendor in which individual sampled cases are analyzed

Third Party Contractors: If a State elects to procure services of a third party contractor to help assess quality control processes, provide policy training, or manage any project that involves the interpretation of FNS regulations, policies, or handbooks; the State must ensure that all activities and deliverables performed by the third party contractor adhere to Federal regulations and policy.

- Activities performed or deliverables provided by a third party contractor that are not in accordance with Federal regulations or policies are unallowable SNAP administrative expenses and are not eligible for Federal reimbursement
- If a State intends to hire or already has in place an existing contract with a third party contractor to train quality control reviewers regarding SNAP regulations, policies, or handbooks to improve payment accuracy; FNS requires the following procedures.
 - The State must notify FNS in writing of its intent to hire a contractor at least 30 calendar days prior to entering into a contract
 - The State must submit to FNS a copy of the contract and supporting

documentation that outlines all tasks and deliverables to be performed by the contractor

- The State must submit to FNS a copy of all deliverables provided by the contractor
- The State must notify FNS of any training sessions led by the contractor, including the date, time, and location, at least 10 days in advance of the training. FNS reserves the right to attend any training session without prior notice
- If the State schedules conference calls or meetings with the contractor to discuss individual sampled cases, the State must document the discussion and any action taken by the State within the case file. FNS reserves the right, upon request, to participate in any conference calls, meetings, or emails between the State and the contractor where individual sampled cases are analyzed

Failure to adhere to FNS policies and procedures related to error review committees or supervisory reviews introduces bias into the QC system, and is unacceptable.

160 QC UNIVERSE. (Refer to FNS Handbook 311.) Statistical samples of SNAP cases are selected for QC review.

There are two universes from which the cases are selected:

- Active Case Universe, and
- Negative Case Action Universe

Unless FNS determines they may be excluded, the following must be included in the selection and review process:

- Households correctly classified for participation under the rules of an FNS-authorized demonstration project, and
- Households participating based on SNAP applications processed by the Social Security Administration

Note: Households may be selected more than once during the review period.

170 ERROR ANALYSIS. (Refer to Chapters 6 and 12.) Using QC review procedures in this handbook and based on verified information, the reviewer must determine if each completed active case was eligible and whether it received the correct amount of benefits. A household may be over issued or under issued benefits.

Through a review of negative case actions, the reviewer must determine whether the State agency's decision and procedures to deny, to suspend, or terminate the household, was correct as of the review date.

180 FORMS AND REPORTING. Refer to Chapter 12 and Appendices B, C, and D.

181 Active Cases. For each active case, the State agency must complete Form FNS-380, Worksheet for SNAPs Quality Control Reviews, and a Form FNS-380-1, Review Schedule. (See Chapter 3 for cases not subject to review.)

181.1 Form FNS-380. (See Section 323 and Appendix B.) The reviewer must use a Form FNS-380 to:

- Record information from the case record
- Plan and conduct the field investigation
- Document verification of each element
- Record findings, and
- Document how their determination substantiates the eligibility determination and benefit level, or results in a variance

States have the option of using the Federal form (paper or automated) or an FNS Regional Office approved State-designed form.

Form FNS-380 consists of a face sheet, a worksheet and a computation sheet to determine the correct benefit level.

It will be necessary to supplement Form FNS-380 with additional forms to support documentation on the FNS-380 and verification of the review.

Examples include: State forms for appointments, interoffice communications, release of information, etc.

181.2 Form FNS-380-1. (See Chapter 12 and Appendix C.) Information from Form FNS-380 is used to complete Form FNS-380-1. Data from Form FNS-380-1 is released to the SNAP Quality Control System (SNAP-QCS).

Form FNS-380-1 is completed for all active cases. Cases processed by a Social Security Administration worker and cases that are part of an exempted demonstration project have a separate case classification so that any errors may be excluded from the case error rate, payment error rate and underissuance error rate.

Non-excluded variances that directly contribute to the error determination (i.e., ineligibility or an overissuance or underissuance) must be coded and reported in Section 2 of Form FNS-380-1. The reviewer must list all such variances (primary first) by element and indicate the cause of the variance. A State at its option may require other variances to be reported in Section 7.

Concerning the SNAP-QCS, there are six protected fields that cannot be edited after Federal subsampling:

- Item 6 - Stratum
- Item 7 - Disposition
- Item 8 - Findings
- Item 9 - SNAP Allotment under Review
- Item 10 - Error Amount
- Item 11 - Case Classification

The State Agency may request that the FNS Regional office edit these fields prior to Federal subsampling. Cases originally coded not completed or not subject to review can be completed at any time until the end of the reporting period when a request is made by a State through the FNS regional office. Supporting verification must be provided to the region at the time of the request.

182 Negative Cases. (See Chapter 13 and Appendix D.) For each negative case in the sample, the State agency must complete a Form FNS-245.

190 DISPOSITION TIMEFRAMES. Each case selected in the samples of active and negative cases shall be accounted for by classifying it as:

- Completed
- Not Completed, or
- Not Subject to Review

Within 95 days of the end of the sample month ninety percent (90%) of all cases selected in a given sample month must be disposed of and reported to SNAP-QCS.

Within 115 days of the end of the sample month all cases (100%) selected in a sample month must be disposed of and the findings reported to SNAP-QCS.

By 115 days after the end of the annual review period all cases, including cases where a household refused to cooperate, must be disposed of and the findings reported to SNAP-QCS.

A case must not be reported as "not completed" solely because the State agency was unable to process it in accordance with these reporting requirements.

- The State agency must submit a report to FNS that includes:
 - An explanation of why the case has not been disposed of
 - Documentation describing the progress of the review to date, and
 - The date by which it will be completed
- FNS makes the determination whether the case is considered overdue based on the report.

Chapter 2

BASIC REVIEW PROCESS

200 GENERAL. This chapter outlines procedures for conducting reviews of active cases. It also provides information on certification systems, household reporting requirements and the focus of QC reviews.

210 REVIEW PROCESS. The following are general steps to be followed in the review process for all active cases.

211 Determine the Correct Systems. (Refer to Section 220.) The reviewer must examine State procedures and the certification record to determine for the sample month whether the household should have been:

- Subject to prospective or retrospective eligibility
- Subject to prospective or retrospective budgeting
- Subject to the certified change reporting with option of reporting \$100 change in earned income - or certified change reporting with option of status reporting, monthly reporting, quarterly reporting, simplified reporting, or an approved waiver (Refer to Section 223.)

212 Review the Certification Record. (Refer to Chapter 3.) The reviewer must review the certification record to determine what action was taken on the case by the agency.

213 Conduct a Field Review. (Refer to Chapters 4 and 5.) During the field review, the reviewer must interview the household or, when appropriate, the authorized representative and obtain verification from collateral contacts.

NOTE: If the Authorized Representative (AR) is acting to fulfill the requirements of the personal interview, they would not also be able to be one of the collateral contacts that is required to be produced during this interview. The AR would, essentially, be acting in the capacity of the client and would therefore be an inappropriate collateral contact.

214 Determine Which Variances to Include. (Refer to Chapters 6-11.) If a difference exists between the information used by the agency and the verified information obtained by the reviewer for eligibility or allotment purposes, the reviewer must determine if the variance is included or excluded for QC purposes.

214.1 There are two applicable QC error threshold comparisons. (See Chapter 6.)

- The QC verified allotment for sample month is compared to the authorized allotment (Comparison I)
- The QC verified corrected eligibility budget (including any required corrections) is compared to the authorized allotment (Comparison II)

If the difference is less than or equal to the QC error threshold amount; any variance(s) must be included, but the error amounts are excluded from the State's official error rate determination (See Appendix A).

214.2 Variances resulting from the use of incorrect information at the time of certification or recertification must be included. This applies to all elements. It applies to each income source and to total income.

Some variances, due to reporting requirements or processing time considerations, are excluded. Variances that result from a change in circumstances that should have been effective, as of the review date (AORD), must be included. (See Chapter 7.)

215 Determine the Correct Amount of Benefits. The reviewer must use verified information to determine if the household was eligible and to calculate the correct benefit amount for the sample month. The reviewer also must use verified information when determining a corrected EW budget and calculating the correct allotment when the sample month allotment exceeds the current fiscal year (FY) error threshold. (See Chapter 6.)

216 Determine the Cause of Errors. If the case was ineligible or received an overissuance or underissuance of benefits, the reviewer must identify the variance(s) that caused the error and determine if it was caused by the household or the State agency.

217 Validation and Reporting of QC Findings. (Refer to Chapter 12 and see Appendices B and C.) The reviewer must complete:

- The QC worksheet (Form FNS-380) to record verification of all elements for positive reviews, including the worksheet computation sheets, and
- The review schedule (From FNS-380-1) for coding case information

220 CERTIFICATION AND REPORTING SYSTEMS. The reviewer must determine which eligibility, budgeting and reporting systems should have been used for each household based on the State agency's selection of regulatory options and individual household circumstances.

221 Eligibility. Each household's eligibility for participation in SNAP is based upon its financial and certain nonfinancial circumstances for each month of participation. There are two ways of looking at a household's circumstances:

- **Prospectively.** Determining a household's eligibility prospectively requires the agency to anticipate the household's circumstances for each month of participation based, upon existing circumstances that are expected to remain the same and changes in existing circumstances that are reasonably certain to occur, and
- **Retrospectively.** Determining a household's eligibility retrospectively requires the agency to use known circumstances from a previous month. A State may have a one-month or a two-month retrospective system

In either a prospective or a retrospective system, a household determined eligible for participation is authorized to receive an allotment for a specific month called the issuance month or for a series of months referred to as the certification period.

222 Budgeting. The amount of SNAP benefits a household is entitled to receive during an issuance month may also be determined (or budgeted) prospectively or retrospectively. This system may be the same as or different from the eligibility system.

222.1 Prospective. Prospective budgeting requires the agency to anticipate what a household's circumstances will be during the issuance month based upon existing circumstances and expected changes. As illustrated below, the budget month is the issuance month.

Prospective System



222.2 Retrospective. Retrospective budgeting requires the agency to use circumstances from a prior month to determine the benefits a household should receive for the issuance month. As illustrated below, the budget month may be the month two months prior to the issuance month or the month preceding the issuance month.

Two-Month Retrospective System

April	May	June
Budget Month	Processing Month	Issuance Month

One-Month Retrospective System

May	June
Budget Month	Issuance Month

223 Change Reporting. Households are required to report changes to the State agency after the certification action to ensure eligibility and allotment levels remain accurate. A household may be subject to:

- Certified change reporting with the \$100 change in earned income reporting option
- Certified change reporting with the status reporting option
- Monthly reporting
- Quarterly reporting
- Simplified reporting or
- Reporting in accordance with an approved waiver with the option chosen by the State agency for reporting income

If the State agency receives unclear information about household circumstances during the certification period, it must evaluate and act on it, as appropriate, per certification policy requirements. Unclear information is information about household circumstances that the State agency cannot readily determine the effect on the household’s continued SNAP eligibility or benefit amount. This includes information that is verified, unverified, from the household, or from a third party data match. If the State receives information that is verified and the effect on the household can be readily determined, then it is not considered unclear information and the State must act on it.

For all households, regardless of the reporting system to which the household is assigned, the State must act to follow up on unclear information by sending an Request for Contact or Notice of Match Results if the information: 1) significantly conflicts with the information used to certify the household (meaning the information

used to certify was incorrect); or 2) is something the household was required to report based on its assigned reporting system and less than 60 days old based on the current month of participation; or 3) if the information is from a deceased or prisoner matching system (described by certification policy rules). If the information does not meet this criteria it should be held until the next scheduled contact. Information in which the State agency did not act upon that was allowed to be held until the next required household contact (periodic report or recertification, whichever came first) cannot result in an included variance in the QC error determination (See Chapter 7.)

223.1 Change Reporting/Prospectively Budgeted (Certified Change Reporting with the \$100 Change in Earned Income Reporting Option).

Households subject to change reporting requirements are required to report changes in circumstances, within 10 days of the date the change becomes known to the household. However, State agencies may opt to require households to report changes as early as within 10 days of the date the household becomes aware of the new employment, within 10 days of the date the employment begins/stops or within 10 days of the date the household receives the first paycheck attributable to the change, or by the 10th of the month following if the State has an approved waiver. Reportable changes include the following:

- Change in the sources of income, if the change in employment is accompanied by a change in the amount of income
- Change of more than \$100 in unearned income, except a change in a public assistance grant (or general assistance grant if the grant and SNAP allotment were jointly processed)
- Change in the amount of earned income of more than \$100 a month from the amount last used to calculate the household's allotment
- All changes in household composition including:
 - Changes in residence and the resulting change in shelter costs
 - The acquisition of a licensed vehicle, the value of which is not fully excludable according to certification policy, or
 - When liquid resources reach or exceed the resource limit
- Changes in the legal obligation to pay child support. However, the State Agency may remove this requirement if it has chosen to use information provided by the State's Child Support Enforcement (CSE) agency in determining:
 - A household's legal obligation to pay child support
 - The amount of its obligation
 - Amounts actually paid
 - For able-bodied adults subject to time limit, any changes in work hours that bring an individual below 20 hours per week, averaged monthly

The QC reviewer must consider a change reported when it is reported to either SNAP or Temporary Assistance for Needy Families (TANF) unit. (See Section 740 for mass changes.)

223.2 Change Reporting/Prospectively Budgeted (Certified Change Reporting with the Status Reporting Option). Households subject to status reporting requirements are required to report changes in circumstances within 10 days of the date the change becomes known to the household. However, State agencies may opt to require households to report changes as early as within 10 days of the date the household becomes aware of the new employment, within 10 days of the date the employment begins/stops or within 10 days of the date the household receives the first paycheck attributable to the change, or by the 10th of the month following if the State has an approved waiver. Reportable changes include the following:

- Change in the source of income if the change is accompanied by a change in income
- Changes in wage rate or salary or employment status (part-time to full-time or full-time to part-time)
- Change of more than \$100 in unearned income, except a change in a public assistance grant (or general assistance grant if the grant and SNAP allotment were jointly processed)
- All changes in household composition
- Changes in residence and the resulting change in shelter costs
- The acquisition of a licensed vehicle, the value of which is not fully excludable according to certification policy
- When liquid resources reach or exceed the resource limit
- Changes in the legal obligation to pay child support. However, the State agency may remove this requirement if it has chosen to use information provided by the State's CSE agency in determining:
 - A household's legal obligation to pay child support
 - The amount of its obligation, and
 - Amounts actually paid
- For able-bodied adults subject to time limit, any changes in work hours that bring an individual below 20 hours per week, averaged monthly

223.3 Monthly Reporting. Households subject to the monthly reporting requirements must submit complete reports on a monthly basis. These households may, but are not required to, submit changes outside the monthly report.

223.4 Quarterly Reporting. Households subject to quarterly reporting are required to file a complete quarterly report by the filing date specified on the report. At the State agency's option, households may be required to report:

- All of the eligibility factors on the quarterly report form, or
- Some of the eligibility factors on the quarterly report form (other changes are reported using a change report form)
- However, all households subject to time limits for able-bodied adults must report whenever their work hours fall below 20 hours per week averaged monthly

Options may vary from state to state. The QC reviewer must review in accordance with the option chosen by the State agency.

223.5 Simplified Reporting. Households subject to simplified reporting are only required to report changes that cause the household's gross monthly income to exceed 130% of the poverty income guideline for the household size. However, households subject to time limits for able-bodied adults must report whenever their work hours fall below 20 hours per week averaged monthly. State agencies have the option to allow households to either report changes within 10 days of the date the change became known to the household or 10 days of the end of the month in which the change occurred. In other words, States can choose for households to report either 10 days before the end of the month or 10 days after the end of the month.

Whichever option the State chose, it must have been applied consistently for all cases.

The QC reviewer must consider a change reported when it is reported to either SNAP or TANF unit. (See Section 740 for mass changes).

223. 6 Transitional Benefits. Households certified for transitional benefits are not subject to reporting requirements during the transitional months. The State agency may adjust transitional benefits in the following circumstances:

- Information is reported from another State or Federal means-tested program in which the household participates
- Automatic annual changes in SNAP benefits rules, such as annual cost of living adjustments, and
- The State agency has opted to act on these changes

230 QC REVIEW FOCUS. Certification actions and the authorized allotment are reviewed at a specific point in time. In QC, this is generally called "as of review date" (AORD).

231 Certification Errors. The QC review of any active case is based upon an examination of the benefits authorized for the household for the sample month.

The QC system disregards errors made during the issuance process. States have direct liability for issuance errors. Therefore, it is not the benefit amount that is actually issued which is subject to QC review, but rather the benefit amount authorized through the certification process.

Determining eligibility and calculating the benefit amount are certification functions.

- In States where these functions have not been computerized, the benefits authorized on the worksheet shall normally be reviewed by the QC reviewer
- In States where an automated computer system determines a household's eligibility and benefits, the QC reviewer shall review the case based upon the information stored in the computer

In reviewing the authorized allotment, the reviewer must examine the actions of the EW, including any documentation supporting the amount of benefits authorized.

232 Allotment Amount. The full amount of the issuance month's benefits including those supplements for the sample month (See Section 233) must be reviewed and reported as the allotment in Section D of the face sheet on Form FNS-380 (See Appendix B).

232.1 Causes for Amount Authorized and Issuance Amount to Differ. The following are examples of instances when the amount authorized will differ from the amount issued, and how QC reviews each scenario. The reviewer must always document these situations and explain the reason for their determination of the amount under QC review.

- Recoupments to recover prior SNAP overpayments

Example of a recoupment: If \$10 was recouped from a \$100 authorized allotment and a \$90 allotment was issued, review the \$100 amount.

- Benefits voluntarily returned by the household when there was no claim

Example of voluntarily returned benefits: If a household was authorized a \$100 allotment and it returned \$50 in benefits, review the \$100 amount.

- Claim collections for prior months or the issuance month

Example of a collection of a prior claim: If a household was authorized a \$100 allotment and it repaid \$25 on a claim, review the \$100 amount.

- Restored benefits

Example of a restored benefit: If an allotment was authorized for \$150 which included a \$100 allotment for the sample month plus \$50 to correct an error four months ago, review the \$100 amount.

- Retroactive benefits for prior months

Example of a retroactive benefit: If an allotment was authorized for \$150 which included a \$100 allotment for the sample month and a \$50 allotment for the month of application, review the \$100 amount.

- Actions taken subsequent to the sample month

Example of a subsequent action: If a \$100 allotment was authorized in the sample month and \$20 in restored benefits were authorized in the following month, review the \$100 allotment.

- Supplement issued after QC sampling

Example of a supplement not included: If a \$100 allotment was authorized for the sample month and a \$20 supplement was subsequently authorized within the sample month but after the case was selected for QC review, review the \$100 allotment.

232.2 Non-Compliance with Other Means-Tested Programs. The QC reviewer must review the full amount of the benefits authorized for the sample month making any necessary adjustments based on instructions in Section 232.1.

The benefits of a household receiving public assistance may be reduced under a means-tested public assistance program for failure to perform a required action or for fraud. The State agency must not increase the household's SNAP allotment as the result of the decrease in income.

In addition to prohibiting an increase in SNAP benefits, the State agency has the option to impose a penalty on the household's SNAP allotment. The reduction must represent a percentage of the SNAP allotment that does not exceed 25 percent.

- If the State applied an optional percentage reduction, the allotment would have the percentage reduction already deducted
- If no penalty was applied, the allotment would not have penalty deducted.

The following examples are the three possible situations that can occur for State agencies that have chosen to apply a reduced SNAP allotment penalty when an individual has failed to take a required action in another means-tested public assistance program.

- The State agency applied the penalty. Review the allotment authorized, in which the penalty has been applied

Example of an applied penalty: The household was originally eligible to receive \$120 but was authorized \$100 after the penalty was deducted. It is the \$100 allotment that is subject to QC review.

- The State agency knew of the household's failure to take a required action in the other means-tested program and did not apply the penalty but should have applied the penalty. Review the allotment authorized. In determining the error amount in this case, apply the penalty that the EW should have deducted

Example of a penalty that should have been applied, but was not: The household was authorized \$120. A \$20 penalty should have been applied. The allotment subject to review is \$120. In the process of determining the error amount, deduct the \$20 penalty as the last step in column 2 of the computation sheet. This will result in a variance including the penalty amount that should have been used by the EW. Compare the \$100 in column 2 to the \$120 in column 1. The result is a \$20 overissuance. If QC is required to proceed beyond Comp I, the \$20 penalty must be deducted in the final error determination as well.

- The State agency did not know of the household's failure to take a required action in another means-tested program so the State agency did not apply a penalty. Review the allotment authorized. Since the agency was not aware of the failure to take a required action in the other program there was no way to apply the penalty. For this situation, do not apply the penalty in the error determination process. Do not deduct the penalty as the last step in column 2, or in the final error determination

Example of a penalty that was not applied and did not have to be: The household was authorized \$120. Use the \$120 as the allotment under review. Do not apply the penalty in establishing the error amount for this case.

233 Review Date. In no case is the review date the day the QC review is conducted. The allotment authorized as of the review date (AORD) shall be the benefits subject to review.

The review date for active cases means a day within the sample month, either the first day of the sample month or the day a certification action was taken to authorize the sample month's allotment, whichever is later.

Certification actions include:

- Initial certifications or recertification's completed during the sample month

- Changes in the allotment that the State agency authorized before the day on which the case was sampled

Example of a change in the allotment before sampling: On September 30, the State agency changed the household's October allotment, from \$105 to \$138. Quality control sampled the household on October 1 for the October sample month. Quality control will review the \$138 allotment, because the State agency changed the allotment before the day of sampling.

