



FoodShare

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FoodShare

The federal supplemental nutrition assistance program (SNAP) provides federally funded benefits to low-income individuals and families to buy food. In Wisconsin, the program is referred to as FoodShare Wisconsin, or simply FoodShare.

The program is administered jointly by the federal, state, and local governments. At the federal level, the Food and Nutrition Service (FNS) in the U.S. Department of Agriculture (USDA) funds benefit payments, monitors state compliance with federal program rules, and oversees participating retailers. At the state level, the program is administered by the Department of Health Services (DHS).

Benefits are provided to "FoodShare assistance groups," (AGs) which include all individuals in a "food unit" that meet all of the program eligibility criteria. A food unit consists of one or more persons who live in the same household and purchase and prepare food together for household consumption. Some members of a food unit, such as certain immigrants, may not be members of an AG, although the income of each member of a food unit is considered in determining program eligibility for the AG. Some people must always apply for FoodShare benefits together, including spouses and children under 22 who live with a parent or step-parent. An individual may not belong to more than one AG.

Once an AG's program eligibility is determined, its monthly FoodShare benefit allotment is loaded onto an electronic benefit transfer (EBT) card. Each AG includes one primary cardholder (the person whose name is listed first on an application form as the person applying for FoodShare benefits for his or her AG). The AG may include one secondary cardholder.

In July, 2016, approximately 721,300 individ-

uals, representing 13.3% of Wisconsin's total population, lived in approximately 355,900 AGs that received FoodShare benefits. Of these individuals, approximately 43 percent were minors and 24 percent were elderly, blind, or disabled individuals. Appendices 1 and 2 provide information on unduplicated individuals that were eligible to receive FoodShare benefits at least once at any time during a given year and benefit expenses for calendar years 2012 through 2015.

Eligibility

Federal law specifies financial and nonfinancial program eligibility requirements, including options states may use in implementing these requirements.

Financial Eligibility. Federal law permits individuals to qualify for SNAP benefits in one of two ways. First, they may qualify if they reside in households that meet income and resource limits specified in federal law. Second, they may qualify for SNAP benefits automatically if they have been determined to be eligible for other public assistance programs, a method commonly referred to as "categorical eligibility."

Federal Standards. States may choose to adopt federally-specified income and resource limits. In states that choose this option, a household may qualify for benefits if a food unit has net income less than 100% of the federal poverty level (FPL) and gross income below 130% of the FPL. Net income is calculated by applying several federally-allowable deductions.

In addition, households may not have countable (liquid) assets that exceed specified levels. In federal fiscal year (FFY) 2017, the asset limit is

\$2,250. The value of a home is not counted as an asset. States may also exclude the value of certain assets, such as the value of a household vehicle.

Categorical Eligibility. A state must also provide categorical eligibility for SNAP benefits to AGs that receive cash assistance funded from the federal temporary assistance for needy families (TANF) program, the supplemental security income (SSI) program, or a state's general assistance program, as long as the AG's food unit's net income does not exceed 100% of the FPL.

Alternatively, states have the option to provide "broad-based categorical eligibility" by making most households categorically eligible for SNAP because they qualify for a non-cash TANF or state maintenance of effort (MOE) funded benefit. As of January, 2016, 39 states, two territories, and the District of Columbia used this method of establishing eligibility for SNAP. These states typically offer brochures or a referral to a job service or human services department as a benefit to potential applicants.

Wisconsin's FoodShare program implements broad-based categorical eligibility. AGs in food units with gross income up to 200% of the FPL may qualify if they receive a referral to Job Center of Wisconsin employment services, a Department of Workforce Development job search program partially funded by TANF. AGs that meet this broad-based categorical eligibility standard are not required to meet an asset test.

Table 1 shows the 200% FPL threshold for FFY 2017 (the period from October 1, 2016 through September 30, 2017), for various household sizes. The FPL guidelines are updated annually.

Households with an Elderly, Blind, or Disabled (EBD) Member. An exception to the broad-based categorical eligibility requirements applies to food units with an elderly (over 60 years old), blind, or disabled member. For them, there is no

Table 1: Categorical Eligibility Threshold (FFY 2017)

Household Size	Annual Gross Income Threshold -- 200% of FPL
1	\$23,760
2	32,040
3	40,320
4	48,600
5	56,880
6	65,160

limit on gross income, but the household must have net income of no more than 100% of the FPL to qualify for FoodShare.

In addition, an asset test applies to food units that include an elderly, blind, or disabled member and have gross income over 200% of the FPL. These households may not have more than \$3,250 in countable assets, although certain assets, such as vehicles or retirement savings accounts, do not count towards that limit.

Nonfinancial Eligibility. In addition to the financial criteria, FoodShare participants must meet certain nonfinancial requirements.

Citizenship. Only citizens of the United States and legal immigrants who meet certain conditions may receive SNAP benefits. Undocumented immigrants are not eligible for FoodShare. Applicants must provide a social security number for all members of the food unit, and provide all other information necessary for determining eligibility.

Certain groups of non-citizens, including qualified immigrants who are children under the age of 18, elderly individuals born before August 22, 1931, who lawfully resided in the United States on August 22, 1996, and certain refugees and asylees, who meet other SNAP eligibility requirements (including income and resource limits) may become immediately eligible for benefits. Other qualified immigrants (non-citizens with certain immigration status defined

by federal law) may only become eligible for SNAP benefits after a waiting period.

Residence. All FoodShare participants must be residents of Wisconsin. Eligibility workers determine residency based on a set of guidelines, with a wide range of documents accepted to verify residency, including a rent receipt, lease, mortgage receipt, or utility bill. Homeless individuals and migrants are exempt from the verification requirement. Individuals are not required to reside in Wisconsin for any minimum period of time prior to receiving benefits.

Residents of an institution who receive most meals through the institution are ineligible for FoodShare. This does not apply to individuals who live in certain authorized facilities, such as shelters for the homeless, group living arrangements, or drug or alcohol treatment centers.

Child Support Payments. Under federal law, states may disqualify individuals who are delinquent in a court-ordered child support payment, or who do not cooperate in establishing paternity and obtaining support for the child. However, Wisconsin's program does not disqualify individuals from receiving FoodShare benefits for these reasons.

