



**United States
Department of
Agriculture**

APR 16 2018

Food and
Nutrition
Service

Northeast Region

10 Causeway St.
Room 501
Boston, MA 02222

Courtney Hawkins, Director
Department of Human Services
Louis Pasteur Building
57 Howard Avenue
Cranston, RI 02920

Dear Director Hawkins:

The Food and Nutrition Service (FNS) appreciates the Rhode Island (RI) Department of Human Services' (DHS) cooperation as FNS continues to monitor Supplemental Nutrition Assistance Program (SNAP) concerns that have emerged as a result of the implementation of the State's integrated eligibility system (IES) on September 13, 2016. FNS understands that DHS remains committed to improving system functionality, however, the progress to date has been insufficient to address many long-standing issues.

FNS has determined that DHS has failed to meet the requirements set forth in the November 8, 2016, advance warning letter. Consequently, this letter serves as formal warning that DHS could soon be subject to suspension of up to \$913,830 in Federal funding for State administrative expenses in accordance with 7 CFR 276.4(d)(1). This amount represents one quarter of the State's Federal Fiscal Year (FFY) 2018 projected State administrative expenses for SNAP certification.

Since issuing the advance warning letter, FNS has continued to support Rhode Island's efforts to mitigate system and programmatic issues through guidance and technical assistance, as well as to monitor the State's progress through weekly calls, regular site visits, and multiple onsite Management Evaluations (ME). FNS has concluded that serious issues persist, impacting nearly all aspects of SNAP operations. The attached document reflects the major issues documented to date by FNS. DHS has 30 days from the date of this letter to respond with corrective actions or submit additional evidence that the State is in compliance with SNAP regulatory requirements as specified in the November 8, 2016 letter and subsequent CAP responses.

As required by FNS, the State provided updates on corrective actions related to the November 8th advance warning letter on December 15, 2017. On February 1, 2018, FNS requested additional information related to these corrective actions. The response that FNS received failed to identify a timeline for addressing the backlog of unprocessed documents, and FNS has concerns about the State's ability to meet timelines in place for other critical corrective actions. Within 30 days of the date of this letter, the State must identify specific timeframes and benchmarks, as well as staffing plans and points of contact for addressing each of the areas of deficiency outlined in the attached appendix. If DHS submits an acceptable CAP, FNS will hold this formal

warning in abeyance pending completion of the corrective actions in accordance with the CAP. If the State's response is inadequate, FNS could suspend Federal funding of State administrative expenses as early as May 17, 2018.

We appreciate your commitment and attention to addressing these issues. Our goal is to help DHS avoid suspension of administrative funding and ensure access to SNAP for eligible households in RI as well as the integrity of the program. We look forward to continuing our strong partnership and working toward our shared goals of ensuring SNAP access and integrity. FNS staff located in the Northeast Region and at the National Office are ready to continue providing technical assistance and guidance to assist the State in working towards enhanced customer service and more effective and efficient administration of the program. If you have any questions or wish to discuss this further please contact me at (617) 565-6370 or Bonnie Brathwaite at (617) 565-6397.

Sincerely,



Kurt Messner
Regional Administrator
Northeast Region

cc: Jessica Shahin
Karen Painter-Jaquess
Bonnie Brathwaite
Maria Cimini
Maureen Donnelly
Yvette Mendez
Iwona Ramian

Appendix to Formal Warning Letter: Issues Impacting Rhode Island SNAP Access and Integrity

Certification

- Failure to close thousands of cases because of unprocessed recertifications and periodic reports;
- Failure to process initial applications within statutory timeframes;
- Failure to process recertifications, periodic reports, and other case documents in a timely manner;
- Failure to run electronic data matches likely resulting in over-issuance of benefits as well as issuance of benefits to ineligible households;
- Improper case closures resulting from incorrect data conversion;
- Inability to properly track and route applications, periodic reports, and other case documents to the proper work queues;
- Inability to pull accurate reports on the number of initial applications and recertification applications received and processed to a decision;
- ABAWD functionality remains inadequate; and
- Persistent issues with functionality related to the Standard Utility Allowance, resulting in inaccurate benefit issuances to thousands of households.

Issuance

- Duplicate accounts established with duplicate payments made either electronically or manually through the Electronic Benefits Transfer (EBT) administrative terminal and lack of controls in place to prevent duplicate issuances;
- Benefit issuance and reconciliation activities are not properly conducted or accurately reported;
- Open defect tickets indicate SNAP benefits were issued prior to application date;
- Open defect tickets indicate SNAP benefits were issued in excess of the maximum household allotment; and
- The State agency is unable to demonstrate security and control procedures for EBT cards and system access.

Quality Control

- The State has a backlog of Quality Control reviews and missed the deadline to submit Active cases for FFY 2017.

Reporting

- The State has failed to submit required reports in the Food Programs Reporting System (FPRS); and
- The State has failed to provide accurate data regarding program performance and operations, including lobby wait times and case-level data on unprocessed recertifications.

Recipient Claims Management

- Recipient Claims functionality has known defects and is currently inoperable;
- Claims staff have not been adequately trained to use the new system;
- State is unable to properly track and update debts in the Treasury Offset Program (TOP) system and has removed itself from TOP; and
- Backlog of referrals identified that exist from INRHODES.

Customer Service

- Long wait times at local offices and the call center;
- Backlog of unprocessed fair hearing request documents and appeals; and
- Inaccurate or unclear notices sent to clients.

Scanning/Mail Center

- Backlog of several thousand pieces of returned mail and processed documents awaiting indexing to a case.

System Functionality

- Workers continue to engage in multiple manual workarounds to complete basic tasks in the system;
- System fixes are improperly tested or are implemented with known defects that result in additional system issues; and
- System currently lacks functionality required for State to meet Federal regulations.