- Changes in the allotment that the State agency authorized on or after the day on which the case was sampled, providing the State agency processed the change(s) in a timely manner, in accordance with certification requirements, and the change(s) were reported by the household before the day on which the case was sampled

Example of a change after sampling, but processed timely: A monthly reporting household had a baby born on September 22. The household reported the birth on September 25. On September 28, quality control sampled the household for October. On September 29, the State agency changed the household's October allotment, from \$199 to \$269. Quality control will review the \$269 allotment because the State agency processed the change in a timely manner as mandated by certification requirements.

Another example of a change after sampling, but processed untimely: On March 3, a household member left a change reporting household. On March 20 the household reported the member's departure. The State agency did nothing. On August 3 quality control sampled the household for August. On August 5 the State agency changed the household's August allotment, reducing it from \$470 to \$414. Quality control will review the \$470 allotment, because the State agency changed the allotment after the sampling date and did not process the change in a timely manner in accordance with certification requirements.

- Supplements that the State agency authorized before the day on which the case was sampled. Such a supplement is part of the allotment that is subject to review

Example of a supplement authorized before sampling: A household applied in January and reported semi-monthly income of \$350 (\$700 monthly). The State agency certified the household but treated the income as biweekly (\$752.50 monthly). On April 20, the State agency discovered its mistake at a recertification interview, and on the same day authorized restored benefits for the previous months and a \$15 supplement for April. Quality control sampled the household on May 2 for April. Quality control will include the \$15 supplement because the State agency authorized it before sampling.

Another example of a supplement authorized before sampling: A household was subject to change reporting and prospective budgeting. The sample month was August, and the household received its regular allotment on August 2. On August 3, the State agency discovered that they had failed to give the household an earned income deduction, so they authorized a \$28 supplement. On August 6, quality control sampled the household. The reviewer will include the \$28 supplement because the State agency had authorized the supplement before the sampling date.

- Supplements the State agency authorized on or after the day on which the case was sampled if the State agency processed a change in a timely manner, in accordance with certification requirements, that was reported by the household before the day on which the case was sampled

- If a State agency authorized a supplement on or after the day on which the case was sampled and did not process a reported change in a timely manner as dictated by certification requirements, the supplement is not part of the allotment that is subject to review

Example of a reported new member of the household: A household was subject to change reporting and prospective budgeting. The sample month was April. On February 25, the household reported the birth of a child. The State agency took no action on the reported change. The household received its April allotment on April 1. Quality control sampled the household on April 4. On April 7, the State agency discovered its mistake and authorized a \$78 supplement to compensate for the improperly treated household member. The reviewer will not include the \$78 supplement, but will include the new member because the local office did not process the reported change in a timely manner as mandated by certification requirements.

- If a State agency pulls its QC sample prior to the sample month, and a household reports a new member on or after the sampling date, but prior to the first day of the sample month, QC must:

- Examine the addition of the new household member to determine if it was properly handled
- Not include the supplemental allotment (or change in regular allotment) itself in the allotment subject to review

Example of a reported new member of the household: A household was subject to monthly reporting and retrospective budgeting in a two-month system. The sample month was June. On May 30, quality control selected the June sample. On May 31, the household reported the birth of a baby, so on June 10 the State agency authorized a supplement of \$89. The \$89 supplement would not be reviewed and the new member would not be included in the error determination process because the household reported the change after the date the case was sampled.

If verification was provided prior to the end of the issuance month, a supplement should have been authorized in the issuance month. (See Section 722.4 for direction on determining variances relative to adding new members.)

Chapter 3

CASE RECORD REVIEW

300 GENERAL. This chapter provides guidance on conducting a review of the household's case record, including documentation of verification contained in the case record. It also identifies cases that are not subject to review.

310 PURPOSE OF CASE RECORD REVIEWS. The purpose of active case reviews is to:

- Identify the status of each element of eligibility and benefit calculation as documented by the agency
- Determine the amount of the allotment authorized for the sample month's issuance, and
- Identify any variances resulting from misapplication of policy by the agency

320 PROCEDURES FOR CASE RECORD REVIEWS. Case record reviews consist of:

- Reviewing and analyzing the household's certification record
- Reviewing verification and documentation, and
- Recording the findings on Form FNS-380

QC must include all case record documents that impact the sample month benefits in the QC case record. This includes, but is not limited to:

- The application for certification or recertification
- Documentation from the last application/reapplication and any interim changes
- All case forms, and household notices
- All verification documents obtained from the client and all collaterals
- Comments/narratives
- Reports
- Screen shots for eligibility, issuance and participation, and
- Imaged documents

321 Household Issuance Record. The reviewer must review the household's issuance record(s) and determine if the household participated in the sample month. This is performed to determine if the household is participating in order to rule out cases that are not subject to review.

The reviewer must compare information on household size, the certification period and the allotment contained in the issuance records to that in the certification file

and must report any differences to the agency for corrective action on an individual basis.

321.1 Online EBT. For “online” EBT systems where the account memory is held in a central computer system, participation has occurred when the sample month benefits are posted to the account.

Exception: The household is not considered to have participated in the sample month if the household has not accessed the account to withdraw/purchase food at any time in the three-month period which includes the sample month and the two consecutive months immediately after the sample month. This means the account was dormant. Under these conditions, the review process stops because the case is not subject to review (NSTR). This must be documented in the QC review narrative summary.

321.2 Smart-Card EBT. For "Smart Card" EBT systems, the card’s memory chip contains the benefit information and must be updated each month. Participation has occurred when the card is presented for update for the sample month.

Exception: The household is not considered to have participated in the sample month if the household has not presented the card for updating and has not accessed the account to purchase food at any time in the three-month period, which includes the sample month and the two consecutive months immediately after the sample month. Under these conditions, the review process stops because the case is not subject to review (NSTR). This must be documented in the QC review narrative summary.

322 Certification Case Record(s). The reviewer must review the SNAP certification case record(s) and, as applicable, the Public Assistance (PA) case record(s). This includes, but is not limited to analyzing:

- Household circumstances
- Reported changes
- Certification actions
- Case notes/narratives, and
- Verification and documentation

QC may also review general assistance, Medicaid and other available records if applicable.

If the reviewer is unable to locate any pertinent records, the reviewer must attempt to extrapolate the needed information from the certification record and record the findings accordingly on Form FNS-380. The FNS-Form 380 must be documented in

Chapter 4 FIELD REVIEWS

400 GENERAL. This chapter provides guidance on conducting field reviews in active cases. The two basic activities involved in a full field review are (1) interviewing the household and (2) making collateral contacts.

410 PURPOSE. The purpose of a field review is to obtain, verify and document all relevant information about the household's actual circumstances which relate to the household's eligibility and benefit level for the sample month's issuance. A full field review must be conducted for all active cases that are subject to review except as otherwise provided in this chapter or ineligible cases as provided in Section 324.

411 Alaska Cases. A full field investigation is not required for cases sampled in isolated areas of Alaska which are not reasonably accessible considering regularly scheduled commercial air service, available lodging and automobile or public transportation.

Examples:

- The area could be considered not reasonably accessible if the reviewer has to stay overnight because of airline schedules, and there is no suitable lodging
- The area could also be considered not reasonably accessible if the reviewer could not leave an area within a reasonable period of time after conducting the review. For example, the review(s) may take several hours but the reviewer would not be able to fly out for several days
- An area could also be considered not reasonably accessible if there is no available ground transportation such as rental cars or public transportation that would be needed to conduct a face-to-face interview

In such cases, at least one attempt to contact the household, by telephone for example, must be made and documented. Documentation of the phone number called, date and time called and person the reviewer spoke to must be included on the 380, Column 3 Review Findings.

The reviewer must document the outcome of the call. Examples of possible outcomes and what to document include, but are not limited to, the following:

- No answer to call
- Left a message
- Spoke to client and confirmed the household will keep the appointment or
- Spoke to client and household request rescheduling the appointment

- New date, time and place of interview when required to reschedule at client's request or due to a missed appointment

The review of such cases can then be completed by means of a review of the case record and by collateral contacts.

412 Information Sought. The reviewer must examine only those circumstances related to the household's eligibility and benefit level for the sample month's issuance. For example, the reviewer may not require that he/she be given access to a safe deposit box.

The time periods for which information must be sought and verified will vary depending on the household's eligibility, budgeting and reporting systems and whether income and expenses have been averaged or prorated.

Under no circumstances shall the reviewer question the household regarding the possibility of ineligibility due to an illegal drug conviction or possible status as a fleeing felon. This is to ensure safety for the reviewer and ensure quality control does not interfere with any ongoing law enforcement activities. (For details on this limitation of information sought, see the specific review procedures for disqualified household members in Section 848.)

413 Completion of Form FNS-380, Column 3 Review Findings of the QC Worksheet. During the field investigation, the reviewer must complete Column 3, Field Findings of Form FNS-380. The reviewer must document an analysis of each element. This includes documenting confirmation of information in Column 2, Case Record Analysis, which comes from the eligibility worker's budget. Reviewers are responsible for resolving inconsistencies of information discovered during the review and documenting the results in Column 3, Field Findings.

All mathematical calculations must be shown in detail in Column 3, Field Findings, for all elements that require a mathematical calculation, such as child care, medical, earnings and shelter costs, such as taxes and insurance paid other than monthly, etc.

414 Planning the Field Review. Prior to conducting the interview, the reviewer must review the case record to identify areas where particular attention is warranted, e.g., conflicts in information or gaps in information. To facilitate the field review, the reviewer must also identify elements which were accurately verified and documented in the case record; such as birth certificates, marriage license, and social security cards, and document them in Column 3 of Form FNS-380.

The reviewer must schedule and conduct a personal interview with the household or their authorized representative and obtain required verification from both client and collateral contacts. In no situation shall this be a local agency eligibility worker or other State employee.

FNS encourages the reviewer to send a certified return receipt letter to gain the household's cooperation and a copy of all appointment letters must be included in the review information transmitted to FNS.

415 Obtaining Verification. When adequate documentation of verification is not contained in the certification record (electronic file or hard copy in the case folder), the reviewer must obtain verification from collateral contacts. A collateral contact is a non-household member who can verify the actual circumstances for the element under review.

A collateral contact should not be a relative unless that relative is the source of the information and/or no other verification is available. The reviewer must document why no other collateral contact was available for the elements being verified by the relative.

- Example: The household resides in a home owned by the client's grandmother, and the client states they are not billed for rent. The client's grandmother is the only person with direct knowledge that she does not bill the client for rent; therefore, it is appropriate to use the grandmother as the verification source.
- Example: Bob applied for SNAP. He is employed by his father (a non-household member) and is paid in cash. No pay stubs are available. In this instance the father would be the best source of verification.
- Example: Bob's sister (a non-household member) provides child care while the household member works. The sister is the only source of verification available for the child care deduction.

For QC purposes, a collateral contact is a source of information that can be used to verify household circumstances. The reviewer should note those elements that require additional verification; and obtain and document the name, address, and telephone numbers of those sources from the household during the interview.

The reviewer must also obtain a signed release, if required by State privacy laws, from the household to access information. The dates of all contacts with clients or collaterals must be included in the documentation in Column 3, Field Findings. All documentation must be completed in the appropriate element to which it applies.

420 HOUSEHOLD INTERVIEW. The QC reviewer must conduct a personal interview for active cases subject to review to determine the identity of the applicant and whether the household did exist, and to explore household circumstances affecting the sample month's eligibility and allotment. The personal interview, depending on the circumstances of the case, may be a face-to-face interview, a telephone interview, or a video conferencing interview. The household interview method must be accurately documented on Form FNS-380-1, Item #69- QC Interview and all interview notes must be included in the case file or documented in each element on the FNS-380.

An interview is required for all cases except:

- Certain Alaska cases as provided in Section 411
- When the household is determined ineligible based on information furnished by the household as provided in Sections 324 and 441, or
- The household fails or refuses to cooperate as provided in Section 442.2

During the interview, the reviewer must obtain documentary evidence that the household has available in addition to other verifications necessary to completing the case such as:

- Utility bills, pay stubs, birth certificates, rent receipts, social security cards, and award letters
- A release from the household to obtain documentary evidence that is not available at the time of the interview
- Names, telephone numbers and addresses for all collateral contacts for additional verification. In no situation can this be the local agency eligibility worker that certified the case or has previously certified or assisted the household due to the potential introduction of bias in the QC process

In some instances, when the interview cannot be completed, e.g., all members who could be interviewed have died; the case is not subject to review as provided in Section 336.

- Example: The sampled review is a one-person household. The client died prior to the interview. The reviewer must document the date of death and how it was verified, such as on-line funeral home website noting the client's death, obituary from a newspaper, or statement from a non-household relative.

In situations where the interview cannot be completed, and subsequently, the review cannot be completed or is not subject to review, the reviewer must document why the review cannot be completed and verification of the circumstance making the review not subject to review or unable to complete. All attempts to complete the review must be documented in the QC review file transmitted to FNS.

421 Arranging Household Interview. The reviewer must notify the household prior to the interview that it has been selected as part of an ongoing review process for QC and that a face-to-face interview, with few exceptions, must be completed. The reviewer must make arrangements - which include date, time, and

location for the interview - and must inform the household of the type of information that the household will need to have available for the interview.

To assist in household cooperation, advanced contact with the household via telephone may be made prior to the interview date. The household can also be sent a certified letter informing them of the date, time and location of interview as well as what verification is required for the interview.

Documentation of all calls or attempted calls to the household, the phone number and dates called, as well as the results of all calls must be included in the documentation on Form FNS-380. Use of the certified letter as well as prior phone contact will assist States in increasing their completion rates.

422 Individuals Who Can Be Interviewed. The reviewer must interview one of the following individuals:

- The head of the household
- That head of household's spouse when the spouse is a member of the household
- Another member of the SNAP household under review who is knowledgeable regarding the household and actual household circumstances. This member must be able to identify the applicant, prove the household exists, know circumstances that affect eligibility and allotment, and provide documents along with the names, telephone numbers and addresses of collateral contacts, or
- The authorized representative designated by the household to make application for the program on behalf of the household. An authorized representative may not be interviewed if all household members who could be interviewed have died or moved out of State. (See Sections 336, 337 and 338.)

423 Location of Interview. The State agency determines the location of the face-to-face interview in most cases. For most reviews, the interview may take place at:

- The household's home
- The local certification office, or
- Another location that is mutually agreeable to both the reviewer and the household

An office interview must be waived if requested by any household that:

- Is unable to appoint an authorized representative and has no household member able to come to the office because they are elderly or disabled, or
- Is unable to appoint an authorized representative and lives in a location not served by a certification office

The reviewer must not choose the certification office when that will inconvenience a household with:

- Inadequate public transportation
- No car
- Problems with child care
- Conflicting work hours
- Conflicting school hours

FNS encourages reviewers to interview households in their homes. A home interview can be important in determining whether the household lived at the address given. A home interview enables the reviewer to make visual observations of pertinent living circumstances that may require further clarifications and verifications.

Example: The household says there are no children in the home but there are several children present during the interview. There are also many toys inside and outside the home. The reviewer should explore possible household composition discrepancies and any other elements of eligibility and/or benefit determination.

Interviews should not take place in the home when there is a threat to the reviewer's physical safety if the household lives in a high crime area, or no one is at home during the day because of employment.

When the interview is to be held at locations outside the home, the household must be advised in advance what documentation it needs to bring to the interview, such as driver's license for verification of identity, pay stubs, utility bills, medical bills, social security cards, marriage license, etc.

Interviews cannot be conducted over the telephone except in Alaska under circumstances discussed in Section 411, or by an approved FNS waiver and in cases meeting the special circumstances addressed in Section 423.1.

423.1 Special Circumstances and Conditions Regarding Video

Conferencing Personal Interviews. Under certain circumstances the personal interview between the reviewer and household representative can take place through the use of video conferencing equipment. This option is available to the State agency by waiver. The waiver does not require formal approval by FNS in order to be implemented. When the personal interview between the reviewer and household takes place through the use of video conferencing equipment the following procedures must be adhered to:

- The State agency is responsible for providing a secure link over which the video conference will be conducted

- The reviewer must inform the recipient that it is the recipient's choice whether the personal interview takes place via video conferencing or the traditional face-to-face interview. The reviewer cannot determine unilaterally that a video interview will be conducted. A household's preference to be interviewed by a method other than video-conferencing technology, of itself, may not be construed as a failure or refusal to cooperate with the reviewer
- With one exception, the reviewer shall not record the video interview, nor shall the State agency use a video interview for any purpose other than to fulfill the requirements of the SNAP Quality Control field review. The exception is that a screen "snapshot" may be taken, recorded, and printed of any documentation relevant to the review
- The reviewer shall be responsible for informing recipients prior to the video interview that it will not be recorded, stored, or used for any other purpose than the quality control review

424 Conducting the Interview. The following are procedures for conducting the interview with the household. See Appendix E for guidelines on interviewing techniques.

424.1 Opening the Interview. The reviewer must show proper identification and explain the purpose of the interview. Prior telephone calls and letters arranging the interview may have explained the purpose, but referencing the reason may be useful.

424.2 Dealing with Household Fears During the Interview. The reviewer should explain to the household that it and others were selected at random from a list of all households that received SNAP in the particular month. The reviewer should also say that the purpose of doing this is to find out if households are receiving the correct benefit amount. The reviewer may include a statement that the review is also to verify that the State agency is properly applying the SNAP rules and regulations. The reviewer should assure the household that all the information obtained from it and others will be safeguarded, that is, SNAP allows only certain authorized persons to review information about SNAP households.

424.3 Observation during the Interview. Observations should be made of such things as vehicles and evidence about household composition. For example, there are no toys or other evidence of young children when the household has stated there are some in the household and/or when the case record includes the existence of children in the household could warrant further inquiry.

424.4 Establishing Household Composition. Household composition must be established early in the interview process, because many of the questions to be asked depend on who is in the household.

424.5 Reviewer Inquiries. The reviewer must ask the household about each element and if there have been any changes as it applies to each household member. Thorough documentation of each element is required and must include the household's responses.

For example, in a two-person household of Mr. and Mrs. Jones with neither person exempt from work registration, the reviewer might ask, "Mr. Jones, did you work for anyone or were you self-employed during the month of October?" That question would be repeated for Mrs. Jones: "Did Mrs. Jones work for anyone or was she self-employed during the month of October?"

If the reviewer obtains conflicting information about the household's circumstances, the reviewer must resolve any inconsistencies by recontacting the household. The source(s) of the conflicting information may be the household, a collateral contact, or both. The reviewer must document how they determined the new information is correct and why the first statement was incorrect or incomplete. For example, if the household reported that it was paying \$400 in rent and the landlord stated that the household was actually paying \$600 in rent, the reviewer must ask the household to explain the inconsistency. The reviewer must document the correctness of the statement used. Follow up questions may be required.

424.6 Recording Household Statements. The reviewer must record the household's statements in column 3 Field Findings of Form FNS-380.

424.7 Verification. The reviewer must verify household information during the field review if the verification was not accurately and adequately documented in the case file.

Example of recording a household's statement: "Mr. Smith stated he worked for Charley's Choice Computers, 123 Main Street, 836-1234, during June and earned \$300 a week gross. He received 4 paychecks in June. No one in the household received any other earned income in June. He said no one was self-employed during June. The client stated there had been no changes in his earnings or any other household member's earnings."

- **Reviewing Documentary Evidence.** The reviewer must review appropriate documentary evidence which the household has available. If the evidence available does not meet verification requirements additional evidence must be obtained. This must be documented as outlined in Sections 521, 522, and 523
- **Obtaining Collateral Contacts.** The household is the best source of names, addresses and telephone numbers of persons or sources that can verify household circumstances. Therefore, the reviewer must ask the household for this information but is not limited to contacts provided by the household.

- **Note:** If the household refuses to provide such collateral contacts, one of the two following procedures must, depending on State requirements, be followed:
 1. The reviewer must try to find collateral contacts by other means, gathering information from persons or entities with knowledge of the household circumstances.

The reviewer must document all attempts to obtain collateral information as well as the outcome of the attempts to obtain verification by other collaterals including the collateral's name, phone number, address and dates contacted or attempted contacts and responses obtained from the collaterals, or

2. If required by the State, the reviewer must obtain a signed State release of information. The Household must sign a State release of information form if requested to do so as a part of the State's standardized review process. This allows QC reviewers, in those States, to contact third parties to obtain information pertinent to the household's SNAP case. If the household refuses to cooperate, the reviewer must explain to the household that this refusal may result in the household no longer receiving SNAP. As discussed in Section 442.2, such cases must be completed if the reviewer has the necessary information required to complete the case.

430 COLLATERAL CONTACTS. Collateral contacts are required when verification is not present in the case record or from the household. Most of the time the information that should be sought from a collateral contact will be evident. For example, information about rent would generally be obtained from landlords.

Reviewers must keep in mind that one collateral contact can sometimes verify several elements. Landlords can sometimes also verify household composition. Reviewers should plan collateral contacts to make maximum use of third party information.

An authorized representative, when acting in the capacity as the representative for the purposes of the household interview, may not also serve as a collateral contact.

State agency and QC staff members may, with household consent, also serve as a collateral contact for a household when the worker has personal knowledge of the household and element needing verification. The collateral contact must not have been the eligibility worker or otherwise have served the household in a professional capacity related to SNAP. All communication will be handled with the same considerations as if the contact did not work for the State and all rules in Section 431 of this handbook apply.

