

Stacy Dean
Deputy Under Secretary
Food, Nutrition, and Consumer Services
1320 Braddock Place
Alexandria, VA 22314

July 13, 2023

Dear Deputy Under Secretary Dean,

State SNAP agencies are committed to operating a program that effectively meets the needs of households facing food and nutrition insecurity across the country. To meet this mission, states must prioritize both accuracy in how they complete eligibility and certification processes, as well as aim to deliver excellent customer service to households. Unfortunately, the current process and specific policy within the SNAP Quality Control 310 Handbook – which governs how states conduct Quality Control reviews – have created barriers for states to meet either of these goals. To address this, APHSA recommends:

1. USDA FNS rescind changes made to sections 751 and 752 of the 310 Handbook in FY 2022, retroactively exclude impacted cases from payment error rate calculations and overpayment claims, and rescind or return funds from any overpayment claims created by these changes.
2. Revise its process for releasing the SNAP Quality Control 310 Handbook to allow for adequate time for public review and comment in advance of finalization.

Sections 751 and 752 of the 310 Handbook

Changes in sections 751 and 752 have resulted in harm to both SNAP clients and the payment error rates of state agencies. The root problem of these changes in the 310 Handbook stem from a federal policy change made in FY 2022, stating that if any required verification is missing or entered incorrectly for a report or certification form, QC is required to immediately determine the form as incomplete, and deem the household as ineligible since the date of their last certification or reporting period. Prior to this change in the 310 Handbook language,¹ this was not the case. Instead of declaring a household ineligible, QC was required to take additional steps to ensure that this determination was correct. But now, they are not permitted to take any further steps to verify eligibility. This causes harm in the following ways:

¹ For Section 751, the language was changed in FY22 from “QC must not determine the household ineligible solely because a required report is missing” to “the reviewer must determine the household ineligible.” For Section 752, the language changed from “The reviewer must not determine a household ineligible solely because its certification period has expired,” to “The reviewer must determine a household ineligible when its certification period has expired and the household was not appropriately recertified.”

- **For clients:** If a QC reviewer finds a case to now be ineligible because of an improper report submission, the client would not only lose their SNAP benefits and be forced to re-apply, but they are also being charged an overpayment dating back to the month of that last report – which could be up to 11 months prior. Some states have reported issuing over \$6,000 in overpayments to a single household. All of this could fall onto the client without them realizing that anything was done wrong, because from their vantage point, they may rightly believe that they turned in everything correctly. These errors are overwhelmingly at the fault of the agency due to procedural mistakes, yet this does not change the fact that the client would be charged an overpayment.
- **For agencies:** These new changes have also caused significant increases in the payment error rates for states, with at least 7 states informally sharing with us that these changes are one of their top three causes of payments errors in their programs and caused an increase in overall state payment error rates by 2 to 7 percentage points. In some cases, this increase directly impacted whether or not they would be required to complete a Corrective Action Plan or be in danger of financial liability. At a time when states are struggling to lower their error rates and continue to recover from the pandemic, these additional hurdles and threats of significant financial penalties that have been created by federal agency changes in the guidance are especially challenging for states.

In addition to the negative impacts resulting from these 310 Handbook changes, they are also in conflict with current regulations. Specifically, section 275.12(d) of the SNAP CFR cites that procedural matters of QC variance identification should be at the discretion of the state for how to proceed with them, and specifically mentions an example of an overdue certification or missing documentation. Thus, these changes expanded the definition of variance as established in regulation without going through a rulemaking process and took authority away from state agencies to determine how to best verify their cases. This state authority has been especially important in recent years given the large diversity in how states selected and implemented waivers during the pandemic. For example, some states have seen errors associated with the new 751 and 752 changes being caused by an incorrect way of recording a telephonic signature as permitted by the recent waiver availability, but the 310 Handbook changes prevented states from mitigating harm to clients caused by internal learning curves for implementation.

Transparency and Public Comment on 310 Handbook Changes

These impacts resulting from the specific changes in the FY2022 changes to sections 751 and 752 of the 310 Handbook highlight ongoing concerns that state SNAP agencies share in the process and implementation of the



310 Handbook policies. Once a new version is released each fiscal year, state QC teams are required to immediately implement these changes, and in some cases as with the 751 and 752 changes, absent any advance notice, explanation, or reasoning for the changes. If FNS offered state agencies and the public an opportunity to comment on these changes ahead of their implementation, there would have been a chance to get ahead of this change and significantly mitigate the negative impacts on households and state agencies.

As the national association representing state SNAP agencies and their QC teams, APHSA asks that FNS revert sections 751 and 752 to the language in the FY2021 310 Handbook, and omit errors related to these changes from being calculated toward the FY2023 payment error rates and rescind any overpayment claims that have been created or any overpayment amounts that have been collected from houses impacted by these 310 Handbook changes. Further, APHSA recommends that FNS create a process that allows for effective consultation and feedback from SNAP agencies and external partners prior to the inclusion and implementation of future changes to the 310 Handbook.

APHSA thanks FNS and its QC team for the ongoing partnership and common goal of delivering customer-centered, effective, and accurate programming to SNAP households across the country. To further discuss the concerns with the 310 Handbook and future opportunities, please reach out to Chloe Green, Senior Policy Associate for Food and Nutrition Services, at cgreen@aphsa.org.

Sincerely,



Matt Lyons

Senior Director, Policy & Practice

American Public Human Services
Association (APHSA)



Linda Schroeder

Chair

American Association of SNAP
Directors (AASD)

