



United States Department of Agriculture

Food and
Nutrition
Service

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SUBJECT: SNAP and the Affordable Care Act Questions & Answers
Parts I & II

TO: All Regional Directors
Supplemental Nutrition Assistance Program

The attached questions and answers are intended to address State agency concerns about the effects of the Patient Protection and Affordable Care Act (ACA) on the Supplemental Nutrition Assistance Program (SNAP). The Food and Nutrition Service (FNS) is releasing this memorandum as formal guidance for use by FNS Regional Offices, State agencies, and community partners. FNS is committed to providing ongoing technical assistance to States on issues of SNAP policy, compliance, and compatibility in relation to the new requirements of the ACA, and encourages States to continue to contact to their regional counterparts with questions.

This memorandum comprises the first and second parts of a series of questions and answers on this topic. In order to address a greater audience, the questions and answers in this document have been generalized and may differ slightly from those previously released.

If further questions arise in relation to SNAP and the ACA, please contact Samantha Wetzel of my staff at Samantha.Wetzel@fns.usda.gov.

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Director
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Attachments

AN EQUAL OPPORTUNITY EMPLOYER

The contents of this guidance document do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

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Affordable Care Act (ACA) Questions and Answers: Part I

Policy Alignment and Outreach:

Question 1: How will the ACA impact State telephonic signature procedures?

Answer 1: The ACA allows individuals to apply for benefits with telephonic applications, and the Centers for Medicare and Medicaid Services (CMS) has published a final rule indicating that they will develop guidance on telephonic signatures. FNS has discussed the issue with CMS, and is working with them to explore potential ways to align both programs' policy on telephonic signatures. FNS will keep States apprised of progress on this issue.

Question 2: A joint Internal Revenue Service (IRS) and CMS webinar stated that although Federal tax information cannot be shared with States' non-health care programs, the Federal Data Services Hub (HUB) can provide a household's modified adjusted gross income (MAGI) as a percentage of the Federal poverty level (FPL). Have FNS and CMS agreed to any coordination for using MAGI-based FPL percentages for SNAP eligibility?

Answer 2: While FNS acknowledges the challenges that States face in adapting their systems and processes due to the requirements of the ACA, IRS data is not current enough to be used for SNAP purposes. However, FNS is exploring the possibility of using State-reported quarterly wage data to verify income. In fact, FNS has approved demonstration projects in four States to explore the accuracy of quarterly wage data for the purposes of verifying SNAP income. The results of these quarterly wage match demonstration projects will allow FNS to make informed decisions about the use of other types of data for verification of income in SNAP eligibility determinations.

Question 3: Are there estimates of the number of persons who will be newly eligible for Medicaid and Children's Health Insurance (CHIP) as a result of the ACA? How many of these persons will also be SNAP eligible? To what degree will it be feasible for SNAP to advertise the insurance exchange sites, or link to those sites? Don't the insurance exchanges combine applications for insurance coverage, some of it subsidized, with applications for Medicaid and CHIP children's health insurance, potentially bringing millions of new applications? Do we have estimates of the number of applications and the percent that may also be eligible for SNAP?

Answer 3: According to analysis from the Center on Budget and Policy Priorities (CBPP), approximately 15.1 million uninsured adults with incomes below 138 percent of the Federal Poverty Line will be newly eligible under the ACA. Sixty-three percent of non-seniors eligible for Medicaid will also be eligible for SNAP and 98 percent of non-seniors eligible for SNAP will also be eligible for Medicaid.

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Question 4: How will any influx in Medicaid and CHIP participation affect SNAP certification periods, interviews, verification, and change reporting?

Answer 4: Most FNS policies on certification periods, interviews, and verification are statutory, and will not be affected by the ACA. However, FNS encourages States to engage in dialog with their regional offices about the flexibilities that currently exist. In addition, FNS is open to new proposals or waiver requests from States on potential additional flexibilities which may provide better alignment of FNS and CMS policy, provided that they do not conflict with statutory requirements.

Applications:

Question 5: A State wants clarification as to whether they can require the State residency field to be mandatory in order to comply with the ACA, which requires a client to be able to submit a self directed application. If the customer leaves that question blank, it will automatically mean that the application would not be self-directed, and would require worker intervention. However, the State is uncertain if this requirement would go against the Federal regulations at 7 CFR 273.2, which provide that States can only require name, address, and signature to file an application. On the other hand, 273.3 requires “a household to file an application for participation in a specified project area.” Are they allowed to do this?