431 Obtaining Information from Collateral Contacts. When contacting collateral information sources, reviewers must identify themselves, describe their purpose, and state what information they need.

If the collateral contact is not willing to cooperate without a signed release from the household and the State does not require a release, the reviewer must go back to the household and request a release to obtain cooperation from the collateral. If the household refuses to sign or provide a written release to the reviewer, the household must be sanctioned due to non-cooperation with QC (see Section 442.2).

The reviewer should only disclose the information that is absolutely necessary to get the information being sought. The reviewer should avoid disclosing that the household applied for SNAP, if possible, and should not disclose information provided by the household. The reviewer should also indicate, if SNAP must be discussed, that this request for information does not mean the agency suspects that there is something wrong with the household's SNAP case.

Discussions with collateral contacts must focus on information pertinent to the review yet may include factors other than those the reviewer planned to verify. For example, a landlord who was contacted about rent may mention the presence of a household member which neither the case record nor the household indicated. If so, the reviewer must obtain any relevant information about the person that the landlord may know and contact the household again to resolve any inconsistencies.

432 Collateral Contact Refusal to Cooperate. A third party may refuse to provide the information which is needed to verify an element of eligibility or basis of issuance. The program has no authority to require third party cooperation. If verification cannot be obtained from other known sources, the household must be contacted again to obtain another source. A collateral's refusal to cooperate should not be interpreted as the household's refusal to cooperate. Documentation of a third party refusal to cooperate must be shown on the appropriate element on Form FNS-380, Column 3, Field Finding.

433 Documentary Verification. The reviewer must document verification obtained from collateral contacts by recording the information in Column 3 of Form FNS-380 and by attaching copies of documentary evidence. (See Section 520 for documentation requirements.)

440 COMPLETION OF FIELD REVIEWS. Field reviews must be completed to the point where either ineligibility or the appropriate benefit allotment is determined, verified and documented. This does not apply to cases that are not subject to review, as specified in Chapter 3 and cases that the reviewer is unable to complete in accordance with Section 442. Documentation of why the case is not subject to review or the reviewer is unable to complete the review must be made on Form FNS-380.

441 Cases Determined Ineligible. If during the field investigation the reviewer determines and verifies the household's ineligibility, the review can be terminated at that point provided the determination is based on information obtained from the household. If it was obtained from another source, the correctness of such information must be reviewed further. The reviewer must attempt to resolve the conflicting information by recontacting the household unless it cannot be reached or refuses to cooperate. This contact may be by telephone, mail or in person. If the reviewer is unable to resolve the difference with the household, the reviewer must use the most reliable data available and must document how the final determination was made.

442 Incomplete Case. Every reasonable effort must be made to complete all active cases except those that are not subject to review. All cases reported as not complete must be reported to the State agency for appropriate action on an individual case basis.

442.1 Case Record or Household Cannot Be Found. The reviewer must make all reasonable efforts to locate the case record and the household in an attempt to complete the review.

- **Case Record.** When a case record cannot be found, the reviewer must use whatever information is available to contact the household and complete the review. Most State agency's currently have at least a portion of the case record on the State computer system. It is unlikely that the case record will not be located
- **Household.** When a household cannot be located, the reviewer must attempt to locate the household by contacting at least two sources as listed below. **Note:** This provision does not apply when the household's current residence has been located and confirmed, but the reviewer is unable to talk to the recipient. (See Section 442.2 for refusal and failure to cooperate.)

The reviewer may be unable to locate the household at the address indicated in either the case record or the issuance record, and the reviewer is not aware of the household's current address. Some cases may also include the characteristic that correspondence from Quality Control to the household has been returned with an official Postal Service stamp indicating the correspondence was "undeliverable", "moved no forwarding address", etc. (In this instance, the official postal stamp may serve as one source of contact; however, a letter marked simply unclaimed is not acceptable.)

The reviewer must attempt to locate the household by contacting at least two sources that the reviewer determines are most likely to know the household's current address. The reviewer must explain why selected sources are most likely to know where the household currently resides. To qualify as a

contact, the source must have familiarity with or knowledge of the household. These sources must be documented in detail on Form FNS-380, Column 3. Such sources may include, but are not limited to:

1. The local office of the U.S. Postal Service
2. The State Motor Vehicle Department
3. The owner or property manager of the residence at the address in the case record, and
4. Any other appropriate sources based on information contained in the case record, such as public utility companies, telephone company, employers, relatives or school officials. Appropriate sources for homeless households may include soup kitchen personnel, homeless shelter operators, or transient housing officials. To qualify as a contact, the source must provide feedback; messages left on answering machines do not qualify.

After the reviewer has attempted to locate the household and has documented the response of each source contacted, if the household still cannot be located and the reviewer has documented evidence that the household did actually exist, the reviewer must report the active case as not subject to review (Code 2).

- **Case Record and Household.** If neither the case record nor the household can be found, the case must be reported as incomplete (Code 3) regardless of the State's efforts to locate the household.

In situations where the household and/or case record cannot be located, documented evidence of the existence of the household shall be considered adequate if it either:

- Documents two different elements of eligibility or basis of issuance, such as a copy of a birth certificate for age, a pay stub for income, or
- Documents the statement of a collateral contact indicating that the household did exist

If the reviewer fails to undertake these efforts or to properly document the efforts, the case is considered incomplete (Code 3) as opposed to not subject to review (Code 2). When the reviewer determines that the household never existed, e.g., an apparently bogus case, or never lived at the address given and the household cannot be located, the case must be coded as incomplete (Code 3). Documentation on Form FNS-380 must indicate why the reviewer determined the household never existed or never lived at the address given when the household cannot be located.

Example for using likely conclusion for element 311 Earned Income: Recipient did not appear for interview or respond to any attempts to gain cooperation with QC. Letter sent to Mr. Smith 6/29 and certified letter sent 7/5. Phone call to 555-555-5555 made on 6/29; left message to contact reviewer. Letters from supervisor and local office workers sent 7/6. No responses received from correspondence or call.

The household consisted of one person who is aged 72. No earning reported in past 2 years on SNAP applications. The household exists as benefits issued are being used and Post Office inquiry received 7/16 showed mail delivered to recipient.

See attached information from the State Department of Labor dated 7/14, no earnings found for the household and no Unemployment Compensation benefits.

Recipient's application reported only Social Security income. SOLQ dated 7/5 showed SS benefits for the past 7 years.

No IEVS matches found in check of system on 7/5.

Recipient's medical case shows only SS income.

The reviewer is making a reasoned judgment of the element of eligibility. The reviewer is likely concluding that no earnings exist based on the case record information, the prior applications for assistance, and matches with known employment systems.

Example of an appropriate situation in which to use likely conclusion: In January, Joan was correctly certified with a telephone utility allowance, which was verified using a January bill in her name for phone number, (555)555-5555, for a basic cell phone plan with AT&T Wireless. In August, Joan's case was sampled for QC. Joan was unable to produce her August bill, which she already received, but was able to provide her July bill from AT&T Wireless that was still in her name, for the same phone number, and service plan as the January bill.

The reviewer interviewed Joan in August and verified Joan is still using the (555)555-5555 number in the sample month. The reviewer can likely conclude that Joan is still entitled to the telephone utility allowance because there is evidence to reasonably determine the phone Joan is using, which she provided a recent bill for that matches the verification for January's certification, is still an expense that she is billed for.

442.5 Late Reviews. A review cannot be reported as incomplete solely because it has not been completed in time to meet the requirements in Section 190. The State agency must obtain prior FNS approval.

Chapter 5 VERIFICATION AND DOCUMENTATION

500 GENERAL. This chapter contains the general verification and documentation requirements. Refer to Chapters 8 through 11 for specific verification and documentation requirements for each element of eligibility and basis of issuance.

510 VERIFICATION. The reviewer must verify actual household circumstances using information in and collateral contacts from the certification record, as well as independent QC verifications obtained from documentary evidence and household/collateral contacts for each element of a household's:

- Eligibility for the point in time dictated by the eligibility rules governing the household's sample month participation, and
- Benefit calculation for the household's budget/sample month

If eligibility must be determined for Comparison II, the reviewer must independently verify the information used for the most recent certification action in effect as of the review date (AORD). Independent verification for Comparison II means the reviewer must verify any element of eligibility and benefit issuance used for the most recent certification action in effect AORD for which there was not verification already located in the file. This includes required reportable changes that should have been in effect AORD. If the reviewer uses verification found in the certification record, the verification must meet the requirements at Section 322.2.

511 Sources of Verification. The reviewer must obtain evidence that establishes factual information of the household's circumstances for each element. Documentation must explain how the verification meets the criteria for evidence in the specific element. Note in the following two, contrasting, examples how the sources of information for each of the two elements can factor into the review and how verifications for one element can impact another, sometimes requiring more work to establish the facts of the case.

Example: The case record worksheet shows a shelter expense of \$500 for rent, including all utilities. The household, a 19-year-old single parent, claims that due to credit problems the lease is in her mother's name, and the mother lives at a different address. The reviewer obtains verification that the lease is in the mother's name from the apartment complex, partially completing verification of element 363. The reviewer subsequently obtains a written statement from the mother stating that she does not live with her daughter, and the daughter is responsible for paying the full \$500, completing verification of element 363. A written verification for household composition from an independent party, someone other than the mother and household, establishes that only the client and client's child are in the household, further corroborating the client's statement. The reviewer has provided sufficient verification of Element 363 and 150 and will document all verifications used to arrive at the conclusion on these elements.

Example: The case record worksheet shows a shelter expense of \$400 for rent, including all utilities. The household, a 19 year-old single parent, claims that, due to problems with credit, the lease is in the client's father's name and that the father lives at a different address. The reviewer obtains verification that the lease is in the father's name from the apartment complex and, subsequently, obtains a written statement from the father stating that the client is responsible for paying the full \$400, seemingly verifying element 363. A written verification for household composition, however, from an independent party, someone other than the father and household, establishes the father and client are in the same household. These discrepancies must be cleared, and the resultant conclusion validated by verifications and documentation. The reviewer will consider the sources of verification for each element in question and use that information to evaluate the accuracy of the information obtained and consider what other information may be needed to reconcile the conflicting statements.

A list of sources for verification is provided under the standard verification section of each element (see Chapters 8-11).

- These sources have generally proven to be the most reliable
- Sources are provided to assist reviewers in completing reviews to the point when the proper benefit allotment is determined
- Reviewers may use sources other than those listed under standard verification as long as they meet the criteria for evaluating evidence (See Section 513.)
- For a few elements, only specific sources of verification may be used as indicated in Chapters 8 through 11

512 Use of the Income and Eligibility Verification System (IEVS)

Data. IEVS is a system of information acquisition and exchange for purposes of income and eligibility verification. Each State Agency has access to IEVS and the use of it as a verification tool for the QC review is mandatory. The use of IEVS as verification has the potential of informing the reviewer of additional leads for other elements. Further investigation of those leads from IEVS is mandatory. (See Chapters 8 through 11.)

Important Considerations Using IEVS:

- Information from provider agencies must be updated and input before it is available for access through IEVS, creating a lag time
- This process may run one or two quarters behind so the reviewer should look at information up to three quarters prior to the sample month
- This delay means the absence of information from IEVS cannot be used alone as confirmation of no income/resources

In addition to IEVS, the reviewer must use other mandatory systems such as prisoner

verification system (PVS), deceased matching system, and National Directory of New Hires.

513 Evaluating Evidence.

513.1 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

513.2 In judging the reliability of evidence, the reviewer must consider the following:

- **Age of Evidence or Date Evidence was Established.** Does the date the evidence was established lend credence to the factor being established, or does it raise questions?

Example: Mr. Brown and spouse were certified initially in 2015 with rent of \$500 reported on the application. The household was certified for 12 months, January 2015 through December 2015. At time of initial certification, the certification worker verified the rent was \$500 with a yearlong lease received at the initial certification action and dated December 7, 2014 - December 6, 2015.

On December 27, 2015 the household applied for recertification. The application indicated the rent amount was \$500. The certification worker used a copy of the lease agreement dated 12/7/2014 as verification of rent. The reviewer must independently verify rent at time of recertification, even though the rent amount did not change, because the lease agreement does not cover the time period needing verification.

- **Purpose for Which Established.** Why was the evidence prepared? Would there be any reason for falsifying the evidence?
- **Basis for the Evidence.** What or who is the source? Is it reliable? For

example, was the information provided for the purpose of establishing eligibility? If not, who provided the information?

- **Nature of the Evidence.** Is the evidence official, such as a birth certificate, deed or other legal instrument?
- **Custody of the Evidence and Its Availability.** Is the evidence in the custody of a person who might have a vested interest in changing or slanting the evidence?
- **Way in Which Specific Information Is Recorded.** Does written evidence clearly establish the facts of the issue being reviewed?

Example: Is the specific date of birth shown, or does it show only age? If it shows only age, does it indicate last or next birthday?

- If the answers to any of questions raise doubts concerning the reliability of the evidence, or the identity of the person to whom the evidence pertains; the reviewer must resolve these doubts and/or attempt to obtain other types of evidence.

Verification requirements of each section are the minimum requirements, and the reviewer must pursue additional verification, as needed, to ensure all criteria to establish the element has been satisfied. The reviewer must fully document verification of all elements.

Whether the reviewer uses sources from the standard verifications found in Chapters 8-11 of this Handbook, other sources or IEVS, error determinations will ultimately be made based on the household's actual circumstances. All changes in an element must be clearly documented identifying what the change was, when it occurred, and whether it was reported or unreported. Failure to question and document the client's statements regarding all potential changes in each element introduces bias in the QC system and is not acceptable.

514 Positive and Negative Allegations. Positive and negative allegations apply to all elements. Household disclaimers of any element must be evaluated in the context of the household circumstances and history. Verification standards differ in some instances depending on whether the household responds positively or negatively to a question.

- All changes in an element must be clearly documented identifying what the change was, when it occurred, whether it was reported or unreported
- Failure to question and document the client's statements regarding all potential changes in each element introduces bias in the QC system and is not acceptable

Positive Allegation - A positive allegation is when a household is asked a direct question about an element and the client agrees the circumstance exists in the household. This is the acknowledgement by a household member of receipt or of

522 Documentation by Recording a Document.

When a copy of the document is not obtainable, the reviewer must record the information on the QC worksheet Column 3. Recorded documentation must contain enough detail to ensure the household circumstances are clear to anyone not familiar with the case. Thorough documentation of verification from official sources, and correspondence and written statements from collateral contacts, must include the following:

- The date the OCR viewed the document
- The source and type of document, its date (processed, signed, received or sent), any identification number, and the volume and page number, if applicable
- Where the document is located, if appropriate, such as a government office
- The pertinent information from and about the document. For example, explain if a paystub has a company name that differs from the company name shown on other employment documents. Explain the affiliation, such as Joe's Grill being owned by parent company, Best Restaurateurs, and
- How the information from the document applies to the specific period of time under review

Examples of documentation by recording: Wages for John Doe were verified on 11-5, by viewing two biweekly pay stubs from Jo and Mo's Bakery, 221 Landgrave Place, Pleasant, Ohio, check #0631, received 10-13, Gross Amt. \$206.50 and check#2506, received 10-27, Gross Amt. \$323.80.

Sarah Wilson stated her rent was \$450 a month that includes all utilities. Verified as \$450 for March from rent records viewed on 5-5 at Cherry Tree Apartments rental office, 500 Cherry Tree Lane, Blossom City.

523 Documentation of Verbal Statement by a Collateral Contact.

When documentary evidence cannot be attached to the QC file, information may be obtained verbally from collateral contacts and must contain as much of the following information as possible and document why any piece of contact information is not available (for instance, that the collateral refused to give an address and the contact was made by phone, which is provided). At a minimum, information must be sufficient so as to allow another reviewer to be able to replicate the contact.

- Name of the contact
- Title and organization (if appropriate)

Example of documenting a verbal statement: Susan Jones stated that the day care center her two children, Jack and Jill, attended in October charged \$160 a month per child. Verified 2/15 by statement from Estelle Smith, Director, Cheery Child Day Care, 123 Cheery Ln, Seattle, (555) 555-5555, that Jack and Jill attended all of October and Susan Jones was charged \$320 for that month.

- Telephone number (if none, document no number but address or email must be available)
- Address
- E-mail address (if applicable)
- Significance to household
- Date or dates of contacts, and
- Pertinent information obtained

524 Verification and Documentation of Negative Allegations. In addition to verification of positive factors which the household admits, such as employment, bank accounts and expenses allowable as deductions; a household's negative allegations, for example, that no one in the household is employed, no one has a bank account or no one owns a vehicle must be verified. Verification of negative allegations must be documented on the FNS-380 worksheet Column 3, as does verification of positive allegations.

525 Verification and Documentation in Automated Certification Systems. In some State agencies, the certification file may be contained wholly or partially in computer files. Some State agencies have multiple computer systems where household eligibility information is stored. State agencies are required to make all eligibility information from all systems available for the reviewer. Therefore, those components should be evident in all QC cases.

The QC reviewer must ensure verification and documentation is sufficient to establish each element of eligibility and the benefit calculation for the household's budget month. If not, the QC reviewer must obtain the necessary verification and document the FNS-380 worksheet in accordance with the standards in this chapter, and Chapters 8 through 11.

Chapter 6

ERROR DETERMINATION PROCESS

600 PURPOSE. The purpose of the error determination process is to determine whether each active case is eligible, eligible with an overissuance or underissuance, or ineligible for the sample month. The term "error" applies to the allotment. There is an error in the case if the household is ineligible. There is also an error in the case if the household is overissued or underissued. Only errors more than the current FY error threshold will be included in the official error rate for a State agency. The inclusion or exclusion of any variance in an element may affect the error determination process; however, a variance is not an error. There are two parts to the error determination process, the eligibility test and the allotment test.

610 THE ELIGIBILITY TEST. The reviewer must first determine whether the household was eligible to receive the sample month issuance.

The reviewer must use the procedures in Chapters 5 and 7 through 11 to verify the household's circumstances and to determine whether any variances found during the review are to be included or excluded. The procedures to be used depend upon the household's eligibility system. This may be different from its budgeting system requirements. (See Chapter 7, Section 726.1, special provisions for simplified reporting cases.)

If the household was ineligible, the error determination process is complete. Column 2 of the computation sheet would be completed using the figures determined in the test if the necessary figures were obtained during the

review. If the review was terminated before the household's complete circumstances were established, column 2 is not completed. The allotment amount would be zero as the entire amount authorized for the sample month was in error. The reviewer would enter Code 4 in Item 8 and the amount of the authorized allotment in Item 10 of Form FNS-380-1.

If the household is eligible, the reviewer must continue with the Allotment Test.

Example of a Household Failing the Eligibility Test: Household consists of Bob, an able-bodied adult without dependents (ABAWD) that is subject to time-limited participation. Bob was correctly recertified in June, already used two of three countable months for time-limited participation, and he still had 16 months left on his 36-month tracking clock as of the recertification. Sample month is September of the same year. QC determines Bob has not worked since the first week of July when he worked 25 hours. Bob has fallen below the 20 hour per week ABAWD requirement and is determined ineligible for the month of September for exhaustion of countable months. The error determination process is completed and column 2 is only partially filled out for the Sample month.

Note: For household's that are categorically eligible, the eligibility test is considered to be complete once the reviewer has determined categorical eligibility was properly conferred, as discussed in Chapter 8, Section 841.

620 THE ALLOTMENT TEST. The allotment test may consist of a two-step process: Comparison I and Comparison II. The first allotment test is a comparison of an allotment computed based on verified sample month circumstances to the allotment authorized by the EW. The second allotment test is a comparison of the allotment based on actual verified circumstances based on the most recent certification action, excluding appropriate variances.

Prior to doing the allotment comparisons, the reviewer must verify the household's actual circumstances appropriate for the household's budgeting requirements. This means that all circumstances including household composition, income, and expenses must be verified and documented on the 380 worksheet, Column 3. All information is to verified and documented by the reviewer using procedures found in Chapter 5 and Chapters 7 through 11.

Comparison I must always be completed. The State is not allowed to complete a Comparison II without first completing Comparison I.

(See Section 727 for Transitional Benefit cases.)

621 Comparison I. The first comparison is of an allotment computed based on the actual, verified sample month circumstances for items the household is entitled to have considered in the benefit calculation to the authorized allotment. The reviewer must not determine whether there are any variances for the purposes of this comparison. All circumstances including household composition, income calculations, and expense calculations must be verified and documented as outlined in Chapter 5.

621.1 The reviewer must compute an allotment using actual, verified sample month income and deductions to which the household is entitled. This figure must include any relevant annualized or prorated amounts, and any applicable standard (e.g., SUA, homeless shelter standard, etc.). As appropriate, income received and expenses paid on a weekly or bi-weekly basis must be converted to a monthly figure.

621.2 Then the reviewer must compare the allotment amount computed in 621.1 to the amount the eligibility worker authorized for the sample month.

621.3 If the difference between these two allotment amounts is less than or equal to the current FY error threshold, the error determination process is over and the error amount will not be included in the State's error rate calculations. The

reviewer must use the actual verified sample month circumstances for completing column 2 of the computation sheet.

In addition, for Form FNS-380-1, enter Code 1, 2, 3 or 4 as appropriate in Item 8 and enter the appropriate error amount, regardless of the error threshold in Item 10.

621.4 If the difference between these two allotment amounts is greater than the current FY error threshold, the reviewer shall proceed to Comparison II.

622 Comparison II. The second comparison is of the authorized allotment and an allotment based on the actual verified budget/certification month circumstances, excluding any variances in accordance with the requirements in Chapters 7 through 11. Reviewer must verify and document all circumstances. This includes household composition, income, and expenses.