Criminal Violations. An individual cannot receive FoodShare benefits for any month in which he or she is a fugitive felon, or in violation of probation, parole, or extended court-ordered supervision.

Individuals convicted of a felony for possession, use, or distribution of a controlled substance within the last five years must pass a drug test to qualify for FoodShare. If the person fails the drug test, he or she is ineligible for FoodShare benefits for 12 months. If the felony is still within the past five years at the end of that 12-month period, the individual must submit to and pass a drug test to be eligible for FoodShare. Drug testing is not repeated when the person's eligibility is subsequently reviewed for recertification.

Work Registration Requirements. With limited exceptions, all individuals in an AG who are ages 16 through 59 who do not work, or work less than 30 hours per week, are required by federal law to register for work to be eligible for FoodShare benefits. Exceptions include, but are not limited to, individuals who: (a) are caregivers for dependent children under the age of six or for individuals who cannot care for themselves; (b) are participating in substance abuse treatment programs; (c) have applied for, or are receiving unemployment insurance benefits; (d) are enrolled at least half-time in a recognized school, training program, or institution of higher learning; (e) are physically or mentally unable to work; or (f) taking part in and complying with the W-2 work requirement. However, participation in a work program is voluntary as a condition of enrollment in the program.

Work Requirements Applicable to ABAWDs. Federal law requires certain able-bodied adults without dependents (ABAWDs) to meet work requirements in order to remain eligible for FoodShare after exhausting three months of benefits in a 36-month period. Wisconsin waived this requirement from 2002 through 2013 under a state option offered by FNS. However, under provisions enacted in 2013 Wisconsin Act 20 (the 2013-15 biennial budget act), DHS reinstated the work requirement in all counties as of April 1, 2015.

An ABAWD is an individual, age 18 to 49, who is able to work, not pregnant, and does not reside in a household with a child under age 18.

Under the work requirement, ABAWDs must work or participate in a qualifying employment and training program for at least 80 hours per month to remain eligible for FoodShare benefits. Qualifying programs include a FoodShare employment and training (FSET), Wisconsin Works (W-2), or Workforce Innovation and Opportunity Act (WIOA) program. ABAWDs who do not work or participate in these programs for at least 80 hours per month can only receive FoodShare

benefits for up to three months in a 36-month period. Additional information on the FSET program is presented later in this paper.

Certain ABAWDs are exempt from work requirements and the time-limited benefit, including, but not limited to: (a) individuals who are determined unfit for employment, including individuals receiving temporary or permanent disability benefits from the government or a private source, are mentally or physically unable to work as determined by the income maintenance (IM) agency, or are verified as unable to work by a statement from a health care professional or social worker; (b) individuals who are caring for a child under age six or an incapacitated person; (c) individuals receiving unemployment compensation (UC) or who have applied for, and are complying with, UC work requirements; (d) individuals regularly participating in an alcohol or other drug treatment or rehabilitation program; (e) students of higher education; and (f) individuals receiving transitional FoodShare benefits.

During the first 12-month period that the ABAWD work requirements were implemented statewide, approximately 42,700 ABAWDs who were subject to the work requirements lost their eligibility for FoodShare benefits, after using up their three months of time-limited benefits. However, it is possible that some of these individuals have since become exempt from the work requirements or are no longer ABAWDs and have therefore regained eligibility for FoodShare.

Transitional FoodShare Benefits. Households that previously received cash assistance under the W-2 or tribal TANF benefits programs may qualify for FoodShare benefits for five months after the termination of these cash payments. A household's transitional FoodShare allotment is calculated using income, expenses, and household size from the month prior to the last W-2 or tribal TANF payment. Households may receive regular FoodShare benefits after the five-month transition period, but must apply for recer-

tification for the program.

Certification Periods. Most eligible households are certified to receive FoodShare benefits for a 12-month period. Households that include a migrant or seasonal farm worker and households that only contain homeless individuals are certified for a six-month period. If all the members of a participating household are elderly, blind, or disabled and no one in the household has earned income, the household must report changes in household size, earned and unearned income, and shelter expenses within 10 days of the change. All other households are "simplified reporting households," and thus are only required to report changes if their total monthly gross income exceeds 130% of the FPL.

Simplified reporting AGs are required to submit a six-month report form (SMRF), which identifies certain changes that may have occurred since the previous eligibility determination or redetermination that would affect program eligibility or benefits including: (a) a change of \$50 or more in unearned income based on the most recently verified amount; (b) changes in earned income, including wages, number of hours worked, and changes in jobs; and (c) changes in household composition, addresses, and legal obligations to pay child support.

Individuals may complete the initial application for FoodShare benefits and other income maintenance programs in person at a local IM office, by phone, or online through the state's Access to Eligibility Support Services (ACCESS) website.

Benefits

Qualifying households are eligible to receive a monthly FoodShare benefit, which equals the maximum monthly benefit for a household minus

30% of that household's net adjusted income. This 30% represents the household's expected contribution to purchase food. The maximum monthly benefit varies by household size and is generally based on the cost of the USDA "thrifty food plan," a model market basket of foods intended to provide adequate nutrition at a low cost. The USDA periodically updates the food plan to reflect changes in nutrition recommendations, consumption, and food prices.

Table 2 shows the maximum monthly benefits available to participating households, by household size, for FFY 2017. For households with one or two members, the minimum FoodShare benefit a household can receive is \$16. For households with more than two members, there is no minimum benefit amount.

Table 2: Maximum Monthly Benefit, by Assistance Group Size (Effective October, 2016 through September, 2017)

Assistance Group Size	Maximum Benefit
1	\$194
2	357
3	511
4	649
5	771
6	925
7	1,022
8	1,169

For each additional person, add \$146.

Determining Net Income. A household's benefit equals the maximum benefit in Table 2 minus 30% of net adjusted income. For FoodShare purposes, net adjusted income is calculated by subtracting the following credits from a household's gross monthly income. The dollar amounts in these calculations are in effect for FFY 2017.

Standard Credit. All households may deduct a standard credit from gross income, based on household size. Households with one to three

people receive a standard credit of \$157, households with four people receive a standard credit of \$168, households with five people receive a standard credit of \$197, and households with six or more people receive a standard credit of \$226.

