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SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

More Information on Promising Practices Could Enhance States' Use of Data Matching for Eligibility

Accessible Version

GAO Highlights

Highlights of [GAO-17-111](#), a report to the Chairman, Committee on Agriculture, House of Representatives

Why GAO Did This Study

During fiscal year 2015, state SNAP agencies provided about 46 million low-income individuals approximately \$70 billion in federally funded benefits, and an additional \$7.6 billion in federal and state funds was spent in administering the program in fiscal year 2014, according to the most recent data. SNAP agencies use data matching to verify eligibility information about applicant or recipient households, including their incomes, as well as to help detect improper payments. GAO was asked to review issues related to data matching in administering SNAP.

This report examines (1) the extent to which states use data matching to obtain income information and find these matches useful for SNAP eligibility, (2) challenges states experience using data matching, and (3) actions FNS has taken to promote data matching for SNAP. GAO surveyed all state SNAP directors for a 100 percent response rate and interviewed state officials in six states that varied in caseload size, geography, and other criteria, and visited local offices in three of these states. GAO also reviewed relevant federal laws, regulations, and agency documents and interviewed agency officials.

What GAO Recommends

GAO recommends that FNS disseminate information on promising practices to state SNAP agencies, and analyze spending and data needs as it explores ways to reduce costs of using commercial data. FNS agreed with these recommendations

View [GAO-17-111](#). For more information, contact Kay E. Brown at (202) 512-7215 or brownke@gao.gov

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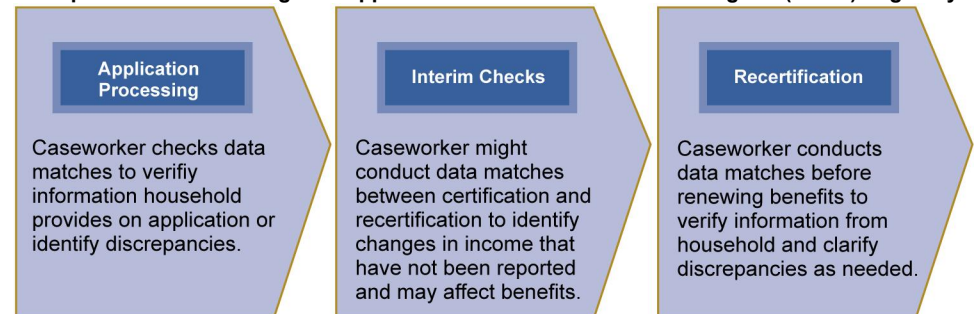
SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

More Information on Promising Practices Could Enhance States' Use of Data Matching for Eligibility

What GAO Found

In administering the Supplemental Nutrition Assistance Program (SNAP), all state SNAP agencies verify household income by conducting multiple data matches, which they find useful for detecting potential discrepancies related to SNAP eligibility (see figure below), according to GAO's survey of all state SNAP directors. Most states reported that particularly useful data matches provided current information, can be accessed in real-time (i.e., immediately), and are from original sources. Some data sources for unearned income, including from the Social Security Administration, have all these characteristics. Data matches for earned income lacked one or more of these useful characteristics, but can be used as leads to follow up on with households or employers.

Examples of Data Matching for Supplemental Nutrition Assistance Program (SNAP) Eligibility



Source: GAO analysis of information from the U.S. Department of Agriculture and state SNAP agencies. | GAO-17-111

States identified challenges with following up on data matches and with the costs of data matching. The issue states cited most often in GAO's survey as very or extremely challenging was the need to conduct follow-up for data that are not sufficiently recent, accurate, or complete, which can be cumbersome and time-consuming. Officials GAO interviewed in several states were implementing ways to manage follow-up. Over one-third of states also reported that costs associated with accessing certain commercial data to verify earnings were very or extremely challenging, with some states limiting their use of these data due to costs.

The Department of Agriculture's (USDA) Food and Nutrition Service (FNS), which oversees the SNAP program, has efforts underway to promote data matching to improve program administration, but may be missing some opportunities. For example, FNS has initiated pilot or demonstration projects to improve program integrity or service to households. However, FNS has not actively collected or disseminated information on promising data matching practices, consistent with federal internal controls. Further, 32 states reported in GAO's survey that more information from FNS on promising data matching practices would be extremely or very useful. With more information, states will have increased awareness of other potentially useful or cost-effective practices. In addition, FNS has begun to explore ways to help states reduce the cost of using commercial data, but has not systematically analyzed spending and SNAP needs for these data to consider how to best leverage government buying power through strategic sourcing practices. Without this analysis, FNS may not be able to identify the best ways to lower data matching costs.

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Abbreviations

ACF	Administration for Children and Families
BEER	Beneficiaries Earnings Exchange Record
CMS	Centers for Medicare & Medicaid Services
FNS	Food and Nutrition Service
HHS	Department of Health and Human Services
NAC	National Accuracy Clearinghouse
NDNH	National Directory of New Hires
OASDI	Old-Age, Survivors, and Disability Insurance
OCSE	Office of Child Support Enforcement
PARIS	Public Assistance Reporting Information System
PPACA	Patient Protection and Affordable Care Act
SNAP	Supplemental Nutrition Assistance Program
SSA	Social Security Administration
SSI	Supplemental Security Income
TANF	Temporary Assistance for Needy Families
USDA	U.S. Department of Agriculture

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October 19, 2016

The Honorable K. Michael Conaway
Chairman
Committee on Agriculture
House of Representatives

Dear Mr. Chairman:

During fiscal year 2015, the Supplemental Nutrition Assistance Program (SNAP), previously known as the Food Stamp Program, provided nutrition assistance to almost 46 million low-income individuals each month for a total of approximately \$70 billion in federally-funded benefits for the year. The Food and Nutrition Service (FNS) in the U.S. Department of Agriculture (USDA) administers SNAP at the federal-level, in partnership with states. According to the most recent data in fiscal year 2014, an additional \$7.6 billion—divided between federal and state funds—was spent on administering the program that year, a large portion of which was spent on certification procedures, such as collecting and verifying information to determine whether households were eligible and, if so, for what benefit amount. Federal laws and regulations require state SNAP agencies to verify various aspects of SNAP eligibility; however, income information can be particularly difficult to obtain and verify as correct. For example, based on the most recent available data from fiscal year 2013 on improper payments made in the SNAP program, errors related to household income were, by far, the largest cause of improper payments over other causes of error, such as those related to household resources, deductions, or non-financial information.¹ To help avoid improper payments and improve other aspects of program administration, SNAP agencies use data matching—the process of matching information about applicants and recipients against various data sources—as part of their routine eligibility processes. In recent work, we have also reported that

¹USDA measures sources of error in its quality control system. See USDA, *Supplemental Nutrition Assistance Program Quality Control Annual Report Fiscal Year 2013*, (March 2015). We recently testified on the methods used to calculate SNAP improper payment rates. GAO, *Supplemental Nutrition Assistance Program: Policy Changes and Calculation Methods Likely Affect Improper Payment Rates, and USDA Is Taking Steps to Help Address Recipient Fraud*, [GAO-16-708T](#), (Washington, D.C.: July 6, 2016).

SNAP agencies use data matching as one of various tools to detect potential SNAP cases involving fraud.²

You asked GAO to examine the use of data matching or sharing to administer the SNAP program. In this review, we answered the following questions:

1. To what extent do states use data matching to obtain income information for SNAP eligibility purposes and how useful do they find these matches?
2. What challenges, if any, do states experience with their use of data matching?
3. What actions has FNS taken to promote data matching and what additional actions, if any, are needed?

To address these questions, we collected and analyzed information using several methods. We administered a survey by e-mail to state SNAP directors of all 50 states and the District of Columbia from February to May 2016 to obtain information on all three research questions.³ We obtained a 100 percent response rate. While we generally did not validate specific information administrators reported through our survey, we reviewed their responses and conducted follow-up, as necessary, to determine that their responses were complete, reasonable, and sufficiently reliable for the purposes of this report. As part of our survey development, we pretested the questionnaire with four states, had internal and external experts review it, and incorporated comments as appropriate. Once we received the survey responses, they were subjected to data entry, processing, and analysis. We verified the accuracy at each step in the process with independent reviews. To ask for elaborations on survey responses and other related questions, we conducted semi-structured phone interviews with state SNAP officials

²GAO, *Supplemental Nutrition Assistance Program: Enhanced Detection Tools and Reporting Could Improve Efforts to Combat Recipient Fraud*, [GAO-14-641](#), (Washington, D.C.: Aug. 21, 2014). Data matching is also a practice, among others, mentioned in more recent GAO work on managing fraud in government programs. See GAO, *A Framework for Managing Fraud in Federal Programs*, [GAO-15-593SP](#), (Washington, D.C.: July 2015).

³We used a form-fillable document that respondents could return electronically after marking checkboxes or entering responses into open answer boxes. In this report, District of Columbia is referred to as a state.

from six states that represented 31 percent of the national SNAP caseload in fiscal year 2014 (California, Florida, Massachusetts, Texas, Virginia, and Washington). Criteria for states we selected included caseload size, geographic location, whether SNAP is state or county-administered, and participation in relevant demonstrations or pilots. We also visited two to three local offices in three of these states (California, Virginia, and Washington) to obtain perspectives from local program managers and eligibility staff and to observe eligibility processes and systems. Our selection criteria for localities within each state included variation in population density and geographic location. The information gathered from interviews with officials from selected states and localities is not generalizable to all states and localities and is meant to provide illustrative examples. To obtain pertinent federal-level information, we reviewed relevant federal laws, regulations, guidance, and other information and interviewed federal agency officials. Specifically, we interviewed officials from FNS about pertinent initiatives, as well as oversight, technical assistance, and guidance related to data matches. We spoke with officials in FNS' national office as well as a nongeneralizable sample of three of its seven regional offices.⁴ To assess FNS' efforts, we reviewed prior GAO work on collaboration and strategic sourcing and federal internal control standards. We also interviewed officials and reviewed information from the Department of Health and Human Services (HHS)' Administration for Children and Families (ACF) and Centers for Medicare & Medicaid Services (CMS), as well as the Social Security Administration (SSA) to obtain information on relevant data matches and other data matching or data sharing initiatives. Additionally, we interviewed representatives with expertise on SNAP from relevant national trade associations, private service providers, and research or client advocacy organizations.

We conducted this performance audit from August 2015 to October 2016 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that

⁴The three regional offices were the Northeast, Southeast, and Western regions, which we selected because they covered four of our six selected states.

the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

Determining SNAP Eligibility and Benefits

The goal of SNAP is to help low-income individuals and households obtain a more nutritious diet by supplementing their income with benefits to purchase allowable food items. The overarching rules governing SNAP are set at the federal level. Accordingly, FNS is responsible for promulgating program regulations and ensuring that state officials administer the program in compliance with program rules. The states, or in some cases counties, administer the program by determining whether households meet the program's eligibility requirements, calculating monthly benefits for qualified households, and issuing benefits to participants on an electronic benefits transfer card. States are also allowed flexibility in establishing some state-specific policy modifications, such as through state options.⁵

One financial criterion for SNAP eligibility and benefit amount involves household income, which can come from various sources, including earned income, such as wages and salaries, and unearned income, such as payments from other government programs (see table 1).⁶ Generally, under federal law, a household's gross income cannot exceed 130 percent of the federal poverty level (\$2,628 per month for a family of four for most states in fiscal year 2016).⁷ The household's net income, which is determined by deducting certain expenses from gross income, such as certain dependent care and shelter costs, cannot exceed 100 percent of the federal poverty level (\$2,021 per month for a family of four for most

⁵State policy options are flexibilities set forth in federal law or regulation that permit states to use alternative procedures when administering their SNAP program.

