

THE EVOLUTION OF SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM MODERNIZATION INITIATIVES IN FIVE STATES - SUMMARY

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Background

In response to rising caseloads and limited resources, States have sought to reduce administrative costs while maintaining or increasing access to the Supplemental Nutrition Assistance Program (SNAP). The changes States have made are commonly referred to as modernization, not privatization. Modernization decisions are influenced by a variety of factors that vary by State. This report presents in-depth case studies in five States with modernization initiatives in place between July 2000 and February 2012 to describe their experiences, assess potential impacts, and identify key lessons learned.

Methods

Five States – Florida, Georgia, Massachusetts, Utah, and Washington – participated in the study. These States represent four Food and Nutrition Service (FNS) regions and include a mixture of sizes, in terms of geography, population, and SNAP participation. The set of States also covers some variation in the number and maturity of initiatives they implemented. The case studies are based on in-person interviews, onsite observations, and existing data in each State.

Findings

Each State implemented modernization initiatives in four categories: (1) restructuring administrative functions, (2) expanding uses of technology, (3) simplifying policy, and (4) partnering with other organizations.

- **Restructuring Administrative Functions:** All five States changed their administrative staffing structures. These changes typically centralized some administrative functions

and increased the specialization of staff in local offices.

- **Expanding Uses of Technology:** The most common technological enhancement was the development of online tools for client access. Interactive voice response (IVR) systems enabled clients to complete some tasks by telephone without speaking to an agent. Document imaging and electronic case records, while somewhat less common, were seen as critical in some States.
- **Simplifying Policy:** Policy changes designed to reduce barriers to access, burden on staff, and error rates include waivers of the face-to-face interview requirement and simplified eligibility requirements, including expanded categorical eligibility. While the specific policy changes varied considerably by State, simplification eased the eligibility process for both clients and staff.
- **Partnerships:** Modernization was more likely to change the variety of supports that States provided to their community-based partners, rather than the roles played by community organizations. Supports ranged from monetary or in-kind compensation to training and information.

Performance Measures

- **Access:** The modernization process has altered how clients interact with SNAP by shifting the focus away from local offices as the sole or primary point for obtaining information and assistance. Large and growing numbers of households in the five States took advantage of alternative means of accessing services, most commonly online applications and accounts, call centers, and partnership networks.

The number of households receiving SNAP benefits increased in all five States since they began to modernize SNAP operations. Most of this increase occurred after the onset of the economic downturn in 2008. The impact of modernization cannot easily be disentangled from the effects of the recession. However, the rise in caseloads at least suggests that modernization did not trigger major disruptions in SNAP access.

- **Application Timeliness:** Trends in the amount of time between application submission and eligibility determination were more likely due to patterns in the numbers of applications submitted – and the lack of commensurate changes in the number of staff to process them – rather than any modernization initiative.
- **Application Approval Rates:** Overall, application approval rates showed no clear pattern across the five States, but did vary by submission method. Approval rates were lower for applications submitted online in two of the three States for which administrative data on method of application were available.
- **Error Rates:** There was no clear evidence of impacts on error rates. Specialization could potentially increase staff expertise, thus reduce errors. Additionally, policy simplifications might have reduced the opportunities for staff to make errors.
- **Administrative Costs:** Average monthly administrative costs per case declined in all five States, and nationwide, from 2001 to

2011. Certification costs were by far the single largest component cost category, accounting for between 59 and 82 percent (across years and States) of the States' share of all administrative costs.

Summary

The experiences of the five case study States can provide informative lessons for other states to consider in planning and implementing their own SNAP modernization initiatives. The challenges encountered can provide advance warning of potential pitfalls other states should prepare for – and perhaps identify ways to avoid them. Successes attained might suggest paths to follow.

The changes made by the States appear to have been effective at improving efficiency without reducing program access or increasing payment errors. However, they were not without pitfalls.

Beyond the challenges and successes, several cross-cutting lessons emerged: (1) modernization is a fluid, evolutionary process, (2) the sequence of initiatives matters, (3) consistency must be balanced with flexibility, and (4) modernization might be harder when caseloads are increasing.

For More Information

Hulsey, Lara, Kevin Conway, Andrew Gothro, Rebecca Kleinman, Megan Reilly, Scott Cody, and Emily Sama-Miller. *The Evolution of SNAP Modernization Initiatives in Five States*. Prepared by Mathematica Policy Research for the U.S. Department of Agriculture, Food and Nutrition Service. March 2013. Available online at www.fns.usda.gov/research-and-analysis.

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