Earned Income. Households receive a credit equal to 20% of earned income. Earned income includes salaries, wages, commissions, tips, or payments for services.

Medical Expenses. EBD recipients receive a medical expense credit equal to any out-of-pocket medical expenses that exceed \$35 per month. Examples of allowable medical expenses include medical and dental care, prescription or certain over-the-counter drugs, health insurance premiums, and certain home health care expenses.

Dependent Care. Individuals who pay for the care of a child, elderly, or disabled person, and who are employed or participate in work-related training or education may receive a dependent care credit. This credit cannot exceed actual dependent care expenses.

Child Support. Individuals required to make court-ordered child support payments, and who are either making payments or can reasonably be anticipated to make payments, receive a credit equal to the amount of the required payment. Individuals in households that receive legally-owed child support must include the child support as income.

Shelter Deduction and Utility Allowances. Households may deduct excess shelter and utility costs that exceed 50% of income after subtracting the other credits described above. Allowable shelter expenses include rent, mortgages, property taxes, mobile home lot rent and loan payments, insurance on the structure, special assessments, and condominium or condominium association fees, as well as "standard utility allowances" (SUAs) of specified amounts for heating, elec-

tricity, telephone, or other utilities.

Households that have received a Wisconsin heating energy assistance (WHEAP) or low income home energy assistance program (LIHEAP) payment in Wisconsin in the current month or within the past 12 months will receive the heating stand utility allowance (HSUA), the largest of the SUAs (\$457 in October, 2016). Households that have not received a WHEAP or LIHEAP payment will receive SUAs based on the household's incurred utility obligations.

A household may claim a maximum of \$517 in combined shelter and utility credits. There is no maximum for households that include an EBD member. In addition, homeless households may deduct actual expenses of shelter costs. Table 3 provides an example of how shelter and utility credits are calculated under the FoodShare program.

Table 3: Calculation of Shelter Deduction and Utility Allowances

A household may deduct any housing and utility expense greater than 50% of its income after prior deductions.

	Households	
	A	B
1. Qualifying Shelter Expenses	\$600	\$700
2. Utility Credits	450	300
3. Income after Prior Deductions	1,000	1,800
Total Credit (1 plus 2 minus 50% of 3)	\$517*	\$100

*Maximum Credit is \$517.

Benefit Determination Calculations. Table 4 provides three examples of monthly household benefit calculations. The examples show the monthly benefit for a three-member household with no monthly income (Household A), a three-member household with net income of \$1,000 per month (Household B), and a four-member household with net income of \$2,000 (Household C). In each case, 30% of household net adjusted income is subtracted from the maximum benefit amount for that household size to calculate the monthly

benefit.

Table 4: Examples of Monthly Benefit Calculation

A household's monthly benefit equals the difference between the maximum benefit amount for the household size (Line 1) and 30% of net household income (Line 2).

	Households		
	A	B	C
Household Size	3	3	4
Net Monthly Household Income (after deductions)	\$0	\$1,000	\$2,000
1. Maximum Monthly Benefit	\$511	\$511	\$649
2. 30% of Net Income	\$0	\$300	\$600
Monthly Benefit (1 minus 2)	\$511	\$211	\$49

FoodShare Purchases. Participating assistance groups can use FoodShare benefits to buy food or seeds and plants for home gardens to produce food. FoodShare benefits may not be spent on alcoholic beverages, tobacco, lunch counter items, vitamins, medicines, pet foods, or any non-food items, and may not be exchanged for cash. Elderly, blind, and disabled recipients may use FoodShare benefits to purchase certain prepared meals. Sales tax is not added to FoodShare items.

The state issues debit cards, known as QUEST cards, to AGs to make purchases at participating retailers. Participants cannot use the QUEST card to receive cash from a participating food store, and each card requires that the user enter a four-digit personal identification number (PIN).

Each month, benefits automatically accrue in each household's account using an electronic benefits transfer (EBT) system. There is no minimum dollar amount required for a FoodShare transaction, no maximum limit on the number of FoodShare transactions allowed, and no transaction fee to use a QUEST card. Any unused balance in a given month is available in the following month. However, if the household does not access the account for one year, any unused benefits older than 365 days will become unavailable and be removed from the account.

If a household's QUEST card is damaged, lost, or stolen, federal regulations require a state to replace that card and to place a hold on the account. Under provisions enacted in 2015 Wisconsin Act 55, DHS revised its policy with respect to replacing lost or stolen QUEST cards. Under the new policy, effective July 1, 2016, all cardholders are eligible for one free replacement of a lost or stolen QUEST card each calendar year. After receiving a free replacement card, any additional replacement cards are subject to a \$2.70 replacement fee, which will be paid from the cardholder's FoodShare benefits account.

The state contracts with Fidelity National Information Services (FIS) to provide services relating to the QUEST card, including a 24-hour customer and retailer service line. Recipients can use this line to report and replace lost, stolen, or damaged cards, obtain current account balances, obtain a transaction history, change the PIN, and resolve disputes regarding account transactions. If disputes are not resolved by FIS within 90 days, customer service refers the claim to state or county dispute resolution staff. The recipient can also request a hearing at any time. Lost benefits are generally replaced in the case of system malfunctions.

The federal Agricultural Act of 2014 requires all non-exempt retailers to use EBT systems. Exempt retailers include farmers markets, direct marketing farmers, military commissaries, non-profit food buying cooperatives, and certain group living arrangements.

Administration

Although FoodShare benefits are fully funded by the federal government, state and local governments are responsible for administering the program. Many FoodShare administrative functions are combined with those for other public assistance programs, including the state's Medicaid

program.

Specifically, DHS administers the program by contracting with 10 multi-county IM consortia (consisting of county staff) and tribes in all counties, except Milwaukee County. These consortia perform program enrollment and caseload management functions, provide electronic benefit card services to enrollees, and ensure compliance with federal requirements. The state-run IM office in Milwaukee County, Milwaukee Enrollment Services (MiES), is not included in a multi-county consortium. Instead, DHS staff performs case management functions for Milwaukee County enrollees.

