

STATE WAIVER REQUEST

1. **Waiver Serial Number (if applicable):** N/A
2. **Type of request:** New
3. **Regulatory citation:** 7 CFR 275.14 and FNS Handbook 310 provisions
4. **Secondary regulation citation, if any:**
5. **State:** Ohio
6. **Region:** Midwest Region
7. **Regulatory requirements:** The Supplemental Nutrition Assistance Program (SNAP) regulations at 7 CFR 275.14 provides, in part, that state quality control reviewers “shall follow the procedures outlined in the Quality Control Review Handbook, FNS Handbook 310, to conduct quality control reviews. In addition, the sample of active and negative cases shall be selected in accordance with the sampling techniques described in the Quality Control Sampling Handbook, FNS Handbook 311.”

The FNS Handbook 310 provides the following:

Underissuance - The amount of SNAP benefits the household was authorized to receive which was less than what they were eligible to receive.

Overissuance - The amount of SNAP benefits the household was authorized to receive was greater than what the household was eligible to receive. Payment Error Rate (PER) - The measurement of the accuracy of the active case review.

170 ERROR ANALYSIS. (Refer to Chapters 6 and 12.) Using QC review procedures in this handbook and based on verified information, the reviewer must determine if each completed active case was eligible and whether it received the correct amount of benefits. A household may be over issued or under issued benefits. Through a review of negative case actions, the reviewer must determine whether the State agency's decision and procedures to deny, to suspend, or to terminate the household's benefits, was correct as of the sampled action date.

214.2 Comparison II. Variances resulting from the use of incorrect information at the time of certification or recertification must be included. This applies to all elements. It applies to each income source and to total income. Some variances, those due to reporting requirements or processing time considerations, are excluded. Variances that result from a change in circumstances that should have been effective as of the review date (AORD) must be included (See Chapter 7).

335 Cases are NSTR if, as of the date the case is selected for QC sampling: • The case has been referred for investigation to the state's fraud investigation unit, and the investigation is

scheduled to begin within 5 months of sampling, the case is under active fraud investigation, or the case has a pending administrative or judicial IPV hearing.

- 8. Proposed alternative procedures:** The Ohio Department of Job and Family Services is requesting a waiver to remove inadvertent household errors from the active payment error rate, so that only state agency errors in calculating a benefit are used for determining the payment error rate that makes a state subject to paying a portion of the benefit under H.R.1 the Big Beautiful Bill Act.
- 9. Justification for request:** The approval of this waiver would bring FNS' Handbook 310 into alignment with this Administration's goal of holding States accountable when the State has incorrectly calculated SNAP benefits. Currently, States are held responsible for errors made by recipient households who fail to report when their income is over the 130% federal poverty limit, despite adequate notice of the responsibility to report such a change. The inclusion of overpayments to clients who fail to report a change, when the State has not been informed, unfairly charges a State with making "a payment error" when in fact the *State had appropriately determined the benefit amount based on the information known to it.* (It is important to remember that when any error is discovered, caused by the agency or the household, an overpayment is established against the household and repayment is pursued.) Under H.R.1 the Big Beautiful Bill Act, which incentivizes efficient program administration with a state share of benefits that goes to 0% when the State's error rate is less than 6%, States may be liable for hundreds of millions of dollars in state share of benefits based on errors that cannot be reasonably prevented by the State agencies. In FFY 2024, Ohio's error rate was 9.13% with client errors accounting for 50.74% of the errors. If client errors had not been included, Ohio would have been under 6%. In FFY 2023, Ohio's error rate was 6.80% with client errors accounting for 26.95% of the errors. Again, if client errors had not been included, Ohio would have been under 6%.

Moreover, the inclusion of client errors in the rate is not specified by federal law. 7 USC 2025 merely requires FNS to establish a system that enhances payment accuracy. Payments are made by the State, not the client. The method of determining state error rate employed by previous administrations is outdated based on H.R. 1, the Big Beautiful Bill Act, which penalizes states with a share of SNAP benefits based on errant State action (or inaction). Including client errors in the state error rate muddies the measure of accurate administration of SNAP by the States.

- 10. Anticipated impact on households and State agency operations:** This waiver applies to all SNAP households caused errors. The State will continue to review the cases and establish an overpayment and seek repayment.
- 11. Caseload information, including percent, characteristics, and quality control error rate for affection portion (if applicable):** The latest caseload data released is from May 2025. At that time Ohio had a SNAP caseload of 720,833 households. Ohio's error rate for FFY 2024 was 9.01%.
- 12. Anticipated implementation date and time period for which waiver is needed:** October 1, 2025 until further notice.

13. Proposed quality control review procedures: QC reviewers will review cases in accordance with this waiver.

14. State agency submitting waiver request and State contact person:

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Email: bobbie.lorenz@jfs.ohio.gov

15. Signature and title of requesting official:

Hannah Knies

Title: Hannah Knies

Bureau Chief, SNAP/TANF Policy

Office of Family Assistance

Email for transmission of response: Hannah.Knies@jfs.ohio.gov

16. Date of request: 08/04/2025

17. State agency staff contact (name/email/telephone):

Name: Bobbie Lorenz

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18. Regional office contact person: Unknown