



OCT 01 2014

Food and  
Nutrition  
Service

Park Office  
Center

3101 Park  
Center Drive  
Alexandria  
VA 22302

**SUBJECT:** State Guidance on Improving Low Supplemental Nutrition Assistance Program Application Processing Timeliness Rates

**To:** Regional Administrators  
Food and Nutrition Service

The Food and Nutrition Services (FNS) is increasingly concerned about persistently low Supplemental Nutrition Assistance Program (SNAP) application processing timeliness (APT) rates in many States. The average national APT rate has fallen from 91 percent in 2004 to 88 percent in 2013. While a handful of State agencies maintain high levels of timeliness or have shown some improvement, other States consistently process less than 90 percent of their applications on time.

The Food and Nutrition Act of 2008, as amended (the Act) requires that households have the opportunity to participate in SNAP within 7 days for expedited cases and within 30 days for regular cases. Although States are legislatively required to provide all eligible applicants with timely benefits, FNS considers an APT rate of 95 percent and above acceptable performance.

Each quarter FNS regional offices require State agencies to establish a corrective action plan (CAP) if the State's 6 month average APT rate falls below 90 percent compliance. The State agency must continue the CAP until its APT reaches 95 percent compliance. Unfortunately, many States' CAPs have had limited impact.

Though the number of SNAP applications has recently begun to decline, the past several years have seen shrinking budgets and rising caseloads that have put stress on the application review process. But low APT rates have a real impact on eligible families who struggle to put food on the table while their SNAP applications linger in the State system. To this end, States with poor timeliness performance must improve to acceptable levels.

The attached paper outlines the process FNS will use to escalate our response to poor compliance in the States. The paper also includes a list of resources available to help States improve their APT rates.

The attached policy guidance codifies our recent discussions on how to best ensure that FNS responds consistently and quickly to this vital indicator of State performance and program access. It addresses this concern by creating a streamlined escalation process to promote significant improvements in States with APT rates falling below 90 percent on the upper bound of the 95 percent confidence interval.

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This policy will be effective October 1, 2014, for the fiscal year (FY) 2013 sample and continue until further notice.

Please share this guidance with your States.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jessica Shahin', with a long horizontal line extending to the right.

Jessica Shahin  
Associate Administrator  
Supplemental Nutrition Assistance Program

Enclosure

## **Guidance for Improving State Timeliness Rates: Standardizing the Escalation Process**

### **Poor Timeliness Escalation Process: The 5-Step Approach**

The process outlined below is designed to provide State agencies with general guidance on the steps the Food and Nutrition Service (FNS) will take to improve Supplemental Nutrition Assistance Program (SNAP) application processing timeliness (APT). Please note that in cases where a State's timeliness issue is particularly egregious, for instance a sudden or major drop in APT rate, FNS may proceed directly to the process under 7 CFR 276.4(d). In addition, while the process discussed below is triggered by the yearly APT data available in March, FNS may take action earlier if it learns of poor APT performance not yet shown in the yearly data. Lastly, the suggested actions or requirements at each step of the escalation process are only examples; individual State agencies may be directed to follow alternative procedures.

#### *Step 1: Identifying Poor Performing States*

FNS expects States to be 100 percent compliant with the timeliness standards, but considers anything above 95 percent acceptable performance. FNS defines extremely poor APT rates as unrounded rates falling below 90 percent compliance on the upper bound of the 95 percent confidence interval<sup>1</sup> for the yearly APT (essentially resulting in an APT of about 85 percent).

APT data for the previous fiscal year is available in March. Once the data is available, FNS will identify State agencies that fall below the standard for acceptable performance.

#### *Step 2: Review and Revise Corrective Action Plan*

States identified in Step 1 will need to revise or implement a timeliness Corrective Action Plan (CAP) (7 CFR 275.17). FNS assumes most States identified in Step 1 will already have a timeliness CAP in place as part of FNS' quarterly review of 6 month timeliness data. FNS will review the current timeliness CAP to determine if the planned activities to resolve the State's timeliness deficiency are appropriate.

Following review of any existing timeliness CAP, FNS may issue either an early warning letter or an advance warning letter (see Step 3) to a State agency with an APT below 90 percent on the upper bound. States with a long-standing CAP in place without significant improvement should receive an advance warning letter.

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<sup>1</sup> FNS uses the upper bound of the 95 percent confidence interval to calculate a States timeliness rate in order to account for sampling error.

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The early warning letter will advise the State agency they are at risk of receiving an advance warning if they do not meet benchmarks by the specified dates outlined in the letter. Benchmarks listed in the early warning letter may include: achieving an APT rate of 90 percent on the upper bound, achieving an intermediary APT rate, improving an APT rate by a certain percentage, or clearing a backlog in new applications, expedited applications, and recertification's by a specified date.