⁶In this report, we focused on earned income and unearned income from government programs. We did not look at other types of unearned income, such as from alimony or interest and dividend payments.

⁷SNAP's income eligibility criteria are largely laid out in federal laws and regulations, although some variation at the option of individual states is allowed.

states in fiscal year 2016).⁸ Net income is used in determining the household's benefit amount, subject to maximum benefit limits. Generally, eligibility is based on various household circumstances, including income. After eligibility is established, households are certified to receive SNAP for periods ranging from 1 to 24 months depending upon household circumstances and state-selected policy options. Households are required to report certain changes during the certification period which can affect their eligibility and benefit amounts. Once the certification period ends, there is a recertification process whereby households reapply for benefits and eligibility and benefit levels are redetermined.

⁸According to information from FNS, many state SNAP agencies have implemented a state option known as broad-based categorical eligibility, which allows states to make households that receive non-cash services funded by Temporary Assistance for Needy Families (TANF), such as a toll-free number to obtain program information or an informational brochure, automatically eligible for SNAP. Through this option, the TANF non-cash service requirements for income and assets become those relevant for SNAP, and we previously reported that this resulted in some states effectively removing or increasing SNAP asset limits, raising the SNAP gross income limit, and removing the SNAP net income limit. For more information, see GAO, *Supplemental Nutrition Assistance Program: Improved Oversight of State Eligibility Expansions Needed*, [GAO-12-670](#) (Washington, D.C.: July 26, 2012).

Table 1: Common Sources of Countable Income for Households Receiving Supplemental Nutrition Assistance Program (SNAP) Benefits in Fiscal Year 2014

Income Source	Category	Percentage of SNAP Households with Income Source
Unearned Income	Old-Age, Survivors, and Disability Insurance (“Social Security”)	25
	Supplemental Security Income	20
	Child support enforcement payments	8
	Temporary Assistance for Needy Families (cash assistance)	6
	General assistance	3
	Unemployment insurance	2
Earned Income	Wages and salaries	28
	Self-employment	4
No Income	Not applicable	22

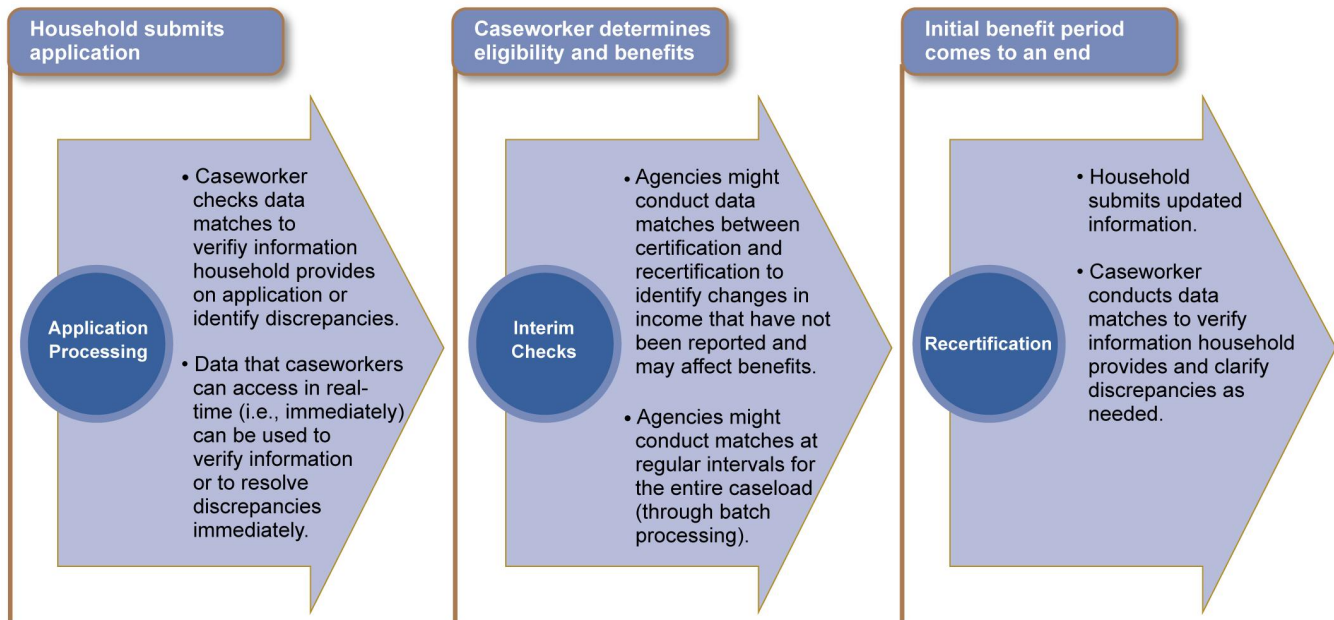
Source: Mathematica Policy Research, *Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2014*, Report No. SNAP-15-CHAR, prepared at the request of U.S. Department of Agriculture’s Food and Nutrition Service, December 2015. | GAO-17-111.

Note: These numbers are based on a sample of SNAP households from program quality control data. This is not a complete list of income sources. Also, households may receive income from more than one source. For example, of the 25 percent of households that received Old-Age, Survivors, and Disability Insurance, 8 percent also received Supplemental Security Income, according to this report. The sources of income are explained in part by the characteristics of household members. According to this report, in fiscal year 2014: about 44 percent of SNAP households included children, 19 percent included at least one elderly individual, and about 20 percent included at least one non-elderly individual with disabilities. Households may have more than one characteristic.

Use of Data Matching for Eligibility

SNAP agencies use data matching to obtain information about households’ income, verify information that households provide when they initially apply or recertify for benefits, or identify potential discrepancies. For households that already receive SNAP benefits, data matching can provide information about changes in income that affect households’ eligibility or benefit levels (see fig. 1). In certain cases, data matching can take the place of traditional forms of verifying information provided by applicants, such as requiring households to submit documentation (e.g. pay stubs or a child support agreement) or making collateral contacts, such as a phone call to an employer.

Figure 1: Examples of the Use of Data Matching to Determine Eligibility and Benefit Amounts for the Supplemental Nutrition Assistance Program (SNAP)



Source: GAO analysis of information from U.S. Department of Agriculture's Food and Nutrition Services and state SNAP agencies. | GAO-17-111

Certain federal policies that help protect individuals from inappropriately losing benefits affect whether SNAP agencies need to take additional steps to verify information from a data match. Federal law generally requires that government agencies administering benefits using matching programs verify information from matches before reducing or terminating benefits unless specified government entities have determined that there is a high degree of confidence that the information is accurate.⁹ For SNAP, FNS defines some data matches as “verified upon receipt,” if the match is with a primary or original source of the data (such as information

⁹ 5 U.S.C. § 552a(p). Federal agencies with computer matching programs are required to have a data integrity board which oversees computer matching activities. For additional information on these and other requirements, see GAO, *Computer Matching Act: OMB and Selected Agencies Need to Ensure Consistent Implementation*, [GAO-14-44](#), (Washington, D.C.: Jan. 13, 2014). Also, for other examples of federal privacy and confidentiality requirements for human services programs, see GAO, *Human Services: Sustained and Coordinated Efforts Could Facilitate Data Sharing While Protecting Privacy*, [GAO-13-106](#), (Washington, D.C.: Feb. 8, 2013), table 2.

on a government benefit provided by the administering agency) and is not questionable. An example is a match with SSA that provides information on the amount of Old-Age, Survivors, and Disability Insurance (OASDI) benefits a household receives. Eligibility workers can use this information for eligibility determinations without taking additional steps to verify that the data are accurate, according to FNS guidance. In contrast, data from a secondary source (not verified upon receipt) require additional verification before they can be used in eligibility determinations. For instance, state quarterly wage data are considered a secondary source because they are a compilation of earnings data submitted by employers to the state workforce agency. Accordingly, the SNAP caseworker must take additional steps, such as contacting an employer or requesting paystubs from the client, to verify that information from that match is accurate before using it to change a household's eligibility status or benefit amount. Failing to verify information from secondary sources can cause eligible households to lose benefits if caseworkers act on inaccurate information. Alternatively, if caseworkers do not follow up to verify information from secondary sources, they may miss opportunities to reduce or prevent improper payments. Regardless of whether the data are from primary or secondary sources, SNAP agencies are required to notify the household of the actions they intend to take and provide the household with an opportunity to request a fair hearing prior to any adverse action.¹⁰

Federal law and regulations require states to conduct certain data matches for SNAP eligibility, including three matches that provide non-income related information on people who may be incarcerated, deceased, or otherwise disqualified from receiving SNAP benefits (see table 2).¹¹ Most recently, the Agricultural Act of 2014 required SNAP

¹⁰ 7 C.F.R. § 273.13.

¹¹We looked at the use of these matches in selected states in [GAO-14-641](#) on SNAP recipient fraud. The USDA Inspector General also looked at several of these matches in a 2012 report. See USDA, Office of the Inspector General, *Analysis of the FNS' Supplemental Nutrition Assistance Program Fraud Prevention and Detection Efforts*, Audit Report 27002-0011-13 (Washington, D.C: September 2012).

agencies to conduct a match with the National Directory of New Hires (NDNH) to verify employment data.¹²

Table 2: Federally Required Data Matches for Determining Supplemental Nutrition Assistance Program (SNAP) Eligibility

	Laws and Regulations	Name and description of match
<i>Income-related</i>	7 U.S.C. § 2020(e)(24) and 7 C.F.R. § 272.16 ^a	HHS' National Directory of New Hires: SNAP agencies must compare employment information from the national file on new hires at certification (when the household applies) and recertification to determine eligibility status and correct benefit amount for SNAP applicants and participants.
<i>Other</i>	7 U.S.C. § 2020(e)(18) and 7 C.F.R. § 272.13	SSA's Prisoner Verification System: To ensure that individuals incarcerated in a federal, state, or local facility for more than 30 days do not receive benefits, SNAP agencies must conduct this match at certification and recertification.
	7 U.S.C. § 2020(r) and 7 C.F.R. § 272.14	SSA's Death Master File: To ensure that deceased individuals do not receive benefits, SNAP agencies must conduct this match at the time of certification and recertification, and no less than every 12 months.
	7 C.F.R. § 273.16(i)(4)(i)	FNS' Electronic Disqualified Recipient System: To ensure that certain people who were previously disqualified from receiving SNAP benefits do not receive benefits, SNAP agencies must screen all program applicants prior to certification.

Source: GAO review of relevant laws and regulations as well as information from U.S. Department of Agriculture's Food and Nutrition Service (FNS). | GAO-17-111

Note: HHS is the Department of Health and Human Services; SSA is the Social Security Administration.

^aFNS issued an interim final rule on this requirement in January 2016. However, state agencies were directed to implement this match in 2014, based on section 4013 of the Agricultural Act of 2014.

¹²Pub. L. No. 113-79, § 4013, 128 Stat. 649, 793. The Agricultural Act of 2014 also included separate requirements for states to use an immigration status verification system, as well as an income and eligibility verification system. FNS officials told us that the department has not yet proposed implementing regulations or guidance for these requirements, and we do not discuss these further in the report.

States Reported Conducting Numerous Data Matches for SNAP and the Matches They Find Most Useful Provide Real-Time Access to Recent Data

All States Conduct a Range of Data Matches for SNAP, and Most States Have Implemented the Recently Required New Hire Data Match

In response to our survey, all states reported conducting multiple data matches for income information that they use to determine SNAP eligibility. These matches gather information from federal, state, and commercial data sources on earned income from employment or self-employment, or unearned income from other government benefit programs (see table 3).

