



Food and
Nutrition
Service

Park Office
Center

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DATE: April 22, 2016

SUBJECT: Supplemental Nutrition Assistance Program – Review of Major Changes in Program Design and Management Evaluations – Additional Guidance

TO: All Regional Directors
Supplemental Nutrition Assistance Program

This memorandum provides additional implementation guidance regarding the final rule titled Supplemental Nutrition Assistance Program (SNAP) Review of Major Changes in Program Design and Management Evaluations (“Major Changes Rule”) published in the *Federal Register* on January 19, 2016.

As a reminder, the Major Changes Rule went into effect on March 21, 2016, and State agencies must now be in compliance with its provisions. Changes to the definitions of project areas that impact the requirements for State Management Evaluations (“MEs”) are effective October 1, 2016.

Like the January 19, 2016, and February 11, 2016, memoranda, this guidance is to assist State agencies as they implement provisions of the Major Changes Rule, and provides a list of questions and answers. Also included with this memorandum is a reissued copy of the *Major Changes Notification Template* (“Notification Template”) and the *Major Changes Quarterly Reporting Template* (“Reporting Template”), along with instructions for completing each.

State Notification Requirements Regarding a Major Change

7 CFR 272.15(a)(1) requires State agencies to notify FNS no less than 120 days prior to beginning implementation of a major change, as defined in 272.15(a)(2)(i)-(vi), or entering into contractual obligations to implement any proposed major changes. If the State agency is unable to meet the 120 day deadline, the State agency must notify FNS as soon as they are aware of the major change and explain why they could not meet the deadline.

Notification Templates

The attached Notification Template has been developed by the FNS National Office to facilitate the notification process, and is the preferred format for notifying FNS of major changes. The Notification Template requests the information and analysis State agencies are required to provide FNS when initially reporting a major change, as defined in 7 CFR 272.15(a)(3).

The contents of this guidance document do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

Submission of Notification Templates to FNS

State agencies should submit completed Notification Templates (signed by the appropriate State official), by e-mail to the FNS National Office at SNAPMajorChange@fns.usda.gov. State agencies are encouraged to copy their FNS Regional Office when emailing completed templates.

State Reporting Requirements after Implementation of a Major Change

7 CFR 272.15(b) requires State agencies to report certain State-level information to FNS after implementation of a major change. State agencies must report monthly State-level information on a quarterly basis, beginning with the quarter prior to implementation of the major change. State agencies must also report certain information separately for households with elderly members and households with members that have a disability. Most of the information required by the rule must be disaggregated to provide sub-state information; FNS will base the extent and manner that sub-state information is to be disaggregated on the type of change, the State's administrative structure, and consultations with the State. FNS may require the State to disaggregate all of the information required under the rule, if FNS determines that such data is necessary to evaluate the impact of the change.

Baseline Quarter Report

For the purposes of reporting for this rule, the "baseline quarter" is the three months prior to the month in which implementation of the change begins, and is the first quarterly report State agencies must submit to FNS. For example, if implementation of a change begins at any point in April 2017, the baseline data for the change should encompass January 2017, February 2017, and March 2017.

Ongoing Quarterly Reports

After the baseline quarter report, States are required to submit monthly data every quarter for a minimum of one year after the change is fully implemented. The first report after the initial baseline quarter report shall include the month in which implementation occurs. FNS recognizes that State agencies may implement a major change at any time of the month. For example, whether a State agency implements a change on April 1 or April 30, April, May, and June's data would comprise the first quarter report, after the initial baseline quarter report.

Reporting Templates

The attached Reporting Template has been developed by the FNS National Office to facilitate ease of reporting and is the preferred format for reporting. The Reporting Template contains spaces for State agencies to indicate which months of data are being reported. Each quarter, State agencies should complete and submit a new Reporting Template containing three months of data. Please also be aware that FNS may request additional information not included in the Reporting Template, in accordance with 7 CFR 272.15(b).

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Submission of Reporting Templates to FNS

No later than 90 days after the end of each quarter, completed Reporting Templates should be e-mailed to SNAPMajorChange@fns.usda.gov. The State is encouraged to copy their FNS Regional Office when emailing their completed Reporting Template to the FNS National Office.