In addition to the administration of MiES, the state has the following responsibilities in administering the IM system: (a) statewide IM training; (b) second-party reviews; (c) information technology for call centers; (d) eligibility database design and maintenance; (e) contract monitoring and other federal reporting; and (f) operation of the document processing unit. FNS retains responsibility for certain administrative functions, including oversight of participating SNAP retailers.

The program is administered with a combination of federal, state and local funds. Federal matching funds generally support 50% of most eligible state and county administrative costs including program reporting, management, and evaluation, fraud control, quality assurance, and EBT issuance. Table 5 shows the administrative costs of FoodShare in FFYs 2011 through FFY 2015.

FoodShare Employment and Training (FSET) Program

Federal law requires states to establish an employment and training program for SNAP partici-

Table 5: Administrative Costs of FoodShare (FFY 2011- FFY 2015)

	FFY 2011	FFY 2012	FFY 2013	FFY 2014	FFY 2015
Non-Fed	\$44,777,300	\$46,316,500	\$43,150,200	\$49,950,400	\$46,300,100
Fed	<u>44,983,200</u>	<u>46,758,200</u>	<u>43,455,800</u>	<u>50,372,100</u>	<u>46,653,900</u>
Total	\$89,760,500	\$93,074,700	\$86,606,000	\$100,322,500	\$92,954,000

pants to provide them the opportunities to gain skills, training, and experience they need to find employment and reduce their reliance on SNAP benefits. The program also offers SNAP participants who are ABAWDs a way to meet work requirements. Wisconsin's FoodShare Employment and Training (FSET) program provides these services through contracted vendors and Tribal agencies that operate in 11 regions in the state.

Prior to 2008, non-disabled FoodShare recipients between the ages of 16 and 60 were generally required to participate in FSET as a condition of receiving FoodShare benefits. Provisions included in 2007 Wisconsin Act 20 (the 2007-09 biennial budget act) made participation in the program voluntary, beginning in March, 2008.

Eligibility. Currently, the following FoodShare recipients may, but are not required to, participate in FSET:

- Individuals ages 16 and 17 may participate in certain FSET services, such as after-school job searches or part-time vocational training, if the services are not already available through the school or another agency at no cost to the participant;
- Adults who may already be employed may participate to increase their earning potential or advance career opportunities;
- Individuals who have gained employment by previously participating in FSET and need job retention services, which may be provided for up to 90 days after an individual has obtained em-

ployment through the FSET program; and

- Individuals who receive cash and non-cash assistance under the W-2, WIAO, or refugee employment and training program.

Recent Program Expansion. Participation in the FSET program can satisfy the ABAWD work requirement authorized in 2013 Wisconsin Act 20. In anticipation of additional enrollment due to the ABAWD work requirements, 2013 Wisconsin Act 20 increased funding budgeted for the program by approximately \$30.8 million (\$14.3 million GPR and \$16.5 million FED) and authorized DHS 36.0 additional positions, beginning in 2014-15, to increase funding for contracted FSET services, and to provide additional funding for income maintenance functions performed by IM consortia and Miles to administer the expanded program.

2015 Wisconsin Act 55 provided an additional \$37.4 million (\$15.9 million GPR and \$21.5 million FED) in the 2015-17 biennium to fund projected FSET service and administration costs. This funding increase reflected estimates of: (a) approximately \$9.5 million GPR budgeted for the program in the 2013-15 biennium that was unexpended, but would be carried forward to fund service costs in the 2015-17 biennium; and (b) full funding of the annualized costs of implementing the ABAWD work requirements statewide. The 2013-15 funding increase budgeted in Act 20 was based on a phase-in of the work requirements in regions of the state during that biennium. Statewide implementation of the work requirements began in April, 2015, with full im-

plementation achieved in each region as of April 1, 2016.

Due to uncertainty regarding program case-load and costs, the GPR funding increase provided in 2016-17 (\$16,372,900) was budgeted in the Joint Committee on Finance program supplements appropriation. Act 55 authorized DHS to seek the release of these funds, using procedures specified under s. 13.10 of the statutes, to support 2016-17 program costs once updated, actual enrollment and cost information was available. To date, DHS has not sought the release of these funds and does not anticipate requesting their release. However, DHS is not waiving its authority to do so.

Table 6 shows the actual FSET expenditure amounts, excluding IM costs, for state fiscal years (SFYs) 2014 and 2015, as well as the estimated expenditure for SFYs 2016 and 2017.

Table 6: Total FSET Expenditures By State Fiscal Year

SFY	Total FSET Expenditure
2013-14	\$10,103,800
2014-15	18,535,200
2015-16*	41,198,100
2016-17*	43,250,000

* Estimates

Wisconsin is divided into 11 FSET administrative service regions and eight tribal FSET agencies. DHS provides funding to FSET agencies to administer and deliver FSET services within each region by contracting with local service providers and community organizations. Appendix 3 shows each region's boundaries and the FSET vendors for each region in 2016.

Program Services. FSET program activities ("program components") include:

- Job search and training activities to assist

participants to prepare for work, which includes assistance with applications and resume development, motivational and informational workshops, and interviewing skills;

- Education and vocational training activities that improve basic skills and employability, such as adult basic education, basic workplace literacy, English as a second language, short-term training certification, and some types of post-secondary education;

- Workfare, which is available for non-exempt ABAWDs who need to develop the basic skills or work history they need to enter the job market successfully. These assignments may be established with public or private nonprofit employers, but cannot replace or prevent regular employment by these agencies;

- Work experience, which offers individuals the opportunity for job shadowing or a short-term placement in an actual work or training setting;

- Self-employment, which is primarily designed to assist participants in starting their own businesses; and

- Job retention, which is available to individuals who have received employment or training services through FSET.

After the FSET agency conducts an assessment of a newly-enrolled individual, the agency develops an initial employment plan within the first three weeks after enrollment. The agency determines appropriate activities and services that the participant may choose to accept. The individual and case worker then develop a written agreement that is reviewed and updated at least every three months while an ABAWD participates in FSET, and every six months for voluntary participants. In order to maintain eligibility for FSET-funded support services, individuals must fulfill work, employment search, or training

requirements established in their employment plan.