Table 3: Number of State Supplemental Nutrition Assistance Program (SNAP) Agencies That Reported Using Data Matches for Income Information for SNAP Eligibility

Description of match or information provided		Federally required match ^a	Commercial data source	Earned income data	Unearned income data	Number of states using
National data sources	Old Age, Survivors, and Disability Insurance (OASDI) income information can be obtained from multiple data matches with the Social Security Administration (SSA). ^b	no	no	no	yes	51
	Supplemental Security Income (SSI) information comes from several direct data matches with SSA. ^c	no	no	no	yes	51
	The Work Number® is a commercial verification service operated by Equifax Inc. that provides payroll information from participating employers for a fee.	no	yes	yes	no	45

Description of match or information provided		Federally required match ^a	Commercial data source	Earned income data	Unearned income data	Number of states using
	Public Assistance Reporting Information System (PARIS) Interstate file from the Department of Health and Human Services (HHS) provides information on individuals' benefit receipt in other states.	no	no	no	yes	40
	National Directory of New Hires (NDNH) New Hire file is a national database of employer reports of newly hired employees collected from state directories of new hires and from federal agencies by HHS.	yes	no	yes	no	39 ^d
	PARIS federal and Veterans Affairs files include data from Department of Defense and the Office of Personnel Management on earnings or retirement income and benefits received from the Department of Veterans Affairs.	no	no	yes	yes	31
	Beneficiary Earnings Exchange Record (BEER) from SSA provides information on individuals' earned income based on the Internal Revenue Service's earnings and tax data, including earnings from self-employment and employment in other states.	no	no	yes	no	24
	NDNH Unemployment Insurance file provides information on individuals who received or applied for unemployment benefits. HHS collects this data from state workforce agencies.	no	no	no	yes	9
	NDNH Quarterly Wage file include employees' wage amounts collected by HHS from state workforce agencies or federal agencies.	no	no	yes	-	4
State-level data sources	Unemployment insurance information from direct data matches with state workforce agencies provides benefit information.	no	no	no	yes	49
	Child support payment information from direct data matches with state enforcement programs provide information on child support payments made or received.	no	no	no	yes	47
	State quarterly wage data provides information from employers covered by state unemployment insurance programs.	no	no	yes	no	45
	Income information verified by other programs , such as Temporary Assistance for Needy Families (TANF) programs, for their own eligibility or benefit determinations.	no	no	yes	yes	42
	State directories of new hires are databases of employer reports of newly hired employees collected by states.	no	no	yes	no	36
	Day care license databases provide information on day care workers' earnings.	no	no	yes	no	11
	State tax filings provide information on individuals' earned income and unearned income.	no	no	yes	yes	7

Source: Counts of states using data matches based on survey responses from state SNAP agencies and information from HHS's Office of Child Support Enforcement (OCSE). Data match characteristics based on GAO analysis of information from HHS, SSA, U.S. Department of Agriculture's Food and Nutrition Service, and Equifax. | GAO-17-111

^aState SNAP agencies are required to match against the NDNH. Not all states had implemented the match at the time of our review. FNS officials said that each of the states that have not yet implemented the match are working towards implementation and FNS is monitoring states' progress.

Also, other federally required matches for SNAP, according to FNS, are for non-income related information, which are not represented in this table.

^bOASDI matches include the State On-Line Query, State Verification and Exchange System, and Beneficiary and Earnings Data Exchange.

^cSSI matches include State On-Line Query, State Verification and Exchange System, and State Data Exchange.

^dThis number is based on survey responses as well as the most recent available information from OCSE that includes states that requested the NDNH New Hire data in August 2016.

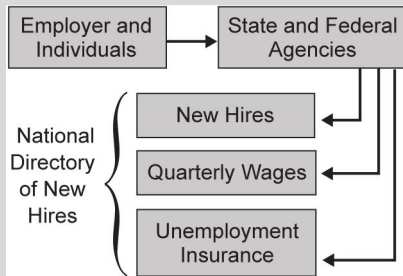
National Directory of New Hires (NDNH)

The Department of Health and Human Services' Office of Child Support Enforcement compiles information from state and federal agencies into three separate files that comprise the NDNH.

The *New Hire file* contains information on newly hired employees nationwide as reported by employers to each state directory of new hires and as reported by federal agencies directly to the NDNH.

The *Quarterly Wage file* contains quarterly earnings amounts for individual employees nationwide collected from state workforce agency and federal agency records.

The *Unemployment Insurance file* contains information on individuals who received or applied for unemployment benefits nationwide, as reported by state workforce agencies



Source: GAO analysis of Department of Health and Human Services Guide to the National Directory of New Hires. | GAO-17-111

As of September 2016, 39 state SNAP agencies conduct the federally-required match with the NDNH New Hire data (see sidebar), according to our survey and information from HHS/ACF's Office of Child Support Enforcement (OCSE) on states' progress in implementing the match.¹³ FNS required states to implement this match for SNAP eligibility purposes by September 21, 2014; however, some states have experienced implementation delays, and FNS officials said that each of the 12 remaining states is working towards implementing the match. States that experienced implementation delays had not yet developed the capacity to conduct the NDNH New Hire match or faced competing priorities for resources, according to FNS, OCSE, and state officials. For example, two of the remaining states said they will implement the match in coordination with efforts to upgrade or replace SNAP eligibility systems. Two other states said in their survey responses that a lack of resources has delayed their implementation of the match. FNS monitors states' progress in implementing the required NDNH New Hire match and promotes states' compliance by reviewing monthly reports on states' matching activities and following up with states as needed, according to FNS officials. Specifically, FNS officials reported that the national office in Washington, D.C., reviews monthly reports from OCSE on states matching activities and forwards information to FNS regional offices for follow up as needed.¹⁴

¹³We reviewed state survey responses and information from OCSE to determine the number of states that have implemented this match. Subsequent to our survey, we updated the count of states who have implemented the NDNH New Hire match to include all states that submitted records for the match in August 2016 based on the most recent available information from OCSE.

¹⁴In addition, FNS officials said that they monitor states' NDNH matching activities as part of management evaluation case reviews and require states to develop corrective action plans if FNS finds that required matching activities were not carried out.

Matches States Reported Finding Most Useful Provide Real-Time Access to Recent Data, and Other Matches May Detect Unreported Sources of Income

Data matches with primary sources, those that allow for real-time access to data, and those that provide up-to-date information are useful because they enable efficient and accurate SNAP eligibility determinations, and matches that combine these characteristics are particularly useful, according to our analysis of state survey responses. Officials from SNAP agencies we interviewed explained that these data matching characteristics streamlined the eligibility determination process for caseworkers and households.

- Data matches with *primary data sources* are more useful because caseworkers can use the information without having to conduct additional verification, according to officials from each of the six state SNAP agencies we interviewed.
- Matches that can be accessed in *real-time*, or immediately upon request, can help caseworkers make determinations more quickly or eliminate the need to revisit eligibility or benefit determinations multiple times, according to officials we interviewed in five of the six states. Real-time access allows caseworkers to verify information provided by applicants and discuss apparent discrepancies during interviews rather than contact households again later. It can be difficult for caseworkers to contact households, according to officials we spoke with in four of the six states, and the need to do so can create delays in processing applications, a key FNS performance measure for SNAP.
- FNS regulations generally require *recent information* on income for SNAP eligibility and benefit determinations. Generally, FNS directs states to use income received in the last 30 days as the basis for determining SNAP benefit amounts.¹⁵ Accordingly, matches that provide current information can be used to accurately calculate or adjust benefits whereas older data may introduce errors if not updated. Officials from each of the six states we interviewed emphasized the importance of up-to-date information.

Four data matches for unearned income have each of the useful characteristics described above, while the data matches for earned income lack one or more of these characteristics. The four data matches most states reported using and finding very or extremely useful are with

¹⁵7 C.F.R. § 273.10(c).

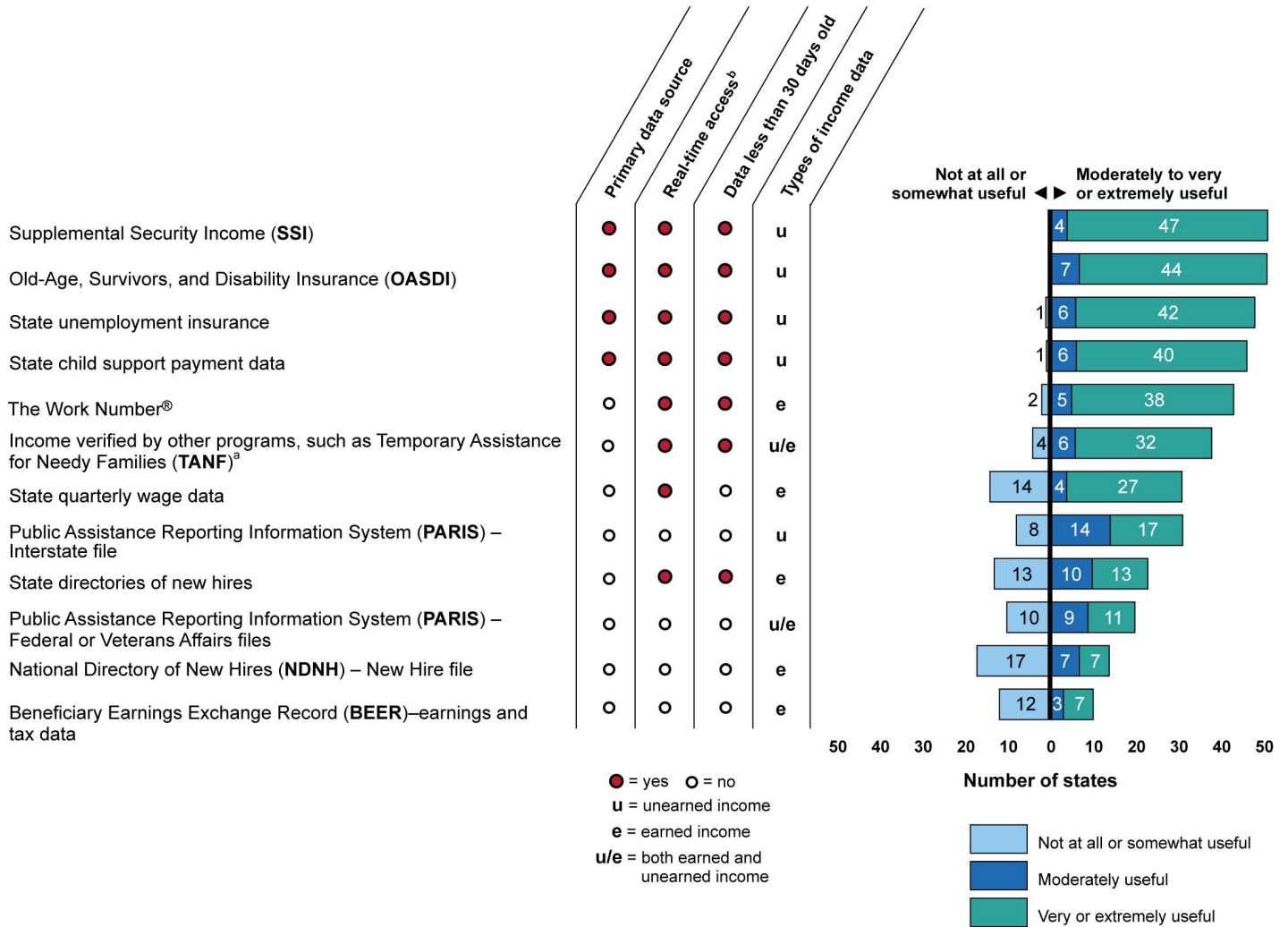
primary sources including state or federal agencies that administer benefit programs that provide households' unearned income (see fig. 2). Matches with SSA can provide real-time access to current SSI and OASDI program benefits that a household may receive. Matches with state-level unemployment insurance and child support enforcement agencies can provide up-to-date and real-time access to information on households' receipt of benefits or support payments, depending on states' matching capabilities. The data source for earned income that the most states reported as very or extremely useful was the commercial verification service The Work Number®, which is owned by Equifax Inc. and stores employment and earnings information gathered from participating employers' payroll systems.¹⁶ Equifax representatives told us they estimate that The Work Number covers about 35-40 percent of the working population at any given time. Additionally, FNS officials told us that while The Work Number is a secondary source of information for SNAP eligibility purposes, SNAP agencies can use it to verify earned income reported by households or to identify potential earnings that were not reported. Similar to our findings in a recent report on the use of commercial data services to help identify fraud and improper payments, officials from five of the six states where we interviewed SNAP agency officials said The Work Number can improve program integrity or program efficiency by providing real-time access to accurate and up-to-date information.¹⁷ Also, use of The Work Number can reduce the reporting burden on households and employers because caseworkers can use it in lieu of collecting pay stubs from households or contacting employers to confirm reported earnings, according to state or local officials in these five states and Equifax representatives we interviewed.¹⁸

