

August 1, 2005

FOOD STAMP PROGRAM QUALITY CONTROL POLICY MEMO

Region:	<u>ALRO</u>
Index No.:	<u>QC-05-01</u>
Provision:	<u>Handbook 310</u> <u>Section 154</u>

Subject: Integrity of the Quality Control Review Process

The Food and Nutrition Service (FNS) and State agencies share a common goal to improve payment accuracy. However, attempts to achieve this goal must not compromise the objective nature of the food stamp quality control (QC) process. The specific purpose of QC is to obtain an accurate measure of error rates. A State agency administering the Food Stamp Program is responsible for insuring that its QC sample and reviews remain free from unacceptable bias. If a State or local agency treats QC sampled cases differently from non-sampled cases or treats certain sampled QC cases differently from other QC sampled cases, the review results will not mirror the overall level of accuracy of a caseload. It does not matter whether such actions are intentional or unintentional. It is a form of bias and may compromise the QC sample.

FNS is responsible for overseeing the QC system and providing guidance to State agencies on designing and administering review systems. Without consistent, unbiased standards for sampling and reviewing cases, the integrity of the system would be compromised. Under such circumstances, if a State agency's error rate becomes questionable due to the introduction of unacceptable bias, FNS has the authority to assign an error rate to a State agency. This action may also result in a suspension or disallowance of Federal funding.

The following types of actions represent examples of activities that produce an unacceptable bias in the QC system:

1. The State or local agency adding documentation to, or removing documentation from, the official record of a sampled case.
2. An eligibility or certification worker contacting a QC sampled household or collateral contact to obtain additional information in an attempt to clarify the household's circumstances, get statements that would alter the findings of the QC reviewer, or coerce the household into saying or doing anything that might misrepresent the household's circumstances. A local office may request that QC reexamine some aspect of the case, but QC makes the decision on the case based on QC policy and practices.
3. A QC reviewer contacting the eligibility or certification worker responsible for administering the case selected for QC review. This also includes contacting any eligibility or certification staff who participated in the certification action under review. An exception is made for a situation where the QC reviewer needs assistance from a local office to locate, or gain the cooperation of the household. In such situations, contact must

be strictly limited to locating the household or gaining its cooperation with the QC reviewer.

4. The State or local agency asking or coercing a household to engage in any activity (such as not participating in the QC sample month) for the ultimate purpose of gaining a desired case disposition or finding in a QC review.
5. The State or local agency reducing a household's allotment for the sample month because of an apparent overpayment in a sampled case.
6. Once the sample has been pulled, local offices should not review the cases, make changes that would affect the eligibility or benefits for the cases, or contact the household or a collateral contact prior to the QC review being conducted in order to make any changes to the case. This does not apply to routine case management changes such as filing household reports, acting on reported changes, issuing notices of expiration, or conducting recertification interviews. Normal case management activities should not be initiated or undertaken at an accelerated pace in order to affect the cases under review.

In addition, questions have arisen on the appropriateness of some activities undertaken by error review committees. The error review committee's role is primarily one of reviewing cases to assess for future corrective action planning, not to review individual error cases to assess the potential for reducing or eliminating errors in a sampled individual case. Error review committees should incorporate and maintain procedures that minimize the likelihood of unacceptable bias being introduced into the QC review process. Attached is a document recently released by FNS as one of the ten keys to payment accuracy that, in addition to outlining the effectiveness of the committees, includes a discussion on inappropriate local office involvement in this process.

Thank you for your attention to this important matter. We know that States share our commitment to a fair and unbiased QC system. If you have any questions or concerns on this issue, I urge you to contact your appropriate FNS regional office.

/s/

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Attachment

Error Review Committees

An Error Review Committee is a cost effective management tool a State can use to monitor payment accuracy, enhance accountability, and demonstrate to eligibility staff the importance senior management places on payment accuracy. Error Review Committees take on slightly different forms and have different names in many States, such as Finding Review Committee. Typically, Error Review Committees consist of representatives from various stakeholders within the State agency, such as quality control, policy, corrective action, systems, training, and field operations. The Committees generally meet twice a month to discuss quality control findings, review error prone elements, application of policy, and corrective action plans at the State and local level.

Error Review Committees have been found to be most effective when:

- The members are senior staff, who sees first hand the type of errors being made on a recurring basis.
- Both active and negative error cases are reviewed by the Committee.
- Eligibility workers and supervisors are usually required to participate in Committee meetings, either in person or by phone, when a case they are responsible for is found by quality control to be in error. If an eligibility worker and their supervisor disagree with QC's findings, they should discuss their position with State policy experts before the Error Review Committee formally meets and they have the right to appeal a Committee decision directly to the State Food Stamp Director. Eligibility workers participate to point out circumstances and paperwork that they are familiar with, this is not the time to provide documentation that they should have previously provided that would impact the results of the review of the case. Eligibility worker participation can result in their understanding the importance of payment accuracy. Furthermore, eligibility worker input can contribute in developing corrective action to prevent the reoccurrence of the problems which were the cause of the errors.
- The State agency requires the office responsible for the error to prepare a Corrective Action Plan (CAP) after the Committee review is final. The CAP details specific actions the office will take to correct the root cause of the problem and prevent it from reoccurring, as well as an implementation timeline.
- The Committee makes recommendations for State and County level corrective actions based on the root causes and error trends they have identified through the error review process.
- State leadership holds staff accountable for their performance.

Care should be taken in the administration of error review committees that no actions are taken

which could be perceived to bias the Quality Control work. No actions should be taken to treat the cases selected for QC review differently than any other cases. No additional contacts should be made with clients relative to the treatment of the sample month. Any follow up work that is needed because of circumstances not adequately explored during the QC review must be done by QC staff.

Below are some results States with Error Review Committees have experienced:

- ❖ Better working relationships and improved communication with an increased understanding of the quality control review process (including knowledge of the FNS 310) among the divisions that are represented in the Error Review Committee.
- ❖ Clear commitment to improving payment accuracy demonstrated to staff by all levels of the agency.
- ❖ Improved payment error rates and negative error rates.
- ❖ Recommendations from the Error Review Committee for performance awards based on sustained performance.