



Front-End Investigations

Preventing Improper Payments

Front – End Investigations

Protecting Program Integrity

USDA SNAP policy front end fraud referrals

The USDA SNAP policy front end fraud referrals involve the identification and reporting of suspected fraud by SNAP recipients, retailers, and state agencies.

The USDA Food and Nutrition Service (FNS) collaborates with state partners to enhance efforts in preventing, detecting, eliminating, and punishing instances of fraud.

SNAP recipients must use their benefits as intended, and violations of program rules will not be tolerated.

The USDA OIG and state law enforcement authorities are responsible for criminal prosecution of fraud.

The SNAP Fraud Framework provides a toolkit of evidence-based strategies to combat recipient fraud, combining data analytics with best practices from industry.

The framework also includes performance measurement, recipient integrity education, fraud detection, investigations, dispositions, analytics, data management, learning, and development.

What is a Front-End Investigation?

- Review of questionable applications.
- Investigation occurs prior to benefits being issued.
- Collaboration between Benefit Department and Fraud Department.
- 1. Accuracy
- 2. Eligibility
- 3. Fraud Prevention

Why is it Important?

- Protects Program Integrity and Resources.
- Prevention of improper payments by identifying errors or potential fraud.
- Ensure eligible household receives benefits.
- These investigations save costs, reduce work and act as a deterrent against fraudulent activity.
- Help ensure QA compliance.

Benefit Program Specialist

Front end detection

- Benefits Programs are the front lines.
- Communicate with your Fraud Investigator.
- Learn the indicators of potential fraud (red flags).
- Review application for missing or questionable information.
- Ask the appropriate questions.
- Document your case. Documentation supports the integrity of the program and protects you as the worker if the case is reviewed.
- Remember, this isn't about denying benefits but about making sure information is accurate. Always treat applicants with respect and fairness as the goal is accurate eligibility determination, not accusing the client of wrongdoing.

The Benefits Worker does not Investigate

Their job is to:

- Ensure all required questions and fields are completed.
- Flag questionable information (inconsistent income, residency issues, household composition, etc).
- Make referral.
- Meet processing deadlines even if investigation is not completed.
- Document all actions clearly in the case record.
- Act on outcomes once the investigation is completed.

The focus should be on eligibility and timely processing, not fact finding.

Fraud Investigator

Roles

- Communicate with staff on the front lines.
- Encourage **ANY** suspected fraud referral.
- Have a relationship with your benefits staff.
- Create awareness of what red flags look like.
- Share success stories.
- Follow up with staff.
- Shout out the front line through emails, at meetings. Let their Supervisors know.

Fraud Investigator

- Referral Received
- Case Review (Application, System, documentation and red flags.)
- Contacts (Landlord, Employer, schools, utility companies, etc)
- Provide findings back to the benefit worker or supervisor for eligibility determination.
- Provide clear evidence of indicators or inconsistencies, fraud indicators, or verification of eligibility.
- Provide feedback to the frontline to strengthen detection efforts.
- Support prosecution or administrative action when intentional fraud is found.

Fraud Investigator Role

Review referral for validation.	Investigation can become ongoing.
Decide if immediate verification is required.	Continue gathering evidence if fraud is suspected.
Attempt to verify questionable info without delaying timely processing.	Conduct field visits, if necessary, interviews.
Use system searches.	Prepare for an ADH/ Prosecution referral if it meets your Commonwealth's Agreement criteria.
If documents are requested from a client, a shorted deadline (3-5 days) may be given if case is expedited.	If case is substantiated, a claim may be established.
SNAP expedited cases must be issued within 7 calendar days regardless of fraud referral.	Document Fraud module in notes of your actions.
If verification isn't complete, continue investigation after issuance.	Upload all related evidence and required forms into VaCMS Fraud DMIS.

