BEST PRACTICES

Addressing Fraud/Waste/Abuse
Program Oversight/Stewardship
Safeguarding Taxpayer Resources

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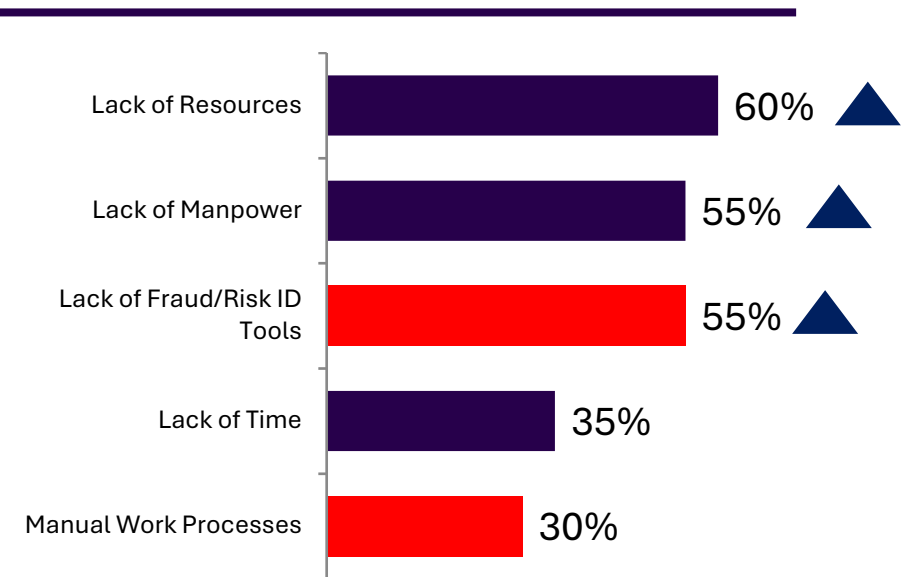
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The average percent of cases that go unworked due to lack of resources or tools is 40%. Those that meet the 95% application threshold are more likely to have fewer unworked cases.

Lack of resources, manpower and fraud/risk identification tools are top reasons for suspicious unworked cases.

% Potential Fraud Cases That Go "UNWORKED"
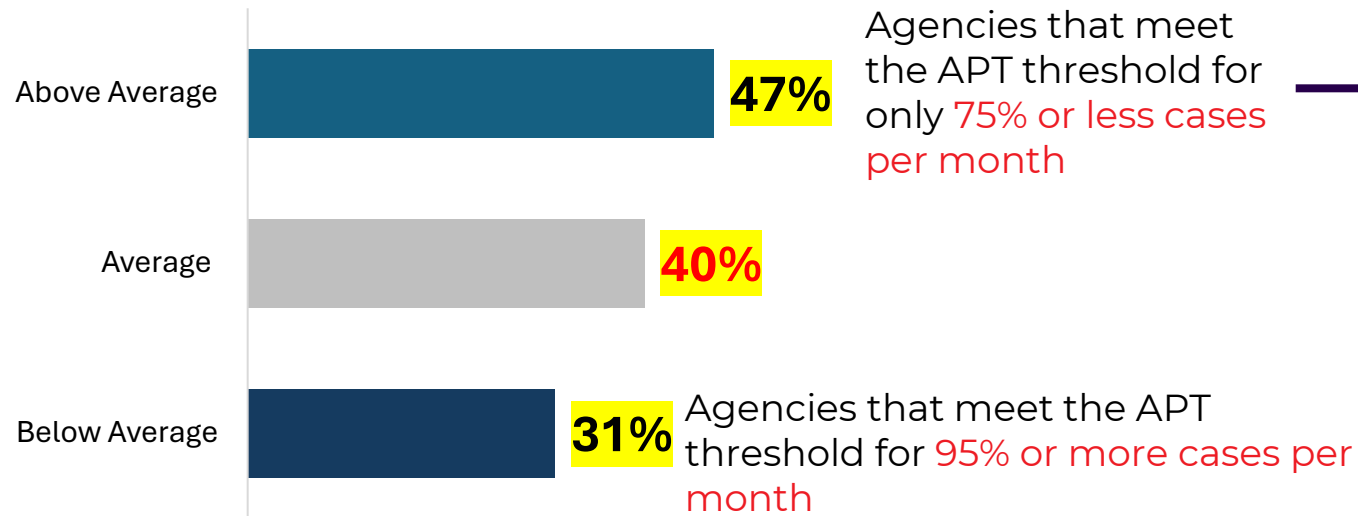
Reasons for Fraudulent Cases "Not Worked"
(Those with Above Average Not Worked Cases)

