

SEP 08 2014

**SUPPLEMENTAL
NUTRITION ASSISTANCE
PROGRAM
QUALITY CONTROL
POLICY MEMO**

Region:	<u>ALRO</u>
Index No.:	<u>QC 14-03</u>
Provision:	275.12(f)(2)

Subject: Quality Control Tolerance Level – FY 2015

The Agricultural Act of 2014 (the Act) at Section 4019 set the Quality Control (QC) Tolerance Level for excluding small errors at up to \$37 for Fiscal Year (FY) 2014. FNS set the tolerance at \$37 for FY 2014. In addition, the Act requires FNS to adjust the tolerance level for future years by the percentage by which the Thrifty Food Plan (TFP) is adjusted under Section 3(u)(4) of the Food and Nutrition Act of 2008. The first year the TFP based adjustment will occur is FY 2015. FNS is adjusting the threshold using the TFP for the 48 contiguous States and the District of Columbia. FNS calculated the percentage change between the June 30, 2013 TFP (FY 2014) and the June 30, 2014 TFP (FY 2015). FNS has applied that percentage to the \$37 QC Tolerance Level, which results in an increase to \$38. Accordingly, State agencies shall use \$38 as the QC Tolerance Level for excluding small errors for FY 2015. All errors, regardless of dollar amount, shall continue to be reported in accordance with existing policy.

Please contact your appropriate Regional Office if you have any questions regarding the FY 2015 QC Tolerance Level.



Ronald Ward
Director
Program Accountability and Administration Division

October 16, 2014

**SUPPLEMENTAL
NUTRITION ASSISTANCE
PROGRAM
QUALITY CONTROL
POLICY MEMO**

Region:	<u>ALRO</u>
Index No.:	<u>QC 15-01</u>
Provision:	<u>Handbook 310, Chapter 13, Section 1350.2</u>

Subject: Update to the FNS Handbook 310, SNAP Quality Control (QC) Review Handbook for FY 2015 to Implement a Two-Day Grace Period for Issuing Notices of Denial in Conducting CAPER Reviews

The attached pages are effective for cases sampled beginning October 2014.

BACKGROUND

SNAP Quality Control (QC) implemented significant changes in the review process for negative actions beginning with the FY 2012 review period. Previously, the negative review focused almost exclusively on the validity of the negative action itself. The new Case and Procedural Error Rate (CAPER) reviews include elements focused on issues of client service, such as the timeliness of the action taken to deny, terminate, or suspend SNAP benefits, and the adequacy of notification of the action to the household, including the timeliness of the notification.

Regulations at 7 CFR 273.2(g)(1) specify that the normal processing standard for a SNAP application is 30 days. A household shall be provided the opportunity to participate as soon as possible, but no later than 30 days following the date of application. In addition, Section 11(e)(3) of the Food and Nutrition Act of 2008 ("the Act") specifies that the State agency must process a household's application ". . . so as to complete certification of and provide an allotment retroactive to the period of application to any eligible household not later than thirty days following its filing of an application . . ." Regulations at 7 CFR 273.2(g)(3) specify that households that are found to be ineligible shall be sent a notice of denial as soon as possible, but not later than 30 days following the date of application. In addition, the regulations at 7 CFR 273.2(g)(3) specify that in situations where the household has failed to appear for a scheduled interview and made no subsequent attempt to contact the State agency to reschedule the interview, or situations in which the household has been interviewed and asked to provide necessary verification, and subsequently failed to provide the verification, the State agency must deny the household SNAP benefits on the 30th day following the date of application.

A number of State agencies have indicated that it is not possible with current computer systems to require an eligibility worker to both wait until the 30th day before denying the application and also notify the household of the denial action by the 30th day following the date of application. State agencies that have established administrative procedures wherein all actions taken during a business day are "batched" for the printing and mailing of household notification letters after the close of business on that day, and are not actually mailed to the households until the next business day, cannot meet both of these regulatory requirements.

CHANGE IN CAPER REVIEW POLICY

In response to the concerns raised by State agencies, FNS has decided to adopt a grace period for the issuance of notices of denial. Any notice of denial regarding a negative action under review that is sent to the household no later than two business days following the date of the negative action taking place shall be considered adequate regarding the timeliness of the notification to the household.

This grace period applies strictly to the matter of timing in determining the adequacy of notification in QC CAPER reviews.

This grace period does not apply in the application processing timeliness reviews conducted by QC in order to determine eligibility for the high performance bonus payments authorized under regulations at 7 CFR 275.24(b)(4).

This grace period applies only to the timeliness of the notification to the household of the negative action, not to the timeliness of the negative action itself. FNS has determined that, provided any actual decision regarding an application for SNAP benefits continues to meet the legal and regulatory timeframes for such actions, as specified in regulations at 7 CFR 273.2(g)(1) and Section 11(e)(3) of the Act, a slight delay in providing notification will not significantly impact service to the household. Program requirements specifically provided for in the Act cannot be waived. Any negative actions which take place more than 30 days following the date of application, and for which an appropriate notice of pending status was not sent, will continue to be considered invalid for QC CAPER review purposes.

EXAMPLES

Example of Timely Notification and Valid Application Processing: On 6/2 the household applies for SNAP benefits. On 6/10 the household is interviewed and asked to provide verification of income by 6/20. The household does not provide the requested verification. The 30th day following the date of application is 7/2, a Wednesday. The EW denies the application on 7/2 for failure to provide verification and the household is sent an appropriate notification to this effect on Thursday, 7/3. This action is valid as the agency made proper notification to the household within two business days of the decision to deny SNAP benefits.

Example of Timely Notification and Valid Application Processing: On 3/15 the household applies for SNAP benefits and is scheduled for a certification interview on 3/22. The household fails to attend the 3/22 interview and on 3/23 the EW sends the household a notice of missed interview (NOMI) informing them that they must call to reschedule. The household does not call to reschedule the certification interview. The 30th day following the date of application is 4/14, a Friday. The EW denies the application on 4/14 for failure to complete the required interview and the household is sent an appropriate notification to this effect on Monday, 4/17. This action is valid as the agency made proper notification to the household within two business days of the decision to deny SNAP benefits.

Example of Untimely Notification and Invalid Application Processing: On 9/26 the household applies for SNAP benefits. On 10/7 the household is interviewed and asked to provide verification of income by 10/17. The household does not provide the requested verification. The 30th day following the date of application is 10/26, a Tuesday. The EW denies the application on 10/26 for failure to provide verification and the household is sent an appropriate notification to this effect on Friday, 10/29. This action is invalid as the agency failed to make proper notification to the household within two business days of the decision to deny SNAP benefits.

Example of Timely Notification and Invalid Application Processing: On 9/26 the household applies for SNAP benefits. On 10/7 the household is interviewed and asked to provide verification of income by 10/17. The household does not provide the requested verification. The 30th day following the date of application is 10/26, a Tuesday. The EW denies the application on 10/27, Wednesday, for failure to provide verification and the household is sent an appropriate notification to this effect on Thursday, 10/28. This action is invalid. Although the agency made proper notification to the household within two business days of the decision to deny SNAP benefits, the decision itself was made later than 30 days following the date of application.

Please use the following chart to remove and insert pages to update your Handbook for FY 2015 reviews.

PAGE CONTROL CHART			
Remove Pages	Dated	Insert Pages	Dated
13-9 thru 13-10	10-01-11	13-9 thru 13-10	10-16-14

Please contact your appropriate Regional office if you have any questions regarding these instructions.

Ronald K. Ward

Ronald K. Ward
Director
Program Accountability and Administration Division

Attachments

clearly explain what the action was and why it was taken. (See Section 1350.2);

- Step 3: Collateral and/or household contact for purposes of obtaining verification supporting the reason given for the negative action (optional) (See Section 1350.3); and
- Step 4: Documentation and reporting of review findings (See Section 1350.4).

1350.1 Step 1: Determine Subject to Review Status. Review the circumstances of the action and determine if it is NSTR using Section 1332 as a guide. If the action meets the circumstances to be NSTR then proceed to 1350.4 Step 4. If one of the NSTR reasons does not apply, the action is subject to review and the reviewer should continue to 1350.2 Step 2.

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

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

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

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

The basic review process is as follows:

- If the action results in the determination of a valid decision and correct notice, then the review is complete and the reviewer shall skip to Step 4 and document the review findings as specified in Section 1350.4.
- If the action is inadequately documented, then the reviewer may proceed directly to Step 3 (Section 1350.3) to obtain the necessary verification.
- If the reviewer opts not to perform Step 3, the reviewer shall proceed to Step 4.
- Once the reviewer has determined the validity or invalidity of the action, the reviewer shall go to Step 4 and document the review findings as specified in Section 1350.4.

