



Elevating SNAP Program Integrity with the National Accuracy Clearinghouse



The Supplemental Nutrition Assistance Program (SNAP) serves as one of the most critical pillars of the social safety net, providing real-time food and nutrition assistance to struggling households. However, SNAP is currently faced with growing rates of program and transactional fraud, particularly by way of dual state participation among SNAP households. What can states do to reduce dual participation rates and reallocate SNAP resources to those who truly need them? The answer starts with the SNAP National Accuracy Clearinghouse (NAC), an interstate data exchange aimed at enhancing program integrity. The promise of the NAC is to enable states to identify dual participation “collisions” before they happen, and by doing so, promote a more effective and efficient SNAP program. Given the broad-based impact of the NAC, states should seize this opportunity to re-evaluate their current-state SNAP delivery model as the demand for nutrition assistance rapidly climbs.

What is NAC and how will it work?

When the Food and Nutrition Service (FNS) issued the interim final rule in 2022 requiring state agencies to implement interstate data matching to prevent duplicate issuances, also known as “the NAC rule,” FNS had the below four key goals in mind:¹



1. Enhance program integrity



2. Reduce improper payments



3. Improve customer experience



4. Ensure fair and accurate distribution of SNAP benefits to eligible recipients across state lines.

Simply put, the NAC will provide states and localities the confidence that SNAP benefits are being issued to families “at the right place, at the right time.” Ultimately, the NAC will serve as the single source of truth for interstate SNAP participation, offering near-real-time feedback on the status of individuals applying for SNAP or being added to SNAP households.

As with any database tool, the NAC will require daily information feeds of SNAP participants using key data elements (e.g., Social Security number, date of birth, surnames) that are maintained in a database, alongside a participant ID. When agencies receive an application for benefits or adding a household member to an active case, the NAC will provide a search function for the agency to determine a “match” for the applicant in another state’s active rolls or a “collision” when an active member is also active in another state. In addition to this preventative measure, the NAC will

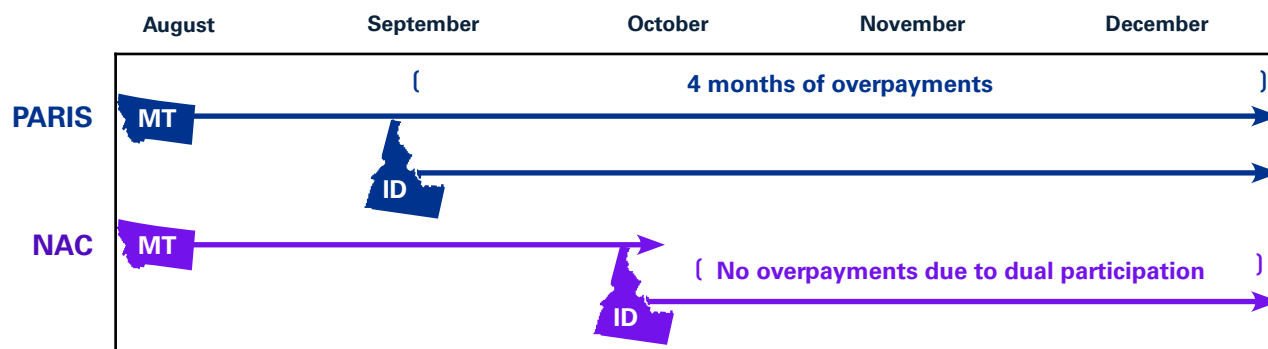
also identify unresolved duplicate participation by conducting bulk monthly matches. When the NAC finds a match, the system will create a record of the collision and notify all relevant states of the participants involved, giving them a 10-day window

to resolve the match and disclose their pursuant actions to each other (e.g., discontinuing benefit issuance to a participant).²

Legacy tools, lower performance

Currently, states are generally limited to quarterly identification of dual participation through the use of the Public Assistance Reporting Information System (PARIS). By replacing PARIS with the NAC, states will have near-real-time ability to identify and prevent dual participation “collisions,” resulting in reduced program administrative costs by way of benefit issuance and the downstream efficiencies gained from reduced overpayment and recoupment. FNS predicted in 2015 that using the NAC instead of PARIS would result in an estimated \$114 million in annual nationwide savings. In a 2014 pilot study of the NAC in five states, it helped avoid approximately \$5.6 million in overpayments.³

Consider a family of three receiving the maximum monthly allotment of SNAP benefits in Montana in August. They then move to Idaho in September and begin receiving benefits there as well. As illustrated in the figure below, with PARIS, the family might continue to receive benefits in both states for several months before the dual participation is detected. This would result in overpayments being issued and procedural errors following downstream. However, the NAC will provide states with the opportunity to flag the household as actively receiving SNAP benefits in another state within 24 hours, further reducing the likelihood of benefits having to be recouped from the family and payment errors identified for the state.



