

**The Work Advancement and  
Support Center (WASC) Demonstration**

**Does Easier Access to Food Stamps Increase the  
Food Stamp Error Rate?**

**Evidence from the WASC Demonstration**

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**October 2010**



## WASC Funding Partners

State of Ohio	Ford Foundation
County of San Diego Health and Human Services Agency	The Rockefeller Foundation
U.S. Department of Labor, Employment and Training Administration	The Annie E. Casey Foundation
U.S. Department of Agriculture, Food and Nutrition Service	The David and Lucile Packard Foundation
U.S. Department of Health and Human Services, Administration for Children and Families	The William and Flora Hewlett Foundation
	The Joyce Foundation
	The James Irvine Foundation
	Charles Stewart Mott Foundation
	Robert Wood Johnson Foundation

Dissemination of MDRC publications is supported by the following funders that help finance MDRC's public policy outreach and expanding efforts to communicate the results and implications of our work to policymakers, practitioners, and others: The Ambrose Monell Foundation, The Annie E. Casey Foundation, Carnegie Corporation of New York, The Kresge Foundation, Sandler Foundation, and The Starr Foundation.

In addition, earnings from the MDRC Endowment help sustain our dissemination efforts. Contributors to the MDRC Endowment include Alcoa Foundation, The Ambrose Monell Foundation, Anheuser-Busch Foundation, Bristol-Myers Squibb Foundation, Charles Stewart Mott Foundation, Ford Foundation, The George Gund Foundation, The Grable Foundation, The Lizabeth and Frank Newman Charitable Foundation, The New York Times Company Foundation, Jan Nicholson, Paul H. O'Neill Charitable Foundation, John S. Reed, Sandler Foundation, and The Stupski Family Fund, as well as other individual contributors.

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## **Abstract**

Although many states are taking steps to offer simplified access to the food stamp program, little is known about the effect this might have on food stamp error rates. The Work Advancement Support Center (WASC) demonstration was aimed at helping individuals in low-wage jobs boost their income over the long term by increasing their hours of work or hourly wage or by acquiring employer-provided benefits and over the short term by making the most of available work supports, such as publicly funded medical insurance for adults and children, tax credits, child care subsidies, and food stamps. An interim report, released in June 2009, covering early impact results, showed that WASC increased food stamp receipt rates in two sites. As part of that demonstration and at the request of the U.S. Department of Agriculture Food and Nutrition Service, MDRC conducted a food stamp quality control (QC) study in two of the sites (Dayton, OH, and San Diego, CA). The results show that WASC had no impact on the food stamp quality control error rate in San Diego but increased the error rate in Dayton. The reason for the increase in Dayton is not clear, but may be due to the fact that Dayton encouraged different types of individuals to apply for and receive food stamps, such as those who were older, more likely to have children, more likely to have a GED or higher degree, or more likely to retain a job covered by unemployment insurance over four consecutive quarters — people whose income tend to fluctuate more. Once the differences in characteristics were accounted for in the analysis, the WASC demonstration had no impact on the food stamp QC error rate in Dayton.



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## Acknowledgments

The Work Advancement and Support Center (WASC) demonstration food stamp quality control (QC) error rate study would not have been possible without financial support from our funders and the hard work and commitment of the administrators and staff at the County of San Diego Health and Human Services Agency and the Ohio Department of Job and Family Services. Special thanks go to Terry Braun and Chris Onyeaghor in Ohio and Cathy Rockdashil and Donna Rodriguez. Their skillful investigation of 400 or more issued food stamp amounts and handling of the data related to the quality control sample made this study a reality. I would also like to thank Michael DePiro, Margaret Batko, and Fran Heil at the U.S. Department of Agriculture Food and Nutrition Service, Liz Schott, a consultant to MDRC, and Elizabeth Locano at the County of San Diego Health and Human Services Agency for their thoughtful reviews and comments on an earlier draft of this report.

At MDRC, Donna Wharton-Fields, Richard Hendra, Cynthia Miller, Frieda Molina, James Riccio, and John Wallace provided important input on the design of this study and guidance on the analysis and earlier drafts. The report also benefited from reviews by Caroline Schultz and Betsy L. Tessler. Anne Warren conducted monthly sample selections, Alexandra Pennington and Albert Fang programmed the data and assisted in the analysis, and Daniel Schlaff assisted with report production. Susan Blank and Margaret Bald edited the report, and Stephanie Cowell and David Sobel prepared it for publication.

The Author



## Introduction

The federal food stamp program, which is designed to alleviate hardship and food insecurity among low-income people and families who meet its eligibility requirements, is operated by the states.<sup>1</sup> But because the program is funded largely by the federal government, states must calculate and report their food stamp Quality Control (QC) error rates as part of their administrative responsibilities for the program. These error rates reflect the amount of food stamps they pay in error (because the income of the recipient household is inconsistent with the benefit amount) as a fraction of the total amount they pay.<sup>2</sup> This report examines whether and to what extent those error rates were affected in two sites of a multisite demonstration program, known as the Work Advancement Support Center (WASC) demonstration. Among other activities, WASC, which operated between October 2005 and June 2009, made special efforts to educate low-wage workers about the availability of food stamps and make it easier for them to access and keep the benefits.

Conducted between 2006 and 2009, the study of food stamp QC error rates in WASC that is the basis of this report is part of the overall WASC research agenda. This study should be of interest to planners and policymakers who are concerned that programs designed to expand access to federal benefits like food stamps may inadvertently become more error-ridden because screening is less careful or there are fewer conditions to be met than would have been the case if no such intervention had been tried.

WASC had no impact on the food stamp QC error rate in San Diego but increased the error rate in Dayton, perhaps because it encouraged different types of people to apply for and receive food stamps — people whose incomes tend to fluctuate more, which could result in higher error rates. However, once the differences in characteristics were accounted for in the analysis, WASC had no impact on the food stamp QC error rate in Dayton.

## Overview of the WASC Demonstration

The following summary of key features of the WASC demonstration is supplemented by more detailed information about the project presented later in the report.

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<sup>1</sup>In late 2008, the program was renamed the Supplemental Nutrition Assistance (SNAP) Program. However, this report uses the original name of the program, because the data presented in the report come from a period that predates the name change.

<sup>2</sup>As will be discussed in detail later in this report, error rates can be calculated in more than one way — for example, as percentages of a program's food stamp *cases* calculated in error or as the proportion of the total *dollars* of benefits that are provided erroneously. This report uses the generic term “food stamp QC error rates” to refer to all of the different kinds of error rates.

## Why WASC? The Rationale for the Program

Low-wage workers represent a significant segment of the nation's workforce: In 2007, one in four U.S. workers earned about \$10 per hour or less, a wage rate that leaves many of these workers and their families poor or nearly so.<sup>3</sup> Most low-wage workers struggle to make ends meet and support their families, often going without health insurance and other benefits for which they are eligible. And while many Americans who earn low wages will eventually advance and leave the ranks of the working poor, many others will not,<sup>4</sup> even if they work full time. The WASC demonstration tested a new approach to helping these workers improve their economic outlooks.

## Goals and Structure

WASC aimed to help low-wage workers boost their incomes over the long term by increasing their wages or work hours or by acquiring employer-provided benefits. At the same time, these workers were encouraged to raise and stabilize their short-term incomes by making the most of available work supports — notably, publicly funded medical insurance for adults (Medicaid) and for children (Medicaid and the State Children's Health Insurance Program, known as SCHIP), subsidized child care, tax credits, and — the work support that is the focus of this report — food stamps.

WASC operated with support from the Employment and Training Administration of the U.S. Department of Labor, the Food and Nutrition Service (FNS) of the U.S. Department of Agriculture, the Ford Foundation, and a group of public and private funders.<sup>5</sup> The demonstration was managed by MDRC, a nonprofit, nonpartisan research organization dedicated to learning what works to improve programs and policies that affect low-income people. Encompassing four sites around the country, WASC targeted: (1) employed low-wage workers who had had limited previous connections with the welfare system and (2) reemployed dislocated workers — workers who had lost jobs that were better paying but often not highly skilled due to economic restructuring, as in the automobile industry in Ohio.

Individuals who enrolled in the WASC program and its research study did so at local One-Stop Career Centers, which were the institutional homes for the programs. One-Stops, which operate under the federal Workforce Investment Act in communities around the country,

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<sup>3</sup>U.S. Department of Labor, Bureau of Labor Statistics (2008).

<sup>4</sup>Andersson, Holzer, and Lane (2005).

<sup>5</sup>The other WASC funders are: the State of Ohio, the County of San Diego Health and Human Services Agency, the Administration for Children and Families of the U.S. Department of Health and Human Services, The Rockefeller Foundation, The Annie E. Casey Foundation, The David and Lucile Packard Foundation, The William and Flora Hewlett Foundation, The Joyce Foundation, The James Irvine Foundation, the Charles Stewart Mott Foundation, and the Robert Wood Johnson Foundation.

provide a range of services in a single location to help the people who use their services find jobs and improve their careers. The two One-Stops that housed the WASC programs where the error rate study was conducted were the Job Center in Dayton, Ohio, and the South County Career Center in Chula Vista, California (part of San Diego County and commonly referred to as the “San Diego” site).<sup>6</sup>

### Research Findings on Food Stamp Receipt Rates in the Dayton and San Diego Sites

WASC is being evaluated using a random assignment design — that is, people in the research study were assigned by a lottery-like process to either a program group, which received WASC services, or to a control group, which did not. Outcomes, such as food stamp receipt rates, are compared for the two groups, with random assignment ensuring that the differences are attributable to the intervention, not to other differences between people who did and did not receive services.

