D   Cooperating With Quality Control (QC)

This subject contains information about the Quality Control review process for NA.

Policy

Arizona is responsible to conduct Quality Control (QC) reviews in accordance with federal and state regulations to ensure proper NA benefits are being provided.

The budgetary unit is required to cooperate with requests from the Office of Program Evaluation (OPE) and FAA during the QC review process, regardless of their reporting requirements. Not cooperating with the QC process can result in the NA benefits being denied or stopped and can delay future application processing. A notice is sent to the budgetary unit with QC contact information. The budgetary unit can also contact the QC main line at (602) 255-4100 to cooperate with the QC process.

Federal regulations require *all* of the following:

- Sampling methods and schedules to select cases for QC review.

- Field investigations to be conducted by OPE staff.

- Corrective action to be taken on all improperly authorized or denied cases, including determining the cause and prevention of improper actions.

- Information to be reported to the appropriate federal departments from QC review findings, for statistical analysis purposes.

The QC review process is completed by the OPE and consists of *all* of the following:

- Completing the case review process.

- Documenting the findings on the Quality Control Review Reports (QC-100).

- Notifying the appropriate FAA office of the finalized QC-100 and verification documents.

Review of the QC-100 allows the state to assess the accuracy of eligibility determinations and benefits levels.

OPE reviews *all* of the following types of cases:

- Nutrition Assistance Actives (NAA) – cases that are in an open status.

- Case and Procedural Error Rate (CAPER) – NA cases that are denied, closed, and approved for zero-dollar ($0) benefits. Cases that are closed and then reopened due to the participant requesting an appeal and continued benefits are also considered a CAPER.

The budgetary unit is considered not cooperating with OPE when *any* of the following occur:

- The budgetary unit fails to cooperate when *any* of the following occur:

> The budgetary unit is unaware that QC is attempting to contact them to complete the QC review of their case.
>
> QC is attempting to contact a third-party source to complete the QC review of their case and is unsuccessful.
>
> The budgetary unit is unable to provide verification to OPE from a third-party source and informs OPE of the situation.

- The budgetary unit refuses to cooperate when the budgetary unit is aware that QC is attempting to complete a review of their case but refuses to take the necessary actions to assist QC in completing the review.

After a budgetary unit refuses to cooperate, FAA cannot authorize benefits until notification is received from OPE that the budgetary unit has cooperated with the QC review. A budgetary unit selected for a QC review can only be approved for benefits when *one* of the following occurs:

- OPE confirms that the budgetary unit cooperated with the QC review and all eligibility factors are verified.

- When the non-cooperating budgetary unit reapplies on or after February 3rd of the following Federal Fiscal Year (October 1 through September 30), and all eligibility factors are verified. (See Example 1)

Procedures

Quick Access Menu:

- FAA Responsibilities

- OPE Responsibilities

- Policy Support Team (PST) Responsibilities

FAA Responsibilities

During the Quality Control (QC) process, the Office of Program Evaluation (OPE) may request assistance from FAA staff. (See Assisting OPE for instructions.)

See *one or more* of the following when OPE contacts FAA about the participant's cooperation:

- Failure to Cooperate with QC

- Refusal to Cooperate with QC

- QC Cooperation Occurs

When completing an interview and the Program Alert Code on PRAP identifies that the budgetary unit must cooperate with the QC process, see Noncooperation Noticed During the Interview for instructions.

When OPE informs FAA that an error exists, see FAA QC-100 Responsibilities.

When FAA does not agree with the QC findings, see QC Review Disagreements.

Assisting OPE

The Office of Program Evaluation (OPE) may request assistance from the FAA office to complete the Quality Control (QC) case review process.

When OPE requests assistance from FAA to complete the QC case review process, FAA must complete *all* of the following:

- Send the Missed QC Interview Only (C036) notice advising the budgetary unit to contact OPE.

- Include the name of the QC reviewer and the OPE telephone number, in the notice.

- Document the case file(g) that cooperation with the QC review process is needed.

Noncooperation Noticed During the Interview

Review the PRAP AZTECS screen before or during each interview. When the QC or Q3 Program Alert Code is keyed on PRAP indicating QC noncooperation, complete *all* of the following:

- Inform the participant that they must cooperate with QC to be eligible for NA benefits and document the case file that the participant was verbally informed to cooperate with QC.