Above Average	**47%**
Average	**40%**
Below Average	**31%**

Agencies that meet the APT threshold for only 75% or less cases per month

Agencies that meet the APT threshold for 95% or more cases per month

Lack of Resources	60% ▲
Lack of Manpower	55% ▲
Lack of Fraud/Risk ID Tools	55% ▲
Lack of Time	35%
Manual Work Processes	30%

Q: In a typical month, approximately what percent of fraudulent applications are unworked/not prosecuted at your agency? This includes fraud referrals received or flagged by data analytics that cannot be worked due to lack of resources or tools.
Q: What are the key drivers that cause these cases to not be worked?

Effective fraud detection is further challenged as agencies face increased turnover and loss of institutional knowledge.

Verification of identity, asset, and income data needed for eligibility decisions are top contributors to APT delays, compounded by increased application volumes and outdated systems.

Application Processing Times

Reasons for SNAP Application Delays/Backlogs
(Those Meeting APT Threshold 75% or Less)

Participating agencies that miss the APT threshold are also less effective at preventing fraud at the frontend (63% prevented) compared to those meeting the APT requirement (75% prevented)

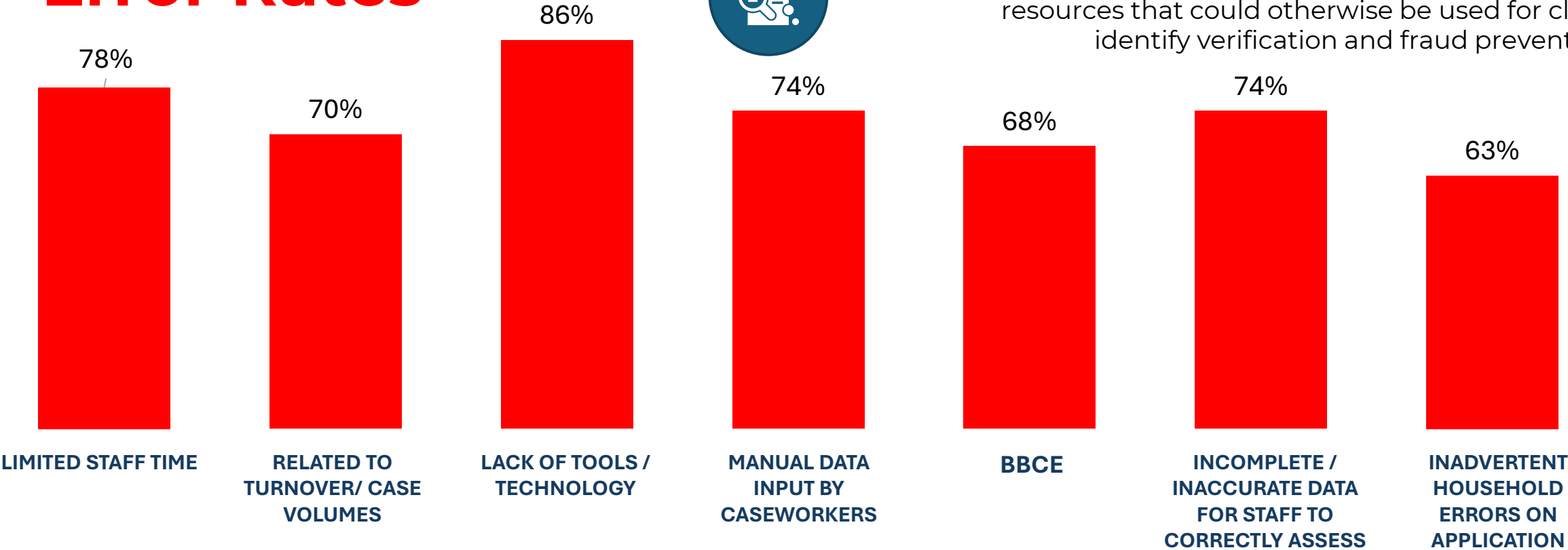| Category	Percentage
VERIFICATION OF IDENTITY	69%
VERIFY INCOME / ASSETS	71%
STAFF TURNOVER/ LOSS OF EXPERIENCED KNOWLEDGE	73%
OUTDATED ELIGIBILITY SYSTEM IMPACTING EFFICIENCY	76%
INCREASED VOLUME OF FRAUD APPS	61%
VERIFICATION OF HOUSEHOLD / ELIGIBILITY INFO	71%
APPLICATION VOLUME CAUSING BACKLOGS	82%
INCOMPLETE APPS	65%
FLAGGED APPLICATION INFO DIFFERS FROM DATA	73%

