



**United States
Department of
Agriculture**

Food and
Nutrition
Service

Northeast Region

10 Causeway St.
Room 501
Boston, MA 02222

JUN 03 2019

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

Dear Director Hawkins:

The Food and Nutrition Service (FNS) acknowledges the Rhode Island (RI) Department of Human Services' (DHS) progress in improving the State's integrated eligibility system (IES), RIBridges, and the steps the State has taken to address the benchmarks required per the Formal Warning (FW) issued on April 16, 2018. FNS continues to monitor the State's administration of the Supplemental Nutrition Assistance Program (SNAP) since the implementation of RIBridges on September 13, 2016.

The FW letter informed the State that it could face a 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. Despite improvements in system functionality and SNAP operations, the State has not met all of the benchmarks required per the FW. However, due to the progress that the State has made, FNS is providing an extension to the State in order to completely meet the required benchmarks. The new date for each benchmark is included below, as applicable. For many of the items below, the benchmark has either been met or is no longer applicable. FNS will continue to monitor the State's performance in these areas through the regular corrective action calls with DHS. FNS is also requesting additional information for several of these items to help us better assess and monitor the State's performance.

Timeliness

As part of the FW corrective action process, FNS asked DHS to provide the methodology that it was using to calculate application processing timeliness (APT). FNS subsequently identified discrepancies between the State's methodology and FNS' State Timeliness Data Protocol as outlined in FNS' June 2, 2017 memo.

Within 30 days of the date of this letter, please provide a written description of the revised methodology the State will use moving forward. The written description should outline the universe of cases considered for each month and the criteria used to determine whether a case was timely. It should also identify any categories of cases that were excluded from the timeliness calculation. Once the information is received in

writing from the State and FNS validates that the methodology is in alignment with FNS' State Timeliness Data Protocol, the State will be required to submit timeliness data from January to June 2019 to demonstrate compliance with the 95% benchmark.

Backlog Elimination

FNS acknowledges the progress that DHS has made in reducing the backlog of unprocessed documents. In April of 2018, the backlog of unprocessed recertifications exceeded 10,000 and the backlog of overdue interim reports was approximately 18,000. Recent data reports indicate that the backlog of unprocessed recertifications is now less than 2,500 (approximately 1,400 of which are overdue), and the backlog of unprocessed interim reports is also less than 2,000 (approximately 1,100 of which are overdue).

Despite the progress that DHS has made, there is still a backlog of overdue documents that is adversely impacting client access to accurate and timely benefits. Additionally, FNS notes that the number of overdue, unprocessed recertifications has remained fairly constant, fluctuating between 1,100 and 1,400 since November of 2018.

By October 31, 2019, DHS must eliminate the backlog of overdue, unprocessed documents. In assessing DHS' compliance with this benchmark, FNS will allow for a margin of overdue, unprocessed recertifications and interim reports to persist, provided that those overdue documents are resolved on a monthly basis and do not exceed 5% of the total documents within each category processed within that month. FNS will monitor DHS' progress using the existing weekly reports.

Delayed Implementation of Interfaces

FNS acknowledges the verbal report received on April 1, 2019 regarding the State's current work with the IES vendor to develop a plan to address over-issuances associated with the delayed implementation of interfaces. It is FNS' understanding that all federally-required interfaces have been implemented although there are enhancements to the deceased matching process that are planned for the December 2019 release. Nothing additional is needed from the State at this time to address this benchmark. FNS will work with the State to identify over-issuances related to the delayed interfaces as a part of our broader efforts to identify the total over-issuances stemming from the Major System Failure (MSF) for which the State will be held liable.

FNS will also review the existing interfaces during regularly scheduled management evaluations (MEs) to ensure that they have been implemented in compliance with Federal regulations.

Able-Bodied Adults Without Dependents (ABAWDs)

FNS will continue to monitor the open ABAWD findings and system functionality through the ME process and Semi-Annual Corrective Action Plans. FNS conducted an FFY 2019 ABAWD ME the week of May 13th and also shadowed the State-level ABAWD ME during the week of May 20th. Any compliance issues will be identified

in the associated ME reports and must be addressed through the ME corrective action process.

Electronic Benefit Transfer (EBT) Reconciliation

FNS and the State have agreed that the reconciliation procedures submitted on November 18, 2018 are insufficient and lack specificity. The EBT reconciliation procedures must identify the data and reports used for EBT reconciliation in order to ensure that the State certification system and the EBT system are synchronized.