An interim report covering early impact results from the Dayton and San Diego WASC sites was released in June 2009. Among other outcomes, the report shows that WASC increased the proportion of individuals receiving food stamps during the program’s first year by 5.5 percentage points (up from receipt levels of 53.9 percent for the Dayton control group and 24.1 percent for the San Diego control group). For the WASC group, the increase translated into, on average, more months of food stamp receipt and about \$130 more in food stamps over the entire year. When one looks only at individuals who took up food stamps because of WASC, the average participant gained about \$150 to \$300 per month or more than \$2,000 in food stamp benefits over the year.<sup>7</sup>

While it is difficult to pinpoint which features of the WASC program led to the increase, MDRC’s study of how the program was implemented suggests that a key factor was the easier access to food stamps brought about by the program’s changes in a variety of administrative practices. These included instituting flexible office hours, offering program participants help with food stamp applications, assigning at least one eligibility worker to assist applicants to apply for work supports, allowing participants to apply for work supports at the WASC unit, establishing a single location for submitting all applications, and simplifying applications and procedures for redetermining eligibility for food stamps.

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<sup>6</sup>WASC programs were also offered under the auspices of the Southwestern CTWorks Center in Bridgeport, Connecticut, and Workforce Solutions for Tarrant County in Forth Worth, Texas.

<sup>7</sup>Miller, Tessler, and van Dok (2009).

## **Error Rate Considerations at the Two WASC Study Sites**

As part of the effort to maintain accountability for and improve the administration of the food stamp program, the FNS gives states incentives to reduce their error rates in administering food stamps and penalizes them if they incur error rates that are above a certain threshold. The penalty is triggered if for two years in a row, the state incurs error rates that exceed 105 percent of the error rate in the average state. (States are also rewarded financially for reducing or maintaining low error rates.)

Changes in procedures for administering food stamps, such as those made by the Dayton and San Diego WASC sites, had the potential to increase the error rates at the One-Stop Centers that were trying out the new procedures (and in the process could have contributed to an increase in the statewide error rate). One concern was that WASC's focus on helping working poor families gain easier access to food stamps could lead to a higher than usual proportion of working people, as opposed to people on fixed incomes, on the food stamp caseloads. There are reasons to predict that error rates would be higher for working people, whose incomes tend to fluctuate more, than they would for people whose incomes are fixed. Adding to the sites' concerns was that since 2002, both California and Ohio had had error rates above the 105 percent threshold that triggers sanctions. Moreover, because Ohio had been above the 105 percent threshold for two years in a row, the state had received a sanction based on its 2004-2005 error rates.<sup>8</sup> (As will be discussed, in the years after 2005, both states reduced their error rates.)

For the WASC study, the states involved received a waiver from the FNS that immunized them against errors in food stamp payments to individuals who were offered simpler food stamp enrollment and retention procedures through WASC.<sup>9</sup> Fear of incurring food stamp QC errors and fiscal penalties made California and Ohio initially unwilling to simplify such procedures. As a condition of granting the immunity, the FNS wanted assurance that payment accuracy would still be measured in some way (even if not subject to fiscal penalties) for the WASC participants. The FNS and MDRC were also interested in determining whether eased enrollment and retention procedures had any effect on payment accuracy. Because the number of WASC cases likely to be pulled for a regular QC review was so small, they could not provide a sufficiently large sample to validly measure the impact of WASC simplified procedures on

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<sup>8</sup>Rosenbaum (2006).

<sup>9</sup>Another type of error that might occur is that an application for food stamps is erroneously denied or that an active food stamp case is incorrectly terminated, as opposed to the type of errors discussed here that cover assigning the wrong benefit amount or giving the benefit to someone who is ineligible. Ohio and California did not get a waiver from counting households in the WASC group toward their negative case error rate — that is, the rate of applications that have been erroneously denied or cases that have been incorrectly terminated. These kinds of errors are not a subject for this report.

food stamp payment accuracy. Hence, California and Ohio and MDRC agreed to conduct a separate food stamp QC error rate study.

This report next presents highlights of the key findings from the analysis of error rates for the WASC samples. Following that summary, the report provides additional background information on barriers to using work supports, on the WASC demonstration, and on error rates. The report then describes the error rate study — its research design and analysis sample, the data sources used, and the characteristics of participants. These discussions are followed by a detailed analysis of the findings on error rates in Ohio and California and in the Dayton and San Diego WASC sites.

Two facts about how the error rate study was conducted should be kept in mind in reading both the summary of key findings and the more detailed discussion later in the report. First, for reasons discussed later in the report, the study uses a somewhat different methodology for calculating the magnitude of errors than the one FNS uses, which will be most familiar to readers who are knowledgeable about food stamp error rates. However, the two methodologies essentially focus on the same concepts.

Second, participants in the QC study are a subset of food stamp recipients selected from the broader WASC evaluation sample. This has several implications for the analysis. First, because selection for the QC study was based on food stamp receipt, participants in the QC study may not be similar to the full evaluation sample. Secondly, and most importantly, because selection into the QC study was based on an outcome (food stamp receipt) that was designed to be affected by the WASC program, there may be differences in characteristics between QC sample members in the program and control groups. For example, the program group in the QC study might include people who would not have enrolled in the food stamp program on their own but who were influenced to do so by WASC — for instance, employed people who would not have applied for food stamps without WASC’s encouragement. Thus, the WASC intervention could have introduced differences between the average characteristics of members of the QC program groups and control groups. Another implication of the fact that the QC sample is a subset of the full evaluation sample is that the QC analysis is nonexperimental, since it is not based on the full program and control groups. As a result, any differences in error rates between the program and control groups, although likely due to WASC, cannot be definitively attributed to the program.

## **Highlights of the Findings**

While the San Diego WASC program increased the rate of food stamp receipt, there was not an increase in error rates among recipients: Error rates were similar for recipients in the WASC program group and their counterparts in the control group. In Dayton, however, re-

recipients in the WASC group had a dollar error rate (the proportion of the total dollars of benefits that are provided erroneously) that was 3.51 percentage points above the control group average of 3.40 percent. In that site, food stamp recipients in the WASC group also differed in several ways from those in the control group. For example, food stamp recipients in the WASC group, compared with those in the control group, were older, more likely to have children, and more likely to have a General Educational Development certificate (GED) or a higher degree. MDRC's interim report covering early impact results for the demonstration also shows that individuals in the WASC group who retained employment in all four quarters of Year 1 were more likely than their control group counterparts to have received food stamps over that same year.

The reason for these differences may be that the WASC program encouraged different types of people to apply for and receive food stamps — people who had fluctuations in earnings, which could result in higher error rates. Once the research study accounted for these differences, error rates did not differ between the two groups.

The next section provides more background on three issues that are central to this analysis — the factors that influence receipt of work supports, the WASC approach to encouraging eligible workers to take advantage of these supports, and the use of error rates in the food stamp system.

## **Background**

### **Barriers to Receiving Food Stamps**

An individual's decision to take up work supports depends on the benefit and costs of doing so: Costs can include the inconvenience of applying for the benefits, the time and effort associated with learning about eligibility and program rules, and any stigmas associated with receiving benefits. The evidence suggests that each of these factors affects take-up rates (although the effects of stigma appear to be fairly modest).<sup>10</sup> Lack of knowledge, for example, appears to be an important barrier to applying for food stamps, with many eligible families mistakenly believing that they are ineligible,<sup>11</sup> or finding the application and recertification process too daunting.<sup>12</sup> An FNS-funded study of access to the food stamp program found that the average application for an eligible household takes almost five hours of client time, including at least two trips to the food stamp program office or other application locations, and

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<sup>10</sup>Remler and Glied (2003).

<sup>11</sup>Bartlet, Burstein, and Hamilton (2004).

<sup>12</sup>O'Brien et al. (2000); Ponza et al. (1999).

that the average application costs \$10.31 in out-of-pocket expenses (most of which is spent on transportation). Similarly, the average food stamp recertification takes nearly two and a half hours, including at least one trip, and on average costs \$5.84.<sup>13</sup> Adding to these burdens, benefit offices are often open only during traditional nine-to-five weekday hours, requiring that the applicant take time off from work. Recent research finds that efforts to reduce these costs result in an increase in take-up rates.<sup>14</sup>

## The WASC Response

WASC attempted to minimize the barriers to receiving benefits in several ways:

- **Educating customers about work supports.** WASC staff used an automated tool developed for the demonstration, the Work Advancement Calculator, to inform customers about supports for which they were likely eligible. Staff who used the calculator first entered information on a participant's household income and size. The calculator then identified all the supports targeted by WASC for which the participant appeared to be eligible and showed the combined effect of those supports on household income. The calculator could also be used to estimate how changes in earnings would affect the amount of a benefit that a participant stood to receive.
- **Easier access to work supports.** WASC had flexible office hours, including evenings and weekends, and had staff available to meet at short notice and outside the office at convenient locations for customers. WASC accepted applications for all work supports at the WASC unit, located at the One-Stop, and also had at least one staff person dedicated to determining eligibility for all programs and to helping customers with applications. As part of the waiver agreement with the Dayton and San Diego WASC sites discussed earlier, FNS also permitted WASC staff to interview customers by phone rather than face to face for the redetermination of food stamp benefits. This simplified the redetermination process by saving recipients a trip to the One-Stop to maintain their benefits — a change that was particularly important in Dayton, where just about all participants with earnings and a majority of those without earnings are scheduled for redetermination every six months.<sup>15</sup> In the San

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<sup>13</sup>Ponza et al. (1999).

<sup>14</sup>See, for example, Currie and Grogger (2001); Bansak and Raphael (2007).

