



September 15, 2004

**United States  
Department of  
Agriculture**

**Food Stamp Program Regional Letter 04-41**

Food and  
Nutrition  
Service

**SUBJECT: Exclusion of Quality Control Errors for Certain Cases  
Certified Under the Combined Application Project  
Demonstrations**

Northeast Region

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At this time, this Regional Letter only pertains to New York and Massachusetts, who are or will be operating a Combined Application Project.

The purpose of this letter is to advise you of changes the Food and Nutrition Service (FNS) is making to the Quality Control (QC) review procedures used in cases certified for participation in the Combined Application Project (CAP) demonstration. Effective October 1, 2004, certain errors will be excluded when the State certifies an ineligible individual for participation in the project based on the household's incorrect statement of separate status. The FNS believes that it is appropriate to gather information about these types of mistakes for the evaluation process rather than to hold States accountable during the testing phase of the CAP demonstration. Once we have enough information from the evaluations, we will determine what, if any, changes we may need to make in the design of these projects and if the exclusion is still appropriate.

A critical component of CAP demonstrations is outreach to individuals who are not receiving food stamps. During this phase, the State sends a shortened food stamp application form to single-person households who are receiving Supplemental Security Income (SSI) but not participating in the Food Stamp Program (FSP). The form asks whether the individual lives alone or purchases and prepares food separately from other individuals. In most cases, the individual is certified for participation based on the information provided in the application without any interview. If the individual declares separate household status and meets other criteria, the individual is certified for the project. If the individual does not purchase and prepare food separately from others, the individual is not included in the project.

To identify potential single-person households, the State relies on a classification code used by the Social Security Administration (SSA) to identify living arrangement for purposes of SSI payments. For all projects except Texas', participation is limited to households coded by SSA as living arrangement "A" – individuals who live alone or who live

with others but pay their fair share of housing and food costs. Individuals may have a code "A" living arrangement for SSI purposes but are not considered single-person households for food stamp purposes such as a household consisting of a husband and wife.

One State in the process of implementing a CAP has raised a concern that use of the shortened application form without an interview may lead to errors resulting from individuals not fully understanding what it means to "purchase and prepare food" separately from others. The FNS understands and agrees that it is difficult to fully explain how individuals qualify for separate status on a short application form because there are so many exceptions. For example, certain groups of individuals must be considered a single household even if the members do purchase and prepare food separately from others. While this explanation is covered during the interview process for applicants under the regular FSP, CAP participants brought into the program through outreach efforts are certified without an interview. We believe the State's concerns are valid and are revising QC procedures accordingly.

#### **CURRENT QC PROCEDURES**

Current QC procedures for the CAP demonstration require that the reviewer first determine if the participant is eligible to be included in the project. If that individual is correctly participating, the reviewer will then determine the correct benefit amount using the CAP rules. If the individual should not be participating in CAP, the reviewer will determine the correct benefit level using the rules of the regular FSP. Since the project is limited to single-person households (except in Texas), households found by QC to have more than one person at the time the household is certified are considered to be incorrectly participating and are reviewed according to regular FSP rules.

#### **QC PROCEDURES EFFECTIVE OCTOBER 1, 2004**

For CAP cases with a review date of October 1, 2004 or later, the QC reviewer will consider the case correctly classified for participation in CAP and review the allotment amount according to CAP rules so long as the household has been classified by SSA as a code "A" living arrangement and the individual declares on the application to either live alone or purchase and prepare food separately from others. Although the reviewer will consider the case correctly classified for purposes of completing the final QC review determination, the reviewer will have to determine whether the household was correctly certified as a 1-person household and exclude the appropriate variances.

**The exclusion applies only to:**

- **Households certified for project participation through mail-in applications without a face-to-face interview.** Households already receiving food stamps who are converted to the project are not covered under this exclusion because the State has already conducted an interview with the individual and explained the rules concerning household status. In addition, households certified for project participation at the local office rather than through mail-in applications are also not covered under this exclusion because the eligibility worker can explain program requirements when the household is certified.
- **Errors resulting from incorrect reporting by the household regarding living arrangements or separate purchasing and preparing of food until the household are recertified with a face-to face interview.** Errors resulting from the household incorrectly reporting other elements of eligibility such as incorrect expenses are not excluded because an interview is not needed to explain other information being requested (i.e., how much is your rent or mortgage payment).
- **All projects except Texas.** In the Texas Simplified Nutritional Assistance Program (SNAP) demonstration, participation is not limited to "A" households or to single-person households. Consequently, errors are not cited for incorrect household composition.

If you have further questions, please contact Janice Marshall at (617) 565-5679.

Sincerely,



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Northeast Region