The early warning letter will also require the State agency to revise (or create) a timeliness CAP establishing actions the State will take to achieve the stated benchmarks. The letter may suggest actions the State include in its CAP based on FNS' review and specify a timeline for completion of these actions. The State agency will have a specified period of time to submit the CAP. The State agency may present its own timeliness data for the preceding 6 months to demonstrate how recent actions may have improved timeliness.

FNS will work closely with the State agency to identify the root causes of the timeliness issue and offer technical assistance and other appropriate resources (see below: *FNS Support*). FNS may require progress reports at regular intervals from the State agency detailing progress on the benchmarks outlined in the early warning letter. The State agency may also be required to report on progress in achieving actions outlined in the CAP. FNS may continuously monitor the State and require periodic reports until the State satisfactorily completes all corrective actions.

Once the FNS Regional Office finds that the State has satisfactorily improved its application processing timeliness, FNS will send the State agency a letter closing the early warning. If, however, after review of this information, and any new APT data, FNS concludes that the State agency is not making satisfactory progress towards an acceptable APT rate, FNS may issue an advance warning.

### *Step 3: Advance Warning Letter*

A State agency that fails to demonstrate satisfactory improvement after receiving the early warning or who has had a long-standing CAP in place without significant improvement will receive an advance warning letter in accordance with 7 CFR 276.4(d)(1). The advance warning letter will alert the State agency it is at risk of receiving a formal warning if it does not meet the benchmarks outlined in the letter. If a State agency has already received an early warning letter, the benchmarks may be similar to those already in place, or modified to reflect new circumstances in the State.

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As with the early warning, the State agency will be expected to submit or modify a CAP and will have the option to submit more recent data demonstrating how recent actions have led to improvements in timeliness. FNS will continue to work closely with the State agency, and may require progress reports at regular intervals.

The advance warning letter will specify a time by which the State agency is expected to achieve designated benchmarks to FNS's satisfaction or risk receiving a formal warning. If the State agency satisfactorily demonstrates improvements in timeliness, FNS will send the State agency a letter closing the advance warning. FNS may continue to require additional progress reports after benchmarks and action steps in the CAP have been achieved to ensure maintenance of improvements.

#### *Step 4: Formal Warning*

If the State agency fails to satisfactorily achieve the benchmarks designated in the advance warning letter, FNS shall issue a formal warning in accordance with 7 CFR 276.4 (d)(2). FNS may also issue a formal warning without first issuing an advance warning if a State agency has failed to comply with an earlier CAP. The formal warning shall include a description of the timeliness problem; a statement as to whether Federal funds will be suspended, disallowed, or both, if appropriate; the amount of Federal funds that will be suspended and/or disallowed, or an estimate if the actual amount is not available; and a description of FNS' willingness to assist the State agency in meeting its benchmarks.

A State agency shall have 30 days from the receipt of the formal warning to submit evidence that it is in compliance with the Federal timeliness standards. If the State agency is not able to meet this requirement, the State agency shall submit a CAP within 30 days of the receipt of the formal warning establishing how it will meet this benchmark, including the date by which this will be achieved. FNS will continue to work closely with the State agency, and may require progress reports at regular intervals.

If the State agency submits convincing evidence that it has achieved 90 percent on the upper bound, then FNS will close the formal warning. FNS may continue to require additional progress reports after benchmarks and action steps in the CAP have been achieved to ensure maintenance of improvements.

#### *Step 5: Sanction Administrative Funding*

If a State fails to reach 90 percent compliance with Federal timeliness standards, based on the upper bound of the 95 percent confidence interval within 30 days of

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receiving the formal warning, fails to submit a satisfactory CAP within 30 days of receiving the formal warning, or fails to achieve the commitments in its CAP by the dates specified in the CAP, FNS will take action to suspend and/or disallow Federal funds afforded to the State (7 CFR 276.4(e)).

### **Policy Implementation Date**

This policy will be effective October 1, 2014.

### **FNS Support**

Although States who receive an early, advance, or formal warning letter will receive support from FNS to improve their APT rates, State are ultimately responsible to bring their timeliness rate up to an acceptable level.

FNS will engage poor performing State's senior management, as appropriate, by:

- Sending "call for action" letters;
- Scheduling a meeting between the FNS Regional Administrator and the State Commissioner to discuss actions needed; and
- Arranging a meeting between the State Commissioner and the Undersecretary.

FNS will also expand technical assistance to poor performing States by:

- Analyzing the State CAP to advise on additional actions the State should consider;
- Sharing information on effective practices, procedures, and policies of States with recent improvements or sustained high performance in APT;
- Using State exchange funds to support sharing of best practices;
- Offering State waivers and options that may assist timeliness; and
- Providing consultation on business process reengineering (BPR).

FNS has other resources to improve timeliness including:

- Modernization Central to promote the exchange of best practices among States to improve the administration of SNAP (e.g., BPR and a workload reduction matrix highlighting waivers and options);
- Process and Technology Improvement grants for extensive system changes; and
- Yearly performance bonuses to high performing States.