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United States
Department of
Agriculture

Food and
Nutrition
Service

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SUBJECT: SNAP – Returned Mail Under Simplified Reporting Systems and Request for Contact Requirements

TO: All Regional Directors
Supplemental Nutrition Assistance Program
All Regions

A number of States have requested FNS approval to waive Federal regulations at 7 CFR 273.12(c)(3), when mail sent to a household is returned as undeliverable. SNAP regulations at 7 CFR 273.12(c)(3) require that a State agency issue a written request for contact (RFC) if it obtains information about changes in a household's circumstances and the effect of the change on the household cannot be readily determined.

Previous FNS guidance has addressed the implications of this regulation for mail returned by the U.S. Postal Service as undeliverable, often due to a household move with no forwarding address. FNS *Question and Answer K-8 of the final rule on Noncitizen, Eligibility and Certification Provisions of PRWORA – Second Section* addresses how a local office should respond to lost contact with a household and cites the return of undelivered mail as an example (see http://www.fns.usda.gov/snap/rules/Memo/2001/NCEP_Q_As2.htm). The answer indicates that under 7 CFR 273.12(c)(3) the State agency should issue an RFC and then issue a notice before terminating the household's participation.

Several State agencies have requested a waiver from this requirement noting that when an RFC is sent in response to returned mail, the RFC in turn comes back. The processing of this additional mail increases the burden on eligibility worker staff without significantly improving customer service. As an alternative, States have proposed to instead suspend household benefits for one month when mail is returned as undeliverable. If the household subsequently contacts the State agency within that month, the benefits are made available at the previous level, unless the household provides additional information indicating that a change in benefits is required, in which case, the State agency acts accordingly. If the household fails to contact the State following the suspension of benefits, the case would be closed. In the waiver requests, some States propose to send a Notice of Adverse Action (NOAA) while others would not since the NOAA would also be returned as undeliverable by the Postal Service.

Although FNS has previously approved these waiver requests, we have recently reexamined the need for such waivers under Simplified Reporting (SR) systems. Under SR rules, State agencies do not have to act on mail returned as undeliverable. Federal regulations at 7 CFR 273.12(a)(1)(vii) require State agencies to act on all changes reported by a household that would increase its benefits, and to act on changes that would decrease a household's benefits in only three circumstances: (1) if the household has voluntarily requested its case be closed; (2) if the State agency has information about the household's circumstances considered verified upon receipt; and (3) if there has been a change in the household's PA grant, or General Assistance (GA) grant in a project area where GA and Supplemental Nutrition Assistance Program (SNAP) cases are jointly processed. Mail that is returned by the Postal

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Service as undeliverable with no forwarding address cannot be considered verified upon receipt, since the impact on the household is unknown. Thus, under SR, State agencies would not send an RFC or act on the returned mail, but would follow up with the household at the next household contact or recertification.

State agencies under SR that also have a waiver to act on all changes may or may not have to provide an RFC, depending on what is considered "known to the State agency." FNS' November 24, 2008 memorandum to Regional Directors addressing SNAP reporting requirements and what is "known to the State agency" suggests that States with SR and waivers to act on all changes should give careful consideration to what changes the State will act on. The memorandum indicates that a State agency must act on all information that it requires its Temporary Assistance for Needy Families (TANF) workers to act upon. Therefore, if TANF workers act on returned mail, then the SNAP agency must also act on this information. The memorandum also indicates that the waiver request to act on all changes should indicate the specific information that the State agency receives but does not intend to act on until the next recertification.

Information that the State specifies will not be acted upon must conform to the provisions of 7 CFR 273.12(a)(1)(vii) and must be uniformly applied Statewide. States with SR waivers to act on all changes can specify that they will not act on mail returned as undeliverable until the next recertification action. However, if a State chooses to act on mail returned as undeliverable, it must follow the procedures at 7 CFR 273.12(c)(3) and issue an RFC. States that choose to act on undelivered mail and thus use the RFC process can either send a NOAA if the household does not respond in accordance with 7 CFR 273.12(c)(3)(iii) or issue an adequate notice in accordance with 7 CFR 273.13(c).

In light of this clarification, States operating under SR will no longer need waivers of the RFC process as required by 7 CFR 273.12(c)(3) for mail returned as undeliverable and can instead act on undelivered mail at the next household recertification or interim report. States under SR with waivers to act on all changes should notify their Regional Office within 45 days of how they intend to act on mail returned as undeliverable by the Postal Service. States currently operating under approved RFC waivers may continue to do so until those waivers expire. Attached is a chart which provides a summary of how the RFC process will work depending on the State reporting system.

If you have any questions on this, please contact me or Sandra Clark, Certification Policy Branch Chief at Sandra.Clark@fns.usda.gov or (703) 305-2495.

/S/
Arthur T. Foley
Director
Program Development Division

Attachment

In this reporting system...		The State must respond to returned mail (no known forwarding address) by...	
Change Reporting		Sending an RFC	
Simplified Reporting	Waiver to act on all changes	State chooses to act on returned mail	Sending an RFC
		State chooses not to act on returned mail	Doing nothing until the next recertification or interim report.
	No waiver to act on all changes	Doing nothing until the next recertification or interim report.	
Quarterly Reporting		Sending an RFC or acting at next quarterly report, whichever is earlier.	
Monthly Reporting		Acting at next monthly report.	
TBA		Doing nothing until authorizing a post-TBA SNAP benefit	