Supplemental Nutrition Assistance Program (SNAP)

WHAT IS AN IMPROPER PAYMENT?

SNAP’s measure of improper payments is not a measure of fraud. In fact, the vast majority of improper payments are due to unintentional errors. An improper payment in SNAP can occur for any of the following reasons:

- Incorrect amounts paid to an eligible client
- Payments made to a client incorrectly determined as eligible
- Payments for which insufficient or no documentation was found

IMPROPER PAYMENTS INCLUDE BOTH OVERPAYMENTS AND UNDERPAYMENTS

Not all improper payments represent a loss to the government.

Due to rounding, the payment error rate may not always equal the sum of the overpayment and underpayment error rate.

WHAT CAUSES IMPROPER PAYMENTS IN SNAP?

- Around 60% of improper payments are caused by State agency errors
  - Administrative or process errors: An eligible client could receive a payment that is too high or low due to an error in data entry or processing the application.
  - Failure to verify or act upon data matches: States are required to do certain matches for citizenship, work status, and other eligibility criteria.

- Around 40% of improper payments are caused by client errors
  - Failure to provide accurate and timely information: A client can be required to report information such as earnings, expenses, or assets.

ACTIONS TO REDUCE IMPROPER PAYMENTS IN SNAP

The Food and Nutrition Service (FNS) requires State agencies with high rates of improper payments to develop a corrective action plan to address the root cause(s) of the improper payments. FNS has also taken actions to improve the integrity of the SNAP improper payment measurement system. Examples of some successful actions by States and FNS include:

- FNS ACTIONS
  - Utilizing new data sources to enhance verification of reported information.
  - Conducting training for State policy and eligibility staff on certification policies and procedures.
  - Updating guidance and manuals, working with States to update their procedures.
  - Implementing an annual in depth management evaluation review of State operations.

- STATE ACTIONS
  - Training case workers to ensure policy is understood and correctly applied.
  - Improving customer service to make it easier for recipients to report changes.
  - Improving or expanding data matching capabilities to verify reported income, deductions, or assets.
  - Using data analytics to identify root causes for errors in order to develop corrective action plans.

But our commitment, and our actions, won’t end there. FNS will continue to work closely with States to implement high-impact strategies tailored to their specific challenges, as well as to share best practices that can reduce errors across the country.

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