Performance Delays & Errors

Payment Error Rates

Staffing resource issues and manual inputs/processes are key drivers for higher payment error rates.

==Over half of participating agencies also point to broad-based categorical eligibility (**BBCE**)==, as well as data inadequacy that impacts case workers' ability to even recognize if/where there might be errors.

87% of agencies with higher payment error rates say that system-related issues are absorbing resources that could otherwise be used for client identify verification and fraud prevention.

78%	70%	86%	74%	68%	74%	63%
LIMITED STAFF TIME	RELATED TO TURNOVER/ CASE VOLUMES	LACK OF TOOLS / TECHNOLOGY	MANUAL DATA INPUT BY CASEWORKERS	BBCE	INCOMPLETE / INACCURATE DATA FOR STAFF TO CORRECTLY ASSESS	INADVERTENT HOUSEHOLD ERRORS ON APPLICATION

Reasons for Higher Payment Error Rates
(Those At or Above the National Average)

Best Practices

1. **Identity Authentication and Verification**
   a) On applications
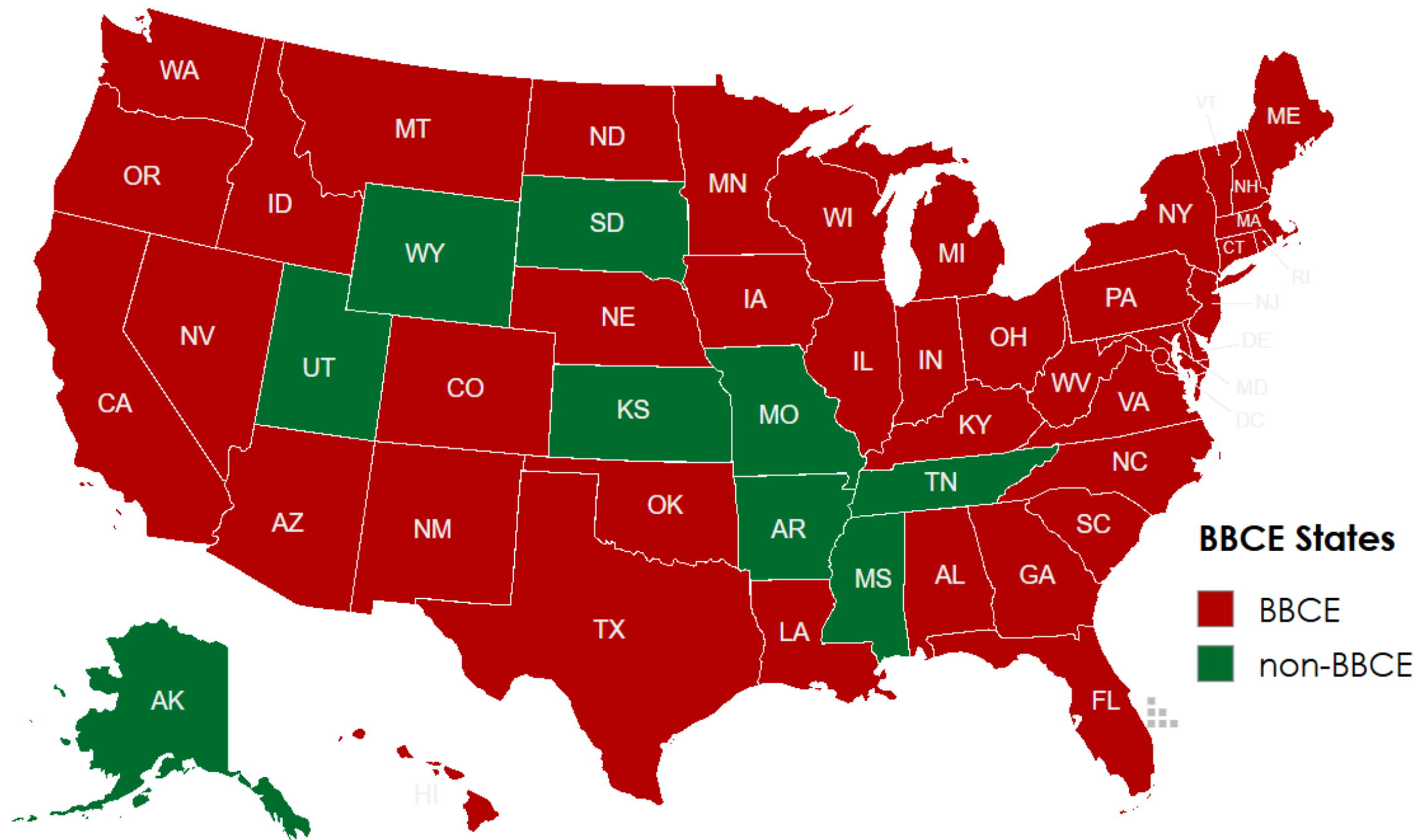   b) Client facing portals – Account creation, log-in
   c) Call-Centers
   Resource: Digital Government Hub – how does your State compare?

2. **Internal Review of State Options and Use of Waivers**
   a) Simplified Reporting
   b) Certification length
   c) **BBCE & 1634**
   Resource: FNS State Options Report

State	BBCE Status
WA	BBCE
MT	BBCE
ND	BBCE
MN	BBCE
ME	BBCE
OR	BBCE
ID	BBCE
SD	non-BBCE
WI	BBCE
NY	BBCE
NH	BBCE
MA	BBCE
WY	non-BBCE
MI	BBCE
CT	BBCE
CA	BBCE
NV	BBCE
UT	non-BBCE
CO	BBCE
NE	BBCE
IA	BBCE
PA	BBCE
RI	BBCE
NJ	BBCE
IL	BBCE
IN	BBCE
OH	BBCE
KS	non-BBCE
MO	non-BBCE
WV	BBCE
VA	BBCE
DE	BBCE
MD	BBCE
DC	BBCE
AZ	BBCE
NM	BBCE
OK	BBCE
KY	BBCE
TN	non-BBCE
NC	BBCE
AR	non-BBCE
SC	BBCE
MS	non-BBCE
AL	BBCE
GA	BBCE
TX	BBCE
LA	BBCE
FL	BBCE
AK	non-BBCE
HI	BBCE
VT	BBCE