The reviewer is required to verify all budget month circumstances and make corrections for misapplication of policy, failure to act, computation errors and failure to report required changes by the household. As appropriate, income received or expenses paid on a weekly or bi-weekly basis must be converted to a monthly figure.

622.1 The reviewer must compute an allotment, using the verified budget month circumstances, excluding any variances as appropriate.

622.2 Then the reviewer must compare the allotment amount computed in 622.1 to the amount the eligibility worker authorized for the sample month.

622.3 If the difference between these two allotments is less than or equal to the current FY error threshold, the error determination process is complete and the error amount will not be included in the State's error rate calculations. The reviewer must use the figures from 622.1 (Comparison II) for Column 2 of the computation sheet.

In addition, for Form FNS-380-1, enter Code 1, 2, 3 or 4 as appropriate in Item 8 and enter the appropriate error amount, regardless of the error threshold, in Item 10.

622.4 If the difference between these two allotment amounts is greater than the current FY error threshold, there is an error in the allotment amount authorized, which must be included in the calculation of the official error rate for the State agency. The reviewer must use the figures from 622.1 or the figures from 621.1 for Column 2 of the computation sheet and

Example of Using Comparison I figures to determine the error: For the case under review, the figures from 621.1 (Comparison I) reflect an allotment error of a \$135 overissuance. The figures from 622.1 (Comparison II) reflect an allotment error of a \$165 overissuance. It is the figures from Comparison I, the \$135 overissuance which must be used in the final error determination of the case.

determine the amount in error. The figures used (622.1 or 621.1) must be whichever figures result in the least quantitative error for the case. The amount in error is the difference between the two allotments. The reviewer must enter Code 2 for "Overissuance", or Code 3 for "Underissuance", in Item 8 and the amount in error in Item 10 of Form FNS-380-1.

Example of Using Comparison II figures to determine the error: For the case under review, the figures from 621.1 (Comparison I) reflect an allotment error of a \$140 underissuance. The figures from 622.1 (Comparison II) reflect an allotment error of a \$70 overissuance. It is the figures from Comparison II, the \$70 overissuance, which must be used in the final error determination of the case.

623 Notify State Agency of All Errors Found. Following transmission, all cases with errors found during a QC review, regardless of its inclusion in the States official error rate determination, must be reported to the appropriate office(s). Those offices will evaluate and address if an overissuance is to be filed as a claim or to determine if there is an agency caused underissuance. The errors are to be referred for corrective action evaluation and planning.

It is important that cases are not held longer than is required to complete the review and any subsequent second party or supervisory reviews so as not to compound any errors found in any single case. However, information from the QC review cannot be shared until after transmission to FNS. Please refer to Section 1240.

Note: In a prospective system, the budget month and the issuance month are the same.

712 Retrospective Systems. Determining a household's eligibility retrospectively requires the agency to use known circumstances from a previous month. A State may have a one-month or a two-month retrospective system.

712.1 Eligibility. In either a prospective or a retrospective system, a household determined eligible for participation is authorized to receive an allotment for a specific month called the issuance month, or a series of months referred to as the certification period. (Reference Definitions and Sections 221 and 222.)

For cases subject to retrospective eligibility, the reviewer must verify all elements governing the household's eligibility, except as otherwise provided in this paragraph, as of the last day of the budget month. The reviewer must verify elements related to residency, Social Security numbers (SSN), work registration, and the transfer of resources AORD. The reviewer must verify income and deductions (when a net income determination is necessary) for the entire budget month.

712.2 Benefits. For cases subject to retrospective budgeting, the reviewer must verify all income and deduction elements governing the household's benefit level for the entire budget month.

712.3 New Members after the Budget Month. If the household reported that a new member had or would join the household after the budget month, and the State was required to add the person by the review date, the reviewer must verify household composition AORD.

If the new member was required to be added prospectively because the person was not previously participating, the new member's circumstances must be verified AORD. The only exceptions are income and deductions which must be verified for the entire issuance month. If the new member was required to be added retrospectively because the person was previously certified in another household in the previous month, the new member's circumstances must be verified in accordance with Sections 712.1 and 712.2.

713 Exceptions for Prospective and Retrospective Systems.

713.1 Prorated Income and Averaged or Prorated Deductions. When income was or should have been prorated over the budget month and/or month for which eligibility was determined, the reviewer must verify the amount of such income regardless of when it was received. The reviewer must compute a monthly amount using the income and/or deductions verified by the reviewer and use these figures to determine if a corrected EW amount is needed. The same procedure applies to one-time or periodic expenses that were, or should have been, averaged or prorated.

713.2 Variances. The reviewer must verify all information related to variances. This is required in order to establish there was a variance and when it occurred. This means that in some instances information must be verified for months other than the budget and/or issuance month depending on when the error occurred.

For example, for a prospectively budgeted household, if there is a variance between the EW worksheet in effect AORD and the verified sample month information, the reviewer must determine and verify if the variance occurred at the time of certification or subsequent to that time.

713.3 Categorical Eligibility. The reviewer must verify household composition AORD and whether all members were authorized to receive Public Assistance (PA), Supplemental Security Income (SSI), or an appropriate General Assistance (GA) payment in the sample month, or authorized to receive the benefits of a State Program conferring categorical eligibility. This also applies to retrospective eligibility determinations.

713.4 Transitional Benefits. The reviewer must verify the household's eligibility to be certified to receive transitional benefits. This applies whether the household has received benefits under transitional criteria or not. (Refer to Section 727.)

720 REVIEW PROCEDURES RELATIVE TO REPORTING

REQUIREMENTS. There are several different reporting requirements. Refer to Definitions, Section 223 and Appendix A. The types of reporting requirements are:

- Change reporting \$100
- Change reporting status
- Monthly reporting
- Quarterly reporting
- Simplified reporting
- Transitional benefits (no reporting), and
- Alternatives to these systems approved by waiver

A household may be subject to one reporting requirement for all elements or different requirements for different elements depending on State options and waivers.

If the State agency receives unclear information about household circumstances during the certification period, it must evaluate and act on it, as appropriate, per certification policy requirements. Unclear information is information about household circumstances that the State agency cannot readily determine the effect on the household's continued SNAP eligibility or benefit amount. This includes information

that is verified, unverified, from the household, or from a third party data match. If the State receives information that is verified and the effect on the household can be readily determined, then it is not considered unclear information and the State must act on it.

For all households, regardless of the reporting system to which the household is assigned, the State must act to follow up on unclear information by sending an Request for Contact or Notice of Match Results if the information: 1) significantly conflicts with the information used to certify the household (meaning the information used to certify was incorrect); or 2) is something the household was required to report based on its assigned reporting system and less than 60 days old based on the current month of participation; or 3) if the information is from a deceased or prisoner matching system (described by certification policy rules). If the information does not meet this criteria it should be held until the next scheduled contact. Information in which the State agency did not act upon that was allowed to be held until the next required household contact (periodic report or recertification, whichever came first) cannot result in an included variance in the QC error determination.

The reviewer must use the procedures in this section to determine whether a variance resulting from a change in the household's circumstances must be included or excluded from the error determination due to reporting and processing time considerations.

The reporting time frames are based upon the household's requirement to report certain changes in its circumstances within the specified time frames as determined by the State agency. This can be:

- As early as 10 days from the date that the household becomes aware of the change, or
- As late as 10 days from the date the household receives its first paycheck attributable to the change, or
- 10 days before the end of the month of the change or 10 days after the end of the month of the change, depending on the State's option

The exclusionary time periods in this section apply to all changes in circumstances unless otherwise specified in Chapters 8-11.

The circumstances as verified by the reviewer for the sample/issuance month, including prorated or averaged income and deductions as appropriate, must be compared to the budget in effect AORD. If there are no variances in an element when the verified circumstances are compared to the worksheet, the reviewer must stop the review of the particular element.

If there is a variance, the reviewer must determine and use the correct reporting procedure for each element. In some States all elements will be subject to the same reporting requirements. This determination must be based on the State's reporting requirements that were in effect for the issuance month.

721 Changes Relative to Appropriate Month. The reporting requirements apply to both prospective and retrospective systems. Based on the household's certification system, the reviewer must relate changes to the appropriate budget and issuance month in which the change occurred or was anticipated to occur.

Example: A change reporting household in a prospective eligibility and two-month retrospective budgeting system reported on June 1 that it anticipated an increase in income in July. The change must be considered in determining the household's eligibility for July. The increase in income would not affect the household's benefit level until July becomes the retrospective budget month in September.

722 Change Reporting - \$100 Change in Earned Income or Change Reporting with Status Reporting. These procedures apply to households that are subject to the change reporting requirements in Sections 223.2 and 223.3, and those items that are not included on the monthly report or quarterly report, or to changes the State becomes aware of from a source other than a monthly or quarterly report.

The 30-day and 20-day time periods referenced in this section are based on the regulatory requirements for change reporting. The requirements are 10 days for the household to report changes, 10 days for the State agency to obtain verification and act on known changes, and a minimum 10-day notice of adverse action period for actions to reduce or terminate benefits.

State agencies have the option of using the same time period for the notice of adverse action as they use for public assistance purposes. This may be longer or shorter than 10 days. If it is, the 20-day and 30-day time periods that are related to the change reporting requirements, must be adjusted by the same number of days.

Example: A State uses a 12-day advance notice of adverse action to be consistent with public assistance. The 30-day period for unreported changes must be changed to 32 days, and the 20-day period for acting on reported changes must be changed to 22 days.

722.1 Changes Prior to the Notice of Eligibility for Initial Certifications.

Initial Month. Initial month means the first month for which the household was certified for participation following any period when the household was not certified.

- Variances that are the result of unreported changes that became known to the household subsequent to the interview must be excluded if the sample month is the initial month.
- Variances that are the result of changes that were voluntarily reported by the household between the time of the interview and the certification action are included variances unless the State had less than 10 days to act on the change, from the date the change is reported until the date the household is certified.

Note: The date the household is certified is the review date if the sample month is the initial month.

Subsequent Months. Unreported changes that became known or occurred between the time of the interview and the date of the notice of eligibility are treated as though they became known to the household on the date of the notice of eligibility.

722.2 Unreported Changes. The following procedures apply to unreported changes under the change reporting requirements.

- Variances resulting from changes which occurred and the reviewer can establish and document the change that became known to the household more than 30 days prior to the review date, must be included in the error determination.
- Variances resulting from changes that became known to the household or occurred 30 days or less prior to the review date must be excluded from the error determination.

There are two exceptions:

- 1) In a one-month retrospective budgeting system with either prospective or retrospective eligibility when:
 - The review date is the first day of the issuance month, and
 - The household's issuance is after the 15th day of the issuance month; then
 - Any variances that occurred or became known prior to the 15th day of the budget month must be included in the error determination
- 2) In a two-month retrospective budgeting system with either prospective or retrospective eligibility when:

- The review date is the first day of the issuance month, the 30-day period is converted to a month's time for simplicity, therefore,
- A change that occurred or became known during the budget month must be included
- Any variance resulting from a change that occurred or became known to the household in the processing month must be excluded from the error determination

See Section 721 for changes relative to the appropriate month.

722.3 Reported Changes. The following procedures apply to reported changes under the change reporting requirements.

When a change in circumstances was reported which the State agency was required to have in effect AORD; any variance(s) resulting from the agency's failure to effect the change AORD must be included in the error determination.

Two-Month Retrospective System. In a two-month retrospective eligibility and/or budgeting system where the review date is the first day of the issuance month, any variance(s):

- Resulting from change(s) that occurred during the budget month must be included in the error determination
- Any variance(s) resulting from change(s) that occurred during the processing month must be excluded

Note: This does not apply to prospective eligibility.

- **Other:** In systems other than two-month retrospective systems, variances must be included in the error determination as specified below.
 1. Variances must be included:
 - If the change would have resulted in an increased allotment
 - The change was reported more than 10 days prior to the review date, and
 - Action on the reported change was not pending AORD because the household had not submitted the necessary verification

Exception: In those situations where a household has applied for initial benefits after the 15th of the month, and receives a combined first and second allotment:

- If the second month is the sample month, any changes occurring in the first month, which the State agency is not required to effect for the second month, must be excluded from the error determination process

Exception: A household may apply for initial benefits after the 15th of the month, and receive a combined first and second allotment. In this situation, if the second month is the sample month, the reviewer must exclude from the error determination process, any changes occurring in the first month, which the State agency is not required to effect for the second month.

2. Variances must be included:

- If the change would have resulted in ineligibility or a decreased allotment, and
- It was reported more than 20 days prior to the review date with two exceptions:
 - a. If the notice of adverse action expired during the issuance month (the sample month), and in a prospective system the State agency had decided not to effect the change until the month following the issuance month, the variance must be excluded, or
 - b. If the notice of adverse action notice expired on a weekend or holiday on which the review date also falls, the 20-day period must be extended by the appropriate number of days.

Additionally, if the review date falls on the day after a weekend or holiday on which the notice expires, the 20-day period must be extended for the appropriate number of days.

For all variances covered by this section: The reviewer must include in the error determination any variance resulting from:

- A change that became known to the household more than 30 days prior to the review date, but
- The change was reported too late for the agency to effect the change AORD

722.4 New Members. New members who are not already participating in another household must be added no later than the month following the month in which they were reported. To do this, the State may issue a supplement. (See Section 233.)

To determine if the reported addition of a new member was properly handled for QC purposes, the reviewer must determine if the change would increase or decrease benefits.

Increase Benefits. A variance must be included if:

- The addition of a new member was reported
- The State agency failed to include the member in the month after the change was reported, and
- Verification was submitted as of the last day of the issuance month

If timely verification was provided prior to the end of the issuance month, a supplement should have been authorized in the issuance month.

Note: If a State agency pulls its QC sample prior to the sample month, and a household reports a new member on or after the sampling date, but prior to the first day of the sample month, the addition of the new household member must be examined to determine if it was properly handled. In this instance the supplemental allotment (change in regular allotment) itself is not included in the allotment subject to review. If a supplemental allotment (change in regular allotment) was authorized then no variance for this situation must be cited. However, the new household member, and any income or deductions associated with this person, must be excluded from the remainder of the review. The correctness of the amount authorized in the supplemental (change in regular allotment) is not subject to examination by QC in this situation. If a supplemental allotment (change in regular allotment) is not authorized for the new household member then a variance for failure to include the new household member must be cited.

Decrease Benefits. If the addition of a new member(s) would make the household ineligible or decrease benefits, the change must be handled the same as any other change resulting in ineligibility or decreased benefits in accordance with section 722.3 above.

Disqualified Members. When members disqualified for intentional program violations or work requirement sanctions become eligible, they must be added in the month after the disqualification period ends. Such changes must be reviewed as a reported change for QC purposes because the State agency knew about the change.

722.5 Incorrect Action. In all cases, any variance resulting from the agency acting incorrectly must be included in the error determination.

722.6 Notices of Expiration. A household's certification period may have been shortened with a Notice of Expiration because the State agency was unable to obtain sufficient information to act on a change. Any variances in these elements resulting from the change must be excluded provided:

- The sample month is the next to the last or the last month of the certification period

- The household had not refused to cooperate, and
- The household reported the change in a timely manner

Variances that occurred at the time of certification or recertification, and those resulting from changes reported in an untimely manner, must not be excluded under the provisions of Section 722.6.

723 Monthly Reporting. These procedures apply if the element was subject to monthly reporting (refer to Section 223.3).

723.1 One-Month System Where the Element was Subject to Monthly Reporting.

Unreported Changes. The following procedures apply to prospective eligibility, and/or prospective budgeting (when new members are added under prospective budgeting).

- Any variance in an element that is the result of a change which became known to the household after the budget month must be excluded from the error determination
- Any variance that is a result of a change which occurred in (or the reviewer can establish the household was aware of) during the budget month must be included in the error determination

The following procedures apply to retrospective eligibility and/or retrospective budgeting.

- Any variance in an element that is the result of a change that occurred in the budget month must be included in the error determination
- Any variance that is the result of a change which occurred after the budget month must be excluded in the error determination

Exception: When a household applies for initial benefits after the 15th of the month, and receives a combined first and second month allotment, a variance may be the result of a change that occurred in the budget month. In such situations:

- Any changes occurring in the first month, which the State agency is not required to affect for the second month, must be excluded from the error determination process

Reported Changes on the Monthly Report. The following procedure applies to prospective eligibility and/or prospective budgeting (when new members are added under prospective budgeting).

- A variance that is the result of a change which occurred (or the reviewer can establish the household was aware of) during the budget month and will continue through the issuance month must be included in the error determination

The following procedures apply to retrospective eligibility, and/or retrospective budgeting.

- Any variance that is a result of a change that occurred in the budget month must be included in the error determination
- Any variance that is a result of the agency's failure to effect a change reported on the monthly report AORD, that the State agency was required to effect, must be included in the error determination

There is an exception when a household applies for initial benefits after the 15th of the month, and receives a combined first and second allotment, a variance may be the result of a change that occurred in the budget month. In such situations any changes occurring in the first month, which the State agency is not required to effect for the second month, must be excluded from the error determination process.

New Household Members. If the household member reports on the monthly report the addition of a new member in the issuance month, for the budget month, the agency is required to effect the change in the issuance month (the sample month).

- The reviewer must determine if the issuance month's benefits properly reflect the addition of the new household member(s)
- Any variance must be included in the error determination if it is the result of:
 - The agency's failure to add the new member, or
 - The agency making an incorrect adjustment of the issuance month allotment.

State Agency Action. In all cases, any variance resulting from the agency acting incorrectly must be included in the error determination.

723.2 Two-Month System Where the Element was Subject to Monthly Reporting.

Unreported Changes. The following procedures apply to prospective eligibility, and/or prospective budgeting (when new members are added prospectively under prospective budgeting).

- Any variance in an element that is a result of a change that became known to the household after the budget month must be excluded from the error determination

- Any variance that is the result of a change which occurred in (or the reviewer can establish the household was aware of) during the budget month must be included in the error determination

The following procedures apply to retrospective eligibility and/or retrospective budgeting.

- Any variance that is the result of a change that occurred in the budget month must be included in the error determination
- Any variance that is the result of the agency's failure to effect a change reported on the monthly report AORD, that the State agency was required to effect, must be included in the error determination

Reported Changes on the Monthly Report. The following procedure applies to prospective eligibility and/or prospective budgeting (when new members are added under prospective budgeting).

- Any variance that is the result of a change which occurred in (or the reviewer can establish the household was aware of) during the budget month and is expected to continue must be included in the error determination

The following procedures apply to retrospective eligibility and/or retrospective budgeting.

- Any variance that is the result of a change that occurred in the budget month must be included in the error determination
- Any variance that is the result of a change that occurred after the budget month must be excluded from the error determination
- Any variance that is the result of the agency's failure to act on a required change that was reported on the monthly report AORD, must be included in the error determination

New Household Members. If the household member reports on the monthly report (received in the processing month) the addition of a new member (the month before the issuance month), the State agency is required to effect the change in the issuance month (the sample month).

- The reviewer must determine if the issuance month's benefits properly reflect the addition of the new household member(s)
- Any variance must be included in the error determination if it is the result of:
 - The agency's failure to add the new member, or
 - The agency making an incorrect adjustment of the issuance month's allotment

State Agency Action. In all cases, any variance resulting from the agency acting incorrectly, or failing to act, must be included in the error determination.

724 Reviewing Prospectively Budgeted Elements/Sources in an Otherwise Retrospectively Budgeted Case. Use these procedures if a State agency has a budgeting system under which an element, or a particular type of source within an element, is budgeted prospectively while other elements/sources are budgeted retrospectively.

Example: A State agency elects to budget TANF income prospectively while all other types of income are budgeted retrospectively.

In this type of situation, the following review procedures apply:

Prospectively Budgeted Elements/Sources.

- These elements/sources must be reviewed in accordance with prospective budgeting procedures. Reference sections under 722 and 724.1
- Apply the procedures for reported changes to changes reported by the household, and changes which the State becomes aware of from another source

Example: A State agency prospectively budgets TANF income, and retrospectively budgets all other sources of income. A change in a TANF grant would be a change that the State agency is aware of since the State agency itself is the source of the TANF income.

Retrospectively Budgeted Elements/Sources.

- These elements/sources must be reviewed in accordance with retrospective budgeting procedures
- Reference sections under 722 for change reporting elements/sources
- Reference sections under 723 for monthly reporting elements/sources

724.1 Adding New Members Prospectively to a Retrospectively Budgeted Household. In some cases, new members must be added using prospective eligibility and budgeting while the remainder of the household is retrospectively budgeted.

- This may occur in a two-month system if the new member was not already certified to receive SNAP in another household

- It may occur in other situations if the State has a waiver
- The reviewer must determine the number of months a new member is handled prospectively based on the regulations, the State's system(s) and waivers
- The new member's income and deductions from the issuance month must be added to the other household members' income and deductions from the retrospective budget month to determine the household's allotment

Verification. See Section 712.3.

Variances. If a new member was reported, the reviewer must determine if the new household member and their circumstances were handled correctly.

- Any variances resulting from the State agency's improper action must be included in the error determination

If the new member was not reported or change not acted on by the agency, the reviewer must determine whether any variance(s) can be excluded.

- Use monthly reporting procedures in Section 723 for prospective eligibility and prospective budgeting to determine if the variance(s) can be excluded

725 Quarterly Reporting. The State agency has the option of establishing a quarterly reporting system in lieu of change reporting requirements.

