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STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
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GAVIN NEWSOM
GOVERNOR

April 13, 2020

Mr. Charles Tobin, Regional Program Director
Supplemental Nutrition Assistance Program
Western Regional Office
Food and Nutrition Service
90 Seventh Street, Suite 10-100
San Francisco, CA 94103

SUBJECT: CALIFORNIA QUALITY CONTROL (QC) WAIVER REQUEST PACKAGE

Dear Mr. Tobin:

As you know, the State of California (the State) and the California Department of Social Services (CDSS) are working to respond swiftly and effectively to the Coronavirus Disease 2019 (COVID-19) emergency. Because of a statewide stay at home order and public health guidelines regarding physical distancing, CDSS is requesting waivers of certain Supplemental Nutrition Assistance Program (SNAP) regulations from the US Department of Agriculture (USDA) Food and Nutrition Service (FNS) to ensure that Californians can continue to access SNAP benefits (known in California as CalFresh).

Please find attached our third waiver request package in response to the COVID-19 pandemic. This waiver package consists of four Quality Control (QC) waivers that seek to temporarily hold California harmless from errors caused by implementation of COVID-19 eligibility waivers, lift sanction requirements, provide flexibility when reviewers cannot locate a household, and accept collateral contact and/or client statement to complete QC reviews when attempts to verify information have been otherwise unsuccessful.

The CDSS requests that these waivers be effective for FFY 2020 QC sample months beginning October 2019 through September 2020. The CDSS also proposes the option to extend the waiver period if COVID-19 continues to be the cause of a state of emergency for the nation, California, or its local counties.

We appreciate FNS' consideration of California's request and appreciate a prompt response so that we may issue necessary guidance and implement changes to our business processes and operating procedures. In addition, to expedite the review and decision process for CDSS' request, we are available for a conference call at your earliest convenience to discuss our request.

If you have any questions, please do not hesitate to contact me at alexis.fernandez@dss.ca.gov or 916-653-6162.

Sincerely,

Alexis Fernández
Chief, CalFresh and Nutrition Branch
California Department of Social Services

WAIVER REQUEST

Quality Control Hold Harmless Period for Case Reviews Impacted by COVID-19

1. **Waiver Serial Number (if applicable):**
2. **Type of request:** Initial
3. **Regulatory citation:** 7 CFR Section 275.10; 7 CFR Section 275.12, 7 CFR Section 275.13; FNS 310 Handbook
4. **State:** California
5. **Region:** Western Region
6. **Regulatory requirements:**

7 CFR § 275.10: As part of the Performance Reporting System, each State agency is responsible for conducting quality control reviews. For SNAP quality control reviews, a sample of households shall be selected from two different categories: households which are participating in SNAP (active cases) and households for which participation was denied, suspended or terminated (negative cases). Reviews shall be conducted on active cases to determine if households are eligible and receiving the correct allotment of SNAP benefits. The determination of whether the household received the correct allotment will be made by comparing the eligibility data gathered during the review against the amount authorized on the master issuance file. Reviews of negative cases shall be conducted to determine whether the State agency's decision to deny, suspend or terminate the household, as of the review date, was correct. Quality control reviews measure the validity of SNAP cases at a given time (the review date) by reviewing against SNAP standards established in the Food and Nutrition Act of 2008 and the Regulations, taking into account any FNS authorized waivers to deviate from specific regulatory provisions. FNS and the State agency shall analyze findings of the reviews to determine the incidence and dollar amounts of errors, which will determine the State agency's liability for payment errors in accordance with the Food and Nutrition Act of 2008, as amended, and to plan corrective action to reduce excessive levels of errors for any State agency.

The objectives of quality control reviews are to provide:

- A systematic method of measuring the validity of the SNAP caseload;
- A basis for determining error rates;
- A timely continuous flow of information on which to base corrective action at all levels of administration; and
- A basis for establishing State agency liability for errors that exceed the National performance measure.

The review process is the activity necessary to complete reviews and document findings of all cases selected in the sample for quality control reviews.

The review process shall consist of:

- Case assignment and completion monitoring;

- Case reviews;
- Supervisory review of completed worksheets and schedules; and
- Transmission of completed worksheets and schedules to the State agency for centralized data compilation and analysis.

7. Description of alternative procedures:

Allow California Quality Control (QC) to hold harmless case reviews during Federal Fiscal Year (FFY) 2020 as a result of the impact of the Coronavirus Disease 2019 (COVID-19).

8. Justification for request:

The Governor of California declared a State of Emergency on March 4, 2020 to reduce the spread of the COVID-19. Extensive public health warnings have been issued statewide to reduce exposure, including orders to implement social distancing when conducting essential business, eliminate group gatherings and to require home isolation for vulnerable populations including all people aged 65 years of age or older. On March 19, the Governor of California issued a statewide “stay-at-home” order that is in effect until further notice. On March 22, the president approved California’s request for a Major Disaster Declaration. These restrictions may be in place for weeks and months to come.

States across the nation, including California, have requested multiple SNAP waivers to ensure applicants and recipients are food secure during this unprecedented time as a direct result of COVID-19. Fortunately, the USDA, FNS have waived several SNAP regulations; however, these approved waivers may inadvertently inhibit the ability to complete QC reviews and/or result in an inequitable error rate if the current QC procedures in the FNS 310 Handbook must be followed.

9. Anticipated impact on households and State agency operations:

The QC selection process involves a random sample of all active and negative cases. All households selected for QC review may potentially be affected by this waiver. There will be no impact on State agency operations.

10. Caseload information, including percent, characteristics, and quality control error rate for affection portion (if applicable):

California anticipates this waiver will impact approximately 350 federal sample cases and 1800 state sample cases for FFY 2020.

11. Anticipated implementation date and time period for which waiver is needed:

California proposes that the requested waiver be approved retroactively. If approved as proposed, the waiver would apply to FFY 2020 QC sample months beginning October 2019 through September 2020. California also proposes the option to extend the waiver for additional months if COVID-19 continues to be the cause of a state of emergency for the nation, California, and its local counties.

12. Proposed quality control review procedures:

QC will exclude any variances that occur due to the implementation of any waivers related to COVID-19. Exclusions should apply until such time as the affected household is recertified or the state agency is otherwise required to act on a reported change.

13. State agency submitting waiver request and State contact person:

Contact Name: Alexis Fernández
CalFresh & Nutrition Branch Chief
California Department of Social Services
916-653-6162 | Alexis.Fernandez@dss.ca.gov

14. Signature and title of requesting official:



Alexis Fernández
Chief, CalFresh & Nutrition Branch
916-653-6162 | Alexis.Fernandez@dss.ca.gov

15. Date of request: 04/13/2020

16. State agency staff contact (name/email/telephone):

Tami Gutierrez
CalFresh Operations Bureau Chief
916-651-2949 | Tami.Gutierrez@dss.ca.gov

Kristina Meza
Acting Bureau Chief, CalFresh Policy & Employment Bureau
916-653-1493 | Kristina.Meza@dss.ca.gov

17. Regional office contact person (to be completed by FNS regional office):