<sup>15</sup>According to federal food stamp QC data for fiscal year 2006, in Ohio, about 97 percent of the household units with heads ages 18 to 62 that had earnings and about 66 percent of those without earnings were scheduled for redetermination every six month or less. In California, only about 1 percent of the households

(continued)

Diego site, fingerprinting at redetermination, which occurs once a year, was deferred until customers visited the county food stamp office. Also, rather than being called in twice a year for redetermination of benefits, San Diego WASC recipients had to submit quarterly reports on their incomes. Staff in the San Diego WASC program reminded recipients about the reports and intervened on their behalf or helped them have their cases quickly reopened if they had forgotten to submit the reports.<sup>16</sup> Finally, the San Diego site also received a waiver from the state to allow it to use an all-in-one application for food stamps, Medicaid, and child care assistance — a change that reduced the time and complexity of securing benefits.<sup>17</sup>

### **QC Error Rates: Issues and Trends**

Especially because the federal government subsidizes the full cost of food stamp benefits and pays not only its own administrative costs but also half the states' administrative costs, states have reason to try to increase the number of their residents, including low-wage workers, who receive this important source of nutrition aid. But the QC error rate regulations have also given states reasons to be cautious about enrollments, with concerns often focused, as discussed earlier, on the enrollment of working people who are presumed to be more susceptible to fluctuations in their incomes than other recipients. It should be noted that the concerns have been caused in part by the knowledge that most errors are due to honest mistakes by recipients, computer programmers, eligibility workers, or data entry clerks, with few errors attributable to dishonesty or fraud.<sup>18</sup>

Before the 2002 federal Farm Bill was enacted, many states sought to reduce their error rates by imposing shorter recertification periods on recipients with earnings.<sup>19</sup> But increasing the

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were scheduled for redetermination every six months or less. In this state, almost all redetermination meetings (98-99 percent) were held once a year.

<sup>16</sup>In Dayton, most food stamp recipients with earnings only have to report increases in gross income that put them above 130 percent of the Federal Poverty Level for their assistance group and to report changes in work hours, if they no longer meet the 20-hour minimum for an able-bodied adult without dependents. Most food stamp recipients in San Diego had to report changes in address but were otherwise not required to report changes in gross income other than through the quarterly reports. Their benefits could not decrease during a quarter but could increase if their gross income was reduced because of job loss or an increase in shelter expenses, but only if they chose to report the change in gross income. The quarterly reporting requirement and the requirements to report changes in gross income and/or address did not differ by research group status in Dayton or San Diego. These requirements were the same for both research groups.

<sup>17</sup>Due to funding changes and other issues associated with implementing the program, child care subsidies were removed from the all-in-one application midway through the program period.

<sup>18</sup>Rosenbaum (2006).

<sup>19</sup>Kabbani and Wilde (2003).

barriers to participation for working recipients in this way meant missed opportunities to make work pay and to alleviate hardship and food insecurity for families in poverty. However, the 2002 bill included options that reduced the disincentives for states to enroll employed low-wage workers.<sup>20</sup> In recent years, national average payment error rates (the amount of food stamps paid in error as a fraction of the total amount paid) have fluctuated somewhat, but have decreased from about 6.64 percent in 2003 to 5.01 percent in 2008.<sup>21</sup> Meanwhile, food stamp participation rates, among individuals in households with earnings, gradually increased before leveling off at 56 percent from 2006 through 2007.<sup>22</sup> One possible reason for the decrease in error rates is efforts that states made during this period to improve the administration of the food stamp program.<sup>23</sup>

This report now turns to the research study on error rates in the two sites.

## **Research Design and Analysis Sample**

The QC error rate study drew on a larger WASC research sample that consisted of people who had consented to be part of the WASC demonstration research study in Dayton and San Diego and who had been assigned either to a WASC group, eligible to receive WASC services, or to a control group. Control group participants were not eligible for WASC services but were eligible to seek out existing services in the community. The QC error rate study compared outcomes (in this case, error rates) for subsets of the Dayton and San Diego WASC program and control groups. To be part of the sampling frame (pool of people) selected for the error rate study, people had to be members of a WASC program or control group for the larger demonstration study in Dayton and San Diego as well as food stamp recipients. To construct the sample for the error rate study, MDRC identified active food stamp cases in the Dayton and San Diego WASC demonstration research samples and then selected a random subset of these cases to be sent to the Ohio Department of Job and Family Services or the County of San Diego Health and Human Services Agency for review by their quality assurance staff.

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<sup>20</sup>A brief discussion of some of the changes Congress enacted in 2002 is presented in Nader and Wilde (2003), pages 1,136-1,137, where they talk about the option for states to simplify the reporting of participant income changes and the way in which bonuses and penalties are to be assessed under the revised food stamp QC system.

<sup>21</sup>U.S. Department of Agriculture, Food and Nutrition Service (2009).

<sup>22</sup>Leftin and Wolkwitz (2009). Data on 2008 payment error rates were unavailable at the time of this writing.

<sup>23</sup>Reuters (2008).

For the Dayton site, the random subsets of participants were selected for every month from January 2006 through April 2008,<sup>24</sup> and for San Diego, the selection was made every third month from June 2006 through September 2008. In Dayton, eight active cases from the WASC group and eight from the control group were selected monthly, and in San Diego, 24 active cases from each group were selected for each three-month period. The selection yielded 405 QC cases for Dayton and 422 cases for San Diego. The two sites dropped a total of 10 to 12 cases from the final sample — the analysis sample — because of technical research issues, and 44 additional cases were dropped in San Diego because of inactivity during the sample month.<sup>25</sup> The sample draws came from a pool of 730 food stamp cases in Dayton and 328 in San Diego that were identified as active in one or more of the months of interest during the QC enrollment period.

The WASC QC review differed from the standard QC review for the federal food stamp program (called the “federal review” in this report) in three respects.<sup>26</sup> First, the federal review is designed to determine: (1) if active cases are eligible for participation and are receiving the correct benefit amounts and (2) if participation is correctly denied or terminated. The FNS waiver applied only to the first set of tasks, and thus the WASC QC process aimed to determine if active cases were eligible for food stamps and whether they received the correct benefit amounts, but not if participation had been correctly denied or terminated.

Second, the random samples of active cases that states select for the federal QC reviews are fairly small relative to the overall caseload. For example, in 2006, the probability of an individual being selected for the federal QC review was less than 1 percent nationwide.<sup>27</sup> In contrast, because of the relatively small sample size used for the WASC study, individuals in

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<sup>24</sup>In Dayton, the sampling was temporarily placed on hold for April and May 2006, due to a review of and subsequent changes to the scope of the case file reviews.

<sup>25</sup>MDRC originally selected a total of 416 monthly reviews for Dayton and 477 monthly reviews for San Diego (the last draw for the case file review in San Diego included only 45, not 48, cases). Participants were excluded from the case file review count for several reasons: because MDRC did not have an informed consent form or baseline form for someone (as will be explained, these documents were needed for the research study), because someone withdrew from the study, because someone was sharing residence with another participant who had been randomly assigned to the opposite research group, because (in only a couple of cases) MDRC could not confidently identify the name on the case file, or because someone had been erroneously identified as receiving food stamps during the review month of interest. Except for erroneous identifications, relatively few reviews were dropped for any of these reasons. In the San Diego site, erroneous identifications were a problem because identification of who in the study was receiving food stamps during the months of interest was done manually, and it is virtually impossible for manual identification to yield a completely correct set of identifications.

<sup>26</sup>Procedures for this review are outlined in U.S. Department of Agriculture, Food and Nutrition Service (2008).

<sup>27</sup>The number of cases reviewed per year ranges from 50,000 to 90,000 — and in 2006, 11.1 million households received food stamps.

the study had a much higher probability of being chosen for a review. Information on active cases presented in the first row of Box 1 shows that the probabilities of active WASC group and control group cases being selected for the QC review were, on average, 4.6 percent and 4.9 percent, respectively, in the Dayton site and 31.7 percent and 42.5 percent in San Diego.<sup>28</sup>

Moreover, once individuals in the WASC study were selected for a review, they were likely to be selected more than once. Calculations based on the numbers presented in rows 3, 4, and 5 of Box 1 show that about 20 percent of Dayton QC participants and 45 percent of San Diego QC participants were chosen for more than one review. This is the case even though once WASC participants had been selected for a review, they were excluded from the QC pool for the next six calendar months — a rule that was designed to extend the intervals of time between each individual’s case file review and to thereby also limit the number of times a participant could be selected.

Third, the WASC QC process followed somewhat different practices for interviewing sampled recipients than the federal process. For the federal QC review, state food stamp quality assurance staff routinely visit sampled households to re-interview food stamp participants. But for the WASC program, state staff contacted sampled participants in Dayton only if conflicting information had been found in the case files, and in the San Diego site no WASC participants were contacted. Thus, for most WASC reviews, error determinations were based only on the financial and demographic information from the sampled case files.<sup>29</sup> Thus, the information on WASC study participants may be less current than the information on participants in the federal QC at the time of review, a factor that might affect participants with earnings more, as their income is likely to fluctuate more than the income of those without earnings,

When the WASC QC review did uncover errors, quality assurance staff reported them to the agency where the errors had occurred, and the agency acted upon the cited cases and issued the correct benefit.

Box 2, which shows the number of reviews completed by site and research group in row 1 and the number of QC participants having their allotments reviewed in row 2, indicates that the quality assurance staff completed 279 reviews for 244 participants in Dayton and 368 reviews for 228 participants in San Diego. This means that in Dayton, case reviews of the

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<sup>28</sup>The probabilities were higher in San Diego than in Dayton, because San Diego selected three times as many participants every third month, while participation rates for people in the San Diego WASC program were less than half the rates of their Dayton counterparts.

<sup>29</sup>During spring 2006, MDRC was given permission by Ohio staff to change the QC review process to eliminate the threat of terminating food stamp cases if households did not respond to inquiries from state reviewers. This permission was not necessary in the San Diego site, since the county quality assurance staff had not planned on recommending that cases be terminated when participants did not respond.

**Box 1**

**Likelihood of Being Selected for Case File Review**

Characteristic	Dayton		San Diego	
	WASC Group	Control Group	WASC Group	Control Group
Probability of being selected for a case file review (%) <sup>a</sup>	4.57	4.86	31.73	42.51
Number of cases <sup>b</sup>	203	202	220	203
Number of case file reviews per person <sup>b</sup>				
1 review	127	135	84	75
2 reviews	29	27	45	34
3 or 4 reviews	6	4	21	28

SOURCE: MDRC calculations from Dayton and San Diego case file review data.

