



STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov



EDMUND G. BROWN JR.
GOVERNOR

September 4, 2015

Ms. Jane Duffield, Chief
State Administration Branch
Program Accountability and Administration Division
Food and Nutrition Service
3101 Parke Center Drive, Room 818
Alexandria, VA 22302

Dear Ms. Duffield:

This is in response to the Food and Nutrition Service (FNS) Request for Information: Supplemental Nutrition Assistance Program Revision of the Program and Budget Summary Statement Part B-Program Activity Statement (FNS 366B). The California Department of Social Services (CDSS) response to your request for comments to the proposed FNS 366B revision is enclosed.

The CDSS recognizes that some of its and other states' suggestions in response to the January 2015 Request for Information were adopted for the revised FNS 366B. CDSS also recognizes that the 366B instructions include more specific detail regarding the information that should be provided for the data elements. CDSS is requesting that FNS consider additional revisions to the FNS 366B. These recommended revisions are included in the enclosed comments.

CDSS appreciates the opportunity to provide input to the development of the revised FNS 366B. We hope that a revised report ultimately assists in an enhanced ability to monitor program integrity performance and identify best practices among the states. If you have any questions regarding the CDSS' recommendations, please contact me at (916) 653-1828 or sabrina.sassman@dss.ca.gov.

Sincerely,

SABRINA SASSMAN
Bureau Chief
Welfare Fraud Bureau

Enclosure

California Department of Social Services
Comments on Federal Register
FNS-366B

August 2015

1. CDSS supports the inclusion of the "Completed, Not Referred for ADH or Prosecution" outcome columns. Inclusion of cases that are discontinued, benefits reduced, and/or restitution action takes into account case actions where sufficient evidence to prove intent does not exist. This presents a fuller picture of investigation outcomes.
2. CDSS recognizes that its recommendation regarding a single line for trafficking in has been accepted in the current version of the FNS 366B. CDSS still recommends that cell numbers be added to each data element for ease in identifying/labeling the data in its databases and to promote better communication when discussing the data with federal, state and county staff.
3. We support establishment a national methodology to quantify cost avoidance resulting from investigations included in the instructions. The estimation of IHE dollars in the investigation section instruction may need an example for purpose of clarity.
4. We do have an objection to Fraud Investigations section columns (f), (g), and (h). Results of completed investigations currently reported back to the State are not tied to a specific referral. Therefore, we do not capture data from the counties regarding the time it takes from a referral for investigation until the final outcome/disposition of the investigation. At this time California also does not capture investigation time and costs for each of its 58 counties.
5. CDSS support inclusion of a uniform definition of an investigation for all states to use in order to ensure uniformity. CDSS maintains there is value in separating pre-certification and post-certification investigations, however. We believe that program integrity efforts that prevent benefits from being issued at application are some of our most cost effective initiatives to protect SNAP. We view our efforts to detect and collect overpayments and pursue intentional program violations, including prosecution for criminal offenses essential elements of preserving integrity in the SNAP. Therefore, we recommend that this distinction be maintained.
6. The proposed FNS-366B instructions are clearer and more complete, but CDSS anticipates an increase in administrative expenditures to complete the new version. Current statewide fraud investigation and hearings tracking reports will have to be changed in order to capture information for the new cells in the revised report. County and case management system reporting will also have to change. These changes will impose additional costs to the CDSS and counties in order to make the changes. We do foresee a significant increase to the workload for our Fraud Bureau and Data Systems Bureau to prepare, validate and submit the revised FNS-366B on an increased frequency.
7. CDSS still recommends that FNS establish a national average for the length of time that a household remains on SNAP. This will be a foundation to any cost avoidance calculations and should be consistent between all states.
8. We conduct over 200,000 SNAP investigations each year and are concerned about the amount of time and effort it would take to accurately track the time for individual investigations from the date of referral all the way to the completion of the investigation; and for those cases

referred for prosecution or ADH, the disposition of those cases. This would be a tremendous undertaking and would likely pull our limited resources away from conducting investigations.

9. CDSS conducts county welfare fraud investigation unit compliance reviews. We analyze backlogs of pending investigations, and review individual cases to evaluate the time it takes to complete both pre-certification and post-certification investigations. Another element of our county compliance reviews is verifying compliance with meeting mandated timelines for ADH hearings, and initiating timely IPV's and entering data into eDRS during compliance reviews. Failure to comply with these mandates results in a Finding and the county is required to submit a Corrective Action Plan. This information is provided to the FNS in our compliance reports. Also, the FNS Recipient Integrity Reviews include this analysis in its reviews of selected California counties each year. We reiterate our recommendation from January 2015 that the FNS-366B not attempt to capture how quickly recipient trafficking suspects are investigated and disqualified.