FSET agencies must provide supportive services for reasonable and necessary expenses that directly relate to the individual's participation in FSET. The most common types of supportive services include bus tokens, gas vouchers, clothing appropriate for job interviews, and training and work uniforms. FSET agencies may reimburse participants for the actual costs of dependent care, although enrollees must first apply for child care assistance under the Wisconsin Shares child care subsidy program before accessing FSET funds to support these costs.

During the first year the ABAWD work requirements were implemented statewide (April, 2015 through March, 2016), IM agencies referred approximately 107,000 FoodShare recipients to FSET agencies, including 79,400 ABAWDs who were subject to work requirements and 27,600 other FoodShare enrollees. During that time period, approximately 32,200 individuals were newly enrolled in the FSET program, including 20,100 ABAWDs who were subject to the work requirements and 12,100 other FoodShare enrollees. In addition, approximately 12,000 FSET program participants gained employment and verified their employment with their FSET agency.

Program Funding. FSET is supported by state, local, and federal funds, with two levels of federal reimbursement, 100% and 50%. FSET funds support administrative expenses and supportive services for participating individuals for reasonable and necessary expenses that directly relate to participation in FSET.

Appendix 4 provides the monthly FSET budget for FFY 2016 for each of the current regions and vendors. This appendix reflects maximum monthly contract amounts, not actual amounts paid since vendors submit invoices for actual expenditures not budgeted amounts. In FFY

16 the actual costs were less than the budgeted amounts.

Sanctions and Penalties

Federal penalties may be assessed to SNAP recipients and retailers for intentional violations of program policies. States may also be liable for penalties for errors in determining the payment amounts to recipients.

Violations by Recipients. The state is responsible for ensuring that recipients comply with SNAP regulations. FoodShare participants are subject to penalties for intentional program violations (IPVs). According to a February, 2016, DHS report on activities conducted by the Department's Office of the Inspector General, in 2015, 1,313 FoodShare recipients were sanctioned for IPVs.

Violations include making a false or misleading statement, misrepresenting, concealing, or withholding facts, or committing any violation of federal or state law or regulations in order to use, transfer, receive, or traffic FoodShare benefits. Benefit trafficking is generally defined as exchanging SNAP benefits for cash rather than allowable food items.

The state may bar a person who commits an IPV from the program for a certain period of time, depending on the severity of the violation and the number of previous violations. Individuals are ineligible for benefits for one year after the first IPV and for two years after a second IPV or after an IPV involving the sale of drugs. A state or federal court may disqualify for 10 years a person who makes a fraudulent statement about his or her identity or residence to simultaneously receive multiple benefits.

An individual is permanently barred from the program if he or she commits any of the following: (a) a third IPV; (b) a first IPV where benefits

are involved in the sale of firearms, ammunition, or explosives; (c) a first IPV involving the trafficking of \$500 or more of program benefits; or (d) a second IPV where benefits are involved in the sale of drugs.

A violation may be determined by a variety of means, including a court order or an administrative disqualification hearing. An individual remains eligible for FoodShare during a pending hearing or court proceeding. If a person is found to have committed an IPV, the penalty applies only to that individual, and not to other members of the household.

Violations by Retailers. FNS monitors retailer compliance with SNAP regulations, and makes authorization and disqualification decisions. Retailer violations include sale of ineligible items, benefit trafficking, or accepting benefits without authorization. Penalties range from a six-month disqualification to permanent disqualification from program participation, depending on the type of violation and the number of previous violations. In FFY 2014-15, the USDA temporarily disqualified nine retailers, and permanently disqualified 26 retailers in Wisconsin.

State Payment Accuracy. The USDA may sanction state governments for incorrectly providing or denying SNAP benefits, or may make bonus payments to states for high payment accuracy.

If a state's payment error rate exceeds 105% of the national average payment error rate for two consecutive years, that state incurs a financial penalty. The USDA imposes no sanctions on any state with an actual payment error rate of less than 6%, regardless of how that state's error rate compares to the national average. While FNS was previously able to waive the penalty, allow the state to invest a portion of the penalty to improve program administration, or require the state to pay a portion of the penalty to the federal government, the Agricultural Act disallows FNS from waiving any portion of a penalty imposed due to excessive error rates in two consecutive FFYs.

In September, 2015, FNS notified DHS that Wisconsin was awarded \$2,486,361 in "high performance bonus funds" for its application timeliness rate during FFY 2013-14. Generally, FNS considers a case processed timely if the household has an opportunity to participate within seven days of the application date for expedited service cases and within 30 days of the application date for regular processing cases. In FFY 2013-14, Wisconsin's timeliness rate was 95.87%. This was the third highest of the 50 states with other states' timeliness rates ranging from 63.36% (Illinois) to 99.61% (Idaho). In that year, the state's payment error rate was 2.55, compared to a national average of 3.66.

Additional Resources

Additional information on FoodShare can be found through the following resources:

Wisconsin Department of Health Services
www.dhs.wisconsin.gov/foodshare

FoodShare Wisconsin Handbook
www.emhandbooks.wi.gov/fsh

FSET Handbook
www.emhandbooks.wi.gov/fset

U.S. Food and Nutrition Services, U.S. Department of Agriculture
www.fns.usda.gov/snap

APPENDIX 1

Unduplicated Number of Groups and Recipients*, By County and Tribe Calendar Years 2012 through 2015