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

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

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

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

The reviewer may contact the household or a collateral contact if the eligibility element(s) that caused the denial, termination, or suspension action to be taken are insufficiently documented in the case record to confirm the validity of the action. The reviewer shall not make a contact if the information

NOV 14 2014

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM QUALITY CONTROL POLICY MEMO

Region:	<u>ALRO</u>
Index No.:	<u>QC 15-02</u>
Provision:	<u>Handbook 310, Appendix D</u>

Subject: Update to the FNS Handbook 310, SNAP Quality Control (QC) Review Handbook for FY 2015 to Implement the Revised FNS 245, SNAP Case and Procedural QC Review Schedule.

The attached pages are effective for cases sampled beginning October 2014.

BACKGROUND

SNAP Quality Control (QC) implemented significant changes in the review process for negative actions beginning with the FY 2012 review period. Previously, the negative review focused almost exclusively on the validity of the negative action itself. The new Case and Procedural Error Rate (CAPER) review includes elements focused on issues of client service, such as the timeliness of the action taken to deny, terminate, or suspend SNAP benefits, and the adequacy of notification of the action to the household, including the timeliness of the notification.

After two review periods (FY 2012 and FY 2013) using the previous version of the FNS 245, the program determined the data collected on that version was not accurately recording the changes to the review process. As a result, during the FY 2014 review period the Food and Nutrition Service submitted a revised review schedule and instructions to the Office of Management and Budget (OMB). On October 31, 2014, OMB approved the revised schedule for QC cases sampled beginning October 2014.

GENERAL CHANGES TO THE FORM'S LAYOUT

Section	Changes Made
I	Labels changed from numbers to letters
II	Labels changed from letters to numbers
III	Reorganized elements, moved elements from section IV, and added new elements and coding within
IV	Moved some elements into section III
19 and 20	Labels changed from letters to numbers

IMPACT OF POLICY MEMO 15-01 ON QUESTIONS IN SECTION III, #16

When responding to the questions in Section III, #16 of the FNS 245 please remember the following:

- Questions 16 “a” and “b” refer to the timeliness of the action itself, not the notice.
- Questions 16 “c” and “d” refer to the timeliness of the notice, not the action. SNAPQCS has appropriate edits and warnings in place to be consistent with PM 15-01(issued October 16, 2014).

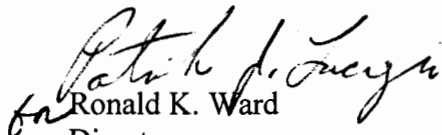
CHANGES TO THE SNAP QUALITY CONTROL SYSTEM (SNAPQCS)

The release date for the revised FNS 245 and instructions in SNAPQCS is scheduled for Tuesday, November 18, 2014.

Please use the following chart to remove and insert pages to update your Handbook for FY 2015 reviews.

PAGE CONTROL CHART			
Remove Pages	Dated	Insert Pages	Dated
D-1 through D-2	03-14-13	D-1 through D-29	11-14-14
D-3 through D-28	10-01-11		

Please contact your Regional office if you have any questions regarding these instructions.



Ronald K. Ward
Director
Program Accountability and Administration Division

Attachments

*

EXPLANATION OF REVIEW FINDINGS CONTINUED:

PRIVACY ACT STATEMENT

This report is required under provisions of 7 CFR 275.14 (The Supplemental Nutrition Assistance Program). This information is needed for the review of State performance in determining the eligibility of applicants and recipients. The information is used to determine State compliance, and failure to report may result in a finding of non-compliance.

OMB PAPERWORK COLLECTION STATEMENT

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0584-0034. The time required to complete this information collection is estimated to average 2.9406 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

APPENDIX D

INSTRUCTIONS FOR COMPLETING FORM FNS-245, SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) CASE AND PROCEDURAL QUALITY CONTROL REVIEW SCHEDULE *

GENERAL INSTRUCTIONS

The CAPER Case Action Review Schedule was developed to serve as the data entry and review form for CAPER action reviews. It is to be used as both a worksheet and the review schedule. The schedule consists of five sections as follows: *

- I - Case Management Information
- II - Identifying Information
- III - Analysis of Review Activity
- IV - Description of Variances
- V - Explanation of Review Findings

SECTION I - CASE MANAGEMENT INFORMATION

This section provides case management information and household identity. *

- A. **Case Name** - Enter the name of the applicant or recipient whose household's participation was denied, terminated or suspended. *
- B. **Telephone Number** - Enter the telephone number of the household. *
- C. **Mailing Address** - Enter the mailing address of the household. *
- D. **Actual Address/Directions to Locate** - Enter the actual address at which the household resides, if different from the mailing address. *
- E. **Date Assigned** - Enter the month, day, and year (MM DD YYYY) the review was assigned to the QC reviewer. *
- F. **Date Complete/Disposed of** - Enter the month, day, and year (MM DD YYYY) the review was finalized; the reviewer's name/ID entry indicates who did the review. *

- * **G. Date Cleared** - Enter the month, day, and year (MM DD YYYY) the supervisor cleared the review; the supervisor's name/ID entry indicates completeness and approval of the review.

SECTION II - IDENTIFYING INFORMATION

- * This section provides identifying information related to the action under review. For all actions, fill in 1 through 9.
- * **1. Review Number** - Enter the number assigned to the action under review.
 - * **2. Case Number** - Enter the case number assigned by the State agency.
 - * **3. State and Local Agency Code:**
 - * • **State Agency Code** - In the first two blocks, enter your two-digit State code. These are the codes used by the National Institute of Standards and Technology.
 - * • **Local Agency Code** - In the last three blocks, enter the same three-digit code that the State agency uses to code local agencies for the QC review of active cases.
 - * **4. Sample Month and Year** - Enter the month and year for which the action was selected for review. The sample month for a action is based upon how the case was selected for review. State agencies must identify for the reviewer how cases are sampled so that the appropriate sample month and year are entered. Each State agency has an FNS approved sample plan.
 - * **5. Stratum** - Enter the two-digit stratum code. Stratum codes are assigned by the State agency when the sample is stratified. If stratum codes are not used by the State, other information may be entered here as a State option.
 - * **6. Notice Date** - Enter the month, day and year (MM DD YYYY) the notice was sent for the action selected for review. If no notice was sent, enter nines.
 - * **7. Action Date** - Enter the month, day and year (MM DD YYYY) the action was taken by the State agency for the action selected for review.

8. Action Type - Enter the action taken by the State agency using the appropriate code as follows:

- 1 - Denial of SNAP application
- 2 - Termination of SNAP benefits
- 3 - Suspension of SNAP benefits

9. Case Classification - Enter the appropriate code as follows:

- 1 - Included in error rate calculation.
- 2 - Excluded from error rate calculation, processed by SSA worker.
- 3 - Excluded from error rate calculation, as designated by FNS (e.g. demo project).

SECTION III - ANALYSIS OF REVIEW ACTIVITY

This section provides information regarding the action taken and the analysis of the review of the action to deny a SNAP application, terminate SNAP benefits or suspend SNAP participation. For completed cases, fill in 10 through 20. For cases that are not subject to review fill in 10(a) and 10(b).

10. Disposition of Review

(a) Disposition - Enter the appropriate code that reflects the disposition of the review.

- 1 - Review completed.
- 2 - Not Subject to Review/Listed in Error. Cases that are not subject to review are defined in Chapter 13 of the FNS Handbook 310. 10(b) is required. 11-20 are not required.
- 3 - Incomplete/Review Not Processed. Prior FNS approval is required for use of this code.
- 4 - Case deselected/correction for oversampling. No further codes are required.

(b) NSTR Reason - Enter the code that accurately reflects the reason this action has been determined to be Not Subject To Review.

- 01 - Households that have withdrawn an application prior to the agency's determination.
- 02 - Households that at the time of sampling are under active investigation for intentional program violation (IPV).

