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An Estimate of Potential Identity Theft in SNAP in Two States

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DEFINITIONS

- **Identity theft in SNAP:** The act of fraudulently using the identifying information—such as the name, social security number, or address—of another person to obtain SNAP benefits illegally.
- **Sufficient data discrepancies:** Sufficient data discrepancies imply that there are enough discrepancies between an individual's reported data in the SNAP caseload and other sources to warrant referral to the State SNAP agency for additional investigation. An example of a sufficient data discrepancy would be if the social security number of an individual—as reported in the SNAP caseload data—differed from that reported for the same individual in other data sources.
- **Prevalence rates:** Prevalence rates represent the proportion of participants with sufficient data discrepancies (as defined above) for a given group over the 12-month caseload period. These rates factor the number of months that each individual appears in the SNAP caseload data.
- **Standard errors:** Standard errors estimate the accuracy of the prevalence rates. The standard errors consider both the original prevalence rate and the variance introduced by the validation sample sizes.
- **Average monthly SNAP benefit:** Average monthly SNAP benefits are calculated by dividing total SNAP benefits received by the weighted total number of participants and then dividing that number by 12. Participant totals are weighted to account for differences in the total number of months each individual appeared in the data.
- **Total annual SNAP benefit:** Total annual SNAP benefits are equal to the sum of all proportionally allocated SNAP benefits received by participants over the full 12-month period. Proportionally allocated SNAP benefits are calculated by dividing household-level SNAP benefits by the total number of participants in the household.

GLOSSARY OF ACRONYMS AND ABBREVIATIONS

CA/IV	Customer Authentication and Online Identity Verification
CMS	Centers for Medicare & Medicaid Services
DCF	[Florida] Department of Children and Families
DPAF	[Florida] Division of Public Assistance Fraud
DSS	[Missouri] Department of Social Services
FNS	Food and Nutrition Service
FSD	[Missouri] Family Support Division
ID	Identification
MODL	Missouri Drivers' License
OPBI	[Florida] Office of Public Benefits Integrity
SNAP	Supplemental Nutrition Assistance Program
SSI	Social Security Income
TANF	Temporary Assistance for Needy Families
USDA	U.S. Department of Agriculture

EXECUTIVE SUMMARY

A. Overview of study

The Supplemental Nutrition Assistance Program (SNAP) is the nation's first line of defense against food insecurity and serves as the foundation of America's nutritional safety net. SNAP is the largest of the 15 domestic food and nutrition assistance programs administered by the Food and Nutrition Service (FNS) of the U.S. Department of Agriculture (USDA). SNAP provided benefits to 42.2 million people in 20.9 million households across the United States in an average month in fiscal year (FY) 2017.[1] The Federal government funds SNAP benefits, whereas State and the Federal governments share the program's administrative costs.

SNAP improves nutrition among low-income people and provides vital assistance to the neediest members of society. For SNAP to serve these populations effectively, it is critical to ensure the integrity of the program. Although SNAP fraud occurs relatively infrequently, FNS recognizes that public confidence in the program is vital.[2] SNAP fraud affects both State and the Federal governments, as well as participants who depend upon the program.

FNS commissioned this exploratory study in an attempt to quantify the extent of identity theft used for the purposes of fraudulently obtaining SNAP benefits. With the cooperation of two study States, Florida and Missouri, Mathematica Policy Research explored the efforts these States have made to prevent and detect identity theft in SNAP and quantify the prevalence of potential identity theft and its associated cost to the program in each State over the same 12-month period spanning June 2016 through May 2017.

The study objectives were (1) to describe the efforts the two study States are making to prevent and detect identity theft in SNAP, (2) to estimate the prevalence of identity theft in SNAP for each study State, (3) to estimate the cost of identity theft in SNAP for each study State, and (4) to develop a set of recommended practices, which may help States improve their ability to prevent and detect identity theft in SNAP.

We define identity theft in SNAP as the act of fraudulently using the identifying information—such as the name, social security number, or address—of another person to obtain SNAP benefits illegally. Other types of SNAP fraud—such as trafficking—are not examined in this study; however, FNS is committed to researching and fighting these abuses as well.

Identity theft estimates presented in this report represent counts of potential victims. Because identity theft can be truly determined only after a detailed fraud investigation is conducted, the study estimates are to be considered potential identity theft rather than true identity theft.

[1] U.S. Department of Agriculture. "Supplemental Nutrition Assistance Program." Washington, DC: USDA, 2015. Available at http://www.fns.usda.gov/sites/default/files/pd/34SNAPmonthly.pdf.

[2] U.S. Department of Agriculture. "Fraud: What Is FNS Doing to Fight SNAP Fraud?" Washington, DC: USDA, 2013. Available at https://www.fns.usda.gov/fraud/what-fns-doing-fight-snap-fraud.

A key objective of this exploratory study was to quantify the extent of potential identity theft in SNAP in two study States—Florida and Missouri. For the purposes of this report, we define identity theft in SNAP as the act of fraudulently using identifying information of another person to obtain SNAP benefits illegally. Other types of SNAP fraud such as trafficking—are not discussed in this report.

It is not possible to determine identity theft precisely unless a formal fraud investigation is performed. Instead, the methods employed in this report sought to determine whether a SNAP participant's caseload record, or case, contained sufficient data discrepancies to warrant referral to the State SNAP agency for further investigation.

The estimates of the extent of potential identity theft discussed in this Executive Summary and presented in greater detail in Chapter III of this report represent the period prevalence rate of potential identity theft—the percentage of all participating individuals during a 12-month period whose data indicate that they may have had their identity used to obtain SNAP benefits illegally. These individuals are potential victims of identity theft—that is, they are the individuals whose identifying information may have been used by another person for the purposes of illegally obtaining SNAP benefits. Throughout this report, we refer to these SNAP cases as individuals who are potential victims of identity theft.

B. Study context and limitations

This study establishes a strong baseline toward answering the research questions put forth by FNS. Yet, the reader should consider certain study context and limitations.

1. The findings in this report represent an exploratory study on the extent of identity theft used for the purposes of fraudulently obtaining SNAP benefits. The findings are limited to two study States—Florida and Missouri—with final prevalence rates of potential identity theft for each State based on small validation samples. To gain a better understanding of the extent of identity theft used for the purposes of fraudulently obtaining SNAP benefits, a more comprehensive study spanning more States and incorporating a more exhaustive validation effort would be needed.
2. Mathematica subcontracted with LexisNexis to perform specific roles over the course of this exploratory study. LexisNexis employed its LexID machine matching algorithm to identity SNAP cases that have a high likelihood of potential identity theft. Mathematica also used LexisNexis' Accurint database of public records and non-public information as a part of its effort to independently validate the sample of records identified by the LexID algorithm.
3. LexisNexis offers LexID and Accurint, as well as a number of other risk solution products and services to government organizations, including State SNAP agencies. Of note for this report, LexisNexis provides the identity verification and authentication services to one of the study States—Florida.
4. To mitigate any perceived bias, Mathematica limited the scope of involvement LexisNexis had during the course of this study. Specifically, LexisNexis staff did not review the results of the independent validation of 100 randomly selected records from each State, nor did

their staff provide any input with respect to the statistical adjustment made based on the results of that validation effort. In addition, LexisNexis was not involved in the analysis, writing, or the development of the recommended practices highlighted in the report.

5. Identity theft can only be determined through a formal fraud investigation. The standard we used in our review was to determine whether the cases warranted further scrutiny by the State agency to decide if a formal fraud investigation was appropriate. Therefore, while we are able to estimate the prevalence and cost of potential identity theft, our estimates cannot be confirmed as true instances of identity theft without a formal fraud investigation and subsequent hearing or prosecution. Such processes might find that some of these cases were not identity theft. If so, the estimates we have provided here would overstate the extent of identity theft in SNAP in the study State.
6. Because of limitations in the availability of detailed State administrative data, we were unable to include estimates of the administrative costs that States incur in their efforts to deter, investigate, administratively disqualify, or prosecute perpetrators of identity theft in SNAP. Therefore, the estimates of the cost of potential identity theft in SNAP that is provided in this report factor in lost SNAP benefits only.
7. There are no data available on the demographics of perpetrators of identity theft in SNAP. Therefore we are not able to provide any information on the demographics or characteristics of individuals or groups who may be fraudulently obtaining SNAP benefits using stolen identities.

C. Summary of study States' efforts to prevent and detect identity theft

In this report, we describe in detail the efforts that two States, Florida and Missouri, take in order to prevent, detect, and investigate identity theft in SNAP. The findings presented in this report are the result of information gathered from in-depth interviews with staff in Florida and Missouri and key reporting documents developed by the States.

Using identity authentication and verification tools, specialized investigative units, and data analytics, Florida's Department of Children and Families (DCF) describes their approach as proactive in preventing, detecting, and investigate identity theft in SNAP.

DCF uses a standardized customer authentication and online identity verification (CA/IV) process for SNAP, Temporary Assistance for Needy Families (TANF), and Medicaid. About 84 percent of applications for public assistance programs are completed online. The online application process includes an optional customer authentication system, which verifies applicants' identities automatically and, according to staff, facilitates more timely approval of applications. To verify their identity, the system leverages technology used in the financial sector to ask applicants questions that only they should be able to answer. Applicants who opt out of or fail the automated authentication system must work with an eligibility worker in person or by telephone to verify their identity and get approved for benefits.[3] Applications are denied if DCF cannot verify the applicant's identity.

DCF identifies possible fraud, including identity theft, via (1) complaints from the public, (2) referrals from eligibility workers, and (3) internal Office of Public Benefits Integrity (OPBI) data

[3] SNAP regulations require that the identity of the applicant be verified prior to approval of benefits.

analytics. OPBI uses routine and ad hoc data analytics and data-matching reports to monitor trends in applications and detect instances of potential identity theft. DCF added the ability to monitor application submissions and calls, and plans to expand the types of application data elements available to better prevent and detect identity theft.

Public Benefit Investigations staff lead the effort to investigate potential identity theft in Florida using their Identity Theft Guide, which lists several indicators for investigators to review. Investigative staff follow this guide to collect information to determine whether identity theft is present and gather evidence to present at an administrative disqualification hearing or provide to the Division of Public Assistance Fraud if prosecuting the case.

Missouri's Department of Social Services (DSS) has taken what their staff refer to as a "reactive" approach to preventing, detecting, and investigating identity theft in SNAP. Currently, the Family Support Division eligibility workers refer to an agency guide to manually verify the identity of applicants, primarily by using data available through Missouri Drivers' License and Social Security Administration interfaces. Missouri DSS identifies suspected fraud, including identity theft, via reports from the public and referrals from frontline staff. Suspected fraud is referred to the Division of Legal Services Welfare Investigation Unit, whose staff lead investigations of fraud and abuse. Investigators undergo frequent training as the unit develops new processes and approaches to fraud investigation and acquires newer technologies. Agents use multiple data sources to investigate cases of potential identify theft. Upon determining that they have evidence to prove that an intentional program violation has occurred, Welfare Investigation Unit staff decide whether to present the case to the State prosecutor for criminal prosecution or pursue administrative disqualification based on the evidence.

DSS is currently reviewing its policies, procedures, and resources to better address fraud, waste, and abuse in the programs it administers. The department is working on incorporating automated third-party verification in its eligibility and determination system and is exploring the possibility of gaining access to additional data sources to share electronic data with other States and improve its identity theft detection and investigation efforts.

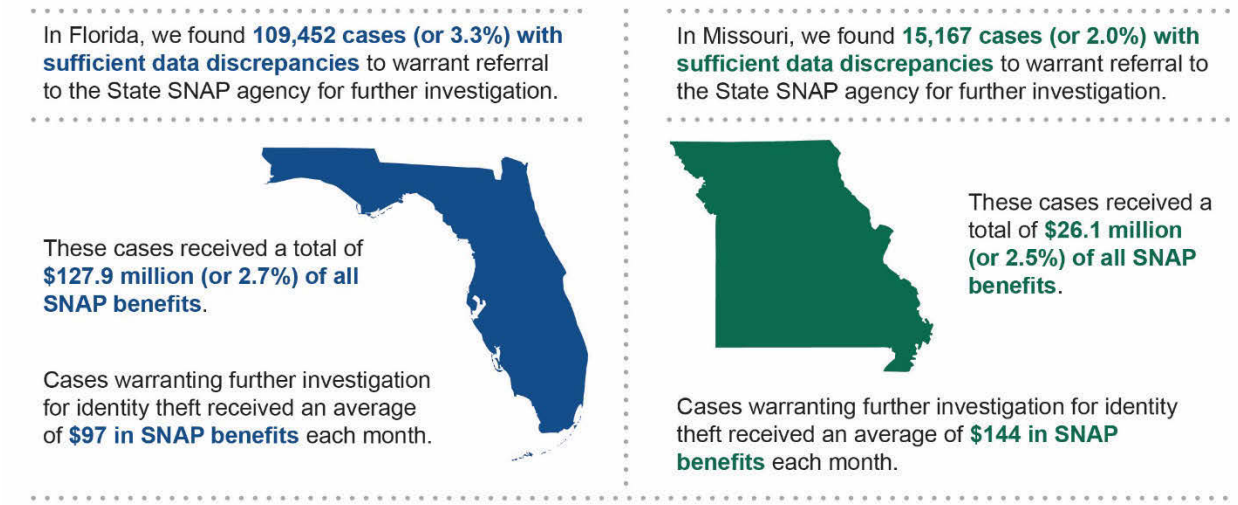
D. Key findings related to prevalence and cost of potential identity theft

We used a three-step approach to produce the estimates of prevalence and cost of potential identity theft presented in this report. First, we estimated an initial prevalence rate for each State by running its entire 12-month SNAP caseload of current SNAP participant data through a matching algorithm that flagged SNAP cases with data discrepancies consistent with a high likelihood of potential identity theft—for example, if the social security number of an individual that is reported in the SNAP caseload data is different from that reported for the same person in other sources. Then, to validate whether the matching algorithm correctly identified cases as representing likely fraud, an independent two-person team from Mathematica, led by an analyst trained to perform high-level data validation, performed a manual validation review of 100 randomly selected flagged records from each State. Finally, using the results of the validation review, we estimated final prevalence rates for potential identity theft and their associated costs for each State by implementing a statistical adjustment to the initial rate estimated by the computer machine matching algorithm.

Using this approach on caseload data from each State, we found that 3.3 ± 0.4 and 2.0 ± 0.4 percent of participants in Florida and Missouri, respectively, showed sufficient discrepancies in their

data over the 12 months spanning June 2016 through May 2017 to warrant referral to a State SNAP agency for further investigation. Although these percentages are small, they represent large totals in each State—109,452 individuals in Florida and 15,167 in Missouri (Figure ES.1). Consequently, the potential costs in SNAP benefits are high: $128 million (2.7 percent of all benefits) in Florida and $26 million (2.5 percent of all benefits) in Missouri.

Figure ES.1. SNAP participants warranting further investigation for identity theft and their associated cost in Florida and Missouri, June 2016 through May 2017



Source: State SNAP administrative caseload data for June 2016 through May 2017. For details on how we derived estimates of participants warranting referral, see the methodology section of Chapter I.

Trends in demographic and household subgroup prevalence rates were similar for both study States:

- Children (aged 17 or younger) were the least likely age group to be potential victims of identity theft: 0.3 and 0.0 percent of children had cases warranting further investigation in Florida and Missouri, respectively. By comparison, cases for nonelderly adults (aged 18 to 59) and elderly individuals (aged 60 or older) warranted further investigation at rates of 5.1 and 6.1 percent, respectively, in Florida and at rates of 3.9 and 2.7 percent, respectively, in Missouri.
- Cases for disabled individuals were more likely than those for non-disabled individuals to warrant further investigation: 6.8 and 3.8 percent of disabled individuals' cases warranted further investigation in Florida and Missouri, respectively, compared with respective rates of 2.1 and 1.5 percent for non-disabled individuals.
- Cases for U.S. citizens were more likely than those for noncitizens[4] to warrant further investigation: 3.5 and 2.1 percent of U.S. citizens' cases warranted further investigation in

[4] Lawful, permanent resident noncitizens may be eligible for SNAP benefits under certain specified conditions of their immigration status. In addition to meeting these immigration requirements, they must also meet other SNAP eligibility requirements, such as income and asset limits, to be eligible to receive SNAP benefits. See https://www.fns.usda.gov/snap/snap-policy-non-citizen-eligibility for more details.

Florida and Missouri, respectively, compared with respective rates of 2.0 and 1.3 percent for noncitizens.

- Cases for veterans were more likely than those for nonveterans to warrant further investigation: 7.4 and 2.5 percent of veterans' cases warranted further investigation in Florida and Missouri, respectively, compared with respective rates of 3.3 and 2.0 percent for nonveterans.
- Cases for individuals in one-person households had the highest prevalence rates of all other household compositions, at 6.1 and 4.0 percent in Florida and Missouri, respectively.

Many trends in demographic and household subgroup prevalence rates were similar in Florida and Missouri, but there were also notable differences:

- In Florida, cases for elderly individuals had the highest prevalence rate (6.1 percent) for potential identity theft, whereas in Missouri, cases for nonelderly adults had the highest rate (3.9 percent). In both States, nonelderly adults account for the majority of all SNAP recipients.
- In Florida, cases for individuals living in households with the lowest monthly household SNAP benefits (those receiving $50 or less in benefits each month) had the highest prevalence rate (8.6 percent) for potential identity theft. In Missouri, cases for individuals living in households receiving $101 to $200 in monthly household SNAP benefits had the highest rate (4.1 percent).

In addition to demographic and application subgroups, we looked at overlap with participation in other needs-based programs among cases warranting further investigation for identity theft in SNAP. In particular, we looked at the overlap between these cases and whether the flagged case was for an individual living in a household receiving TANF, Medicaid, or Supplemental Security Income (SSI). Only a small percentage of cases warranting further investigation were for individuals living in households receiving TANF (2 percent in Florida and 4 percent in Missouri). However, a majority of the cases warranting further investigation for identity theft in SNAP in Florida and Missouri were for individuals who lived in households receiving Medicaid (58 and 74 percent, respectively). Furthermore, 19 and 24 percent of individuals whose cases warranted further investigation lived in households receiving SSI in Florida and Missouri, respectively. These findings highlight the opportunity to identify cases where an individual's identifying information may be being used to receive benefits from multiple needs-based programs.

E. Summary of recommended practices to help States improve their ability to fight against identity theft in SNAP

Building on the findings from Chapters II and III of this report, as well as from consultation with Mathematica identity theft prevention experts knowledgeable about other program best practices, we developed the following set of recommended practices to help States prevent and detect identity theft in SNAP:

1. States should clearly communicate the importance of program integrity to their SNAP agency staff.
2. States should develop clear criteria, guidance, and standardized procedures to help their SNAP agency staff detect identity theft.

3. States should consider creating specialized fraud investigation units to focus on identity theft.
4. States should conduct a thorough internal review of their policies and procedures to identify gaps in fraud and identity theft prevention practices and develop plans to address them.
5. State SNAP agencies should develop or enhance relationships with their counterparts in other States and other agencies within their own State who identify and investigate cases of identity theft.
6. States may want to consider implementing a customer authentication and online identity verification system.
7. States should consider developing specialized data analytics capabilities and expanding their data monitoring.
8. To help States improve their data analytics, FNS could expand its technical assistance efforts to include a focus on data analytic capabilities for identity theft detection.
9. FNS may want to consider developing a working group with States on identity theft and program integrity.

FNS recently released a SNAP Fraud Framework to help States combat SNAP fraud.[5] The components of the framework are broadly focused on all forms of SNAP fraud and are applicable to identity theft prevention, detection, and investigation. While developed independently, the recommended practices put forth in this report to address identity theft are consistent with the guidance contained in the SNAP Fraud Framework.

For most of the recommended practices, States must take the lead. We recognize that fraud in general, and identity theft specifically, is dynamic and presents different challenges to each State. In considering the recommended practices above, States are encouraged to demonstrate flexibility and innovation in implementing them consistent with their own circumstances and available resources. For other practices, FNS is better suited to use its oversight role and national perspective to promote change. States have frontline responsibility for administering SNAP benefits and ensuring recipient integrity, yet FNS can continue its efforts to support and influence States and other Federal stakeholders to create an even larger impact on the integrity of SNAP and other needs-based Federal assistance programs.

[5] U.S. Department of Agriculture. "Fact Sheet: SNAP Fraud Framework." Washington, DC: USDA, 2018. Available at https://www.fns.usda.gov/usda-releases-snap-fraud-framework-tackle-fraud.

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I. INTRODUCTION

A. Background

The Supplemental Nutrition Assistance Program (SNAP) is the nation's first line of defense against food insecurity and serves as the foundation of America's nutritional safety net. SNAP is the largest of the 15 domestic food and nutrition assistance programs administered by the Food and Nutrition Service (FNS) of the U.S. Department of Agriculture (USDA). In an average month in fiscal year (FY) 2017, SNAP provided benefits to 42.2 million people in 20.9 million households across the United States.[6]

SNAP improves nutrition among low-income people and provides vital assistance to the neediest members of society. Most SNAP participants live in poverty: about 82 percent of SNAP households lived in poverty in FY 2016.[7] The Federal government funds SNAP benefits, whereas States and the Federal government share the program's administrative costs.

SNAP fraud has long been a concern for FNS. For SNAP to serve these populations effectively, the integrity of the program must be ensured. Although SNAP fraud occurs relatively infrequently, FNS recognizes that public confidence in the program is vital.[8] SNAP fraud affects both the States and the Federal government, as well as participants who depend upon the program.

FNS commissioned this exploratory study in an attempt to quantify the extent of potential identity theft used for the purposes of fraudulently obtaining SNAP benefits. With the cooperation of two study States, Florida and Missouri, Mathematica explored the efforts of these States to prevent and detect

A key objective of this exploratory study was to quantify the extent of potential identity theft in SNAP in two study States—Florida and Missouri. In this report, we define identity theft in SNAP as the act of fraudulently using identifying information of another person to obtain SNAP benefits illegally. Other types of SNAP fraud—such as trafficking—are not discussed in this report.

It is not possible to determine identity theft precisely unless a formal fraud investigation is performed. Instead, the methods employed in this report sought to determine whether a SNAP participant's caseload record, or case, contained sufficient data discrepancies to warrant referral to the State SNAP agency for further investigation.

The estimates of the extent of potential identity theft discussed in this report represent the period prevalence rate of potential identity theft—the percentage of all participating individuals during a 12-month period whose data indicate that they may have had their identity used to obtain SNAP benefits illegally. These individuals are potential victims of identity theft—that is, they are the individuals whose identifying information may have been used by another person for the purposes of obtaining SNAP benefits. Throughout this report, we refer to these SNAP cases as individuals who are potential victims of identity theft.

[6] U.S. Department of Agriculture. "Supplemental Nutrition Assistance Program." Washington, DC: USDA, 2015. Available at http://www.fns.usda.gov/sites/default/files/pd/34SNAPmonthly.pdf.

[7] U.S. Department of Agriculture. "Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2016." Washington, DC: USDA, 2017. Available at https://www.fns.usda.gov/snap/characteristics-supplemental-nutrition-assistance-households-fiscal-year-2016.

[8] U.S. Department of Agriculture. "Fraud: What Is FNS Doing to Fight SNAP Fraud?" Washington, DC: USDA, 2013. Available at https://www.fns.usda.gov/fraud/what-fns-doing-fight-snap-fraud.

identity theft in SNAP and to quantify the prevalence of potential identity theft and its associated cost to the program in each State over the same 12-month period.

B. Identity theft in SNAP

The Code of Federal Regulations defines *identity theft* as "a fraud committed or attempted using the identifying information of another person without authority."[9] Following this definition, in this report we consider identity theft in SNAP as the act of fraudulently using identifying information—such as the name, social security number, or address—of another person to obtain SNAP benefits illegally. Other types of SNAP fraud—such as trafficking—are not discussed in this report; however, FNS is committed to researching and fighting these abuses as well.

There are no national estimates of the prevalence of identity theft for the explicit purpose of fraudulently obtaining SNAP benefits. The U.S. Department of Justice, however, does estimate the extent of identity theft broadly: in 2014, 17.6 million U.S. residents were victims of at least one incident of identity theft, representing an increase of about one million more victims since 2012.[10] This same report found that individuals aged 65 or older were most at risk of being victims of identity theft of some kind in 2014. In addition, when looking at households by income level, 1.8 million individuals living in households with an annual household income below $25,000 were victims of identity theft in 2014, similar to findings in 2012.

The Federal Trade Commission's Consumer Sentinel Network (CSN), a database of millions of consumer complaints, separately reported that identity theft was the most common consumer complaint received in 2014.[11] CSN also noted that in 2017, Florida—one of the States in this study—had the second-highest per capita rate of reported identity theft of all States.[12]

Identity theft estimates presented in this report represent counts of potential victims. Because identity theft can be truly determined only after a formal fraud investigation is conducted, the report estimates are to be considered *potential* identity theft rather than *true* identity theft.

C. Study objectives

The integrity of the SNAP program is critical to ensuring that States and FNS allocate resources effectively and that the public has full confidence in the program. The main purpose of this study was to describe what two States—Florida and Missouri—are doing to prevent and detect identity theft, and to estimate the extent of potential identity theft in SNAP in those States. To that end, we address four objectives in this report:

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[9] 12 C.F.R. § 1022.3 2018.

[10] Harrel, E. *Victims of Identity Theft, 2014*. Bureau of Justice Statistics, U.S. Department of Justice, NCJ 248991, September 2015.

[11] *Consumer Sentinel Network Data Book for January–December 2014: Federal Trade Commission, February 2015.* https://www.ftc.gov/system/files/documents/reports/consumer-sentinel-network-data-book-january-december-2014/sentinel-cy2014-1.pdf.

[12] *Consumer Sentinel Network Data Book 2017: State Rankings: Identity Theft Reports.* https://www.ftc.gov/policy/reports/policy-reports/commission-staff-reports/consumer-sentinel-network-data-book-2017/state-rankings-id-theft-reports.