- Call the QC main line at (602) 255-4100 during the interview for the participant to speak with a QC Reviewer.

- When a QC Reviewer is not available during the interview, complete *all* of the following:

  Immediately send an email to OPEManagement@azdes.gov stating that the budgetary unit has been informed that they need to cooperate with the QC process to be eligible for NA benefits. The email must include *all* of the following:

  - The PI name and social security number, current residential and mailing addresses, and telephone number.

  - A statement that the budgetary unit was informed that cooperation with OPE is required for their application to be approved or benefits continued.

  Upload to OnBase(g) a copy of the email and, when available, the case's Quality Control Review Report (QC-100).

- Complete the interview.

- Document the requirement to cooperate with QC and the QC main line at (602) 255-4100 in the "Other" section of *one* of the following"

  Information Needed – NA (F011) notice

  Information Request and Pending Information Agreement (FAA-0077A) form

  NOTE   The same F011 or FAA-0077A can be used when requesting verification for the interview because the participant is allowed ten calendar days(g) to cooperate with QC.

Do not authorize the NA benefits until an email is received from OPE that the budgetary unit has cooperated with the QC review. When it is not clear that the budgetary unit has cooperated with the QC review, contact OPE before taking any action on the case. OPE notifies the FAA office by email when the budgetary unit cooperates.

Failure to Cooperate with QC

When OPE notifies FAA that the budgetary unit fails to cooperate with the QC review, the worker completes *all* of the following:

- Documents the case file with the QC failure to cooperate.

- Keys the Q3 Program Alert Code on PRAP. (See Mandatory Alerts for a list of Person and Program Alert Codes.)

- When the NA benefits are closed, documents the case file that the budgetary unit must cooperate with the QC review before NA benefits can be approved.

NOTE   No notice is required.

Refusal to Cooperate with QC

When OPE notifies FAA that the budgetary unit refuses to cooperate with the QC review, the worker completes *all* of the following:

- Documents the case file with the QC refusal to cooperate.

- Keys the QC Program Alert Code on PRAP. (See Mandatory Alerts for a list of Person and Program Alert Codes.)

- When NA is open, stops the NA benefits allowing for NOAA and sends the QC Noncooperation Denial/Closure (F217) notice.

  NOTE   The F217 notice advises the budgetary unit that they must cooperate with the QC review before NA benefits can be approved when they reapply for NA.

- Documents the case file that the budgetary unit must cooperate with the QC review before NA benefits can be approved.

QC Cooperation Occurs

When the budgetary unit cooperates with OPE before the effective date of closure and the NA benefits are closed, reopen the NA benefits. The NA benefits are prorated for the first month benefits are continued.

When the budgetary unit cooperates with OPE after the effective date of closure and the NA benefits are closed, reopen the NA benefits when *all* of the following are met:

- The budgetary unit cooperated within 30 calendar days of the case closure.

- The budgetary unit has at least one full month remaining in the approval period following the date of cooperation.

- The budgetary unit is eligible for benefits during the reinstatement month and the remaining months of the approval period.

NOTE   When the participant does not meet any of the requirements above, the budgetary unit must reapply.

Remove the Program Alert Code when the budgetary unit cooperates with QC. Only FAA staff with an AZTECS profile of Supervisor, Office Manager, or Program Administrator may remove the Program Alert Code. When assistance is needed to remove the Program Alert Code, contact the FAA Systems Help Desk. (See Who You Gonna Call in the FAA Directory)

FAA QC-100 Responsibilities

When OPE notifies FAA that an error exists, the FAA designated staff must complete *all* of the following:

- Review the Quality Control Case Review Report (QC-100).

- Upload to OnBase(g) the QC-100.

- Submit a District X (pronounced district ten) transfer request, when applicable.

When additional information and verification is obtained through the QC review, and is sent to the FAA office, complete *all* of the following:

- Review the case file.

- Redetermine eligibility and current benefit level.

- Determine whether the participant's NA Work Requirements have changed. (See NA Work Requirements for more information about the work requirements and exceptions.)