Exception: Households with able-bodied adults without dependents (ABAWDs) subject to the time limit, as specified in regulations, must report whenever their work hours fall below 20 hours per week, averaged monthly.

Note: Household member(s) who were not subject to ABAWD reporting requirements at the most recent certification month, but AORD become subject to ABAWD reporting requirements, must be reviewed as an ABAWD from the point in time that the change occurred.

If the State agency receives unclear information about household circumstances during the certification period, it must evaluate and act on it, as appropriate, per certification policy requirements. Unclear information is information about household circumstances that the State agency cannot readily determine the effect on the household's continued SNAP eligibility or benefit amount. This includes information that is verified, unverified, from the household, or from a third party data match. If the State receives information that is verified and the effect on the household can be readily determined, then it is not considered unclear information and the State must act on it.

For all households, regardless of the reporting system to which the household is assigned, the State must act to follow up on unclear information by sending an Request for Contact or Notice of Match Results if the information: 1) significantly conflicts with the information used to certify the household (meaning the information used to certify was incorrect); or 2) is something the household was required to report based on its assigned reporting system and less than 60 days old based on the current month of participation; or 3) if the information is from a deceased or prisoner matching system (described by certification policy rules). If the information does not meet this criteria it should be held until the next scheduled contact. Information in which the State agency did not act upon that was allowed to be held until the next required household contact (periodic report or recertification, whichever came first) cannot result in an included variance in the QC error determination.

These QC procedures apply for cases subject to quarterly reporting requirements:

- Verify sample month circumstances for the elements subject to quarterly reporting. These figures are used in the Comparison I allotment test found in Section 621
- Correct the worksheet figures for quarterly reporting elements for:
 - Misapplication of policy and computation errors by the eligibility worker, and
 - Incorrect reporting by the household at the time of the quarterly report
- Use the corrected worksheet figures for quarterly reporting elements in the error determination
- Use established review procedures for elements on the quarterly report that are voluntarily reported by the household outside the quarterly report

If the household fails to submit a quarterly report but is allowed to continue to participate, QC must use the following procedures:

- Verify actual circumstances for the sample month
- Compare them to the worksheet budget in effect AORD, and
- Cite any variances in the error determination, with the exception of specific variances described in Sections 754 - 757

QC must use the correct system in completing the review of the household's case if:

- A household was subject to quarterly reporting but was not included in the quarterly reporting system, or
- A household was incorrectly included in the quarterly reporting system

726 Simplified Reporting. The State agency has the option of establishing simplified reporting in lieu of change reporting requirements. Under simplified

reporting, households are only required to report changes that cause the household's actual ongoing gross monthly income to exceed 130% of the poverty income guideline for the household size and if households with able bodied adults (ABAWDs), subject to the time limited specified in regulations, work hours fall below 20 hours per week, averaged monthly.

State agencies have the option to allow households to either report changes within 10 days of the date the change became known to the household or 10 days of the end of the month in which the change occurred. In other words, States can choose for households to report either 10 days before the end of the month or 10 days after the end of the month.

Whichever option the State chose, it must have been applied consistently for all cases.

In general, any variances resulting from changes, other than exceeding 130% of the poverty guideline, which occur after the certification action to authorize the sample month benefits, must be excluded.

Variances that occurred prior to, or at the time of the certification action to authorize the sample month benefits must be included.

If the State agency receives unclear information about household circumstances during the certification period, it must evaluate and act on it, as appropriate, per certification policy requirements. Unclear information is information about household circumstances that the State agency cannot readily determine the effect on the household's continued SNAP eligibility or benefit amount. This includes information that is verified, unverified, from the household, or from a third party data match. If the State receives information that is verified and the effect on the household can be readily determined, then it is not considered unclear information and the State must act on it.

For all households, regardless of the reporting system to which the household is assigned, the State must act to follow up on unclear information by sending an Request for Contact or Notice of Match Results if the information: 1) significantly conflicts with the information used to certify the household (meaning the information used to certify was incorrect); or 2) is something the household was required to report based on its assigned reporting system and less than 60 days old based on the current month of participation; or 3) if the information is from a deceased or prisoner matching system (described by certification policy rules). If the information does not meet this criteria it should be held until the next scheduled contact. Information in which the State agency did not act upon that was allowed to be held until the next required household contact (periodic report or recertification, whichever came first) cannot result in an included variance in the QC error determination.

QC must use the procedures for evaluating the correctness of Time Limited Participation as specified in Section 850.7.

Note: Household member(s) who were not subject to ABAWD reporting requirements at the most recent certification action; but AORD, have become subject to ABAWD reporting requirements, must be reviewed as an ABAWD from the point in time that the change occurred.

726.1 Variance Determination. The reviewer must follow these steps in completing the error determination:

The State agency must have determined eligibility as outlined in Chapter 6. Actual verified sample month income (converted if required) is compared to the eligibility standard for the household of its size. If the household failed the eligibility test, the reviewer will determine if a reportable change occurred.

Step 1: Evaluating Compliance with Simplified Reporting Requirements.

Households are required to report changes that result in the gross monthly income exceeding 130% of the poverty income guideline for their household size.

- The reviewer must determine:
 - If any such changes occurred
 - When such change(s) occurred, and
 - If such change(s) must be included in the error determination. Actual unconverted income calculations must be shown
- Compare the sample month actual unconverted income to the gross income standard for the household
- If the sample month actual unconverted income does exceed the gross income standard, there may be a reportable change
 - The reviewer must proceed with the next step to determine whether the change occurred within the timeframes for reporting and acting on changes.

Step 2: Evaluating Timeframes for When Changes Occurred.

If the sample month was the first or second effective month of an initial certification action, the review procedures in this step shall not be undertaken, since insufficient time would have passed for any changes to occur which would be required to be acted on by the review date. The reviewer must use the corrected worksheet amounts and circumstances in the error determination.

Note: This exception will also apply if, in following the procedures in this step, the reviewer determines the following:

- The reviewer is required to examine the circumstances of a month, such as the second or third month prior to the sample month
- The reviewer determines the household was not authorized to participate in SNAP for the entire month, and
- Thus, the household was not subject to any SNAP requirements to report changes in household circumstances

Otherwise, the reviewer will proceed as follows:

- Compare the actual verified unconverted income, from the month immediately prior to the sample month, to the gross income standard for the household
- If the actual verified unconverted income from the month immediately prior to the sample month does not exceed the gross income standard; then the reportable change occurred within the sample month itself, and would be excluded from the error determination
 - The reviewer must use the corrected worksheet amounts and circumstances in the error determination. (See step 2.)
- If the actual verified unconverted income from the month, immediately prior to the sample month, does exceed the gross income standard:
 - Proceed to further evaluate whether the change occurred within the timeframes for reporting and acting on changes.
- Compare the actual verified unconverted income from the second month, immediately prior to the sample month, to the gross income standard for the household
- If the actual verified unconverted income from the second month, immediately prior to the sample month, does not exceed the gross income standard then:
 - The reportable change occurred within the month immediately prior to the sample month, and is excluded from the error determination.
 - Use the corrected EW amounts and circumstances in the error determination. (See step 2.)
- If the actual unconverted income from the second month, immediately prior to the sample month, does exceed the gross income standard then:
 - The reportable change has occurred outside of the timeframes for reporting and acting on changes, and
 - The reviewer must include the unreported change in the error determination

Important: There are two exceptions.

Exception 1: Requiring Examination of a Third Month:

Some State agencies have a Notice of Adverse Action (NOAA) that is 10 days. The reporting requirement for exceeding the 130% limit is to report either 10 days before the end of the month or 10 days after the end of the month in which the change occurred, depending on the State's option.

When the month prior to the sample month contains 30 days or less; the entire month prior to the sample month, and the entire second month prior to the sample month constitute an exclusionary period for QC purposes.

The reviewer must determine the actual unconverted income from the 3rd month immediately prior to the sample month in order to make an error determination.

The following chart shows which sample months are affected by these circumstances that may require the examination of a third month.

Month Prior	Sample Month
February (28 or 29 days)	March
April (30 days)	May
June (30 days)	July
September (30 days)	October
November (30 days)	December

Exception 2: Requiring Examination of a Third Month:

Some State agencies have a NOAA period of 10+ days. The reporting requirement for exceeding the 130% limit is to report either 10 days before the end of the month or 10 days after the end of the month in which the change occurred, depending on the State's option.

In these circumstances, the entire month prior to the sample month, and the entire second month prior to the sample month constitute an exclusionary period for QC purposes.

The reviewer must determine the actual unconverted income from the 3rd month immediately prior to the sample month in order to make an error determination.

Note: The following in all instances where a third month must be examined:

- If the actual unconverted income from the third month immediately prior to the sample month does not exceed the gross income standard then:

- The reportable change occurred within the second month immediately prior to the sample month, and would be excluded from the error determination
- The reviewer will use the corrected EW amounts and circumstances (see step 2) in the error determination
- If the actual unconverted income from the third month immediately prior to the sample month does exceed the gross income standard then:
 - The reportable change has occurred outside of the timeframes for reporting and acting on changes, and must be included in the error determination

For Categorically Eligible Households and Non-Categorically Eligible Households - Not subject to the gross income test (the household contains an elderly or disabled member):

- The reviewer must include the unreported change in the error determination by completing an allotment determination based upon household circumstances at the time immediately prior to the QC exclusionary time frame for the case

Exception: If the State agency;

1) Has implemented the 130% reporting requirement in Simplified Reporting by giving the household a flat figure based on the number of persons in the household at the time of certification and instructing them to report when the household exceeds that figure, and

2) The QC reviewer discovers that for the months that must be examined, the household's income exceeded the gross reporting limit that the household was given, and

3) The QC reviewer discovers that an additional person has joined the household, and although the household's actual unconverted income exceeded the reporting figure, it did not exceed the gross income limit for the new household size, then:

- The QC reviewer will not determine the household ineligible. Instead, the QC reviewer must:
 - Complete the error determination with an allotment based on all of the household's circumstances for the time immediately prior to the exclusionary time frame for the case
 - These are the same instructions that the QC reviewer follows in completing the error determination on categorically eligible households,

and also for non-categorically eligible households not subject to the gross income test (the household contains elderly or disabled members)

Note: If the benefit calculation results in a zero allotment; the household must not be determined as ineligible. The QC result would be an eligible case, with a zero allotment.

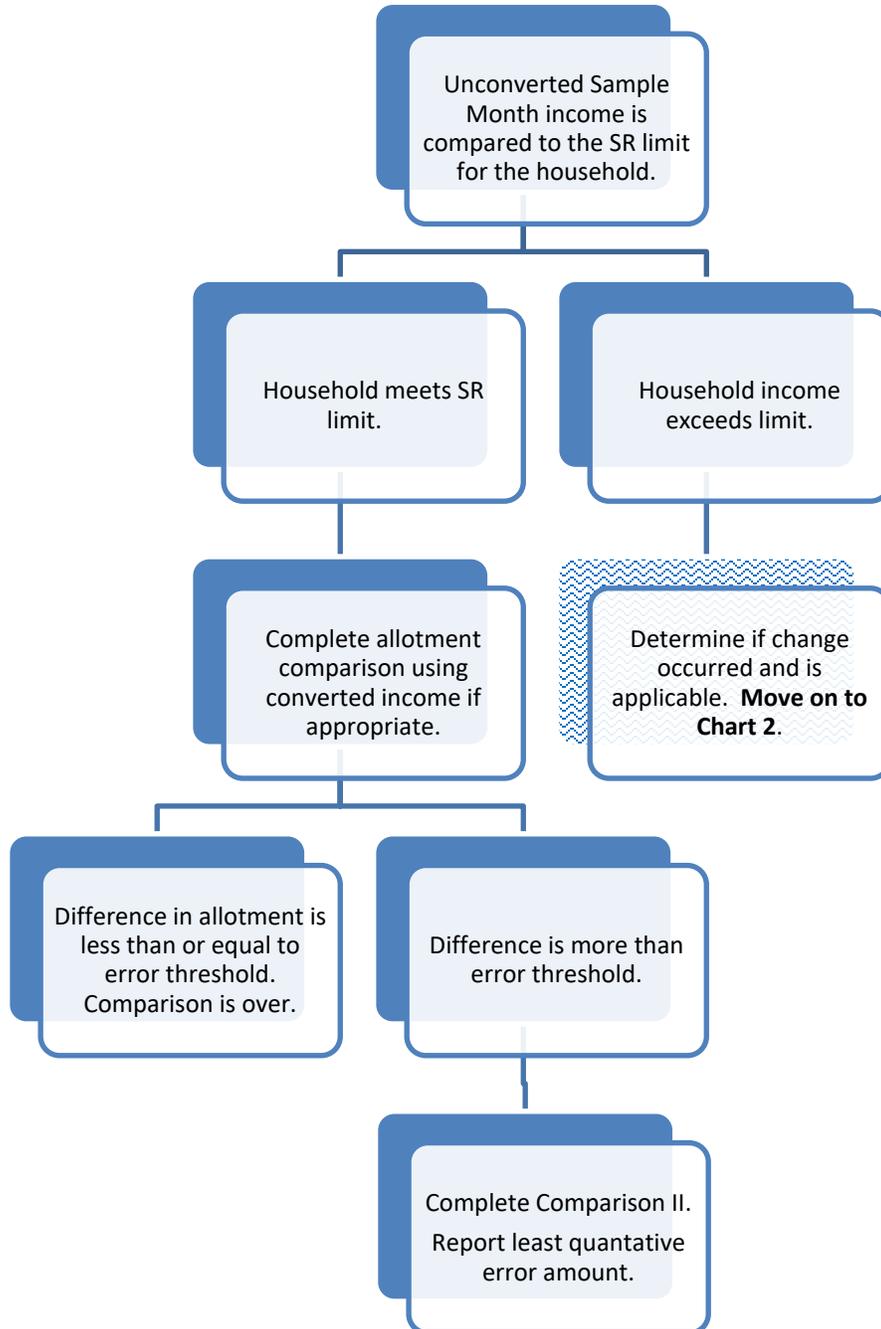
Simplified reporting households are not required to report any changes in circumstances other than exceeding 130% of the poverty income guideline.

Exception: ABAWD households must report any changes in work hours that fall below 20 hours per week, averaged monthly, during the certification period.

As a result, QC must use the procedures in this section in the error determination process if a change has been processed since the initiation of the certification period.

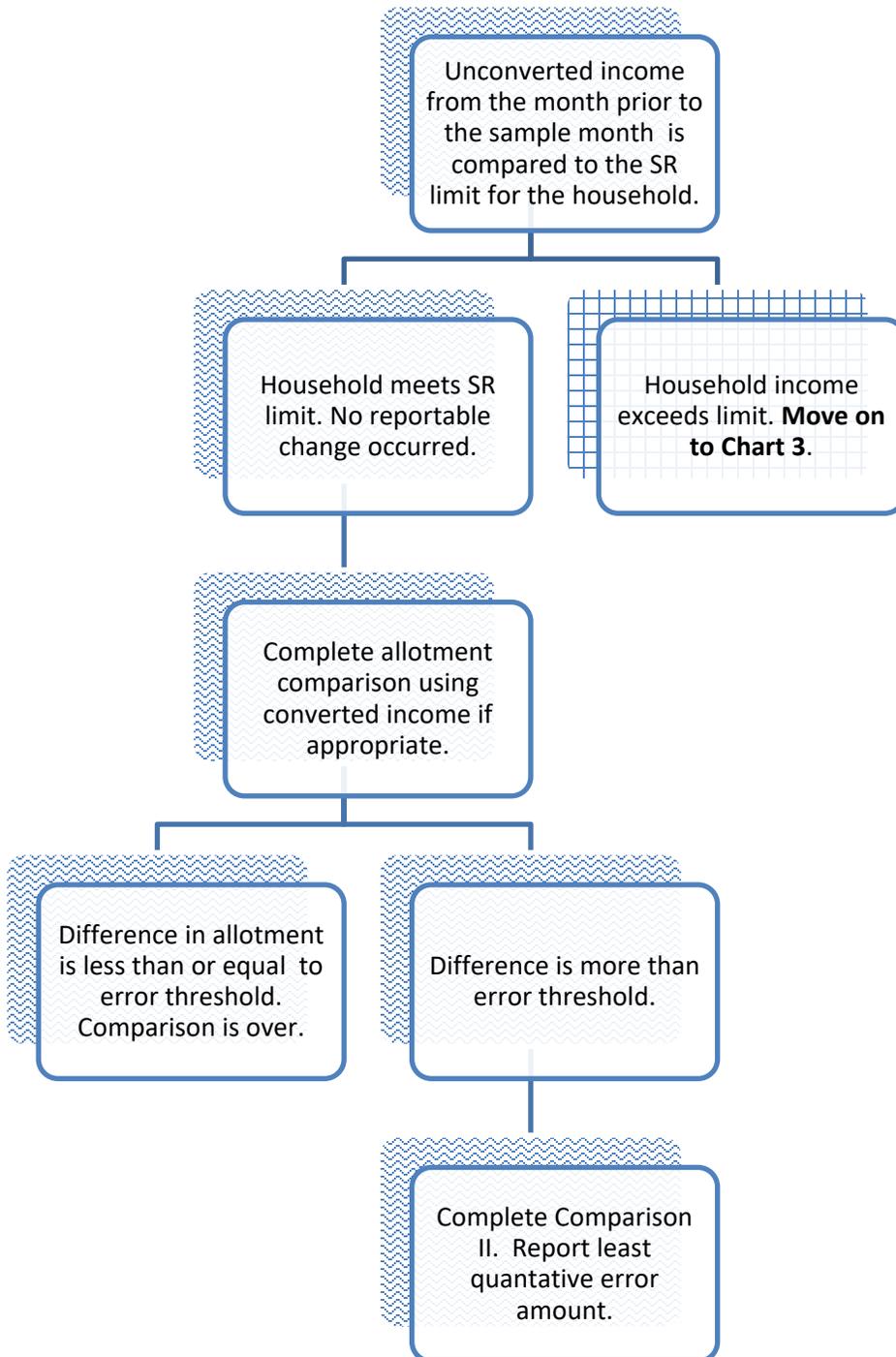
The income is not converted when comparing the household income to the Simplified Reporting (SR) limit. When completing the allotment comparison the income is converted if appropriate.

Chart 1



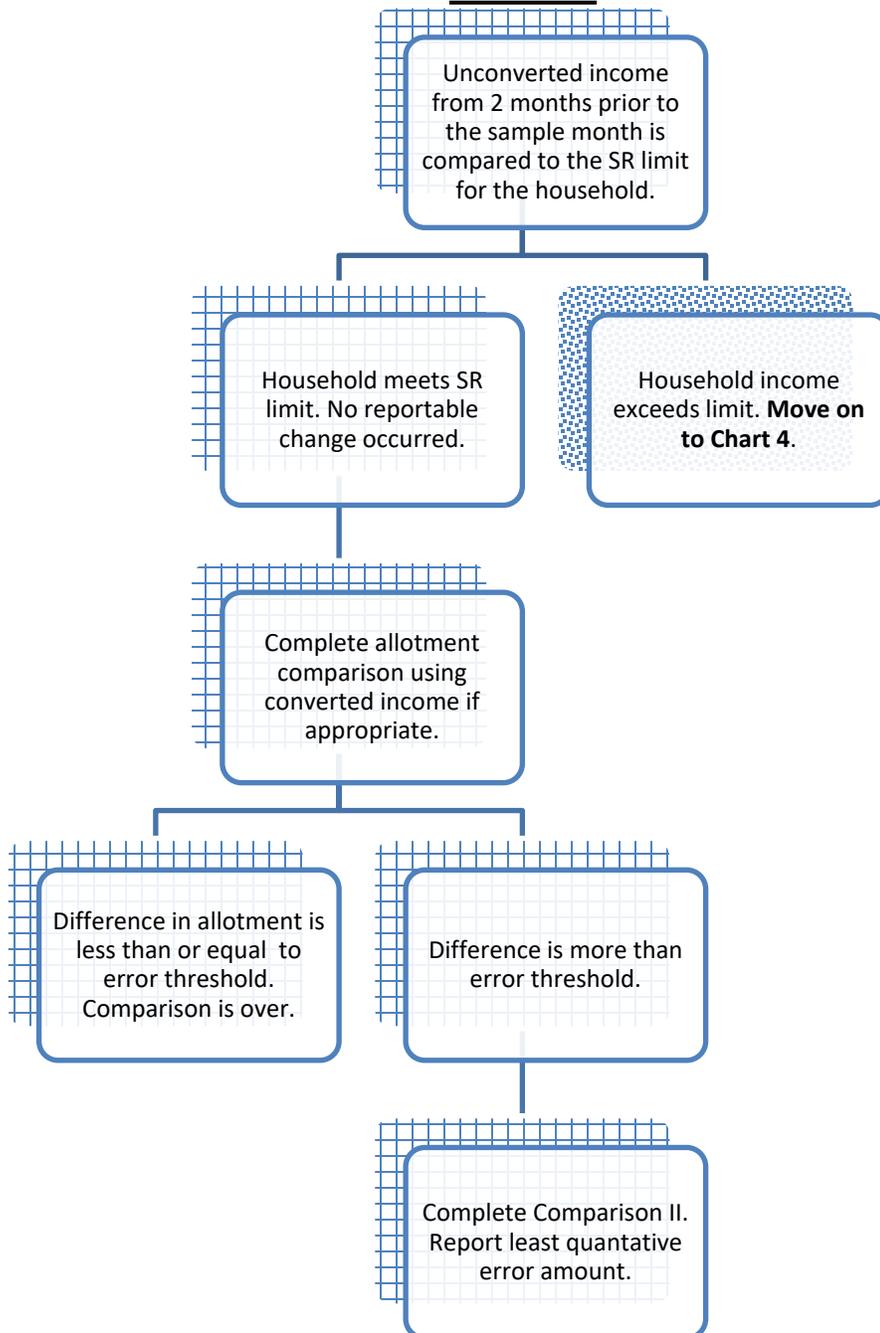
Unconverted household income exceeded the SR limit for the household in the sample month. Determine if there was a reportable change by looking at the income for the month prior to the sample month.