1. **Describe the efforts study States are making to prevent and detect identity theft in SNAP.** The report describes the entities involved in preventing and detecting identity theft in SNAP and highlight their key roles and responsibilities. Processes and procedures used in each study State are highlighted, recent changes each State has made to combat identity theft are discussed, and planned changes are described. The report also discusses key successes in the fight against identity theft and discuss remaining challenges noted by staff.
2. **Estimate the prevalence of potential identity theft in SNAP for each study State.** The report estimates the statewide prevalence of potential identity theft in SNAP. The estimates are presented by highlighting differences between subgroups of victims of potential identity theft, for example:
   - By demographics, such as age, disability status, citizenship, and veteran status
   - By monthly SNAP benefit
   - By certification status (initial and recertification)
   - By case type (expedited and not expedited)
   - By application source (in person, online, mail, other)
3. **Estimate the cost of identity theft in SNAP for each study State.** The estimates of the costs of potential identity theft per case—in lost SNAP benefits—are broken out using the same subgroups: demographics, monthly SNAP benefit, certification status, case type, and application source. We also estimate the total cost of potential identity theft to the SNAP program in each study State. The cost estimates do not include the associated administrative costs States incur to deter, investigate, administratively disqualify, or prosecute perpetrators of identity theft in SNAP. Detailed data on such costs were not available.
4. Develop a set of recommended practices that might help States improve their ability to prevent and detect identity theft in SNAP.[13] The report provides an overview of key findings and highlights a potential enhancement for refining a predictive tool in the fight against identity theft. The report then describes a set of recommended practices to help States in their fight against identity theft in SNAP, which could require actions and resources from the States and FNS.

D. Data sources

To produce the findings presented in this report, we conducted in-depth interviews with SNAP agency staff in Florida and Missouri and reviewed extant data. The estimates of the prevalence of potential identity theft in SNAP and the associated costs to the program in lost SNAP benefits presented in this report are based on SNAP administrative data collected from both study States.

1. In-depth interviews

Several in-depth interviews were conducted in each State with knowledgeable staff—such as SNAP eligibility worker supervisors, investigations staff, program integrity leadership, and technical

[13] The original objective was to develop a set of best practices for States. However, because this study was limited to two States, it is more accurate to refer to these action items as *recommended practices*.

staff—to gain a comprehensive understanding of the activities the States have undertaken or aspire to undertake in their efforts to prevent, detect, and investigate identity theft. A master interview protocol, or guide, was developed and used for all interviews to ensure consistency and quality in the data collection process. This protocol provided instructions for interviewers to follow during and after each interview so that interviewees knew about the study objectives and understood the overall goals of the questions.

The interview guide included questions to ask all respondents, as well as questions specifically for staff with expertise in certain areas, including open-ended questions and probes to capture comprehensive information about (1) the study States' efforts to prevent and detect identity theft in SNAP; (2) prevention, detection, policy, and program operation changes under consideration in the State; and (3) efforts related to eligibility worker and participant education and outreach to raise awareness and improve the prevention and detection of identity theft.

2. Administrative and extant data sources

Florida and Missouri each provided us with 12 months of SNAP administrative caseload data, covering June 2016 through May 2017. This period reflects the most recent 12 months of SNAP data that each State had available at the time of our request. Each State's caseload data included relevant personally identifiable data that we could use to verify participants' identities, including their full name, date of birth, social security number, and home address. States also included demographic data on disability, citizenship, veteran status, and employment, which allowed us to break out findings by these subgroups.

In addition to the SNAP administrative data files provided by States, we used extant data to verify an individual's data. Under a subcontract with Mathematica, LexisNexis provided services of and access to its national databases of identity information for this study. As further detailed in Section E, we used the information collected from the two study States to confirm each participant's identity and determine whether the combinations of data measured against extant data sources for each participant indicated a high likelihood of identity theft.

E. Research approach and methodology

We used a three-step approach to produce the estimates of prevalence and cost of potential identity theft presented in report.

Step 1: Machine matching algorithm to estimate initial prevalence rate. As a first step in our process, we estimated an initial prevalence rate for each State by running its entire 12-month SNAP caseload of SNAP participant data through the LexisNexis LexID® machine matching algorithm. Using diverse sets of information and numerous data sources, LexID technology matched records across nicknames; aliases; spelling variations; and faulty, mistyped, or missing inputs to validate each individual's identity. This information also enabled us to cross-reference participants' identity information by piecing together and examining multiple individual data elements to assess the authenticity of SNAP recipients' identity. Table I.1 displays some examples of checks that were ran on an individual's identity network. This analysis assessed whether an identity appeared to be stolen by examining each participant's identity data to determine whether the SNAP caseload data contained any suspicious or contradictory identity information.

Table I.1. Whole identity network review

Validity of the applicant or recipient's identity data			Suspicious or contradictory identity verification
Is the applicant or recipient:	**Is the address:**	**Is the SSN:**	**Is there evidence of identity theft?**
1. Related to someone else living at an address?	1. Residential?	1. Issued?	1. Does it appear that the true owner of the social security number resides elsewhere?
2. Dead for more than two years?	2. Complete with a legitimate apartment unit designator?	2. In a valid format?	2. Do utility listings and property records contradict the residence claims on the application?
3. Incarcerated?	3. A prison?	3. Assigned to a deceased person?	3. Does it appear that the true owner of the identity recently moved to a different State?
	4. A transient commercial location such as a hotel, campground, mail drop, and so on?	4. Issued before the applicant's date of birth?	4. Does it appear to be a fabricated identity?
	5. Used by a disproportionate number of identities?	5. Used by multiple individuals?	
	6. Is the zip code restricted for use as a corporate post office box only?		

If an individual's data, as reported in each State's SNAP caseload data, were identified by the LexID algorithm as having a high likelihood of potential identity theft, then that individual's data were flagged with a score of 1. Cases that did not display a high likelihood of potential identity theft received a score of 0. From this matching exercise we calculated an *initial* 12-month period prevalence rate for each State. After running the Florida caseload data covering June 2016 to May 2017 through the LexID algorithm, 8.3 percent of all individuals were flagged with a 1, representing an initial prevalence rate of potential identity theft of 8.3 percent. Similarly, we were able to calculate Missouri's initial prevalence rate as 7.7 percent for the same period.

The initial prevalence rates represent the percentage of each State's caseload for which the LexID algorithm detected a discrepancy that LexisNexis associates with a high likelihood of potential identity theft. However, the presence of data discrepancies alone is not sufficient to prove identity theft. An expert-led manual review of caseload data can help interpret or explain exceptions to data discrepancies that the matching algorithm is not programmed to account for, but that an expert-led manual review can understand. Therefore, the next step of our three-step approach involved a detailed manual review of a small sample of each State's caseload that the LexID algorithm flagged.

Step 2: Expert-led validation of initial results. To validate whether the LexisNexis computer algorithm correctly identified cases as representing likely cases of identity theft in SNAP, an independent two-person team from Mathematica performed a manual validation review of 100 randomly selected records from each State. For each State, we drew the 100 randomly selected cases from the universe of all cases that the LexisNexis matching algorithm flagged as having a likelihood of identity theft in SNAP. Although it is possible for LexID to return false negatives (individuals

who should have been flagged with a 1 for high likelihood of potential identity theft but instead received a 0), we focused our efforts on identifying false positives (individuals incorrectly flagged with a 1, representing likely identity theft) to maximize the impact of our validation review, given the sample size.

To ensure that each State's sample approximately mirrored the distributional characteristics of its sampling frame, we used *implicit stratification,* which sorts the sampling frame into two or more defined factors and then uses a sequential selection procedure (similar to systematic sampling in which every *nth* unit is selected) to select the final sample. Controlling the distribution of key subgroups through implicit stratification is preferable to a more restrictive proportional allocation, because it would not be possible to get a sizable proportional fit with a total sample of 100 cases for each State. For both States, we stratified the sample using seven variables: a recipient's monthly benefit amount, gender, veteran status, age, disability, application source, and citizenship status.

After drawing the 100 case samples for each State, the validation team rigorously reviewed each of the randomly selected cases to validate whether it was likely to be an identity theft case.[14] The validation team manually reviewed all data provided by the State from the 100 flagged cases using the LexisNexis Accurint database of public records and non-public information as well as other publicly available databases, such as State corrections records and internet searches. The Accurint database contains data on individuals, including current and previous addresses, assets, motor vehicle histories, criminal records and periods of incarceration, and other information that can be used to validate identities. It also provides information on the addresses provided in the application and other individuals residing at those addresses, and identifies whether others might be using the social security number provided by the applicant.

Because it is not possible to determine identity theft precisely without an investigation, the standard applied through the validation review process sought to determine whether a record was worth referring to a State SNAP agency for further investigation.[15] For each sample, the validation team identified individuals with a sufficient amount of discrepant or suspicious information to warrant further investigation by the State SNAP agency for identity theft.

Our validation team found that for Florida, 44 of the 100 sampled cases identified by LexID algorithm warranted further investigation by the State SNAP agency to determine whether a fraud investigation was warranted. For Missouri, our team found the same for 33 of the 100 flagged cases. In both instances, these identified cases can be determined to be true cases of identity theft only through a formal fraud investigation.

[14] The SNAP administrative caseload data provided by both States were for the 12-month period from June 2016 through May 2017. The validation team performed its review of the 100 individuals from the Florida sample from December 7, 2017, to January 24, 2018; and reviewed the 100 cases in the Missouri sample validation from January 19 to February 20, 2018. The data sources used in the Accurint system are updated daily, weekly, monthly, and annually, depending on the particular data source. As such, the results of a validation review might vary slightly if conducted at a different point in time.

[15] We use the term *investigate* here broadly to include not only formal fraud investigations to determine whether identity theft has occurred but also pre-investigation examinations of the application data by the State to determine whether the apparent discrepancies observed between the caseload data and the public data files warrant further attention. Most of the findings we observed in the validation review suggest that such an examination of application was warranted but may not have immediately suggested that a formal investigation be performed.

Our detailed review of samples from each State enabled us to improve the precision of the final estimated prevalence rates for each State using statistical modeling adjustments.

Step 3: Statistical adjustment to initial estimate based on validation results. We estimated final prevalence rates of potential identity theft for each State by adjusting the initial rate estimated by LexID using the results of the validation review. The validation review enabled us to measure the accuracy of the LexID algorithm used to produce the initial population of flagged cases and provided us with more data to improve the precision of the estimated prevalence rates using statistical modeling adjustments. For this study, we were particularly interested in getting the best estimate of the probability of having a high likelihood of identity theft. Therefore, we chose a tree-based classification model. Tree-based models can organize the population of SNAP cases into mutually exclusive subgroups with substantially different prevalence rates. In addition, using a tree-based approach alleviates issues with small sample size, because this method selects the most important covariates by design and includes only the most relevant ones in the final model.

Decision trees are non-parametric computer models that can handle both categorical and continuous data. These models are used to predict values for a given population using a defined set of known values from a learning set. For our purposes, the decision tree model can use the 100-case validation set from each State as a learning set and model the decisions of our validation team over the entire SNAP caseload of each State.

We developed three tree-based models: (1) a classification and regression tree (CART) model, (2) a chi-squared automatic interaction detector (CHAID) model, and (3) a random forest decision tree model. The goal in developing our decision tree model was to simulate the decisions of our expert validation team as closely as possible for the entire sample of cases initially flagged by the LexID matching algorithm as having potential identity theft in each State. Therefore, to see how closely the model results matched the conclusions of the validation team, we ran the three decision tree models over the 100 cases flagged by the LexID matching algorithm that our validation team manually reviewed for each State. The random forest approach performed the best among the three models, so we used it for our adjustment modeling. Details on how well each model performed are in Appendix A of this report.

Applying the random forest model to the initial population of cases flagged for potential identity theft by the LexID algorithm in Step 1 affected the initial population of cases receiving a score of 1. The random forest model either left these scores unchanged (indicating that the model agreed with the LexID algorithm that the case should be referred to a State SNAP agency for further investigation) or changed the score from a 1 to a 0 (indicating that the model determined LexID should not have flagged the case). Cases that initially received a score of 0 by LexID remained unchanged by the model.

We used the final adjusted model detailed in Step 3 to produce all estimates of potential identity theft shown in Chapter III of this report. In addition to prevalence rates, we calculated weighted counts of participants identified by the model as representing cases of potential identity theft, as well as the associated cost, in SNAP dollars, going to these cases. To account for differences in the total number of months an individual could appear in each State's SNAP caseload data, we weighted the final counts of all participants and all participants identified as potential identity theft by the average number of months each spent in the SNAP caseload over the 12-month period.

We calculated proportionally allocated SNAP benefits by dividing household-level SNAP benefits by the total number of participants in the household. We calculated the total annual cost associated with potential identity theft by summing proportionally allocated SNAP benefits received by individuals found by the final model to be potential identity theft (that is, individuals receiving a score of 1 from the model). In addition to the total annual cost associated with potential identity theft, Chapter III presents the average monthly SNAP benefits received by participants warranting further investigation.

F. Study context and limitations

This study establishes a strong baseline toward answering the research questions put forth by FNS. Yet, the reader should consider certain study context and limitations:

1. The findings in this report represent an exploratory study on the extent of identity theft used for the purposes of fraudulently obtaining SNAP benefits. The findings are limited to two study States—Florida and Missouri—with final prevalence rates of potential identity theft for each State based on small validation samples. To gain a better understanding of the extent of identity theft used for the purposes of fraudulently obtaining SNAP benefits, a more comprehensive study spanning more States and incorporating a more exhaustive validation effort would be needed.

2. As noted above, Mathematica subcontracted with LexisNexis to perform specific roles over the course of this exploratory study. LexisNexis employed its LexID machine matching algorithm to identity SNAP cases that have a high likelihood of potential identity theft. Mathematica also used LexisNexis' Accurint database of public records and non-public information as a part of its effort to independently validate the sample of records identified by the LexID algorithm. LexisNexis offers LexID and Accurint, as well as a number of other risk solution products and services, to government organizations, including State SNAP agencies.

   Of note for this report, LexisNexis provides the identity verification and authentication services to one of the study States—Florida. As discussed in Chapter II, Florida's contract with LexisNexis for the identify verification and authentication service was valued at just under $1 million in FY 2016–2017.

   To mitigate any perceived bias, Mathematica limited the scope of all other involvement LexisNexis had during the course of this study. Specifically, LexisNexis staff did not review the results of the independent validation of the 100 randomly selected records from each State, nor did their staff provide any input with respect to the statistical adjustment made based on the results of that validation effort. In addition, LexisNexis was not involved in the analysis, the writing, or the development of the recommended practices highlighted in the report.

3. Identity theft can only be determined only by a formal fraud investigation. The standard we used in our review was to assess whether the cases warranted further scrutiny by the State agency to determine whether a formal fraud investigation was appropriate. Therefore, while we are able to estimate the prevalence and cost of potential identity theft, our estimates cannot be confirmed as true instances of identity theft without a formal fraud investigation and subsequent hearing or prosecution. Such review might find that some of the cases

were not identity theft. If so, the estimates we have provided here would overstate the extent of identity theft in SNAP in the study State.

4. Because of limitations in the availability of detailed State administrative data, we were unable to include estimates of the administrative costs that States incur in their efforts to deter, investigate, administratively disqualify, or prosecute perpetrators of identity theft in SNAP. Therefore, the estimates of the cost of potential identity theft in SNAP that is provided in this report factor in lost SNAP benefits only.
5. No data are available on the demographics of perpetrators of identity theft in SNAP. Therefore, we cannot provide any information on the demographics or characteristics of individuals or groups who may be fraudulently obtaining SNAP benefits using stolen identities.

G. Organization of the rest of the report

This rest of the report is organized into three chapters: (1) Chapter II describes each study State's current efforts to prevent and detect identity theft in SNAP; (2) Chapter III estimates the prevalence and costs of potential identity theft for both study States; and (3) Chapter IV provides conclusions and recommendations aimed at establishing best practices across the nation. The text includes tables and figures with findings for each State. Appendix A presents technical details on how the adjustment model was selected, Appendices B and C provide supplemental materials and supporting documents for Florida and Missouri, respectively, Appendices D and E present supplemental tables for Florida and Missouri, respectively, and Appendix F contains profiles that summarize each State's efforts to prevent, detect, and investigate identity theft in SNAP.

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II. EFFORTS TO PREVENT AND DETECT IDENTITY THEFT IN STUDY STATES

A. Overview

In this chapter, we describe the efforts of the study States, Florida and Missouri, to prevent, detect, and investigate identity theft in SNAP. The findings presented in this chapter are a result of information gathered from in-depth interviews with staff in Florida and Missouri and reporting documents developed by the States.

B. Florida's efforts to prevent and detect identity theft in SNAP

1. Overview of Florida's efforts

Using identity authentication and verification tools, specialized investigative units, and data analytics, the Florida Department of Children and Families (DCF) has taken a preemptive approach to preventing, detecting, and investigating identity theft in SNAP. As one DCF staff member commented, "We are proactive in stopping the fraud and trying to protect the clients that are receiving SNAP benefits in our State." DCF uses a standardized customer authentication and online identity verification (CA/IV) process procured from LexisNexis (described in more detail below) for SNAP, Temporary Assistance for Needy Families (TANF), and Medicaid. DCF identifies possible fraud, including identity theft, via (1) complaints from the public, (2) referrals from eligibility workers, and (3) internal Office of Public Benefits Integrity (OPBI) data analytics. Public Benefit Investigations staff use an Identity Theft Guide, developed by the State, to investigate potential identity theft. DCF also added the capability to monitor the submission of applications and phone calls, and plans to expand the types of application data elements available to better prevent and detect identity theft.

DCF estimates that it cost about $1.3 million to prevent, detect, and investigate identity theft in SNAP in Florida's Fiscal Year 2016–17.[16] This includes $975,000 for the CA/IV tool[17] as well as $361,000 for the salaries and benefits of Centralized Special Investigations staff, who work primarily on cases of identity theft, and portions of salaries for staff in other units who conduct identity theft investigations.

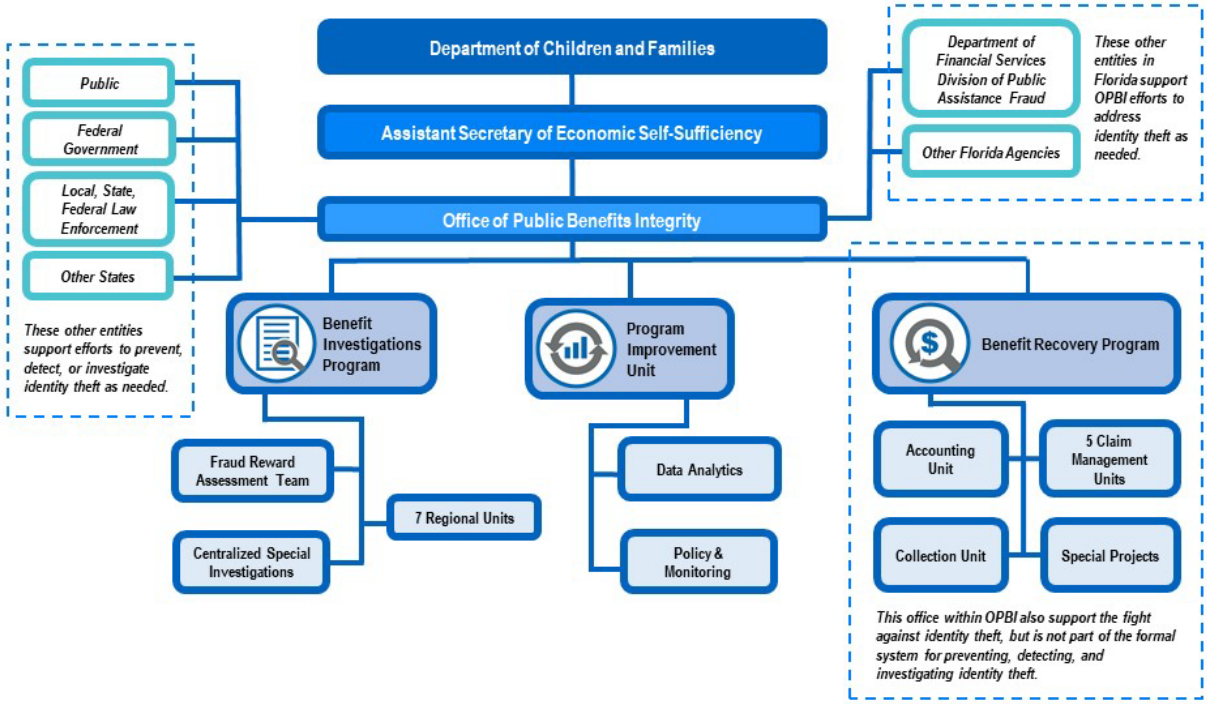
2. Key roles and responsibilities

Figure II.1 provides an overview of the partners in Florida's fight against identity theft. In this section, we describe the key roles and responsibilities of the main partners in this effort.

[16] Florida's fiscal year begins July 1 and ends June 30.

[17] The cost of the CA/IV tool is an annual, tier-based, contract cost based on the number of transactions for the services—the number of identity verification quizzes generated and identities authenticated.

Figure II.1. Key partners in Florida's fight against identity theft



Florida DCF administers public assistance programs, including SNAP, TANF, and Medicaid, under the Assistant Secretary of Economic Self-Sufficiency, under whom OPBI is responsible for investigating public assistance fraud or misuse within SNAP, TANF, and Medicaid and for recovering benefit overpayments. OPBI consists of the Public Benefit Investigations Program, which leads investigations; the Program Improvement Unit, which leads data analytics; and the Benefit Recovery Program, which leads efforts to recover monies.

The Public Benefit Investigations program is OPBI's fraud prevention arm. It consists of seven regional investigation teams that prevent and detect fraud. Within Public Benefit Investigations is the Centralized Special Investigations unit, which handles special investigations for the entire State and focuses on identity theft in public assistance programs. The Fraud Reward Assessment Team separately reviews complaints from the public and determines whether to conduct an investigation.

The Program Improvement Unit oversees data analytics and program monitoring and supports the Public Benefit Investigations and Benefit Recovery programs in maintaining the integrity of public assistance programs. It does so by developing best practices and process improvement initiatives—such as implementing a CA/IV system, described below, as part of the online benefits application—and monitoring Public Benefit Investigations and Recovery activities. The Program Improvement Unit also performs data matching and data analytics to detect potential fraud.[18]

[18] Office of Public Benefits Integrity. "Office of Public Benefits Integrity Annual Report 2016–2017." Ocala, FL: OPBI, Florida Department of Children and Families, 2017. Available at http://www.dcf.state.fl.us/programs/pbi/docs/OPBI-AnnualReport2017.pdf.

The Benefit Recovery Program is responsible for recovering benefit overpayments. It consists of eight Statewide units, including an accounting unit, five claim management units, a collections unit, and a special projects unit, which is responsible for trainings, administrative hearings, and the Treasury Offset Program.

OPBI coordinates with the Division of Public Assistance Fraud (DPAF), an organization within the Department of Financial Services that investigates cases for prosecution and works with local State attorney's offices throughout the State to prosecute.

Florida also coordinates with other States through participation in the National Accuracy Clearinghouse, a match database that notifies the State if applicants or recipients are receiving benefits in four other participating States—Alabama, Georgia, Louisiana, and Mississippi. Florida also reaches out to other State SNAP agencies when they detect suspicious patterns that may indicate a perpetrator is in another State jurisdiction, and has offered the services of its lead investigators to assist other States. OPBI investigation staff noted that there are challenges in coordinating with other States. One specific reason was that Florida cannot get access to other State's EBT reports—if OPBI had access to these reports, investigators would be able to monitor out-of-State retailer transactions, analyze the data for potential identity theft, and crossmatch those findings against Florida SNAP data.[19] Also, the Public Assistance Reporting Information System, or PARIS, which is a Federal-State information exchange system designed and operated by the Administration for Children and Families and used to identify cases of individuals receiving benefits in more than one State, relies on State data that Florida staff do not consider timely. In addition, interstate cooperation and task forces are generally handled by law enforcement. Federal law limits how and with whom States can share recipient and applicant information, providing clear boundaries on how law enforcement and other entities can work within and across States to enforce SNAP rules.[20]

3. Processes and procedures

Florida uses a standardized CA/IV process for SNAP, TANF, and Medicaid. About 84 percent of applications for public assistance programs are completed online.[21, 22] The online application process includes the CA/IV system to verify applicants' identities automatically and, according to DCF staff, allow more timely approval of applications. The system leverages identity verification technology used in the financial sector: for example, it asks applicants to verify their identity by

[19] OPBI staff reported that identity theft is commonly linked to benefit trafficking, so an important practice is to monitor EBT vendor transactions to identify suspicious patterns that might link trafficking and potential cases of identity theft. The inability to review EBT reports from other States results in two challenges: (1) States are unable to monitor out-of-State transactions by SNAP recipients in their State, and (2) other States are not looking into transactions made at retailers in their State by out-of-State SNAP recipients.

[20] See 7 CFR 272.1(c); see also the Food and Nutrition Act, Section 11(e)(8).

[21] Based on the 12 months of SNAP administrative caseload data for June 2016 through May 2017, 84 percent of applications were completed online in Florida.

[22] Based on the most recent study of online SNAP applications in 2011, in four of the five study States, more than half of all applications were submitted online. The percentage of online applications in the study States ranged from 22 percent to 90 percent, with a median of 66 percent. See "The Evolution of SNAP Modernization Initiatives in Five States." Available at https://fns-prod.azureedge.net/sites/default/files/EvolutionSNAPMod.pdf.

answering four questions whose answers only they would likely know. According to DCF staff, the questions are randomly selected from a broader set to ensure that potential identity thieves cannot anticipate them and investigate a person's background before applying for benefits. Because the Food and Nutrition Act of 2008 allows applicants to submit an incomplete application as long as it contains their name, address, and signature, FNS requires that an applicant must be allowed to opt out of the CA/IV system.[23] Applicants who do opt out must participate in an in-person or phone application review interview with an eligibility worker to verify their identity and get approved for benefits. Applications are denied for any applicants unable to verify their identity, either because they do not complete an interview with an eligibility worker or because they did meet with an eligibility worker but were not able to verify their identity.[24]

Florida identifies possible fraud for any public assistance program, including identity theft, via:

- Complaints from the public
- Referrals from eligibility workers
- Internal OPBI data analytics

Complaints of identity theft often come from the public, who fill out an online form the State makes available as part of the public assistance fraud reward program (Appendix B). Individuals can also file complaints of identity theft via mail or fax. Individuals who refer such cases are eligible for up to 10 percent of the money recovered. Crime analysts from the Fraud Reward Assessment Team review the complaints and pass them on either to DPAF for criminal investigation and possible prosecution or to OPBI Public Benefit Investigations staff for further investigation and a possible administrative disqualification hearing.[25]

Identity theft is also detected by eligibility workers, who review benefit applications and determine eligibility. State staff we interviewed noted that eligibility workers receive some basic training on identity theft but are not proficient in detecting it. An eligibility worker who suspects fraud, including identity theft, on an application refers it (1) to OPBI Public Benefit Investigations if it is pending an eligibility determination, or (2) to DPAF if it is not pending.[26]

The primary way Florida detects potential identity theft is through a series of daily and monthly analytic reports developed by the OPBI Program Improvement Unit. Centralized Special Investigations staff use these reports to track online applications to detect instances of potential identity theft. Program Improvement also works with Florida's electronic benefits transfer (EBT) vendor to develop routine and ad hoc reports. Centralized Special Investigations staff review these

[23] See Section 11(e)(2)(B)(iv) of the Food and Nutrition Act of 2008 and 7 CFR 273.2(c)(1).