- * 03 - Households that at the time of sampling are scheduled for an IPV investigation sometime during the next five months.
- * 04 - Households that at the time of sampling are pending an IPV hearing.
- * 05 - Households that have their SNAP case closed when their assigned certification period ends, i.e., the household is not recertified. The certification period closure itself is NSTR. (If the household applied for recertification and, for whatever reason, the recertification application was denied, that denial is subject to review).
- * 06 - Actions removed from the sample as a result of a correction for oversampling.
- * 07 - Households that have been sent a notice of pending status but were not actually denied participation.
- * 08 - Actions listed in error. This category of actions includes administrative actions necessitated by a State agency's certification system and/or procedures, where there is no intent to deny or terminate a household's program benefits, only to correct an administrative fault in the action.
- * 09 - Households denied SNAP benefits under a disaster certification authorized by FNS.
- * 10 - Actions terminated or suspended for failure to file a complete monthly report by the extended filing date, but reinstated when subsequently filed the complete report before the end of the issuance month, and received the full months' SNAP benefits.
- * 11 - Households that experience a break in participation due to computer malfunction or error that is not the result of a deliberate action by the State agency to terminate benefits. (Use of this code requires prior approval from FNS)
- * 12 - A suspended action after the initial month of a multi-month suspension

* **11. Finding** - Final Analysis of the QC Review of the Action - Enter the appropriate code to identify if 1) the action taken was appropriate; and 2) the reason for the action was correct; and 3) the household was notified on a clear, correct, complete notice with the correct reason for the action.

- * 1 - Valid indicates that all three components were correct.
- * 2 - Invalid indicates that one or more of the three components were incorrect. If 12(b)=2 or 3; 13=2; 14(a)=2; 14(b)=2; 14(d)=21 or 22; 15(a)=2; 15(b)=2; 15(c)=2; 15(d)=2; or 16=2 or 3 then the case must be coded invalid.

12. Case Record Review

(a) **Recorded Reason for Action-** Enter the appropriate code to indicate the reason the action was taken by the State agency as reflected by the entire case record. This is not necessarily the reason stated on the notice to the household.

- 01 - Resident of an institution not authorized by FNS
- 02 - Outside of project area or State
- 03 - Ineligible striker
- 04 - Ineligible noncitizen
- 05 - Ineligible student
- 06 - Ineligible boarder
- 07 - Missed scheduled interview(s)
- 08 - Failed to provide verification
- 09 - Refusal to cooperate
- 10 - Refusal to supply SSN
- 11 - Gross monthly income exceeds maximum allowance
- 12 - Net Monthly income exceeds maximum allowance
- 13 - Exceeds resource standard
- 14 - Transfer of resources
- 15 - Failure to comply, without good cause, with work registration/job search requirements
- 16 - Voluntary quit
- 17 - Failure to submit/complete report
- 18 - Voluntary withdrawal after certification
- 19 - Termination/denial due to TANF termination/denial
- 20 - Intentional program violation
- 21 - Termination/denial due to program disqualification
- 22 - Termination/denial of household of able bodied adult(s) whose time limited period of SNAP eligibility has expired
- 23 - Failure to comply, without good cause, with SNAP work requirements
- 24 - Eligible for zero benefits
- 25 - Failure to access EBT benefits
- 26 - Loss of contact with household
- 27 - Applicant/household deceased
- 28 - Not eligible for separate household status
- 29 - Not eligible due to status as fleeing felon, parole violation, drug conviction etc.
- 30 - Reason for denial/termination/suspension not documented
- 31 - Household received benefits in another SNAP household for same time period
- 32 - Household received benefits in another state for the same time period

- * 33 - Household received tribal commodities and is not eligible to
- * receive SNAP benefits
- * 99 - Other
- * 00 - Cannot be determined

(b) Accuracy of Recorded Reason - Enter the appropriate code to indicate whether the recorded reason for the agency's action was in accordance with policy and supported by the information in the case record.

- * 1 - Accurate. The information in the case record supports the reason given for the agency's action.
- * 2 - Inaccurate. The information in the case record does not support the reason given for the agency's action.
- * 3 - Insufficient information. There is not enough information in the case record to determine the accuracy of the recorded reason for action.

13. Notice Requirements - Enter the appropriate code to indicate if the notice of denial, termination or suspension was required to be sent and if the notice was sent.

- * 1 - Notice was required and sent.
- * 2 - Notice was required and not sent.
- * 3 - No requirement to issue a notice on this action and did send notice.
- * 4 - No requirement to issue a notice on this action and did not send.

14. Household Notice

(a) Required Language on the Notice of Adverse Action/Denial - Enter the code that reflects if the notice contains all required language as specified by the Food and Nutrition Act of 2008, Federal regulations, and FNS policy memos.

- * 1 - All Required Language/Information Included
- * 2 - All Required Language/Information Not Included
- * 3 - No notice sent to household

(b) Notice Specific, Clear, and Understandable - Enter the appropriate code regarding the notice to the household. The notice must be specific regarding the reason for the action; the explanation of the action must be clearly understandable. This measure is not to evaluate the validity of the reason; it is to evaluate the clarity of the notice.

- 1 - Yes, the reason for the action stated on the notice is specific, the notice is clear and the notice is understandable for the action.
- 2 - No, either the reason for the action stated on the notice is not specific, or the notice is not clear or the notice is not understandable for the action; or any combination of the three. A detailed and thorough explanation is required in Section V.
- 3 - No notice sent to household.

(c) Reason to HH Enter the appropriate code to indicate the reason for the action as written on the notice.

- 01 - Resident of an institution not authorized by FNS
- 02 - Outside of project area or State
- 03 - Ineligible striker
- 04 - Ineligible noncitizen
- 05 - Ineligible student
- 06 - Ineligible boarder
- 07 - Missed scheduled interview(s)
- 08 - Failed to provide verification
- 09 - Refusal to cooperate
- 10 - Refusal to supply SSN
- 11 - Gross monthly income exceeds maximum allowance
- 12 - Net Monthly income exceeds maximum allowance
- 13 - Exceeds resource standard
- 14 - Transfer of resources
- 15 - Failure to comply, without good cause, with work registration/job search requirements
- 16 - Voluntary quit
- 17 - Failure to submit/complete report
- 18 - Voluntary withdrawal after certification
- 19 - Termination/denial due to TANF termination/denial
- 20 - Intentional program violation
- 21 - Termination/denial due to program disqualification
- 22 - Termination/denial of household of able bodied adult(s) whose time limited period of SNAP eligibility has expired
- 23 - Failure to comply, without good cause, with SNAP work requirements
- 24 - Eligible for zero benefits
- 25 - Failure to access EBT benefits

- * 26 - Loss of contact with household
- * 27 - Applicant/household deceased
- * 28 - Not eligible for separate household status
- * 29 - Not eligible due to status as fleeing felon, parole violation, drug conviction etc.
- * 30 - Reason for denial/termination/suspension not documented
- * 31 - Household received benefits in another SNAP household for same time period
- * 32 - Household received benefits in another state for the same time period
- * 33 - Household received tribal commodities and is not eligible to receive SNAP benefits
- * 99 - Other
- * 00 - No notice sent to household

(d) Accuracy of Reason on Notice to Household - Enter the appropriate code to indicate if the reason on the notice to the household was in accordance with policy and supported by the information in the case record and if the reason matches 12(a), the recorded reason for the action.

- * 11 - Accurate, matches recorded reason.
- * 12 - Accurate, does not match recorded reason.
- * 21 - Inaccurate, matches recorded reason.
- * 22 - Inaccurate, does not match recorded reason.
- * 99 - No notice sent to household.

15. Procedural Requirements - This section must be filled out for all completed reviews.

(a) Notice of Missed Interview - NOMI

- * 1 - Required and completed correctly
- * 2 - Required and not completed correctly
- * 3 - Not required

(b) Request for Contact

- * 1 - Required and completed correctly
- * 2 - Required and not completed correctly
- * 3 - Not required

(c) Request for Verification

- 1 - Required and completed correctly
- 2 - Required and not completed correctly
- 3 - Not required

(d) Periodic Report

- 1 - Required and sent to household
- 2 - Required and not sent to household
- 3 - Not required

16. Timeliness of the Action

(a) Timeliness of Action - Enter the appropriate code to identify if the action was taken within the appropriate timeframes.

- 1 - Action taken timely
- 2 - Action taken too early
- 3 - Action taken late

(b) Number of Days Action Early/Late - If the Action was taken early or late, enter the number of days early or late. Enter 99 for 99+ days late.

(c) Timeliness of Notice - Enter the appropriate code to identify if the notice was sent within the appropriate timeframes.

- 1 - Notice sent timely
- 2 - Notice sent late
- 3 - No notice sent

(d) Number of Days Notice Late - If the Notice was sent late, enter the number of days late. Enter 99 for 99+ days late.

SECTION IV DESCRIPTION OF VARIANCES

This section provides for the description of variances identified in the review. Items 17 and 18 must be completed whenever the final determination for 11 is invalid (code 2).