Chart 2



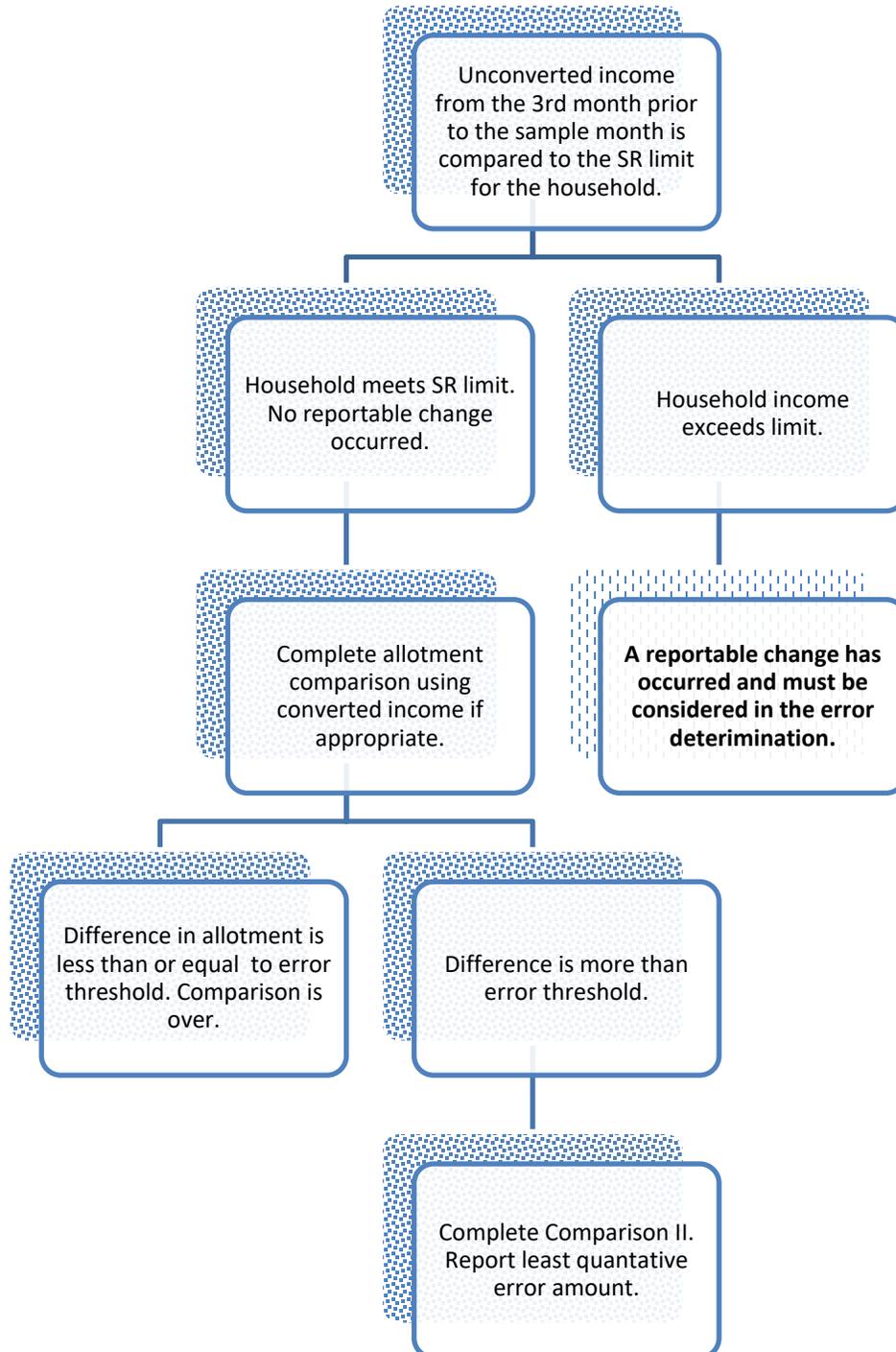
Unconverted household income exceeded the SR limit for the household in the month prior to the sample month. Determine if there was a reportable change by looking at the income two months prior to the sample month.

Chart 3



An examination of the third month is required only when the month prior to the sample month contains 30 days or less, or if the State agency has Notice of Adverse Action (NOAA) period of 10+ days.

Chart 4



727 Transitional Benefits. Transitional benefits are an option a State may choose to provide to households when they leave TANF or to households with children leaving an eligible State-funded cash assistance program (SFCA) that is offered statewide. The TANF/SFCA case must be closed prior to the household's receipt of transitional benefits.

- A State may make this option available to “pure” TANF households (households in which all members are in receipt of TANF benefits), or
- A State may also choose to provide transitional benefits to mixed TANF households (households containing both TANF recipients and members who are not receiving TANF benefits), and
- A State may also choose to provide transitional benefits to households with children in a SFCA that is offered statewide.

If a State chooses to provide transitional benefits:

- A household may receive the benefits for a period of not more than 5 months after leaving the TANF/SFCA program
- The eligibility worker must recalculate the household's SNAP allotment by removing the TANF/SFCA benefits to determine the household's transitional benefit
- Those benefits are frozen at the new amount throughout the household's transitional period

States providing transitional benefits have the option to further adjust the household's benefit in the transitional period. The State may opt to take into account changes in circumstances it learns from another program in which the household participates.

In addition, in order to prevent duplicate participation, States must act when a household member leaves a transitional benefit household and joins another SNAP household.

Focus of the QC Review for Transitional Benefits. The focus of the QC review will be on whether the household is eligible to receive transitional benefits and whether those benefits were calculated correctly. The reviewer must determine whether:

- The State chose the option to act on changes from another program in which the household participates, or
- The State agency became aware that a household member transferred to another SNAP household

727.1 Determining Eligibility for Transitional Benefits. The reviewer must determine if the household meets any of the following criteria that would render the case ineligible to receive transitional benefits:

- The household lost its TANF/SFCA cash assistance because of a sanction
- The household was disqualified from SNAP
- The household is once again receiving TANF/SFCA benefits
- The household is in a category of households designated by the State agency as ineligible for transitional benefits

QC must use standard review procedures rather than the review procedures for transitional benefits specified in this section if:

- QC verifies that any of the above conditions apply, or
- The transitional period was longer than allowable

If the eligibility worker failed to establish transitional benefits for a household that should have been receiving transitional benefits, the case must be reviewed using procedures specified in this section rather than the standard review procedures.

727.2 Changes after the Initial Authorization of Transitional Benefits. The State agency is only allowed to adjust transitional benefits under two circumstances:

1. Based on information reported from another program in which the household participates, if the State agency opted to act on these changes, and
2. The state agency has become aware that a household member transferred to another SNAP household. The State agency must act on this change in order to avoid duplicate participation.

However, the household may choose to be recertified at any time during the transitional period. Changes after the initial authorization of transitional benefits must be reviewed as follows:

State opted to act on changes reported by another program in which the household participates.

- If the eligibility worker has changed the authorized transitional benefit as the result of the state's option, and the action is in effect AORD; then the reviewer must determine the correctness of the new transitional benefit (See Section 727.3.)
- If the eligibility worker failed to change the authorized transitional benefits as the result of such a change, and the change should have been in effect AORD; then a variance exists
- QC must complete the error determination using the corrected amounts from the time of the reported change

State opted not to act on changes reported by another program in which the household participates.

- If the eligibility worker has changed the authorized transitional benefit, and the state has not chosen the option; then a variance exists
- QC must complete the error determination using the corrected amounts from the time of the initial authorization of transitional benefits (See Section 727.3.)

The household chose to be recertified. The household has an option of being recertified at any time during the transitional benefit period, thus ending transitional benefits. Those cases will be reviewed using standard review procedures.

Duplicate Participation. If a transitional benefit household member moves out and becomes a member of another certified household, the eligibility worker must act on this change to avoid possible duplicate participation.

- The person leaving (along with that person's income and deductible expenses) must be removed from the transitional benefit household

If the eligibility worker failed to change the authorized transitional benefits as the result of such a change, and the change should have been in effect AORD; then a variance exists.

- The reviewer must complete the error determination using the corrected amounts from the time of the change

If the eligibility worker changed the authorized transitional benefits as the result of such a change, and the action is in effect AORD; then the reviewer must determine the correctness of the new transitional benefit in accordance with the procedures in Section 727.3.

727.3 Variance Determination. There are separate procedures to follow depending on whether the State has chosen the option to act on changes.

Note: The procedures for when the State has chosen the option to act on changes must also be followed in situations when a household member leaves a transitional benefit household and joins another SNAP household.

The reviewer must follow these steps in completing the error determination:

The State did not choose the option to act on changes from another program in which the household participates:

Allotment Test Comparison I is not done first in this process.

Using the steps below, if the transitional benefit is correctly calculated, the review process is minimized by eliminating verification of the sample month circumstances.

Step 1. Determine whether the household is eligible to receive transitional benefits.

Step 2. Determine whether the transitional benefit amount was correct based on the SNAP allotment authorized prior to the calculation of the transitional benefit.

- a) Use the SNAP benefits for the last month TANF/SFCA benefits were received
 - b) Subtract the TANF/SFCA benefit, then
 - c) Recalculate the SNAP benefits
- If there is not a difference greater than the current FY error threshold, the case is correct and the QC review process is over
 - If there is a difference greater than the current FY error threshold, go to step 3

Step 3. Verify the sample month's amounts and circumstances. Calculate a benefit amount based upon the sample month circumstances and compare to the allotment actually received.

Note: This step is similar to Comparison I in the QC review process and provides the State a second opportunity to have a correct case.

- If the difference is less than or equal to the current FY error threshold, the error is not included in the calculation of the official error rate for the State agency and the QC review process is over
- If the difference is greater than the current FY error threshold, the error is included in the calculation of the official error rate for the State agency

Important: Use the lower amount from either step 2 or step 3.

The State chose the option to act on changes from another program in which the household participates, or a household member leaves a transitional benefit household and joins another SNAP household:

Allotment Test Comparison I is not done first in this process.

Note: Using the steps below, if the transitional benefit is correctly calculated, the QC review process is minimized by eliminating verification of the sample month circumstances.

Step 1. Determine whether the household is eligible to receive transitional benefits.

Step 2. Determine if any changes occurred that were required to be included in the transitional benefit calculation because:

- They were reported to another Program and acted upon, or
- A household member left the transitional benefit household and joined another SNAP household

Step 3. Determine whether the transitional benefit amount was correct.

- a) Use the SNAP benefits for the last month TANF/SFCA benefits were received,
 - b) Subtract the TANF/SFCA benefit,
 - c) Account for any changes that should have been made, then
 - d) Recalculate the SNAP benefits.
- If the difference is less than or equal to the current FY error threshold, the error is not included in the calculation of the official error rate for the State agency and the QC review process is over
 - If the difference is greater than the current FY error threshold, go to step 4

Step 4. Verify the sample month's amounts and circumstances. Calculate a benefit amount based upon the sample month circumstances and compare to the allotment actually received.

Note: This step is similar to Comparison I in the QC review process and provides the State a second opportunity to have a correct case.

- If the difference is less than or equal to the current FY error threshold, the error is not included in the calculation of the official error rate for the State agency and the QC review process is over
- If the difference is greater than the current FY error threshold, the error is included in the calculation of the official error rate for the State agency

Important: Use the lower amount from either step 3 or step 4.

730 BEGINNING MONTHS. Households, otherwise subject to retrospective budgeting, are certified under prospective eligibility and budgeting during "beginning" months.

- The first beginning month cannot follow any month in which the household was previously certified
- QC must determine which households are eligible for beginning month treatment and if the State had one or two beginning months

731 Verification Time Periods. Households entitled to "beginning month" treatment are subject to prospective eligibility and benefits. QC must verify

household circumstances AORD, except for income and deductions which must be verified for the entire issuance month.

- Monthly income may be averaged or converted during beginning months.

732 Changes. Beginning month treatment does not affect the household's reporting requirements unless the State has a waiver. Therefore, the following procedures apply.

732.1 Elements Subject to the Change Reporting Requirements. Use the change reporting procedures in Section 722.

732.2 Elements Subject to the Monthly Reporting Requirements. This section applies the monthly reporting requirements to prospective budgeting for beginning months.

- **First Beginning Month.** When the sample month is the first beginning month, all unreported changes that became known to the household after the interview are excluded.
- **Second Beginning Month.** When the sample month is the second beginning month, use the following procedures:
 - A. One-Month System.** Any unreported changes that occurred or became known to the household prior to the budget month, and will continue through the budget month must be included in the error determination. Exception: When a household applies for initial benefits after the 15th of the month, and receives a combined first and second allotment, a variance may be the result of a change that occurred in the budget month. In such situations, any changes that occurred or became known during the budget month must be excluded from the error determination process. For reported changes, use the procedures in Section 723.1.
 - B. Two-Month System.** For the second beginning month, all unreported changes that became known to the household after the interview must be excluded. Variances resulting from changes that occurred or became known to the household prior to that time must be included. If a household applies in one month, but is not interviewed until the following month, the first monthly report will not be due until the third month.

In such cases, the missing report review procedures in Section 751 shall not apply for the first three months.

740 MASS CHANGES.

741 General. State agencies are required to change the benefit level of individual households when certain Federal and State agency changes are made which affect the entire SNAP caseload or a significant portion of the caseload.

Individual notices of adverse action cannot be sent for these changes.

Variances must be included in the error determination when they result from:

- Untimely implementation as defined by certification requirements, or
- Incorrect implementation.

741.1 Regulatory Changes. When Federal SNAP regulations are changed, the implementation dates are specified in the regulations.

- For prospective eligibility and prospective allotments, the implementation date is that specified in the regulations
- For retrospective eligibility and retrospective allotments, the implementation date is the first budget month that includes the implementation date

Example: If the implementation date for a new regulation is January 1, the first allotment in a two-month, retrospective system is the March allotment.

This policy applies to all Federal SNAP changes unless otherwise specifically stated in the regulations except for adjustments to:

- Eligibility standards
- Allotments, and
- Deductions that go into effect for all households at the same time

See instructions in Section 741.2.

Variances must be included in the error determination if they are a result of:

- Untimely application of changes as a result of a revision to regulations, in accordance with certification requirements, or
- Incorrect implementation

See Section 756 for instructions regarding the 120-day variance exclusion period.

741.2 Periodic SNAP Adjustments. Federal adjustments to the eligibility standards, allotments, and deductions and any annual seasonal State adjustments to

utility standards go into effect prospectively for all households at a specific point in time.

Variances must be included in the error determination that result from:

- Untimely implementation as defined by certification requirements, or
- Incorrect implementation

741.3 PA Changes. The State agency must change SNAP benefits in the same month as the PA change when it has at least 30 days advance knowledge of the amount of overall adjustments to PA payments. If the State agency has less time, it is required to make the SNAP change no later than the month following the PA change.

Variances that result from untimely processing, in accordance with certification requirements, or incorrect processing of SNAP changes must be included in the error determination.

This section also applies to GA mass changes if the State agency administers the GA program.

741.4 Social Security and Other Federal Mass Changes. State agencies are required to make SNAP changes to reflect cost-of-living adjustments (COLAs) and any other mass changes under Retirement, Survivors, and Disability Income (RSDI); SSI and other Federal programs such as veterans, assistance under Title 38 of the United States Code and the Black Lung Program when information on COLAs is readily available and applicable to all or a majority of those programs' beneficiaries.

- **Monthly Reporting Households.** These households are required to report income changes resulting from Federal mass changes (other than PA) on their monthly reports. The reviewer must handle such changes as any other income change that was required to be reported on the monthly report. Refer to Section 723 on monthly reporting to determine which variances to include.
- **Non-monthly Reporting Households.** The State agency is required to automatically adjust the SNAP benefit level for households affected by these mass changes. Variances resulting from untimely processing, in accordance with certification requirements, or incorrect processing of SNAP changes must be included in the error determination. (The reviewer should check to see if the State agency's procedures provide for using a flat percentage rather than the exact amount of a Social Security or SSI change.) The SNAP change must be made no later than the second allotment after the change in income became effective. For retrospectively budgeted households, the change must not be made prior to the first budget month it became effective.

Example: An increase in SSI in January in a two-month retrospective system would be made when January becomes the budget month, i.e., March.

750 OTHER INCLUDED AND EXCLUDED VARIANCES. Refer to Chapter 6 for the error determination process, Chapters 8-11 for errors by specific element.

751 Missing Reports. QC must not determine the household ineligible solely because a required report is missing.

The reviewer must determine if the household failed to return the report or if the report was returned and is missing. The reviewer must document the 380 worksheet with the case circumstances.

The reviewer must do the following if the report was not sent to the household by the State agency or was never returned by the household (documentation should clearly indicate which situation is applicable):

- The reviewer must verify the household's actual circumstances for the appropriate sample or budget month and compare them to the EW worksheet.
- Variances that result when there is a missing report must be included in the error determination, except specific variances described in Sections 754-757

The reviewer must do the following if the report was returned and is missing:

- The reviewer must verify household's circumstances for the missing report. Verified sample month circumstances must be compared to the information gathered for the missing report. If the difference in the allotment exceeds the error threshold, Comparison II will be examined using actual verified circumstances from the missing report
- Variances that result when there is a missing report must be included in the error determination, except specific variances described in Sections 754-757

752 Expired Certification Periods. The reviewer must not determine a household ineligible solely because its certification period has expired.

- The reviewer must verify the household's actual circumstances for the appropriate sample or budget month and compare them to the EW worksheet
- Variances which result must be included in the error determination, except specific variances described in Sections 754-757

753 Expedited Service. For expedited service cases, variances in elements for which verification was postponed are excluded provided the household's identity was verified and the verifications that were postponed were documented at the time of the expedited certification. Such elements need not be verified by the reviewer. This provision only applies to households certified in the sample month that were:

- Correctly processed under the procedures for expedited service, and
- Entitled to expedited services (based on the application and, if applicable, the household's declaration during the interview)

The review procedures in Section 753 do not apply if the EW's lack of documentation or lack of documentation of postponed verification prevents the reviewer from determining the case was certified under expedited procedures.

Variance exclusions:

The provision that variances will be excluded in elements for which verification was postponed normally is applicable only to the first months' issuance. However, in some situations, the household applies after the 15th of the month and is entitled to both expedited service and waived verification for the first and second months' benefits. In such situations the variance exclusion provisions of this section apply to appropriate elements for both of those months.

Determinations made after application:

In some circumstances, a household may not be determined eligible for expedited service at the time of application, but later determined eligible during the interview. The provisions in this section apply provided the cause for the change in expedited determination is based on one of the following reasons:

- The household was not determined eligible for expedited service at the time of application due to insufficient information on the application to make that determination, or
- The household's circumstances changed between the time of application and the time of the interview such that the household became eligible for expedited service after the application was submitted

Documentation requirements:

- Explain how QC determined the case was eligible for expedited services;
- Document what month(s) expedited service covers;
- Document the elements of eligibility of postponed verification and what verification was postponed according to the documentation in the certification case file; and
- Clear any discrepancies between determination of eligibility for expedited services based on the application and, when applicable, the household's declaration during the interview

754 Information from a Federal Source. Any variance resulting from the State agency's use of inaccurate information provided by a Federal source is excluded provided that such information was processed correctly by the State agency.

755 SAVE. Two variances relating to the Systematic Alien Verification for Entitlements (SAVE) program are excluded.

- A variance based on a verification of non-citizen documentation by the US Citizenship and Immigration Service(USCIS) if the State agency properly used SAVE and the State Agency provides the reviewer with:
 1. The non-citizen's name
 2. The non-citizen's status, and
 3. Either the Alien Status Verification Index (ASVI) Query Verification Number or the USCIS Form G-845, as annotated by USCIS
- A variance based on the State agency's wait for the response of USCIS to the State agency's request for official verification of the non-citizen's documentation if the State agency properly used SAVE and the State Agency provides the reviewer with either:
 1. The date of request if the State agency was waiting for an automated response, or
 2. A copy of the completed Form G-845 if the State agency was waiting for secondary verification from USCIS.

756 Application of New Regulations. The reviewer will exclude variances resulting from the application of a new SNAP Federal regulation or implementing memorandum for a 120-day period of time in accordance with specific instructions contained in the regulation or implementing memorandum, provided that the State agency has implemented the regulation. The variance exclusion period will only fully apply if the State agency has implemented the regulatory change in a timely manner and in accordance with the provisions of the regulatory change.

757 Federal Written Policy. The reviewer will exclude variances resulting from incorrect written policy that a State Agency acts on that is provided by a USDA employee authorized to issue SNAP Policy and that the State agency correctly applies.

household member's medical condition, public or private insurance coverage, and current verified medical expenses.

States utilizing a standard medical deduction under an approved demonstration project must determine medical expenses according to the conditions in the approval and document the case accordingly.

1170.1 Deductible Expenses. A household may deduct the medical expenses of its entitled members to the extent that they exceed \$35 for each household each month.

