



**United States
Department of
Agriculture**

Food and
Nutrition
Service

Western Region

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San Francisco, CA
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February 9, 2023

Heidi Hedberg
Commissioner Designee
Alaska Department of Health
3601 C Street, Suite 902
Anchorage, AK 99503

Dear Commissioner Hedberg:

Thank you for engaging with the Food and Nutrition Service (FNS) to address the urgent challenges in the operation of the Supplemental Nutrition Assistance Program (SNAP) in Alaska. This letter is to reiterate FNS' grave concerns about the Alaska Division of Public Assistance's (DPA) administration of SNAP, to stress the urgency of the current situation and to request Alaska submit a corrective action plan (CAP) to outline steps the State will take to resolve the issues as quickly as possible.

We appreciate the meeting held on January 12, 2023, to discuss these important issues and the continued discussion and partnership between the FNS' Western Regional Office (WRO) and the DPA. The attachment contains a summary of our recent call with some of the solutions currently planned for implementation by DPA. In addition, we have listed some possible solutions also discussed on the recent call to help alleviate some of the issues. As we discussed, we remain concerned that the current challenges DPA is facing in administering SNAP as evidenced by a large backlog, timeliness, program access issues are preventing DPA from meeting the critical food needs of needy Alaskans.

Application Processing Backlog and Timeliness Concerns: Based on State reported data, advocate and media reports, and client complaints to FNS, FNS understands that DPA currently has extensive processing backlogs, which are causing multiple-month delays for applicant and current SNAP households to receive their benefits. DPA is not following the fundamental requirements set by the Food and Nutrition Act of 2008 concerning its responsibility to process initial and recertification applications within certain timeframes. According to DPA data provided to FNS on January 5, 2023, the State has a backlog of approximately 19,000 total initial and recertification applications pending, 15,000 of which were received over 30 days ago. FNS also understands from advocates and other sources that the State is failing to provide expedited service to households as required by law for applicant households with little to no income and resources.

Moreover, upon review of the most recent Recertification Timeliness data issued by FNS, data shows that Alaska has a 41.67 percent processing rate, which means nearly 60 percent of clients' recertifications are not processed timely. Although this information is from a very small sample size, this is consistent with reports regarding SNAP benefit processing and reflective of analysis from the Region. Additionally, DPA reported a 40 percent timeliness rate for recertifications in August 2022.

Such a low timeliness rate for applications for recertification directly conflicts with application processing statutory and regulatory provisions that protect a low-income household's right to receive nutrition assistance benefits in a timely manner.

Due to these critical concerns, FNS is requiring the State take corrective action to address the backlog and timeliness deficiencies. Based on DPA's current operations, FNS has several recommendations that prioritize solutions to improve the application backlog. Due to the critical nature of the situation, FNS requests that DPA consider each option thoroughly.

- FNS recommends that DPA consider lengthening their certification periods from 6 months to 12 months for most households and from 12 months to 24 months for households with members who are elderly or have a disability. FNS believes such an effort will decrease the current workload but will require the State to begin processing periodic reports.
- FNS recommends that DPA revise or stop using the "Change Report" form. DPA does not have "Change Reporting", therefore this form is not required for SNAP, however since the form is in production, when the agency receives the form, the changes must be acted upon creating additional unnecessary work for staff.
- FNS recommends that DPA assign dedicated staff to work through the backlog and other staff to maintain the current workload so that the current workload does not continue to be part of the backlog.

FNS stands ready to discuss these options and provide technical assistance as the State considers the above suggestions.

Program Access Challenges: FNS has heard concerns from current SNAP participants, multiple advocacy organizations, and news articles regarding untimely benefit issuance, long wait times, office closures, and limited services. One of the key issues that has been identified is the Virtual Contact Center (VCC).

The VCC's current model of answering calls and collecting information for a call back is contributing to the number of repeat callers since it is taking time to receive a call back, and even longer to receive their benefits. FNS recommends that DPA utilize all workers staffing the VCC to provide a "one touch" resolution for all callers. This will allow for current callers to complete what is needed on their case to receive SNAP benefits, and allow for the issuance of Emergency Assistance (EA) on cases that are still part of the EA backlog.

FNS also recommends that the VCC is staffed 5 days a week, and that the University Center is open and providing full services Monday through Friday, also following the "one touch" resolution model. This will provide more consistent customer service and assist with case backlog.

Additional Long-Term Recommendations: In addition to some of the recommendations provided above, we believe that updating the State agency's outdated eligibility system will greatly improve the application process, the customer experience, and access to SNAP benefits. FNS recommends a priority should be placed on updating or replacing the eligibility system. We also ask that the corrective action plan include the strategy for securing needed State investments to address the long-term sustainability of SNAP, such as, funding included in the Governor's FY2024 Proposed budget and/or legislative proposals that address the long-term solutions.