BBCE States

- BBCE
- non-BBCE

ROI on moving to non-BBCE state option

Reduced Application Processing Volumes

~ 2.2M Fewer Households

Reduced Caseload by 10%-15% and Administrative Fees
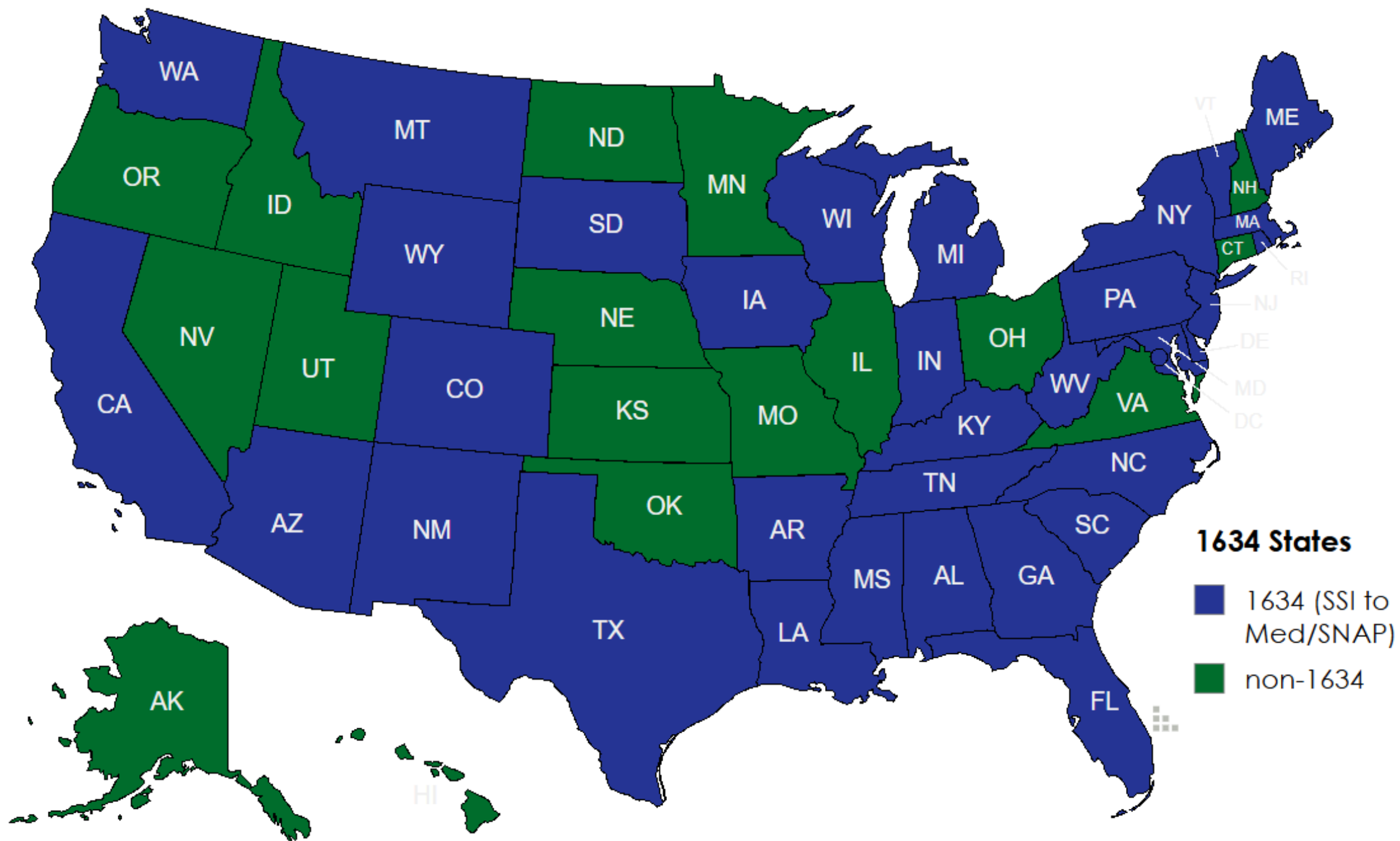
$833M - $1.25B Savings to States