¹⁶Equifax Inc. is a publicly held company that provides data services that include consumer and commercial information as well as workforce information. The Work Number includes information from approximately 65 million active employees, according to Equifax.

¹⁷GAO, *Program Integrity: Views on the Use of Commercial Data Services to Help Identify Fraud and Improper Payments*, [GAO-16-624](#), (Washington, D.C.: June 30, 2016).

¹⁸SNAP agencies must generally verify households' income prior to certification using documentary evidence such as a pay stub. When such evidence cannot be obtained or is insufficient to make a determination, collateral contacts, such as a phone call with an employer, or a home visit, may be used. 7 C.F.R. § 273.2(f).

Figure 2: Reported Usefulness of Common Income Data Matches That States Conduct to Determine Eligibility for the Supplemental Nutrition Assistance Program (SNAP)



Source: Characteristics based on GAO analysis of information from the Department of Health and Human Services, Social Security Administration, state SNAP agencies, U.S. Department of Agriculture's Food and Nutrition Service, and Equifax Inc., which owns and operates The Work Number. States' reports of the usefulness of data matches based on survey responses from state SNAP agencies. | GAO-17-111

Note: Responses do not always add to 51 because not all states use these matches for SNAP eligibility and some states that use these matches did not know how to rate their usefulness or did not provide this information in the survey.

^aAlthough it does not come from a primary data source, information reported for TANF that affects SNAP benefits is considered by Food and Nutrition Service to be verified for SNAP purposes.

^bReal-time access may depend on state agencies' information technology capabilities.

Data matches that do not have the characteristics that states found particularly useful can be used as leads to detect income that households may not have reported. For example, although state new hire directories and the NDNH New Hire data do not include information on the amount of employee earnings, caseworkers can use them to identify new employment that may not be reflected in households' case files and follow up with households or employers to verify earnings. Eligibility workers at one county office we visited said that although not all data matches they used had complete or up-to-date information, they were still useful because they prompted action and helped prevent potential improper payments.

States Reported Challenges with Following Up on Data Matches, Using Data Matches for Multiple Programs, and Costs

Necessary Follow-Up on Data Matches Is Challenging, Especially Related to Earnings and Out-of-State Benefits

In our survey, we asked states about overall challenges for the income-related data matches they use, and the issue the most states found very or extremely challenging was following up to verify information provided by those matches. Other issues related to the data, such as the recency of information, were also noted as challenges (see fig. 3). SNAP agency officials we interviewed in each of the six states said that following up on data matches to ensure information is accurate and up-to-date can be time intensive and difficult to achieve. As discussed earlier, the need to follow up on data matches stems from limitations in using the data for SNAP eligibility purposes. According to FNS guidance, before taking certain actions that affect households' benefits, SNAP agencies should confirm income information that is not considered verified. FNS does not consider information that is questionable or that comes from a secondary

rather than a primary source of information to be verified.¹⁹ These secondary data sources are often collected for multiple purposes and thus may not be sufficiently recent, accurate, or complete for SNAP eligibility determinations. NDNH files, for example, contain data used for many purposes. They are used to help state child support agencies locate parents and enforce child support orders. They also assist with the administration of SNAP, TANF, and child and family services programs, among others.²⁰ However, some information, such as NDNH's Quarterly Wage file, may not be sufficiently recent to serve as the basis for SNAP eligibility determinations without potentially leading to improper payments. It can take months to compile this information from employers at state and national levels—states have four months after the end of a calendar quarter to transmit quarterly wage data to NDNH.²¹ Thus, it may be difficult to accurately calculate SNAP benefits from quarterly earnings if employees experienced changes in employment, hours worked, or wage rates.²² In addition, officials we spoke with from four of the six states said that a new hire match may not indicate that someone actually earned wages, such as when someone signs up with a temporary employment agency but has not actually been placed in a job.

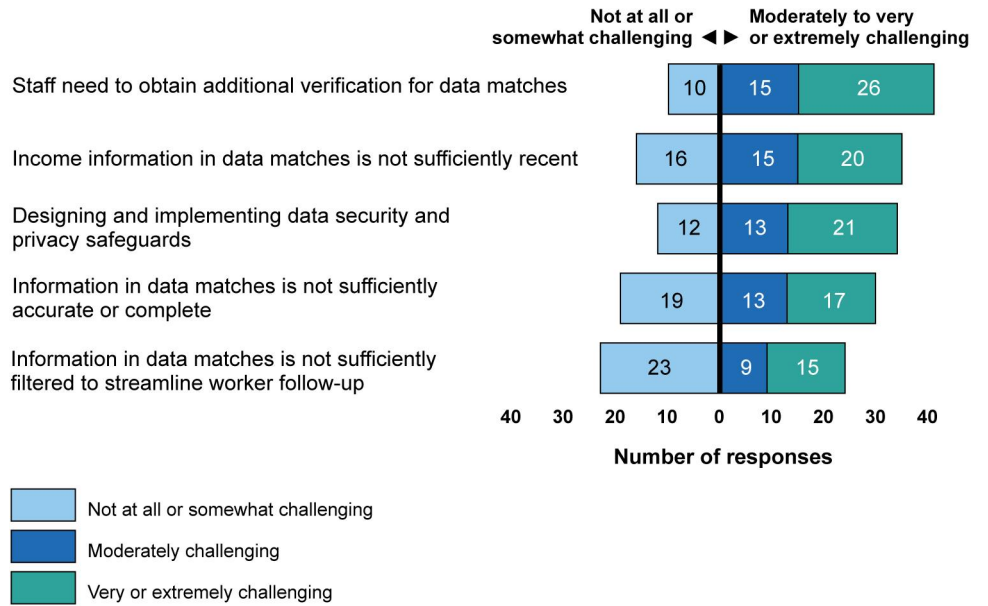
¹⁹Food and Nutrition Service, "Questions and Answers on the Noncitizen Eligibility and Certification Provisions Final Rule," (Nov. 21, 2000) and "Supplemental Nutrition Assistance Program (SNAP) Questions and Answers on Simplified Reporting," (Aug. 13, 2013).

²⁰42 U.S.C. § 653(i), (j). OCSE has authority to provide NDNH data to the SSA, Department of Education, Department of Housing and Urban Development, and the Department of Treasury, among other entities. States may also use NDNH data for various purposes. For example, we recently reported that federal agencies overseeing certain employment and training programs use quarterly wage data to track outcomes. We reported these efforts in GAO, *Workforce Innovation and Opportunity Act: Performance Reporting and Related Challenges*, [GAO-15-764R](#) (Washington, D.C.: Sept. 23, 2015).

²¹According to ACF officials, some states report wage data more frequently to NDNH, such as on a monthly or weekly basis.

²²Generally, SNAP agencies must use income received in the past 30 days as an indicator of the household's income when determining eligibility. However, depending on the circumstances, they may use older information, according to SNAP regulations at 7 C.F.R. § 273.10(c). In such cases, however, there is the potential for errors to be identified later through the SNAP quality control process.

Figure 3: Data Challenges States Reported with Data Matching Conducted to Determine Eligibility for the Supplemental Nutrition Assistance Program (SNAP)



Source: Survey responses from state SNAP directors. | GAO-17-111

Working families make up a growing share of SNAP households; yet earned income information can be particularly difficult to obtain through data matches.²³ Data matches that provide earned income information do not come from primary sources and have unique advantages and disadvantages in how recent or comprehensive their data are for determining SNAP eligibility (see table 4). Unlike several data matches for unearned income, all data matches for earned income lack one or more characteristics that are useful for determining SNAP eligibility. Earned income data sources such as the PARIS federal file, The Work Number, and various state sources do not include all employers, whereas more comprehensive sources such as NDNH or Internal Revenue Service earnings and tax data are more than 30 days old, lack relevant details, and are not available in real-time. In addition, states reported that the security and privacy safeguards needed to use tax data can be

²³Over the past 20 years, the share of SNAP households with earned income rose by 50 percent, according to an analysis of USDA data by the Council of Economic Advisers.

particularly challenging.²⁴ Accordingly, SNAP agencies reported that they rely on multiple data matches for earned income information, which they should confirm is correct and relevant for SNAP eligibility before using the information for eligibility or benefit determinations.

Table 4: Characteristics of Selected Data Sources of Earnings Information Used for the Supplemental Nutrition Assistance Program (SNAP)

Source of earnings information	Advantages for determining SNAP eligibility	Disadvantages for determining SNAP eligibility
Earnings and tax data from the Beneficiary Earnings Exchange Record or state records	<ul style="list-style-type: none"> Matches include taxed income, including self-employment earnings, which is not available in other national data sources. 	<ul style="list-style-type: none"> Information may not become available until a year or more after the calendar year it represents. Tax records may not provide detail on changes in employment, hours worked, or wage rates during the year, which may affect SNAP benefits.
National Directory of New Hires (NDNH) New Hire file or state directories of new hires	<ul style="list-style-type: none"> NDNH includes federal agency and multi-state employer hires, which state directories may lack. New hires appear in state directories within 20 days, and may be accessed from state directories in real-time. 	<ul style="list-style-type: none"> NDNH and state directories provide employment information, but do not provide income amounts. SNAP agencies request NDNH matches once per month, and the matches they receive do not include new hires within the last 30 days.
NDNH or state Quarterly Wage files	<ul style="list-style-type: none"> NDNH includes federal agency and multi-state employer wages, which state files may lack. States make their files available before the national file, and may provide real-time access. 	<ul style="list-style-type: none"> NDNH and state files may not be available until months after the quarter has ended. NDNH and state files may not provide detail on changes in employment, hours worked, or wage rates during the quarter, which may affect SNAP benefits.
Public Assistance Reporting Information System (PARIS) federal file	<ul style="list-style-type: none"> Matches include pay for active and retired federal civilian and military employees. 	<ul style="list-style-type: none"> Only federal and military pay is included. Some payments are reported on an annual or year-to-date basis, which may not provide sufficient detail for SNAP eligibility determination.
The Work Number®	<ul style="list-style-type: none"> Matches provide information from the last pay period and can be accessed in real-time. 	<ul style="list-style-type: none"> Data are available from participating employers only.