17. Element - Enter the appropriate three digit element number of the review for each variance identified.

* **18. Nature Codes** - Enter the appropriate three digit code for the nature of the
 * identified variance(s). Possible nature codes for the specific Element are listed
 * below the Element code and title. The nature codes may be used in any
 * element.

* ➤ **Element 111 - Student Status**

* Nature codes:

- * 001 - Eligible person(s) excluded
- * 002 - Ineligible person(s) included
- * 003 - Agency failed to follow up on inconsistent or incomplete information
- * 014 - Eligible student incorrect income
- * 015 - Eligible student incorrect student deductions
- * 019 - Eligible student was denied for failing to verify student status which was
previously verified
- * 044 - Failed to consider or incorrectly considered Eligible Student status
- * 096 - Policy incorrectly applied
- * 131 - Eligible student excluded and met exemption - 17 and younger / 50 and
older
- * 132 - Eligible student excluded and met exemption - Enrollment as part of Job
- * 133 - Eligible student excluded and met exemption - On-the-job training
- * 134 - Eligible student excluded and met exemption - Employment requirements
met
- * 135 - Eligible student excluded and met exemption - Physically or mentally unfit
- * 136 - Eligible student excluded and met exemption - Receiving TANF
- * 137 - Eligible student excluded and met exemption - Responsible for care of child
under 6
- * 138 - Eligible student excluded and met exemption - Single parent, child under
12, enrolled full time
- * 139 - Eligible student excluded and met exemption - State or Federal Work Study

* ➤ **Element 130 - Citizenship and Non-Citizen Status**

* Nature codes:

- * 001 - Eligible person(s) excluded
- * 002 - Ineligible person(s) included
- * 003 - Agency failed to follow up on inconsistent or incomplete information
- * 096 - Policy incorrectly applied
- * 140 - Eligible qualified alien excluded - Amerasians
- * 141 - Eligible qualified alien excluded - Asylees or Deportation Withheld
- * 142 - Eligible qualified alien excluded - Certain American Indians born Abroad
- * 143 - Eligible qualified alien excluded - Children under 18

- 144 - Eligible qualified alien excluded - Cuban or Haitian Entrant *
- 145 - Eligible qualified alien excluded - Elderly lawfully residing in U.S. age 65 or older on August 22, 1996 *
- 146 - Eligible qualified alien excluded - Hmong or Highland Laotian tribal members *
- 147 - Eligible qualified alien excluded - Individuals receiving benefits for blindness or disability *
- 148 - Eligible qualified alien excluded - Iraqi or Afghan Special Immigrants *
- 149 - Eligible qualified alien excluded - LPR with 40 qualifying quarters of work *
- 150 - Eligible qualified alien excluded - LPR with living in US 5 years *
- 151 - Eligible qualified alien excluded - military connection *
- 152 - Eligible qualified alien excluded - Refugee *
- 153 - Eligible qualified alien excluded - Victims of Severe Trafficking *

➤ **Element 140 - Residency**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information *
- 088 - Improper denial or termination, not out of the project area *
- 096 - Policy incorrectly applied *
- 099 - Other *
- 154 - Improper denial - Homeless household denied for failing to provide address *

➤ **Element 150 - Household Composition**

Nature codes:

- 002 - Ineligible person(s) included *
- 003 - Agency failed to follow up on inconsistent or incomplete information *
- 006 - Entitled to separate status *
- 007 - Eligible person(s) with no income, resources, or deductible expenses excluded *
- 008 - Eligible person(s) with income excluded *
- 009 - Eligible person(s) with resources excluded *
- 010 - Eligible person(s) with deductible expenses excluded *
- 011 - Newborn infant improperly excluded *
- 096 - Policy incorrectly applied *

* ➤ **Element 151 - Recipient Disqualification**

* Nature codes:

- * 002 - Ineligible person(s) included
- * 018 - Eligible person(s) disqualified
- * 096 - Policy incorrectly applied

* ➤ **Element 160 - Employment & Training Programs**

* Nature codes:

- * 004 - Agency failed to follow up on known and reported impending changes
- * 018 - Eligible person(s) disqualified
- * 054 - Failure to cooperate with work program when not required to register for work program
- * 060 - Household not notified of requirement to register with work program
- * 096 - Policy incorrectly applied
- * 155 - Individual inappropriately sanctioned

* ➤ **Element 161 - Time-limited participation**

* Nature codes:

- * 004 - Agency failed to follow up on known and reported impending changes
- * 018 - Eligible person(s) disqualified
- * 096 - Policy incorrectly applied
- * 156 - Improper denial - met ABAWD exemption
- * 157 - Months incorrectly calculated

* ➤ **Element 162 - Work Registration Requirements**

* Nature codes:

- * 001 - Eligible person(s) excluded
- * 002 - Ineligible person(s) included
- * 004 - Agency failed to follow up on known and reported impending changes
- * 096 - Policy incorrectly applied
- * 158 - Eligible person(s) excluded - exempt from work requirements - care for dependent under age 6 or incapacitated person
- * 159 - Eligible person(s) excluded - exempt from work requirements - due to age
- * 160 - Eligible person(s) excluded - exempt from work requirements - employed
- * 161 - Eligible person(s) excluded - exempt from work requirements - participation in drug addiction or alcohol treatment program
- * 162 - Eligible person(s) excluded - exempt from work requirements - physically or mentally unfit

- 163 - Eligible person(s) excluded - exempt from work requirements - received or applied for unemployment compensation *
- 164 - Eligible person(s) excluded - exempt from work requirements - student enrolled at least half time *
- 165 - Eligible person(s) excluded - exempt from work requirements - subject to and in compliance with TANF work requirements *

➤ **Element 163 - Voluntary Quit/Reduced Work Effort**

Nature codes:

- 016 - Head of household did not voluntarily quit *
- 017 - Voluntary quit of non-head of household *
- 096 - Policy incorrectly applied *
- 166 - Improper Sanction - entire household sanction for non-head of household voluntarily quit *
- 167 - Household member met good cause *

➤ **Element 164 - Workfare and Comparable Workfare**

Nature codes:

- 018 - Eligible person(s) disqualified *
- 096 - Policy incorrectly applied *
- 155 - Individual inappropriately sanctioned *

➤ **Element 165 - Employment Status/Job Availability**

Nature codes:

- 004 - Agency failed to follow up on known and reported impending changes *
- 018 - Eligible person(s) disqualified *
- 096 - Policy incorrectly applied *

➤ **Element 166 - Acceptance of Employment**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information *
- 018 - Eligible person(s) disqualified *
- 096 - Policy incorrectly applied *

* ➤ **Element 170 - Social Security Number**

* Nature codes:

- * 018 - Eligible person(s) disqualified
- * 020 - Good cause for failure/refusal
- * 021 - Social Security Numbers provided
- * 096 - Policy incorrectly applied

* **RESOURCES - (200)**

* **Liquid Resources**

* ➤ **Element 211 - Bank Accounts or Cash on Hand**

* Nature codes:

- * 003 - Agency failed to follow up on inconsistent or incomplete information
- * 024 - Resource should have been excluded
- * 031 - Incorrect limit applied
- * 074 - Improper denial - resource counted as income
- * 096 - Policy incorrectly applied

* ➤ **Element 212 - Nonrecurring Lump-sum Payment**

* Nature codes:

- * 003 - Agency failed to follow up on inconsistent or incomplete information
- * 004 - Agency failed to follow up on known and reported impending changes
- * 024 - Resource should have been excluded
- * 031 - Incorrect limit applied
- * 074 - Improper denial - resource counted as income
- * 096 - Policy incorrectly applied

* ➤ **Element 213 - Other Liquid Assets**

* Nature codes:

- * 003 - Agency failed to follow up on inconsistent or incomplete information
- * 004 - Agency failed to follow up on known and reported impending changes
- * 024 - Resource should have been excluded
- * 031 - Incorrect limit applied
- * 074 - Improper denial - resource counted as income
- * 096 - Policy incorrectly applied

Non-Liquid Resources

➤ **Element 221 - Real Property**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information
- 004 - Agency failed to follow up on known and reported impending changes
- 024 - Resource should have been excluded
- 027 - Used for self-employment
- 028 - Fair market value incorrect
- 029 - Equity value incorrect
- 031 - Incorrect limit applied
- 074 - Improper denial - resource counted as income
- 096 - Policy incorrectly applied