[24] Florida estimates that, in FY 2016–2017, the CA/IV tool saved $174.6 million in SNAP, TANF, and Medicaid benefits issued to individuals that were unable to verify their identity.

[25] Office of Public Benefits Integrity. "Office of Public Benefits Integrity Annual Report 2016–2017." Ocala, FL: OPBI, Florida Department of Children and Families, 2017. Available at http://www.dcf.state.fl.us/programs/pbi/docs/OPBI-AnnualReport2017.pdf.

[26] Office of Public Benefits Integrity. "Office of Public Benefits Integrity Annual Report 2016–2017." Ocala, FL: OPBI, Florida Department of Children and Families, 2017. Available at http://www.dcf.state.fl.us/programs/pbi/docs/OPBI-AnnualReport2017.pdf.

reports to identify trends to detect potential identity theft. Program Improvement staff also run ad hoc reports at the request of investigations staff and work with the EBT vendor to aggregate additional data.

When an application has been identified for investigation, the Public Benefit Investigations staff use DCF's Identity Theft Guide to determine whether potential identity theft exists. The guide lists several "identity theft indicators" that investigators match for consistency across several data sources to identify any discrepancies in the application. The guide also includes a checklist of several data points to review, such as whether applications include information related to recent known data breaches. Staff reported that the Identity Theft Guide has been integral to standardizing their approach to investigating identity theft.

OPBI investigators use these processes to collect information and create evidence packets for pursuing administrative disqualification or prosecution. All identified identity theft cases must be referred to DPAF to determine whether to further investigate and potentially prosecute the case. OPBI Benefit Recovery Program staff coordinate with Public Benefit Investigations and DPAF staff to lead efforts to recover overpayments and monies owed. DCF reported that, over Florida fiscal years 2015–2016 and 2016–2017, there were 1,876 investigations of cases of confirmed identity theft, resulting in a cost avoidance savings of $2,850,330 for identity theft cases they prevented. Table II.1 shows the number of investigations into SNAP fraud and cost avoidance (benefits withheld due to fraud detection) over the past five years, as reported in the Office of Public Benefits Integrity Annual Report, 2016–2017. DCF attributes much of the decrease in the number of investigations and cost avoidance to the CA/IV tool, which was implemented statewide in August 2013 and has served as a deterrent to identity thieves. In addition, there was a reduction in staffing that impacted the investigation capacity, as well as a drop in SNAP participation. In turn, these contributed to a decrease in the number of investigations and in cost avoidance.

Table II.1. Florida SNAP fraud investigations and cost avoidance, FY 2013 to FY 2017

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
SNAP fraud investigations	37,482	25,170	24,283	23,569	16,732
Cost avoidance	$41,013,512	$28,268,093	$28,634,191	$29,212,931	$21,891,330

Source: Office of Public Benefits Integrity. "Office of Public Benefits Integrity Annual Report 2016–2017." Ocala, FL: OPBI, Florida Department of Children and Families, 2017. Available at http://www.dcf.state.fl.us/programs/pbi/docs/OPBI-AnnualReport2017.pdf.

Note: SNAP fraud includes eligibility fraud, identity theft, and benefit trafficking. DCF reported that, over FY2015–2016 and FY 2016–2017, there were 1,876 investigations of cases of confirmed identity theft, resulting in a cost avoidance of $2,850,330.

4. Recent and planned changes

OPBI indicated that it works constantly to improve its ability to prevent, detect, and investigate identity theft in Florida. Centralized Special Investigations staff can now monitor incoming applications. OPBI also can track, monitor, and obtain recordings of calls from SNAP applicants or recipients that are suspected of fraud, including identity theft.

OPBI recently hired, for its investigations unit, an expert who is responsible for identity theft training across Florida. This trainer created an online training tool to help eligibility workers understand the impact of identity theft and better identify it in applications, with the goal of having consistent training throughout the State, particularly for frontline staff.

Florida also plans to expand the types of application data elements available for monitoring. Data analytics staff mentioned that they hope to expand the volume of application data elements available in reports for investigators and are working on a new system.

5. Successes and effectiveness

One of the greatest successes cited by OPBI was the Opa-Locka flea market bust in 2016. The scheme was detected through Florida's use of data analytics and OPBI's Centralized Special Investigations' efforts to prevent identity theft, which led to an investigation into a person who had stolen the identities of more than 500 victims in Palm Beach County. The investigation expanded into a multi-agency effort, involving multiple types of fraud, and ultimately shut down more than 20 retailers that were charged with fraudulently obtaining more than $17 million in SNAP deposits for transactions in which the stores did not provide food. The individual responsible for the identity theft was convicted of multiple counts of public assistance fraud and fraudulent use of personal identification, including the identity of a deceased person.

Another success in the fight to prevent, detect, and investigate identity theft in Florida is the implementation of the CA/IV system which, as discussed above, has led to a decrease in the number of SNAP fraud investigations. Public benefit applicants who do not opt out of CA/IV can verify their identities at the time of application. According to staff at DCF, in addition to streamlining the application process and approving benefit applications more quickly, the system serves as an identity theft deterrent. As previously discussed, when applicants opt out of or are unable to correctly answer the CA/IV questions, they must go through an application review with an eligibility worker. These applicants often fail to verify their identity with an eligibility worker, either because they do not complete a review with a worker or because they do meet with a worker but cannot verify their identity. DCF estimates that there were 17,365 cases in which applicants opted out of CA/IV and failed to verify their identity with an eligibility worker over FY2016–2017, which resulted in $16.4 million in cost avoidance. In an additional 81,426 cases, applicants were unable to correctly answer the CA/IV questions and thus failed to verify their identity with an eligibility worker, which resulted in an estimated $66.3 million in cost avoidance over FY2016–2017. Staff reported that they also occasionally see abandoned applications, in which the applicant did not complete the CA/IV quiz, quit the application, and did not return to complete the application and get approved for benefits over the next three months. DCF logged 4,885 abandoned applications, which resulted in $4.8 million in cost avoidance over FY2016–2017. Staff believe that these cases are likely deterred identity thieves.[27] [28]

6. Challenges

The CA/IV system has been instrumental in Florida's efforts to prevent, detect, and investigate identity theft, but DCF staff do believe it has inherent limitations. Because Federal law is unequivocal in requiring that SNAP applicants be able to submit an application by providing only

[27] DCF also receives alerts when the CA/IV system identifies applicants as deceased or incarcerated. Eligibility workers then deny benefits to applicants whose identity was not verified in any way. In FY 2016–2017, there were 499 deceased-alert denials, resulting in $274,586 of cost avoidance, and 937 incarcerated-alert denials, resulting in $121,005 of cost avoidance.

[28] As noted in Chapter IV, nutrition advocates are concerned that some abandoned applications may be elderly, disabled, or individuals otherwise unable to manage the CA/IV process.

their name, address, and signature,[29] FNS requires that the CA/IV process not be made mandatory.[30] Applicants can opt out of the process and verify, or falsify, their identity in other ways, which State staff believe reduces its effectiveness. Currently, about 10 percent of applicants opt out. According to some of the DCF staff interviewed, this opt-out leaves a gap in their fight against identity theft. As one staff noted, "It defeats one of the ID theft prevention tools we have in place. It puts the onus on workers. When you have underpaid and overworked staff processing so many applications, they're going to miss it. We've locked a whole bunch of doors and we're guarding them and we're required to have this unmanned door that is wide open for bad guys to go after and they sure do."

Investigations staff in Florida noted that the biggest challenge they face is that identity theft methods are constantly evolving. People committing public assistance fraud can access newer technology and identify holes and access points that OPBI has yet to discover. Staff discussed their struggle to keep up with identity thieves, noting, "When we identify a need for a technology solution, it is a slow process. It takes us longer to respond if we have to build something new. That limits us. We're always behind the 8-ball, behind the bad guy's new schemes. I guarantee there is a new scheme going on right now that we haven't found because they're using a new and better tool."

C. Missouri's efforts to prevent and detect identity theft in SNAP

1. Overview of Missouri's efforts

According to staff, the Missouri Department of Social Services (DSS) has taken a reactive approach to preventing, detecting, and investigating identity theft in SNAP. Currently, staff reference an agency guide to manually verify the identity of applicants, primarily by using data available through the Missouri Drivers' License (MODL) and Social Security Administration interfaces. Missouri identifies suspected fraud, including identity theft, via reports from the public and referrals from frontline staff. Suspected fraud is referred to the Welfare Investigation Unit, whose staff lead investigations of fraud and abuse using multiple data sources, including the Mid-States Organized Crime Information Center and TLOxp from TransUnion, described below.

DSS is currently reviewing its policies, procedures, and resources to better address fraud, waste, and abuse in the programs it administers. The department is working on incorporating third-party verification in its eligibility and determination system and is exploring the possibility of gaining access to additional data sources to share electronic data with other States and improve its identity theft detection and investigation efforts. Staff reported that some recent changes, such as implementing online applications, have made it more difficult to verify identity. However, other changes, such as the access to MODL, have improved their ability to prevent and detect identity theft. Staff in Missouri also mentioned that they struggle to find the right balance between the mission to approve and provide SNAP benefits in a timely fashion with efforts to prevent identity theft and fraud.

At this time, Missouri is unable to estimate the costs of preventing, detecting, and investigating identity theft in SNAP.

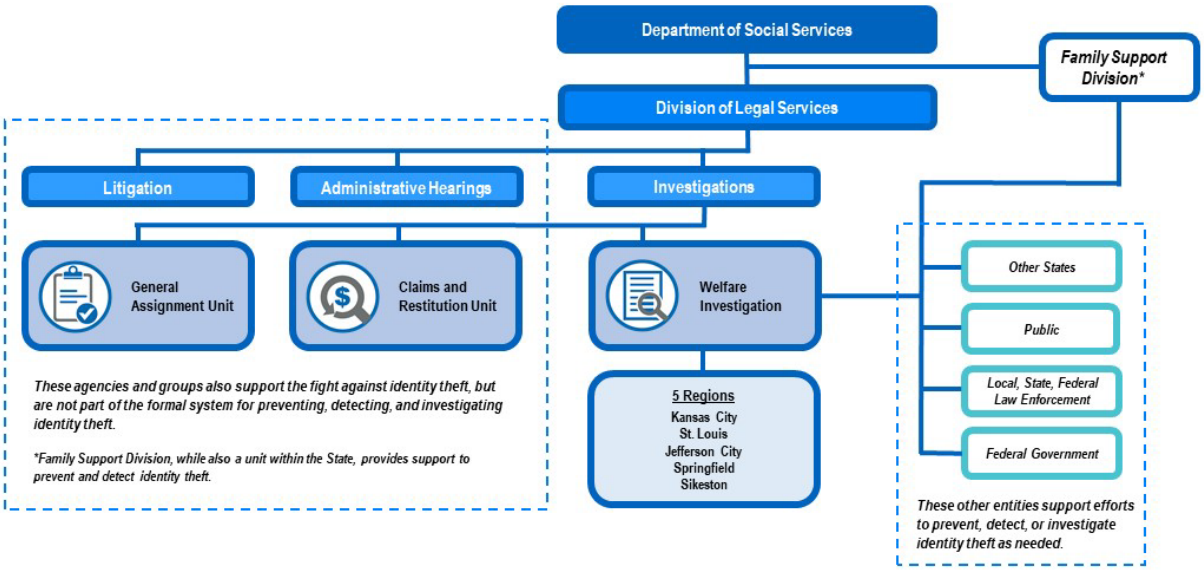
[29] See Section 11(e)(2)(B)(iv) of the Food and Nutrition Act of 2008 and 7 CFR 273.2(c)(1).

[30] Florida has requested a waiver from being required to include an opt-out in the CA/IV process.

2. Key roles and responsibilities

Figure II.2 provides an overview of the partners in Missouri's fight against fraud, including identity theft. In this section, we describe the key roles and responsibilities of the main partners in this effort.

Figure II.2. Key partners in Missouri's fight against identity theft



DSS houses the Family Support Division (FSD), the primary State agency responsible for operating SNAP, TANF, Child Care Assistance, and MO HealthNet (Medicaid). DSS also houses the Division of Legal Services, one of six support service offices within DSS, which has the primary duty to provide comprehensive legal support to DSS and conduct fraud investigations. There are four sections within the Division: (1) Litigation, (2) Administrative Hearings, (3) Investigations, and (4) State Technical Assistance Team.

The Investigations section investigates identity theft in public assistance programs and recovers overpayments. It consists of the Welfare Investigation Unit, which leads investigations of fraud in SNAP, Medicaid, and other welfare programs; the Claims and Restitution Unit, which leads efforts to recover monies; and the General Assignment Unit, which includes the Location and Tracking Unit that locates people owing monies.

The Welfare Investigation Unit performs criminal investigations. With 32 investigators across the five regions of the State, it works with the public; other States; local, State, and Federal law enforcement; and other Federal agencies, including the Federal Bureau of Investigations, the Social Security Administration, and the Department of Health and Human Services, to detect and investigate public assistance fraud.

3. Processes and procedures

Applicants can apply for benefits online, by mail, or in person and are asked to provide photo ID. In April 2017, FSD rolled out an online web application system. As of June 2018, 20 percent of food stamp applications are completed online. At application, public assistance applicants must

verify their identity by providing a copy of their driver's license, school or work identification, voter registration card, wage stubs, birth certificate, and other hard-copy documentation. Applicants can either upload scanned copies of the documents to the online application system or bring copies or original documents to a local office. FSD eligibility workers are instructed to verify applicants' identity according to the agency Identity Guide (Appendix C.1). This manual displays a process chart for eligibility workers to follow, including steps to verify that the applicant provided a form of identity verification and to confirm details such as social security number and name. Eligibility workers verify the identity of applicants primarily by using the MODL interface. They also use the State Verification and Exchange System-Wire Third-Party Query Response interface with the Social Security Administration to verify (1) that the applicant's social security number matches his or her name, and (2) whether the applicant is receiving Federal benefits, such as Medicare or SSI.

Missouri identifies identity theft through (1) reports from the public via phone, email, or online; and (2) referrals from FSD staff, who note that reports from the public about potential identity theft typically occur only when someone receives notice that he or she has been approved for or is receiving public assistance benefits without having applied. The individual then calls the fraud hotline or submits a Missouri Public Assistance Fraud Form (Appendix C.2) online. FSD eligibility workers can also detect identity theft. When staff suspect potential identity theft, they gather information on the case and provide it to their regional manager, who reviews the information and, if it is suspected fraud, passes it to the Welfare Investigation Unit for further investigation and possibly prosecution. FSD staff also enter the suspected fraud into the Claims Accounting Restitution System, which tracks efforts to establish and collect claims.

The Division of Legal Services' Welfare Investigation Unit staff lead investigations into suspected fraud and abuse committed by public assistance recipients. The regional managers at the unit review the case and conduct a preliminary investigation, examining several factors, including information in the application and the credibility of the referral source, to decide whether to pursue investigation. When unit staff receive a case of potential identity theft, they check the social security numbers in the application, interview the potential victim (if that is the person who made the claim), and then try to identify the thief. Investigations agents receive regular training on how to investigate potential fraud. New agents attend an initial standardized training, but training materials are updated as agents identify new processes and approaches for investigating fraud, and as new technologies arise. Regional managers conduct additional trainings as new methods are developed.

Investigations staff use several data sources, including the Mid-States Organized Crime Information Center and TLOxp from TransUnion, to investigate fraud and locate identity thieves. The Center is a regional information-sharing system that provides access to multiple data sources and spans nine States—Illinois, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota, and Wisconsin—as well as parts of Canada. TLOxp is a data repository that includes names, addresses, and employment and financial information. Upon finding substantive evidence that an intentional program violation[31] occurred, Welfare Investigation Unit staff decide whether to present the case to the State prosecutor for criminal prosecution or to pursue an administrative

[31] An *intentional program violation* is defined as "having intentionally (1) made a false or misleading statement or misrepresented, concealed or withheld facts or, (2) committed any act that constitutes a violation of the Food Stamp Act, the Food Stamp Program Regulations, or any State statute relating to the use, presentation, transfer, acquisition, receipt, or possession of food stamp coupons or ATP's [Authorization to Participate cards]." See 7 CFR 273.16(c)

disqualification for an intentional program violation, based on the evidence. The unit also notifies the Claims and Restitution Unit of any overpayment, and the Claims unit then enters the claim in the Claims Accounting Restitution System and tracks collection efforts. The Claims and Restitution Unit works with the Location Tracking Unit to find people owing monies and collect the overpayments.[32]

At the time of our interviews, DSS was comprehensively reviewing its policies, procedures, and resources to better address fraud, waste, and abuse in the programs it administers. The department seeks to implement new technologies to identify fraud and plans to review current procedures to identify areas for improvement. In addition, the department is developing standardized procedures to address suspected fraud.[33]

4. Recent and planned changes

Under its comprehensive review of policies, procedures, and resources, DSS is exploring a number of changes to improve program integrity. DSS plans to move SNAP into the Missouri Eligibility Determination and Enrollment System, the case management system for most Medicaid cases in Missouri. Some staff reported that this system will enable clients to obtain immediate approval for benefits and will offer better identity and eligibility checks and help to prevent identity theft. The system will link to a third-party eligibility verification system for which Missouri is currently seeking a vendor; the system will provide direct access to the Federal Data Services Hub to verify eligibility and identity.[34]

DSS also plans to obtain additional eligibility verification services data for SNAP, TANF, Child Care Assistance, and MO HealthNet. With the expansion of the Missouri Eligibility Determination and Enrollment System, the system will link to data available through an existing contract with LexisNexis, providing faster eligibility determinations. And if FNS decides to expand the National Accuracy Clearinghouse pilot, DSS would be interested in exploring the possibility of joining the Clearinghouse to share, with participating States, real-time electronic data, including matches of recipients who are deceased, incarcerated, or receiving benefits in more than one State. DSS staff believe that doing so not only will help them prevent duplicate participation, but may also help them in their fight against identity theft.[35]

5. Successes and effectiveness

Missouri has identified a number of identity theft schemes. In one case, an individual fraudulently obtained SNAP benefits using the stolen identities of multiple people, including that of

[32] Missouri Department of Social Services. "Food Stamp Manual." Jefferson City, MO: DSS, n.d. Available at https://dss.mo.gov/fsd/iman/fstamps/fstoc.html.

[33] Missouri Department of Social Services. "2017 Department Overview." Jefferson City, MO: DSS, 2017. Available at https://dss.mo.gov/reports/legislation-presentations/2017/170125-house-appropriations-committee.pdf.

[34] Missouri Department of Social Services. "2018 Department Overview." Jefferson City, MO: DSS, 2018. Available at https://dss.mo.gov/reports/legislation-presentations/2018/house-appropriations-committee_DHSS-DMH-DSS_20180117.pdf.

[35] Missouri Department of Social Services. "2018 Department Overview." Jefferson City, MO: DSS, 2018. Available at https://dss.mo.gov/reports/legislation-presentations/2018/house-appropriations-committee_DHSS-DMH-DSS_20180117.pdf.

a friend, which resulted in over $50,000 worth of fraudulently obtained SNAP benefits. The individual sold the illegally obtained EBT cards for cash, and the case is now pending federal prosecution. In another case, an individual applied for and received nearly $15,000 in SNAP benefits using the stolen identity of an incarcerated individual. The individual applied for and received benefits in their name until the incarcerated person was released from jail and was denied benefits because they had an active benefit case in Missouri. The identity thief has since pled guilty to identity theft, unlawful receipt of public assistance benefits, and five counts of forgery. DSS staff reported that the inquisitiveness of investigations staff has been invaluable in the fight against fraud, including identity theft.

Staff also noted that being able to access Missouri Department of Motor Vehicle records through MODL has been instrumental in their efforts to prevent, detect, and investigate identity theft. Department of Financial Services staff reported that it has helped them verify identities more easily, allowing quicker determinations and less burden on applicants. With the use of this data source, applicants do not have to provide as much documentation. It has also improved the ability of eligibility workers to detect identity theft. As one respondent noted, "With the use of MODL and [being able to check] social security numbers [through the Social Security Administration interfaces], it feels like we're going in the right direction."

6. Challenges

FSD staff reported that they find it challenging to balance their mission to approve and provide SNAP benefits to those in need with efforts to prevent identity theft and fraud. Staff who oversee eligibility processing noted that they get pushback from clients when they request additional verification information. Therefore, staff are careful not to ask for more information than they need. As one respondent said, "I know we're trying to be careful not to do anything that might seem like a deterrent to apply, even as simple as a wait time to speak to a processor, so clients might see that as a deterrent, which is a common complaint." Another FSD staff member voiced concerns that asking clients for additional identity verification could deter them from applying for benefits they need: "If it was a simple process, it could work, but sometimes that's just one more step that could be perceived as a barrier."

Although some States, like Florida, see the use of online applications as a tool in the arsenal to reduce the likelihood of identity theft and fraud, particularly because of the opportunities it offers to implement additional identity verification requirements, many FSD staff believe otherwise. Specifically, because identity verification requires only one form of identification, they believe it has become easier for people to submit fraudulent "proof" of identity online than to provide identification in person.

Division of Legal Services staff reported that developing effective processes and procedures to investigate identity theft has been a challenge. Their perception is that many States are not focused on identity theft, so their investigative staff have had to develop their own processes through trial and error. As one staff member said, "We have had to kind of invent the wheel since other States have said they don't really investigate. So we haven't been able to gather best practices."

D. Next steps

Based on conversations with the States, review of extant data, and an assessment of current and planned efforts in Florida and Missouri, we identified a number of lessons learned that other States

may want to consider to better detect, prevent, and investigate identity theft. These lessons form the basis for recommended practices and are described in full detail in Section D of Chapter IV.

III. ESTIMATED PREVALENCE AND COSTS OF POTENTIAL IDENTITY THEFT

In this chapter we present estimates of the prevalence and cost of potential identity theft in SNAP in Florida and Missouri over the 12-month period spanning June 2016 through May 2017. The period prevalence rates represent the percentage of all participating individuals during the 12-month period who may have had their identity used to obtain SNAP benefits illegally. These individuals are potential victims of identity theft—that is, their identifying information might have been used by another person for the explicit purposes of illegally obtaining SNAP benefits.

The prevalence rates and costs presented in this report estimate the proportion of individuals, and their associated SNAP benefits, with enough data discrepancies between their personal data as reported in each State's SNAP caseload data, when compared with other databases, to warrant referral to a State SNAP fraud investigation unit or agency. State agencies would need to further investigate these cases to determine what proportion truly represent instances of identity theft.

The estimates of potential identity theft presented in this report represent counts of potential victims. At the time of this study, there were no available data on the demographics of perpetrators of identity theft in SNAP. Therefore, we are unable to provide any information on the characteristics of individuals or groups who may be conducting identity theft to obtain SNAP benefits.

The estimates of the cost of potential identity theft in SNAP presented in this report factor in only lost SNAP benefits. We were unable to obtain data on the administrative costs that States incur to deter, investigate, administratively disqualify, or prosecute perpetrators of identity theft in SNAP.

Our analysis of the prevalence and cost of potential identity theft is based on State SNAP administrative caseload records for the 12-month period spanning June 2016 through May 2017. We chose this period because it was the most recent 12 months of SNAP caseload data that both Florida and Missouri had available at the time of our analysis.

A. Prevalence of potential identity theft in Florida

From June 2016 through May 2017, 3,282,569 individuals participated in SNAP in Florida. Of these, 109,452 had cases that warranted referral for further investigation for identity theft, which resulted in a Statewide prevalence rate of 3.3 percent, with a standard error of ±0.4 percent (Figure III.1 and Table III.1).

Figure III.1. SNAP participants warranting further investigation for identity theft in Florida, June 2016 through May 2017

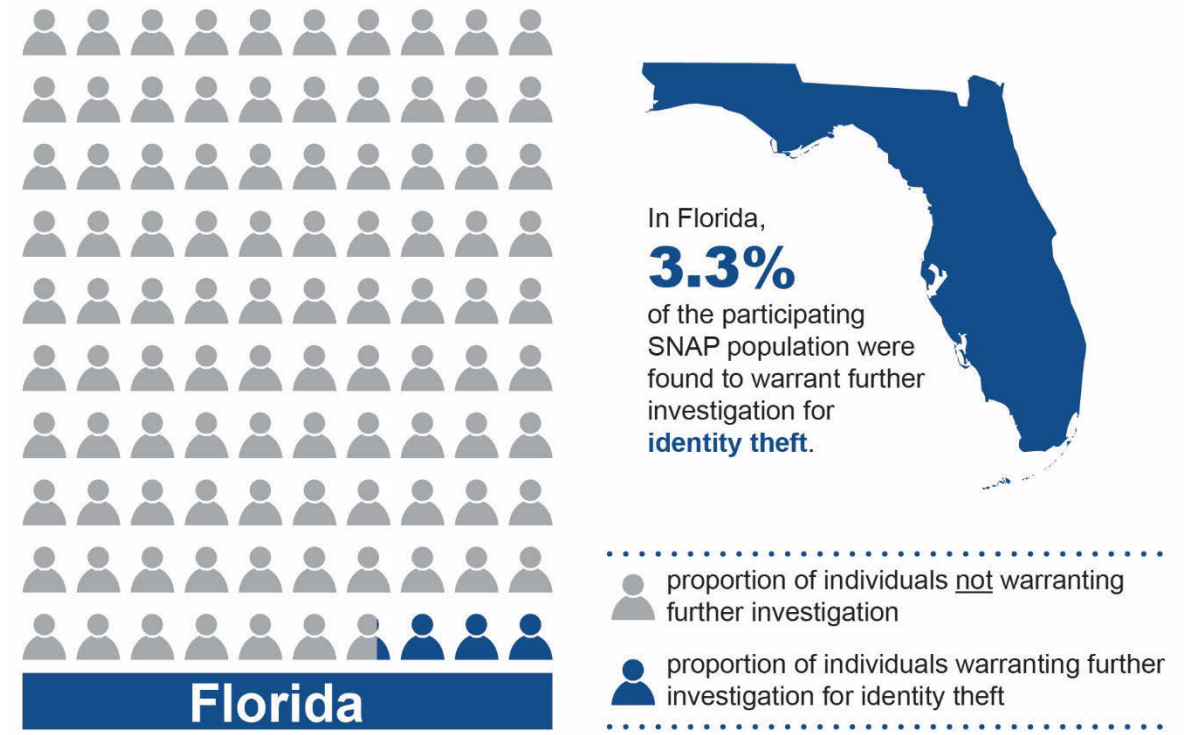


Table III.1. SNAP participants warranting further investigation for identity theft in Florida, by demographic subgroups, June 2016 through May 2017

	All SNAP participants		SNAP participants warranting referral		
	Total	Percentage of all participants	Total	Percentage of all participants warranting referral	Prevalence rate of potential identity theft ± standard error[a]
State Total					
Florida	3,282,569	100.0%	109,452	100.0%	3.3% ± 0.4%
Age					
Children (aged 17 or younger)	1,325,861	40.4%	3,593	3.3%	0.3% ± 0.1%
Nonelderly adults (aged 18–59)	1,366,567	41.6%	69,906	63.9%	5.1% ± 0.6%
Elderly (aged 60 or older)	588,533	17.9%	36,014	32.9%	6.1% ± 0.7%
Disability status					
Disabled	890,373	27.1%	60,376	55.2%	6.8% ± 0.7%
Not disabled	2,390,085	72.8%	49,119	44.9%	2.1% ± 0.3%
Citizenship status					
U.S. citizen	2,924,805	89.1%	102,351	93.5%	3.5% ± 0.4%
Noncitizen	355,236	10.8%	7,202	6.6%	2.0% ± 0.3%
Veteran status					
Veterans	8,405	0.3%	619	0.6%	7.4% ± 1.0%
Veterans by elderly status					
Elderly veterans	4,560	0.1%	319	0.3%	7.0% ± 0.9%
Nonelderly veterans	3,843	0.1%	300	0.3%	7.8% ± 1.0%
Veterans by disability status					
Disabled veterans	5,603	0.2%	464	0.4%	8.3% ± 1.0%
Non-disabled veterans	2,801	0.1%	155	0.1%	5.5% ± 0.9%
Veterans by household status					
Veterans living alone	6,345	0.2%	445	0.4%	7.0% ± 1.0%
Veterans living with others	2,062	0.1%	174	0.2%	8.4% ± 0.8%
Nonveterans	3,270,751	99.6%	108,878	99.5%	3.3% ± 0.4%

Source: State SNAP administrative caseload data for June 2016 through May 2017. For details on how estimates of participants warranting referral were derived, see the methodology section of Chapter I.