Answer 5: No. The Act does not allow States to add additional conditions of eligibility for SNAP clients in order to align with Medicaid. When designing online applications, States should refer to the current FNS guidance at: <http://www.fns.usda.gov/sites/default/files/121710.pdf>.

Question 6: Some States currently have a combined paper application that individuals can use to apply for SNAP, Temporary Assistance for Needy Families (TANF), Adult Program benefits (such as Old Age Pension), and Medicaid. Because the Medicaid rules are changing for household composition and income verification, we will need to redo our paper application. Our thinking is that States will scrape the old Medicaid questions off of the paper application, leaving just the questions that pertain to SNAP, TANF and Adult Financial Program, and then have a separate application for the "new" medical programs. This is a short-term solution until a sample combined application is drafted. Does FNS require modified applications to be submitted for review?

Answer 6: States are not required to submit their applications to FNS for approval. However, FNS is available for technical assistance in developing combined applications. FNS regulations on SNAP applications have not changed, and applications are subject to review during the Management Evaluation (ME) process. FNS’ August 7, 2013, memorandum on SNAP Applications and the Affordable Care Act provides guidance on this matter.

Question 7: Is there a timeline for requiring States to have multi-benefit applications (MBAs) that include SNAP and health care?

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Answer 7: FNS does not have a requirement for States to revise their applications. CMS issued a letter and guidance addressing alternative applications, including multi-benefit applications on June 19, 2013, which is available at: www.medicaid.gov/Federal-Policy-Guidance/downloads/CIB-06-19-2013dcr.pdf.

Question 8: Given that States differ in the programs they administer, would it be beneficial for FNS to follow the path that the U.S. Department of Health and Human Services (DHHS) has taken and develop a template for a SNAP application that all states can use in the development of their new individual multi-benefit or stand-alone SNAP applications both in electronic and paper format? This would move states more towards consistency and provide a more recognizable process nationally for SNAP customers.

Answer 8: Unlike DHHS, SNAP application policies remain unchanged by the ACA. At the same time, as States are re-examining their applications in the context of ACA implementation, FNS is working toward providing further guidance on SNAP application development and anticipates sharing this guidance soon. This guidance will clarify and complement existing regulations and guidance regarding SNAP applications. We are also working on a larger-scale, longer-term project to provide best practices and models for SNAP applications. In the meantime, FNS Regional Offices are available to provide technical assistance and to resolve any questions pertaining to SNAP applications.

Question 9: Has FNS approved any revamped combined applications?

Answer 9: FNS does not formally approve State applications. However, FNS continues to monitor SNAP applications for compliance through management evaluation reviews, and provides technical assistance to States that have questions or do not comply with existing regulations. Technical assistance will be offered to States that request it, particularly in the development of MBAs. FNS regulations on SNAP applications have not changed, so all of the current SNAP requirements must be met in a combined application.

Action on Changes Known to the State Agency:

Question 10: Many States are currently revamping their eligibility systems for Medicaid and SNAP, but will not necessarily be equipped for the two systems to “talk” to each other in the short term. If that is the case, a worker will have to perform dual entry. More concerning is a situation in which one system gives an alert and it would seem that the information would be considered “known” to the agency, and the worker would be expected to take action. However, the case worker would have to open each case individually to know if the Medicaid recipient is receiving SNAP. So it would seem that the information from one case would be known to the other, but in essence it truly is not. Do States have any leeway in considering this information unknown?

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Answer 10: SNAP policy remains the same regarding what is known to the State agency. Under current FNS policy a State must establish what information is considered “known.” For further guidance on this issue, please refer to our previous guidance: <http://www.fns.usda.gov/sites/default/files/112408.pdf>.

Other:

Question 11: One of the main differences with the ACA is that the approach is one of “onestop shops/no wrong door,” based on an assumption that everything can be verified via data match and that customers never have to bring or fax any documents. It also leans toward taking customer statement much more than we might be used to, and there are several differences between how household composition and income is determined, recertifications, and other areas. If we can see a side by side of these differences, it will help us to see where FNS might want to adjust policy options, waivers, or operations for streamlining, and where we will stand fast.