Reduced Benefit Output and Error Based Fees

~$2.82B Savings to States in Benefit Issuance

Improved Public Confidence in Agency Administration

Improved Oversight, reduced Fraud/Waste

Helps Reduce Identity Fraud

1634 States

- ■ 1634 (SSI to Med/SNAP)
- ■ non-1634

Addressing 1634 State Option

- SSA accepts self-attestation/client-statement in SSI applications
- Confers automatic Medicaid eligibility, and if BBCE, SNAP (2 yrs)
- SSA is NOT conducting redeterminations at 6 month

Net result: Higher costs for states in Medicaid, SNAP

Best Practice if maintaining 1634 status:

- Verify liquid assets on all SSA approved applications sent to State
- Conduct ex-parte reviews at 6 months
  - Income, Assets, Residency, Deceased, Incarcerated, Dual Enrollment

Best Practices

3. **Know Your Applicant – Review of Enrollment Population**
   3. **Full population analysis:** Deceased, Dual Participation, Residency, Incarceration, Assets,
   4. Dedicated team to address issues
   5. Ask: Do your internal Agency policies/Options/Waivers contribute to issues or artificially grow rolls?

4. **Duplicate Participation Checks & Data Sharing**
   a) Prevent dual enrollment in Program
   b) Intra-State (internal) sharing (with Medicaid, Child Care, Early Learning, etc) – matching results require another look?
   c) Inter-State matching – Which system are you using? PARIS? Mississippi NAC? GSA18F NAC?
   d) Recovery/Enforcement (Recovering Medicaid capitation rates from providers, Recipients. SNAP dual enrollment carries a 10-year program DQ)

Best Practices

5. Use Self-Attestation only when data verifications fail
 (Trust But Verify vs Honor System)

   a) Review internal policies on what you accept self-attestation without attempting verification?

   b) What current contracts can you utilize now to address self-attestation?

6. Income/Asset verifications (Waterfall verifications for cost savings)

   a) Traditional Income: Work Number, Experian Verify, InVerify, ADP

   b) Consent-Based Income: SteadyIQ, Argyle, Truework, Plaid, Truv

   c) Asset Verification: Accuity

Best Practices

ASSETS:

Self-Attestation
Self-Certification
Client **S**tatement

Food Assistance	Cash Assistance	Family-Related Medicaid	SSI-Related Medicaid	RAP
N/A unless the household contains a disqualified member. If disqualified member, **CS** unless within $100 of asset limit or questionable.	**CS** unless within $100 of asset limit or questionable.	N/A	Applications and Renewals – Non ICP/Waiver Cases = Accept **CS** unless within $100 of asset limit or questionable. **CS** for first vehicle and those over 7 years old. Applications ICP / Waiver / Hospice / PACE = **Verify** ALL assets other than first vehicle and those over 7 years old unless SSI recipient (no verification required) Renewals ICP / Waiver / Hospice / PACE = Accept **CS** unless within $100 of asset limit/ questionable. **Verify** assets over limit transferred to community spouse's name if applicable.	RCA = **CS** unless within $100 of asset limit or questionable. RMA = N/A

7. **Submit Annual SNAP Grants**
    7. SNAP Fraud Framework ($750K per state, $5M total available)
    8. Process & Technology Improvement ($5M total available)

Best Practices

8. **Geographic Restrictions on EBT usage**
   a) FNS Waiver to in-state usage only, allow clients to opt-out
   b) Check with EBT vendor to restrict to border states/counties

9. **Document Authentication** (photoshopped ID cards, etc)
   a) If you allow clients to upload documents, are you authenticating them?
   b) IDs, DLs, Passports – LexisNexis, Jumio, AU10TIX

10. **Defense Against Bot Attacks – Transnational Applications**
    a) Prohibit bot submitted balance inquiries, log-ins, applications
    b) Block international IP addresses
    c) Require EBT vendor to block bot traffic

QUESTIONS

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