

# FACT SHEET: SNAP PAYMENT ERROR RATE

The Supplemental Nutrition Assistance Program (SNAP) quality control (QC) system measures payment error, or improper payments. Improper payments are overpayments and underpayments to SNAP participants that occur when the state:

- Certifies someone who is not eligible, or
- Calculates the benefit amount incorrectly such that the individual receives too much or too little benefits.

The QC system is **not** a measure of fraud.

## THE SNAP QC PROCESS CONSISTS OF FOUR STEPS:

- 1 State Review:** Each month state agencies randomly select a sample of households participating in SNAP in their state—a total of about 50,000 cases nationwide a year—to confirm whether the household is eligible and received the correct amount of benefits. This review includes an interview and a detailed examination of household circumstances.
- 2 Federal Re-Reviews:** Federal SNAP staff select a sub-sample of each state’s reviews—about 25,000 cases—for re-review to verify the accuracy of the states’ findings.
- 3 Corrections:** Errors are corrected—overpayments must be paid back to the state and the state must reimburse participants for underpayments—so each household gets exactly the amount for which they were eligible.
- 4 Analysis:** Federal SNAP staff analyze the data, taking into consideration the size of a state’s caseload and other variables, to establish national and state error rates.

## DATA INTEGRITY

In 2014, USDA identified concerns with the quality of the data. USDA suspended error rate reporting for fiscal years (FY) 2015 and 2016 to complete a thorough review of quality control systems in all 50 states, D.C., Virgin Islands and Guam. Through that review, USDA found data integrity issues that required corrective action in 42 states.

USDA has developed new controls to prevent any recurrence of statistical bias in the QC system, including a new management evaluation process to examine state quality control procedures on a regular basis. USDA also required states to take corrective actions to address the root cause of their improper payment issues.

The FY2017 SNAP payment error rate of 6.3% percent, announced in June 2018, is the result of this improved reporting process. It is higher than the previous rate announced in 2015, but it is more accurate and will ensure decisions can be made based on sound data and taxpayer dollars are invested wisely.

USDA is committed to accuracy and transparency. We will continue to collaborate with our state and Congressional partners to identify ways to expand and improve integrity in the delivery of this and other critical nutrition assistance benefits.