Source: GAO analysis of information from the Department of Health and Human Services' Administration for Children and Families, Social Security Administration, the U.S. Department of Agriculture's Food and Nutrition Service, and Equifax Inc., which owns and operates The Work Number. | GAO-17-111

²⁴Twenty-one states reported that designing and implementing data security and privacy safeguards are very or extremely challenging for income-related data matches in general. Additionally, when we asked about challenges associated with national data sources, about 38 percent (9 of 24) of states conducting the BEER match for Internal Revenue Service earnings and tax data said that security and privacy safeguards were very or extremely challenging, a larger percentage than any other national data source we asked about in our survey.

Similarly, several data matches provide information on whether households received unearned income in the form of benefits from programs in other states or receive benefits from the same program in multiple states at the same time, but following up to confirm matches across states can be difficult. Data matches on benefits in other states can help SNAP agencies identify when a household or household member moves from one state to another but has not reported the move, as well as detect possible instances of intentional fraud. Data matches such as the PARIS Interstate file and NDNH Unemployment Insurance file aggregate income information across states and can provide useful leads for follow up by states. However, 13 states reported in our survey that lack of access to income information from other states was very or extremely challenging.²⁵ In addition, officials we interviewed in four of six states said that it is time consuming to conduct follow up verifications with other states in terms of obtaining verification from other states or in terms of providing verifications to other states upon request. For example, an official from one state noted that the state receives approximately 500 inquiries a month from other states following up on matches from the PARIS Interstate file, and the state must respond to each one in writing. Officials from another state said that out-of-state-benefits were the most cumbersome form of income to verify because the process varies by state or even by county, and other agencies may be slow to provide information, place verification requesters on hold for extended periods of time, or frequently change their points of contact.

States reported efforts to target and streamline data matching activities in order to reduce some of the manual work associated with data matching, including those associated with worker follow-up. SNAP agency officials we interviewed in three of the six states reported initiatives underway to improve data matching efficiency by better prioritizing which matches need follow up. For instance, in response to earlier challenges it encountered with data matching processes, Massachusetts has gone through a yearlong effort to better distinguish patterns of information from their quarterly wage and new hire matches that indicate whether follow up is worthwhile, according to state officials. By developing more sophisticated data matching algorithms, they hope to be able to filter out

²⁵In addition, 12 states reported this was moderately challenging and 16 states reported it was somewhat or not at all challenging.

new hire matches that are not likely to affect SNAP benefits such as for one-day employment as an election worker or college students' income from federal work-study programs that are not counted when determining SNAP eligibility and benefits. Massachusetts officials said that efforts such as these to use data matches more strategically can improve program integrity and service to households, as well as administrative efficiencies. Also, among states we interviewed, Texas, Virginia, and Washington have implemented information systems that enable caseworkers to look up available client information from multiple state and federal data systems with one search rather than conducting each data match individually. In addition, five states responded to our survey that they have systems to automatically import information from most or all matches into their eligibility systems without additional manual data entry.

Similarly, SNAP agency officials in two of the six states we interviewed (Massachusetts and Washington) said they were involved in state-initiated efforts to address the need for faster, more complete cross-state data. For example, Massachusetts officials described a direct match that their state does with New York to provide one another data on households receiving benefits. Massachusetts officials said they can take action on exact matches showing household members receiving benefits from both states, and follow up on leads as appropriate if matches are not exact. Washington state officials told us that they provide neighboring states with certain read-only access to an online benefits verification system to allow those states to more easily confirm whether applicants already receive benefits in Washington. Washington officials told us this online system is easier than faxing or phoning the information to other states, and that they are pursuing access to other states' information through similar online systems.

States Reported Barriers to Using Data Matches for Multiple Programs and the Cost of Conducting Matches as Challenges

States reported ways they have integrated SNAP eligibility processes with other programs, particularly TANF and Medicaid, but also reported that limitations on using the same data matches for multiple programs were challenging. States sometimes integrate aspects of the SNAP eligibility process with those of other programs, such as through combined applications, common eligibility workers, or integrated or linked eligibility systems. According to our survey, SNAP eligibility processes were most commonly integrated with state TANF cash assistance programs, as well

as with state Medicaid programs, although to a somewhat lesser degree.²⁶ However, 21 states reported that they found it very or extremely challenging that Medicaid and other programs use income information from matches differently than SNAP because, for example, processes for verifying income information or definitions of household income differ across programs.²⁷

One way state Medicaid programs verify income information differently than SNAP is by accessing data sources through CMS's federal data services hub (the Hub). As we have previously reported, CMS created the Hub to implement provisions of the Patient Protection and Affordable Care Act (PPACA).²⁸ The Hub provides a single access point for state agencies to gather information from various data sources used to verify eligibility determinations for Medicaid and related insurance affordability

²⁶According to our survey, 44 states reported having integrated or linked eligibility systems, common eligibility workers, and combined applications between their SNAP and TANF cash assistance programs. Somewhat fewer states reported sharing these components of eligibility between their SNAP and Medicaid programs (31 states had an integrated or linked eligibility system and common eligibility workers, 24 had combined applications). Many fewer states shared these eligibility components with other programs, such as child care assistance, the Low-Income Home Energy Assistance Program, and child support enforcement. Also, according to other research, many states delinked their Medicaid application and eligibility processes from those used for human services programs, such as SNAP and TANF, in response to the Patient Protection and Affordable Care Act; however, a number of states plan to reintegrate their health and human services eligibility systems over time. See Kaiser Family Foundation, *Medicaid and CHIP Eligibility, Enrollment, Renewal, and Cost-Sharing Policies as of January 2016: Findings from a 50-State Survey*, (Washington, D.C.: The Kaiser Commission on Medicaid and the Uninsured, January 2016).

²⁷In addition, 9 states reported this was moderately challenging and 16 states reported it was somewhat or not at all challenging.

²⁸GAO, *Patient Protection and Affordable Care Act: CMS Should Act to Strengthen Enrollment Controls and Manage Fraud Risk*, [GAO-16-29](#) (Washington, D.C.: Feb. 23, 2016). States use the Hub to access information to support eligibility determinations for Medicaid and other health insurance affordability programs, including the Children's Health Insurance Program and the Basic Health Program, and financial assistance such as advanced premium tax credits, and cost-sharing subsidies for coverage obtained through health insurance marketplaces, although use of the Hub varies by state according to CMS officials. Although the Hub plays a pivotal role in supporting the eligibility and enrollment processes for qualified health plans or health care affordability programs, we recently reported areas of vulnerability to fraud, and recommended that CMS take several actions to enhance program integrity and management and better assess potential fraud risk. HHS agreed with our recommendations.

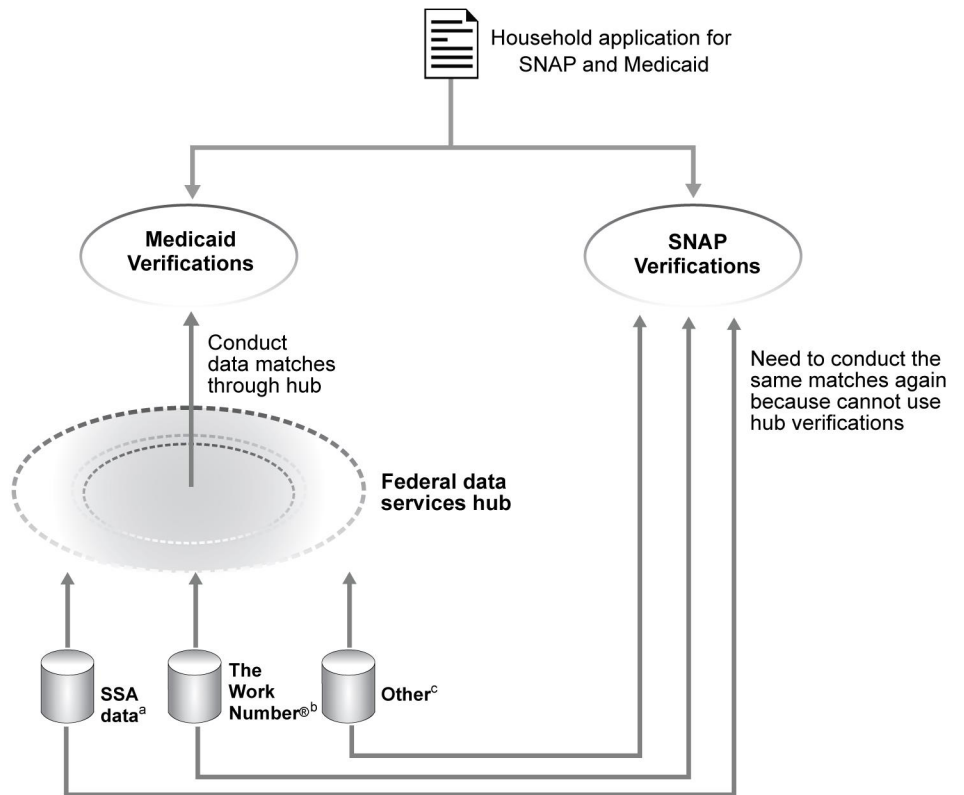
programs. More specifically, the Hub provides access to OASDI data from SSA and earnings data from Equifax's Work Number, among other data, according to our prior work and additional information from CMS, SSA, and Equifax.²⁹ Although these data are also used for SNAP, if state agencies access this information from the Hub, they cannot use it for SNAP eligibility determinations, even for a household that applies for or receives both Medicaid and SNAP benefits, according to FNS guidance.³⁰ This is because data use agreements between CMS and federal agencies and the contract between CMS and Equifax do not authorize states to also use data accessed through the Hub for SNAP, according to officials from CMS and SSA.³¹ Due to these restrictions, when a state uses the Hub for Medicaid eligibility and a caseworker would like to use information on OASDI benefits or earnings available from The Work Number to determine SNAP eligibility, the caseworker would need to access this information independently, in effect conducting duplicative data matches to verify some of the same information for the same household. (See fig. 4).

²⁹The data provided through the Hub may differ from the data SNAP agencies access from the same sources outside the Hub. For example, SSA provides information to SNAP agencies on SSI for SNAP verification, but does not provide this information through the Hub.

³⁰FNS, "Supplemental Nutrition Assistance Program (SNAP) and Data Sharing Under the Affordable Care Act (ACA)," (Oct. 25, 2013).

³¹Equifax representatives also said that state agencies were not able to use data from The Work Number for both Medicaid and SNAP verifications due to the Fair Credit Reporting Act, which representatives said restricts a single data transaction from being used for multiple decisions.

Figure 4: Illustration of Verification Processes for a Household that Applies for or Receives Both Supplemental Nutrition Assistance Program (SNAP) and Medicaid Benefits When the Department of Health and Human Services' Federal Data Services Hub Is Used for Medicaid Verification



SSA data - Social Security Administration data sources
 Other - Other federal data sources

Source: GAO analysis of information from federal and state agencies and prior GAO work. | GAO-17-111

^aInformation that the Social Security Administration provides to both the federal data services hub and SNAP agencies include verification of Social Security numbers, incarceration status, Old-Age, Survivors, and Disability Insurance (OASDI) benefits, and quarters of coverage under OASDI.

^bThe Work Number is a commercial service owned by Equifax Inc. that verifies employment and earnings information.

^cOther federal data matches conducted both by the federal data services hub and SNAP agencies include, for example, immigration status information from the Department of Homeland Security.