Notes: These tabulations exclude participants with missing or unknown disability, citizenship, or veteran status. Because of rounding, the sum of some subgroups might not match the State total. Participant totals are weighted to account for differences in the total number of months each individual appeared in the data.

[a]Prevalence rates are calculated by dividing the total number of participants warranting referral to State SNAP agency for further investigation by the total number of all SNAP participants. Standard errors estimate the accuracy of the prevalence rates.

1. Prevalence rates of potential identity theft by demographic subgroups

Prevalence rates of potential identity theft varied for different age groups of potential victims. Although children (17 or younger) accounted for 40 percent of all SNAP participants, their caseload records made up only 3 percent of all cases whose SNAP caseload data displayed sufficient data discrepancies to warrant referral to SNAP agency for further investigation. Consequently, the prevalence rate for children was the lowest of all age groups—as well as of all other subgroups listed in Table III.1—at just 0.3 percent. The total number of participating nonelderly adults (individuals aged 18 to 59) was similar to that of children, but the prevalence rate for adults was considerably higher than that of children: 5.1 percent. Cases for elderly persons (aged 60 or older) had the highest prevalence rate of all age groups: 6.1 percent. Furthermore, although elderly individuals accounted for 18 percent of all SNAP participants, their caseload records made up a disproportionate 33 percent of all cases indicating potential identity theft.

Prevalence rates also varied by participants' disability and citizenship status. Cases for disabled individuals made up 55 percent of all cases with sufficient data discrepancies to warrant referral, disproportionally high for a group comprising just 27 percent of all participants. As a result of this disparity, cases for disabled individuals were more likely to warrant further investigation than those for nondisabled individuals (6.8 versus 2.1 percent, respectively). Similarly, cases for U.S. citizens were more likely to warrant further investigation than those for noncitizens[36] (3.5 versus 2.0 percent, respectively).

Veterans accounted for a very small proportion of all SNAP participants (less than 1 percentage point), but their cases were more than twice as likely to warrant further investigation as those of nonveterans (7.4 versus 3.3 percent, respectively). Like veterans as a whole, the prevalence rates for elderly veterans and nonelderly veterans were both higher than average (7.0 and 7.8, respectively), as were the rates for veterans living alone or living with others (7.0 and 8.4, respectively). However, the prevalence rate for disabled veterans was considerably higher than that for nondisabled veterans (8.3 versus 5.5, respectively), which indicates a likely correlation between cases for veterans warranting further investigation and those for disabled individuals warranting further investigation.

2. Prevalence rates of potential identity theft by household and application subgroups

Prevalence rates of potential identity theft varied by household size and benefit amount. Cases for one-person households made up over half (56 percent) of all cases warranting further investigation and were much more likely to warrant further investigation than those for individuals living with others (Table III.2). Cases for individuals living in households receiving $200 or less in monthly SNAP benefits were more likely to display sufficient data discrepancies to warrant referral to SNAP agency for further investigation. About 9 percent of SNAP participants lived in households receiving $50 or less in SNAP benefits each month. However, cases for individuals living in these households made up a disproportionate 24 percent of all cases warranting referral, resulting in a much-higher-than-average prevalence rate of 8.6 percent. Similarly, cases for individuals living in households receiving $51 to $100 or $101 to $200 each month had higher-than-average prevalence rates of 6.8 and 4.5 percent, respectively.

Whether an individual was initially certified or recertified had little impact on whether his or her case warranted further investigation for identity theft. Individuals in their initial certification period had a 3.5 percent prevalence rate, whereas those who were recertified had a prevalence rate of 3.2 percent. Similarly, the prevalence rates of individuals who qualified for expedited services differed little from those of individuals who were not expedited (3.1 versus 3.4 percent, respectively).

The vast majority (84 percent) of individuals applied to SNAP online; however, this group had the lowest prevalence rate of all types of SNAP applications: 3.2 percent. Applications made in person, through the mail, or via other methods—such as fax, phone, or through another agency—had the highest prevalence rates of all modes of application: 5.2, 5.1, and 5.1 percent, respectively.

[36] Lawful, permanent resident noncitizens may be eligible for SNAP benefits under certain specified conditions of their immigration status. In addition to meeting these immigration requirements, they must meet other SNAP eligibility requirements, such as income and asset limits, to be eligible to receive SNAP benefits. See https://www.fns.usda.gov/snap/snap-policy-non-citizen-eligibility for details.

Table III.2. SNAP participants warranting further investigation for identity theft in Florida, by household and application subgroups, June 2016 through May 2017

	All SNAP participants		SNAP participants warranting referral		
	Total	Percentage of all participants	Total	Percentage of all participants warranting referral	Prevalence rate of potential identity theft ± standard error[a]
State total					
Florida	3,282,569	100.0%	109,452	100.0%	3.3% ± 0.4%
Household size					
1 person	998,073	30.4%	60,709	55.5%	6.1% ± 0.7%
2 people	647,687	19.7%	20,780	19.0%	3.2% ± 0.4%
3 people	588,557	17.9%	6,049	5.5%	1.0% ± 0.3%
4 people	506,077	15.4%	7,642	7.0%	1.5% ± 0.2%
5 people	298,193	9.1%	6,400	5.8%	2.1% ± 0.2%
6 people	142,773	4.3%	4,556	4.2%	3.2% ± 0.2%
7 people	58,060	1.8%	1,907	1.7%	3.3% ± 0.2%
8 or more people	42,017	1.3%	1,402	1.3%	3.3% ± 0.2%
Monthly household SNAP benefit (dollars)					
50 or less	306,691	9.3%	26,295	24.0%	8.6% ± 0.6%
51 to 100	226,554	6.9%	15,300	14.0%	6.8% ± 0.6%
101 to 200	906,646	27.6%	40,742	37.2%	4.5% ± 0.6%
201 to 300	307,738	9.4%	3,671	3.4%	1.2% ± 0.3%
301 to 400	506,728	15.4%	3,007	2.7%	0.6% ± 0.3%
401 to 500	247,867	7.6%	1,557	1.4%	0.6% ± 0.2%
501 to 600	332,997	10.1%	3,328	3.0%	1.0% ± 0.3%
601 or more	446,794	13.6%	15,568	14.2%	3.5% ± 0.2%
Certification status					
Initial certification	1,224,295	37.3%	42,301	38.6%	3.5% ± 0.4%
Recertification	1,969,179	60.0%	63,508	58.0%	3.2% ± 0.4%
Case type					
Expedited	253,922	7.7%	7,884	7.2%	3.1% ± 0.5%
Not expedited	3,025,585	92.2%	101,550	92.8%	3.4% ± 0.4%
Application source					
In person	40,853	1.2%	2,107	1.9%	5.2% ± 0.5%
Online	2,753,121	83.9%	88,474	80.8%	3.2% ± 0.4%
Mail	29,456	0.9%	1,508	1.4%	5.1% ± 0.6%
Other[b]	58,803	1.8%	3,011	2.8%	5.1% ± 0.5%
Unknown	399,827	12.2%	14,318	13.1%	3.6% ± 0.4%

Source: State SNAP administrative caseload data for June 2016 through May 2017. For details on how estimates of participants warranting referral were derived, see the methodology section of Chapter I.

Notes: These tabulations exclude participants with missing or unknown certification status. Because of rounding, the sum of some subgroups might not match the State total. Participant totals are weighted to account for differences in the total number of months each individual appeared in the data.

[a]Prevalence rates are calculated by dividing the total number of participants warranting referral to State SNAP agency for further investigation by the total number of all SNAP participants. Standard errors estimate the accuracy of the prevalence rates.

[b]Includes applications received by fax, by phone, or through another agency.

3. Prevalence rates of potential identity theft in SNAP by subgroup intersections

To get a better sense of the variation in prevalence rates among subgroups, we calculated prevalence rates of selected subgroup intersections. Figure III.2 breaks out the prevalence rates for potential victims of identity theft by age, disability, veteran and certification status, and by case type, application source, household size, and monthly household SNAP benefit amount.

Figure III.2. Prevalence rates of potential victims of identity theft in SNAP in Florida, by subgroup intersections, June 2016 through May 2017

Demographic subgroup		Application or household subgroup																			
		Certification		Case type		Application source					Household Size			Monthly household SNAP benefit ($)							
		Initial certification	Recertification	Expedited	Not expedited	In person	Online	Mail	Other	Unknown	1 person	2 people	3 or more people	50 or less	51 to 100	101 to 200	201 to 300	301 to 400	401 to 500	501 to 600	601 or more
		3.5	3.2	3.1	3.4	5.2	3.2	5.1	5.1	3.6	6.1	3.2	1.7	8.6	6.8	4.5	1.2	0.6	0.6	1.0	3.5
Children	0.3	0.3	0.3	0.3	0.3	0.5	0.3	0.1	0.2	0.2	0.5	0.6	0.2	0.6	0.3	0.4	0.1	0.3	0.0	0.1	0.5
Nonelderly adults	5.1	5.4	5.0	5.4	5.0	6.2	5.0	6.8	6.6	5.6	6.9	4.0	4.1	10.4	8.9	5.7	2.0	0.9	1.6	2.5	9.5
Elderly	6.1	6.4	6.0	3.2	6.3	7.5	6.0	6.4	6.9	6.3	5.9	6.9	6.4	9.4	7.5	4.9	3.3	0.8	2.0	2.9	13.0
Disabled	6.8	7.3	6.5	5.4	6.9	8.0	6.7	7.4	7.4	6.6	7.3	6.9	3.4	10.4	8.9	6.2	3.0	1.0	1.3	2.3	5.9
Not disabled	2.1	2.3	1.8	2.5	2.0	2.8	2.0	1.8	1.9	2.7	4.1	1.8	1.6	5.5	4.2	3.1	0.8	0.5	0.6	0.9	3.4
Veteran	7.4	7.7	7.2	5.2	7.5	5.6	7.4	6.6	9.9	6.2	7.0	9.5	6.8	9.7	9.4	5.8	5.0	1.7	2.8	4.5	10.8
Nonveteran	3.3	3.4	3.2	3.1	3.3	5.2	3.2	5.1	5.1	3.6	6.1	3.2	1.7	8.6	6.8	4.5	1.2	0.6	0.6	1.0	3.5

Denotes prevalence rate for entire subgroup (for example, children)

Denotes prevalence rate for subgroup intersection (for example, children living in households receiving $50 or less in monthly SNAP benefits)

0.0 1.0 2.0 3.0 4.0 5.0 6.0 7.0 8.0 9.0 10.0+ Cell shading indicates prevalence rate

Source: State SNAP administrative caseload data for June 2016 through May 2017. For details on how estimates of participants warranting referral were derived, see the methodology section of Chapter I.

Notes: The detailed tables in Appendix D present more detail on the prevalence rates shown in this figure.

Prevalence rates for children who may be victims of identity theft did not vary by certification status or case type and were all considerably lower than those of other demographic subgroups. Cases for nonelderly adults were slightly more likely to warrant further investigation in their initial certification period (5.4 percent) or when approved for expedited benefits (5.4 percent). Cases for elderly individuals, disabled individuals, and veterans were each more likely to warrant such consideration in their initial certification period (6.4 percent, 7.3, and 7.7 percent, respectively) or when not approved for expedited benefits (6.3, 6.9, and 7.5 percent, respectively).

Children had very low prevalence rates of all potential victims regardless of application source (0.5 percent or lower for each application source breakout). Cases for nonelderly adults were most likely to warrant further investigation for identity theft when applying to SNAP by mail (6.8 percent), cases for elderly individuals and disabled individuals were most likely to be in that category

when applying to SNAP in person (7.5 and 8.0 percent, respectively). Cases for veterans were most likely to warrant further investigation when applying for SNAP through other methods, such as fax, by phone, or through another agency (9.9 percent).

Children had very low prevalence rates for all household size breakouts (0.6 percent or lower for each household size breakout). Cases for nonelderly adults or disabled individuals living alone were more likely to warrant further investigation than other household compositions for their respective demographic subgroups (6.9 and 7.3 percent, respectively). Cases for elderly individuals or veterans living in two-person households were most likely of all household compositions for their respective demographic subgroups to warrant further investigation (6.9 and 9.5 percent, respectively).

As with the general population, the breakouts of demographic subgroups show that prevalence rates for all groups were higher for those living in households receiving $50 or less in monthly SNAP benefits compared with their subgroup total as a whole. In fact, cases for children and nonelderly adults living in households receiving $50 or less monthly were twice as likely to warrant further investigation for identity theft as those for their respective subgroups as a whole (0.6 versus 0.3 percent, respectively, for children; 10.4 versus 5.1 percent, respectively, for nonelderly adults). Similarly, the prevalence rate for disabled individuals living in households receiving $50 or less in monthly SNAP benefits who may be victims of identity theft (10.4 percent) was much higher than that of all disabled individuals who may be victims of identity theft (6.8 percent).

Although only 3.5 percent of all cases for individuals living in SNAP households receiving $601 or more in monthly SNAP benefits warranted further investigation for identity theft, this rate was much higher for some demographic subgroups. Cases for elderly adults living in households receiving $601 or more in monthly SNAP benefits had the highest prevalence rate of all subgroup intersections and were more than twice as likely to warrant referral as those for their entire subgroup (13.0 versus 6.1, respectively). Similarly, the prevalence rates of nonelderly adults and veterans who live in households receiving $601 or more in monthly SNAP benefits and may be victims of identity theft (9.5 and 10.8 percent, respectively) were higher than those of their respective subgroups as a whole (5.1 and 7.4 percent, respectively).

B. Cost of potential identity theft in Florida

Over the 12-month period covering June 2016 through May 2017, SNAP participants in Florida received more than $4.7 billion in SNAP benefits, with the average participant receiving $120 each month (Table III.3). About $128 million, or 2.7 percent, of all SNAP dollars were received by individuals whose cases warranted further investigation for identity theft. Over this 12-month period, individuals whose cases warranted further investigation for identity theft received an average of $97 in SNAP benefits each month.[37]

[37] We calculated average monthly SNAP benefits by dividing total SNAP benefits by the weighted total number of participants, then dividing that number by 12. For example, to get the average monthly SNAP benefits going to cases warranting further investigation in Florida, we divided total SNAP benefits received by cases warranting further investigation ($127,908,909, as shown in Table III.3) by the weighted total number of cases warranting further investigation (109,452, as shown in Table III.2), and then divided that number by 12 months.

Table III.3. SNAP benefits going to participants warranting further investigation for identity theft in Florida, by demographic subgroups, June 2016 through May 2017

	Average monthly SNAP benefit[a]		Total annual SNAP benefit[b]		
	All participants	Participants warranting referral	All participants	Participants warranting referral	Benefits received by participants warranting referral as a percentage of all benefits
State total					
Florida	$120	$97	$4,721,804,104	$127,908,909	2.7%
Age					
Children (aged 17 or younger)	$120	$130	$1,916,424,787	$5,625,114	0.3%
Nonelderly adults (aged 18 to 59)	$125	$107	$2,047,715,160	$89,822,619	4.4%
Elderly (aged 60 or older)	$107	$75	$757,664,158	$32,461,175	4.3%
Disability status					
Disabled	$110	$85	$1,176,814,407	$61,448,656	5.2%
Not disabled	$124	$113	$3,544,956,953	$66,457,815	1.9%
Citizenship status					
U.S. citizen	$119	$97	$4,159,336,343	$119,218,440	2.9%
Noncitizen	$132	$100	$561,619,551	$8,684,104	1.6%
Veteran status					
Veterans	$100	$73	$10,064,209	$543,752	5.4%
Veterans by elderly status					
Elderly veterans	$79	$60	$4,320,756	$231,531	5.4%
Nonelderly veterans	$125	$87	$5,743,452	$312,221	5.4%
Veterans by disability status					
Disabled veterans	$81	$65	$5,459,483	$360,459	6.6%
Non-disabled veterans	$137	$98	$4,604,726	$183,292	4.0%
Veterans by household status					
Veterans living alone	$105	$79	$8,011,042	$420,597	5.3%
Veterans living with others	$83	$59	$2,053,167	$123,155	6.0%
Nonveterans	$120	$97	$4,711,724,289	$127,364,994	2.7%

Source: State SNAP administrative caseload data for June 2016 through May 2017. For details on how we derived estimates of participants warranting referral, see the methodology section of Chapter I.

Notes: These tabulations exclude benefits to participants with missing or unknown disability, citizenship, veteran status, or certification status. Because of rounding, the sum of some subgroups might not match the State total.

[a]Average monthly SNAP benefits are calculated by dividing total SNAP benefits received by the weighted total number of participants and then dividing that number by 12.

[b]Total annual SNAP benefits are equal to the sum of all proportionally allocated SNAP benefits received by participants over the full 12-month period. Proportionally allocated SNAP benefits are calculated by dividing household-level SNAP benefits by the total number of participants in the household.

1. Cost of potential identity theft by demographic subgroups

The vast majority of total annual SNAP benefits received by individuals whose caseload data displayed sufficient data discrepancies to warrant referral to SNAP agency for further investigation for identity theft went to cases for individuals 18 or older. Nonelderly adults and elderly adults whose cases warranted referral received more than $122 million (96 percent) of the $128 million SNAP dollars received by all individuals whose cases warranted referral. Nonelderly adults whose cases warranted referral received an average of $107 in monthly SNAP benefits, and elderly individuals whose cases warranted referral received an average of $75 in SNAP benefits each month. Although individuals whose cases warranted referral received only 0.3 percent of all SNAP dollars going to children, these individuals received higher-than-average monthly SNAP benefits of $130.

Although nondisabled individuals received more than three times as many total SNAP dollars as disabled individuals ($3.5 billion versus $1.2 billion), total SNAP dollars going to disabled individuals whose cases warranted referral ($61 million) were comparable to those going to cases for nondisabled individuals ($66 million). This is in line with the fact that cases for disabled individuals were more commonly suspected of potential identity theft than those for nondisabled individuals.

U.S. citizens received $4.2 billion in total SNAP benefits, with $119 million, or 2.9 percent going to individuals whose cases warranted referral for further investigation. Noncitizens whose cases warranted referral received $8.6 million in total SNAP benefits, which represented 1.5 percent of all benefits going to noncitizens.

Veterans represented a very small portion of the SNAP population (0.3 percent, Table III.1), and consequently received the smallest total SNAP benefits of all demographic subgroups ($10.1 million). However, the percentage of these benefits that went to individuals whose cases warranted referral was high (5.4 percent) compared with that of other groups.

2. Cost of potential identity theft by household and application subgroups

Individuals living alone in one-person households received about a third ($1.6 billion) of all SNAP benefits going to all SNAP participants ($4.7 billion). However, cases warranting referral for individuals living in one-person households disproportionately received over half ($73.8 million) of all SNAP dollars going to individuals whose cases warranted referral ($127.9 million) (Table III.4).

Individuals living in households receiving $50 or less in monthly SNAP benefits received less total SNAP benefits than any other monthly breakout subgroup ($62.1 million). However, the percentage of total SNAP dollars going to individuals living in these households whose cases warranted referral (9.2 percent, representing $5.7 million) was larger than that going to any other monthly benefit subgroup.

Total SNAP dollars going to individuals whose cases warranted referral were distributed somewhat proportionally by certification status and case type. However, the proportion of total SNAP dollars going to individuals whose cases warranted referral varied by application method. Four percent of all SNAP benefits going to participants who applied to SNAP through the mail went to individuals whose cases warranted referral for identity theft, whereas only 2.6 percent of benefits going to participants who applied online went to individuals whose cases warranted referral.

Table III.4. SNAP benefits going to participants warranting further investigation for identity theft in Florida, by household and application subgroups, June 2016 through May 2017

	Average monthly SNAP benefit[a]		Total annual SNAP benefit[b]		
	All participants	Participants warranting referral	All participants	Participants warranting referral	Benefits received by participants warranting referral as a percentage of all benefits
State total					
Florida	$120	$97	$4,721,804,104	$127,908,909	2.7%
Household size					
1 person	$131	$101	$1,574,416,467	$73,830,715	4.7%
2 people	$119	$64	$922,630,101	$15,911,463	1.7%
3 people	$123	$88	$865,891,711	$6,354,408	0.7%
4 people	$113	$126	$683,511,053	$11,579,065	1.7%
5 people	$105	$126	$376,205,390	$9,663,285	2.6%
6 people	$105	$116	$180,167,469	$6,336,722	3.5%
7 people	$99	$108	$68,831,405	$2,473,591	3.6%
8 or more people	$99	$105	$50,150,508	$1,759,658	3.5%
Monthly household SNAP benefit (dollars)					
50 or less	$17	$18	$62,104,599	$5,724,326	9.2%
51 to 100	$59	$66	$160,136,147	$12,047,642	7.5%
101 to 200	$143	$134	$1,559,440,552	$65,580,439	4.2%
201 to 300	$93	$100	$343,424,783	$4,391,151	1.3%
301 to 400	$141	$157	$856,608,166	$5,652,916	0.7%
401 to 500	$123	$108	$365,855,743	$2,022,711	0.6%
501 to 600	$149	$137	$596,016,051	$5,483,371	0.9%
601 or more	$145	$145	$778,218,062	$27,006,350	3.5%
Certification status					
Initial certification	$118	$96	$1,728,244,926	$48,969,417	2.8%
Recertification	$121	$97	$2,859,468,119	$73,926,470	2.6%
Case type					
Expedited	$151	$131	$458,937,720	$12,400,715	2.7%
Not expedited	$117	$95	$4,262,866,385	$115,508,194	2.7%
Application source					
In person	$106	$73	$51,919,580	$1,848,369	3.6%
Online	$121	$98	$3,982,538,286	$103,639,687	2.6%
Mail	$109	$85	$38,463,787	$1,544,648	4.0%
Other[c]	$106	$80	$74,781,943	$2,893,228	3.9%
Unknown	$120	$105	$574,100,509	$17,982,975	3.1%

Source: State SNAP administrative caseload data for June 2016 through May 2017. For details on how we derived estimates of participants warranting referral, see the methodology section of Chapter I.

Notes: These tabulations exclude benefits to participants with missing or unknown disability, citizenship, veteran status, or certification status. Because of rounding, the sum of some subgroups might not match the State total.

[a]Average monthly SNAP benefits are calculated by dividing total SNAP benefits received by the weighted total number of participants and then dividing that number by 12.

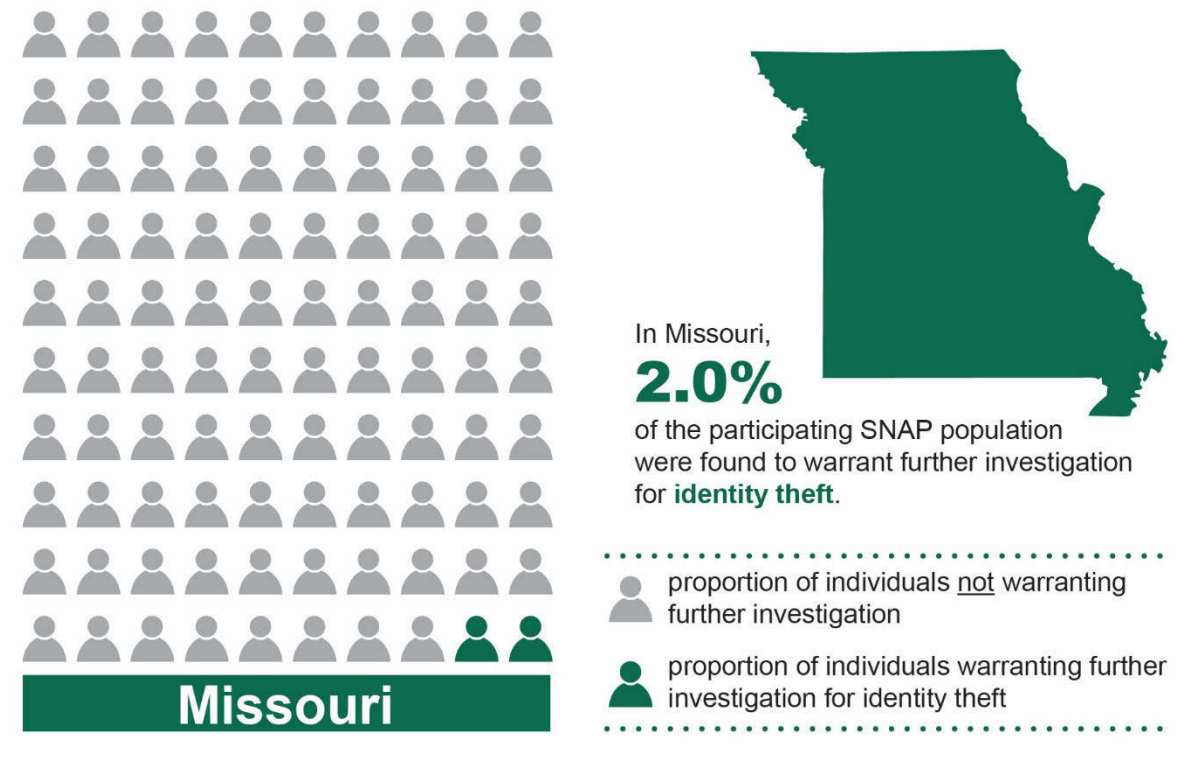
[b]Total annual SNAP benefits are equal to the sum of all proportionally allocated SNAP benefits received by participants over the full 12-month period. Proportionally allocated SNAP benefits are calculated by dividing household-level SNAP benefits by the total number of participants in the household.