	2012		2013		2014		2015	
	Groups	Recipients	Groups	Recipients	Groups	Recipients	Groups	Recipients
Adams	2,741	5,711	2,785	5,624	2,874	5,498	2,836	5,336
Ashland	2,275	4,742	2,171	4,520	2,228	4,482	2,036	4,137
Barron	5,226	10,724	5,142	10,476	5,022	10,129	4,766	9,544
Bayfield	1,131	2,399	1,098	2,267	1,114	2,216	1,086	2,151
Brown	19,870	42,993	19,725	42,355	19,789	42,032	19,273	41,260
Buffalo	940	2,164	906	2,075	854	1,901	806	1,708
Burnett	1,704	4,045	1,621	3,768	1,689	3,768	1,627	3,573
Calumet	2,064	5,151	1,973	4,837	1,990	4,751	1,844	4,276
Chippewa	5,274	12,062	5,192	11,580	5,185	11,485	4,881	10,665
Clark	2,171	5,434	2,272	5,621	2,244	5,409	2,178	5,046
Columbia	4,479	9,552	4,554	9,405	4,664	9,311	4,469	8,822
Crawford	1,416	3,311	1,473	3,306	1,481	3,224	1,456	3,061
Dane	37,772	71,551	38,607	71,631	39,537	72,211	37,339	67,781
Dodge	6,034	13,346	6,506	14,025	6,631	13,995	6,440	13,230
Door	1,935	4,038	1,913	3,912	1,799	3,569	1,733	3,331
Douglas	5,233	11,036	5,115	10,378	4,981	9,826	4,672	9,108
Dunn	3,556	8,200	3,500	7,992	3,347	7,336	3,237	7,002
Eau Claire	9,900	19,755	9,780	19,270	9,536	18,335	9,092	17,436
Florence	521	1,058	460	892	458	837	475	878
Fond du Lac	7,100	15,231	7,249	15,428	7,501	15,485	7,337	14,900
Forest	981	2,173	960	2,072	975	2,016	927	1,863
Grant	3,162	7,176	3,374	7,498	3,424	7,307	3,217	6,705
Green	2,752	6,197	2,904	6,269	2,845	6,027	2,647	5,580
Green Lake	1,485	3,395	1,547	3,486	1,595	3,476	1,584	3,306
Iowa	1,707	3,897	1,712	3,793	1,717	3,651	1,611	3,421
Iron	687	1,363	698	1,346	705	1,326	649	1,182
Jackson	1,833	4,146	1,840	4,114	1,838	4,026	1,823	3,911
Jefferson	6,010	13,438	6,287	13,667	6,272	13,208	6,040	12,538
Juneau	2,787	6,529	2,861	6,459	2,977	6,349	2,954	6,194
Kenosha	19,113	40,131	19,410	40,507	19,899	40,634	18,300	37,562
Kewaunee	1,193	2,794	1,115	2,587	1,135	2,525	1,082	2,304
La Crosse	9,609	19,489	9,872	19,727	9,716	18,756	9,313	17,750
Lafayette	1,185	2,806	1,252	2,848	1,244	2,825	1,165	2,620
Langlade	2,742	5,507	2,732	5,389	2,672	5,161	2,563	4,958
Lincoln	2,691	5,777	2,668	5,668	2,619	5,390	2,481	4,975
Manitowoc	5,290	11,884	5,431	12,018	5,545	11,770	5,426	11,327
Marathon	10,545	23,899	10,667	23,846	10,452	22,619	9,731	20,606
Marinette	4,136	8,725	4,163	8,596	4,174	8,384	4,015	7,945
Marquette	1,599	3,411	1,629	3,331	1,643	3,334	1,608	3,244
Milwaukee	181,708	344,836	189,271	354,257	193,436	356,091	187,332	345,764

	2012		2013		2014		2015	
	Groups	Recipients	Groups	Recipients	Groups	Recipients	Groups	Recipients
Monroe	3,787	8,891	3,977	9,069	3,916	8,758	3,772	8,267
Oconto	2,822	6,293	2,810	6,146	2,768	5,844	2,592	5,484
Oneida	3,454	7,031	3,426	6,787	3,523	6,802	3,400	6,470
Outagamie	10,803	24,129	11,175	24,740	11,103	23,865	10,677	22,705
Ozaukee	2,973	6,261	3,021	6,208	3,051	6,049	2,821	5,576
Pepin	485	1,123	508	1,132	509	1,094	485	1,051
Pierce	1,901	4,467	1,887	4,349	2,110	4,631	1,894	4,018
Polk	3,427	7,947	3,372	7,655	3,363	7,393	3,081	6,612
Portage	5,008	10,757	4,931	10,350	4,886	10,012	4,709	9,378
Price	1,474	2,953	1,436	2,835	1,423	2,697	1,354	2,500
Racine	22,214	46,889	22,708	47,377	23,383	47,551	21,978	45,059
Richland	1,834	4,053	1,873	4,079	1,865	3,902	1,817	3,729
Rock	19,667	41,224	19,938	41,136	19,864	40,208	19,236	38,656
Rusk	1,770	3,960	1,723	3,782	1,670	3,597	1,576	3,213
St. Croix	3,743	9,186	3,610	8,667	3,508	8,020	3,296	7,397
Sauk	5,319	11,686	5,526	11,915	5,626	11,707	5,666	11,510
Sawyer	2,200	4,963	2,172	4,726	2,071	4,309	1,838	3,656
Shawano	3,288	7,872	3,352	7,832	3,363	7,565	3,208	6,958
Sheboygan	8,905	19,581	9,032	19,634	9,044	19,194	8,620	18,115
Taylor	1,634	3,673	1,590	3,552	1,577	3,397	1,489	3,170
Trempealeau	2,009	4,625	2,010	4,504	1,985	4,332	1,966	4,117
Vernon	2,113	5,161	2,167	5,095	2,210	5,009	2,150	4,856
Vilas	1,618	3,351	1,688	3,363	1,671	3,135	1,585	2,905
Walworth	8,079	18,300	8,177	18,004	8,164	17,376	7,593	16,097
Washburn	1,848	4,207	1,766	3,989	1,751	3,772	1,675	3,554
Washington	6,307	13,645	6,375	13,399	6,203	12,757	5,845	11,738
Waukesha	13,781	28,846	14,156	29,296	14,638	28,804	13,901	27,123
Waupaca	3,896	8,780	4,016	8,820	4,023	8,503	3,899	8,209
Waushara	2,231	5,114	2,170	4,848	2,201	4,795	2,195	4,724
Winnebago	12,706	27,533	13,199	28,330	13,413	27,904	12,880	26,658
Wood	7,730	16,665	8,669	18,197	8,948	18,082	8,104	16,139
Tribes								
Bad River	297	742	312	761	365	795	382	796
Lac Courte Oreilles	0	0	72	137	365	721	467	920
Lac du Flambeau	854	1,941	876	1,988	860	1,932	829	1,820
Menomonee	1,142	2,828	1,320	686	1,356	3,185	1,225	2,885
Oneida	1,102	3,348	1,170	3,415	1,230	3,451	1,189	3,320
Potawatomi	29	80	32	95	25	68	28	73
Red Cliff	364	823	367	367	352	806	284	635
Sokaogon	167	351	164	367	168	355	170	369
Stockbridge- Munsee	<u>139</u>	<u>376</u>	<u>134</u>	<u>330</u>	<u>123</u>	<u>297</u>	<u>118</u>	<u>295</u>
Totals**	527,450	1,085,995	542,133	1,097,789	547,985	1,083,468	527,068	1,035,242

* Number of unduplicated individuals that were eligible to receive FoodShare within a county or tribe at least once during the calendar year.