When performed, prescribed, or approved by a licensed practitioner, qualified health professional, or recognized facility, the following medical expenses are deductible:

- Basic care:
 - Medical care, dental care, psychotherapy, and rehabilitation
 - Hospitalization and outpatient care
 - Nursing care and nursing home care
- Hospitalization, outpatient, nursing and nursing home care for an individual who was a household member immediately prior to entering a hospital or nursing home
- Drugs:
 - Prescription drugs
 - Over-the-counter drugs (when prescribed by a licensed practitioner)
- Equipment:
 - Medical supplies
 - Sick-room equipment
 - Dentures
 - Hearing aids
 - Prosthetics
 - Prescribed eye glasses
 - Other prescribed equipment
- Health and hospitalization insurance policy premiums.
- Medicare/Medicaid:
 - Medicare premiums
 - Medicaid cost-sharing expenses
 - Billed spend-down expenses

- Service animals (e.g., seeing eye dogs):
 - Securing and maintaining a service animal
 - Animal food
 - Veterinary care
- Reasonable costs of transportation and lodging to obtain medical treatment or services
- Attendant, homemaker, home health aide, child care services, or housekeeper necessary due to age, infirmity, or illness. Amount equal to the one-person coupon allotment if the household furnishes the majority of a home care attendant's meals

If an expense is both a dependent care expense and a medical expense, the reviewer must consider the cost as a medical expense.

A household may not deduct the following expenses:

- Premiums for health and accident policies that pay lump sum settlements for death or dismemberment
- Premiums for health and accident policies that are payable as income maintenance, mortgage continuance or loan payments while the beneficiary is disabled
- Expenses that have not been verified as non-reimbursable

1170.2 Documentation. The reviewer must document the:

- Household members' entitlement to the deduction
- Deductible expenses
- Treatment of reimbursements
- Time periods covered by medical bills
- Verification obtained and the date obtained
- Explanation of any variances, including whether the variances are included or excluded and correct calculations, when necessary

1170.3 Standard Verification.

Positive Allegation:

- Bills from the providers of health insurance, services, and products
- Statements from these providers
- Health insurance policies clearly describing their areas of coverage

Chapter 13

NEGATIVE ACTION RECORD REVIEWS

1300 INTRODUCTION. This chapter describes reviews of negative actions.

1310 PURPOSE AND SCOPE OF THE NEGATIVE ACTION REVIEW.

This section provides guidance on conducting reviews of the household's case record including documentation of verification contained in the case record and obtaining verification from collateral contacts. The negative action review does not include a field investigation to ascertain the total circumstances of the household as of the review date. Instead, the negative action review is primarily a desk review with possible contact with the household or a collateral contact.

Negative actions are actions that were taken to deny, terminate, or suspend a household's benefits. The purpose of the negative action review is to verify, through documentation contained in the case record, whether the State agency's action to deny, terminate, or suspend the household was valid. A valid negative action is one that is based on a valid reason, documented in the case record, where the action and reason are properly communicated to the household in easily understandable language. Certain required application and recertification application processing procedures are reviewed in determining validity (Section 1340).

In constructing the negative sample frame the action date will be sampled and must fall within the sample month. The action (review) date for negative actions could be:

- The date of the agency's decision to deny, terminate or suspend program benefits;
- The date on which the decision is entered into the computer system; or
- The date of the notice to the household, depending on the characteristics of individual State Systems.

State agencies must consistently apply the same definition for the review date to all sample actions of the same classification. Only the action sampled is subject to review. Other actions, including actions taken on the case after sampling are not considered a part of the review.

1320 NEGATIVE DEFINITIONS.

Action (review) date could be the date of the agency's decision to deny, terminate or suspend program benefits, the date on which the decision is entered into the computer system, or the date of the notice to the household, depending on the characteristics of individual State Systems.

Case and Procedural Error Rate (CAPER) - The measurement of negative case reviews.

Decision Date - The date that a decision was made to deny an application, terminate or suspend a household's participation in SNAP.

Denial - An action taken to implement a determination that a household is ineligible for SNAP.

Invalid - An action to deny, terminate or suspend in which the eligibility determination, case processing procedures, and/or notification to the client was not correct.

Negative Action - Any process, manual or automatic, to deny benefits to a SNAP applicant household, terminate benefits of certified SNAP households or suspend benefits of certified SNAP households.

Notices - Documented communication(s) (non-verbal) that are sent to SNAP applicant households and SNAP participant households. Some communications describe negative actions and some do not. Examples of such notices include: Notice of Adverse Action, Denial Notice, Suspension Notice, Notice of Missed Interview, Notice of Missing Verification, Request for Contact, Reminder notice, etc.

Procedurally Appropriate - Having accurately applied policy; the SNAP certification/recertification process leading up to and as part of the action taken against the household was done in accordance with the procedures set by SNAP's certification policy rules.

QC Negative Action Review - The review of the action taken to deny benefits to a SNAP applicant household, or the action to terminate benefits of certified SNAP households or the action to suspend benefits of certified SNAP households.

Review Date - The date of the sampled action that is being reviewed as a negative action.

Suspension - An action taken to suspend benefits when a household has not been terminated from the Program but is ineligible for benefits or is eligible for

zero benefits.

Termination - An action taken to discontinue SNAP benefits.

Valid - An action to deny, terminate or suspend in which the eligibility determination, case processing procedures, and notification to the client was correct.

1330 DISPOSITION OF ACTION REVIEWS. Each negative action selected in the sample of negative actions must be coded and summarized (See Appendix D) on the FNS-245 form by classifying it as review completed (See Section 1350), not subject to review (NSTR)/listed in error, case deselected (See Section 1332), or incomplete (See Section 1333).

1331 Actions Subject to Review. The following actions are subject to review:

- Any action to deny initial benefits
- Any action to deny benefits at recertification
- Any action to terminate benefits. A termination is the result of a deliberate State agency action
- Any action to terminate the SNAP benefits of a former TANF household that should be receiving transitional benefits
- Any deliberate termination action (not a certification period expiration) taken in response to a reported change in household circumstances, even if the certification period would have ended
- Any action to terminate a household that continued to receive benefits pending a fair hearing
- Any action to shorten a certification period
- Any action to suspend a household's benefits; including suspended households whose benefits were later restored
- Any suspended household that continued to receive benefits Pending a fair hearing
- Households whose certification periods expired that should have received transitional benefits and did not

1332 Actions Not Subject to Review. Certain types of negative actions are to be excluded from the QC sample. These are normally eliminated in the sampling process; however, if such actions reach the reviewer, they must be eliminated at that point and reported as NSTR on the Quality Control Negative Action Review Schedule, Form FNS-245. Actions that meet the criteria to be considered NSTR from the list below take precedence over any other finding. Such actions include:

- Households that have withdrawn an application prior to the agency's determination
- Households that at the time of sampling are:
 1. Under active investigation for intentional SNAP violation (IPV)
 2. Scheduled for an IPV investigation sometime during the next five months, or
 3. Pending an IPV hearing.
- Households that have their SNAP case closed when their assigned certification period ends, i.e., the household is not recertified. The certification period closure itself is NSTR. If the household applied for recertification and, for whatever reason, the recertification application was denied, that denial is subject to review
- Actions removed from the sample as a result of a correction for oversampling
- Households that have been sent a notice of pending status but were not actually denied participation.
- Actions listed in error. This category of actions includes administrative actions necessitated by a State agency's certification system and/or procedures, where there is no intent to deny or terminate a household's program benefits, only to correct an administrative fault in the case. An example would be an action where the household was erroneously registered (wrong SSN, etc.) and was subsequently denied because it was already registered under another case number (before any benefits were issued). Other examples would include situations where a household has filed multiple applications and only one needs to be processed while the others are removed from the system, or situations in which the certification system will only allow the reclassification of an action (PA/SNAP to non-PA/SNAP, for example) by closing the case under the original case number and on the same day reopening under a new case number. Adequate documentation must be provided to support this finding.

Example of Administrative Denial: On 1/5 the household applies for SNAP using the State's website on-line application. On 1/7 the household also files a paper application in the local certification office. Both applications are input into the State's certification system. When the EW interviews the household on 1/10 the duplicate applications are discovered, the EW removes the 1/7 application from the system and processes the 1/5 (first one received) application for certification. The removal of the 1/7 application from the system is an administrative action NSTR for QC negative review.

Example of Administrative Denial: On 1/5 the household applies only for Medicaid benefits using the State's multiple program (TANF/SNAP/Medicaid) application. On 1/14 the EW denies the household's application for Medicaid and the State's certification system issues denial notices for Medicaid, and TANF and SNAP as well. The SNAP denial of the 1/5 application for Medicaid is a NSTR administrative action. If there is no application for SNAP there can be no denial for SNAP that is subject to QC negative review.

Example of Administrative Termination: A woman and her two daughters are receiving TANF and SNAP benefits under case number PA1775713. On 1/14 she reports that the children are now living with their father. The EW processes the reported change to terminate the TANF income, update the household size from 3 to 1, and recalculate a new lower SNAP allotment effective 2/1 under case number NPA3140822.

Case number PA1775713 is shut down at the same time that case number NPA3140822 is opened up. The reclassification of the household and subsequent assignment of a new case number in the certification system is an administrative action NSTR for QC negative review.

- Households denied SNAP benefits under a disaster certification authorized by FNS.
- Household's benefits which are terminated or suspended for failure to file a complete monthly report by the extended filing date, but who were reinstated when, subsequently, the complete report was filed before the end of the issuance month, and the household received the full months' SNAP benefits.

Example of an action following a Failure to File Report that is NSTR: The household has been certified from January thru December and is on monthly reporting in a two month retrospective budgeting system. The monthly report is due on the 5th of every month. The household fails to submit the monthly report for May by 6/5, and on 6/15 the EW terminates the case effective 6/30 and sends a Notice of Termination for failure to file the monthly report. The household files the report on 6/28 and on 7/3 certification is restored and full benefits for July are authorized.

Example of an action following a Failure to File Report that is Subject to Review: The household has been certified from January thru December and is on monthly reporting in a two month retrospective budgeting system. The monthly report is due on the 5th of every month. The household fails to submit the monthly report for May by 6/5, and on 6/15 the EW terminates the case effective 6/30 and sends a Notice of Termination for failure to file the monthly report. The household files the report on 7/5 and on 7/10 certification is restored and prorated benefits for July are authorized.

- Households that experience a break in participation due to a computer malfunction that is not the result of a deliberate action by the State agency to terminate benefits.
- A suspended case after the initial month of a multi-month suspension.

1333 Incomplete Cases. A negative action is to be reported as incomplete if, after all reasonable efforts, the reviewer is unable to locate the case record. The case record may consist of a paper or electronic record, however limited. If what constitutes the case record for a specific action does not document the specific negative action under review, the action must be coded as invalid. Since automation has advanced over time, most actions will have some records to review. An action should have a disposition of incomplete only on the rare occasion when there are no paper documents and no automated record on the household. This is the only reason for which a reviewer may designate a sampled action as incomplete.

1340 APPLICATION PROCESSING ASPECTS OF THE NEGATIVE REVIEW.

SNAP policy requires case files be documented to support eligibility, ineligibility, and benefit level determinations. Documentation must be in sufficient detail to permit a reviewer to determine the reasonableness and accuracy of the determination.

Negative actions are reviewed to determine the validity of the agency's action to deny, terminate, or suspend the household. Certain failures to complete application processing requirements correctly are part of that review and may result in a negative action being determined to be inappropriate and, therefore, invalid. Some examples of failures to complete application processing requirements include, but are not limited to, the following (unless an approved waiver is in place for the state agency):

- Failure to send an Appointment Letter/Notice of Missed Interview

(NOMI)/Reminder notice/Notice of Required Verification/Notice of Denial, when required, or sending the required letter or notice to an incorrect address; notification to the household must be made accurately.

- Failure to provide expedited service where appropriate;
- Denial of action prior to the 30th day when verification was requested.

Example of Invalid Application Processing: On 6/2 the household applies for SNAP benefits. On 6/10 the household is interviewed and asked to provide verification of income by 6/20. The household does not provide the requested verification the 30th day following the application is 7/2, a Saturday. The EW denies the application on Friday, 7/1 for failure to provide verification. This action is invalid as the agency failed to wait the entire 30 days following the date of application before denying the application.

- Denial of an application after the 30th day when not properly pending.
- Failure to take action on an application by the 30th day following the date of the application, or the 60th day of the application (for those states with the option to pend for requested verification rather than deny at the end of the original 30 day period). This results in withholding benefits to a household through inaction rather than an actual action. When the 30th (60th) day falls on a weekend or holiday, the action must be taken on the next business day following the weekend or holiday to be considered timely.
- Failure to take actions required during recertification application processing or failure to perform required actions in the denial of an application for recertification of benefits.

Example of an Invalid Application Processing: On 1/20 the household applies for SNAP benefits. On 4/27 the household is sent a letter scheduling a certification interview on 5/5. The letter is returned by the Post Office marked "Addressee moved, no forwarding address". On 5/10 the 1/20 application is denied, with the reason cited as the household's failure to attend a certification interview. This action is invalid as the agency failed to process the application for SNAP benefits within 30 days of the date of application.

Example of Valid Application Processing: On 6/2 the household applies for SNAP benefits. On 6/10 the household is interviewed and asked to provide verification of income by 6/20. The household does not provide the requested verification. The 30th day following the date of application is 7/2, a Saturday. Monday, 7/4 is a Federal holiday. The EW denies the application on Tuesday, 7/5 for failure to provide verification. A proper Denial Notice is sent. This action is valid as the agency correctly waited until the first business day the agency was open 30 days following the date of application before denying the application.

Example of Untimely denial for NOMI: Household applies on 4/8 for SNAP Benefits. An interview is set for 4/10. The household fails to show for the scheduled interview. The EW takes action on 4/15 to deny the application for failure to appear for the scheduled interview. On 4/28, the EW sends the NOMI letter to the household. This is an invalid denial action since the NOMI was sent after the action to deny was taken.

Example of Untimely Denial: Household applies on 3/4 for SNAP Benefits. On 3/8, the EW sends a request for verification letter stating the information must be received by 3/18. On 3 / 16, the EW takes action to deny the application for failure to provide verification. This is an invalid denial action since the full 10 days were not given for the household to provide the requested verification.

Example of Invalid Recertification Application Processing: Household applies timely for recertification on 6/10 for continuation of their SNAP Benefits starting 7/1. The State schedules the interview on 6/25, which the client attends, and the EW requests additional required verification and establishes the due date as 7/1. On 7/2, the EW takes action to deny the recertification application for failure to provide verification. This is an invalid denial action since the EW did not schedule the household's interview when the household would have at least 10 days after the interview to provide verification before the certification period would expire.

These procedures are to be assessed in Section 1350.2 (Step 2). If it has been determined that any of these application processing requirements were not properly followed the action is invalid.

1350 CONDUCTING NEGATIVE ACTION REVIEWS. The negative review consists of four successive steps. The progression from one step to the next is dependent on whether a decision of invalidity is made at a step. The four steps of the negative action review are:

- Step 1: Review the circumstances of the action and ensure the action is Subject to Review; (See Section 1332)
- Step 2: Review of action sampled to determine, if based upon the known circumstances, the negative action should have been initiated. In addition, the reason provided to the household must clearly explain what the action was and why it was taken. (See Section 1350.2);
- Step 3: Collateral and/or household contact for purposes of obtaining verification supporting the reason given for the negative action (optional) (See Section 1350.3); and
- Step 4: Documentation and reporting of review findings (See Section 1350.4).

1350.1 Step 1: Determine Subject to Review Status. Review the

circumstances of the action and determine if it is NSTR using Section 1332 as a guide. If the action meets the circumstances to be NSTR then proceed to 1350.4 Step 4. If one of the NSTR reasons does not apply, the action is subject to review and the reviewer should continue to 1350.2 Step 2.

1350.2 Step 2: Review of Action Sampled. The reviewer shall evaluate the stated reason(s) for the negative action. Generally, the notice(s) to the household will be the source of the information for the reason(s) for the negative action. If the reviewer cannot find the notice, the reviewer shall review the case file to determine if the reason(s) for the action can be found and the method by which the action was provided to the household. During this evaluation the reviewer examines all of the information available to determine:

- The reason for the negative action that was sampled
- Whether the household was appropriately notified of the reason(s) for the negative action that was sampled. The notification to the household will be considered timely, and therefore procedurally appropriate, if it is sent to the household no later than 2 business days following the regulatory required date of the negative action
- Whether the action was procedurally appropriate for the situation, and
- Whether the validity of the action was adequately documented as described in Section 1360

In situations where there are multiple reasons for an action that are included on a notice, all reasons must be accurate and must clearly describe the situation so that the household is able to clearly understand why the negative action has been taken. If there are reasons that have been indicated that are not applicable or if any reason is not correct, the negative action will be determined to be invalid.

This determination shall take into account the additional application processing requirements of the negative action review found in Section 1340 to determine that the eligibility worker followed all of the appropriate procedural steps.

The basic review process is as follows:

- If the action results in the determination of a valid decision and correct notice, then the review is complete and the reviewer shall skip to Step 4 and document the review findings as specified in Section 1350.4.
- If the reviewer is unable to determine the specific reason(s) given for the action due to inadequate documentation in the case file, the case is invalid and the reviewer shall proceed to Step 4.
- If verification is inadequate or if there is conflicting information, the reviewer may proceed to Step 3 (Section 1350.3) to obtain the necessary verification to determine the validity of the action and/or to reconcile conflicting information

in the case file.

- If the reviewer opts not to perform Step 3, the reviewer shall proceed to Step 4.
- Once the reviewer has determined the validity or invalidity of the action, the reviewer shall go to Step 4 and document the review findings as specified in Section 1350.4.

Transitional Benefits. In States with transitional benefits, if the eligibility worker failed to establish transitional benefits for a household that should have been receiving transitional benefits, the action must be reviewed in accordance with review procedures specified in this section. The reviewer must determine if the household meets any of the following criteria that would render the action ineligible to receive transitional benefits:

1. The household lost its TANF cash assistance because of a sanction
2. The household was disqualified from SNAP
3. The household is in a category of households designated by the State as ineligible for transitional benefits, or
4. The household returned to TANF

If the reviewer verifies that the household should have received TBA, the action shall be coded as invalid.

1350.3 Step 3: Collateral and/or Household Contact (Optional).

The reviewer may contact the household or a collateral contact if the eligibility element(s) that caused the denial, termination, or suspension action to be taken need to be verified due to inadequate documentation and/or if conflicting information in the case record must be resolved to confirm the validity of the action. The reviewer shall not make a contact if the information regarding this element(s) is clear and accurate. If any information is obtained that is not relevant to the item for which the contact was made, that information shall not be considered in the review decision. The contact must focus only on the element(s) that led to the negative action under review that were inadequately addressed and documented in the record or to clarify conflicting information pertaining to the denial reason. The reviewer is basing the determination strictly on the element(s) of eligibility leading to the negative action and the information regarding those element(s) which existed and were available to the eligibility worker at that time.

The procedures in Sections 424.7, Obtaining Collateral Contacts, and 430, Collateral Contacts, must be used in establishing collateral contacts. The reviewer must use the most reliable collateral verification available (e.g., banks, payroll listings, etc.) and must thoroughly document and/or attach all verification obtained.

The telephone shall be the primary method of contacting the household or a collateral contact for a negative action review. If a telephone contact is not possible or is unsuccessful, the reviewer may send a letter. The reason for using a

letter must be documented on the FNS-245 and a copy of the letter included. The letter must clearly address the element(s) in question. Absent such documentation or if the letter addresses areas beyond the element(s) in question, information obtained through the use of a letter shall not be allowed in the error analysis.

- If any information obtained by the reviewer differs from that given by the household, the reviewer must resolve the differences. The manner in which the conflicting information is resolved must include recontacting the household about the specific information in question. If the household cannot be reached, the reviewer must accept the collateral verification as valid. The reviewer must document the attempts to contact the household.
- If the reviewer determines that the verification received is adequate documentation to determine that the negative action was valid then it is to be documented as specified in Step 4 (Section 1350.4).
- If the household/collateral contact cannot be found, does not cooperate and/or the reviewer is unable to obtain the verification necessary to demonstrate that the negative action was valid then it is determined to be an invalid negative and documented as specified in Step 4 (Section 1350.4).