NOTES: <sup>a</sup> Probability of being selected for case file review in a given month computed as 8 divided by the sampling frame for the WASC or control group in that month, multiplied by 100 in Dayton, or as 24 divided by the sampling frame for the WASC or control group in that month, multiplied by 100 in San Diego. Overall probability of being selected for a case file review is the mean of monthly probabilities.

<sup>b</sup> Includes participants who are in the original request file and for whom outcome data were received (thereby excluding reviews that did not match requested participants), for whom MDRC has an informed consent form or baseline form, who did not withdraw from the study, who are not sharing residence with another participant (randomly assigned to the opposite research group), or who were not erroneously identified as receiving food stamps during the review month of interest.

chosen sample were completed for 65.0 percent of the WASC group and 72.8 percent of the control group — estimated by dividing the number of chosen cases shown in Box 1 by the number of cases completed shown in Box 2 and multiplying the results by 100; the corresponding percentages in San Diego were 87.7 percent (WASC group) and 86.2 percent (control group).<sup>30</sup> Calculations based on the absolute numbers in rows 3, 4, and 5 in Box 2 indicate that about 26.3 percent of the WASC group and 20.0 percent of the control group in the Dayton QC

<sup>30</sup>Of the active cases selected for the QC reviews, approximately 31 percent in Dayton and 13 percent in San Diego could not be completed.

**Box 2**

**Likelihood of Being Selected Multiple Times for Case File Review  
Monthly Review Analysis Sample**

Characteristic	Dayton		San Diego	
	WASC Group	Control Group	WASC Group	Control Group
Number of cases	132	147	193	175
Number of unique individuals	114	130	126	102
Number of case file reviews per person <sup>a</sup>				
1 review	84	104	60	43
2 reviews	28	22	45	31
3 or 4 reviews	2	4	21	28

SOURCE: MDRC calculations from Dayton and San Diego case file review data.

NOTES: <sup>a</sup>Includes only those with a complete review, which means that the quality control reviewer was able to determine whether the active case was eligible for benefits (this includes cases where the error amount was greater than or equal to the benefit amount) and, if eligible, whether the issued amount was correct or incorrect. This precludes those selected for the case file review but for whom outcome data was not received, case files could not be located, and errors could not be determined, because of missing elements (thus ineligible).

review and about 52.3 percent and 57.8 percent of these two groups, respectively, in the San Diego QC review were selected to have their cases reviewed more than once.

Reasons for incomplete reviews were: (1) lack of information needed to carry out the review (a situation that accounted for most of the incomplete reviews in Dayton), (2) an active case having been selected in error and therefore not being subject to review, (3) refusal of the participant to cooperate with the reviewer, or (4) inability to locate the case in the physical or digital archive. This last problem occurred because a larger off-site effort to scan food stamp case files removed some cases from the purview of the QC reviewers working on the WASC study (a factor that accounted for most of the incomplete reviews in San Diego). Thus, of the four reasons for having an incomplete review, the first and last were the most common.

The difference in error rates between food stamp recipients in the WASC group and the control group was estimated in a regression framework that controlled for the individual's quarter of entry into the study.<sup>31</sup> This regression model measured differences in error rates between active cases in the WASC group and in the control group that could have been caused by one or both of two factors: (1) easier access to food stamps for the program group and (2) bringing people into the food stamp program who had a higher likelihood of having errors than recipients in the control group. An analysis of monthly error rates that controls for the effects of the measureable, or observed, participant characteristics is presented in the appendix tables. The small number of case files analyzed for this study suggests that only large differences in error rates are likely to be statistically significant. This is because larger differences in averages are usually required between two groups in small samples in order to detect statistically significant differences.

## **Data Sources and Measures**

### **Data Sources**

#### **Baseline data**

Before being randomly assigned to the WASC study, each individual completed a baseline survey either over the Internet or on paper. In the Dayton and San Diego sites, the baseline data, which were collected from October 2005 through October 2007, included such information as demographic characteristics of participants (such as gender, age, and race/ethnicity), family status, education level, labor force status, and income.

#### **Monthly QC data**

The records that MDRC compiled on the cases randomly selected for QC reviews include information on the food stamp dollar amount that the review would involve and the decision made about whether to go forward with the review. In addition, for all cases that were reviewed, there is information about whether there had been an error in the case and the dollar amount of that error.

### **Monthly Error Rate Measures**

The study used two different measures of error rates:

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<sup>31</sup>Standard errors are adjusted to account for multiple observations per person.

*The case error rate* is the percentage of active food stamp cases that had an error. The rate is based on the QC reviewers' individual determinations that sampled households that had received food stamp benefits during the sample months were, in fact, ineligible for the benefit or had received an amount that differed from the amount they should have received by at least \$25. A variation of the case error rate was the rate of "overissuances" and "underissuances," with ineligible households counted toward the rate of overissuances. These case error rates speak to the question: *Has WASC increased the rate of active food stamp cases with an error in the benefit amount determination?*

*The dollar error rate*, which uses the same approach to measuring errors as the case error rate, is the absolute dollar error in payments (of \$25 or more) as the percentage of the received benefit amount, on average, for the active cases that were reviewed by quality assurance staff; active cases that received the correct allotment were counted as having an error of 0 percent. This error rate, which is also calculated for overissuances and underissuances, speaks to the questions: *How much does the issued amount deviate from the correct amount and what is the magnitude of the dollar error?*

For comparative purposes, researchers also calculated another set of error rates (called *payment error rates* or *federal payment error rates*), using the more common methodology of the federal QC reviews mentioned earlier. (A fluctuation in these payment error rates was cited in the background discussion of trends in national QC error rates.) Both the dollar error rate and the payment error rate speak to the questions: *How much does the issued amount deviate from the correct amount and what is the magnitude of the dollar error?* However, they vary in terms of the weight given to the errors of individual households. Compared with the payment error rates, the dollar error rate gives more weight to errors of households with benefit amounts less than the average amount of the benefit received and gives less weight to errors of households with benefit amounts greater than the average.<sup>32</sup> This is because the dollar error rate takes into account whether the size of the benefit amount for a particular case is bigger or smaller than the size of the benefit for the average participant. Thus, although the payment error rates and dollar error rates capture much of the same information, they can differ. The dollar error rate is

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<sup>32</sup>For example, if Household A has a dollar error of \$10 on a \$50 benefit and Household B has no dollar error on a \$150 benefit, the payment error rate for these two households is  $(\$10 + \$0) / (\$50 + \$150)$  or 5 percent. The average dollar error rate for these two households, however, is  $(\$10/\$50) + (\$0/\$150) / 2$  or 10 percent. In fact, it is unlikely that these two methods would give such different results, because as the number of allotments reviewed by quality assurance staff increases, the dollar errors on benefit amounts received will likely distribute more evenly around the mean (to form a normal distribution). The distribution for the WASC food stamp QC review, however, might be a bit skewed, due to the fairly small number of allotments reviewed and its target population: For example, Dayton and San Diego participants, who had to be employed to join WASC, might have been closer to income or eligibility thresholds for receiving food stamps and therefore might have been eligible for smaller benefits, on average, than the average benefits of participants covered by the federal QC review.

preferred for this analysis because it can be used in a regression model to calculate the statistical significance of the difference in averages between two groups of participants.

Note that while the case error rate denotes the *frequency* of errors, the dollar error rate (and the federal payment error rate) takes into account the *magnitude* of errors.

## Characteristics of Participants

As noted, one target group for WASC was low-wage workers. These workers could be either heads of households with children or single or married adults without children, and they were to be 18 to 62 years old and have relatively low incomes and limited past connections with the welfare system. As also noted, a second target group was reemployed, dislocated workers. The new jobs of many of these workers paid wages that were below, and often well below, wages in their previous jobs.<sup>33</sup>

Table 1 presents characteristics of the individuals chosen for the QC study (WASC program and control groups combined) for each site. To show how these WASC groups compare with typical working-age food stamp program participants with earnings, the table also presents characteristics of two other groups, the first from Ohio and the second from California. These groups, which were active cases randomly selected for the regular federal QC reviews from the states of Ohio and California, are called the “statewide samples.” Members of these samples (253 individuals from Ohio and 185 from California) include individuals who were heads of their household units, were between the ages of 18 and 62, and had earnings in the sample month. QC reviews had been completed for all of these sample members and found that all of

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<sup>33</sup>WASC’s eligibility guidelines for nondislocated workers established a cap on earnings of \$15 per hour and a total household income cap of 130 percent of the federal poverty guideline (FPG). The Dayton and San Diego sites, however, had difficulty recruiting enough individuals, especially single adults, who met those guidelines. As a result, the household income cap was raised to 200 percent of FPG — a standard still widely considered low income. The new eligibility guidelines have resulted in some relatively higher-income sample members’ entering the demonstration, but the target population remains at the lower end of the income spectrum.

WASC’s eligibility guidelines for dislocated workers established a cap on earnings of \$15 per hour and a total household income cap of 250 percent of FPG. WASC defines someone as a dislocated worker if within the past two years he or she has been certified as a dislocated worker or enrolled in a dislocated worker program, has been laid off and is unlikely to return to a previous industry or occupation, has been laid off as part of a plant closure or other mass layoff, was self-employed but then suffered a business failure because of local economic conditions or a natural disaster, or has been a displaced homemaker (someone who was dependent on the income of a family member, but to whom that income is no longer available).

