

§272.15 Major changes in program design.

(a) *States' reporting of major changes.* (1) State agencies shall notify FNS when they make major changes in their operation of SNAP. State agencies shall notify FNS when the plans for the change are approved by State leadership, but no less than 120 days prior to beginning implementation of the change or entering into contractual obligations to implement any proposed major changes. If it is not possible for a State to provide notification 120 days in advance, the State shall provide notification as soon as it is aware of the major change and explain why it could not meet the 120-day requirement. No approval from FNS is necessary for a State to proceed with implementation of the major change.

(2) Major changes shall include the following:

(i) Closure of any local office that performs major functions for 750 or more SNAP households or 5 percent of the State's total SNAP monthly caseload, whichever is less, and there is not another office available to serve the affected households within 35 miles. An office performing major functions is an office where households can file an application for SNAP in person and receive assistance from merit system personnel staff.

(ii) Substantial increased reliance on automated systems for the performance of responsibilities previously performed by State merit system personnel (as described in section 11(e)(6)(B) of the Act) or changes in the way that applicants and participants interact with the State's SNAP agency. This includes the replacement of the State's automated systems used in the certification process, adding functionality to the existing automated systems used in the certification process, or changes in the way applicants and participants interact with SNAP. For example, adding an overlay on an existing legacy automated system used by eligibility workers, adding online portals to an existing automated system for use by SNAP applicants, participants or community partners, establishment of an online application, use of telephonic technology to accept applications, relying upon an interactive voice response system to provide case status information to participants or implementation of finger imaging shall be considered major changes. Under this criterion, if the State documents that the change is expected to impact less than five percent of the State's SNAP applicants or participants, it will not be considered a major change. Reporting a major change as required in this section does not relieve States of meeting the requirements for new system approvals in §277.18 of this chapter.

(iii) Changes in operations that potentially increase the difficulty of households reporting required information. This could include implementation of a call center or internet web portal for change reporting, a major modification to forms that households use to report changes or the discontinuation of an existing avenue for reporting changes (e.g., households can no longer contact the local office because all changes must be reported to a unit that handles change reports). Selecting a different change reporting policy option as allowed in §273.12 of this chapter, or the implementation of a policy waiver related to change reporting would not be a major change.

(iv) Any reduction or change of the functions or responsibilities currently assigned to SNAP merit system personnel.

(v) A decrease of more than 5 percent in the total number of merit system personnel involved in the SNAP certification process in the State from one year to the next. In addition, a decrease of more than eight percent in the total number of merit system personnel involved in the SNAP certification process in

the State over a two year period would be a major change. These decreases would include those resulting from State budget cuts or hiring freezes, but not include loss of personnel through resignation, retirement or release when the State is seeking to replace the personnel within 6 months. Evidence of the intent to replace personnel shall include advertising to fill positions and having sufficient funding in the personnel budget for the new hires.

(vi) Other major changes identified by FNS.

(3) When a State initially reports a major change to FNS as required in paragraph (a)(1) of this section, an analysis of the expected impact of the major change shall accompany the report. The initial report to FNS that the State is making one of the major changes identified in paragraph (a)(2) of this section, shall include a description of the change and an analysis of its anticipated impacts on program performance.

(i) The description of the change shall include the following:

(A) Identification of the major change the State is implementing;

(B) An explanation of what the change is intended to accomplish;

(C) The schedule for implementation;

(D) How the change will be tested and whether it will be piloted;

(E) Whether the change is statewide or identification of the jurisdictions it will encompass;

(F) How the major change is expected to affect applicants and/or participants and how they will be informed;

(G) How the change will affect caseworkers and, as applicable, how they will be trained;

(H) The projected administrative cost of the major change in the year it is implemented and the subsequent year;

(I) How the impact of the major change will be monitored;

(J) How the major change will affect operation of the State automated system;

(K) The State's backup plans if the major change creates significant problems in one or more of the program measures in paragraph (a)(3)(ii) of this section;

(L) A description of any consultation with stakeholders/advocacy groups or public comment obtained regarding the planned changes; and

(M) Procedures the State will put in place to minimize the burdens on people with disabilities and other populations (as identified in paragraph (a)(3)(ii)(E) of this section) relative to the change.

(ii) The analysis portion of the State's initial report shall include the projected impact of the major change on:

(A) The State's payment error rate;

(B) Program access, including the impact on applicants filing initial applications and recertification applications;

(C) The State's negative error rate;

(D) Application processing timeliness including both the households entitled to 7-day expedited service and those subject to the 30-day processing standards;

(E) Whether the major change will increase the difficulty elderly households, households living in rural areas, households containing a disabled member, homeless households, non-English speaking households, or households living on a reservation will have obtaining SNAP information, filing an initial application, providing verification, being interviewed, reporting changes or reapplying for benefits;

(F) Customer service including the time it takes for a household to contact the State, be interviewed, report changes and any other parameter defined by the State agency; and

(G) Timeliness of recertification actions.