If the State is unable to meet the above-referenced 90 day reporting deadline, the State should notify FNS as soon as it becomes aware of the delay and explain why the State is unable to timely report the data.

Questions

If you have any questions related to the implementation of the Major Changes Rule, please email SNAPMajorChange@fns.usda.gov.

Sincerely,

/s/

Lizabeth Silbermann
Director
Program Development Division

Attachments

Supplemental Nutrition Assistance Program
Final Rule - Review of Major Changes in Program Design and Management Evaluation Systems
Questions and Answers (Set 2)

Question 1: How is the “implementation” of a major change defined for the purposes of this rule?

Answer 1: For the purposes of this rule, “implementation” means when the major change is first put into effect or operational. If the implementation is occurring in stages, it means when the first stage begins. If the major change is being rolled out across multiple geographic areas, it is when the change is put into effect in the first area.

Question 2: What is the definition of a “fully implemented” major change for the purposes of this rule?

Answer 2: For the purposes of this rule, “fully implemented” means when all aspects of the major change have been put into effect. If the implementation is occurring in stages, it means when the last stage is complete and has been put into effect. If the major change is being rolled out across multiple geographic areas, it is when the change is put into effect across all areas.

Question 3: What are the notification and reporting requirements for a major change that is being implemented in stages?

Answer 3: If a State agency decides to make a single change that will be implemented in stages, the State agency would be required to notify FNS when plans for the change are approved by the State’s leadership, but no less than 120 days prior to implementing the change (as defined in Question 1) or entering into contractual obligations to implement the change. The reporting requirements for that change would begin with the “baseline quarter,” which is the three months prior to the month in which implementation of the change begins, and is the first quarterly report State agencies must submit to FNS.

An example of a single change being rolled out in stages would be a new mobile application being rolled out county-by-county in a State. The State would need to notify FNS no less than 120 days prior to implementing the change (e.g., when the change is first put into effect in the first county) and would be required to begin reporting with the baseline quarter, which would be the three months prior to the month in the mobile application is put into effect in the first county.

Question 4: Is there a distinction between stages of a single change and a package or series of major changes?

Answer 4: Yes. FNS recognizes that most major changes will be rolled out in stages, either by piloting in certain areas or by implementing various components of a system at different times. When the stages all represent parts or components of the same change, only one notification is required and the reporting timeline is established from the date the implementation (as defined in Question 1) begins. For example, if a State agency implements a call center to conduct initial interviews beginning in March in two counties, then rolls out the call center functionality to the remaining counties over the next six months, and then adds the ability for households to conduct recertification interviews and report changes in the following three months, these would all be considered stages of the same major change for the purposes of this rule.

When States make business process or technology changes in one area, they often also make them in other areas simultaneously or subsequently, as part of a larger reengineering effort. FNS considers this to be a package of changes. For example, if a State implements a call center, document imaging, and a new eligibility system, all of these would be considered as major changes. Therefore, notification and baseline reporting requirements would be triggered based on the implementation date of the first major change, and required ongoing reporting timeframes would be contingent upon the date the last major change is fully implemented.

Question 5: What are the notification and reporting requirements for a major change if it is being implemented in stages, and at least one of its stages was implemented prior to March 21, 2016?

Answer 5: If a State agency reports a single change with several stages of implementation, and the first stage was implemented prior to March 21, 2016, the State agency would not need to notify FNS of the change, nor would it be required to report information to FNS about that change. For example, if the call center in Question 4 was implemented in the first two counties on March 10, 2016, the major change would not be subject to the notification and reporting requirements in this rule.

Question 6: What are the notification and reporting requirements for a package of major changes, if some of the component changes were implemented prior to March 21, 2016, and the other changes will be implemented after March 21, 2016?

Answer 6: If prior to March 21, 2016, the State implemented some changes that are part of a package of major changes, and each change in that package would separately meet the definition of a major change under the rule, the State agency would not be required to notify or report information to FNS with regard to changes implemented prior to March 21, 2016. The State agency would be required to notify and report information to FNS only with regard to the changes implemented after March 21, 2016. For example, if the State in Question 4 implemented its new call center and document imaging processes prior to March 21, 2016, these changes would not be subject to the notification and reporting requirements in the rule. If the eligibility system had not yet been implemented as of March 21, 2016, that change would be subject to the rule's notification and reporting requirements.