** County counts do not sum to the state total because recipients and assistance groups served in two counties are counted in both counties but only once in the state total.

APPENDIX 2

FoodShare Benefits Payments, By County and Tribe Calendar Years 2012 through 2015

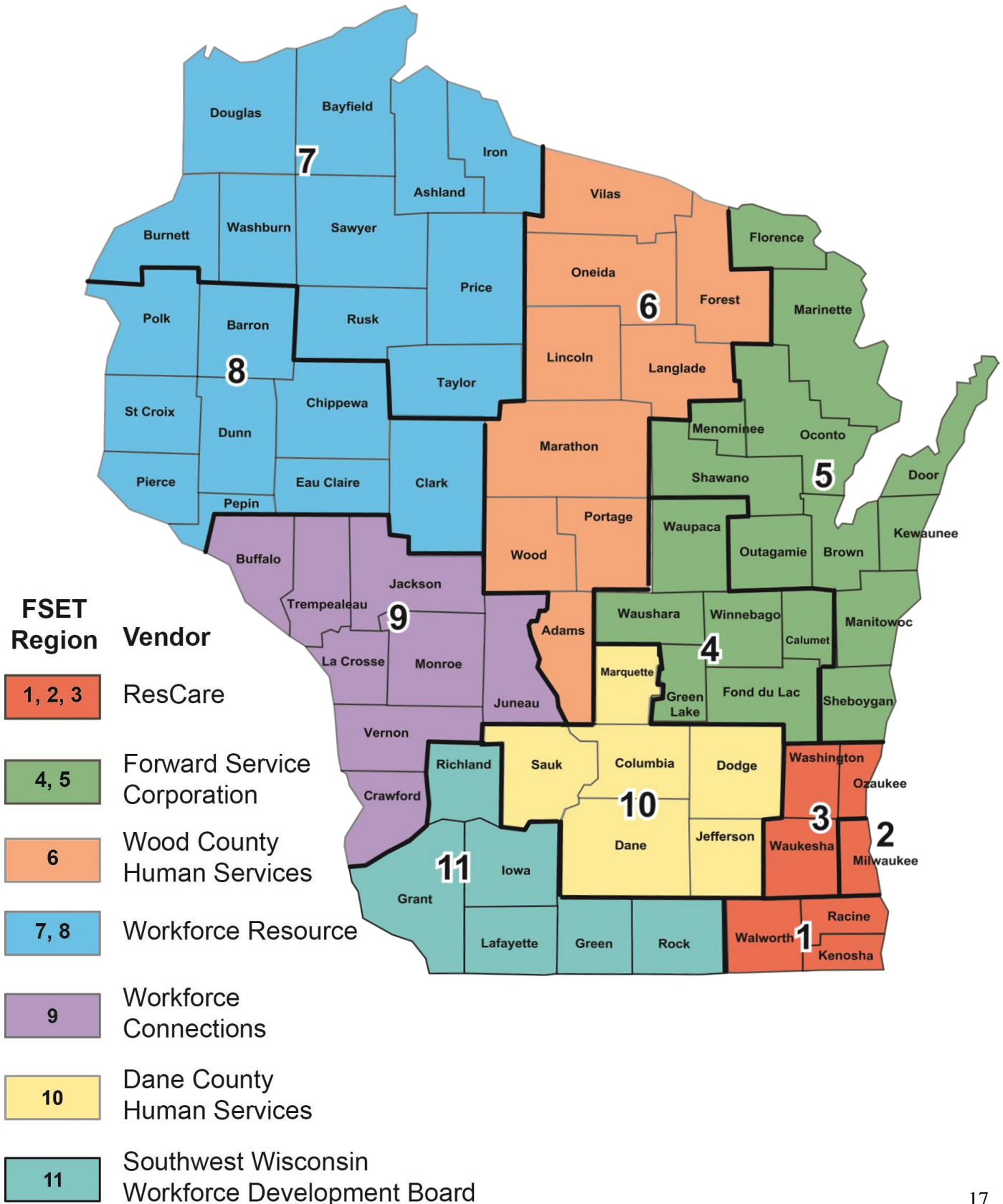
County/Tribe	2012	2013	2014	2015
Adams	\$4,934,463	\$4,770,176	\$4,501,461	\$4,265,664
Ashland	4,204,857	4,003,424	3,740,128	3,300,644
Barron	9,381,587	9,167,333	8,108,993	7,426,855
Bayfield	2,042,595	2,014,673	1,816,395	1,810,864
Brown	41,140,366	40,654,088	37,614,921	35,335,326
Buffalo	1,667,095	1,584,455	1,413,388	1,287,273
Burnett	3,317,209	3,165,652	3,057,359	2,951,570
Calumet	3,640,406	3,542,451	3,300,705	2,989,763
Chippewa	10,139,731	9,807,026	8,973,673	8,349,080
Clark	4,429,559	4,555,881	4,229,186	3,943,625
Columbia	8,231,479	7,876,025	7,426,773	7,051,353
Crawford	2,576,461	2,568,502	2,378,968	2,186,668
Dane	74,820,015	75,166,382	70,835,106	63,993,838
Dodge	11,118,987	11,895,484	11,431,701	10,540,363
Door	3,484,947	3,387,818	3,004,968	2,656,557
Douglas	10,515,375	9,983,353	8,911,569	7,986,064
Dunn	7,035,835	6,741,244	5,794,276	5,468,074
Eau Claire	17,892,586	17,684,264	15,605,199	14,502,930
Florence	810,387	802,518	735,409	712,184
Fond du Lac	13,829,986	14,055,013	13,525,463	12,468,299
Forest	2,002,512	1,914,015	1,703,813	1,562,079
Grant	5,862,923	6,067,055	5,500,292	4,914,729
Green	5,198,375	5,291,539	4,679,301	4,179,703
Green Lake	2,611,590	2,808,703	2,731,043	2,561,999
Iowa	3,156,432	3,002,667	2,767,712	2,666,884
Iron	1,167,478	1,171,424	1,088,154	955,616
Jackson	3,282,749	3,399,692	3,253,535	3,071,781
Jefferson	11,534,783	11,961,155	11,096,834	10,222,589
Juneau	5,339,069	5,293,469	4,915,153	4,875,923
Kenosha	42,358,064	43,323,078	40,389,563	34,717,843
Kewaunee	2,301,582	2,200,681	2,025,345	1,817,080
La Crosse	17,839,876	17,770,045	16,176,473	14,897,198
Lafayette	2,255,830	2,220,791	2,021,143	1,884,046
Langlade	5,143,297	5,114,233	4,690,962	4,186,499
Lincoln	5,131,547	4,984,189	4,470,429	4,123,173
Manitowoc	10,620,657	10,670,693	9,862,318	9,135,333
Marathon	22,103,649	22,099,475	19,657,250	17,352,970
Marinette	7,443,573	7,523,796	6,829,436	6,371,514
Marquette	2,846,373	2,908,711	2,764,334	2,552,939
Milwaukee	433,639,570	443,033,883	422,224,682	388,423,442