When a QC-100 requires an action, OPE sends the QC-100 Turn Around Document (TAD) to the Region Program Manager (RPM) or designated staff. The RPM or designated staff must review the case file, the QC-100 including any attachments, and completes *one* of the following:

- Issues restored NA benefits and when needed supplemental payments. (See Supplemental Payments and Restored Benefits for instructions.)

- Completes an overpayment referral. (See Potential Overpayments for referral instructions.)

  NOTE   When fraud is indicated on the QC-100, refer the case to the Office of Special Investigation (OSI).

When the RPM or designated staff completes the action, complete *all* of the following:

- Document the case file with the action.

- Return the QC-100 TAD no later than the date indicated.

When the action required involves an overpayment, the time frames for completing the overpayment include *all* of the following:

- The Potential Overpayment (OP) Referral (FAA-0526A) form must be completed and sent to the designated OP staff within five workdays, as these referrals are priority overpayments.

- The designated OP staff must complete and send the Report of CA/NA Overpayment (FAA-0529A) form to the Office of Accounts Receivable and Collections (OARC) within ten workdays from the date the FAA-0526A form was completed.

QC Review Disagreements

The RPM or designated staff must contact OPE by phone or email within ten calendar days from the date the office receives the QC-100, when *any* of the following occurs:

- Disagrees with the error cited by OPE.

- Agrees that the error cited exists, but that the error should be redirected to another FAA office.

- Agrees that the error cited exists, but that the error occurred due to something beyond their control. A District X is requested.

When the RPM or designated staff are notified that the error cited exists, but that the error should be redirected to another FAA office, complete *all* of the following:

- Contact the RPM or designated staff for the other office by phone or email for acknowledgement that the error should be cited to the other office.

- Contact the OPE Management by email explaining that the QC error should be redirected to the other office and include that the other office agrees with the request.

For a District X request, the RPM or designated staff sends an email to the FAA Policy Support Team management at FAAPolicyMGMT@azdes.gov and copies *all* of the following representatives:

- Program Administrator (PA)

- RPM when the request is sent by the designated staff

- OPE at OPEManagement@azdes.gov

NOTE   Participant caused errors are not eligible for District X consideration.

The email to PST management must include *all* of the following:

- The entity to which the region is requesting the District X transfer.

- An explanation of why the transfer is being requested.

- Sufficient documentation to substantiate the request.

- CNAP Manual references.

- The QC-100 document.

OPE Responsibilities

During the Quality Control (QC) review process, the Office of Program Evaluation (OPE) completes *all* of the following:

- Randomly selects cases for review each month.

- Completes the case review process.

- Documents the findings on the Quality Control Case Review Reports (QC-100).

- Documents the QC-100 in the Additional Information section when an error that is not countable is found or other information is discovered that could affect benefit months other than the review month.

- Places copies of the finalized QC-100 and verification documents in the DBME shared drive and sends an email to *all* of the following:

  Region Program Manager (RPM)

  Office Manager

  Region Management Analyst (RMA)

  Policy Support Team (PST) Management

  Quality Support Team (QST)

  OPE Management

  FAA Systems

  Overpayment Unit, when applicable

- During a Federal Findings review, presents the QC-100 to the QC Review Committee.

OPE determines whether an incorrect benefit amount issued was caused by *one* of the following:

- Agency – When incorrect benefits have been issued due to an FAA action, or FAA's failure to act.

- Client (participant) – When incorrect benefits have been issued due to the budgetary unit's failure to comply with mandatory reporting requirements, which include *any* of the following:

  Timeliness of reporting changes.

  Accuracy of reporting changes.

OPE also reviews Case and Procedural Error Rate (CAPER) actions. The purpose of reviewing CAPER actions is to determine the accuracy of the decision to deny or stop benefits, or to approve zero-dollar ($0) benefits.

For CAPER reviews, OPE randomly selects cases for review based on *all* of the following:

- Cases that are denied.

- Cases that are closed.

- Cases that are closed, then reopened due to the participant requesting an appeal and continued benefits.

- Cases approved for zero-dollar ($0) benefits. (See [NA Categorically Eligible Budgetary Units In Eligible No Pay Status](#) for more information about zero-dollar benefits.)

When OPE is unable to determine a valid reason for the action, an invalid CAPER is cited. OPE completes the actions listed in the QC review process.