[c]Includes applications received by fax, by phone, or through another agency.

C. Prevalence of potential identity theft in Missouri

From June 2016 through May 2017, 740,044 individuals participated in SNAP in Missouri. Of these, 15,167 had cases that warranted referral for further investigation for identity theft, which resulted in a Statewide prevalence rate of 2.0 percent, with a standard error of ±0.4 percent (Figure III.3 and Table III.5).

Figure III.3. SNAP participants warranting further investigation for identity theft in Missouri, June 2016 through May 2017



1. Prevalence rates of potential identity theft by demographic subgroups

Prevalence rates of potential identity theft varied for different age groups of potential victims. Although children (17 or younger) accounted for 45 percent of all SNAP participants, they made up only 0.6 percent of all participants whose cases displayed sufficient data discrepancies to warrant referral to SNAP agency for further investigation. Consequently, cases for children had the lowest prevalence rate of all age groups—as well as of all other subgroups listed in Table III.5—as only 95 of the 330,225 cases for children participating in SNAP warranted referral, resulting in a prevalence rate of less than one-tenth of 1 percentage point. Cases for elderly individuals had a higher-than-average prevalence rate (2.7 percent), but cases for nonelderly adults had the highest rate: 3.9 percent. Cases for nonelderly adults also accounted for the vast majority (87.1 percent) of all individuals whose cases warranted referral.

Prevalence rates of potential victims also varied by participants' disability, citizenship, and employment status. Though disabled individuals made up just 24.2 percent of all participants, they made up a disproportional 45.5 percent of all participants whose cases warranted referral. As a result of this disparity, cases for disabled individuals were more likely than those for nondisabled

individuals to warrant referral (3.8 versus 1.5 percent, respectively). Similarly, cases for U.S. citizens were more likely than those for noncitizens to warrant referral (2.1 versus 1.3 percent, respectively), as were cases for employed individuals compared with those for unemployed individuals (2.7 versus 1.9 percent, respectively).

Cases for veterans were more likely than those for nonveterans to warrant further investigation (2.5 versus 2.0 percent, respectively). Cases for elderly veterans were less likely than those for nonelderly veterans to warrant referral (1.4 and 3.5 percent, respectively). Similarly, cases for veterans living alone were less likely than those for veterans living with others to warrant referral (2.0 and 3.4 percent, respectively). However, the prevalence rate for disabled veterans differed only slightly when compared with that of nondisabled veterans (2.6 and 2.3 percent, respectively).

Table III.5. SNAP participants warranting further investigation for identity theft in Missouri, by demographic subgroups, June 2016 through May 2017

	All SNAP participants		SNAP participants warranting referral		
	Total	Percentage of all participants	Total	Percentage of all participants warranting referral	Prevalence rate of potential identity theft ± standard error[a]
State Total					
Missouri	740,044	100.0%	15,167	100.0%	2.0% ± 0.4%
Age					
Children (aged 17 or younger)	330,225	44.6%	95	0.6%	0.0% ± 0.1%
Nonelderly adults (aged 18–59)	340,297	46.0%	13,205	87.1%	3.9% ± 0.6%
Elderly (aged 60 or older)	69,674	9.4%	1,879	12.4%	2.7% ± 0.6%
Disability status					
Disabled	179,115	24.2%	6,897	45.5%	3.8% ± 0.6%
Not disabled	561,115	75.8%	8,265	54.5%	1.5% ± 0.3%
Citizenship status					
U.S. citizen	727,634	98.3%	15,014	99.0%	2.1% ± 0.4%
Noncitizen	12,761	1.7%	167	1.1%	1.3% ± 0.1%
Veteran status					
Veterans	2,942	0.4%	73	0.5%	2.5% ± 0.6%
Veterans by elderly status					
Elderly veterans	1,426	0.2%	20	0.1%	1.4% ± 0.6%
Nonelderly veterans	1,516	0.2%	53	0.3%	3.5% ± 0.6%
Veterans by disability status					
Disabled veterans	1,805	0.2%	46	0.3%	2.6% ± 0.7%
Non-disabled veterans	1,136	0.2%	26	0.2%	2.3% ± 0.5%
Veterans by household status					
Veterans living alone	1,898	0.3%	38	0.3%	2.0% ± 0.7%
Veterans living with others	1,044	0.1%	35	0.2%	3.4% ± 0.5%
Nonveterans	737,279	99.6%	15,100	99.6%	2.0% ± 0.4%
Employment status					
Employed	101,380	13.7%	2,766	18.2%	2.7% ± 0.4%
Unemployed	639,056	86.4%	12,407	81.8%	1.9% ± 0.4%

Source: State SNAP administrative caseload data for June 2016 through May 2017. For details on how we derived estimates of participants warranting referral, see the methodology section of Chapter I.

Notes: These tabulations exclude participants with missing or unknown disability or citizenship status. Because of rounding, the sum of some subgroups might not match the State total. Participant totals are weighted to account for differences in the total number of months each individual appeared in the data.

n.a. = No individuals fall into this category.

[a]Prevalence rates are calculated by dividing the total number of participants warranting referral to State SNAP agency for further investigation by the total number of all SNAP participants. Standard errors estimate the accuracy of the prevalence rates.

2. Prevalence rates of potential identity theft by household and application subgroups

Prevalence rates of potential identity theft varied by household size and benefit amount. Cases for one- and two-person households were more likely than all other household compositions to warrant further investigation with rates of 4.0 and 3.3 percent, respectively (Table III.6). Although only 21.2 percent of SNAP participants lived in households receiving $101 to $200 in monthly SNAP benefits, cases for individuals living in these households disproportionally made up 42.0 percent of all cases warranting referral, resulting in a prevalence rate of 4.1 percent—more than twice that of the prevalence rate for the entire State (2.0 percent). Similarly, cases for individuals living in households receiving $301 to $400 each month also had a higher-than-average prevalence rate of 2.5 percent.

Prevalence rates of potential victims varied by participants' certification status and case type. Cases for individuals in their initial certification period were slightly more likely to warrant referral for identity theft than those for individuals who were recertified (2.3 versus 1.8 percent, respectively). Cases for individuals who qualified for expedited services were more likely to warrant referral than those for individuals who were not expedited (3.2 versus 1.8 percent, respectively).

The vast majority (82.4 percent) of all SNAP participants whose cases warranted referral applied through the mail; however, this group had the lowest prevalence rate of all types of SNAP applications: 2.0 percent (equal to that of the entire State). Cases for individuals who applied for SNAP in person had the highest prevalence rate: 2.6 percent.

Table III.6. SNAP participants warranting further investigation for identity theft in Missouri, by household and application subgroups, June 2016 through May 2017

	All SNAP participants		SNAP participants warranting referral		
	Total	Percentage of all participants	Total	Percentage of all participants warranting referral	Prevalence rate of potential identity theft ± standard error[a]
State Total					
Missouri	740,044	100.0%	15,167	100.0%	2.0% ± 0.4%
Household size					
1 person	171,162	23.1%	6,798	44.8%	4.0% ± 0.8%
2 people	115,821	15.7%	3,809	25.1%	3.3% ± 0.4%
3 people	146,072	19.7%	1,914	12.6%	1.3% ± 0.2%
4 people	136,678	18.5%	1,760	11.6%	1.3% ± 0.2%
5 people	88,976	12.0%	449	3.0%	0.5% ± 0.2%
6 people	45,479	6.1%	223	1.5%	0.5% ± 0.1%
7 people	19,981	2.7%	130	0.9%	0.7% ± 0.2%
8 or more people	16,104	2.2%	100	0.7%	0.6% ± 0.1%
Monthly household SNAP benefit (dollars)					
50 or less	46,049	6.2%	814	5.4%	1.8% ± 0.6%
51 to 100	47,691	6.4%	733	4.8%	1.5% ± 0.5%
101 to 200	156,762	21.2%	6,375	42.0%	4.1% ± 0.7%
201 to 300	70,281	9.5%	1,448	9.5%	2.1% ± 0.2%
301 to 400	116,204	15.7%	2,940	19.4%	2.5% ± 0.3%
401 to 500	63,913	8.6%	768	5.1%	1.2% ± 0.2%
501 to 600	95,038	12.8%	1,237	8.2%	1.3% ± 0.2%
601 or greater	144,546	19.5%	864	5.7%	0.6% ± 0.2%
Certification status					
Initial certification	343,490	46.4%	7,968	52.5%	2.3% ± 0.4%
Recertification	349,610	47.2%	6,454	42.6%	1.8% ± 0.3%
Case type					
Expedited	138,419	18.7%	4,398	29.0%	3.2% ± 0.6%
Not expedited	601,190	81.2%	10,764	71.0%	1.8% ± 0.3%
Application source					
In person	99,930	13.5%	2,553	16.8%	2.6% ± 0.5%
Online	4,740	0.6%	102	0.7%	2.1% ± 0.4%
Mail	634,819	85.8%	12,495	82.4%	2.0% ± 0.3%
Other[b]	12	0.0%	n.a.	n.a.	n.a.
Unknown	833	0.1%	19	0.1%	2.3% ± 0.4%

Source: State SNAP administrative caseload data for June 2016 through May 2017. For details on how we derived estimates of participants warranting referral, see the methodology section of Chapter I.

Notes: These tabulations exclude participants with missing or unknown certification status or case type. Because of rounding The sum of some subgroups might not match the State total. Participant totals are weighted to account for differences in the total number of months each individual appeared in the data.

n.a. = No individuals fall into this category.

[a]Prevalence rates are calculated by dividing the total number of participants warranting referral to State SNAP agency for further investigation by the total number of all SNAP participants. Standard errors estimate the accuracy of the prevalence rates.

[b]Includes applications received by fax, by phone, or through another agency.

3. Prevalence rates of potential identity theft by subgroup intersections

We calculated prevalence rates not only among subgroups, but also among selected subgroup intersections. Figure III.4 shows the prevalence rates for potential victims of identity theft by age, disability, veteran and certification status, as well as by case type, application source, household size, and monthly household SNAP benefit amount. The figure also includes breakouts of prevalence rates for cases for children, but they did not vary from the subgroup prevalence rate as a whole (0.0 percent), except in two cases in which no children fell into the given categories, so the rates did not apply.

Figure III.4. Prevalence rates of potential victims of identity theft in SNAP in Missouri, by subgroup intersections, June 2016 through May 2017

Demographic subgroup		Application or household subgroup																		
		Certification		Case type		Application source					Household Size			Monthly household SNAP benefit ($)							
		Initial certification	Recertification	Expedited	Not expedited	In person	Online	Mail	Other	Unknown	1 person	2 people	3 or more people	50 or less	51 to 100	101 to 200	201 to 300	301 to 400	401 to 500	501 to 600	601 or more
		2.3	1.8	3.2	1.8	2.6	2.1	2.0	n.a.	2.3	4.0	3.3	1.0	1.8	1.5	4.1	2.1	2.5	1.2	1.3	0.6
Children	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	n.a.	n.a.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nonelderly adults	3.9	4.2	3.6	5.4	3.5	5.0	4.1	3.7	n.a.	3.5	5.0	5.3	2.6	2.6	2.3	5.2	3.9	5.1	3.0	3.3	1.8
Elderly	2.7	3.6	2.1	7.6	2.4	3.8	8.1	2.6	n.a.	2.2	2.0	4.8	8.0	1.1	0.9	3.6	8.2	8.7	10.6	10.5	7.9
Disabled	3.8	4.5	3.2	6.8	3.4	5.1	6.6	3.7	n.a.	3.6	3.4	6.2	3.6	2.0	1.8	4.6	6.1	7.3	4.3	4.4	2.7
Not disabled	1.5	1.7	1.3	2.5	1.2	1.9	1.6	1.4	n.a.	0.6	5.3	2.4	0.8	1.2	1.1	3.6	1.3	2.0	0.9	1.1	0.5
Veteran	2.5	3.2	1.7	6.8	2.0	3.0	6.6	2.4	n.a.	3.5	2.0	6.2	1.8	1.0	2.0	3.6	4.1	5.5	2.5	2.3	0.5
Nonveteran	2.0	2.3	1.8	3.2	1.8	2.6	2.1	2.0	n.a.	2.3	4.0	3.3	1.0	1.8	1.5	4.1	2.1	2.5	1.2	1.3	0.6

Denotes prevalence rate for entire subgroup (for example, children)

Denotes prevalence rate for subgroup intersection (for example, children living in households receiving $50 or less in monthly SNAP benefits)

0.0 1.0 2.0 3.0 4.0 5.0 6.0 7.0 8.0 9.0 10.0+ Cell shading indicates prevalence rate

Source: State SNAP administrative caseload data for June 2016 through May 2017. For details on how we derived estimates of participants warranting referral, see the methodology section of Chapter I.

Notes: The detailed tables in Appendix E present more detail on the prevalence rates shown in this figure.

n.a. = No individuals fall into this category.

As with the general population, caseload data for demographic subgroups were more likely to warrant referral for potential identity theft when approved for expedited benefits or in their initial certification period. Cases for elderly individuals approved for expedited benefits had the highest prevalence rate (7.6 percent) of all demographic subgroups, though cases for nonelderly adults, disabled adults, and veterans all had higher-than-average rates as well (5.4, 6.8, and 6.8 percent, respectively). These same four groups had higher-than-average prevalence rates for cases in their initial certification period.

Also as with the general population, cases for nonelderly adults were most likely to warrant referral for potential identity theft when individuals applied to SNAP in person (5.0 percent). However, cases for elderly individuals, disabled individuals, and veterans were most likely to warrant referral when the applicant applied to SNAP online (8.1, 6.6, and 6.6 percent, respectively).

Cases for nonelderly adults, disabled individuals, and veterans living in two-person households were more likely to warrant further investigation than other household compositions for their respective demographic subgroups (5.3, 6.2 and 6.2 percent, respectively). Cases for elderly individuals living in households with three or more individuals were much more likely to warrant further investigation than cases for elderly individuals as a whole (8.0 versus 2.7 percent, respectively).

Demographic subgroup prevalence rates varied by monthly household SNAP benefit amount. Cases for elderly individuals were much more likely to warrant referral for potential identity theft when individuals were living in households receiving $201 or more in monthly SNAP benefits. In fact, cases for elderly individuals living in households receiving $401 to $500 were almost four times as likely to warrant referral for potential identity theft as those for elderly individuals as a whole (10.6 versus 2.7 percent, respectively). Like the population as a whole, cases for nonelderly adults, nondisabled individuals, and nonveterans were most likely to warrant referral for potential identity theft when individuals were living in households receiving $101 to $200 in monthly SNAP benefits (5.2, 3.6, and 4.1 percent, respectively). Cases for disabled individuals and veterans were most likely to warrant referral for potential identity theft when individuals were living in households receiving $301 to $400 in monthly SNAP benefits (7.3 and 5.5 percent, respectively).

D. Cost of potential identity theft in Missouri

Over the 12-month period covering June 2016 through May 2017, SNAP participants received about $1.1 billion dollars in Missouri, with the average participant receiving $120 each month (Table III.7). Individuals displaying sufficient data discrepancies to warrant referral to SNAP agency for further investigation received about $26 million, or 2.5 percent, of all SNAP dollars. On average, individuals flagged as potential victims of identity theft received $144 in SNAP benefits each month.

1. Cost of potential identity theft by demographic subgroups

The vast majority of total annual SNAP benefits received by individuals whose caseload data displayed sufficient data discrepancies to warrant referral to SNAP agency for further investigation went to cases for individuals who were 18 or older. Nonelderly adults and elderly adults whose cases warranted referral for potential identity theft received more than $25.9 million (99 percent) of the $26.1 million SNAP dollars received by all individuals whose cases warranted referral. Cases for nonelderly adults warranting referral received an average of $145 in monthly SNAP benefits and cases for elderly individuals warranting referral received an average of $135 in SNAP benefits each month. Less than one-tenth of 1 percent of all SNAP dollars going to cases for children were received by cases warranting referral.

Table III.7. SNAP benefits going to participants warranting further investigation for identity theft in Missouri, by demographic subgroups, June 2016 to May 2017

	Average monthly SNAP benefit[a]		Total annual SNAP benefit[b]		
	All participants	Participants warranting referral	All participants	Participants warranting referral	Benefits received by participants warranting referral as a percentage of all benefits
State total					
Missouri	$120	$144	$1,066,478,834	$26,136,132	2.5%
Age					
Children (aged 17 or younger)	$121	$131	$480,126,715	$149,370	0.0%
Nonelderly adults (aged 18–59)	$125	$145	$509,955,674	$22,937,259	4.5%
Elderly (aged 60 or older)	$91	$135	$76,396,445	$3,049,503	4.0%
Disability status					
Disabled	$108	$137	$231,811,037	$11,352,341	4.9%
Not disabled	$124	$149	$834,375,989	$14,770,729	1.8%
Citizenship status					
U.S. citizen	$120	$143	$1,048,064,247	$25,842,699	2.5%
Noncitizen	$119	$141	$18,253,621	$284,454	1.6%
Veteran status					
Veterans					
Veterans by elderly status	$86	$124	$3,030,552	$108,211	3.6%
Elderly veterans					
Nonelderly veterans	$63	$107	$1,076,461	$25,609	2.4%
Veterans by disability status	$107	$131	$1,954,091	$82,602	4.2%
Disabled veterans					
Non-disabled veterans	$79	$123	$1,710,111	$68,227	4.0%
Veterans by household status	$97	$126	$1,319,520	$39,983	3.0%
Veterans living alone					
Veterans living with others	$83	$150	$1,891,303	$67,731	3.6%
Nonveterans	$120	$144	$1,063,448,282	$26,027,921	2.5%
Employment status					
Employed	$106	$121	$129,162,426	$4,021,558	3.1%
Unemployed	$122	$149	$937,316,408	$22,114,574	2.4%

Source: State SNAP administrative caseload data for June 2016 through May 2017. For details on how we derived estimates of participants warranting referral, see the methodology section of Chapter I.

Notes: These tabulations exclude participants with missing or unknown disability or citizenship status. Because of rounding, the sum of some subgroups might not match the State total.

n.a. = No individuals fall into this category.

[a]Average monthly SNAP benefits are calculated by dividing total SNAP benefits received by the weighted total number of participants and then dividing that number by 12.

[b]Total annual SNAP benefits are equal to the sum of all proportionally allocated SNAP benefits received by participants over the full 12-month period. Proportionally allocated SNAP benefits are calculated by dividing household level SNAP benefits by the total number of participants in the household.

Although nondisabled individuals received more than three times as many total SNAP dollars as disabled individuals ($834 million versus $232 million, respectively), total SNAP dollars going to cases for disabled individuals warranting referral ($11 million) were comparable to those going to cases for nondisabled individuals warranting referral ($15 million), a reflection of the fact that cases for disabled individuals were more commonly cited for potential identity theft than those for nondisabled individuals.

U.S. citizens received $1.0 billion in total SNAP benefits, with $25.8 million, or 2.5 percent, going to cases for individuals warranting referral to the State SNAP agency for further investigation. Cases for noncitizens warranting referral for potential identity theft received $284,000 in total SNAP benefits, which represented 1.6 percent of all benefits going to noncitizens.

Veterans represented a very small portion of the SNAP population (0.4 percent, Table III.5), and consequently received the smallest total SNAP benefits of all demographic subgroups ($3.0 million). However, the percentage of these benefits that went to cases for individuals warranting referral was high (3.6 percent) compared with other groups.

Employed individuals received $129 million in total SNAP benefits, at an average of $106 each month. Only $4 million, representing 3.1 percent of total benefits going to the employed population, went to cases for individuals warranting referral.

2. Cost of potential identity theft by household and application subgroups

Individuals living alone in one-person households received about a fourth ($251 million) of all SNAP benefits going to all SNAP participants ($1.1 billion). However, cases warranting referral for individuals living in one-person households disproportionately received slightly over half ($13.3 million) of all SNAP dollars going to individuals whose cases warranted referral ($26.1 million) (Table III.8).

Individuals living in households receiving $101 to $200 in monthly SNAP benefits received about a quarter of total SNAP benefits ($247 million, or 23 percent of all benefits). However, total SNAP dollars going to individuals in these households whose cases warranted referral ($13.2 million) accounted for the majority (51 percent) of all SNAP dollars going to cases warranting referral. Conversely, although individuals in households receiving $601 or more in monthly SNAP benefits received a similar amount of total SNAP benefits ($252 million, or 24 percent of all benefits), these same individuals received only about 0.6 percent of all SNAP dollars going to cases warranting referral.

SNAP benefits received by cases warranting referral were disproportionately distributed by certification status. Cases suspected of potential identity theft in their initial certification period received $14 million, or 2.8 percent, of all SNAP benefits going to cases in their initial certification period. Although SNAP dollars going to recertified individuals whose cases warranted referral were comparable, at $10.9 million, this total represented a smaller percentage (2.2 percent) of all SNAP dollars going to recertified individuals. Similarly, cases warranting referral that were approved for expedited services received a disproportionate amount of SNAP benefits when compared to cases warranting referral that were not approved for expedited services.

Table III.8. SNAP benefits going to participants warranting further investigation for identity theft in Missouri, by household and application subgroups, June 2016 to May 2017

	Average monthly SNAP benefit[a]		Total annual SNAP benefit[b]		
	All participants	Participants warranting referral	All participants	Participants warranting referral	Benefits received by participants warranting referral as a percentage of all benefits
State total					
Missouri	$120	$144	$1,066,478,834	$26,136,132	2.5%
Household size					
1 person	$122	$163	$251,383,851	$13,318,501	5.3%
2 people	$129	$137	$179,596,755	$6,239,920	3.5%
3 people	$128	$132	$224,324,092	$3,020,691	1.4%
4 people	$118	$114	$193,198,079	$2,401,243	1.2%
5 people	$108	$111	$115,733,864	$598,194	0.5%
6 people	$108	$111	$58,769,762	$295,259	0.5%
7 people	$101	$96	$24,135,506	$150,112	0.6%
8 or more people	$100	$93	$19,336,925	$112,210	0.6%
Monthly household SNAP benefit (dollars)					
50 or less	$21	$22	$11,627,195	$212,165	1.8%
51 to 100	$61	$62	$34,710,726	$541,188	1.6%
101 to 200	$131	$173	$246,856,314	$13,230,140	5.4%
201 to 300	$86	$108	$72,649,815	$1,871,516	2.6%
301 to 400	$134	$152	$187,294,034	$5,347,731	2.9%
401 to 500	$120	$123	$91,875,719	$1,132,504	1.2%
501 to 600	$149	$153	$169,705,883	$2,269,563	1.3%
601 or greater	$145	$148	$251,759,148	$1,531,323	0.6%
Certification status					
Initial certification	$122	$146	$501,757,135	$13,986,906	2.8%
Recertification	$117	$141	$492,385,703	$10,952,672	2.2%
Case type					
Expedited	$155	$172	$257,471,064	$9,102,010	3.5%
Not expedited	$112	$132	$807,960,385	$17,005,529	2.1%
Application source					
In person	$128	$152	$153,299,672	$4,648,362	3.0%
Online	$118	$137	$6,692,451	$166,576	2.5%
Mail	$119	$142	$905,425,946	$21,292,601	2.4%
Other[c]	$90	n.a.	$13,379	n.a.	n.a.
Unknown	$105	$127	$1,047,386	$28,592	2.8%

Source: State SNAP administrative caseload data for June 2016 through May 2017. For details on how we derived estimates of participants warranting referral, see the methodology section of Chapter I.

Notes: These tabulations exclude participants with missing or unknown certification status or case type. Because of rounding, the sum of some subgroups might not match the State total.

n.a. = No individuals fall into this category.

[a]Average monthly SNAP benefits are calculated by dividing total SNAP benefits received by the weighted total number of participants and then dividing that number by 12.

[b]Total annual SNAP benefits are equal to the sum of all proportionally allocated SNAP benefits received by participants over the full 12-month period. Proportionally allocated SNAP benefits are calculated by dividing household level SNAP benefits by the total number of participants in the household.

[c]Includes applications received by fax, by phone, or through another agency.

The vast majority (82.4 percent, Table III.6) of all SNAP participants whose cases warranted referral applied through the mail. Consequently, cases for individuals who applied by mail received $21.3 million, or 81.5 percent, of the total $26.1 million that went to cases suspected of potential identity theft. Individuals whose cases warranted referral and who applied for SNAP in person received $4.6 million, or 17.8 percent, of all SNAP dollars that went to cases warranting referral. The remaining $196,000 in SNAP benefits received by individuals whose cases warranted referral went to those who applied for SNAP either online or through unknown sources.

E. Summary of findings

Although Florida had a higher overall prevalence rate (3.3 percent) for potential identity theft in SNAP than Missouri (2.0 percent), trends in prevalence rates for demographic subgroups were similar for both States. In both Florida and Missouri, (1) children were the least likely of all age groups to be potential victims of identity theft, (2) cases for disabled individuals were more likely than those for nondisabled ones to warrant referral, (3) cases for U.S. citizens more likely than those for noncitizens, (4) cases for veterans were more likely than those for nonveterans, and (5) cases for individuals in one-person households were more likely than those for individuals living in all other household compositions. In Missouri, we found that cases for employed individuals were more likely to be identified for potential identity theft, but we were unable to calculate this group for Florida because the State did not include employment information in its SNAP caseload data.

Though trends in demographic subgroup prevalence rates for each State were often similar, there was a difference between the States in the age group with the highest prevalence rate. In Florida, cases for elderly individuals were most likely to warrant referral for potential identity theft, whereas in Missouri, cases for nonelderly adults were most likely. In both States, nonelderly adults accounted for the majority of all SNAP recipients. And although the trends for most rates in the two States were similar, prevalence rates in Florida were higher for almost all subgroups compared with Missouri (reflective of Florida's higher Statewide rate).