FNS intends to continue to provide guidance on reconciliation, an area of deficiency identified during the RI FFY 2018 EBT ME. Reconciliation procedures were discussed with the State during the face to face meeting on February 27, 2019. NERO staff gained an understanding of the current process DHS uses to conduct its EBT reconciliation. Within 30 days of the date of this letter, FNS requests an updated plan from the State to reflect how the State plans to:

- Monitor issuance files/records;
- Ensure successful transmission;
- Verify that batch totals match;
- Act on rejected records, including:
 - Correcting and retransmitting the records; and
 - Canceling and updating the certification system;
- Ensure benefits become available on the correct dates; and
- Verify that AMA issuance values are accurate.

Under separate cover, FNS will continue to work with DHS in order to provide fiscal oversight of the EBT operations and compliance with the EBT reconciliation requirements.

Quality Control

DHS failed to complete its FFY 2018 QC cases and will be assigned a Payment Error Rate (PER) for FFY 2018. The State was also assigned a PER in FFY 2017 for failing to complete its QC cases. As a result, DHS may face a liability, as indicated in the June 28, 2018 PER notification letter that was sent to the State from FNS Administrator Brandon Lipps.

DHS has implemented a number of QC improvement strategies, including hiring additional QC staff. FNS acknowledges that those strategies are starting to produce results in FFY 2019. The State has transmitted the first three months of FFY 2019 QC cases timely. FNS will continue monitoring the State's QC case transmission on a monthly basis.

Reporting

DHS has completed the submission of the FNS-46 reports. The State has made progress in providing the historical information for the other outstanding reports, but this work is ongoing. FNS will continue to work directly with DHS staff to assist the

State in completing the submission of all other outstanding reports, and may provide additional guidance related to the FNS-388 and 388A under separate cover.

FNS will continue to monitor DHS' progress via the State's recently-developed bi-weekly status reports. Within 30 days of the date of this letter, please respond with the following information:

1. Please describe the State's plan for handling reporting functions once DHS has completed the submission of the outstanding reports. The State's response should address any transitions in staffing, training plans, and regular review and oversight of the data quality and reporting logic.
2. FNS anticipates that DHS might need to adjust data elements in reports that have already been submitted or will soon be submitted, particularly as the State continues to make improvements in data quality. Please identify whether there are currently data elements in any of the reports that the State believes may need to be adjusted. Additionally, in conjunction with #1 above, please provide the State's plan for monitoring the accuracy of these reports on an ongoing basis.

Claims Collection and Recovery Unit (CCRU)

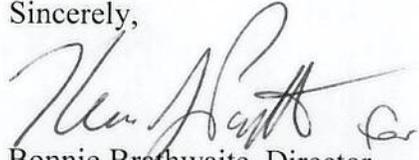
FNS appreciates the State's original submission of the Claims Action Plan on August 31, 2018, as well as the updates that are provided in advance of our monthly on-site meetings. Recently, the State communicated to FNS that the claims functionality is compliant with Federal regulations. According to the State, outstanding tickets reflect enhancements rather than defects.

FNS continues to monitor this area closely and has provided conditional approval to DHS to begin piloting the claims functionality on a limited, predefined subset of cases. The agreed-upon cases include those with Intentional Program Violations where a determination has already been made by the Court or the State's Administrative Disqualification Hearings Division. Pursuant to our conditional approval, the pilot cases must not include claim referrals which may fall under the MSF, including QC potential overpayments since RIBridges go-live. FNS will require careful implementation and tracking of newly established claims to ensure that no claims are made against households that are the result of the MSF. FNS will continue to receive updates through the regular monthly meetings.

FNS notes that the State has experienced challenges maintaining adequate staffing in CCRU in the past. Additionally, it is our understanding that the primary point of contact for DHS will be transitioning off of CCRU in the near future. Within 30 days, please provide additional information regarding the State's plan for ensuring adequate staffing, training, and oversight for the unit on an ongoing basis. FNS is requesting that the State provide an organizational chart for the unit as it stands now and agree to provide updated charts when there are staffing changes.

Please provide FNS with the requested information within the timeframes indicated above. FNS appreciates DHS' ongoing efforts to address the issues identified in the April 16, 2018 FW letter. Our agency remains committed to providing technical assistance as needed. If you have any questions, please contact Maria Volpe at 617-565-6390.

Sincerely,

A handwritten signature in black ink, appearing to read "Bonnie Brathwaite" with a stylized flourish at the end.

Bonnie Brathwaite, Director
Supplemental Nutrition Assistance Program
Northeast Region

cc: Deborah Barclay