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**Table 1**

**Selected Baseline Characteristics of Sample Members in QC Study, by Site**

Characteristic	Dayton (WASC) <sup>a</sup>	Ohio <sup>b</sup>	San Diego (WASC) <sup>a</sup>	California <sup>b</sup>
<b><u>Demographic characteristics</u></b>				
Gender (%)				
Female	91.4	85.2	80.3	90.3
Age (%)				
18 - 24	25.8	15.7	10.1	15.2
25 - 34	46.3	24.0	36.8	38.4
35 - 44	18.9	43.3	34.6	29.1
45 - 62	9.0	17.0	18.4	17.4
Average age (years)	30.7	33.8	36.0	35.1
Race/ethnicity (%)				
Hispanic	0.8	2.2	64.8	46.8
White	23.6	62.9	12.3	23.5
Black	73.1	34.6	15.9	20.7
Other <sup>c</sup>	2.5	0.3	7.0	9.0
Citizenship (%)				
Born in United States	98.8	98.3	53.9	55.8
Naturalized citizen	0.4	1.3	18.4	7.2
Noncitizen	0.8	0.4	27.6	37.1
Number of children (%)				
Has at least one child	82.5	76.1	85.1	89.7
Average number of children	1.9	1.7	2.1	2.0
Family size (%)				
1	18.5	22.4	13.6	5.7
2	23.5	17.9	21.1	9.5
3	23.9	27.5	23.7	22.5
4 or more	34.2	32.2	41.7	62.4
<b><u>Education status</u></b>				
High school diploma, GED, or above (%)	82.8	74.1	65.8	47.1
Sample size (WASC QC total = 472)	244	253	228	185

(continued)

### Table 1 (continued)

SOURCE: MDRC calculations from WASC Baseline Information Form. State-level data from the national Food and Nutrition Service's Food Stamp Program Quality Control study for fiscal year 2006.

NOTES: Sample sizes vary because of missing values. WASC quality control (QC) sample members who were randomly assigned before January 12, 2006, in Dayton and before February 14, 2006, in San Diego were not asked to report Dislocated Worker status. Sample members who were randomly assigned before November 22, 2005, were not asked to report their monthly family income.

<sup>a</sup>WASC quality control study sample by site. Includes only those with a complete review, which means that the quality control reviewer was able to determine whether the active case was eligible for benefits (this includes cases where the error amount was greater than or equal to the benefit amount) and, if eligible, whether the issued amount was correct or incorrect. This precludes those selected for the case file review but for whom outcome data was not received, case files could not be located, and errors could not be determined, because of missing elements (thus ineligible).

<sup>b</sup>State QC samples with earnings. Samples restricted to those between ages 18 and 62, with earnings. Total QC sample size (including those with and without earnings) is 885 in Ohio and 841 in California. 28.6% of the QC sample in Ohio and 22.0% in California have earnings. Individual-level characteristics are those of the head of the food stamp unit, which is defined as the head of household, or the first adult in the household (as designated by the Food and Nutrition Service) if the head of household is not included in the food stamp unit.

<sup>c</sup>Includes Native American/American Indian, Asian and Pacific Islander, Multiracial, and Other Race in WASC sites. Includes Native American/American Indian and Asian and Pacific Islander in state-level data from the Food and Nutrition Service; multiracial and other race categories were not available for selection in the national QC.

them were eligible for food stamps; those whom the review found ineligible for food stamps were excluded from the samples.<sup>34</sup>

Participants in the WASC error rate study were expected to have characteristics that were fairly similar, on average, to participants in the statewide samples.<sup>35</sup> One possible source of differences, however, could be the times at which the data were collected. Quality Assurance staff collected the data on the statewide participants as part of ongoing QC reviews, but the data

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<sup>34</sup>Households that are found to be ineligible for food stamps are excluded from the public use database, because this database is made publicly available primarily for modeling. (Anyone can download this database, which does not include personal or case-identifiable information.) A U.S. Department of Agriculture study found, however, that fewer than 2 percent of households receiving food stamps were completely ineligible for them (Rosenbaum, 2006). Excluding ineligible households from this analysis, therefore, is not expected to make substantial changes in the average characteristics of participants covered by the federal food stamp QC process.

<sup>35</sup>As discussed earlier, participants in the WASC error rate study were not selected at random from among food stamp recipients in Ohio and California and are therefore not expected to be representative of these statewide samples. However, they are expected to share some of the same characteristics, on average, due in part to the eligibility requirements, the statewide administration of the program, and other factors that are common statewide, such as the economy, culture, and demographic characteristics.

on characteristics of WASC participants were collected just before they were randomly assigned into the evaluation — an event that may have taken place 1 to 35 months before the QC review month. The information on WASC study participants may thus be slightly older than information on the statewide participants at the time of the QC.<sup>36</sup>

As the Dayton and San Diego columns in Table 1 show, a majority of participants in the samples for these two sites are women. Their average age is in the early to mid-30s, although there is considerable variation around this average — a difference that likely reflects differences in recruitment methods in the two sites.<sup>37</sup> The two sites also differ considerably in their racial and ethnic compositions, with Dayton having a majority of black sample members and San Diego largely consisting of Hispanic sample members. Differences in the racial and socioeconomic compositions of the two locales for the sites likely explain these differences: The Dayton One-Stop is located in an area where residents are primarily either black or white, not Hispanic, while in San Diego, which borders Mexico, a large number of WASC participants are foreign-born. Some are not citizens, but all have the legal right to work in the United States.

Most sample members in the two sites have at least one child. About 82.8 percent of the sample in Dayton and 65.8 percent in San Diego have earned a high school diploma or a GED, or have a higher level of education. The lower level of educational attainment in San Diego may reflect the larger number of non-U.S. citizens in the San Diego sample, but may also in part be due to the differences in recruitment methods in the two sites.

As also shown in Table 1, the Ohio and California statewide samples have some characteristics that are fairly similar to those of the Dayton and San Diego WASC samples, while in other ways the characteristics are fairly different: The rates of female participants, averages in participant's age, and family size<sup>38</sup> are quite similar, while the racial/ethnic composition and level of educational attainment are quite different. The statewide California sample has about 20 percentage points fewer Hispanic participants and 10 percentage points more white and 5 percentage points more black participants than the San Diego WASC sample, and the statewide sample in Ohio has more white participants than the WASC Dayton sample. Non-U.S.-born members of the San Diego WASC sample are also more likely to be citizens than their counterparts in the statewide California sample. These differences are likely due to the

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<sup>36</sup>Also, some of the WASC participants, who would have been employed when they were randomly assigned, could have been no longer employed during the sample month.

<sup>37</sup>To recruit WASC participants, Dayton tended to rely more on walk-in traffic to the One-Stop Center and San Diego relied more on referrals from community-based organizations. See Miller, Tessler, and van Dok (2009).

<sup>38</sup>That is, similar rates of participants having children, similar averages in number of children, and similar percentages of participants with one, two, three, and four or more members in the family.

differences in the racial/ethnic and socioeconomic composition of the geographical areas where participants were selected or recruited.

WASC participants in Dayton and San Diego were more likely than members of the statewide samples to have attained a high school diploma, a GED, or a higher level of education. One likely reason for this variation is that the WASC program targeted a particular segment of the low-wage worker population — employed low-wage workers and dislocated workers in a particular age range who had limited past connections to the welfare system. Another factor that may have contributed to the variation is that the demonstration sites are more urban than their states as a whole. To a lesser degree, the variation may also be due to a difference in data sources used (the baseline data for WASC participants versus food stamp QC data for the statewide participants).

One more factor that may have contributed to the differences between the WASC Dayton and San Diego samples and their counterpart statewide samples is the drop-off in the WASC samples due to incomplete reviews. As noted, quality assurance staff completed the case file reviews for 65.0 percent and 72.8 percent, respectively, of the participants in the WASC group and the control group in Dayton and 87.7 percent and 86.2 percent of the reviews for the two same groups in San Diego. Since less than 100 percent of those selected had their reviews completed, it is possible that participants in the WASC analysis sample (meaning those with a completed review) were no longer representative of participants who received food stamps during the months of interest and who were part of the full sampling frame.

A separate analysis was conducted to shed light on this possibility. Appendix Table A.1, which presents data from this analysis, shows the average baseline characteristics of members of the two WASC and control groups combined who were in the Dayton and San Diego sampling frames (“All Food Stamp Recipients,” last columns for each site). The table also presents characteristics for two subsets of each sampling frame — those who did and did not have completed QC reviews (in other words, those who were and were not in the WASC analysis sample). The analysis counts all participants, including those reviewed two or more times, only once.<sup>39</sup>

As the table reveals, on average, characteristics of participants in Dayton do not differ by whether someone did or did not have a completed review. However, on average, characteristics of those who did and did not have completed reviews do differ in San Diego.<sup>40</sup> Nevertheless, San Diego participants with incomplete reviews, who represent a fairly small portion of

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<sup>39</sup>The “analysis sample” column shows participants with a completed QC for at least one allotment, while those without any completed QCs are shown in the “not analysis sample” column.

<sup>40</sup>These results were confirmed in a separate regression analysis (not shown).

those selected for the error rate analysis at that site, appear to differ more, as illustrated by the difference in weekly earnings, from those in the food stamp recipient sample as a whole than they do from those in the analysis sample. This suggests that the analysis samples are fairly representative of the food stamp recipients in Dayton and San Diego.

The drop-off in the WASC sample due to incomplete reviews may also have caused differences between members of the WASC groups and control groups who remained in the analysis sample. As shown in Appendix Table A.2, on average, there are no WASC group and control group differences in San Diego, but there were such differences in Dayton. A WASC group indicator regressed on a similar set of characteristics (not shown) confirmed the differences. For example, WASC recipients are older, more likely to have children, and more educated than their control group counterparts.

The larger pool of people receiving food stamps during the sample months in Dayton — in other words those who did and did not have completed reviews — differs by research group in the same direction and by the same characteristics as those in the analysis sample, but with some of the characteristics having differences, on average, of a lesser magnitude.<sup>41</sup> These differences in characteristics by research group (which are not shown in the table) just miss statistical significance (p-value = .15). While the results are not conclusive, the finding that there were preexisting differences between program and control groups within the larger pool of people receiving food stamps in the sample months in Dayton suggests that it was these preexisting differences, and not differences in completion rates for program and control groups, that led to the differences between the two research groups in the smaller Dayton analysis sample. The preexisting differences, in turn, are likely due to WASC (even though they in theory could also be due to the nonexperimental design of the error rate study). In the analysis of error rates that follows, it will be important to account for the differences between the WASC groups and the control groups in Dayton.

