

GAO Highlights

Highlights of [GAO-18-504T](#), a testimony before the Subcommittees on Healthcare, Benefits, and Administrative Rules and Intergovernmental Affairs, Committee on Oversight and Government Reform, House of Representatives

Why GAO Did This Study

SNAP is the largest federally funded nutrition assistance program. In fiscal year 2017, it provided about \$63 billion in benefits. USDA and the states jointly administer SNAP and partner to address issues that affect program integrity, including improper payments and fraud. GAO has previously reported on various aspects of SNAP, including state SNAP E&T programs, improper payment rates, recipient fraud, and retailer trafficking.

This testimony discusses GAO's prior and ongoing work on (1) SNAP E&T programs, including program participants, design, and USDA oversight, and (2) USDA's efforts to address SNAP program integrity, including improper payments, as well as recipient and retailer fraud. As part of its ongoing work on SNAP E&T programs, GAO analyzed E&T expenditures and participation data from fiscal years 2007 through 2016, the most recent data available; reviewed relevant research from USDA; and interviewed USDA and selected state and local officials. The prior work discussed in this testimony is based on four GAO products on E&T programs (GAO-03-388), improper payments (GAO-16-708T), recipient fraud (GAO-14-641), and retailer trafficking (GAO-07-53). Information on the scope and methodology of our prior work is available in each product.

What GAO Recommends

GAO is not making new recommendations. USDA generally concurred with GAO's prior recommendations.

View [GAO-18-504T](#) or key components. For more information, contact Kathryn Larin at (202) 512-7215 or larink@gao.gov.

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SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Observations on Employment and Training Programs and Efforts to Address Program Integrity Issues

What GAO Found

Overseen by the U.S. Department of Agriculture (USDA) and administered by states, Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) programs served about 0.5 percent of the approximately 43.5 million SNAP recipients in an average month of fiscal year 2016, according to the most recent USDA data available. These programs are generally designed to help SNAP recipients increase their ability to obtain regular employment through services such as job search and training. Some recipients may be required to participate. According to USDA, about 14 percent of SNAP recipients were subject to work requirements in an average month of fiscal year 2016, while others, such as children and the elderly, were generally exempt from these requirements. States have flexibility in how they design their E&T programs. Over the last several years, states have 1) increasingly moved away from programs that mandate participation, 2) focused on serving able-bodied adults without dependents whose benefits are generally time-limited unless they comply with work requirements, and 3) partnered with state and local organizations to deliver services. USDA has taken steps to increase support and oversight of SNAP E&T since 2014, including collecting new data on participant outcomes from states. GAO has ongoing work reviewing SNAP E&T programs, including USDA oversight.

USDA and the states partner to address issues that affect program integrity, including improper payments and fraud, and USDA has taken some steps to address challenges in these areas, but issues remain.

- **Improper Payments.** In 2016, GAO reviewed SNAP improper payment rates and found that states' adoption of program flexibilities and changes in federal SNAP policy in the previous decade, as well as improper payment rate calculation methods, likely affected these rates. Although USDA reported improper payment estimates for SNAP in previous years, USDA did not report an estimate for benefits paid in fiscal years 2015 or 2016 due to data quality issues in some states. USDA has since been working with the states to improve improper payment estimates for the fiscal year 2017 review.
- **Recipient Fraud.** In 2014, GAO made recommendations to USDA to address challenges states faced in combatting recipient fraud. For example, GAO found that USDA's guidance on the use of transaction data to uncover potential trafficking lacked specificity and recommended USDA develop additional guidance. Since then, USDA has provided technical assistance to some states, including on the use of data analytics. GAO has ongoing work reviewing states' use of data analytics to identify SNAP recipient fraud.
- **Retailer Trafficking.** In 2006, GAO identified several ways in which SNAP was vulnerable to retailer trafficking—a practice involving the exchange of benefits for cash or non-food items. For example, USDA had not conducted analyses to identify high-risk retailers and target its resources. Since then, USDA has established risk levels for retailers based on various factors. GAO has ongoing work assessing how USDA prevents, detects, and responds to retailer trafficking and reviewing the usefulness of USDA's estimates of the extent of SNAP retailer trafficking.