In addition to the subgroup prevalence rates presented earlier in this chapter, we looked at the overlap that cases for individuals warranting referral for potential identity theft had with participation in other needs-based programs. Table III.9 shows the number and percentage of individuals in each State whose cases warranted referral for potential identity theft and who also lived in households receiving Medicaid, SSI, or TANF. Although only a small percentage of individuals whose cases warranted referral lived in households receiving TANF (2 percent in Florida and 4 percent in Missouri), a majority of individuals whose cases warranted referral in Florida and Missouri (58 and 74 percent, respectively) lived in households receiving Medicaid. Furthermore, 19 and 24 percent of individuals whose cases warranted referral lived in households receiving SSI in Florida and Missouri, respectively. These findings highlight the opportunity to identify cases where an individual's identifying information might be being used to receive benefits from multiple needs-based programs.

Table III.9. SNAP participants warranting further investigation for identity theft in Florida and Missouri, by participation in other programs, June 2016 through May 2017

	SNAP participants warranting referral in Florida		SNAP participants warranting referral in Missouri	
	Florida total	Percentage of all participants warranting referral	Missouri total	Percentage of all participants warranting referral
State total	109,452	100.0%	15,167	100.0%
Medicaid				
Individuals living in households receiving Medicaid	63,376	57.9%	11,267	74.3%
Individuals living in households not receiving Medicaid	46,123	42.1%	3,914	25.8%
SSI				
Individuals living in households receiving SSI	20,572	18.8%	3,589	23.7%
Individuals living in households not receiving SSI	88,943	81.3%	11,595	76.4%
TANF				
Individuals living in households receiving TANF	2,451	2.2%	594	3.9%
Individuals living in households not receiving TANF	107,035	97.8%	14,589	96.2%

Source: State SNAP administrative caseload data for June 2016 through May 2017. For details on how we derived estimates of participants warranting referral, see the methodology section of Chapter I.

Notes: Because of rounding, the sum of some subgroups might not match the State total. Participant totals are weighted to account for differences in the total number of months each individual appeared in the data.

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IV. CONCLUSIONS

A. Overview

State agencies face the challenge of preventing and detecting identity theft in SNAP. For this study, we were able to identify cases with a high likelihood of potential identity theft using a data-matching algorithm in conjunction with an expert-led validation team and statistical modeling. In this section, we review the overarching findings from our report. We also present an example of how to further enhance the process used to produce the estimates of potential identity theft presented in this report to better suit States' needs, and we list recommended practices and solutions for States and FNS going forward.

B. Overview of findings

1. Florida's current efforts to prevent, detect, and investigate identity theft in SNAP

Using identity authentication and verification tools, specialized investigative units, and data analytics, DCF reports taking a proactive approach to preventing, detecting, and investigating identity theft in SNAP.

Florida DCF uses a standardized customer authentication and online identity verification process for SNAP, TANF, and Medicaid. About 84 percent of applications for public assistance programs are completed online. The process includes an optional customer authentication system that verifies applicants' identities automatically and, according to staff, facilitates prompt approval of applications. To verify applicants' identity, the system leverages technology used in the financial sector to ask questions that only applicants themselves should be able to answer. Applicants who opt out of the automated authentication system must work, either in person or by telephone, with an eligibility worker to verify their identity and get approved for benefits. Applications are denied if applicants cannot verify their identity.

DCF identifies possible fraud, including identity theft, via (1) complaints from the public, (2) referrals from eligibility workers, and (3) internal OPBI data analytics. OPBI uses routine and ad hoc data analytics and data-matching reports to monitor trends in applications and detect instances of potential identity theft. To better prevent and detect identity theft, DCF added the ability to monitor the submission of applications, as well as to monitor and obtain recordings of calls from individuals suspected of fraud, including identity theft. DCF also plans to expand the types of application data elements available.

Public Benefit Investigations staff in Florida lead the effort to investigate potential identity theft using an Identity Theft Guide, developed by the State, which lists several indicators for investigators to review. Investigative staff follow this guide to collect information indicative of identity theft and to develop evidence to present at an administrative disqualification hearing or to provide to DPAF if prosecuting the case.

2. Missouri's current efforts to prevent, detect, and investigate identity theft in SNAP

DSS has taken a reactive approach to preventing, detecting, and investigating identity theft in SNAP. Currently, FSD eligibility workers reference an agency guide to manually verify the identity of applicants, primarily by using data available through MODL and Social Security Administration interfaces. Missouri DSS identifies suspected fraud, including identity theft, via reports from the

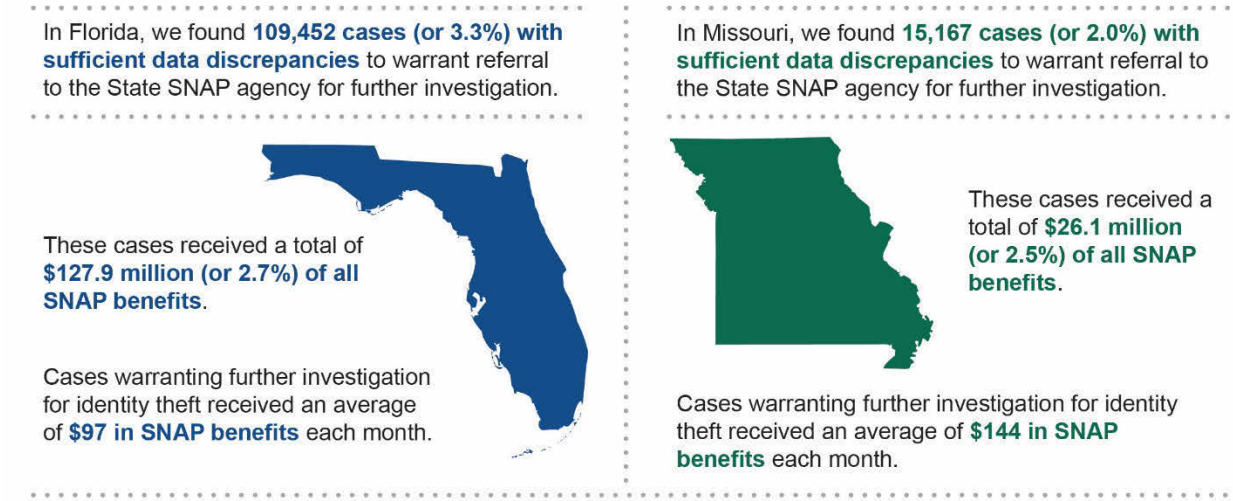
public and referrals from frontline staff. Suspected fraud is referred to the Division of Legal Services Welfare Investigation Unit, whose staff lead investigations into fraud and abuse. Investigators undergo frequent training as the unit develops new processes and approaches and acquires newer technologies. Agents use multiple data sources to investigate cases of potential fraud. Upon determining that they have evidence to prove an intentional program violation has occurred, Welfare Investigation Unit staff decide whether to present the case to the State prosecutor for criminal prosecution or to pursue administrative disqualification based on the evidence available.

DSS is currently reviewing its policies, procedures, and resources to better address fraud, waste, and abuse in the programs it administers. The department is working on incorporating third-party verification in its eligibility and determination system and is exploring the possibility of gaining access to additional data sources to share electronic data sources with other States and improve its identity theft detection and investigation efforts.

3. Prevalence and cost of potential identity theft in SNAP in Florida and Missouri

In this study, we estimate that 3.3 ± 0.4 and 2.0 ± 0.4 percent of participants in Florida and Missouri, respectively, showed enough discrepancies in their caseload data over the 12 months spanning June 2016 through May 2017 to warrant referral to a State SNAP agency for further investigation for identity theft. Although these percentages are small, they represent large totals in each State—109,452 individuals in Florida and 15,167 in Missouri (Figure IV.1). Consequently, the potential costs in SNAP benefits are high: $128 million, or 2.7 percent, of all benefits in Florida and $26 million, or 2.5 percent, of all benefits in Missouri.

Figure IV.1. SNAP participants warranting further investigation for identity theft and their associated cost in Florida and Missouri, June 2016 through May 2017



Source: State SNAP administrative caseload data for June 2016 through May 2017. For details on how we derived estimates of participants warranting referral, see the methodology section of Chapter I.

Trends in demographic subgroup prevalence rates were similar for both study States:

- Children (aged 17 or younger) were the least likely age group to be potential victims of identity theft; 0.3 and 0.0 percent of children had cases warranting further investigation in Florida and Missouri, respectively. By comparison, cases for nonelderly adults (aged 18 to 59) and elderly individuals (aged 60 or older) warranted further investigation at rates of 5.1 and 6.1 percent, respectively, in Florida and 3.9 and 2.7 percent, respectively, in Missouri.
- Cases for disabled individuals were more likely than those for non-disabled individuals to warrant further investigation: 6.8 and 3.8 percent of disabled individuals' cases warranted further investigation in Florida and Missouri, respectively, as compared to respective rates for non-disabled individuals 2.1 and 1.5 percent.
- Cases for U.S. citizens were more likely than those for noncitizens to warrant further investigation: 3.5 and 2.1 percent of U.S. citizens' cases warranted further investigation in Florida and Missouri, respectively, as compared to respective rates for noncitizens of 2.0 and 1.3 percent.
- Cases for veterans were more likely than those for nonveterans to warrant further investigation; 7.4 and 2.5 percent of veterans' cases warranted further investigation in Florida and Missouri, respectively, as compared to respective rates for nonveterans 3.3 and 2.0 percent.
- Cases for individuals in one-person households had the highest prevalence rates of all other household compositions: 6.1 and 4.0 percent in Florida and Missouri, respectively.

Many trends in demographic subgroup prevalence rates were similar in Florida and Missouri, but there were also notable differences:

- In Florida, cases for elderly individuals had the highest prevalence rate (6.1 percent) for potential identity theft, whereas in Missouri, cases for nonelderly adults had the highest rate (3.9 percent). In both States, nonelderly adults account for the majority of all SNAP recipients.
- In Florida, cases for individuals living in households with the lowest monthly household SNAP benefits (those receiving $50 or less in benefits each month) had the highest prevalence rate (8.6 percent) for potential identity theft. In Missouri, cases for individuals living in households receiving $101 to $200 in monthly household SNAP benefits had the highest rate (4.1 percent).

In addition to demographic and application subgroups, we looked at overlap with participation in other needs-based programs among cases suspected of potential identity theft in SNAP. Only small percentages of such cases were for individuals living in households receiving TANF (2 percent in Florida and 4 percent in Missouri), but a majority of individuals whose cases warranted referral for potential identity theft in Florida and Missouri lived in households receiving Medicaid (58 and 74 percent, respectively). Furthermore, 19 and 24 percent of individuals whose cases warranted referral lived in households receiving SSI in Florida and Missouri, respectively. These findings highlight the opportunity to identify cases where an individual's identifying information might be being used to receive benefits from multiple needs-based programs.

4. State profiles for Florida and Missouri

One-page State profiles for Florida and Missouri are in Appendix F. The profiles summarize each State's efforts to prevent, detect, and investigate identity theft in SNAP; describe their organizational structure; and highlight our study estimates for the prevalence and costs of potential identity theft.

C. Preliminary SNAP identity theft predictive model

States may benefit from an analytical approach that takes the initial data matches and creates user predetermined, manageable, and ranked list of SNAP cases that are highly likely to be true identity theft cases and warrant human review for possible referral for a formal fraud investigation. The use of LexID alone does not allow for such an approach. Below we describe the limitations of LexID, and a potential solution that could be employed by States to effectively identify likely identity theft cases

1. Limitations of using LexID alone to identify potentially fraudulent cases

A major limitation of using LexID alone is that it produces too many leads for a State to fully investigate, and many of these leads would be false positives. To overcome this limitation, when we developed the estimates of potential identity theft in SNAP for Florida and Missouri presented in Chapter III, we performed two additional steps after both States' SNAP caseload data were run through the LexID matching algorithm:

1. We performed a manual expert-led validation of 100 randomly sampled cases that LexID had flagged with a high likelihood of identity theft.
2. We employed an advanced statistical model that used the percentage of cases determined to be of interest in the validation review to make projections for the entire State SNAP caseload.

2. Potential solution for States: a predictive model to identify likely identity theft cases

A predictive logistic model of identity theft could be a powerful and efficient solution. Such a model would replace the manual validation step employed in this exploratory study and drastically reduce costs of repeating this process with each iteration of new data. In addition, it would enable States to focus only on cases with the highest probability of representing true fraud.

As a proof of concept, we developed an initial predictive model to better predict whether a particular case warrants further investigation by the State SNAP agency. LexisNexis matched Florida case records (both initial and recertified case transaction records) to public records data using their LexID algorithm, which identifies a subset of records that LexisNexis has determined have an elevated likelihood of being identity theft cases. From this subset, we selected the 100-observation statistically valid random sample of application or recertification records, and determined whether a referral to the State SNAP agency for additional review and possible investigation was warranted.

Using this 100-observation sample, we estimated and validated a model to predict whether a case was identified for potential identity theft in the manual expert review. The model predicts these cases using the Lexis-defined variables (whether the application [1] had a commercial address instead of a residential one; [2] included an SSN used by another individual; [3] was for a person who had

been incarcerated, etc.) and three selected characteristics from the State's caseload data: (1) the participant's age, (2) the SNAP household size, and (3) the SNAP benefit amount.[38]

3. Results of our proof of concept for an initial predictive model of identity theft

As we discussed above, our proof-of-concept model was based on 100 Florida cases that our validation team reviewed to determine whether they contained sufficient discrepancies to refer to the State agency for further investigation. However, a fully validated predictive model that States could use to find identity theft cases operationally would need a larger sample size. As a result, our analysis is meant to help FNS determine whether the predictive model holds promise and warrants further investment (such as developing and using a larger sample size).

We focused our evaluation of the results on cases that the model predicted to have at least an 80 percent probability of being potential identity theft cases. We did so because the goal of the model is to prioritize cases that are most likely to represent true cases of identity theft. Such cases would then be referred to the State SNAP agency for further investigation.

A fully operational predictive model is designed to identify likely potential identity theft cases, limiting the number selected for human review to those that the State has the staff resources to examine, and helps States use their limited human resources as efficiently as possible by examining the most concerning cases they have the capacity to review. It would enable States to set a predictive probability threshold for a predetermined number of the most likely identity theft cases. With such a model, States could set thresholds to focus their resources on the most concerning cases, providing FNS and themselves with a practical tool to maximize the effectiveness of their staff's capacity. The ability to set these thresholds also offers States flexibility and the ability to make tradeoffs:

- At higher thresholds, human review will be more productive, and fewer staff resources will be required; however, more identity theft cases will likely go undetected.
- At lower thresholds, fewer identity theft cases will likely go undetected, but more staff resources will be required, and the reviews will be less productive.

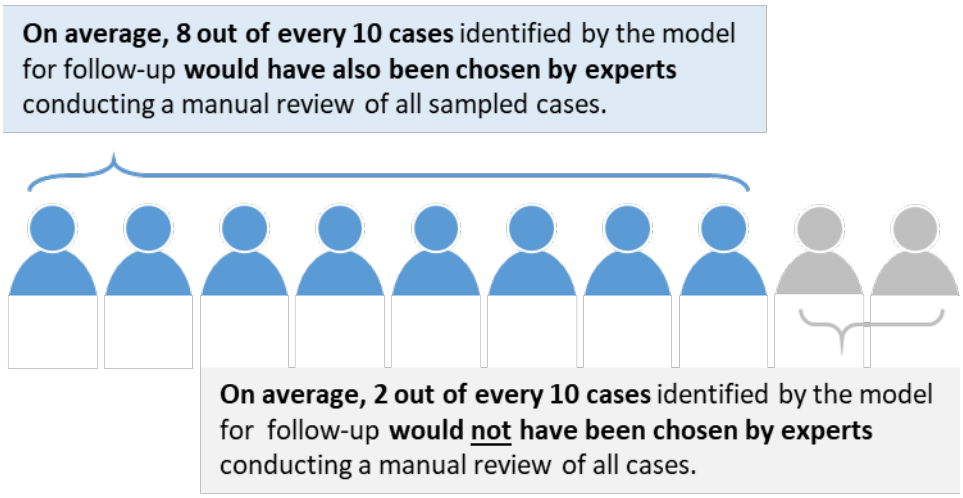
In practice, deploying such a model would involve a two-step process, similar to the development and estimation of the model. First, State caseload data would be compared to public records data, as the LexID process does, to identify data discrepancies that warrant further investigation—such as whether (1) the names, dates of birth, and addresses can be corroborated; (2) the applicant had been incarcerated, and (3) the applicant appears to have resided at a commercial address. Then, any participants flagged on one or more of these indicators would be selected for inclusion in the model's analytics population. The State could set the threshold to determine an approximate number of cases to review. Alternatively, the State could rank-order the results to

[38] We used the "leave-one-out" cross-validation method to estimate and validate this logistic regression model. Specifically, we estimate the model 100 times using 99 observations in the sample and then evaluated how well the model predicted the 100th (and held out) observation. We use this approach to enable ourselves to estimate the model using as many observations as possible while simultaneously permitting ourselves to assess the performance of the model using holdout cases that were not used in the estimation process. Based on this evaluation, we were able to assess how well the model predicted new cases.

identify, for example, the 1,000 cases with the highest predicted probability of potential identity theft, regardless of the exact threshold used.

For the sample of 100 cases that our validation team manually reviewed, the analysis found that our model was highly accurate at identifying potential identity theft cases. It correctly identified such cases 80 percent of the time. This finding means that, for every 10 cases the model identified for review, our expert-led validation team would have selected 8 for further investigation by the State SNAP agency (Figure IV.2).

Figure IV.2. Summary of results for our initial predictive model



This finding suggests that the model could be used to screen cases in practice. However, because the sample size of the proof of concept is small, the result comes with limitations; specifically, it is likely that the model over-fit the small sample of data available to us, or that because of the small sample, we are inaccurately measuring the ability of the model to predict new cases. As a result, this proof-of-concept model should not be used to screen cases. Nevertheless, these findings suggest that further work based on a larger validation sample is warranted.

FNS has long focused on pursuing research efforts to identify and develop new approaches to combating fraud. This preliminary predictive model of identity theft provides a framework that could be expanded upon with further research.

D. Recommended practices to help States improve their ability to fight identity theft in SNAP

In this section, we recommend practices to prevent and detect identity theft in SNAP. For each recommendation, we detail the resources and expertise to help States promote program integrity and prevent identity theft, as well as outline potential challenges. Our recommended practices are drawn from the findings from Chapters II and III of this report, as well as from consultation with Mathematica identity-theft-prevention experts knowledgeable about other program best practices.

FNS recently released a SNAP Fraud Framework to provide States with guidance in combating SNAP fraud. The framework, based on an agency partnership with 10 States,[39] is broadly focused on all forms of SNAP fraud, though the components are applicable to identity theft prevention, detection, and investigation. The recommended practices we detail below were developed independently from the effort to build the SNAP Fraud Framework. Yet readers can have increased confidence in the practices specific to identity theft, as they are consistent with the framework itself.

For most recommended practices, States must take the lead. We recognize that SNAP fraud in general, and identity theft specifically, is dynamic and presents different challenges to each State. In considering the recommended practices, States are encouraged to demonstrate flexibility and innovation in implementing them, consistent with their own circumstances and available resources. For other practices, FNS is better suited to use its oversight role and national perspective to promote change. States have frontline responsibility for administering SNAP benefits and ensuring recipient integrity, yet FNS can continue its efforts to support and influence States and other Federal stakeholders to create an even larger impact on the integrity of SNAP and other needs-based Federal programs.

1. States should clearly communicate the importance of program integrity in SNAP

States should determine thoughtfully how they will balance their mission of providing access to SNAP benefits to those in need with the equally important obligation to protect the integrity of the program. State SNAP leadership should then clearly—and continually—communicate this commitment to program integrity to staff at all levels, and emphasize the practical policy implications that flow from the important balance between providing access to SNAP and ensuring program integrity. Without a clear understanding of the importance of program integrity, SNAP staff will be less able to understand the challenges and then develop and implement effective strategies to prevent, detect, and investigate SNAP identity theft.

2. States should consider developing clear criteria, guidance, and standardized procedures to help their SNAP agency staff detect identity theft

The information that States provide about identity theft should be tailored to the needs of the various types of staff, including eligibility workers and investigators. For example, eligibility workers would benefit from a clear, concise, and detailed "identity theft guide" to help them detect potential identity theft and report those matters to their investigative team.

Training and materials for eligibility workers could explain how to detect potential identity theft by describing its different forms and how various cases are presented in the application process. For investigative staff, training and materials could include the methods by which identity theft is committed, how those methods differ based on who commits identity theft (individuals, organized criminal rings, etc.), and the best practices for assessing incoming cases and conducting identity theft investigations.

Many States may not have the resources or expertise needed to develop the necessary materials on their own. To address this challenge, FNS could synthesize lessons learned and experiences of other States as the agency learns of the development of criteria, guidance, and standardized

[39] U.S. Department of Agriculture. "Fact Sheet: SNAP Fraud Framework." Washington, DC: USDA, 2018. Available at https://www.fns.usda.gov/usda-releases-snap-fraud-framework-tackle-fraud.

procedures and disseminate this information broadly. FNS could potentially provide States with examples of guidance documents, including materials that identify the criteria that are currently used, or could be used, to improve the effectiveness of identity theft detection efforts. If feasible, FNS could also provide opportunities for State sharing of experiences and expertise to further disseminate this information.

3. States should consider creating specialized fraud investigation units to focus on identity theft

States could use specialized investigative units to detect identity theft, investigate cases, and provide feedback to the SNAP program office to continually improve both front- and back-end prevention and detection methods. Such units could provide the focus, resources, systems, standardized processes, and peer learning that would improve the prevention, detection, and review of identity theft cases. If case volumes and resources do not support a separate unit, States could consider identifying investigators to receive additional training.

To most effectively address the degree and type of fraud most prevalent in their State, as well as the level of available resources, States will require different approaches to structuring investigation units. Nonetheless, States could benefit from FNS' assistance and from the experience of other States when considering whether and how to set up such units.

4. States should conduct a thorough internal review of their policies and procedures to identify gaps in fraud and identity theft prevention practices and develop plans to address them

In an effort to stay ahead of identity theft schemes and improve the integrity of SNAP, States should regularly review their policies and procedures to identify opportunities to improve identity verification requirements and procedures. FNS already provides this guidance to States with respect to fraud in general. An internal review could include carefully reviewing the proofs of identity required, how the proofs are verified, the criteria used to identify high-risk cases for additional review, and the types of reviews performed. States should consider working with a third-party auditing firm that has experience with identity theft to assist in identifying gaps and best practices.

For States that lack the resources or expertise needed for this type of effort, FNS could offer technical assistance to help identify gaps. In particular, experts who understand the SNAP program and are also knowledgeable about how other government programs ensure the identity of beneficiaries and the accuracy of transactions would prove especially helpful.

5. State SNAP agencies should develop or enhance relationships with their counterparts in other States and other agencies within their own State who identify and investigate cases of potential identity theft

State agencies could benefit from developing or enhancing partnerships with their counterparts in other States. A SNAP agency in one State could benefit from learning about the verification procedures, policies, authentication procedures and systems, and analytics used to prevent and detect identity theft by SNAP agencies in other States. The State SNAP agencies could also explore the possibility of sharing information.

SNAP agencies might also want to seek input from experts and explore data-sharing arrangements with other agencies within their own State, including tax commissions and law

enforcement, to better detect identity theft affecting multiple government programs. Many States use integrated eligibility procedures and, as a result, the risk of identity theft can apply to other human services and health programs, not just SNAP. Note, however, that these data-sharing arrangements require formal legal agreements between all agencies, following strict protocols, and can take considerable time to implement.

6. States may want to consider implementing a customer authentication and online identity verification system

Although 44 States already offer an online application, all States should consider implementing an online system as a foundation upon which to develop more sophisticated identity theft prevention and detection tools, such as CA/IV, as part of an online benefits application. Incorporating such a system would enhance the State's ability to process applications automatically and might deter identity theft.

Peer learning and information sharing, including on-site visits and information sharing at FNS forums and national conferences, could help identify and disseminate best practices about online applications and CA/IV capabilities.

The Food and Nutrition Act requires that applicants be allowed to submit an application at any point in the process after providing (not verifying) their name, address, and signature.[40] Food and nutrition advocates are also concerned that a CA/IV system may not work well for some groups—the elderly, the disabled, or people with limited credit histories or with inaccuracies in their data—which might discourage some eligible applicants from applying. Therefore, FNS requires that a CA/IV system must allow applicants to opt out of the process and verify their identity in other ways.

7. States should consider developing specialized data analytics capabilities and expanding their data monitoring

Consistent with the SNAP Fraud Framework, States should consider creating specialized data analytics units and take steps to better detect and investigate identity theft. The focus of these efforts should be both new cases identified through the application process, and existing cases where application, re-certification, and ongoing transactional information—such as EBT data showing purchase activity to help verify that the benefits are being used by the beneficiary to whom they were issued—may play a role. Detection and investigation activities may include developing data matching reports and analyses to identify suspicious patterns in enrollment applications that might indicate identity theft.

States could also benefit from Federal pilots to stretch their data analytic capabilities to improve the targeting and efficiency of identity theft review efforts. In addition, States would benefit from agency-wide data warehouses and business intelligence capabilities. States could also benefit from continued FNS technical assistance and support to help them improve their data-matching and analysis activities to drive improvements in identifying fraud and identity theft.

States should also consider developing capabilities to monitor the submission of applications, as well as monitor and record calls from applicants or recipients that are suspected of fraud. In

[40] See Section 11(e)(2)(B)(iv) of the Food and Nutrition Act of 2008 and 7 CFR 273.2(c)(1).

addition, States could use this information and the evidence from call recordings for investigations and potential prosecution. States should work with their information technology organizations and contractors to capture these data.

8. To help States improve their data analytics, FNS could expand its technical assistance efforts to include a focus on data analytic capabilities for identity theft detection

Because States' data analytics capabilities vary widely, many States will require guidance and technical assistance to successfully develop SNAP identity theft analytics. This challenge is similar to that facing State Medicaid agencies, which must develop a wide range of program integrity data analytics to address fraud in their programs. To assist those agencies, the Centers for Medicare & Medicaid Services (CMS) developed a self-assessment tool for use by States interested in evolving their data analytics capabilities. CMS's "Data Analytic Capabilities Assessment for Medicaid Program Integrity" includes:

- A self-assessment guide to help States better understand their current capabilities and needs
- A checklist for States once they decide to implement or improve upon an existing data analytics system
- Guidance on how to achieve and measure success in data analytics
- A "fact or myth" section that seeks to dispel common misconceptions about the use and benefits of data analytics and predictive modeling
- Answers to frequently asked questions States have about data analytics and predictive modeling.