Officials we interviewed in four of the six states and officials in six additional states in their responses to open-ended survey questions reported they would like to use the Hub for SNAP determinations or that it

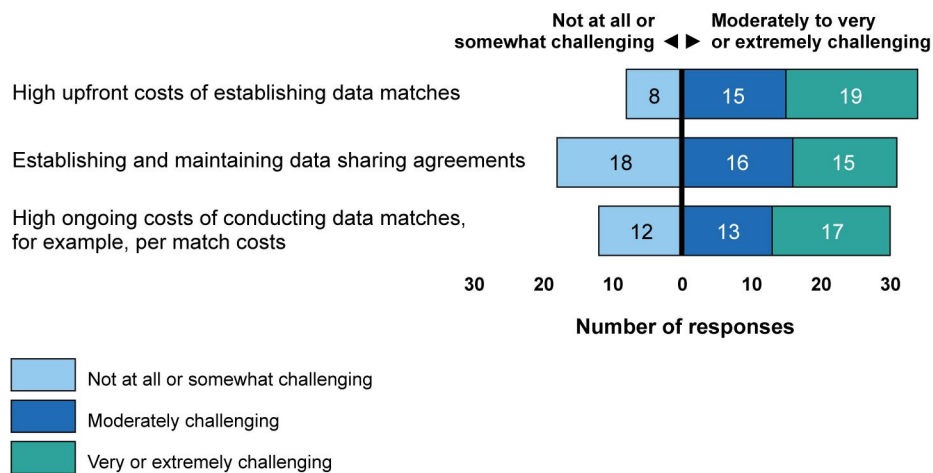
was challenging they were not able to do so. During interviews, officials from two of these states noted that this was challenging given that households that participate in SNAP are often also enrolled in Medicaid.³² For instance, an official from one state we interviewed expressed frustration with the duplicative work caused by not being able to use data accessed through the Hub for Medicaid eligibility verifications, to also verify SNAP or TANF eligibility, when applicable. An official from another state told us that having different processes to verify income for SNAP and Medicaid posed challenges to integrating program operations. Specifically, the official said that it was difficult to train eligibility workers to verify income in different ways for Medicaid and SNAP, and that it is also more difficult to integrate eligibility systems and combine households' records across these programs when income information from data matches can be used for Medicaid but not for SNAP. Concerns regarding program inefficiencies, duplicative work, or additional costs were echoed by representatives we interviewed among five of seven stakeholder groups.

Costs may also be a factor in states' ability to access data. About one-third of states reported in our survey that upfront and ongoing costs associated with conducting data matches were very or extremely challenging overall (see fig. 5), and states reported costs as particularly challenging with respect to use of The Work Number. Upfront costs are those associated with establishing a new data match, such as developing data sharing agreements, updating information systems or adapting business processes to use the match. Ongoing costs include those charged by the source agency or the commercial provider for ongoing use of the match, such as a per match charge. Additionally, there are costs associated with maintaining data sharing agreements. More states reported that costs associated with The Work Number were very or extremely challenging than they did for other national data sources. Of the 45 states that used The Work Number match, upfront costs were a

³²Other research has shown that households which receive SNAP often also receive Medicaid. For example, R. Moffitt, "Multiple Program Participation and the SNAP Program," *Russell Sage Foundation Working Paper* (February 2014) found that 79 percent of families that receive SNAP also receive Medicaid based on analysis of 2008 data from the Census' Survey of Income and Program Participation, the most recent available. Economic and policy changes since that time may have affected the share of households that apply for or receive both SNAP and Medicaid.

challenge for 17 states, and ongoing costs were a challenge for 19.³³ Some states limit their use of The Work Number or do not use it at all due to costs, according to interviews with state and FNS officials and comments from states in response to our survey. For instance, officials from one state we interviewed said they would like to be able to use The Work Number for every application and that applicants ask them to verify earnings through The Work Number, but because of the cost of these matches, caseworkers are asked to only conduct these matches as a last resort when other forms of verification are not available. Even with these limitations, the state contracts for a limited number of matches per month and frequently loses access to The Work Number when that limit is met before the end of the month, according to officials in this state and Equifax representatives. Such challenges can create inefficiencies for eligibility workers and increase the burden for households.

Figure 5: Cost-Related Challenges States Reported with Data Matching that They Conduct to Determine Eligibility for the Supplemental Nutrition Assistance Program (SNAP)



Source: Survey responses from state SNAP directors. | GAO-17-111

³³Fifteen states said that both upfront and ongoing costs of The Work Number were either very or extremely challenging, and 21 states identified at least one of the two types of costs as very or extremely challenging.

FNS Has Efforts Underway to Promote the Use of Data Matching to Improve SNAP, but May Be Missing Some Opportunities

FNS Efforts Include Initiating Demonstration Projects and Pilots, Promoting Program Integration, and Working with CMS to Reduce Duplicative Processes

SNAP Demonstration Projects and Pilots

FNS has initiated several demonstration projects or pilots aimed at using data matching to improve client access, program integrity, or program efficiencies for SNAP (see table 5). Two of these initiatives, the Combined Application Project and the Elderly Simplified Application Project, are designed to help vulnerable populations, particularly the elderly, obtain benefits more easily.³⁴ Currently, states are able to participate in these projects by requesting waivers from FNS.³⁵ However, based on the success of these demonstrations in increasing elderly participation in SNAP, FNS recently proposed creating a state option (instead of the use of waivers) that would allow states to adopt a set of policies to streamline and simplify SNAP application, reporting requirements, and recertification

³⁴According to FNS, low-income seniors are among the most at-risk of food insecurity because they often live alone, have health problems, and are less mobile.

³⁵Waivers for the Combined Application and the Elderly Simplified Application Projects include those related to interview requirements, verification requirements, and the length of the certification period, among others.

for low-income elderly individuals.³⁶ In contrast, based on the results of another demonstration that explored the use of quarterly wage data matches, FNS recently concluded that it could not recommend the use of these data, as it affected the accuracy of benefit amounts.³⁷

Table 5: Food and Nutrition Service (FNS) Demonstration Projects and Pilots That Use Data Matching to Improve Supplemental Nutrition Assistance Program (SNAP) Program Efficiencies

Name and Purpose of Demonstration or Pilot	Description	Current Status
<p>Combined Application Project (CAP) <i>Purpose:</i> To improve access to SNAP benefits for elderly and/or individuals with disabilities receiving Supplemental Security Income (SSI).</p>	<p>The standard version of this project involves a simplified joint application that includes both SNAP and SSI that is processed by SSA when individuals apply or are recertified for SSI. The interview for SSI application or recertification substitutes for a regular SNAP interview. State agencies match the SSA data from these applications in order to calculate a standardized benefit.^a CAP households are certified for 24, 36, or 48 months.</p>	<p>Began in 1995. As of 2016, 17 states participated in this project. States can participate in this project by submitting waivers to FNS, among other requirements.</p>
<p>Elderly Simplified Application Project <i>Purpose:</i> To improve access to SNAP benefits for low income households with elderly and/or disabled individuals with no earned income.</p>	<p>This project has several components, specifically it: (1) waives certain verification requirements to allow states to make greater use of data matching when determining SNAP eligibility, although states must still verify information from data matches when questionable; (2) waives the recertification interview; and (3) extends the certification period to 36 months.</p>	<p>Began in 2003. As of 2016, 7 states participated in this project (Alabama, Florida, Georgia, Mississippi, Pennsylvania, South Carolina, and Washington) with an additional 2 states approved, but which have not yet implemented the project (Maryland and Massachusetts). States can participate in this project by submitting waivers to FNS, among other requirements.</p>

³⁶ USDA proposed creating a state option in lieu of waivers in its fiscal year 2016 budget proposal. See United States Department of Agriculture, *Fiscal Year 2016 Budget Summary and Annual Performance Plan*, (Washington, D.C.: 2016). Creation of this state option would require changes to the Food and Nutrition Act of 2008, as amended according to FNS officials.

³⁷ In a June 2016 letter summarizing the results of the demonstration, FNS reported that the use of quarterly wage data resulted in monthly benefits that in Texas, for example, were larger for 49 percent of households in the demonstrations than the benefits they would have received using income from the month of application and smaller benefit amounts for 42 percent of households.

Name and Purpose of Demonstration or Pilot	Description	Current Status
<p>Quarterly Wage Report <i>Purpose:</i> To simplify program administration, improve the timeliness of application processing, and help states better align certain SNAP and Medicaid processes.</p>	<p>The demonstration project used the quarterly wage data match to verify earnings for households with stable income. In order to use the quarterly wage data, the applicant households must (a) have worked for the same employer over the three months of the prior quarter (b) have the same job at the time of application and no new sources of income and (c) maintained the same full-time/part-time status and wage/salary.</p>	<p>Occurred from 2014-2015 in portions of 2 states (Texas and Utah). After analyzing the results, FNS concluded that using the quarterly wage data was not a practical option for verifying income as it was less accurate than current verification practices.</p>
<p>National Accuracy Clearinghouse (NAC) <i>Purpose:</i> To reduce or prevent duplicate receipt of SNAP benefits (i.e. receipt of benefits in more than one state)</p>	<p>The NAC was a new data sharing system that was developed to enable state agencies to share information in real-time about the receipt of SNAP. State agencies match data on individual beneficiaries against this central data sharing system to identify individuals who are receiving SNAP benefits in another state and, if so, can terminate the benefits in the state in which the dual beneficiary no longer resides.</p>	<p>Began in June 2013. The grant funding the NAC will end December 2016 with any further participation after that date requiring states to match 50 percent of the funding. Five states (Alabama, Florida, Georgia, Louisiana, and Mississippi) have been part of the pilot. FNS is currently developing an action plan for further rollout.</p>

Source: GAO analysis of information from FNS publications and interviews with FNS officials. | GAO-17-111

^aState SNAP agencies have the option to use a modified version of the CAP project, in which they use SSI data to identify and send simplified SNAP application forms to eligible households.

A fourth FNS-sponsored project, the National Accuracy Clearinghouse (NAC) pilot, created a new data sharing system in 2013 that enabled five pilot states affected by Hurricane Katrina (Alabama, Florida, Georgia, Louisiana, and Mississippi) to share information across states about the receipt of SNAP.³⁸ The 2015 evaluation of the NAC reported that the five participating states were able to identify or prevent duplicate receipt of SNAP benefits among these states.³⁹ Unlike the PARIS data match, which identifies potential duplicate receipt a number of months after it has occurred, the NAC's real-time data could help states prevent duplicate

³⁸The NAC pilot project was funded by the Office of Management and Budget's Partnership Fund for Program Integrity Innovation. This fund supported pilot projects and evaluations aimed at improving program administration, through greater program integrity, improved program efficiencies, and better client service.

³⁹Public Consulting Group, *National Accuracy Clearinghouse (NAC) Evaluation: Final Report*, prepared at the request of the Mississippi Department of Human Services, October 2015. Mississippi was awarded funding by FNS to lead the project on behalf of the participating states. GAO did not assess the findings of the pilot's evaluation.

receipt of benefits.⁴⁰ These sentiments were echoed by Florida officials we interviewed, who told us that the NAC is more useful than PARIS because it is updated daily rather than quarterly. The evaluation also found that net cost savings were achieved in each of the five participating states, although to varying degrees.⁴¹

Program Integration Efforts

Funding Available for Health and Human Services Integration

The federal government funds 90 percent of the qualifying costs of information technology (IT) improvements for investments in the design and development of state eligibility-determination and enrollment systems for Medicaid and the Children's Health Insurance Program. Under normal cost allocation rules, human services programs that benefit from these systems improvements would be required to pay their share of associated costs. However, under a waiver of these rules through 2018, state human services agencies do not need to pay their share of costs for certain systems improvements that benefit both health and human services programs.