County/Tribe	2012	2013	2014	2015
Monroe	\$8,033,629	\$8,116,890	\$7,412,209	\$6,868,121
Oconto	5,584,351	5,372,951	4,842,165	4,636,581
Oneida	6,284,641	5,918,885	5,587,856	5,282,841
Outagamie	20,163,981	20,525,301	19,098,295	17,707,911
Ozaukee	5,347,133	5,306,948	4,909,852	4,455,472
Pepin	779,769	841,993	795,718	755,946
Pierce	3,676,739	3,654,721	3,442,214	2,986,763
Polk	6,656,057	6,519,134	5,811,701	5,169,440
Portage	9,213,343	9,155,136	8,302,832	7,626,359
Price	2,448,467	2,340,464	2,092,166	1,878,089
Racine	48,726,833	50,509,731	47,867,426	42,716,490
Richland	3,497,738	3,667,165	3,371,032	3,077,984
Rock	43,742,684	43,814,678	40,513,271	37,309,462
Rusk	3,323,963	3,176,782	2,820,431	2,643,053
St. Croix	7,357,895	6,988,064	6,213,417	5,678,516
Sauk	10,205,358	10,654,317	9,684,169	9,100,193
Sawyer	4,730,966	4,452,275	3,656,542	3,182,461
Shawano	6,751,748	6,751,746	6,131,938	5,635,875
Sheboygan	18,979,005	18,895,269	17,313,779	15,960,288
Taylor	3,026,170	2,892,824	2,595,070	2,409,878
Trempealeau	3,764,693	3,687,197	3,319,765	3,200,216
Vernon	4,127,515	4,159,371	3,860,129	3,715,900
Vilas	2,822,930	2,791,367	2,532,124	2,352,836
Walworth	17,690,123	17,470,856	15,474,952	13,614,468
Washburn	3,762,127	3,461,942	3,029,807	2,841,561
Washington	12,011,378	11,768,194	10,535,021	9,656,294
Waukesha	25,668,160	26,204,520	24,706,861	22,727,606
Waupaca	7,586,359	7,652,068	6,965,234	6,664,225
Waushara	3,987,525	3,868,080	3,695,994	3,515,217
Winnebago	24,788,705	25,458,315	23,924,946	22,010,880
Wood	14,529,914	15,197,039	14,175,155	12,792,465
Enrollment Services*	185,442	0	0	0
Tribes				
Bad River	766,262	769,579	814,500	858,150
Lac Courte Oreilles	0	58,751	576,291	1,010,841
Lac du Flambeau	2,441,546	2,412,800	2,170,269	2,039,875
Menominee	3,193,804	3,335,041	3,017,506	2,765,066
Oneida Nation	3,277,583	3,390,092	3,247,940	2,926,790
Potawatomi	56,449	67,516	50,190	55,372
Red Cliff	897,292	860,214	756,712	650,143
Sokaogon Tribe	347,474	393,984	395,239	363,301
Stockbridge-Munsee	<u>324,570</u>	<u>241,021</u>	<u>233,865</u>	<u>209,019</u>
State Total	\$1,177,814,176	\$1,188,988,277	\$1,111,197,996	\$1,018,752,282

*The Enrollment Services Center (ESC) began handling all FoodShare applications for adults without dependent children in June, 2009, regardless of the individual's county of residence. 2011 Act 32 eliminated the direct case management functions of the ESC. Counties assumed responsibility for these enrollees beginning in 2012.

APPENDIX 3

FSET Regions and Vendors Calendar Year 2016



APPENDIX 4

FFY 2016 Monthly Contract Budgets for FSET Regions and Vendors

FSET Region	Vendor	Monthly Budget (FFY 16 Contract Budgets)
Southeast	ResCare	\$306,537
Milwaukee	ResCare	1,750,372
WOW	ResCare	104,513
Fox Valley	Forward Service Corporation	144,917
Bay Area	Forward Service Corporation	343,883
North Central	Wood County Human Services	223,589
Northwest	Workforce Resource	112,783
West Central	Workforce Resource	166,050
Western	Workforce Connections	107,754
South Central	Dane County Human Services	367,708
Southwest	Southwest Wisconsin Workforce Development Board	163,333
Bad River*		3,289
Lac du Flambeau*		11,518
Menominee*		9,747
Oneida*		5,335
Potawatomi*		377
Red Cliff*		4,566
Sokaogon*		3,639
Stockbridge-Munsee*		<u>1,488</u>
Statewide		\$3,831,398

*While all vendors and tribes contract directly with DHS, tribes do not go through the Request for Proposal process.