FNS currently uses a maturity assessment tool for State fraud efforts, but the agency could expand the tool or its technical assistance efforts to include a specific focus on identity theft for State SNAP agencies to use. Doing so would assist States that have an interest in developing or improving their data analytic capabilities without being directive or judgmental about their current capabilities. For example, a self-assessment guide could provide questions to help States decide what they want to achieve with analytics, followed by a set of questions that essentially create a decision tree that allows States to understand their current capabilities and the steps they should take to achieve their objectives. By providing States with a self-assessment tool for identity theft analytics, FNS would help States better understand their current capabilities, the resources and steps needed to improve them, and what is possible and has been achieved by other States using such analytics.

9. FNS may want to consider developing a working group with States on identity theft and program integrity

States and FNS could develop a working group on identity theft and program integrity similar to one that was created by State Medicaid program integrity offices and CMS, who work together on the Fraud and Abuse Technical Advisory Group for the National Association of State Medicaid Directors to share information and best practices. This Federal–State partnership has grown markedly in scope over time and provided the impetus for the Medicaid Integrity Institute, a training organization recommended by the technical advisory group and funded by CMS to train State staff on Medicaid program integrity issues and key skills used by the leading States. FNS could facilitate the launch and ongoing coordination of such a group.

Similarly, States are encouraged to ensure that information and effective strategies that are gathered through such a working group, or that a State develops independently based on its own internal reviews, are then transferred to the State eligibility workers and fraud investigators. Doing so will ensure that the most effective strategies for preventing, detecting, and investigating identity theft in SNAP are being implemented at all levels of program operations.

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APPENDIX A

TECHNICAL DETAILS ON ADJUSTMENT MODEL SELECTION

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To produce the final estimates of prevalence and cost of potential identity theft presented in this exploratory study, we developed three tree-based adjustment models—a classification and regression tree (CART) model, a chi-squared automatic interaction detector (CHAID) model, and a random forest decision tree model. To determine which of these three models performed the best, we ran each through a 10-fold cross-validation to estimate its prediction errors, and calculated three common decision tree diagnostic measurements for it: sensitivity, specificity, and accuracy.

Sensitivity calculates the proportion of true positives, or the proportion of the total number of positive model predictions that were correct. *Specificity* represents the proportion of true negatives, or the proportion of the total number of negative model predictions that were correct. And *accuracy* measures the proportion of the total number of model predictions (both positive and negative) that were correct.

For our study, model sensitivity (the proportion of true positives) can be interpreted to mean that the model correctly agreed with our validation team that a case should be referred to a State SNAP agency for further investigation for identity theft. Model specificity (the proportion of true negatives) can be interpreted to mean that the model correctly agreed with our validation team that a case should *not* be referred to a State SNAP agency for further investigation for identity theft. Finally, model accuracy can be interpreted to mean that the model correctly agreed with our validation team. Table A.1 shows how well each decision tree model performed in predicting the recommendations of our validation team for each of the two 100-case validation samples on the testing sample.

Table A.1 Sensitivity, specificity, and accuracy of CART, CHAID, and random forest models based on a 10-fold cross-validation

	Over 100-case Florida sample			Over 100-case Missouri sample		
	Sensitivity	Specificity	Accuracy	Sensitivity	Specificity	Accuracy
CART model	0.38	0.68	0.56	0.19	0.94	0.69
CHAID model	0.71	0.45	0.56	0.39	0.83	0.68
Random forest model	0.57	0.67	0.62	0.40	0.92	0.75

For both the Florida and the Missouri validation samples, the CART model performed the best at predicting true negatives (specificity). However, it also performed the worst when predicting true positives (sensitivity). The CHAID model performed much better than the CART model at predicting true positives (sensitivity), but did not perform as well as the other two models at predicting true negatives (specificity). For both States, the random forest model had the best accuracy, indicating that it performed the best at correctly predicting the validation team's manual review conclusion. Therefore, we selected the random forest model for the adjustment modeling.

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APPENDIX B

FLORIDA SUPPLEMENTAL MATERIALS

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APPENDIX B.1

FLORIDA REPORT PUBLIC ASSISTANCE FRAUD FORM

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Report Public Assistance Fraud

Fill in the fields below to report suspected or known fraud.

You may be eligible to receive a reward. If you remain anonymous or opt-out of the reward program you will not be eligible for a reward but your report will still be processed. Learn more about the reward program».

I wish to remain anonymous: ☐

I wish to opt out of the reward process: ☐

Who Do You Think Is Committing Fraud

To ensure that your report can be processed and/or investigated thoroughly, please provide as much information about the person you think is committing Public Assistance Fraud (Food Assistance, Food Stamps, SNAP, TANF, Cash Assistance or Medicaid). ***All fields marked with an asterisk (*) must be completed for the report to be processed.***

First Name:* Enter Their First Name

Last Name:* Enter Their Last Name

Mailing Address: Enter Their Mailing Address

City:* Enter Their City

State: Florida

County: Please Select

Zip Code: Enter Their Zip Code

Estimated Age:* Please Select

Birth Date: Enter Their Date of Birth

DCF Case #: Enter Their DCF Case Number

Allegation

Please tell us below why you think they are committing fraud:

Allegation Details:* Enter A Detailed Description Of The Allegation(s)

Your Information

CONFIDENTIALITY NOTICE: The information and any attachments provided are intended for the sole use of the Department but are subject to public disclosure pursuant to Chapter 119, F.S.

To be eligible for a reward and to have the ability to track the status of your report, all fields marked with an asterisk (*) must be completed.

First Name:* Enter Your First Name

Last Name:* Enter Your Last Name

Mailing Address:* Enter Your Mailing Address

City:* Enter Your City

State:* Florida

Zip Code: Enter Your Zip Code

Birth Date: Enter Your Date of Birth

PIN:* Enter A 6 Digit PIN

Email:* Enter Your Email Address

Phone: Enter Your Phone Number Including Area Code

Source: Florida Department of Children and Families. "Report Public Assistance Fraud." Tallahassee, FL: Florida Department of Children and Families, 2014. Available at https://www.dcf.state.fl.us/ programs/pbi/fraud/report-fraud.shtml

APPENDIX C

MISSOURI SUPPLEMENTAL MATERIALS

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APPENDIX C.1

IDENTITY GUIDE MANUAL

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CRG » Food Stamps

IDENTITY

FOOD STAMP MANUAL

Identity Verification: 1102.015.30
Identity: 1105.020

ONLINE RESOURCES

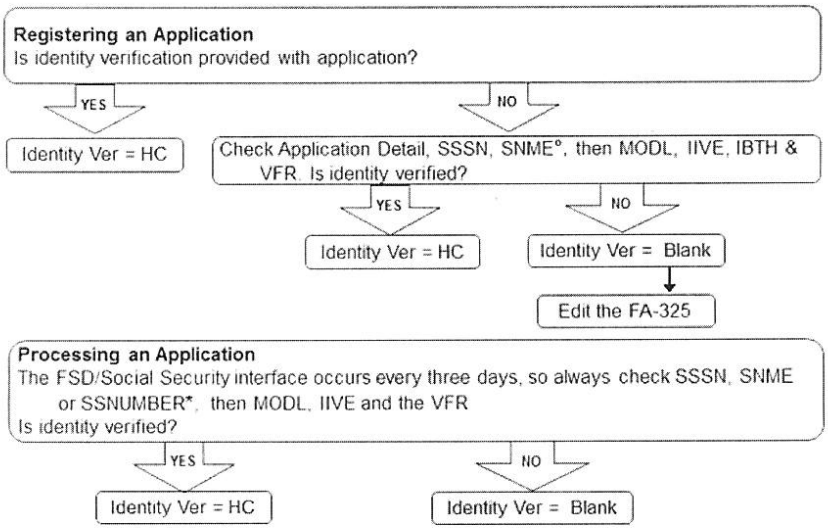
IM- 78- 2016 FSD Social Security Interface Verifies Food Stamp Identity

EMAIL-24 2015 Verification of Identity for Efficient Food Stamp Application Processing
EMAIL - 45 2015 Missouri Driver's License (MODL) for Identity Verification
Identity Questions & Answers (Q&As)

REQUIREMENT

Verify the applicant's identity. If an authorized representative applies on behalf of the EU, verify the identity of the authorized representative and applicant (head of the EU).

Food Stamp Application Identity Process Chart



°Ver code = V

*Ver code = SY

VERIFICATION

Accept any electronic verification or document which reasonably establishes the applicant's identity. **A photo ID is not required.**

Use all electronic sources available to verify identity before requesting verification from the applicant. If identity has been verified before on Application Detail (FM13), and documented in a comment on the Food Stamp Eligibility Unit Member Role (EUMEMROL/FM3Z) screen, do not request it again.

- **HC** = Documentary verification preferred, electronic verification is hard copy
  - Electronic verification includes:
    - **SY** on SSN Information (SSNUMBER/FMAS)
    - **MODL**, Missouri Driver's License interface
    - **IIVE**, the SVES-Wire Third Party Query Response interface with the Social Security Administration
    - **IBTH**, Missouri Department Health - Birth Name Inquiry
    - **V** code on Common Area screens, e.g.:
      - **SSSN**, Social Services Social Security Number Inquiry
      - **SNME**, Social Services Client Name Inquiry
  - Other verification includes:
    - Driver's License
    - Work or School ID
    - Health Benefits ID
    - ID for other assistance or social service program
    - Voter Registration Card
    - Wage Stub
    - Bendex printout from SSA
    - Birth Certificate

If documentary verification is not available, contact a reference:

- **CC** = Collateral Contact (reference) contact
- **TC** = Telephone Call

PROCEDURE:

Enter the verification code on Application Detail and document the verification by adding a comment to the Food Stamp EUMEMROL screen.

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08-11-2017

Source: Missouri Department of Social Services Family Support Division.

APPENDIX C.2

MISSOURI PUBLIC ASSISTANCE FRAUD FORM

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Missouri Public Assistance Fraud Form

Help preserve the integrity of the public assistance program by reporting suspected fraud. Please provide as much detail as possible about the suspected fraud.

Report:
Please explain the suspected fraud. (required) *

Suspect's Information

Please provide as much information as possible. Fields may be left blank if not known.

Suspect Name First Last

Last 4 Digits of Suspect's SSN:
Must be between **4** and **4** characters. *Currently Used:* **0** *characters.*

Date of Birth MM / DD / YYYY

Address
Street Address
Address Line 2
City
State / Province / Region
Postal / Zip Code
Country: United States

Reporter's Information

(optional)

Reporter Name First Last

Phone Number ### - ### - ####

Alternate Phone Number ### - ### - ####

Email

Reporter Address
Street Address
Address Line 2
City
State / Province / Region
Postal / Zip Code
Country: United States

Submit

Source: Missouri Department of Social Services. "Report Public Assistance Fraud." Jefferson City, MO: Missouri Department of Social Services, 2015. Available at https://dss.mo.gov/dls/public-assistance-fraud-form.htm.

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APPENDIX D

FLORIDA SUPPLEMENTAL DATA TABLES

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Table D.1. Prevalence rates of SNAP participants warranting further investigation for identity theft in Florida, by application review, June 2016 through May 2017

	Prevalence rate and standard error by certification status		Prevalence rate and standard error by case type	
	Certification	Recertification	Expedited	Not expedited
State total				
Florida	3.5% ± 0.4%	3.2% ± 0.4%	3.1% ± 0.5%	3.4% ± 0.4%
Age				
17 or younger	0.3% ± 0.1%	0.3% ± 0.1%	0.3% ± 0.1%	0.3% ± 0.1%
18 to 59	5.4% ± 0.6%	5.0% ± 0.6%	5.4% ± 0.6%	5.0% ± 0.6%
60 or older	6.4% ± 0.8%	6.0% ± 0.7%	3.2% ± 0.7%	6.3% ± 0.7%
Disability status				
Disabled	7.3% ± 0.8%	6.5% ± 0.7%	5.4% ± 0.8%	6.9% ± 0.7%
Not disabled	2.3% ± 0.3%	1.8% ± 0.3%	2.5% ± 0.4%	2.0% ± 0.3%
Citizenship status				
U.S. citizen	3.6% ± 0.5%	3.4% ± 0.4%	3.6% ± 0.6%	3.5% ± 0.4%
Noncitizen	2.1% ± 0.3%	2.0% ± 0.3%	1.0% ± 0.2%	2.2% ± 0.3%
Veteran status				
Veteran	7.7% ± 1.1%	7.2% ± 0.9%	5.2% ± 1.1%	7.5% ± 0.9%
Nonveteran	3.4% ± 0.4%	3.2% ± 0.4%	3.1% ± 0.5%	3.3% ± 0.4%
Household size				
1 person	6.4% ± 0.8%	5.9% ± 0.7%	4.5% ± 0.7%	6.3% ± 0.7%
2 people	3.1% ± 0.4%	3.3% ± 0.4%	1.9% ± 0.3%	3.3% ± 0.4%
3 people	1.1% ± 0.3%	1.0% ± 0.2%	0.9% ± 0.3%	1.0% ± 0.2%
4 people	1.5% ± 0.2%	1.5% ± 0.2%	2.0% ± 0.3%	1.5% ± 0.2%
5 people	2.1% ± 0.2%	2.2% ± 0.2%	3.0% ± 0.3%	2.1% ± 0.2%
6 people	3.1% ± 0.2%	3.3% ± 0.2%	3.6% ± 0.3%	3.2% ± 0.2%
7 people	3.2% ± 0.2%	3.3% ± 0.2%	3.3% ± 0.2%	3.3% ± 0.2%
8 or more people	3.4% ± 0.2%	3.3% ± 0.2%	3.3% ± 0.2%	3.3% ± 0.2%
Monthly household SNAP benefit (dollars)				
Less than 50	8.6% ± 0.6%	8.6% ± 0.6%	8.5% ± 0.6%	8.6% ± 0.6%
51 to 100	6.6% ± 0.6%	7.0% ± 0.6%	6.8% ± 0.6%	6.8% ± 0.6%
101 to 200	4.5% ± 0.6%	4.4% ± 0.6%	3.8% ± 0.7%	4.6% ± 0.6%
201 to 300	1.1% ± 0.3%	1.2% ± 0.3%	1.2% ± 0.3%	1.2% ± 0.3%
301 to 400	0.6% ± 0.3%	0.6% ± 0.3%	0.9% ± 0.3%	0.6% ± 0.3%
401 to 500	0.7% ± 0.2%	0.6% ± 0.2%	0.6% ± 0.3%	0.6% ± 0.2%
501 to 600	1.0% ± 0.3%	1.0% ± 0.2%	0.9% ± 0.3%	1.0% ± 0.2%
601 or greater	3.5% ± 0.3%	3.5% ± 0.2%	3.5% ± 0.3%	3.5% ± 0.2%

Source: State SNAP administrative caseload data for June 2016 through May 2017. Estimates of participants with sufficient data discrepancies were derived using a random forest decision tree model. See Chapter I, Section E, and Appendix A of the report for more details.

Note: This table does not include tabulations by employment status subgroup because Florida does not have data on the employment status of its SNAP participants. These tabulations exclude participants with missing or unknown certification, disability, citizenship, or veteran status.

Table D.2. Prevalence rates of SNAP participants warranting further investigation for identity theft in Florida, by application source, June 2016 through May 2017

	Prevalence rate and standard error by application source				
	In person	Online	Mail	Other[a]	Unknown
State total					
Florida	5.2% ± 0.5%	3.2% ± 0.4%	5.1% ± 0.6%	5.1% ± 0.5%	3.6% ± 0.4%
Age					
17 or younger	0.5% ± 0.1%	0.3% ± 0.1%	0.1% ± 0.1%	0.2% ± 0.1%	0.2% ± 0.1%
18 to 59	6.2% ± 0.6%	5.0% ± 0.6%	6.8% ± 0.7%	6.6% ± 0.7%	5.6% ± 0.6%
60 or older	7.5% ± 0.8%	6.0% ± 0.7%	6.4% ± 0.7%	6.9% ± 0.7%	6.3% ± 0.7%
Disability status					
Disabled	8.0% ± 0.8%	6.7% ± 0.7%	7.4% ± 0.8%	7.4% ± 0.7%	6.6% ± 0.7%
Not disabled	2.8% ± 0.3%	2.0% ± 0.3%	1.8% ± 0.3%	1.9% ± 0.3%	2.7% ± 0.3%
Citizenship status					
U.S. citizen	5.7% ± 0.6%	3.4% ± 0.4%	5.2% ± 0.6%	5.2% ± 0.6%	3.6% ± 0.4%
Noncitizen	1.8% ± 0.2%	1.9% ± 0.3%	4.4% ± 0.5%	3.7% ± 0.4%	3.1% ± 0.4%
Veteran status					
Veteran	5.6% ± 0.7%	7.4% ± 1.0%	6.6% ± 0.9%	9.9% ± 0.9%	6.2% ± 0.9%
Nonveteran	5.2% ± 0.5%	3.2% ± 0.4%	5.1% ± 0.6%	5.1% ± 0.5%	3.6% ± 0.4%
Household size					
1 person	6.9% ± 0.7%	5.9% ± 0.7%	7.0% ± 0.8%	7.1% ± 0.8%	6.7% ± 0.7%
2 people	5.6% ± 0.5%	3.1% ± 0.4%	5.4% ± 0.5%	5.3% ± 0.5%	3.1% ± 0.4%
3 people	1.4% ± 0.2%	1.0% ± 0.3%	1.3% ± 0.3%	1.1% ± 0.2%	1.0% ± 0.2%
4 people	1.5% ± 0.2%	1.5% ± 0.2%	1.4% ± 0.2%	1.2% ± 0.2%	1.5% ± 0.2%
5 people	2.3% ± 0.3%	2.1% ± 0.2%	1.6% ± 0.2%	2.0% ± 0.2%	2.2% ± 0.2%
6 people	4.3% ± 0.3%	3.2% ± 0.2%	1.9% ± 0.2%	2.9% ± 0.2%	3.3% ± 0.2%
7 people	2.5% ± 0.2%	3.3% ± 0.2%	2.3% ± 0.2%	4.3% ± 0.3%	3.4% ± 0.2%
8 or more people	3.0% ± 0.2%	3.3% ± 0.2%	4.2% ± 0.2%	1.7% ± 0.1%	3.5% ± 0.2%
Monthly household SNAP benefit (dollars)					
Less than 50	9.7% ± 0.8%	8.5% ± 0.6%	8.4% ± 0.7%	9.4% ± 0.7%	8.5% ± 0.6%
51 to 100	7.9% ± 0.7%	6.7% ± 0.5%	8.5% ± 0.7%	7.8% ± 0.7%	6.6% ± 0.6%
101 to 200	5.0% ± 0.6%	4.3% ± 0.6%	5.9% ± 0.8%	5.7% ± 0.7%	5.4% ± 0.6%
201 to 300	1.5% ± 0.3%	1.2% ± 0.3%	1.7% ± 0.4%	1.7% ± 0.3%	1.2% ± 0.3%
301 to 400	1.1% ± 0.3%	0.6% ± 0.3%	0.6% ± 0.3%	0.5% ± 0.3%	0.5% ± 0.3%
401 to 500	0.8% ± 0.3%	0.6% ± 0.2%	1.0% ± 0.3%	0.6% ± 0.2%	0.6% ± 0.2%
501 to 600	1.2% ± 0.2%	1.0% ± 0.3%	0.8% ± 0.2%	0.8% ± 0.2%	1.0% ± 0.3%
601 or greater	3.2% ± 0.2%	3.5% ± 0.2%	2.5% ± 0.2%	2.9% ± 0.2%	3.6% ± 0.2%

Source: State SNAP administrative caseload data for June 2016 through May 2017. Estimates of participants with sufficient data discrepancies were derived using a random forest decision tree model. See Chapter I, Section E, and Appendix A of the report for more details.

Note: This table does not include tabulations by employment status subgroup because Florida does not have data on the employment status of its SNAP participants. These tabulations exclude participants with missing or unknown disability, citizenship, or veteran status.

[a]Includes applications received by fax, by phone, or through another agency.

Table D.3. SNAP participants warranting further investigation for identity theft in Florida, by household SNAP benefit subgroups, June 2016 through May 2017

	SNAP participants[a]			Average monthly SNAP benefit[b]		Total annual SNAP benefit[c]		
	All participants	Participants with sufficient data discrepancies	Prevalence rate ± standard error	All participants	Participants with sufficient data discrepancies	All participants	Participants with sufficient data discrepancies	Benefits received by participants with sufficient data discrepancies as a percentage of all benefits
Monthly household SNAP benefit less than $50								
Age								
17 or younger	42,619	244	0.6% ± 0.1%	$10	$11	$5,328,769	$31,805	0.60%
18 to 59	122,866	12,746	10.4% ± 0.7%	$17	$18	$25,754,839	$2,781,167	10.80%
60 or older	140,998	13,295	9.4% ± 0.8%	$18	$18	$31,020,991	$2,911,353	9.39%
Disability status								
Disabled	190,338	19,863	10.4% ± 0.8%	$19	$19	$42,908,872	$4,519,007	10.53%
Not disabled	116,397	6,413	5.5% ± 0.4%	$14	$16	$19,195,327	$1,205,171	6.28%
Veteran status								
Veteran	2,690	260	9.7% ± 0.9%	$18	$18	$592,457	$55,923	9.44%
Nonveteran	303,614	26,036	8.6% ± 0.6%	$17	$18	$61,512,102	$5,668,402	9.22%
Monthly household SNAP benefit $51 to $100								
Age								
17 or younger	41,168	129	0.3% ± 0.1%	$31	$39	$15,392,659	$60,933	0.40%
18 to 59	89,482	7,996	8.9% ± 0.6%	$59	$63	$62,873,722	$6,091,418	9.69%
60 or older	95,647	7,195	7.5% ± 0.7%	$71	$68	$81,869,766	$5,895,290	7.20%
Disability status								
Disabled	123,102	10,915	8.9% ± 0.7%	$70	$69	$103,293,140	$9,089,507	8.80%
Not disabled	103,137	4,393	4.2% ± 0.4%	$46	$56	$56,840,364	$2,958,135	5.20%
Veteran status								
Veteran	1,139	107	9.4% ± 0.9%	$69	$70	$949,148	$90,314	9.52%
Nonveteran	225,185	15,213	6.8% ± 0.6%	$59	$66	$159,186,853	$11,957,328	7.51%
Monthly household SNAP benefit $101 to $200								
Age								
17 or younger	157,625	570	0.4% ± 0.1%	$93	$112	$175,105,271	$767,033	0.44%
18 to 59	464,597	26,335	5.7% ± 0.7%	$153	$138	$855,457,778	$43,634,810	5.10%
60 or older	283,984	13,856	4.9% ± 0.7%	$155	$127	$528,877,503	$21,178,596	4.00%
Disability status								
Disabled	414,297	25,655	6.2% ± 0.8%	$156	$136	$773,405,140	$41,895,520	5.42%

	SNAP participants[a]			Average monthly SNAP benefit[b]		Total annual SNAP benefit[c]		
	All participants	Participants with sufficient data discrepancies	Prevalence rate ± standard error	All participants	Participants with sufficient data discrepancies	All participants	Participants with sufficient data discrepancies	Benefits received by participants with sufficient data discrepancies as a percentage of all benefits
Not disabled	492,302	15,094	3.1% ± 0.5%	$133	$131	$786,017,865	$23,682,791	3.01%
Veteran status								
Veteran	3,518	204	5.8% ± 1.0%	$162	$132	$6,838,432	$322,475	4.72%
Nonveteran	902,462	40,552	4.5% ± 0.6%	$143	$134	$1,552,594,868	$65,257,963	4.20%
Monthly household SNAP benefit $201 to $300								
Age								
17 or younger	154,473	165	0.1% ± 0.1%	$88	$123	$162,724,809	$242,057	0.15%
18 to 59	121,268	2,446	2.0% ± 0.5%	$93	$94	$134,638,957	$2,758,603	2.05%
60 or older	31,981	1,059	3.3% ± 0.6%	$120	$109	$46,061,017	$1,390,490	3.02%
Disability status								
Disabled	54,966	1,662	3.0% ± 0.6%	$110	$107	$72,519,803	$2,129,014	2.94%
Not disabled	252,921	2,003	0.8% ± 0.2%	$89	$94	$270,901,697	$2,262,136	0.84%
Veteran status								
Veteran	267	13	5.0% ± 1.0%	$102	$95	$326,426	$15,253	4.67%
Nonveteran	307,494	3,657	1.2% ± 0.3%	$93	$100	$343,097,654	$4,375,897	1.28%
Monthly household SNAP benefit $301 to $400								
Age								
17 or younger	272,060	918	0.3% ± 0.1%	$137	$175	$447,268,286	$1,928,603	0.43%
18 to 59	204,663	1,842	0.9% ± 0.5%	$143	$147	$350,375,401	$3,246,094	0.93%
60 or older	29,470	247	0.8% ± 0.5%	$167	$162	$58,964,479	$478,218	0.81%
Disability status								
Disabled	56,224	554	1.0% ± 0.6%	$150	$152	$101,173,706	$1,013,290	1.00%
Not disabled	450,417	2,456	0.5% ± 0.3%	$140	$157	$755,427,553	$4,639,625	0.61%
Veteran status								
Veteran	362	6	1.7% ± 0.8%	$147	$157	$636,724	$11,807	1.85%
Nonveteran	506,378	3,002	0.6% ± 0.3%	$141	$157	$855,966,411	$5,641,109	0.66%
Monthly household SNAP benefit $401 to $500								
Age								
17 or younger	153,195	43	0.0% ± 0.1%	$123	$101	$225,556,460	$52,681	0.02%
18 to 59	92,250	1,465	1.6% ± 0.5%	$123	$108	$136,689,940	$1,902,223	1.39%
60 or older	2,328	47	2.0% ± 0.8%	$129	$120	$3,609,342	$67,807	1.88%
Disability status								

	SNAP participants[a]			Average monthly SNAP benefit[b]		Total annual SNAP benefit[c]		
	All participants	Participants with sufficient data discrepancies	Prevalence rate ± standard error	All participants	Participants with sufficient data discrepancies	All participants	Participants with sufficient data discrepancies	Benefits received by participants with sufficient data discrepancies as a percentage of all benefits
Disabled	16,689	212	1.3% ± 0.5%	$122	$119	$24,451,716	$301,971	1.23%
Not disabled	230,800	1,346	0.6% ± 0.2%	$123	$107	$341,403,361	$1,720,740	0.50%
Veteran status								
Veteran	106	3	2.8% ± 0.7%	$122	$97	$155,086	$3,410	2.20%
Nonveteran	247,751	1,555	0.6% ± 0.2%	$123	$108	$365,700,543	$2,019,300	0.55%
Monthly household SNAP benefit $501 to $600								
Age								
17 or younger	205,917	108	0.1% ± 0.1%	$148	$133	$366,355,694	$171,441	0.05%
18 to 59	124,839	3,163	2.5% ± 0.5%	$151	$137	$225,696,506	$5,203,290	2.31%
60 or older	2,188	63	2.9% ± 0.7%	$151	$144	$3,963,851	$108,639	2.74%
Disability status								
Disabled	15,792	366	2.3% ± 0.5%	$141	$132	$26,745,329	$579,400	2.17%
Not disabled	317,431	2,964	0.9% ± 0.2%	$149	$138	$569,270,722	$4,903,970	0.86%
Veteran status								
Veteran	146	7	4.5% ± 0.7%	$150	$139	$261,965	$10,971	4.19%
Nonveteran	332,844	3,321	1.0% ± 0.3%	$149	$137	$595,753,064	$5,472,399	0.92%
Monthly household SNAP benefit $601 or more								
Age								
17 or younger	298,571	1,416	0.5% ± 0.1%	$145	$140	$518,692,838	$2,370,558	0.46%
18 to 59	146,124	13,894	9.5% ± 0.6%	$146	$145	$256,228,015	$24,205,011	9.45%
60 or older	1,902	247	13.0% ± 0.8%	$144	$145	$3,297,209	$430,780	13.06%
Disability status								
Disabled	19,366	1,143	5.9% ± 0.4%	$139	$140	$32,316,701	$1,920,943	5.94%
Not disabled	427,501	14,426	3.4% ± 0.2%	$145	$145	$745,900,063	$25,085,244	3.36%
Veteran status								
Veteran	177	19	10.8% ± 0.7%	$143	$147	$303,971	$33,595	11.05%
Nonveteran	446,592	15,545	3.5% ± 0.2%	$145	$145	$777,912,794	$26,972,592	3.47%

Source: State SNAP administrative caseload data for June 2016 through May 2017. Estimates of participants with sufficient data discrepancies were derived using a random forest decision tree model. See Chapter I, Section E, and Appendix A of the report for more details.