The QC-100, which contains information related to error elements, is forwarded to the appropriate FAA office. OPE uses the QC-100 to communicate with FAA the outcome of the QC review and is issued when *any* of the following occur:

- A Nutrition Assistance Active (NAA) error or CAPER error is cited.

- Additional information is identified. Additional information identified on a QC-100 includes *any* of the following:

  Information is discovered that could affect benefit months other than the review month.

  The QC review is correct but there is an overpayment.

  The QC review is correct but there is an underpayment caused by the agency for misapplication of policy at the time of the determination.

  Untimely processing of applications.

  QC was unable to complete the review when the budgetary unit failed or refused to cooperate with the QC review.

Once the QC review has been transmitted to the Food and Nutrition Service (FNS), OPE notifies FAA by sending an email to the FAA's designated staff. The email contains a link to the location of the QC-100.

Federal Findings

One quarter of the cases read by OPE are also read by FNS. When FNS disagrees with the QC findings, a Federal Finding is cited, and an email is sent to OPE. When a Federal Finding is cited, OPE forwards the FNS email to *all* of the following staff within one workday of receipt:

- Program Administrator (PA)

- RPM

- Office Manager

- Policy Support Team (PST)

- RMA

OPE initiates a conference call via email. The conference call must be completed within seven calendar days from the date the Federal Finding is received by FAA. The conference call includes *all* of the following:

- OPE Representative

- FAA Office Representative

- PST Representative

- RPM's Designated Representative

- Region Management Analyst

The conference call begins with a review of the Federal Difference Alert form. The form is completed by OPE. The form includes *all* of the following information:

- Case name

- AZTECS case number

- QC review number

- Program

- FAA office site code

- Office Manager

- Date the conference call will be held

- Time of the conference call

When the conference call is concluded, OPE sends the Federal Difference Alert form, including documentation of the conference results, to FNS. The results of the conference call may include *any* of the following:

- All representatives agree with the Federal Finding and no further action is needed.

- There is a disagreement with the Federal Finding. OPE sends a response to the appropriate federal agency.

When OPE receives the final results from FNS, OPE sends a copy of the resolution to *all* of the following staff:

- FAA Office Manager

- PST

- RPM

- PA

- RMA

The Quality Control (QC) Review Committee reviews problem solving efforts, countermeasures, and corrective action plans regarding QC error trends. The QC Review Committee consists of *all* of the following:

- Quality Management Administration (QMA) Administrator

- OPE Bureau Chief

- QC Manager

- QMA Policy Specialist

- PST Representative

  NOTE The PST Representative provides input based on, and not limited to, *any* of the following:

  Federal regulations

  State law

  FAA policy and procedures

- FAA Region Representatives

- Quality Support Team (QST) Representative

Policy Support Team (PST) Responsibilities

PST reviews all QC-100s. The review includes *all* of the following:

- Details of the QC-100.

- Case specific information regarding the QC review.

- Regulations, statutes, rules, and policy pertinent to the concern.

PST contacts OPE when there are any policy or regulation concerns regarding the error. When a concern is unresolved, PST provides input based on, and not limited to, *any* of the following:

- Federal regulations

- State law

- FAA policy and procedures

- State options

- Existing waivers for the review period

District X Process

The purpose and intent of a District X transfer request is to identify errors that are entirely caused by entities other than the FAA office. District X entities include, and are not limited to, *any* of the following:

- Policy Support Team (PST)

- FAA Systems

- Centralized Document Services (CDS)

- Office of Program Evaluation (OPE)

- Quality Support Team (QST)

When the errors that are caused by the entities are separated, and an error still exists, the QC review is not transferred to District X.

NOTE Participant caused errors are not eligible for District X consideration.

When a District X request is emailed to PST, a PST representative completes **all** of the following:

- Reviews the email request from FAA staff.

- Reviews the details of the QC-100 and all supporting documents.

- Reviews the case file documents and case actions.

- Reviews policy, regulations, statutes, and rules.

- Drafts the Interoffice Memo (IOM) and submits it to the FAA Policy Manager.