## **Error Rate Analysis**

Besides presenting error rates for participants in the WASC error study, the following analysis presents error rates for Ohio and California participants in the federal QC review for fiscal year (FY) 2006, with the rates calculated for the entire group of participants and separately for those who did or did not have earnings in the month in which their case was reviewed. These error rates, which are collectively called the “statewide error rates” in this report, are

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<sup>41</sup>In this case, people who have a child, or a high school degree, a GED, or a higher level of education are more likely to be in the WASC group. Those who are older or have two or more children are not more likely to be in the WASC group than in the control group, but the average age is higher for participants in the WASC group and so is the percentage of participants with two or more children.

presented to illustrate what the error rates in Ohio and California would likely be for a typical participant, for a typical participant with earnings, and for a typical participant without earnings. (As will be explained below, the analysis uses several different kinds of measures to determine these rates.) The expectation was that the average WASC error rates would be fairly close to the average statewide error rates for a participant with earnings. But because the WASC sample was a mix of earners and non-earners (some participants who had had jobs when they entered WASC were unemployed by the time they reached their sample months), the average WASC rates were expected to fall somewhere between the average rates for statewide participants who had earnings and average rates for their counterparts without earnings.

### **Statewide Error Rates**

In examining federal error rates in Ohio and California, it may be interesting to first look at trends in those rates during the years when the WASC error rate study was being conducted. In the period after WASC began selecting food stamp participants for its error rate study (January 2006 in Dayton), both states improved their payment error rates. In FY 2006, California had a payment error rate of 6.98 percent and Ohio's payment error rate was 7.10 percent. For the first time in FY 2007, California achieved a payment error rate (5.31 percent) below the national average (5.64 percent), and in 2008, Ohio was awarded a bonus for being among the states that improved their payment error rates the most in that year (from 9.17 percent in FY 2007 to 4.29 percent in FY 2008).<sup>42</sup> According to one top state official in California, the improvements in that state can be attributed to a combination of factors that include expanded state oversight of local operations, monthly county performance reviews, the sharing of best practices, and the formation of county review panels to conduct secondary quality assurance reviews.<sup>43</sup>

Table 2 presents statewide error rates for Ohio and California participants in the federal QC review for FY 2006 and shows whether the food stamp participant (defined as the head of the household) had earnings in the month of review. The data source for this analysis is a public use database. The analysis covers 885 and 840 working-age (ages 18 to 62) food stamp program participants with a completed QC in Ohio and California, respectively. As was the case for data on the baseline characteristics of the federal samples, people determined to be ineligible for food stamps are excluded from this analysis — a practice that is different from the one used for the federal QC analysis.<sup>44</sup>

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<sup>42</sup>Reuters (2008) and U.S. Department of Agriculture, Food and Nutrition Service (2008).

<sup>43</sup>Reuters (2008).

<sup>44</sup>As noted, ineligibles were not included in the public use database used for this analysis. The exclusion of these individuals from this analysis was expected to lead to an underestimation of federal payment error rates for Ohio and California by 1 to 3 percentage points. The 1-to- 3-percentage-point estimate was derived from an  
(continued)

**The Work Advancement and Support Center Demonstration**

**Table 2**

**Food Stamp Receipt and Error Outcomes  
in the Federal Food Stamp QC for Fiscal Year 2006, by Earnings  
Ohio and California**

Outcome	Ohio			California		
	With Earnings	Without Earnings	Total	With Earnings	Without Earnings	Total
Case error (%) <sup>a</sup>	14.2	10.8	11.8	23.8	10.7	13.6
Overissuance	11.5	6.5	7.9	15.7	5.6	7.9
Underissuance	2.8	4.3	3.8	8.1	5.0	5.7
Food stamp error amount (\$) <sup>b</sup>	15	9	11	24	8	12
Amount of food stamps received (\$)	238	222	227	233	262	256
Payment error rate (%) <sup>c</sup>	6.34	4.16	4.81	10.08	3.22	4.60
Dollar error (%) <sup>d</sup>	30.70	9.75	15.74	32.56	4.03	10.31
Overissuance	29.88	8.16	14.37	29.96	2.89	8.85
Underissuance	0.82	1.59	1.37	2.60	1.14	1.46
Sample size	253	632	885	185	655	840

SOURCES: MDRC calculations from the Food and Nutrition Service's Food Stamp Program Quality Control study for fiscal year 2006.

NOTES: Sample sizes vary because of missing values. Error amounts only include differences of \$25 or greater; differences of less than \$25 are coded as 0. Includes only those between ages 18 and 62.

<sup>a</sup>Error for active cases results when a determination is made by a quality control reviewer that a household that received food stamp benefits during the sample month received an incorrect allotment or is ineligible, which is considered an overissuance in this analysis.

<sup>b</sup>The food stamp error amount is equal to the absolute value of the issued benefit amount minus the correct benefit amount.

<sup>c</sup>The payment error rate is computed by dividing the average food stamp error amount by the average amount of food stamps received. This is mathematically the same as taking the total amount received in error and dividing it by the total amount of food stamps received, which is how the payment error rate is calculated by the Food and Nutrition Service.

<sup>d</sup>The dollar error rate is computed by calculating the amount paid in error divided by the total amount paid for each review and averaging across reviews in the sample.

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analysis of payment error rates with and without ineligible households in the WASC error rate analysis. See notes about the data used under the discussion of sample characteristics above. The results are weighted, using the annual weights included in the public use database.

The table presents four measures of errors:

- The *case error rate* is the rate of active food stamp cases with an error in the sample month allotment.
- The *food stamp error amount* is measured in dollars (and includes people with and without errors, counting those without errors as having \$0 values).
- The *payment error rate* is calculated using the standard methodology outlined in FNS Handbook 310, except that in contrast to FNS practice, people determined to be ineligible for food stamps are exempted from the analysis.
- The *dollar error rate* measures the same concept as the payment error rate but, as discussed earlier, in a different manner.

Table 2 also shows the amount of food stamps received,<sup>45</sup> because this information, together with the case error rate and food stamp error amount, is needed to understand any variation in the dollar and payment error rates that occur across states or across groups within states.

*Payment error rates:* As shown in Table 2, the payment error rate for working-age food stamp program participants is about 4.81 percent in Ohio and 4.60 percent in California. These rates are lower than the error rates presented by FNS, which, as noted, does not exclude people ineligible for food stamps, but they are within the boundaries of what is expected.<sup>46</sup>

Payment errors are also presented separately for participants with or without earnings. (People with earnings represent about 29 percent of the working-age sample in Ohio and 22 percent of the California working-age sample.)<sup>47</sup> The payment error rate for those with and without earnings is 6.34 percent and 4.16 percent in Ohio and 10.08 percent and 3.22 percent in California. One question of interest is why the gap between these rates for food stamp participants with and without earnings is bigger in California than in Ohio. Further analysis suggests

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<sup>45</sup>In this case, since only active food stamp cases are selected for the QC review, the calculations do not include any \$0s.

<sup>46</sup>The payment error rates calculated by FNS in FY 2006 for Ohio and California were 2.29 percentage points and 2.38 percentage points higher, respectively, than the payment error rates presented in Table 2. This discrepancy is within the boundaries of what was expected, given that FNS includes ineligible households in its calculations.

<sup>47</sup>The percentages of heads of households with earnings during the food stamp QC sample months are quite a bit lower than the nationwide participation rate of 56 percent in 2008 for individuals in households with earnings. Some of the differences may be explained by geographical factors — differences between average characteristics of people in a nationwide sample and people living in California or Ohio — and some of the difference is likely due simply to other nongeographical differences between sample members that are captured by the different estimates.

that the gap is not due to a difference in the dollar amount of these errors (the absolute value of the issued benefit minus the correct benefit amount) among participants with errors in these two groups.<sup>48</sup> The bigger gap between payment error rates for food stamp recipients with and without earnings in California than in Ohio is therefore likely because the percentage of cases with an error in the benefit amount and the average dollar amount of food stamps received differ more across these two groups in California.

*Dollar error rates:* The two groups' dollar error rates follow a trend similar to the one for the payment error rates. But as discussed earlier, the dollar error rate and the payment error rate for the same cases can differ, because the dollar error rate, unlike the payment error rate, takes into account whether the size of the benefit amount for a particular case is bigger or smaller than the size of the benefit for the average participant. When the size of the dollar error rate for a particular review exceeds the size of the payment error rate, it is a sign that benefit amounts were on average smaller than average benefit amounts for all food stamp participants.

As shown in the table, in both Ohio and California, the dollar error rates were, in fact, larger than payment error rates for participants with earnings — a 30.70 percent dollar error rate versus a 6.34 percent payment error rate in Ohio, and a 32.56 percent dollar error rate versus a 10.08 percent payment error rate in California. This finding suggests a pattern that is not directly relevant to the main question in this study of how WASC affected error rates, but it is nevertheless interesting to note that those who have earnings and barely qualify for food stamps are more likely to have errors of a greater magnitude than the average participant without earnings.<sup>49</sup>

### **WASC Error Rates**

Table 3 presents the food stamp error rates of Dayton and San Diego participants in the WASC error rate study by site and research group.<sup>50</sup> As discussed, the control group averages

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<sup>48</sup>Calculations of the food stamp error amount (the absolute value of the issued benefit minus the correct benefit amount) among participants with errors (not shown in table) in these two groups suggests that the gap is not due to a difference in dollar amounts of the errors. These calculations show that the average food stamp error amount among participants with errors in both Ohio and California is about \$20 higher for those with earnings than for those without them.