How can state agencies prepare for NAC?

The NAC rule includes a phased approach to allow for ample time for states to comply with this requirement. To date, five states have implemented the NAC as “early adopters”: Iowa, Montana, Missouri, Louisiana, and Utah.

More states are slated for implementation in 2025, and all have pledged to implement it by 2026. It is mandated for all states to have the NAC in place by

October 2027.² Dating back to the initial pilot implementation in 2014, this nearly decade-and-a-half journey presents promise, but not without proper preparation.

What can states learn from the technical and operational hurdles overcome by the first five “early adopter” states in implementing the NAC?

1

Make room for the NAC in your SNAP strategic road map. States will need to allocate a significant amount of time and resources across the NAC's implementation life cycle, with some states embarking on a seven to nine month implementation plan. In addition to the requisite design and development activities, states should be ready to allocate considerable capacity to comprehensive testing, training, and change management given the scale of the technology and operational changes coming down the pike. The NAC presents a unique opportunity for states to review their SNAP strategic road maps, assessing their current capacity against what it takes to truly achieve their vision.

2

More than just a technology upgrade. Implementing the NAC requires a team of cross-functional stakeholders who not only understand the technology changes, but also the ability to design the appropriate operational changes and policy applications required to effectively achieve the goal of reducing dual-state participation and improving SNAP program integrity. It is imperative that states not silo the NAC as simply another 'interface.' States should take this opportunity to take a wholesale review of their application and case processing operations, especially as demand for nutrition assistance continues to rise.

3

Data, privacy, and security take center stage with the NAC. The NAC avails personal identifiable information (PII), including location information for clients potentially fleeing domestic violence or other dangerous household circumstances, to other states and potentially harmful actors. It is the state's responsibility to prevent the disclosure of any location information of these potential inter-state matches. As states begin to operationalize the technical and procedural changes related to the NAC, security, access, and provisioning must remain at the forefront of the testing, training, and go/no-go decisions as states join the NAC.

Let's take this journey together

At KPMG LLP, we have a team of health and human services practitioners focused solely on advancing a more effective and efficient SNAP program. Our SNAP Program Transformation Delivery team takes pride in working shoulder-to-shoulder with states to design outcomes-focused strategies across the people, process, and technology supporting their SNAP business. Our team stands ready to help you as you take the first steps in joining the NAC.

Our approach combines our deep programmatic and regulatory knowledge with our experience helping countless states successfully achieve their transformation objectives. Leveraging our toolkit of

services specifically tailored to SNAP program delivery, we can help you re-imagine your strategic road map to make room for the NAC, establish the cross-functional governance and controls, and support end-user testing marrying the operational, technical, and security level components required for an effective NAC launch.

We are excited at the potential the NAC has to elevate SNAP program integrity, in addition to the opportunity it provides for states to take a zoomed out view of their SNAP program on many different levels. [We can meet you wherever you are on your NAC implementation journey, so let's take this journey together.](#)

¹ "SNAP National Accuracy Clearinghouse," US Department of Agriculture Food and Nutrition Service, October 8, 2024 (usda.gov)

² "Implementation of the National Accuracy Clearinghouse Interim Final Rule Memo," US Department of Agriculture Food and Nutrition Service, October 5, 2022 (usda.gov)

³ "National Accuracy Clearinghouse Pilot Evaluation Final Report," National Accuracy Clearinghouse (NAC) System Webinar, US Department of Agriculture Food and Nutrition Service, October 2015 (usda.gov)

Contact Us

Amiran Gelashvili
Managing Director,
U.S. Health and Human Services Lead
KPMG LLP
T: 212-954-4335
E: agelashvili@kpmg.com

Cindy Cohen
Principal,
KPMG LLP
T: 347-406-4598
E: cindycohen@kpmg.com

Justin Smith
Director,
KPMG LLP
T: 315-404-3967
E: justinpsmith@kpmg.com

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