

Minnesota, Department of Human Services

Review of 366B – Proposed Changes to Data Requirements

Section E. Fraud Investigations &

F. Administrative Disqualification Hearing

Overview of Concerns

In general the proposed reporting requirements in Section E. Fraud Investigations, are sometimes cumbersome, difficult to understand, and easily misinterpreted.

A) The request for the number of open investigations does not specify whether to include open cases from previous years or if just cases opened during the reporting period.

B) IHE (Inadvertent Household Error) is a new data reporting requirement. IHE is not tracked unless a claim is established, thus ruling out the ability to report data on cases where no claims are established. IHE is also subjective depending upon the determining person's viewpoint, therefore is of questionable value, while the useful results of all completed investigations which are tracked, are completely omitted as a reporting element. As the instructions stand, E (a + b + c) would not account for all cases.

C) Attempting to report costs spent specifically on SNAP investigations is also of great concern. The large majority of recipient fraud cases include multiple benefits of cash, health care and child care benefits as well as SNAP. When an investigator is collecting evidence to verify income, jobs, or household composition, they are investigating for all benefits received by the household. Requiring the States to dissect how much of an investigator's time in a multi benefit case is devoted to SNAP is not feasible. States would be forced to make a guess with a time consuming burden attached.

There is overall concern for the burden of time spent on the collecting and reporting the additional data elements. Time spent on data reporting has become overwhelming to supervisors, investigators, eligibility workers, and administrative staff. Valuable investigative time is being lost to more and more complex data reporting. This is placing a great burden on the States as some of the data requested is unavailable, not accessible, or has to be collected manually. Please consider the benefits of the data collected vs the loss of time, energy and money spent tracking and collecting the data.

Section E. Fraud Investigations

1) **In the description of Section E. Fraud Investigations it refers to the activity of the "State's fraud control unit (or similar State or Federal investigative entity)".** Several States, including Minnesota, do not have a State or Federal fraud control entity that investigates recipient fraud directly. Minnesota's SNAP program is state supervised, county administered. The state division responsible for oversight of all recipient benefit investigations has NO dedicated SNAP staff or resources. The 87 counties in

Minnesota are responsible for conducting the fraud investigations related to all recipient benefits including SNAP. Investigative data is collected from the individual counties.

2) **In the description of Section E. it states that “Routine verification of information obtained through a data match at certification or recertification is not considered an investigation”.** You may intend this last sentence to refer to eligibility workers’ matching activity. This statement is easily misinterpreted as some cases are referred to investigation during certification or recertification when a data match is identified that indicates that the person has possibly intentionally deceived the eligibility worker to obtain benefits.

3) **In Section E. 1(b), 2(b) it asks for numbers of completed investigations not referred for ADH or PROSECUTION: No IHE (Inadvertent household error) established.** It asks specifically for the following:

(b). Enter the number of individuals for which an investigation was completed and there was not sufficient documentary evidence of an IPV to pursue a disqualification, AND there was no cause to adjust the household benefit amount OR collect a claim due to an IHE. In addition it further states that: Investigations no longer pursued because the individual is deceased or has voluntarily left the Program must be counted in this box UNLESS an IHE was actually established OR the individual was actually referred for disqualification.

Introducing the IHE as a data component into the new form obstructs collection of solid reliable data. Individual details such as IHE are not specifically tracked. IHE is highly subjective as it is dependent on the interpretation of the individual making the determination.

An IHE is assigned in data collection in the claims section where when setting up a claim it gives a choice of “inadvertent”. In Section E. 1(b), 2(b) it is asking for cases where there are NO claims. Such information is not tracked in any system. Data related to IHE is not available unless a claim is established and there is no ability to provide an answer to this question in either the eligibility or trafficking category related to SNAP.

The statement - No IHE (Inadvertent household error) established should be removed and the question should be simplified as follows: Enter the number of individuals for which an investigation was completed and an ADH or Prosecution was not pursued where there was no cause for change in household benefit or a claims collection. (Completed investigations resulting in no ADH, Prosecution, change in benefit or collection action). This would still give a good picture of cases where there was no action without attempting to select unsound data such as IHE.