In addition, FNS recommends that the system updates include the following modifications:

- The implementation of an online SNAP application to provide clients with an additional means to apply for benefits beyond paper applications.
- A "call back" feature allowing callers to opt for a worker to call them back within a certain timeframe so that they do not have to remain on hold during longer wait times,
- Implementation of a "self-service" portal so that clients can receive answers to case status questions and thereby reduce the number of phone calls entering the VCC.
- Implementation of an electronic notice (eNotice) process which will allow clients to be notified in a more timely and efficient manner.

Data Reporting: As noted above, monitoring of timeliness and application backlogs is critical. Obtaining quantitative data about how many SNAP applications for initial certification and recertification are untimely and unprocessed is a critical first step for corrective action planning and implementation. Without this data, the State will struggle to take strategic actions to fight the backlog such as reallocating staff, adjusting processes, or requesting waivers that may effectively streamline processing for a temporary period. Moreover, without quantitative data, the State cannot monitor the effect of corrective actions or demonstrate progress to FNS. FNS recommends that the State develop a system to monitor timeliness and application backlogs.

Payment Accuracy: Finally, FNS remains concerned about the State's high Payment Error Rate (PER) and Case and Procedural Error Rate (CAPER). The most recent State-reported data show that the State has the highest reported PER in the nation at 57.08% and a very high State-reported CAPER, at 53.15%. These rates are unacceptable. The State must address error rates and identify actions that address both timeliness and accuracy whenever possible.

Required Actions: Based on the issues raised in this letter, DPA is required to submit the following to FNS:

- Corrective Action Plan (CAP) outlining how the State will address the various deficiencies highlighted in this letter within 14 days of the date of this letter.

The plan must include deadlines for resolution of each deficiency, names of the individuals responsible for implementing each corrective action and plans for monitoring and evaluating the effectiveness of each action.

- Quantitative data concerning the backlog within 7 days of this letter, prior to submitting the CAP. To support DPA in its efforts to compile this data, FNS is providing a template that DPA can use as a model which has been helpful for other similarly situated States. FNS will reach out to DPA to provide technical assistance on this issue and to answer questions about the attached example spreadsheet, which should be submitted weekly going forward.
- Major change template for any of DPA's permanent office closures and the VCC.

While we appreciate the efforts you have taken to date to address this crisis, we remain concerned that this is not a temporary problem. Given that much more needs to be done to ensure low-income households receive benefits in a timely manner, I have requested my team set up weekly calls with the DPA Director and program staff to offer support and to receive updates on progress. In addition, we will set up an on-going monthly call with you to ensure AK is on track with its corrective actions.

FNS is committed to working with you to better serve Alaskans in need. FNS stands ready to provide technical assistance to DPA and work together to explore additional policy options and programmatic solutions to improve SNAP operations. We plan to visit the State soon to provide this technical assistance. As you explore these issues, please contact Charles Tobin at Charles.Tobin@usda.gov, or (415) 407-8728 should you have additional questions or concerns.

Sincerely,

Jesus Mendoza, Jr.
Regional Administrator
Western Region

cc: Charles Tobin, FNS WRO
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WRO File Code: SNAP/400/Program Oversight/MiscStateInfo/Alaska

Attachment: Summary of DPA Strategies Discussed on January 12, 2023

- DPA agreed to lengthen certification periods. DPA is currently interviewing contactors to hire COBOL programmers and expects to have this completed by March/April of 2023. We encourage DPA to prioritize the IT solutions as this will tremendously assist with the backlog.
- DPA agreed that the VCC, staffed by DPA merit staff, is contributing to the current backlog and is working to procure a contract with Public Consulting Group to hire Non-Merit staff to run the VCC and provide the maximum allowable functions permitted by regulations. PCG will run the VCC for 18 months, then train DPA merit staff to fully operate the VCC. FNS will assist with the review of the PCG contract as well as ensure expeditious review of the Non-Merit staff approval.
- Office closures have been reported to FNS as a barrier to program access. FNS received reports that the following offices have been closed: Muldoon, C St., Gamble, Sitka, Homer, and Nome. DPA confirmed that the Sitka, Homer, and Nome offices are open for business, however offices are small and not able to open at times due to staffing and worker safety concerns. DPA is working to hire and staff these offices. DPA has not confirmed details regarding the Muldoon, C St., and Gamble office closures.
- DPA indicated that they are working on the implementation of an online SNAP application to provide clients with an additional means to apply for benefits beyond paper applications.