Answer 11: A toolkit for States created by CBPP includes a comparison chart that addresses this issue and was shared during the March 14, 2013, ACA 101 conference call with regional staff. This chart displays some of the key differences between SNAP and Medicaid before and after implementation of the ACA. The toolkit can be found at: <http://www.cbpp.org/cms/index.cfm?fa=view&id=3791>.

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Affordable Care Act Questions and Answers Part II

Question 12: What is the State's responsibility for action on information received from Medicaid? Must caseworkers act on discrepancies in information between a client's SNAP and Medicaid cases, since we know that Medicaid and SNAP calculate income and household composition differently?

Answer 12: FNS understands that there are differences in the ways that Medicaid and SNAP determine household income. The MAGI used by Medicaid to calculate eligibility is not current enough to be accurate for SNAP. For these reasons, States need not act on discrepancies between MAGI calculated income and SNAP income information.

SNAP and Medicaid have historically differed in consideration of household income and other circumstances. FNS is not modifying existing policy regarding action on changes reported to SNAP through Medicaid, but expects that States do a common sense assessment of the types of information that they may receive from Medicaid. States must evaluate what kinds of information is likely to affect the SNAP case and are required to act on this information in accordance with their chosen reporting system.

Question 13: With respect to program alignment, would waivers be considered that would allow States to align with Medicaid policy similar to how States could opt to align certain income and asset rules with TANF?

Answer 13: FNS will consider waiver requests by States on a case-by-case basis. If the State does not wish to request a waiver, they may take the option to act on all changes under Simplified Reporting (SR).

Question 14: A State wishes to change its Simplified Reporting option to act on all changes. This will allow them to react to all changes that become "known to the State agency." How can they do so?

Answer 14: If the State wishes to take the option to act on all changes, that decision should be included in their State plan. States should work with their FNS Regional Offices to facilitate such a change.

Question 15: What types of documents may a State accept from Medicaid to verify identity for SNAP?

Answer 15: Generally, State agencies have the option of determining what types of documents are acceptable to verify identity for SNAP applicants. States may also consider a Medicaid determination of identity for an individual as verification of identity for SNAP.

Question 16: ACA Regulations now require an electronic recording of fair hearings. For the joint hearing process, what does this entail?

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Answer 16: SNAP requirements for fair hearings have not changed due to the ACA. States with questions about Medicaid's fair hearing requirements should direct those questions to CMS.

Question 17: If a State houses their document imaging system for SNAP and Medicaid in the same physical location, and documents being imaged may contain personally identifiable information (PII), can Navigator staff have access to that area?

Answer 17: Navigator and assister access to locations with PII is allowable under the Federal laws and regulations that govern SNAP.

Question 18: When a State agency receives an application for Medicaid under the new ACA rules, and the information on the application differs from information on the same client that is contained in the SNAP record, how should the State agency act on that information? Does the action differ if the information is on income versus household composition?

Answer 18: Please refer to Answer 12.

Question 19: Is Medicaid considered a public assistance program under 7 CFR 273.12(a)(5)(vi)?

Answer 19: Medicaid is not considered a public assistance program under SNAP rules. 7 CFR 273.12(a)(5)(vi) applies only to those programs specifically listed in the definition of "public assistance" in 7 CFR 271.2. These programs are: old-age assistance, TANF (including TANF for children of unemployed fathers), aid to the blind, aid to the permanently and totally disabled and aid to aged, blind, or disabled.

Question 20: When an applicant files an application for SNAP benefits that is sent via the health care exchange, what is the date of application?

Answer 20: Under SNAP regulations at 7 CFR 273.2(c), "State agencies must document the date the application was filed by recording the date of receipt at the Food Stamp office." There are no special regulations that pertain to applications received from the healthcare exchanges.

Question 21: Are real-time matches from the Federal Data Services Hub considered known?

Answer 21: FNS has previously addressed the issue of what is "known to the State agency." Please see *SNAP Questions and Answers on Simplified Reporting*, issued August 13, 2013, and *Clarifying SNAP Reporting Requirements - "Known to the State agency"* issued November 24, 2008. Additionally, in the October 25, 2013, memo *Supplemental Nutrition Assistance Program (SNAP) and Data Sharing Under the Affordable Care Act (ACA)*, FNS addressed the use of HUB data, and clarified that States may not treat this information as verified upon receipt, but may independently verify information received from the HUB.

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