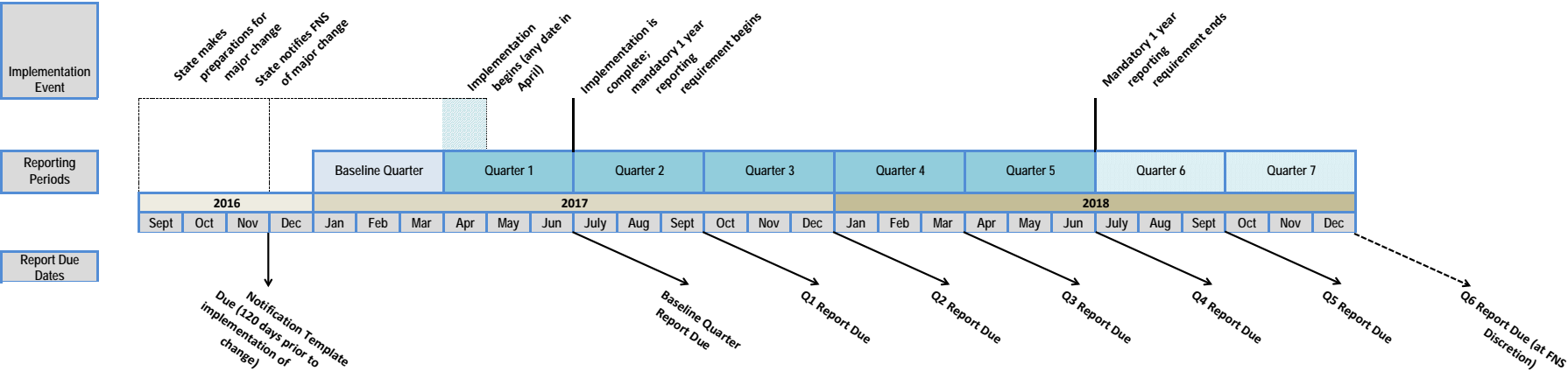
Question 7: How long do States agencies have to submit quarterly reports to FNS?

Answer 7: The State agency must submit quarterly reports to FNS for a minimum of one year after the major change is fully implemented. FNS has the discretion to extend quarterly reporting beyond one year. Attached is a *Reporting Timeline Graphic* providing an example of when reports would be due once a major change is fully implemented.

Question 8: Does this rule require States to notify and report data to FNS concerning administrative waivers, demonstration projects, or pilot projects that fall under the definition of a “major change” pursuant to 7 CFR 272.15(a)(2)(i)-(vi)?

Answer 8: The State agency must notify FNS if an administrative waiver, demonstration project, or pilot project will be implemented after March 21, 2016, and meets the definition of a major change. State agencies should submit the Major Changes Notification Template when notifying FNS. If the State agency believes the ongoing reporting requirements for the SNAP project meet the reporting requirements under the rule, the State agency should indicate this in their initial notification to FNS. FNS will review the initial notification and will work with the State agency to mitigate duplicative reporting.

Reporting Timeline Graphic



Example

- September to November 2016: State makes preparations for major change that will begin implementation in April 2017.
- November 30, 2016: State submits notification template to FNS, meeting 120 day notification requirement.
- State should begin collecting data during the quarter prior to implementation (Jan- Mar 2017) to report as baseline data.
- Implementation begins (any date in April 2017).
- Baseline Quarter Report (Jan-Mar 2017) due June 30, 2017.
- Implementation is complete (June 30, 2017) and one year mandatory reporting period begins.
- Q1 Report (April-June 2017) due September 30, 2017.
- Q2 Report (July-Sept 2017) due December 31, 2017.
- Q3 Report (Oct- Dec 2017) due March 31, 2018.
- Q4 Report (Jan-Mar 2018) due June 30, 2018.
- The mandatory one year reporting period ends June 30, 2018.
- Q5 Report (April-June 2018) due September 30, 2018.
- Additional quarterly reports may be due at FNS discretion.