➤ **Element 222 - Vehicles**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information
- 004 - Agency failed to follow up on known and reported impending changes
- 024 - Resource should have been excluded
- 027 - Used for self-employment
- 028 - Fair market value incorrect
- 029 - Equity value incorrect
- 031 - Incorrect limit applied
- 074 - Improper denial - resource counted as income
- 096 - Policy incorrectly applied

➤ **Element 224 - Other Non-Liquid Resources**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information
- 004 - Agency failed to follow up on known and reported impending changes
- 024 - Resource should have been excluded
- 027 - Used for self-employment
- 028 - Fair market value incorrect
- 029 - Equity value incorrect
- 031 - Incorrect limit applied
- 074 - Improper denial - resource counted as income
- 096 - Policy incorrectly applied

➤ **Element 225 - Combined Resources**

Nature codes:

- 022 - Did not transfer resources
- 023 - Did not exceed limit
- 025 - Incorrectly applied resources of non-citizen sponsor
- 026 - Included resources of a non-household member
- 030 - Does not exceed prescribed limit
- 031 - Incorrect limit applied
- 096 - Policy incorrectly applied
- 097 - Resource counted as income

INCOME (300)

Earned Income

➤ **Element 311 - Wages and Salaries**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information
- 004 - Agency failed to follow up on known and reported impending changes
- 032 - Failed to consider or incorrectly considered income of an ineligible member
- 033 - Rounding used/not used or incorrectly applied
- 034 - Income from known/processed source included that should not have been
- 035 - Household unemployed
- 036 - Conversion to monthly amount not used or incorrectly applied
- 037 - Averaging not used or incorrectly applied
- 038 - MRRB household not temporarily over the limit
- 039 - Employment status changed from unemployed to employed
- 041 - Change only in amount of earnings
- 042 - Failed to consider/anticipate month with extra pay date
- 046 - Failed to consider or incorrectly considered reported information
- 096 - Policy incorrectly applied
- 168 - Improper income calculation
- 169 - Improper calculation - Income included holiday or overtime pay
- 170 - Improper calculation - Income averaged incorrectly

➤ **Element 312 - Self-Employment**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information *
- 004 - Agency failed to follow up on known and reported impending changes *
- 032 - Failed to consider or incorrectly considered income of an ineligible member *
- 033 - Rounding used/not used or incorrectly applied *
- 034 - Income from known/processed source included that should not have been *
- 035 - Household unemployed *
- 036 - Conversion to monthly amount not used or incorrectly applied *
- 037 - Averaging not used or incorrectly applied *
- 038 - MRRB household not temporarily over the limit *
- 039 - Employment status changed from unemployed to employed *
- 041 - Change only in amount of earnings *
- 042 - Failed to consider/anticipate month with extra pay date *
- 046 - Failed to consider or incorrectly considered reported information *
- 096 - Policy incorrectly applied *
- 168 - Improper income calculation *
- 170 - Improper calculation - Income averaged incorrectly *
- 171 - Income is Self-Employment income - not identified as Self-Employment *

➤ **Element 313 - Other Earned Income**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information *
- 004 - Agency failed to follow up on known and reported impending changes *
- 032 - Failed to consider or incorrectly considered income of an ineligible member *
- 033 - Rounding used/not used or incorrectly applied *
- 034 - Income from known/processed source included that should not have been *
- 035 - Household unemployed *
- 036 - Conversion to monthly amount not used or incorrectly applied *
- 037 - Averaging not used or incorrectly applied *
- 038 - MRRB household not temporarily over the limit *
- 039 - Employment status changed from unemployed to employed *
- 041 - Change only in amount of earnings *
- 046 - Failed to consider or incorrectly considered reported information *
- 096 - Policy incorrectly applied *

* **Deductions**

* **➤ Element 321 - Earned Income Deductions**

* Nature codes:

- * 043 - Deduction that should have been included was not
 * 046 - Failed to consider or incorrectly considered reported information
 * 096 - Policy incorrectly applied
 * 125 - Deduction applied to earnings after child support exclusion

* **➤ Element 323 - Dependent Care Deduction**

* Nature codes:

- * 043 - Deduction that should have been included was not
 * 046 - Failed to consider or incorrectly considered reported information
 * 096 - Policy incorrectly applied

* **Unearned Income**

* **➤ Element 331 - RSDI Benefits**

* Nature codes:

- * 003 - Agency failed to follow up on inconsistent or incomplete information
 * 004 - Agency failed to follow up on known and reported impending changes
 * 034 - Income from known/processed source included that should not have been
 * 046 - Failed to consider or incorrectly considered reported information
 * 096 - Policy incorrectly applied

* **➤ Element 332 - Veterans Benefits**

* Nature codes:

- * 003 - Agency failed to follow up on inconsistent or incomplete information
 * 004 - Agency failed to follow up on known and reported impending changes
 * 034 - Income from known/processed source included that should not have been
 * 046 - Failed to consider or incorrectly considered reported information
 * 096 - Policy incorrectly applied

➤ **Element 333 - SSI and/or State SSI Supplement**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information
- 004 - Agency failed to follow up on known and reported impending changes
- 034 - Income from known/processed source included that should not have been
- 046 - Failed to consider or incorrectly considered reported information
- 096 - Policy incorrectly applied

➤ **Element 334 - Unemployment Compensation**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information
- 004 - Agency failed to follow up on known and reported impending changes
- 034 - Income from known/processed source included that should not have been
- 046 - Failed to consider or incorrectly considered reported information
- 096 - Policy incorrectly applied

➤ **Element 335 - Worker's Compensation**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information
- 004 - Agency failed to follow up on known and reported impending changes
- 034 - Income from known/processed source included that should not have been
- 046 - Failed to consider or incorrectly considered reported information
- 096 - Policy incorrectly applied

➤ **Element 336 - Other Government Benefits**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information
- 004 - Agency failed to follow up on known and reported impending changes
- 034 - Income from known/processed source included that should not have been
- 046 - Failed to consider or incorrectly considered reported information
- 096 - Policy incorrectly applied

* ➤ **Element 342 - Contributions**

* Errors in Child Support Payments should not be recorded in this Element. See
* Element 350.

* Nature codes:

- * 003 - Agency failed to follow up on inconsistent or incomplete information
- * 004 - Agency failed to follow up on known and reported impending changes
- * 034 - Income from known/processed source included that should not have been
- * 046 - Failed to consider or incorrectly considered reported information
- * 096 - Policy incorrectly applied

* ➤ **Element 343 - Deemed Income**

* Nature codes:

- * 003 - Agency failed to follow up on inconsistent or incomplete information
- * 004 - Agency failed to follow up on known and reported impending changes
- * 034 - Income from known/processed source included that should not have been
- * 046 - Failed to consider or incorrectly considered reported information
- * 096 - Policy incorrectly applied

* ➤ **Element 344 - TANF, PA OR GA**

* Nature codes:

- * 003 - Agency failed to follow up on inconsistent or incomplete information
- * 004 - Agency failed to follow up on known and reported impending changes
- * 034 - Income from known/processed source included that should not have been
- * 046 - Failed to consider or incorrectly considered reported information
- * 096 - Policy incorrectly applied

* ➤ **Element 345 - Educational Grants/Scholarships/Loans**

* Nature codes:

- * 003 - Agency failed to follow up on inconsistent or incomplete information
- * 004 - Agency failed to follow up on known and reported impending changes
- * 034 - Income from known/processed source included that should not have been
- * 046 - Failed to consider or incorrectly considered reported information
- * 096 - Policy incorrectly applied

➤ **Element 346 - Other Unearned Income**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information
- 004 - Agency failed to follow up on known and reported impending changes
- 034 - Income from known/processed source included that should not have been
- 046 - Failed to consider or incorrectly considered reported information
- 096 - Policy incorrectly applied

➤ **Element 350 - Child Support Payments Received from Absent Parent**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information
- 004 - Agency failed to follow up on known and reported impending changes
- 034 - Income from known/processed source included that should not have been
- 046 - Failed to consider or incorrectly considered reported information
- 096 - Policy incorrectly applied
- 111 - Child support payments(s) not considered or incorrectly applied for initial month(s) of eligibility
- 112 - Retained child support payment(s) not considered or incorrectly applied
- 127 - Pass through not considered or incorrectly applied
- 170 - Improper calculation - Income averaged incorrectly

Other Deductions

➤ **Element 361 - Standard Deduction**

Nature codes:

- 043 - Deduction that should have been included was not
- 096 - Policy incorrectly applied

➤ **Element 363 - Shelter Deduction**

Nature codes:

- 043 - Deduction that should have been included was not
- 047 - Failed to consider or incorrectly considered Shelter deductions
- 051 - Incorrect amount used resulting from a change in residence
- 053 - Incorrectly prorated
- 096 - Policy incorrectly applied

- * ➤ **Element 364 - Standard Utility Allowance (SUA)**
- * Nature codes:
- * 043 - Deduction that should have been included was not
- * 048 - Failed to consider or incorrectly considered SUA deductions
- * 050 - Incorrect standard used (not as a result of a change in household size or
- * move)
- * 051 - Incorrect amount used resulting from a change in residence
- * 052 - Incorrect standard used resulting from a change in household size
- * 053 - Incorrectly prorated
- * 096 - Policy incorrectly applied

- * ➤ **Element 365 - Medical Deductions**
- * Nature codes:
- * 043 - Deduction that should have been included was not
- * 045 - Failed to consider or incorrectly considered Medical deductions
- * 096 - Policy incorrectly applied

- * ➤ **Element 366 - Child Support Payment Deduction (includes**
- * **exclusions)**
- * Nature codes:
- * 040 - Failed to consider or incorrectly considered Child Support deductions
- * (exclusions)
- * 043 - Deduction (exclusion) that should have been included was not
- * 096 - Policy incorrectly applied
- * 111 - Child support payment(s) not considered or incorrectly applied for initial
- * month(s) of eligibility

- * ➤ **Element 371 - Combined Gross Income**
- * Nature codes:
- * 030 - Does not exceed prescribed limit
- * 031 - Incorrect limit applied
- * 096 - Policy incorrectly applied

➤ **Element 372 - Combined Net Income**

Nature codes:

- 030 - Does not exceed prescribed limit
- 031 - Incorrect limit applied
- 096 - Policy incorrectly applied

Other

➤ **Element 412 - Budgeting System**

Nature codes:

- 063 - Deductions excluded that should not have been
- 064 - Household improperly participating under retrospective budgeting
- 065 - Household improperly participating under prospective budgeting
- 096 - Policy incorrectly applied
- 101 - Simplified reporting household

➤ **Element 413 - Application**

Nature codes:

- 059 - Household expedited and should have received postponed verification
- 066 - Improper denial within 30-day period for missing interview(s)
- 073 - Improper denial - failed to screen for expedited service
- 076 - Failed to provide expedited service to expedited eligible household
- 077 - Failed to issue a required Notice of Missed Interview (NOMI)
- 078 - Denial before the 30th day
- 079 - Incorrect use of allotment tables
- 081 - Late denial agency failed to process the application timely
- 082 - Improper denial for missing interview when interview never scheduled
- 096 - Policy incorrectly applied
- 117 - Failed to process the reapplication timely (recertification application)

➤ **Element 414 - Joint TANF/SNAP Processing and Reporting**

Nature codes:

- 067 - Improper termination/denial/suspension when TANF was terminated/denied
- 068 - Benefits improperly terminated due to non-submission of monthly report
- 096 - Policy incorrectly applied

➤ **Element 415 - Verification**

Nature codes:

- 003 - Agency failed to follow up on inconsistent or incomplete information
- 004 - Agency failed to follow up on known and reported impending changes
- 056 - Improper Denial/Termination - failure to provide - verification was received or was in case file
- 069 - Improper denial prior to end of timeframe for providing verification
- 080 - No application or case record information to support denial/termination/suspension
- 096 - Policy incorrectly applied
- 102 - Verification of income requested for a person not associated with current application
- 103 - Verification of resources requested for a person not associated with current application
- 105 - Verification was in case file
- 172 - Improper Denial/Termination - failure to provide - case should have been processed without the deduction
- 173 - Improper Denial/Termination - failure to provide - categorically eligible household with deemed eligibility elements
- 174 - Improper Denial/Termination - failure to provide - failed to send a request for contact
- 175 - Improper Denial/Termination - failure to provide - verification requested was for another program
- 176 - Improper Denial/Termination - failure to provide - household never notified of needed verification
- 177 - Improper Denial/Termination - failure to provide - household not given at least 10 days to provide
- 178 - Improper Denial/Termination - failure to provide - prior to the 30th day

➤ **Element 416 - Action Type**

Nature codes:

- 070 - Improper denial or termination when the case should have been suspended
- 071 - Improper suspension when the case should have been denied or terminated
- 072 - Improper termination or suspension for failure to meet reporting requirements
- 096 - Policy incorrectly applied

➤ **Element 511 - Other**

Nature codes:

- 005 - Computer programming error
- 012 - Computer user error (improper use of system or unauthorized process or work around)
- 013 - Data entry and/or coding error (includes selection of incorrect codes)
- 055 - Failure to provide verification for a period of time not associated with current application
- 084 - Information reported by a bank or financial institution contact inaccurate
- 085 - Information reported by a collateral contact inaccurate
- 086 - Information reported by an employer contact inaccurate
- 087 - Information reported by a landlord contact inaccurate
- 095 - Other public assistance case was terminated / denied
- 096 - Policy incorrectly applied
- 099 - Other. This code is to be used in situations not covered by the other existing element codes.

➤ **Element 520 - Arithmetic Computation**

Nature codes:

- 061 - Benefit/allotment/eligibility incorrectly computed
- 062 - Incorrect use of allotment tables
- 096 - Policy incorrectly applied

➤ **Element 530 - Transitional Benefits**

Nature codes:

- 075 - Eligible for transitional benefits
- 096 - Policy incorrectly applied

➤ **Element 540 - Notices**

Nature codes:

- 049 - Failed to send notice of action
- 089 - Notice did not include date of intended action
- 090 - Notice did not include rights of household
- 091 - Notice not clearly understandable
- 092 - Notice reason does not match reason for action
- 093 - Notice was not complete
- 094 - Notice was sent to wrong address
- 096 - Policy incorrectly applied

* **RESERVED**

* This section provides information for the evaluation of the action and case record.
 * This section will be completed for all cases by the State agency.

* **19. Collateral and/or Household Contact** - Enter the appropriate code
 * which reflects the decision of the reviewer to make a collateral and/or
 * household contact. The reason for contacting the collateral source or the
 * household (by telephone or a letter or in person) must be documented in
 * Section V - Narrative. The narrative must clearly address the element(s) in
 * question.

* 01 - No collateral or household contact was conducted.

* 02 - Telephone contact made to a collateral source - information in case
 * record regarding an element(s) was not clear and accurate.

* 03 - Telephone contact made to the household - information in case record
 * regarding an element(s) was not clear and accurate.

* 04 - Letter contact made to a collateral source - information in case record
 * regarding an element(s) was not clear and accurate. The reason for using
 * a letter must be documented on the FNS-245 Section V and a copy of the
 * letter included. The letter must clearly address the element(s) in
 * question.

* 05 - Letter contact made to the household - information in case record
 * regarding an element(s) was not clear and accurate. The reason for using
 * a letter must be documented on the FNS-245 Section V and a copy of the
 * letter included. The letter must clearly address the element(s) in
 * question.

* 06 - Face-to-face contact made to a collateral source - information in case
 * record regarding an element(s) was not clear and accurate.

* 07 - Face-to-face contact made to the household - information in case record
 * regarding an element(s) was not clear and accurate

* **20. Action Initiated By** - Enter the appropriate two digit code to indicate the
 * initial event that prompted the action by the State agency. This information
 * will be used for administrative purposes and possibly to direct corrective
 * action.

* 01 - Reported information from the household

* 02 - Reported information from an automated source

* 03 - Reported information from other source

* 04 - Application for assistance submitted by the household

* 05 - Interim report completed by the household

* 06 - Interim report not submitted

- 07 - Failure to provide requested information from an application *
- 08 - Failure to provide requested information from an interim report *
- 09 - Re-certification for assistance submitted by the household *
- 10 - Failure to provide requested information from a re-certification *
- 11 - Other *

OPTIONAL (FOR STATE SYSTEMS ONLY)

There is one line of spaces available for the State to code information to capture additional data as designated by the State.

SECTION V EXPLANATION OF REVIEW FINDINGS

This section will be used to document the results of the review. The reviewer must record information used to determine the validity of the action and, if necessary, information on the status of the case as of the review date. The reviewer may document a single element of eligibility or all elements, depending upon the circumstances of each case. Documentation must be sufficient to support the reviewer’s decision on the status of the case (both a valid and an invalid determination) and the identification of any variances, if the action was found to be invalid.

The narrative should contain a descriptive explanation of the circumstances from the case record regarding why the action was initiated, what information the agency used to arrive at the decision, what decision was made, and whether the notice that was issued was specific, and clearly understandable. QC findings should summarize the agreement or disagreement with the actions taken by the agency.