(b) *FNS and State action on reports.* (1) FNS will evaluate the initial report provided by a State to determine if the change is, in fact, a major change as described in paragraph (a)(2) of this section and notify the State of its determination. States implementing a major change shall report the following monthly State-level information to FNS on a quarterly basis beginning with the quarter prior to implementation of the major change:

(i) The number of initial applications received;

(ii) Of the number of initial applications received in paragraph (b)(1)(i) of this section, the number subject to expedited service;

(iii) Of the number of initial applications received in paragraph (b)(1)(i) of this section, the number broken out by method of application (*i.e.*, in-person, online, telephone, mail, fax);

(iv) The number of initial applications that are approved timely;

(v) Of the number of initial applications approved timely in paragraph (b)(1)(iv) of this section, the number subject to expedited service processed within the 7-day processing requirement;

(vi) The number of initial applications that are approved untimely;

(vii) Of the number of initial applications approved untimely in paragraph (b)(1)(vi) of this section, the number subject to expedited service processed outside the 7-day processing requirement;

(viii) The number of initial applications that are denied;

(ix) Of the number of initial applications that were denied in paragraph (b)(1)(viii) of this section, the number broken out by those denied due to ineligibility and those denied because the State agency was unable to determine eligibility;

(x) The total number of households due for recertification;

(xi) The number of recertification applications received;

(xii) Of the number of recertification applications received in paragraph (b)(1)(xi) of this section, the number broken out by method of application (*i.e.*, in-person, online, telephone, mail, fax);

- (xiii) The number of households that were recertified without a delay or break in benefits;
- (xiv) The number of households that the State recertifies with a delay or break in benefits of less than one month;
- (xv) Of the total number of households due for recertification in paragraph (b)(1)(x) of this section, the number of households that fail to reapply for recertification by the required deadline;
- (xvi) The number of recertification applications that are denied; and
- (xvii) Of the number of recertification applications that were denied in paragraph (b)(1)(xvi) of this section, the number broken out by those denied due to ineligibility and those denied because the State agency was unable to determine eligibility.
- (2) The information required by paragraph (b)(1)(1) of this section shall be reported separately for households with elderly members and households with members that have a disability.
- (3) At a minimum, the information required by paragraphs (b)(1)(i), (iv), (vi), (viii), (x), (xi), (xiii), (xiv), (xv), and (xvi) of this section shall be disaggregated to provide sub-state information. FNS will require the State to disaggregate all the information in paragraph (b)(2) if FNS determines that such data are necessary to evaluate the impact of the change. FNS will consult with States on a case-by-case basis to determine if this information shall be reported by: Local offices, call centers, county, project areas, or by other administrative structures within the State. FNS' determination will be based upon the type of major change and the State's SNAP organization.
- (4) In addition the information required in paragraphs (b)(1), (2) and (3) of this section, FNS may require additional information to be included in a State's quarterly report. FNS reserves the right to require the information it needs to determine the impact of a major change on integrity and access in SNAP. FNS will work with States to determine what additional information is practicable and require only the data that is necessary and not otherwise available from ongoing reporting mechanisms. While the data elements outlined in paragraph (b)(2) of this section will generally be required to be reported on a statewide basis and at a sub-state level, major changes that are limited to localized areas, such as a county or project area, may only require localized reporting. Depending upon the nature of the major change, States will be required to report more specific or timely information concerning the impact of the major change within the following areas:
- (i) *Payment accuracy.* FNS will use Quality Control (QC) data when possible, but may require data from case reviews focused on households with specific characteristics, to obtain greater local reliability, or to provide more timely data.
- (ii) *Negative error rates.* FNS will use QC data when possible, but may require data from case reviews focused on households with specific characteristics, to obtain greater local reliability or to provide more timely data on the causes of incorrect denials.
- (iii) *Impact on households with specific characteristics.* In addition to the information required by paragraph (b)(2) of this section, a major change that could disproportionately impact the households identified at paragraph (a)(3)(ii)(E) of this section may require additional information on the impact of the change on the participation of these households. The nature of the change and its potential impact would dictate how this information would need to be reported.

(iv) *Impact of certain major changes on customer service.* Some major changes may require specific information that is not typically available from a States automated SNAP system. For example, if a State implements a major change that allowed (or required) households to report changes in their individual circumstances through a change center or allows applicants to apply or reapply for SNAP through the use of call center, the following data may be required:

(A) The total number of calls made to the center;

(B) The average time a caller has to wait to talk to a SNAP worker (includes hold time for transfers);

(C) Based upon the call centers standards and negotiation with FNS, the percentage of calls with excessive wait times;

(D) The percentage of calls abandoned by callers prior to and after being answered by the call center;

(E) The total number of calls dropped by the call center system and the number of callers that received a busy signal; and

(F) Customer satisfaction (based upon survey results).

(5) States shall submit reports containing monthly data on a quarterly basis. As practicable, and based upon consultation with the State, FNS may require any additional information under paragraph (b)(4) of this section regarding the State's operation to be reported for the quarter just prior to implementation of the major change.

(6) States shall submit reports for one year after the major change is fully in place. FNS may extend this timeframe as it deems necessary.

(7) If FNS becomes aware that a State appeared to be implementing a major change that had not been formally reported, FNS would work with the State to determine if it is a major change, and if so proceed as required by this section.

(8) If the data a State submits regarding its major change or other information FNS obtains indicates an adverse impact on SNAP access or integrity, FNS would work with the State to correct the cause of the problem and provide relevant technical assistance, and will require the State to provide additional information as it deems appropriate. Depending upon the severity of the problem, FNS may also require a formal corrective action plan as identified in §275.16 and §275.17 of this chapter. States agencies that fail to comply with reporting requirements may be subject to the suspension or disallowance of Federal Financial Participation administrative funds per §276.4 of this chapter.

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