<sup>49</sup>Food stamp participants in the statewide samples with earnings and errors had smaller benefit amounts, on average, than the average participant with earnings (with the trend more pronounced in Ohio than in California). This suggests that those with errors and earnings usually were approved for smaller benefit amounts than the average participant with earnings.

<sup>50</sup>While the regression framework used in the analysis that the table reports on controlled for the individual's quarter of entry into the study, it did not control for any differences in characteristics between participants in the WASC group and the control group.

All case file reviews completed for the WASC study, including reviews for cases determined to be ineligible, are used in this analysis.

set the benchmark against which the WASC group participants in Dayton and San Diego are measured — in other words, they illustrate what happens when low-wage workers rely mainly on their own initiative, without assistance from WASC, to secure food stamps.

As Table 3 shows, control group members have an average dollar error rate of 3.16 percent in Dayton and 12.91 percent in San Diego. The payment error rates (not shown in Table 3) for these control group participants are almost identical to their dollar error rates (3.09 percent and 10.92 percent, respectively — estimated by dividing the dollar error amount shown in Table 3 by the amount of food stamps received and multiplying the results by 100). As discussed, an average dollar error rate that is bigger than the average payment error rate for the same set of cases indicates that the size of the food stamp allotment was smaller for people with errors than for the group as a whole. In this case, the similar size of the dollar error rates and payment error rates suggests that control group participants with errors had food stamp allotments that on average are similar to those of the average control group member.

How do rates for control group participants in Dayton and San Diego compare with rates for the statewide sample? The payment error rates and case error rates for the Dayton and San Diego control groups are similar to those rates for participants *with earnings* in the statewide sample.<sup>51</sup> This pattern is perhaps not surprising, because, as discussed, there are reasons to believe that error rates can be affected by the proportion of working people whose cases are reviewed, and the WASC study targeted people with jobs. (Of course, it is likely that some members of the control group sample for the error rate study were no longer working by the time their cases were reviewed, but the shift was probably not pronounced enough to override WASC's initial targeting of people with earnings.)

The dollar error rates for the two groups just discussed — (1) control group participants in the two WASC sites and (2) earners in the statewide samples — are not as similar as their case error rates or payment error rates. There are several possible reasons for the greater divergence of dollar error rates. First, as noted, unlike payment and case error rates, dollar error rates take into account the size of the benefit received, and it may be that there were differences

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<sup>51</sup>The payment error rate is shown in Table 2 but not in Table 3, because Table 3 includes only measures that characterize the effect of WASC on food stamp QC errors or the components thereof.

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**Table 3**

**Unadjusted Outcomes of the Food Stamp QC, Monthly Review Level  
Dayton and San Diego**

Outcome	Dayton				San Diego			
	WASC Group	Control Group	Difference	P-Value	WASC Group	Control Group	Difference	P-Value
<b>Monthly Reviews</b>								
Case error (%) <sup>a</sup>	11.7	13.3	-1.6	0.688	20.3	22.8	-2.5	0.596
Overissuance	7.3	5.7	1.7	0.580	11.9	13.7	-1.9	0.651
Underissuance	4.4	7.6	-3.3	0.250	8.9	9.6	-0.7	0.817
Food stamp error amount (\$) <sup>b</sup>	15	8	6	0.243	31	30	1	0.903
Amount of food stamps received (\$)	274	276	-2	0.930	285	274	11	0.588
Dollar error (%) <sup>c</sup>	5.97	3.16	2.81	0.160	17.95	12.91	5.04	0.472
Overissuance	3.83	1.51	2.32	0.143	4.87	6.86	-1.99	0.359
Underissuance	2.13	1.65	0.48	0.712	13.09	6.05	7.04	0.287
Sample size (total = 647 )	132	147			193	175		

SOURCES: MDRC calculations from Dayton and San Diego case file reviews.

NOTES: Includes only those with a complete review, which means that the quality control reviewer was able to determine whether the active case was eligible for benefits (this includes cases where the error amount was greater than or equal to the benefit amount) and, if eligible, whether the issued amount was correct or incorrect. This precludes those selected for the case file review but for whom outcome data was not received, case files could not be located, and errors could not be determined, because of missing elements (thus ineligible). Sample sizes vary because of missing values. Error amounts only include differences of \$25 or greater; differences of less than \$25 are coded as 0.

<sup>a</sup>Error for active cases results when a determination is made by a quality control reviewer that a household that received food stamp benefits during the sample month received an incorrect allotment or is ineligible, which is considered an overissuance in this analysis.

<sup>b</sup>The food stamp error amount is equal to the absolute value of the issued benefit amount minus the correct benefit amount.

<sup>c</sup>The dollar error rate is computed by calculating the amount paid in error divided by the total amount paid for each review and averaging across reviews in the sample.

in average benefit amounts for the control group participants in the sites and earners in the statewide sample. Second, as discussed, the statewide samples do not include cases that were determined ineligible, but the site samples do. This difference affects measures of *error magnitude* more than measures of *error frequency*. Third, the differences in how errors were determined for the site and statewide samples (also discussed earlier) may also help to explain the differences in their dollar error rates.

The preceding discussion has focused on the various error rates for this study’s control group and on the degree to which these rates do or do not mirror rates for the statewide samples.

The next question is how the dollar error rates for this control group compare with rates for the *WASC program group*. (As discussed, the study looks to dollar error rates, not payment error rates, for its final analysis of errors in the WASC study sample.)

Table 3 shows that there is no statistically significant difference between the dollar error rates for participants in the WASC group and in the control group. These results do not change when the analysis accounts for differences in characteristics between participants in the WASC group and the control group (shown in Appendix Table A.3).

Table 4 presents a different analysis. This table reports on dollar error rates for *the first QC review* completed for each participant ever selected for the WASC error rate study. As noted, while MDRC researchers anticipated that the likelihood of being selected for the study would be much higher than the likelihood of being selected for the federal QC reviews, they were surprised by the high percentage of participants who were sampled more than once. (Researchers also found that the likelihood of being sampled more than once differed by research group).<sup>52</sup> The prevalence of repeat samplings raised a concern about a possible sequence of events that could have affected the reliability of the findings. The concern was that quality assurance staff in both sites reported food stamp errors to the originating agencies, which took corrective action that could have lowered the error rates, on average, more for participants with two or more completed reviews than would have been the case for those with just one completed review. For this reason, MDRC conducted a separate analysis for the first completed QC review. In Table 4, which focuses on this analysis, the dollar error rate is the key outcome.<sup>53</sup>

Table 4 shows that for their first QC reviews, participants in the WASC group and the control group have dollar error rates of 6.90 percent and 3.40 percent, respectively, in Dayton, and 18.96 percent and 11.58 percent in San Diego. In San Diego, the differences in dollar error rates for the WASC group and the control group are not statistically significant, but in Dayton the 3.51 percentage point dollar error rate increase is statistically significant.<sup>54</sup> Neither of the

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<sup>52</sup>Compared with their counterparts in the control group, WASC participants were more likely (WASC group: 26.3 percent, control group: 20.0 percent) in Dayton and less likely (WASC group: 52.3 percent, control group: 57.8 percent) in San Diego to have two or more completed reviews.

<sup>53</sup>The dollar error rate is estimated in a regression framework that does not control for differences in characteristics between participants in the WASC group and the control group. The analysis does, however, control for individuals' quarter of random assignment.

<sup>54</sup>The payment error rates in San Diego — 10.19 percent for the WASC group and 9.55 percent for the control group, according to calculations based on data presented in Table 4 — were different from the dollar error rates for the same groups, with the differences between the two rates being especially pronounced for the WASC group. In contrast, the payment and dollar error rates for the Dayton site were well aligned. Here, the payment error rates (again based on calculations using data in Table 4) were 6.08 percent for the WASC group and 3.17 percent for the control group.

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Table 4

Unadjusted Outcomes of the First Food Stamp QC, Person Level

Dayton and San Diego

Outcome	Dayton				San Diego			
	WASC Group	Control Group	Difference	P-Value	WASC Group	Control Group	Difference	P-Value
<b>First Case File Review, Person Level</b>								
Case error (%) <sup>a</sup>	13.5	14.3	-0.7	0.869	18.3	21.5	-3.1	0.561
Overissuance	8.5	5.7	2.8	0.396	11.0	10.9	0.1	0.979
Underissuance	5.1	8.6	-3.6	0.283	7.3	11.6	-4.3	0.275
Food stamp error amount (\$) <sup>b</sup>	17	9	8	0.169	27	24	2	0.790
Amount of food stamps received (\$)	276	278	-2	0.943	262	254	8	0.685
Dollar error (%) <sup>c</sup>	6.90	3.40	3.51 *	0.097	18.96	11.58	7.39	0.498
Overissuance	4.42	1.55	2.87 *	0.094	4.64	4.90	-0.25	0.912
Underissuance	2.49	1.85	0.64	0.634	14.32	6.68	7.64	0.477
Sample size (total = 472)	114	130			126	102		

SOURCES: MDRC calculations from Dayton and San Diego case file reviews.

NOTES: Includes only those with a complete review, which means that the quality control reviewer was able to determine whether the active case was eligible for benefits (this includes cases where the error amount was greater than or equal to the benefit amount) and, if eligible, whether the issued amount was correct or incorrect. This precludes those selected for the case file review but for whom outcome data was not received, case files could not be located, and errors could not be determined, because of missing elements (thus ineligible). Sample sizes vary because of missing values. Error amounts only include differences of \$25 or greater; differences of less than \$25 are coded as 0.

<sup>a</sup>Error for active cases results when a determination is made by a quality control reviewer that a household that received food stamp benefits during the sample month received an incorrect allotment or is ineligible, which is considered an overissuance in this analysis.

<sup>b</sup>The food stamp error amount is equal to the absolute value of the issued benefit amount minus the correct benefit amount.