- The narrative should answer these questions:
- If no notice was sent, is it within the certification guidelines to not send a notice?
 - Did the action taken reflect what was known by the EW?
 - Did the EW make a mistake?
 - Did the notice reflect what the EW thought was happening?
 - Does the notice indicate what happened?
 - Is the notice clearly understandable and specific about what was happening?

APR 29 2015

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM QUALITY CONTROL POLICY MEMO

Region:	<u>ALRO</u>
Index No.:	<u>QC 15-03</u>
Provision:	<u>FNS Handbook 310</u>

Subject: Coding Changes to the FNS 380-1 Quality Control Review Schedule and the FNS-245 SNAP Case and Procedural Case Action Review Schedule

Revised Coding

The following code was added for coding of the FNS 380-1. This was made available in SNAPQCS Release 5.0 and is for Fiscal Year (FY) 2014 and beyond:

1. Item 55 SNAP Program Work Registration code “6 -Should have been registered but was not registered.”

One code was edited for coding of the FNS-245 to be consistent with coding of items with similar definitions and was made available in SNAPQCS Release 6.2 also for FY 2014 and beyond:

1. Item 14 d. Household Notice/Accuracy of Reason on Notice to Household is now “00-No notice sent to household.” Previously the code was “99.”

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

PAGE CONTROL CHART

Remove Pages	Dated	Insert Pages	Dated
C-33 thru C-34	10-01-12	C-33 thru C-34	04-29-15
D-9 thru D-10	11-14-14	D-9 thru D-10	04-29-15

QC Policy Memo 15-03
Page 2

Please contact your appropriate regional office if you have any questions regarding these instructions.

[Signed]

Ronald K. Ward
Director
Program Accountability and Administration Division

Attachments

Multiple races reported

- 18 - (Hispanic or Latino) and (American Indian or Alaska Native) and White
- 19 - (Hispanic or Latino) and Asian and White
- 20 - (Hispanic or Latino) and (Black or African American) and White
- 21 - (Hispanic or Latino) and (American Indian or Alaska Native) and (Black or African American)
- 22 - (Hispanic or Latino) and Respondent reported more than one race and does not fit into the above categories (code 18 through 21)

52. Citizenship Status - Enter the appropriate code.

- 1 - U.S. born citizen
- 2 - Naturalized Citizen
- 3 - Legal permanent resident with 40 quarters, military service, five years legal United States residency, disability, or under 18 years of age.
- 4 - Reserved
- 5 - Person admitted as refugee, granted asylum or given a stay of deportation.
- 6 - Other eligible non-citizen
- 7 - Non-citizen legally in US who does not meet one of the above codes and who is not receiving SNAP benefits but whose income and resources must be considered in determining benefits.
- 8 - Other ineligible legal non-citizen (e.g. visitor, tourist, student, diplomat)
- 9 - Undocumented non-citizen
- 10 - Non-citizen, status unknown
- 99 - Unknown

53. Educational Level - Enter highest educational level completed for each member of the household from the final QC determination:

- 0 - None
- 1 - Grade 1
- 2 - Grade 2
- 3 - Grade 3
- 4 - Grade 4
- 5 - Grade 5
- 6 - Grade 6
- 7 - Grade 7
- 8 - Grade 8
- 9 - Grade 9
- 10 - Grade 10
- 11 - Grade 11
- 12 - High school diploma or GED*
- 13 - Post secondary education (e.g. technical education or some college)
- 14 - College graduate or post-graduate degree
- 99 - Unknown

* If member attended grade 12 but did not graduate, use code 11.

54. Employment - Enter information on the current employment status of all persons based on the final QC determination.

First box: Status

- 1 - Not in labor force and not looking for work
- 2 - Unemployed and looking for work
- 3 - Active duty military
- 4 - Migrant farm laborer
- 5 - Non-migrant farm laborer
- 6 - Self-employed, farming
- 7 - Self-employed, non-farming
- 8 - Employed by other

Second box: Hours Worked

- 1 - Not employed
- 2 - 1-19 hours per week
- 3 - 20-29 hours per week
- 4 - 30-39 hours per week
- 5 - 40+ hours per week

55. SNAP Program Work Registration - Enter information on the current work registration status of all persons as known by the State agency based on the final QC determination:

- 1 - Federal exemption for disability
- 2 - Federal exemption for a reason other than disability
- 3 - Work registrant, not employment and training (E&T) participant
- 4 - Work registrant, voluntary E&T participant
- 5 - Work registrant, mandatory E&T participant
- 6 - Should have been registered but was not registered

*

56. SNAP Program Employment and Training (E&T) Program Status - Enter information on the current E&T program status of all household members as known by the State agency based on the final QC determination:

- 0 - Not participating in E&T
- 1 - Participating in non-SNAP E&T (such as TANF)
- 2 - SNAP Job search or job search training
- 3 - SNAP E&T workfare or work experience
- 4 - SNAP E&T Work supplementation
- 5 - SNAP E&T education leading to HS diploma or GED
- 6 - SNAP E&T post secondary education leading to degree or certificate
- 7 - SNAP E&T remedial education (including adult education and English lessons not leading to a degree)

(b) Notice Specific, Clear, and Understandable - Enter the appropriate code regarding the notice to the household. The notice must be specific regarding the reason for the action; the explanation of the action must be clearly understandable. This measure is not to evaluate the validity of the reason; it is to evaluate the clarity of the notice.

- 1 - Yes, the reason for the action stated on the notice is specific, the notice is clear *and* the notice is understandable for the action.
- 2 - No, either the reason for the action stated on the notice is not specific, or the notice is not clear or the notice is not understandable for the action; or any combination of the three. A detailed and thorough explanation is required in Section V.
- 3 - No notice sent to household.

(c) Reason to HH Enter the appropriate code to indicate the reason for the action as written on the notice.

- 01 - Resident of an institution not authorized by FNS
- 02 - Outside of project area or State
- 03 - Ineligible striker
- 04 - Ineligible noncitizen
- 05 - Ineligible student
- 06 - Ineligible boarder
- 07 - Missed scheduled interview(s)
- 08 - Failed to provide verification
- 09 - Refusal to cooperate
- 10 - Refusal to supply SSN
- 11 - Gross monthly income exceeds maximum allowance
- 12 - Net Monthly income exceeds maximum allowance
- 13 - Exceeds resource standard
- 14 - Transfer of resources
- 15 - Failure to comply, without good cause, with work registration/job search requirements
- 16 - Voluntary quit
- 17 - Failure to submit/complete report
- 18 - Voluntary withdrawal after certification
- 19 - Termination/denial due to TANF termination/denial
- 20 - Intentional program violation
- 21 - Termination/denial due to program disqualification
- 22 - Termination/denial of household of able bodied adult(s) whose time limited period of SNAP eligibility has expired
- 23 - Failure to comply, without good cause, with SNAP work requirements
- 24 - Eligible for zero benefits
- 25 - Failure to access EBT benefits

- 26 - Loss of contact with household
- 27 - Applicant/household deceased
- 28 - Not eligible for separate household status
- 29 - Not eligible due to status as fleeing felon, parole violation, drug conviction etc.
- 30 - Reason for denial/termination/suspension not documented
- 31 - Household received benefits in another SNAP household for same time period
- 32 - Household received benefits in another state for the same time period
- 33 - Household received tribal commodities and is not eligible to receive SNAP benefits
- 99 - Other
- 00 - No notice sent to household

(d) Accuracy of Reason on Notice to Household - Enter the appropriate code to indicate if the reason on the notice to the household was in accordance with policy and supported by the information in the case record and if the reason matches 12(a), the recorded reason for the action.

- 11 - Accurate, matches recorded reason.
- 12 - Accurate, does not match recorded reason.
- 21 - Inaccurate, matches recorded reason.
- 22 - Inaccurate, does not match recorded reason.
- 00 - No notice sent to household.