Source: Information from HHS and USDA. | GAO-17-111

Along with several SNAP-focused demonstration projects and pilots, FNS has also worked with HHS on initiatives that affect SNAP and its integration and interoperability (the ability to exchange information across systems) with other health and human services programs.⁴² These efforts have largely been spurred by time-limited funding opportunities aimed at promoting more streamlined and efficient enrollment and eligibility systems across state health and human services programs, according to information from HHS and FNS. Specifically, to help states meet requirements under the PPACA, CMS increased the level of federal funding for information technology (IT) modernization for health systems improvements. Human services programs can benefit from these improvements at little or no additional costs, under a time-limited waiver to normal cost allocation rules (see sidebar). FNS has worked with CMS and ACF to promote states' awareness and use of this funding. For example, these three agencies sent a joint letter to states in 2011 that announced the cost allocation waiver and another in 2015 that announced an extension of the waiver through 2018. According to FNS, 38 states had availed themselves of the cost allocation waiver to fund

⁴⁰This pilot also addressed a finding from the USDA Inspector General report on efforts to prevent SNAP recipient fraud, including when recipients apply for and receive benefits in multiple states. The IG recommended that FNS continue its development of the NAC, report on the findings of the pilot, and provide a determination on implementing a permanent, nationwide system. Department of Agriculture, Office of the Inspector General, *Analysis of FNS' Supplemental Nutrition Assistance Program Fraud Prevention and Detection Efforts*, Audit Report 27002-0011-13 (Washington, D.C.: September 2012).

⁴¹The report's authors attributed the variation to differences in the state business processes, such as whether the data match was integrated with the eligibility system or automatic emails were sent when a match was found.

⁴²HHS' Administration for Children and Families (ACF) has initiated several efforts at promoting greater interoperability across human services programs, such as establishing a human services work group to apply principles from the National Information Exchange Model. This model aims to streamline information sharing among organizations in emergency and day-to-day operations. ACF notes that standardized data and information exchanges help fulfill human services goals: improved service delivery for clients, reduced errors and improved program integrity, and improved administrative efficiency.

health systems improvements that also include improvements to SNAP eligibility systems, at the time of this review, and according to our survey, almost three-fourths of states (29 of 40) that rated the usefulness of this funding said that it was very or extremely helpful.

Since 2013, FNS also has been involved in CMS-led interagency efforts to address duplication and program integration challenges, previously discussed, related to restrictions of data accessed through the Hub for joint Medicaid cases that include SNAP or TANF. Officials from FNS, CMS, and ACF (the federal agency that oversees TANF) as well as SSA, told us that they have been working for several years to develop policy options and modified data sharing agreements to allow for SSA data accessed through the Hub for Medicaid verifications to also be used for SNAP and TANF in joint cases. Officials told us that progress in addressing these issues has been slow, due to complex issues related to various legal requirements, including those under the Privacy Act of 1974.⁴³ However, CMS officials told us that they have the support of multiple agencies, including SSA and the Office of Management and Budget (the federal agency that provides guidance on the Privacy Act), to allow TANF and SNAP agencies' use of Hub data and they hope to resolve these issues by the end of the calendar year. In our prior work on data sharing across state and local human services programs, we noted that strong leadership support across agencies is a key factor for success in facilitating data sharing.⁴⁴

These interagency efforts to improve efficiencies across programs for Hub-accessed data are in line with several efforts aimed at better coordination across government. In our extensive work on duplication, fragmentation, and overlap in the federal government, we defined duplication as occurring when two or more agencies or programs are engaged in the same activities or providing the same service to the same beneficiaries. We have reported that federal agencies should identify

⁴³In our report on data sharing across state and local human services programs, we noted that there are various challenges associated with data sharing across programs and balancing privacy issues, including: confusion and misinterpretation around what agencies were allowed to share, a tendency to be risk averse and overly cautious in interpreting federal privacy requirements, or potential inconsistencies in federal privacy requirements that applied to data sharing across multiple programs. See [GAO-13-106](#).

⁴⁴[GAO-13-106](#).

opportunities to reduce duplication, which could enable better management of program administration or result in potential cost savings.⁴⁵ In the case of the Hub, because some duplicative data matching processes related to eligibility determinations occur due to the current Hub restrictions, reducing these duplicative processes may result in improved administrative efficiencies. Additionally, the interagency efforts related to the Hub are also in line with HHS recommendations, developed in response to requirements under the PPACA, which called on federal agencies to promote greater interoperability across health and human services programs to streamline program administration, including the use of data for eligibility determinations among several programs when possible. Similarly, officials from CMS, FNS, and ACF indicated that their current efforts in facilitating use of data from the Hub across Medicaid, SNAP, and TANF were part of a larger vision to promote health and human services interoperability and integration overall, and were related to current funding opportunities for such integration, discussed earlier in the report. In a tri-agency letter to states, these agencies stated that they were “committed to a strong partnership with states and our federal stakeholders as we work together to implement our shared vision of interoperable, integrated and consumer-focused health and human services systems.”⁴⁶

Use of The Work Number

FNS also has begun to explore ways to help states address some of the cost challenges associated with use of The Work Number discussed earlier in the report. Equifax representatives told us that each state SNAP agency that conducts data matches with The Work Number contracts independently with Equifax, and states pay different prices to use the service due to various factors including the volume of matches that each state purchases. In contrast, CMS has negotiated a single contract with Equifax that allows states to access information from The Work Number through the Hub to determine eligibility for Medicaid and related insurance

⁴⁵More information about GAO’s work identifying overlap and duplication in the federal government can be found at <http://www.gao.gov/duplication/overview>.

⁴⁶The tri-agency letter from ACF, CMS, and FNS addressed to “Medicaid, Children’s Health Insurance Program, and Health and Human Services Directors, and State Marketplace CEOs” provided additional guidance on the exception to the cost allocation requirements set forth in Office of Management and Budget’s Circular A-87 (July 20, 2015).

affordability programs.⁴⁷ Due to volume-pricing, Equifax representatives told us that a single contract to cover all state SNAP agencies use of The Work Number would likely lead to lower costs per match than what most state SNAP agencies pay now through individual contracts. It would also help states by eliminating the need for each state to negotiate separate contracts. FNS and CMS officials told us that they have discussed opportunities to expand use of The Work Number through the Hub for SNAP verifications when CMS' current contract with Equifax expires in 2018 and the service is reprocured. In addition, FNS officials told us that FNS could also consider negotiating a separate, single contract for The Work Number that would allow all state SNAP agencies to access the match, but would first explore possibilities that involved access through the Hub.⁴⁸ Various options have the potential to result in cost savings such as through volume pricing discounts or enabling the use of the match across programs.

FNS Has Not Widely Disseminated Promising Practices for Data Matching or Assessed Options to Reduce Commercial Data Costs

Despite FNS' current efforts, 32 states reported that more information from FNS on promising data matching practices, such as on the use of different data matches or on ways to filter data to streamline worker follow-up, would be extremely or very useful, according to our survey. However, information on such practices available on FNS websites is limited, based on our review. FNS uses both its public website and its PartnerWeb site (a web portal available to state agencies and others) to publish guidance, share information on state practices, and communicate other information to SNAP agencies. Officials at one FNS regional office said that, while states may engage in more informal communication with other states in their region, the PartnerWeb site serves as a broader source of information that can facilitate additional communication across states about relevant practices. Through these websites, FNS has provided detailed information on what states are doing to modernize their

⁴⁷According to Equifax officials, another example in which multiple states access The Work Number through a national contract is a pilot project sponsored by the Department of Labor focused on identifying improper payments to unemployment insurance recipients with disqualifying income from work. In this project, three participating states are accessing The Work Number through a single contract. We described some of the Department of Labor's efforts in our report on commercial data, [GAO-16-624](#).

⁴⁸FNS has a contract with Equifax that enables FNS reviewers to use The Work Number for SNAP quality control reviews, according to FNS officials.

SNAP eligibility systems and processes in areas such as states' use of call centers, document imaging, or alternative methods for managing SNAP caseloads.⁴⁹ However, based on our review of FNS' websites, we found few documents with specific information on data matching strategies, such as data brokering (allowing access to various data sources in a centralized portal), data filtering (using data analytics and information on program rules to better identify discrepancies and prioritize follow-up), or automatically populating the eligibility determination system (information obtained from reliable matches are automatically added to a client's SNAP case file). For example, an FNS document on one of the websites listed states that used data brokering, but did not include information that described the practice in detail or its implementation. Additionally, although FNS has been engaged in recent efforts to test new data matching practices described earlier, such as the NAC, it has not yet widely disseminated findings from the NAC evaluation to states. FNS officials told us that they submitted these findings to Congress and relevant stakeholders in May 2016 and intend to more broadly disseminate the information once a determination has been made regarding the pilot's future expansion. In our survey, 28 states said that information from FNS on cross-state data matching or sharing would be extremely or very useful. Accordingly, timely dissemination of findings from the NAC evaluation would be useful for states, even while decisions regarding its expansion are pending.

Regarding other state practices, FNS officials told us that they would typically consider disseminating information on data matching practices considered effective based on evidence, and not necessarily on state practices that have not been evaluated. While supporting and sharing information on practices that have been proven effective is vital, information on various implementation and program administration issues

⁴⁹As technology use has expanded, many aspects of SNAP program administration in the states have changed. For example, applicants can apply or recertify online or by phone, through the use of document imaging or phone-interviews. See, for example, a 2013 report sponsored by FNS titled *The Evolution of SNAP Modernization Initiatives in Five States* that describes some of these practices, as well as *Timeliness of the SNAP Application Process (2013)* that includes description of states' efforts to modernize their office business practices.

are also useful for agencies operating programs.⁵⁰ Likewise, officials we interviewed from three of the six states said that it would be useful for FNS to facilitate additional information sharing on state practices, such as implementation issues, so they could be aware of how other states were implementing data matches:

- Officials from one state said FNS could provide information about whether other states were effectively using data matches that they found challenging to implement in their state.
- An official from a second state said that FNS could serve as a clearinghouse for state practices on data matching. While this official acknowledged that FNS' guidance on data matches needed to be relatively high level, this official said that more specific information on what other states were doing to implement data matches would be useful and that FNS could play a more active role in facilitating this type of information sharing.
- An official from a third state said it would be helpful to get additional information about state practices so states would not have to "reinvent the wheel" each time and could learn from each other.

Our prior work on collaboration practices has shown that agencies can enhance and sustain collaborative efforts and identify and address needs by leveraging resources, such as through information sharing.⁵¹ In other work on human services integration, we have found that federal agencies can help states improve their information systems by acting as a facilitator to help states work together and share their models with other states.⁵² Additionally, federal standards for internal controls call for agencies to

⁵⁰In prior work, we have observed that learning from evaluation allowed for continuous improvements in operations and programs, and the advancement of a knowledge base. See GAO, *Program Evaluation: An Evaluation Culture and Collaborative Partnerships Help Build Agency Capacity*, [GAO-03-454](#), (Washington, D.C.: May 2, 2003). We have also found that evaluation studies, while important, may take a long time before results are finalized. GAO, *Program Evaluation: Strategies to Facilitate Agencies' Use of Evaluation in Program Management and Policy Making*, [GAO-13-570](#), (Washington, D.C.: June 26, 2013).