Collaboration / Communication

- Benefit Department
- Fraud Investigators
- Local Law Enforcement / Commonwealth Attorney (if necessary)
- Community

Roles in a Front – End Investigation

Benefits Program Specialist	Fraud Investigator
Intake & register applications	Receive referral from benefits worker
Screen for expedited services	Review case for fraud indicators
Identify red flags and refer to fraud	Conduct system checks and preliminary research
Process application within deadlines	Contact employers, landlords or collateral sources
Request mandatory verifications from client	Request additional evidence / verification
Document all actions in the case record	Conduct field visit (if necessary), interviews
Issue benefits (cannot delay past deadlines)	Prepare case summary with findings
Apply investigator outcome (disqualification / overpayment)	Refer for ADH or Prosecutor if fraud (intent) is determined

Reasons for Referrals

- **Identity**

Applicant presents identification document which appears to have been altered and/or does not appear authentic.

Documents appear to be altered or inconsistent (different fonts, misspellings).

Multiple SSNs provided that do not match.

- **Residency**

Applicant presents verification of residency, such as a rent receipt, lease, utility bill that appears to have been altered and/or written by the applicant.

Applicant reports mailing address as Post Office box with no reasonable explanation.

Applicant has separate living and mailing addresses with no reasonable explanation.

Reasons for Referrals

- **Household Composition**

Application indicates that a previous income producer is no longer in the household.

Application indicates that a person previously employed, and not previously included in the Food Stamp household, is now in the household and unemployed.

Conflicting information received, such as from landlord, regarding household composition.

Applicant provides inconsistent information regarding SSN's, DOB's, or relationships of household members.

Reasons for Referrals

- **Earned Income**

Applicant presents earnings verification that does not appear to be authentic, appears to have been altered and/or completed by the applicant.

Reported or verified earnings do not appear to be consistent with wages reported to VEC.

Applicant reports wage earner who is self-employed but has little or no business records to verify income.

Application includes a household member with a history of employment not reflected in VEC, i.e. babysitting or domestic work, is currently unemployed and not receiving unemployment compensation.

Applicant claims to be unemployed but shows evidence of working.

Reasons for Referrals

- **Unearned Income**

Application includes unemployed principal wage earner who is not receiving unemployment compensation.

Applicant reports no source of income other than loans from family/friends.

Application indicates paid fixed expenses, such as rent or mortgage, equal to or exceed income with no reasonable explanation.

Application includes unemployed principal wage earner who is not receiving unemployment compensation.

Red Flags

- Conflicting statements (application vs interview).
- Discrepancies between reported income and employer records.
- Client states zero rent / utilities but no explanation.
- Re-applying with different information/household comp.

Outcomes

- Approved application client meets eligibility requirements.
- Case approved and investigation continues as ongoing investigation.
- Denied application client fails eligibility requirements.
- Applicant chooses not to proceed.
- Referred for ADH / Prosecution due to Intentional Program Violation.

Measurables

- Number of Investigations
- Dollar amount prevented from improper payment
- Confirmed fraud cases
- Disqualifications from IPV's and ongoing savings

Front-End Cost Savings

Cost savings through Front-End Investigations

- Prevent improper issuances before they occur.
- Every dollar (\$) prevented = Immediate savings.
- Preventing an improper payment avoids long and costly collection efforts.
- Recovery rates on overpayments are usually low, so prevention is an effective way savings.
- Reduces claims workload(less claims and collections).
- Preserves funds for truly eligible households.
- Strengthens public confidence in DSS programs.

Timeline

Referral received are validated with a program violation.

Investigator decision on an EXPEDITED case (3-5 days)

1. If fraud not confirmed, return case for expedited issuance.
2. If investigation is not complete, SNAP expedited must be issued within 7 calendar days regardless of fraud referral. The investigation continues.

Investigator decision on a REGULAR Case (7-30 days)

1. If fraud not confirmed, return case for issuance.
2. If investigation is not complete, Inform the worker for issuance purpose and continue investigation.



Questions