*

15. Procedural Requirements - This section must be filled out for all completed reviews.

(a) Notice of Missed Interview - NOMI

- 1 - Required and completed correctly
- 2 - Required and not completed correctly
- 3 - Not required

(b) Request for Contact

- 1 - Required and completed correctly
- 2 - Required and not completed correctly
- 3 - Not required



Food and
Nutrition
Service

OCT 29 2015

Park Office
Center

SUBJECT: Fiscal Year 2016 Quality Control Tolerance Level; §275.12(f)(2)
Quality Control Policy Memo: 16-01

3101 Park
Center Drive
Alexandria
VA 22302

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

The Supplemental Nutrition Assistance Program's Quality Control (QC) system uses a tolerance level to set the threshold for determining which errors are included in the national payment error rate calculation. Errors above the threshold are included in determining error rates. Errors below the threshold are still recorded and referred to the eligibility worker to make any necessary case corrections, but are not included in the error rate calculation

Pursuant to changes in Section 4019 of the Agricultural Act of 2014 (the Act), the Department set the QC tolerance threshold at \$37 for fiscal year (FY) 2014. The Act also requires the Food and Nutrition Service to adjust the FY 2014 tolerance level for future years by the percentage by which the Thrifty Food Plan (TFP) is adjusted under Section 3(u)(4) of the Food and Nutrition Act of 2008, as amended.

The first year the TFP based adjustment occurred was FY 2015 when it increased from \$37 to \$38. There was no change in the FY 2016 TFP from FY 2015; therefore, the tolerance threshold will remain at \$38 for FY 2016.

For FY 2016, all State agencies shall use \$38 as the QC Tolerance Level for excluding small errors. All errors, regardless of dollar amount, shall continue to be reported in accordance with existing policy. Please contact your Regional Office if you have any questions regarding the FY 2016 QC Tolerance Level.

Ronald K. Ward
Director
Program Accountability and Administration Division



JAN 20 2016

Food and
Nutrition
Service

Park Office
Center

3101 Park
Center Drive
Alexandria
VA 22302

SUBJECT: Integrity of the SNAP Quality Control System
Quality Control Policy Memo: 16-02
Preventing Bias, Misusing Error Review Committees and Third
Party Consultants, Federal Access to State Systems, and States'
Responsibility to Address Over and Under Issuances Identified by
Quality Control

TO: All SNAP State Agencies
All Regional SNAP Directors

The Supplemental Nutrition Assistance Program's (SNAP) quality control system is an integral component of FNS's responsibility to effectively administer the Program to ensure families and communities receive critical nutrition assistance while practicing strong public stewardship. As such, it is crucial that the quality control processes at the State and federal level report valid statistical results. This memorandum is intended to clarify existing regulatory and policy guidance to ensure awareness of our shared responsibility to preserve the integrity of SNAP's quality control system, based on findings from recent FNS reviews of State quality control operations. Furthermore, this memorandum establishes new procedures regarding the use of third party consultants to ensure that activities performed under contract are allowable SNAP administrative expenses.

The Review Process

The purpose of the SNAP quality control system is to determine the actual circumstances of the household and assess the accuracy of the eligibility and benefit allotment determination by State agencies. This measure is used to identify whether an improper payment occurred. To ensure the validity of the statistical reporting, it is critical that all sampled cases are reviewed using the same methodology and analysis. Following SNAP regulations at 275.14(b), States must follow the procedures outlined in the FNS 310 handbook to conduct quality control reviews. The 310 Handbook provides guidance on avoiding bias in the review process. It is the State's responsibility to establish procedures to ensure the same methodology and analysis are used to review all cases to prevent bias in its quality control system.

Quality control reviewers must verify all circumstances of the case in accordance with FNS policy and may not follow different procedures when an error is identified. Any attempt to single out error cases introduces bias into the quality control system. The following are examples of procedures that introduce bias:

- Applying second party review only to payment error cases. The purpose of the second party review is to ensure the quality control work is done correctly

following SNAP policies and procedures. Modifying State Quality Control Reviewer (SQCR) findings to offset an error or hide household circumstances from the quality control case file are against program rules. If a State elects to implement second party review procedures, the emphasis of the review should be on the accuracy of the findings, not ameliorating payment errors found during the review. All types of cases, both error and non-error cases, should be assessed as part of the second party review. Subjecting only error cases to additional scrutiny introduces bias as error cases are being treated differently from cases that were not found in error. If a State elects to implement second party review procedures, then all cases or a sample of cases must be reviewed to prevent bias. A second party review that provides additional scrutiny of cases originally found correct by the SQCR may yield errors that were not initially identified.

- Structuring SQCR performance metrics to encourage under counting errors. The State's error rate or the number of cases with payment errors discovered by State quality control should not factor into the performance rating for SQCRs. States must take precaution to ensure that performance metrics for SQCRs do not introduce bias by effectively encouraging the SQCR to under count errors. Furthermore, States may not incentivize the SQCR to find that the eligibility worker was correct in their initial determination. The objective of a SQCR is to determine the actual circumstances of the household and evaluate the accuracy of the initial determination and its applicability to the sample month based on applicable regulations and policy.
- Treating error and non-error cases differently. As noted earlier, quality control procedures do not allow error cases to be treated differently from non-error cases. Using different processes to verify household composition, income, deductions, or other information to offset or mitigate an error is not allowable. States must follow the FNS 310 Handbook and use standardized processes to determine monthly income and deductions that are consistent with Federal quality control procedures and State policy options to ensure all cases are treated the same.

Error Review Committees

The role of an error review committee is to review cases to assess trends for future corrective action planning. This process allows States to identify error trends discovered by quality control in order to implement process improvements or training to prevent future errors during the eligibility and benefit determination process. Committees operate most effectively when they include representation from quality control, policy, and technical staff responsible for eligibility systems. This allows for a variety of perspectives for how States may utilize training, process improvements, or technology to prevent future errors from occurring based on the root causes identified through the quality control process.

In order to operate in accordance with SNAP policy, the error review committee may only review individual cases for future corrective action planning after case results have been transmitted to FNS. If a State uses an error review committee or supervisory review to examine cases identified as errors in order to mitigate findings by a SQCR prior to releasing case results to FNS, then the State has introduced bias into its quality control system. All discussions of quality control findings by State staff, whether or not formal committees are established, are considered error review committee activities by FNS and are subject to this policy.

The Use of Third Party Consultants

If a State elects to procure services of a third party consultant to help assess quality control processes, provide policy training, or manage any project that involves the interpretation of FNS regulations, policies, or handbooks, the State must ensure that all activities and deliverables performed by the third party consultant adhere to Federal regulations and policy. Activities performed or deliverables provided by a third party consultant that are not in accordance with Federal regulations or policies are unallowable SNAP administrative expenses and are not eligible for federal reimbursement.

Furthermore, if a State intends to hire or already has in place an existing contract with a third party consultant to train quality control reviewers regarding SNAP regulations, policies, or handbooks to improve payment accuracy, FNS requires the following procedures:

- The State must notify FNS in writing of its intent to hire a consultant at least 30 calendar days prior to entering into a contract.
- The State must submit to FNS a copy of the contract and supporting documentation that outlines all tasks and deliverables to be performed by the vendor. This is to be provided for all new contracts prior to ratification and all existing contracts within 30 calendar days from the date of this memorandum.
- The State must submit to FNS a copy of all deliverables provided by the vendor.
- The State must notify FNS of any training sessions led by the vendor, including the date, time, and location, at least 10 days in advance of the training. FNS reserves the right to attend any training session without prior notice.
- If the State schedules conference calls or meetings with the vendor to discuss individual sampled cases, the State must document the discussion and any action taken by the State within the case file. FNS reserves the right, upon request, to participate in any conference calls, meetings, or emails between the State and the vendor where individual sampled cases are analyzed.

Copies of requested documentation and notices stipulated above may be provided via email to the FNS Regional SNAP Program Director. These procedures are effective immediately.

Federal Access to State SNAP Eligibility and Quality Control Systems

States may not restrict Federal reviewer access to State systems, certification files, or any information collected to determine the eligibility of a participant, or information maintained within the State SNAP quality control system. Additionally, States are required to provide Federal reviewers access to full certification case files and all data collected by the State to determine SNAP eligibility upon request by FNS per section 16(c)(4) and (5) of the Food and Nutrition Act of 2008, and 7 CFR 275.21. This information is necessary for Federal reviewers to conduct a thorough and independent assessment of the case results reported to FNS.

Taking Action to Address State Quality Control Findings

In accordance with 7 CFR 275.12(f), the SQCR must report all information verified to be incorrect during the review of an active case to the State agency for appropriate action to be taken by the eligibility worker. The State must establish a process to ensure that all incorrect information, variances and errors, regardless of the dollar amount, are reported and acted upon in a timely manner. This includes issuing benefits to correct any under-issuance and examining the case in the claims process to determine if a claim should be established for any over-issuance found.

If you have any questions regarding the policies enclosed with this memorandum, please contact Stephanie Proska, Quality Control Branch Chief, at 703-305-2437.



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