⁵¹GAO, *Results-Oriented Government: Practices That Can Help Enhance and Sustain Collaboration among Federal Agencies*, [GAO-06-15](#), (Washington D.C.: Oct. 21, 2005).

⁵²GAO, *Human Services Integration: Results of a GAO Cosponsored Conference on Modernizing Information Systems*, [GAO-02-121](#), (Washington, D.C.: Jan. 31, 2002).

communicate necessary quality information to external parties in order to achieve the agency's objectives.⁵³ If FNS took additional steps to facilitate information sharing on promising practices, state SNAP agencies would be better positioned to improve program integrity, experience greater administrative efficiencies, and place fewer burdens on SNAP applicants and recipients. States would also be better able to leverage existing knowledge and resources and avoid duplicative efforts.

Further, although FNS is beginning to explore ways to reduce the costs of The Work Number for state SNAP agencies by working with CMS to expand its use through the Hub, it has not yet systematically analyzed spending and SNAP data needs for this service and more thoroughly considered how various factors would affect costs. For example:

- Not all states currently access The Work Number for Medicaid eligibility through the Hub, according to CMS officials. Although there is potential for expanding Hub use among states, it is unclear how much cost savings would result if some states do not use the Hub to access The Work Number, and FNS officials indicated that they had not yet gathered information from states to assess this.
- CMS and FNS officials told us they are currently considering expanded use of The Work Number through the Hub for joint cases involving both Medicaid and SNAP benefits. Thus, states may still need to maintain individual contracts for The Work Number for SNAP cases that do not include Medicaid or related health programs, and it is unclear what subsequent cost implications there might be for these state-level contracts. FNS officials indicated that they had not yet obtained information on the extent that states would need to maintain individual contracts for SNAP-only cases and analyzed how state spending for the service would be affected.
- CMS and FNS officials told us that there was the potential for cost savings in facilitating use of the match across programs (i.e., a state agency would not need to run a query twice for a case that includes both SNAP and Medicaid). However, CMS officials did indicate that the price CMS pays Equifax to allow states access to The Work Number through the Hub would likely increase if they were to expand

⁵³GAO, *Standards for Internal Control in the Federal Government*, [GAO-14-704G](#), (Washington, D.C.: Sept. 2014), 62.

its use to other programs and said they needed to work through cost implications of possible scenarios.

Both GAO and the Office of Management and Budget have emphasized opportunities for agencies to lower prices, reduce duplication, and reduce administrative costs by leveraging the government's buying power through practices such as strategic sourcing and category management.⁵⁴ For instance, in 2013, we found that leading commercial companies achieve savings by pooling purchases by using various practices, including analyzing spending of purchased services across entities, understanding the needs or requirements of services across various users, and promoting transparency about acquisitions within the organization to help identify inefficiencies.⁵⁵ It is possible that the options FNS is exploring with CMS could help lower the cost of The Work Number across multiple government users by leveraging the government's buying power. However, FNS will not be able to identify informed ways to best do this without conducting a more thorough analysis of SNAP data needs and spending across state and federal-level contracts and in relation to other programs.

Conclusions

Data matching is a tool that has the potential to help SNAP agencies increase program integrity, improve administrative efficiency, and reduce household burden. The extent to which these benefits occur, however, may sometimes depend on the characteristics of the match or the use of promising data matching practices. Although FNS has efforts under way to promote the use of data matching to improve SNAP, it has not yet

⁵⁴Strategic sourcing is a process that moves an organization away from numerous individual procurements to a broader aggregate approach. A related buying strategy is category management, which is an approach based on leading practices that aims to manage entire categories of spending across government for commonly purchased goods and services. Recent GAO work on this includes GAO, *Strategic Sourcing: Opportunities Exist to Better Manage Information Technology Services Spending*, [GAO-15-549](#), (Washington, D.C.: Sept. 22, 2015). Recent guidance from the Office of Management and Budget includes OMB, *Memorandum for Chief Acquisition Officers and Senior Procurement Executives: Transforming the Marketplace: Simplifying Federal Procurement to Improve Performance, Drive Innovation, and Increase Savings* (Washington D.C.: Dec. 4, 2014).

⁵⁵GAO, *Strategic Sourcing: Leading Commercial Practices Can Help Federal Agencies Increase Savings When Acquiring Services*, [GAO-13-417](#), (Washington, D.C.: April 15, 2013).

widely disseminated information on the results of all of these efforts or taken steps to more broadly facilitate information sharing about other promising data matching practices that states employ. With wider, timely dissemination of promising practices, state SNAP agencies will be better positioned to be aware of potentially useful ways to help them address implementation issues and improve the effectiveness of their data matching processes. Additionally, we applaud the interagency work done by CMS, FNS, and other agencies to try and reduce duplicative work across programs and promote the use of technology advances to facilitate program integration overall. These efforts are important, as is sustained attention to make further progress toward effective solutions. FNS has also taken initial steps to explore ways to reduce costs related to the use of commercial data services, such as through cross-program efficiencies. However, FNS, working with CMS as appropriate, has not yet systematically analyzed spending and taken steps to understand data needs for these services. Without such an approach, FNS will not be able to identify the best ways to leverage the government's buying power through strategic sourcing practices and potentially reduce costs and improve performance.

Recommendations for Executive Action

We recommend that the Secretary of Agriculture:

1. Take additional steps to collect and disseminate information on promising practices that could help improve data matching processes among state SNAP agencies, including broad and timely dissemination of information on results of recent relevant pilots or demonstrations.
2. Work with HHS (as appropriate) to analyze spending and understand data needs for SNAP across federal and state contracts and in relation to other programs as FNS explores ways to potentially reduce the costs of using commercial data services.

Agency Comments and Our Evaluation

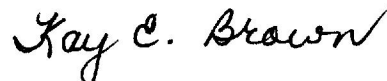
We provided a draft of our report to USDA, HHS, and SSA for review and comment. On September 21, 2016, FNS officials from SNAP's Program Development Division and SNAP's Program Accountability and Administration Division provided us with the agency's oral comments. FNS officials told us that they agreed with the recommendations in the report. They noted that they have been moving in the general direction of these recommendations and would build on current efforts to address them. FNS and SSA also provided technical comments, which were

incorporated into the report as appropriate. HHS did not have any comments on the report.

As agreed with your office, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the report date. At that time, we will send copies to the appropriate congressional committees, Secretaries of Agriculture and Health and Human Services, the Commissioner of the Social Security Administration, and other interested parties. In addition, the report will be available at no charge on the GAO website at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-7215 or brownke@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Key contributors to this report are listed in Appendix I.

Sincerely yours,



Kay E. Brown
Director, Education, Workforce,
and Income Security Issues

Appendix I: GAO Contact and Staff Acknowledgements

GAO Contact

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Staff Acknowledgements

In addition to the contact above, Gale Harris (Assistant Director), Theresa Lo (Analyst-in-Charge), David Reed, and Russell Voth made key contributions to this report. Also contributing to this report were Holly Dye, Alexander Galuten, David Lin, Jean McSween, Mimi Nguyen, and Jerome Sandau.

Appendix II: Accessible Data

Data Tables/Accessible Text

Accessible Text for Highlights Figure: Examples of Data Matching for Supplemental Nutrition Assistance Program (SNAP) Eligibility

Application Processing	Interim Checks	Recertification
Caseworker checks data matches to verify information household provides on application or identify discrepancies.	Caseworker might conduct data matches between certification and recertification to identify changes in income that have not been reported and may affect benefits.	Caseworker conducts data matches before renewing benefits to verify information from household and clarify discrepancies as needed.

Source: GAO analysis of information from the U.S. Department of Agriculture and state SNAP agencies. | GAO-17-111

Accessible Text for Figure 1: Examples of the Use of Data Matching to Determine Eligibility and Benefit Amounts for the Supplemental Nutrition Assistance Program (SNAP)

Household submits application	Caseworker determines eligibility and benefits	Initial benefit period comes to an end
Application Processing	Interim Checks	Recertification
<ul style="list-style-type: none"> Caseworker checks data matches to verify information household provides on application or identify discrepancies. Data that caseworkers can access in real-time (i.e., immediately) can be used to verify information or to resolve discrepancies immediately. 	<ul style="list-style-type: none"> Agencies might conduct data matches between certification and recertification to identify changes in income that have not been reported and may affect benefits. Agencies might conduct matches at regular intervals for the entire caseload (through batch processing). 	<ul style="list-style-type: none"> Household submits updated information. Caseworker conducts data matches to verify information household provides and clarify discrepancies as needed.

Source: GAO analysis of information from U.S. Department of Agriculture's Food and Nutrition Services and state SNAP agencies. | GAO-17-111

Data Table for Figure 2: Reported Usefulness of Common Income Data Matches That States Conduct to Determine Eligibility for the Supplemental Nutrition Assistance Program (SNAP)

	Primary data source	Real-time access ^b	Data less than 30 days old	Types of income data	Number of states		
					Not at all or somewhat useful	Moderately useful	Very or extremely useful
Supplemental Security Income (SSI)	yes	yes	yes	Unearned income	0	4	47
Old-Age, Survivors, and Disability Insurance (OASDI)	yes	yes	yes	Unearned income	0	7	44
State unemployment insurance	yes	yes	yes	Unearned income	1	6	42
State child support payment data	yes	yes	yes	Unearned income	1	6	40
The Work Number®	no	yes	yes	earned income	2	5	38
Income verified by other programs, such as Temporary Assistance for Needy Families (TANF) ^a	no	yes	yes	both earned and unearned income	4	6	32
State quarterly wage data	no	yes	no	earned income	14	4	27
Public Assistance Reporting Information System (PARIS) – Interstate file	no	no	no	unearned income	8	14	17
State directories of new hires	no	yes	yes	earned income	13	10	13
Public Assistance Reporting Information System (PARIS) – Federal or Veterans Affairs files	no	no	no	both earned and unearned income	10	9	11
National Directory of New Hires (NDNH) – New Hire file	no	no	no	earned income	17	7	7
Beneficiary Earnings Exchange Record (BEER)—earnings and tax data	no	no	no	earned income	12	3	7

Source: Characteristics based on GAO analysis of information from the Department of Health and Human Services, Social Security Administration, state SNAP agencies, U.S. Department of Agriculture’s Food and Nutrition Service, and Equifax Inc., which owns and operates The Work Number. States’ reports of the usefulness of data matches based on survey responses from state SNAP agencies. | GAO-17-111

Data Table for Figure 3: Data Challenges States Reported with Data Matching Conducted to Determine Eligibility for the Supplemental Nutrition Assistance Program (SNAP)

	Number of responses		
	Not at all or somewhat challenging	Moderately challenging	Very or extremely challenging
Staff need to obtain additional verification for data matches	10	15	26
Income information in data matches is not sufficiently recent	16	15	20
Designing and implementing data security and privacy safeguards	12	13	21
Information in data matches is not sufficiently accurate or complete	19	13	17
Information in data matches is not sufficiently filtered to streamline worker follow-up	23	9	15

Source: Survey responses from state SNAP directors. | GAO-17-111

Data Table for Figure 5: Cost-Related Challenges States Reported with Data Matching that They Conduct to Determine Eligibility for the Supplemental Nutrition Assistance Program (SNAP)

	Number of responses		
	Not at all or somewhat challenging	Moderately challenging	Very or extremely challenging
High upfront costs of establishing data matches	8	15	19
Establishing and maintaining data sharing agreements	18	16	15
High ongoing costs of conducting data matches, for example, per match costs	12	13	17

Source: Survey responses from state SNAP directors. | GAO-17-111

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