[a] Participant totals are weighted to account for differences in the total number of months each individual appeared in the data.

[b] Average monthly SNAP benefits are calculated by dividing total SNAP benefits received by the weighted total number of participants and then dividing that number by 12.

[c] Total annual SNAP benefits are equal to the sum of all proportionally allocated SNAP benefits received by participants over the full 12-month period. Proportionally allocated SNAP benefits are calculated by dividing household level SNAP benefits by the total number of participants in the household.

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APPENDIX E

MISSOURI SUPPLEMENTAL DATA TABLES

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Table E.1. Prevalence rates of SNAP participants warranting further investigation for identity theft in Missouri, by application review, June 2016 through May 2017

	Prevalence rate and standard error by certification status		Prevalence rate and standard error by case type	
	Certification	Recertification	Expedited	Not expedited
State total				
Missouri	2.3% ± 0.4%	1.8% ± 0.3%	3.2% ± 0.6%	1.8% ± 0.3%
Age				
17 or younger	0.0% ± 0.1%	0.0% ± 0.1%	0.0% ± 0.1%	0.0% ± 0.1%
18 to 59	4.2% ± 0.7%	3.6% ± 0.5%	5.4% ± 0.9%	3.5% ± 0.5%
60 or older	3.6% ± 0.7%	2.1% ± 0.5%	7.6% ± 0.9%	2.4% ± 0.6%
Disability status				
Disabled	4.5% ± 0.7%	3.2% ± 0.5%	6.8% ± 1.0%	3.4% ± 0.6%
Not disabled	1.7% ± 0.4%	1.3% ± 0.2%	2.5% ± 0.5%	1.2% ± 0.2%
Citizenship status				
U.S. citizen	2.3% ± 0.4%	1.9% ± 0.3%	3.2% ± 0.6%	1.8% ± 0.3%
Noncitizen	1.3% ± 0.1%	1.3% ± 0.1%	1.4% ± 0.2%	1.3% ± 0.1%
Veteran status				
Veteran	3.2% ± 0.7%	1.7% ± 0.5%	6.8% ± 0.9%	2.0% ± 0.6%
Nonveteran	2.3% ± 0.4%	1.8% ± 0.3%	3.2% ± 0.6%	1.8% ± 0.3%
Employment status				
Employed	2.7% ± 0.4%	2.7% ± 0.3%	3.6% ± 0.5%	2.6% ± 0.4%
Unemployed	2.3% ± 0.4%	1.7% ± 0.3%	3.1% ± 0.6%	1.6% ± 0.3%
Household size				
1 person	5.0% ± 1.1%	3.0% ± 0.6%	7.2% ± 1.4%	3.0% ± 0.7%
2 people	3.1% ± 0.4%	3.4% ± 0.3%	3.2% ± 0.4%	3.3% ± 0.3%
3 people	1.3% ± 0.2%	1.3% ± 0.2%	1.4% ± 0.3%	1.3% ± 0.2%
4 people	1.2% ± 0.2%	1.3% ± 0.2%	1.0% ± 0.2%	1.3% ± 0.2%
5 people	0.5% ± 0.2%	0.5% ± 0.1%	0.6% ± 0.2%	0.5% ± 0.2%
6 people	0.5% ± 0.2%	0.4% ± 0.1%	0.7% ± 0.2%	0.5% ± 0.1%
7 people	0.6% ± 0.2%	0.6% ± 0.1%	0.5% ± 0.2%	0.7% ± 0.2%
8 or more people	0.7% ± 0.2%	0.5% ± 0.1%	0.3% ± 0.2%	0.7% ± 0.1%
Monthly household SNAP benefit (dollars)				
Less than 50	2.2% ± 0.7%	1.4% ± 0.5%	2.7% ± 1.0%	1.7% ± 0.6%
51 to 100	2.0% ± 0.6%	1.1% ± 0.5%	2.9% ± 1.0%	1.4% ± 0.5%
101 to 200	4.6% ± 0.9%	3.5% ± 0.5%	7.0% ± 1.3%	3.1% ± 0.5%
201 to 300	1.9% ± 0.2%	2.2% ± 0.2%	2.3% ± 0.3%	2.0% ± 0.2%
301 to 400	2.5% ± 0.3%	2.5% ± 0.2%	3.1% ± 0.4%	2.4% ± 0.2%
401 to 500	1.1% ± 0.2%	1.2% ± 0.2%	1.2% ± 0.3%	1.2% ± 0.2%
501 to 600	1.3% ± 0.2%	1.2% ± 0.2%	1.5% ± 0.3%	1.2% ± 0.2%
601 or more	0.6% ± 0.2%	0.6% ± 0.2%	0.6% ± 0.2%	0.6% ± 0.2%

Source: State SNAP administrative caseload data for June 2016 through May 2017. Estimates of participants with sufficient data discrepancies were derived using a random forest decision tree model. See Chapter I, Section E, and Appendix A of the report for more details.

Note: These tabulations exclude participants with missing or unknown certification, case type, disability, or citizenship status.

Table E.2 Prevalence rates of SNAP participants warranting further investigation for identity theft in Missouri, by application source, June 2016 through May 2017

	Application source				
	In person	Online	Mail	Other[a]	Unknown
State Total					
Missouri	2.6% ± 0.5%	2.1% ± 0.4%	2.0% ± 0.3%	n.a.	2.3% ± 0.4%
Age					
17 or younger	0.0% ± 0.1%	0.0% ± 0.1%	0.0% ± 0.1%	n.a.	n.a.
18 to 59	5.0% ± 0.8%	4.1% ± 0.6%	3.7% ± 0.6%	n.a.	3.5% ± 0.5%
60 or older	3.8% ± 0.7%	8.1% ± 0.8%	2.6% ± 0.6%	n.a.	2.2% ± 0.6%
Disability status					
Disabled	5.1% ± 0.8%	6.6% ± 0.8%	3.7% ± 0.6%	n.a.	3.6% ± 0.6%
Not disabled	1.9% ± 0.4%	1.6% ± 0.3%	1.4% ± 0.3%	n.a.	0.6% ± 0.2%
Citizenship status					
U.S. citizen	2.6% ± 0.5%	2.2% ± 0.4%	2.0% ± 0.3%	n.a.	2.3% ± 0.4%
Noncitizen	1.2% ± 0.1%	n.a.	1.4% ± 0.2%	n.a.	2.6% ± 0.2%
Veteran status					
Veteran	3.0% ± 0.8%	6.6% ± 0.7%	2.4% ± 0.6%	n.a.	3.5% ± 0.9%
Nonveteran	2.6% ± 0.5%	2.1% ± 0.4%	2.0% ± 0.3%	n.a.	2.3% ± 0.4%
Employment status					
Employed	3.1% ± 0.5%	2.6% ± 0.4%	2.7% ± 0.4%	n.a.	1.9% ± 0.4%
Unemployed	2.5% ± 0.5%	2.0% ± 0.4%	1.9% ± 0.3%	n.a.	2.3% ± 0.4%
Household size					
1 person	5.9% ± 1.1%	4.8% ± 1.2%	3.6% ± 0.8%	n.a.	2.8% ± 0.6%
2 people	3.0% ± 0.4%	3.7% ± 0.4%	3.3% ± 0.4%	n.a.	2.6% ± 0.3%
3 people	1.4% ± 0.3%	1.4% ± 0.2%	1.3% ± 0.2%	n.a.	2.2% ± 0.2%
4 people	1.2% ± 0.2%	1.6% ± 0.2%	1.3% ± 0.2%	n.a.	1.7% ± 0.4%
5 people	0.6% ± 0.2%	0.7% ± 0.2%	0.5% ± 0.2%	n.a.	n.a.
6 people	0.6% ± 0.2%	0.7% ± 0.2%	0.5% ± 0.1%	n.a.	n.a.
7 people	0.7% ± 0.2%	0.1% ± 0.0%	0.6% ± 0.1%	n.a.	n.a.
8 or more people	0.7% ± 0.1%	0.8% ± 0.1%	0.6% ± 0.1%	n.a.	n.a.
Monthly household SNAP benefit (dollars)					
Less than 50	2.4% ± 0.8%	2.6% ± 0.6%	1.7% ± 0.6%	n.a.	1.4% ± 0.5%
51 to 100	2.3% ± 0.7%	2.5% ± 0.5%	1.4% ± 0.5%	n.a.	2.6% ± 0.6%
101 to 200	5.8% ± 1.0%	3.2% ± 0.8%	3.8% ± 0.7%	n.a.	2.9% ± 0.6%
201 to 300	2.1% ± 0.3%	1.9% ± 0.2%	2.1% ± 0.2%	n.a.	3.9% ± 0.3%
301 to 400	2.5% ± 0.3%	2.9% ± 0.3%	2.5% ± 0.3%	n.a.	2.2% ± 0.4%
401 to 500	1.2% ± 0.2%	1.1% ± 0.2%	1.2% ± 0.2%	n.a.	1.7% ± 0.2%
501 to 600	1.4% ± 0.2%	1.9% ± 0.2%	1.3% ± 0.2%	n.a.	0.6% ± 0.2%
601 or more	0.7% ± 0.2%	1.0% ± 0.2%	0.6% ± 0.2%	n.a.	0.9% ± 0.1%

Source: State SNAP administrative caseload data for June 2016 through May 2017. Estimates of participants with sufficient data discrepancies were derived using a random forest decision tree model. See Chapter I, Section E, and Appendix A of the report for more details.

Note: These tabulations exclude participants with missing or unknown disability or citizenship status.

n.a. = No individuals fall into this category.

[a]Includes applications received by fax, by phone, or through another agency.

Table E.3. SNAP participants warranting further investigation for identity theft in Missouri, by household SNAP benefit subgroups, June 2016 through May 2017

	SNAP participants[a]			Average monthly SNAP benefit[b]		Total annual SNAP benefit[c]		
	All participants	Participants with sufficient data discrepancies	Prevalence rate ± standard error	All participants	Participants with sufficient data discrepancies	All participants	Participants with sufficient data discrepancies	Benefits received by participants with sufficient data discrepancies as a percentage of all benefits
Monthly household SNAP benefit less than $50								
Age								
17 or younger	3,402	0	n.a.	$11	n.a.	$465,667	n.a.	n.a.
18 to 59	22,332	578	2.6% ± 0.7%	$22	$22	$5,818,888	$149,794	2.57%
60 or older	20,363	234	1.1% ± 0.6%	$22	$22	$5,342,641	$62,366	1.17%
Disability status								
Disabled	32,470	643	2.0% ± 0.6%	$22	$22	$8,686,654	$171,812	1.98%
Not disabled	13,644	169	1.2% ± 0.5%	$18	$20	$2,933,890	$40,035	1.36%
Veteran status								
Veteran	929	9	1.0% ± 0.6%	$19	$17	$214,759	$1,808	0.84%
Nonveteran	45,130	803	1.8% ± 0.6%	$21	$22	$11,412,436	$210,357	1.84%
Monthly household SNAP benefit $51 to $100								
Age								
17 or younger	6,587	NA	n.a.	$28	n.a.	$2,186,740	n.a.	n.a.
18 to 59	25,091	584	2.3% ± 0.6%	$63	$64	$19,027,969	$446,426	2.35%
60 or older	16,028	149	0.9% ± 0.6%	$70	$53	$13,496,017	$94,761	0.70%
Disability status								
Disabled	30,491	543	1.8% ± 0.6%	$70	$64	$25,725,556	$416,889	1.62%
Not disabled	17,169	189	1.1% ± 0.4%	$44	$54	$8,970,178	$123,385	1.38%
Veteran status								
Veteran	440	9	2.0% ± 0.7%	$66	$59	$349,580	$6,173	1.77%
Nonveteran	47,253	724	1.5% ± 0.5%	$61	$62	$34,361,146	$535,014	1.56%
Monthly household SNAP benefit $101 to $200								
Age								
17 or younger	26,249	3	0.0% ± 0.1%	$57	$64	$17,986,314	$2,627	0.01%
18 to 59	102,823	5,365	5.2% ± 0.9%	$146	$173	$180,387,799	$11,120,137	6.16%
60 or older	27,643	1,009	3.6% ± 0.6%	$146	$174	$48,482,201	$2,107,375	4.35%

	SNAP participants[a]			Average monthly SNAP benefit[b]		Total annual SNAP benefit[c]		
	All participants	Participants with sufficient data discrepancies	Prevalence rate ± standard error	All participants	Participants with sufficient data discrepancies	All participants	Participants with sufficient data discrepancies	Benefits received by participants with sufficient data discrepancies as a percentage of all benefits
Disability status								
Disabled	75,234	3,478	4.6% ± 0.7%	$149	$170	$134,244,057	$7,090,678	5.28%
Not disabled	81,463	2,888	3.6% ± 0.7%	$115	$177	$112,511,046	$6,128,982	5.45%
Veteran status								
Veteran	885	32	3.6% ± 0.7%	$140	$169	$1,484,496	$65,435	4.41%
Nonveteran	155,783	6,339	4.1% ± 0.7%	$131	$173	$245,371,818	$13,164,704	5.37%
Monthly household SNAP benefit $201 to $300								
Age								
17 or younger	36,031	16	0.0% ± 0.1%	$80	$93	$34,544,017	$17,631	0.05%
18 to 59	31,781	1,228	3.9% ± 0.4%	$91	$107	$34,675,084	$1,573,260	4.54%
60 or older	2,522	207	8.2% ± 0.6%	$113	$113	$3,430,715	$280,624	8.18%
Disability status								
Disabled	11,340	692	6.1% ± 0.5%	$102	$113	$13,861,598	$939,315	6.78%
Not disabled	58,896	758	1.3% ± 0.2%	$83	$102	$58,767,363	$932,063	1.59%
Veteran status								
Veteran	172	7	4.1% ± 0.5%	$84	$98	$174,315	$8,189	4.70%
Nonveteran	70,129	1,442	2.1% ± 0.2%	$86	$108	$72,475,500	$1,863,327	2.57%
Monthly household SNAP benefit $301 to $400								
Age								
17 or younger	60,516	23	0.0% ± 0.1%	$127	$134	$92,499,695	$36,130	0.04%
18 to 59	53,432	2,731	5.1% ± 0.4%	$142	$151	$90,728,510	$4,961,627	5.47%
60 or older	2,156	187	8.7% ± 0.6%	$157	$156	$4,065,829	$349,973	8.61%
Disability status								
Disabled	12,562	913	7.3% ± 0.5%	$141	$152	$21,251,451	$1,668,431	7.85%
Not disabled	103,618	2,027	2.0% ± 0.2%	$134	$151	$165,999,805	$3,679,040	2.22%
Veteran status								
Veteran	193	11	5.5% ± 0.5%	$128	$143	$295,931	$18,238	6.16%
Nonveteran	116,024	2,930	2.5% ± 0.3%	$134	$152	$186,998,103	$5,329,492	2.85%

	SNAP participants[a]			Average monthly SNAP benefit[b]		Total annual SNAP benefit[c]		
	All participants	Participants with sufficient data discrepancies	Prevalence rate ± standard error	All participants	Participants with sufficient data discrepancies	All participants	Participants with sufficient data discrepancies	Benefits received by participants with sufficient data discrepancies as a percentage of all benefits
Monthly household SNAP benefit $401 to $500								
Age								
17 or younger	39,650	17	0.0% ± 0.1%	$118	$129	$56,298,329	$25,693	0.05%
18 to 59	23,960	714	3.0% ± 0.4%	$122	$123	$35,049,215	$1,050,285	3.00%
60 or older	348	37	10.6% ± 0.7%	$127	$128	$528,176	$56,525	10.70%
Disability status								
Disabled	5,156	220	4.3% ± 0.4%	$124	$129	$7,647,385	$341,654	4.47%
Not disabled	58,801	546	0.9% ± 0.2%	$119	$121	$84,204,759	$790,532	0.94%
Veteran status								
Veteran	95	2	2.5% ± 0.4%	$109	$127	$124,512	$3,671	2.95%
Nonveteran	63,820	764	1.2% ± 0.2%	$120	$123	$91,751,208	$1,128,832	1.23%
Monthly household SNAP benefit $501 to $600								
Age								
17 or younger	58,989	27	0.0% ± 0.1%	$147	$153	$104,164,541	$49,123	0.05%
18 to 59	35,840	1,177	3.3% ± 0.4%	$151	$153	$64,979,014	$2,160,190	3.32%
60 or older	326	34	10.5% ± 0.6%	$144	$147	$562,328	$60,248	10.71%
Disability status								
Disabled	5,359	236	4.4% ± 0.4%	$144	$149	$9,270,945	$422,014	4.55%
Not disabled	89,644	1,002	1.1% ± 0.2%	$149	$154	$160,400,381	$1,847,073	1.15%
Veteran status								
Veteran	86	2	2.3% ± 0.4%	$138	$150	$143,295	$3,588	2.50%
Nonveteran	94,945	1,236	1.3% ± 0.2%	$149	$153	$169,562,588	$2,265,974	1.34%
Monthly household SNAP benefit $601 or more								
Age								
17 or younger	98,952	10	0.0% ± 0.1%	$145	$154	$171,981,413	$18,158	0.01%
18 to 59	45,170	831	1.8% ± 0.4%	$146	$148	$79,289,196	$1,475,536	1.86%
60 or older	293	23	7.9% ± 0.6%	$139	$135	$488,539	$37,629	7.70%
Disability status								
Disabled	6,546	174	2.7% ± 0.4%	$142	$144	$11,123,391	$301,544	2.71%
Not disabled	137,996	689	0.5% ± 0.2%	$145	$149	$240,588,567	$1,229,616	0.51%

	SNAP participants[a]			Average monthly SNAP benefit[b]		Total annual SNAP benefit[c]		
	All participants	Participants with sufficient data discrepancies	Prevalence rate ± standard error	All participants	Participants with sufficient data discrepancies	All participants	Participants with sufficient data discrepancies	Benefits received by participants with sufficient data discrepancies as a percentage of all benefits
Veteran status								
Veteran	143	1	0.5% ± 0.3%	$142	$138	$243,664	$1,105	0.45%
Nonveteran	144,382	863	0.6% ± 0.2%	$145	$148	$251,515,484	$1,530,217	0.61%

Source: State SNAP administrative caseload data for June 2016 through May 2017. Estimates of participants with sufficient data discrepancies were derived using a random forest decision tree model. See Chapter I, Section E, and Appendix A of the report for more details.

n.a. = No individuals fall into this category.

[a] Participant totals are weighted to account for differences in the total number of months each individual appeared in the data.

[b] Average monthly SNAP benefits are calculated by dividing total SNAP benefits received by the weighted total number of participants and then dividing that number by 12.

[c] Total annual SNAP benefits are equal to the sum of all proportionally allocated SNAP benefits received by participants over the full 12-month period. Proportionally allocated SNAP benefits are calculated by dividing household level SNAP benefits by the total number of participants in the household.

APPENDIX F

STATE PROFILES

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APPENDIX F.1

STATE PROFILE-FLORIDA

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Florida SNAP Identity Theft Prevention and Detection State Profile

Overview: Florida Department of Children and Families (DCF) uses identity authentication and verification tools, specialized investigative units, and data analytics, and describes their approach to prevent, detect, and investigate identity theft in SNAP as proactive. DCF uses a standardized customer authentication and online identity verification system to prevent identity theft. DCF detects possible fraud, including identity theft via (1) complaints from public, (2) referrals from eligibility workers, or (3) internal Office of Public Benefits Integrity data analytics. Public Benefit Investigations staff use an Identity Theft Guide to investigate potential identity theft. DCF added the ability to monitor the submission of applications and phone calls, and plans to expand the types of application data elements available to better prevent and detect identity theft.

Organizational Structure:

- **Department of Children and Families Assistant Secretary of Economic Self-Sufficiency**–*administers SNAP*
  - **Office of Public Benefits Integrity**–*prevents, detects, and investigates identity theft*
    - **Public Benefit Investigations Program**–*investigates identity theft*
    - **Program Improvement Unit**–*performs data analytics to detect identity theft*

How to Report Identity Theft and Fraud

Web https://www.dcf.state.fl.us/programs/pbi/fraud/index.shtml
Mail ACCESS Central Mail Center
Fraud Report
PO Box 1770
Ocala, FL 34478-1771
Fax 850-487-0800

Prevent | Detect | Investigate

✓ **Regular reviews of policies and procedures**
Relationships with other States and agencies to develop best practices
✓ **Online benefits application**
84% of applications for public assistance are completed online
✓ **Customer authentication and online identity verification system**

Prevent | Detect | Investigate

✓ **Frontline staff training on detecting identity theft**
✓ **Eligibility worker identity theft guide describing how to detect and report identity theft**
✓ **Standardized procedures for detecting identity theft**
✓ **Specialized data analytics teams**
✓ **Data matching reports**
✓ **Use a variety of data systems to match key personally identifiable information**
✓ **Coordinate with electronic benefits transfer vendor to incorporate a number of data elements in monitoring and data matching activities**
✓ **Capability to monitor incoming applications**
✓ **Capability to monitor phone calls**
✓ **Data sharing agreements with other States**

Prevent | Detect | Investigate

✓ **Specialized investigative unit**
✓ **Standardized procedures for investigating identity theft**
✓ **Train investigative staff on investigating suspected identity theft**
✓ **Encourage the inquisitiveness of staff in preventing, detecting, and investigating potential fraud and identity theft to allow for innovative approaches**
✓ **Coordinate with other agencies and law enforcement**

✓ = Part of Florida's current efforts to prevent, detect, and investigate identity theft in SNAP

Estimated Prevalence and Costs of Potential Identity Theft in Florida:

Over the 12 months from June 2016 through May 2017, we found that 109,452 (3.3%) individuals had sufficient data discrepancies to warrant referral to the SNAP agency for further investigation. These individuals received a total of $127.9 million in SNAP benefits.

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APPENDIX F.2

STATE PROFILE-MISSOURI

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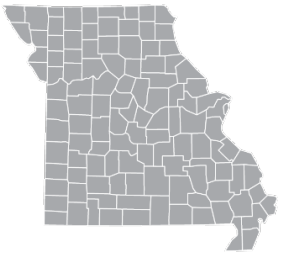
Missouri SNAP Identity Theft Prevention and Detection State Profile

Overview: According to staff, the Missouri Department of Social Services (DSS) has taken a reactive approach to preventing, detecting, and investigating identity theft in SNAP. DSS recently made an online benefits application available across the State. Currently, staff reference an agency guide to manually verify the identity of applicants, primarily by using data available through the Missouri Drivers' License and Social Security Administration interfaces. Missouri identifies suspected fraud, including identity theft, via reports from the public and referrals from frontline staff. Suspected fraud is referred to the Welfare Investigation Unit, whose staff lead investigations of fraud and abuse using multiple data sources, including the Mid-States Organized Crime Information Center and TLOxp from TransUnion.



Organizational Structure:

- **Department of Social Services**
  - **Family Support Division**–*administers SNAP*
  - **Division of Legal Services**–*investigates identity theft*
    - **Investigations**
      - **Welfare Investigation Unit**–*investigates identity theft*

How to Report Identity Theft and Fraud

Web https://dss.mo.gov/dls/public-assistance-fraud-form.htm

Phone By region:
Central: 877-770-8055
Eastern: 877-860-3052
Southeast: 877-603-4323
Western: 877-698-0760
Southwest: 877-839-4316

Prevent | Detect | Investigate

Regular reviews of policies and procedures
Relationships with other States and agencies to develop best practices
✓ **Online benefits application**
<1% of applications for public assistance are completed online
Customer authentication and online identity verification system

Prevent | **Detect** | Investigate

Frontline staff training on detecting identity theft
✓ **Eligibility worker identity theft guide describing how to detect and report identity theft**
Standardized procedures for detecting identity theft
Specialized data analytics teams
Data matching reports
✓ **Use a variety of data systems to match key personally identifiable information**
Coordinate with electronic benefits transfer vendor to incorporate a number of data elements in monitoring and data matching activities
Capability to monitor incoming applications
Capability to monitor phone calls placed

Prevent | Detect | **Investigate**

✓ **Specialized investigative unit**
✓ **Standardized procedures for investigating identity theft**
✓ **Train investigative staff on investigating suspected identity theft**
✓ **Encourage the inquisitiveness of staff in preventing, detecting, and investigating potential fraud and identity theft to allow for innovative approaches**
✓ **Coordinate with other agencies and law enforcement**

✓ = Part of Missouri's current efforts to prevent, detect, and investigate identity theft in SNAP

Prevalence and Costs of Potential Identity Theft in Missouri:

Over the 12 months from June 2016 through May 2017, we found that 15,167 (2.0%) individuals had sufficient data discrepancies to warrant referral to the State SNAP agency for further investigation. These individuals received a total of $26.1 million in SNAP benefits.

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