



Food and
Nutrition
Service

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Park Office
Center

SUBJECT: Quality Control Errors and the Establishment of Claims - Clarification

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Alexandria
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TO: Regional Directors
All Regions
Supplemental Nutrition Assistance Program

This memorandum addresses recent questions about our April 15, 2014, memorandum relating to quality control errors and the establishment of claims against Supplemental Nutrition Assistance Program (SNAP) households.

The purpose of that memorandum was to retract a June 28, 2012, e-mail concerning how States were to handle over issuance errors discovered as the result of a quality control review. Our April 15, 2014, memorandum requires that all quality control errors, regardless of the quality control error threshold, are to be referred to a state's claims unit or local office for a determination as to whether an overpayment claim should be established. Our memorandum does not require the establishment of an overpayment claim against a household where the proper application of SNAP certification policy would result in no overpayment against the household. Rather, quality control over issuance errors referred to a claims unit must be evaluated against appropriate SNAP policy and a claim established, if appropriate, according to 7 CFR 273.18, regarding claims against households.

Some states have suggested that they would prefer that for claims at or below the quality control error rate threshold, state quality control should do a Comp II (see Section 622 of FNS Handbook 310) to determine if the claim should be referred. While this can be a way to determine if a quality control over issuance error exists, it should not be used to determine the amount of the overpayment claim. The calculation of a claim overpayment at 7 CFR 273.18(c) specifies a calculation methodology that in some instances will differ from the methodology used by quality control. To reiterate, the requirement is that quality control must refer over issuance errors, regardless of the quality control tolerance threshold, to a state's claims unit for evaluation as to whether an overpayment does in fact exist. Should an overpayment exist, the state must establish and collect on that overpayment without regard to its claims threshold as provided for at 7 CFR 273.18(e)(2).

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Should you have any questions, please feel free to contact Patrick Lucrezio at Patrick.Lucrezio@fns.usda.gov.

Sincerely,

A handwritten signature in black ink that reads "Ronald K. Ward". The signature is written in a cursive, slightly slanted style.

Ronald K. Ward
Director
Program Accountability and Administration Division