The FAA Policy Manager is responsible for making the final determination on the transfer request. An IOM from the FAA Policy Manager with the final determination is emailed to **all** of the following:

- Program Administrator (PA)

- Region Program Manager (RPM)

- OPE

- All interested parties

Verification

System interface and the case file(g) must be reviewed before verification is requested. No additional verification is needed when AZTECS interface or HEAplus hubs have verified the information.

The participant has the primary responsibility for providing verification. (See Participant Responsibilities – Providing Verification for additional policy.)

The Quality Control (QC) process requires verification of all eligibility factors. See Eligibility Factors Table (CA NA) and select the eligibility factor for acceptable verification sources.

AZTECS Keying Procedures

Failure to Cooperate with QC

When the Office of Program Evaluation (OPE) notifies the office that the budgetary unit fails to cooperate with the QC review, the worker completes **all** of the following:

- Documents the case file with the QC failure to cooperate.

- Key Q3 in the FS PROGRAM ALERT TYPE field on PRAP. (See Mandatory Alerts)

- When the NA case is closed, document the case file that the budgetary unit must cooperate with the QC review before the NA benefits can be approved. No notice is required.

- When the participant reapplies and completes the interview, inform the participant that they must cooperate with QC and document the case file that the participant was verbally informed.

- Request the budgetary unit to contact OPE using the Information Needed – NA (F011) notice or the Information Request and Pending Information Agreement (FAA-0077A) form and documenting in the "Other" section of the form or notice.

Refusal to Cooperate with QC

When OPE notifies the office that the budgetary unit refuses to cooperate with the QC review, the worker completes *all* of the following:

- Document the case file with the QC refusal to cooperate.

- Key QC in the FS PROGRAM ALERT TYPE field on PRAP. (See Mandatory Alerts)

- Stop the NA benefits allowing for NOAA and send the QC Noncooperation Denial/Closure (F217) notice. The notice advises the budgetary unit that when they reapply for NA, they must cooperate with the QC review before NA benefits can be approved.

  NOTE   When the case is closed, document the case file that the budgetary unit must cooperate with the QC review before NA benefits can be approved. No notice is required.

QC Cooperation

When the budgetary unit cooperates with OPE and the NA benefits are reopened, use the NAWA REPT Reason Code. (See QC Cooperation Occurs in Procedures to determine whether the NA benefits are to be reopened.)

Remove the Q3 or QC Program Alert Code from the FS PROGRAM ALERT TYPE field on PRAP when the budgetary unit cooperates with QC.

NOTE   Only FAA staff with an AZTECS profile of Supervisor, Office Manager, or Program Administrator may remove the Program Alert Code. When assistance is needed to remove the Program Alert Code, contact the FAA Systems Help Desk. (See Who You Gonna Call in the FAA Directory)

When the budgetary unit cooperates with OPE before the effective date of closure and the NA benefits are closed, reopen the NA benefits using the NAWA REPT Reason Code. AZTECS prorates the benefits for the first month benefits are continued.

When the budgetary unit cooperates with OPE after the effective date of closure and the NA benefits are closed, reopen the benefits using the NAWA REPT Reason Code when *all* of the following are met:

- The budgetary unit cooperated within 30 calendar days of the case closure.

- The budgetary unit has at least one full month remaining in the approval period following the date of cooperation.

- The budgetary unit is eligible for benefits during the reinstatement month and the remaining months of the approval period.

NOTE   When the participant does not meet any of the requirements above, the budgetary unit must reapply.

Examples

1) Federal Fiscal Year (FFY) runs from October 1st through September 30th. A case selected for a Quality Control (QC) review for the sample month of November 2022 (FFY 2023). The non-cooperative budgetary unit can reapply for NA benefits on or after 02/03/2024.

   A case selected for a QC review for the sample month of August 2023 (FFY 2023). The non-cooperative budgetary unit can reapply for NA benefits on or after 02/03/2024.

   A case selected for a QC review for the sample month of October 2023 (FFY 2024). The non-cooperative budgetary unit can reapply for NA benefits on or after 02/03/2025.

Legal Authorities

7 CFR 273.2(a)(1)

7 CFR 273.2(d)(2)

7 CFR 273.2(e)(1)

7 CFR 275.10

45 CFR 206.10(a)(2)(i)

Prior Policy

last revised 04/22/2024