1350.4 Step 4: Documentation and Reporting of Review Findings.

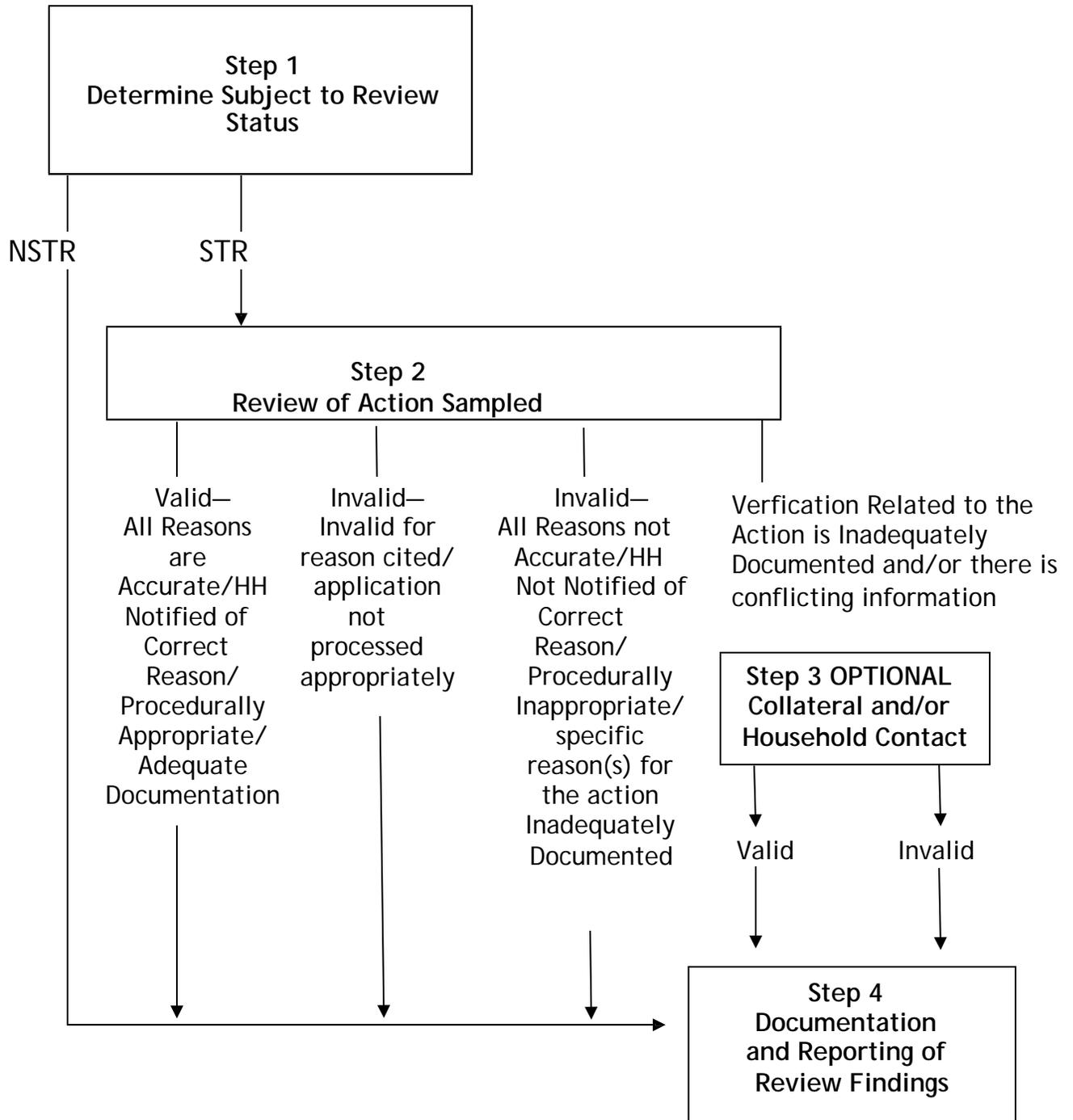
The reviewer is to complete the FNS-245 and document the reasons for denial, termination or suspension. A complete explanation of the negative action taken, narrative or documentation to show the appropriateness of the action, including all applicable dates. All supporting documentation must be attached. If a household or collateral contact was made, the FNS-245 must indicate why and identify who was contacted and the results of that contact.

When the action to deny, terminate or suspend an action is found to be invalid, a variance exists in the action. The action is invalid if the reviewer cannot confirm the validity of the eligibility worker's decision in the case record to deny, terminate or suspend the action for the stated reason(s).

When a negative action is invalid, the reviewer must document the QC file with the inaccuracies of the case and report that the case requires corrective action by State operations/policy. Such action will depend on the reason the action is invalid.

For instance, problems with notices or timely processing would require different corrective action than an incorrect evaluation of a household's income or resources. The reviewer must code and record all of the appropriate variance(s) and explain the review findings for the error determination on Form FNS-245.

Flowchart of Steps 1-4 of the Negative Review



1360 ACCEPTABLE DOCUMENTATION. The case record may contain documents or statements that the reviewer may use as verification if the documentation is adequate and it applies to the appropriate time period.

- Examples of documents or statements that can be considered acceptable documentation are copies of official documents or reports, information on a signed application, electronic data, check stubs, receipts or full recording by a person, including the eligibility worker, who has secured information directly from public or other records.
- Acceptable documentation must clearly demonstrate ineligibility. For example, an action that has been denied for being over the gross income limit based upon earnings, must have a complete explanation including the earning figures (each week's pay, etc.) used to calculate the monthly earnings and showing the calculation/conversion.
- Documentation must be relevant to the time period under review. Outdated information (information from a time period that does not affect the current application or reapplication under review) or information that was not available at the time of the action is not appropriate documentation.

To determine whether the action and notice are valid, the reviewer must verify the element(s) of eligibility pertaining to the action recorded and the notice, depending on the circumstances of each action and the information included in the case record. Documentation in the case record must be sufficient to support the reviewer's decision on the status of the action.

The first source of documentation in a negative case record may be a written statement made by the participant. Statements made by participants that are documented in the case record need not be verified. For example, if a household has been found ineligible because of its resources and the household's application reports resources that exceed the amount allowed, the reviewer need not verify the statement with the household.

The reviewer need only verify information used to determine the validity of the decision to deny, terminate, or suspend the household and address the adequacy of the notice provided to the household.

Examples of Acceptable Documentation for Negatives		
Code	Recorded Reason for the Action	Example of Acceptable Documentation
01	Resident of an institution not authorized by FNS	Collateral contact with an official at the institution, contact with the State Agency to confirm that the institution is not authorized by FNS
02	Outside of project area or State	Household's statement, copy of notification from other State Agency
03	Ineligible striker	Household's statement, collateral contact with employer or other individuals knowledgeable of the strike
04	Ineligible non-citizen	Household's statement or documentation from other Federal agencies
05	Ineligible student	Documentation of student status, work hours, TANF, absence of documentation of an exemption
06	Ineligible boarder	Household's description of boarder status
07	Missed scheduled interview(s)	Copy of the eligibility worker's letter to the household scheduling the interview and any notices sent to the household by the eligibility worker
08	Failed to provide verification	Copy of the eligibility worker's letter to the household listing the type of SNAP related information needed and requesting that the information be provided, documentation of the absence of the requested information
09	Refusal to cooperate	Eligibility worker's notes about the refusal, household's statement, letter indicating refusal
10	Refusal to supply SSN	Eligibility worker's notes about the refusal, household's statement, letter indicating refusal

Code	Recorded Reason for the Action	Example of Acceptable Documentation
11	Gross monthly income exceeds maximum allowance	Information about how gross income was calculated, pay amounts and frequency of pay, comparison of the household's gross income to the gross income limit, the household's size
12	Net monthly income exceeds maximum allowance	Information about how net income was calculated, pay amounts and frequency of pay, comparison of the household's net income to the net income limit, the household's size
13	Exceeds resource standard	Household's statement about the type of resource and value of the resource, collateral contact or source knowledgeable about to the value of the resource
14	Transfer of resources	Household's statement/collateral contact about the type of resource, value of the resource, and date of the transfer
15	Failure to comply, without good cause, with work registration/job search requirements	State work registration workers documentation of the Household's failure and lack of documentation of any exemptions
16	Voluntary quit	Household's statement or documentation of the household's statement and lack of documentation of any exemptions
17	Failure to submit/complete required report	Eligibility worker's documentation of non-receipt of the required report and absence of the report
18	Voluntary withdrawal after certification	Household's statement or documentation of the household's statement
19	Termination/denial due to TANF termination/denial	Absence of documentation indicating that the change would have been processed as a change in lieu of a termination
20	Intentional program violation	Document that the IPV was determined.
21	Termination/denial due to Program disqualification	Disqualification letter or record of the disqualification

Code	Recorded Reason for the Action	Example of Acceptable Documentation
22	Termination/denial of household of able-bodied adult(s) whose time-limited period of SNAP eligibility has expired	Participation history or a description of how the eligibility worker determined that the household's time limit had expired
23	Failure to comply, without good cause, with SNAP work requirements	State work registration workers documentation of the household's failure and absence of participation records for workfare, E&T, etc.
24	Eligible for zero benefits	Describe household's eligibility and how benefits were calculated, attach supporting documents
25	Failure to access EBT benefits	Benefit history which indicates that the benefits were not accessed
26	Loss of contact with household	Documentation of efforts made to contact the household and lack of any evidence of contact
27	Applicant/household deceased	Record indicating the death of applicant/household
28	Not eligible for separate household status	Documentation of household's circumstances that require combined household composition with others
29	Not eligible due to status as fleeing felon, parole violation, drug conviction etc.	Documentation of status that caused ineligibility
30	Reason for denial/termination /suspension not documented	Documentation of all available evidence why the negative action may have been taken
99	Other	Documentation of circumstances of the negative action

1370 TRANSMISSION OF NEGATIVE CASE FINDINGS TO FNS, DATA CHECKING, AND CHANGING CASE FINDINGS. Once the error determination process is completed and the review decision has been made, the case findings shall be transmitted to FNS. Once a case has been transmitted/released, the protected field findings for that case may not be changed.

Chapter 14

INFORMAL RESOLUTION AND ARBITRATION

1400 INFORMAL RESOLUTION AND ARBITRATION.

1410 INFORMAL RESOLUTION. Informal resolution is a process that provides an avenue for States to dispute what they believe to be incorrect Federal findings. This is not a process of negotiation or compromise between the Federal and State agencies.

The official regional findings letter is sent electronically to the State with a read return receipt. Upon receipt of the finding States have the right to request informal resolution through phone calls, electronic email, data faxes, etc.

When contacted by the State, the FNS regional office should make every effort to explore the State's dispute of finding as quickly as possible bearing in mind that the State is held to the overall 20 day arbitration deadline.

Informal resolution must end on the earlier of:

- The date the arbitrator receives the State's request for arbitration, or
- The State's 20-day deadline for requesting arbitration for that review

If informal resolution results in a revised Federal finding the revised regional finding must be sent to the State agency via a new regional finding letter. The State agency has the right to request arbitration of the revised Federal finding; that is subject to a new 20-day time limit.

Informal resolution can be continued up to the regulatory time limit for requesting arbitration (20 days). The onset or continuance of informal resolution does not postpone the 20-day time limit for requesting arbitration. The 20-day time limit begins from the date the regional finding letter is received by the State agency. Informal resolution may continue until the disagreement is resolved, arbitration is requested, or when the 20-day limit for requesting arbitration expires, whichever is earlier.

1420 ARBITRATION. The purpose of the arbitration process is to resolve disagreements between the State agency and the FNS regional office concerning individual QC case findings and the appropriateness of actions taken to dispose of an individual case. The following are circumstances that are subject to arbitration:

- Disagree cases (where the Federal findings disagreed with the State agency's findings)
- Cases where the FNS regional office disagreed with the State agency's disposition of the cases, including disputes over whether a case is subject to review or incomplete
- Cases where the application of policy in a particular QC case impacts the difference in a disposition/finding

Established policy, and comments on or coding of procedural deficiencies that do not impact the findings/disposition are not subject to arbitration. Federal disagreements with timeliness coding, in active cases, for application processing or recertification processing do not impact the findings/disposition and are not subject to arbitration. The State may utilize the informal resolution process to resolve any differences. The decision reached by FNS in the informal resolution process will be the final determination.

Agree cases are not subject to arbitration, however can be discussed through the informal resolution process. If, as a result of informal resolution, the State and the FNS regional office decide the previously issued agree findings no longer apply (e.g., the State found new information about the case), the regional office will issue a new regional finding letter disagreeing with the State's original findings. At this point, this disagree case is subject to arbitration and the 20-day time limit for requesting arbitration restarts.

Arbitration is a one-tier process. The State agency appeals to the SNAP Quality Control Arbitrator if the State agency does not agree with the regional office findings. The decision of the QC Arbitrator is final.

Arbitration is limited to an examination of specific issues supporting the findings or disposition being challenged. However, the arbitrator cannot ignore any mathematical errors on the computation sheet that are discovered during the review of the case. The impact of the mathematical errors must be included in the final benefit calculation.

1421 Documentation. It is the responsibility of the State agency to include all the necessary documentation to support its position when submitting a case for arbitration. It is the region's responsibility to defend its finding and to provide the arbitrator with the supporting evidence for that finding.

Failure to include a single important piece of information could result in an adverse decision for either party. The documentation to support findings may include, but is not necessarily limited to:

- The region's finding and all subsequent correspondence from the FNS regional office related to the finding (i.e. all e-mail correspondence relative to the case decision.)
- A copy of the applicable worksheet(s) and related attachments
 - Actives- Form FNS-380, Form FNS-380-1, attachments to Form FNS-380
 - Negatives- FNS-245 and attachments (including related notices) to the FNS-245
- Relative State option information such as budgeting and reporting options
- The existence and provisions of all waivers applicable to the case circumstances, including the approval, implementation dates, and expiration dates
- Applicable State policies including implementation dates, e.g., pages of the State manual indicating the conversion method selected, applicable standard utility allowance(s)
- Written policy interpretations provided by FNS and the date provided to the State agency
- A clear record of all actions taken by the reviewer in completing the case
- Appropriate verification and clear, concise documentation of every aspect of the household's circumstances, and
- Legible, complete copies of all case record material (a half cut-off copy of a court record on child support payments that is not identifiable cannot be considered by the arbitrator)

If the arbitrator needs additional information, or clarification of material presented, it is the arbitrator's prerogative to request the needed information from the relevant party.

The arbitration decision will fully explain the rationale for the final decision, addressing each point in consideration.

1422 Usual Timeframe for Requesting Arbitration.

A State agency must request arbitration within 20 calendar days of receipt of the regional findings letter. The first day of the 20-day period begins with the day after the day the State agency receives the findings.

In situations when a State agency timely disposes of a review as incomplete or not subject to review, and later completes the review. In such a situation, if the completed case is selected for Federal subsampling, the State agency has the full 20-day period to request arbitration. For each day late that a case was disposed of and the findings reported, the State agency shall have one less day to request arbitration of the case.

Example of the First Day of the 20- Day Period: The State agency receives the findings letter on June 8. June 9 is the first day of the 20-day period. If mailed, the postmark on the State agency's request will be used to determine whether a request was submitted timely.

Example of a request that is timely:

The regional findings were issued to the State agency on February 27 and received by the State agency on March 1. The case is a disagree case. The State agency's request for arbitration is postmarked March 15. This case is subject to arbitration.

Example of a request that is too late for arbitration:

The regional findings were issued to the State agency on March 4 and received by the State agency on March 8. The case is a disagree case. The State agency's request for arbitration is postmarked April 11. This case is not subject to arbitration as it was submitted late.

Example of a request that is timely because FNS issued a new finding letter: The regional findings were received by the State agency on March 1. The FNS regional office agreed with the State agency findings. On April 5, the State agency requested arbitration based on new information disputing its initial findings. The regional office had issued a new letter on March 20 disagreeing with the State's original findings. This case is subject to arbitration.

Example of how the usual timeframe is reduced: The review's sample month was April. The deadline for disposing the review was August 3. The State agency disposed of the review on August 5. The State agency received the Federal finding on October 6. The usual deadline for requesting arbitration would be October 26, but because the disposition was two days late, the deadline for requesting arbitration is October 24.

1423 Unusual Timeframe for Requesting Arbitration. A State agency is supposed to dispose of each review no later than 120 days after the end of the sample month. For every day that disposition is late, the State agency loses a day to request arbitration.

Example of a late request because of a late disposition: The State agency was ten days late in disposing the review. The State agency received the finding letter on November 7. The State agency requested arbitration on November 19. The case is not subject to arbitration because it was submitted late.

APPENDIX A

SNAP QC Error Threshold

The SNAP QC review process includes an error threshold (QC tolerance level) for its active frame cases. This threshold determines which cases reviewed by QC will end up in the calculation of a State's official error rate. Prior to FY 2014, the threshold required a regulatory or legislative change for the threshold amount to be adjusted. However, in 2014, an act of Congress required the FY 2014 threshold to be used as a baseline for all fiscal years moving forward. For fiscal years 2015 and thereafter, the 2014 QC tolerance level is adjusted annually by the percentage by which the Thrifty Food Plan (TFP) for the 48 contiguous States and the District of Columbia is adjusted. This appendix will be updated annually with the revised threshold amount.

Cases with a final error allotment amount less than or equal to (\leq) the threshold are not included in the calculation of a State agency's official error rate for that fiscal year.

Cases with a final error allotment amount greater than ($>$) the threshold are included in the calculation of the State agency's official error rate for that fiscal year.

<u>Fiscal Year</u>	<u>Threshold Amount</u>
2019	\$ 37
2018	\$ 37
2017	\$ 38
2016	\$ 38
2015	\$ 38
2014	\$ 37
2013	\$ 50
2012	\$ 50
2010 - 2011	\$ 25
2009 (6 mo only)	\$ 50
2000 - part of 2009	\$ 25
1979-1999	\$ 5

Important notes:

- All cases determined ineligible for SNAP as a result of the final QC review, regardless of the error amount, are included in the calculation of a State's official error rate.
- All errors found during a QC review, regardless of its inclusion in the State's official error rate determination, must be cited and reported to the appropriate office(s) within the State agency that addresses SNAP overissuances, underissuances, and corrective action/improvement initiatives.

timely. A case that fails to meet the applicable Federal processing standard is coded 2 - not timely.

The following cases will not be used in determining the bonus payment and should be coded 3 - Other: cases where no new application was filed in the review year, cases with only recertification applications filed (including those filed within 30 days after the certification period expired), and cases in which the new application was properly pending for incomplete verification. Cases in which a new application was improperly pending will be coded 2 - not timely.

If after a thorough review of case circumstances and records there is no documentation, application or other information to determine timeliness, the case should be coded 3. For cases with this problem, every effort should be made to determine the timeliness of the case before deciding to use the "Other" code.

Please indicate the appropriate code:

- 1 - Timely
- 2 - Not timely
- 3 - Other

69. QC Interview - Enter the appropriate code from the following:

- 1 - Telephonic personal interview with household
- 2 - No Interview with household - Failure or Refusal to Cooperate OR Not Subject to Review
- 3 - No interview with household (Ineligible determination prior to interview)
- 4 - Alaska - remote area - no interview or telephone interview
- 5 - Person interviewed in own home
- 6 - Person interviewed in local office
- 7 - Person interviewed in mutually agreed upon location
- 8 - Video interview - person interviewed in own home
- 9 - Video interview - person interviewed in local office
- 0 - Video interview - person interviewed in mutually agreed upon location

70. Timeliness of Recertification Processing - Use this process to review an active case in which the most recent application was a recertification. If there is more than one recertification application, measure timeliness for the most recent recertification application which is for or prior to the sample month.

Note: Quality control only collects data for timeliness of recertification processing. Refer to policy guidance on the timeliness measure for additional information in determining whether a case was processed timely or not timely as stated below.

Measure the timeliness of recertification application processing according to Federal processing standards. (*The regulations include an application for recertification as an application taken within 30 days after the certification period expired; these applications should be included for this measure and not the Application Processing Timeliness Measure.*) If there was no recertification processed within the last 12 months prior to the sample month, the case will not be used in the timeliness of recertification rate.

For all cases coded Agency Caused or Client Caused Not Timely, indicate the cause for the delay. If multiple causes are identified, indicate the cause that comes first in the list. For example, if the agency sent out the NOE late and the interview was scheduled late, the reviewer should code 11.

Indicate the appropriate code for 70:

01 - Timely

Not Timely - Agency Caused

- 11 - Agency failed to contact or did not contact client timely. This would include situations in which the agency failed to contact or did not contact client timely with notice of expiration (NOE), with recertification packet, to schedule interview, or to request verification.
- 12 - Agency lost or misfiled the verification or application for recertification. This would include any lost or misfiled application completed or otherwise.
- 13 - Agency failed to act on completed recertification application.

This would include any completed recertification application that a caseworker failed to act on for whatever reason.

Not Timely - Client Caused

- 24 - Client did not file the recertification application by the 15th of the last month of the certification period
- 25 - Client missed the first scheduled interview
- 26 - Client did not return the required verification timely
- 27 - Other client caused delay

- 30 - Benefits issued outside the certification period
- 40 - Not yet due for recertification
- 50 - No recertification within the 12 months prior to the sample month

71. Allotment Test - Enter the appropriate code that reflects which of the Allotment Tests (Comparison I or Comparison II) has been recorded in Item #10. Enter one of the following codes:

- 1 - Comparison I recorded, Comparison II was not needed
- 2 - Did Comparison II, recorded Comparison I
- 3 - Did Comparison II, recorded Comparison II
- 4 - Comparison I equaled Comparison II
- 5 - Case ineligible, no Comparison I or Comparison II done

SECTION 7 - OPTIONAL FOR STATE USE

There are 4 lines of spaces available to the State to code additional information.

EXPLANATION OF REVIEW FINDINGS CONTINUED:

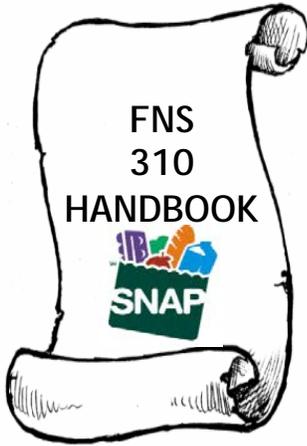
[Empty box for explanation of review findings]

PRIVACY ACT STATEMENT

This report is required under provisions of 7 CFR 275.14 (The Supplemental Nutrition Assistance Program). This information is needed for the review of State performance in determining the eligibility of applicants and recipients. The information is used to determine State compliance, and failure to report may result in a finding of non-compliance.

OMB PAPERWORK COLLECTION STATEMENT

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0584-0034. The time required to complete this information collection is estimated to average 2.9406 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.



October 2018