4) **In Section E. 1(c), 2(c) it asks for Completed, Not Referred for ADH or Prosecution; IHE Established.** It asks specifically for the following:

(c). Completed, Not Referred for ADH or Prosecution: IHE Established – Enter the number of individuals for which an investigation was completed and there was not sufficient documentary evidence of an IPV to pursue a disqualification, but there was cause to establish a claim and or reduce the household benefits due to an IHE.

The statement - IHE (Inadvertent household error) established should be removed and the question should be simplified as follows: Completed, Not Referred for ADH or Prosecution. Enter the number of individuals for which an investigation was completed and there was not sufficient documentary evidence of an IPV to pursue a disqualification, but there was cause to establish a claim and or reduce the household benefits.

Simplifying the question provides trackable solid data once the subjective IHE requirement is removed. If the IHE component remains the data tracked is subjective, weak, and unrelated to investigative outcome or action.

5) Section E. 1(d), 2(d) asks for Completed, Not Referred for ADH or Prosecution: IHE \$ - For each individual counted in box E(c) 1 determine the dollar value of the reduction in monthly benefits due to the IHE benefit adjustment and multiply it by the number of months in the individual's total certification period during which the IHE adjustment was established. It further states: (This value represents both the potential claim and future savings).

Question: In this instance, box E1(c) is only mentioned. It does not address box E 2(c). Is that to be left blank?

As discussed there is no capability to provide the data requested in E 1(c), E 2(c)-as stated above in relationship to IHE. The IHE (Inadvertent household error) component should be removed.

Even if we were able to provide this data there is no system capability to determine this type of benefit adjustment and calculation on each individual case. We are able to provide the overall potential claim and a one month account of the future savings on cases Completed, Not Referred for ADH or Prosecution.

E 1(c), E 2(c) could be simplified by stating: The cost savings/overpayment pertaining to each individual investigated but not referred for ADH or Prosecution. List the potential claim amount and a one month account of the future savings on cases Completed, Not Referred for ADH or Prosecution. This simplification would provide sound trackable data.

6) In Section E. 1(e), 2(e) it asks for Open Investigations – Enter the number of individuals currently under active investigation at the end of this report period.

The instructions need to specify if the investigations referred to as “Open” should be from the reporting period only or whether they could include open investigations from prior years.

7) In Section E. 1(f), 2(f) it asks for Average # of Days per investigation as follows: For completed investigations only, sum the number of days from the day of the individual's referral for investigation to the day the investigation was completed. Investigations no longer pursued because the individual is deceased or has voluntarily left the Program are considered completed on the day benefits cease to be paid for that individual.

Investigations are tracked from day of the referral to the day of completion by the investigators. Individual SNAP case data such as the date of benefit cessation of investigated persons

who are deceased or who voluntarily leave a program are not individually tracked by the investigator. As mentioned before, the large majority of cases involve multiple benefits and investigators do not have the capability to distinguish SNAP in individual cases related to death benefit cessation or voluntary cessation.

This question should be simplified to state: For completed investigations only, enter the sum of the number of days from the day of the individual's referral for investigation to the day the investigation was completed. This would provide a clear picture of the investigators work product in terms of turn-around time on investigations.

8) In Section E. (g), (h) it asks for Investigation Costs and Investigation FTE specifically related to Section E investigations.

Investigations of recipients receiving public benefits are not conducted separately for each benefit. A recipient's household is investigated as a single case looking at all benefits that may be affected by the issues of income, household composition, etc. Requiring an investigator to separate and track actual investigative time spent specifically on SNAP is not feasible. The state would lose significant investigative hours and produce a highly inaccurate guess.

F. Administrative Disqualification Hearing

The data elements are provided by the Division that administers the Administrative Disqualification Hearings. Row F item (f) Cost Savings, is not feasible to produce by the hearing judges.

If there are questions regarding Minnesota's comments, please contact Vicki Kunerth at (651) 431-2618 or Vicki.Kunerth@state.mn.us