<sup>c</sup>The dollar error rate is computed by calculating the amount paid in error divided by the total amount paid for each review and averaging across reviews in the sample.

two WASC programs led to an impact on the case error rate, which suggests that the dollar rate increase in Dayton is likely not due to more cases with errors. The increase in Dayton, however, is sensitive to the exclusion of participants found to be ineligible<sup>55</sup> and to changes in the regression framework that controls for differences in characteristics between participants in the WASC group and the control group (shown in Appendix Table A.4). Controlling for differences

<sup>55</sup>Two participants in the WASC group were determined by quality assurance staff to be ineligible for food stamps in Dayton.

in characteristics, the differences in dollar error rates between the two groups dissipate and are no longer statistically significant.

These findings suggest that the dollar error rate increase in Dayton is sensitive to the difference in participants' characteristics. WASC likely caused this difference in characteristics by doing more to educate people about their eligibility for food stamps and/or giving them easier access to the benefit. Either practice may have brought WASC group participants into the food stamp program who differed, on average, from people in the control group who did not get proactive assistance in determining eligibility and applying for food stamps. In contrast to this pattern in Dayton, WASC in San Diego did not bring people into the food stamp program who were notably different from control group recipients and did not increase the dollar error rate over what it would have been without the WASC intervention.

## **Conclusion**

Although the WASC program in San Diego increased receipt rates for food stamps, it neither increased nor decreased food stamp error rates. In Dayton, WASC increased the dollar error rate by 3.51 percentage points above the control group average of 3.40 percent, but had no effect on the case error rate. In this site, recipients in the WASC group also differed in several ways from recipients in the control group. For example, WASC recipients were older, more likely to have children, and more educated than control group recipients. Recipients in the Dayton WASC group were also more likely than their control group counterparts to retain employment in all four quarters of Year 1 of the study.

The reason for these differences may be that the WASC program encouraged different types of people to take up food stamps — people who had fluctuations in earnings, which could result in higher error rates. Once these differences were accounted for, however, the error rates did not differ by research group.

It is not clear from the WASC error rate study what would happen to a state's error rate if the state decided to make a concerted effort to target low-wage workers to encourage them to apply for and receive food stamps. While both WASC programs increased food stamp receipt rates, the study shows that only the Dayton site brought in different types of people, changing the characteristics of the food stamp caseload and increasing the dollar error rate. But what is the alternative to serving all types of people, if not a missed opportunity to make work pay and to alleviate hardship and food insecurity for families in poverty? Does this mean that there is a 50 percent chance that WASC would bring different types of individuals onto the food stamp caseload and increase the error rate in another location? Given the small scale of the study, the evidence is not strong enough to provide a definitive answer to the question.

Planners and program managers should recognize, however, that in the wake of the 2002 Farm Bill that reduced disincentives to enroll working people in food stamps, states have increased the nationwide participation rate of households with earnings while at the same time reducing the average payment error rate. As noted, during this period states improved the administration of the food stamp program (and these improvements may have helped them to enroll a higher proportion of workers without increasing errors). The federal government and states should consider building on these accomplishments by adding to the knowledge base about the kinds of cases are prone to errors and the techniques that can best help practitioners prevent them.



Appendix A

## Supplementary Tables



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Appendix Table A.1

Selected Baseline Characteristics of All Food Stamp Recipients, by Status in Analysis Sample

Dayton and San Diego

Characteristic	Dayton			San Diego		
	Analysis Sample <sup>a</sup>	Not in Analysis Sample <sup>b</sup>	All FS Recipients	Analysis Sample <sup>a</sup>	Not in Analysis Sample <sup>b</sup>	All FS Recipients
			P-Value			P-Value
			Difference			Difference
<b>Demographic characteristics</b>						
Gender (%)						
Female	91.4	85.7	0.139	80.3	81.4	0.850
Age (%)						
18 - 24	25.8	34.5	0.451	10.1	20.3	0.141
25 - 34	46.3	39.3	0.451	36.8	33.9	0.141
35 - 44	18.9	19.0	0.451	34.6	25.4	0.141
45 - 62	9.0	7.1	0.451	18.4	20.3	0.141
Average age (years)	30.7	29.7	0.338	36.0	33.9	0.189
Race/ethnicity (%)						
Hispanic	0.8	1.2	0.638	64.8	76.3	0.434
White	23.6	22.9	0.638	12.3	3.4	0.434
Black	73.1	72.3	0.638	15.9	11.9	0.434
Other <sup>c</sup>	2.5	3.6	0.638	7.0	8.5	0.434
Citizenship (%)						
Born in United States	98.8	98.8	0.519	53.9	59.3	0.484
Naturalized citizen	0.4	1.2	0.519	18.4	11.9	0.484
Noncitizen	0.8	0.0	0.519	27.6	28.8	0.484
Number of children (%)						
Has at least one child	82.5	84.1	0.732	85.1	69.5	0.006
Average number of children	1.9	1.8	0.340	2.1	1.7	0.048

(continued)

**Appendix Table A.1 (continued)**

Characteristic	Dayton			San Diego		
	Analysis Sample <sup>a</sup>	Not in Analysis Sample <sup>b</sup>	P-Value	Analysis Sample <sup>a</sup>	Not in Analysis Sample <sup>b</sup>	P-Value
Family size (%)						
1	18.5	16.7	0.858	13.6	27.1	-13.5 *
2	23.5	22.6	0.858	21.1	20.3	0.7 *
3	23.9	28.6	0.858	23.7	23.7	0.0 *
4 or more	34.2	32.1	0.858	41.7	28.8	12.9 * 0.065
<b><u>Education status</u></b>						
High school diploma, GED, or above (%)	82.8	85.5	0.559	65.8	72.9	-7.1 0.301
<b><u>Labor force status</u></b>						
Hours per week of work (%)						
1 - 19	25.5	23.8	0.135	16.7	23.7	-7.1 ** 0.039
20 - 29	26.3	28.6	0.135	20.2	28.8	-8.6 ** 0.039
30 - 39	26.3	28.6	0.135	27.6	30.5	-2.9 ** 0.039
Average weekly earnings (\$) <sup>d</sup>	224	235	0.456	277	238	39 ** 0.029
<b><u>Income and work supports</u></b>						
Average monthly family income (\$) <sup>d,e</sup>	1,100	1,127	0.699	1,322	1,320	3 0.977
Sample size	244	84		228	59	

(continued)

## Appendix Table A.1 (continued)

SOURCE: MDRC calculations from WASC Baseline Information Form.

NOTES: Sample sizes vary because of missing values. In order to assess differences in characteristics across research groups, chi-square tests were used for categorical variables, and t-tests were used for continuous variables. Statistical significance levels are indicated as follows: \*\*\* = 1 percent, \*\* = 5 percent, \* = 10 percent. Sample members who were randomly assigned before November 22, 2005, were not asked to report their monthly family income.

Square brackets indicate that the chi-square test may not be valid due to small sample sizes within the cross-tabulation distribution.

<sup>a</sup>Includes those with a complete review, which means that the quality control reviewer was able to determine whether the active case was eligible for benefits (this includes cases where the error amount was greater than or equal to the benefit amount) and, if eligible, whether the issued amount was correct or incorrect.

<sup>b</sup>Includes those selected for the case file review but for whom outcome data was not received, case files could not be located, and errors could not be determined, because of missing elements (thus ineligible).

<sup>c</sup>Includes Native American/American Indian, Asian and Pacific Islander, multiracial and other race categories.

<sup>d</sup>Income and earnings are before taxes and are for one job only — the one with the most hours.

<sup>e</sup>Equal to total family income per month before taxes. Participants are asked to include all forms of income: earnings, child support, any public cash assistance, including SSI or SSDI; excluded are earnings of children under age 19.

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Appendix Table A.2

Selected Baseline Characteristics of Sample Members in the Food Stamp QC Sample

Dayton and San Diego

Characteristic	Dayton			San Diego						
	WASC Group	Control Group	Difference	P-Value	WASC Group	Control Group	Difference	P-Value		
<b>Demographic characteristics</b>										
Gender (%)										
Female	89.4	93.1	-3.7	0.306	81.7	78.4	3.3	0.532		
Age (%)										
18 - 24	18.4	32.3	-13.9	**	0.039	11.1	8.8	2.3	0.325	
25 - 34	47.4	45.4	2.0	**	0.039	34.9	39.2	-4.3	0.325	
35 - 44	24.6	13.8	10.7	**	0.039	31.7	38.2	-6.5	0.325	
45 - 62	9.6	8.5	1.2	**	0.039	22.2	13.7	8.5	0.325	
Average age (years)	32.2	29.4	2.8	***	0.008	36.5	35.5	1.1	0.389	
Race/ethnicity (%)										
Hispanic	0.0	1.6	-1.6	[ ]	0.319	67.2	61.8	5.4	[ ]	0.200
White	25.4	21.9	3.6	[ ]	0.319	11.2	13.7	-2.5	[ ]	0.200
Black	72.8	73.4	-0.6	[ ]	0.319	16.8	14.7	2.1	[ ]	0.200
Other <sup>a</sup>	1.8	3.1	-1.4	[ ]	0.319	4.8	9.8	-5.0	[ ]	0.200
Citizenship (%)										
Born in United States	97.4	100.0	-2.6	[ ]	0.177	53.2	54.9	-1.7	0.787	
Naturalized citizen	0.9	0.0	0.9	[ ]	0.177	17.5	19.6	-2.1	0.787	
Noncitizen	1.8	0.0	1.8	[ ]	0.177	29.4	25.5	3.9	0.787	
Number of children (%)										
Has at least one child	86.6	78.9	7.7	0.117	86.5	83.3	3.2	0.503		
Average number of children	2.0	1.8	0.2	0.271	2.2	2.0	0.2	0.405		

(continued)

**Appendix Table A.2 (continued)**

Characteristic	Dayton			San Diego		
	WASC Group	Control Group	P-Value	WASC Group	Control Group	P-Value
Family size (%)						
1	15.0	21.5	0.147	13.5	13.7	0.309
2	26.5	20.8	0.147	16.7	26.5	0.309
3	19.5	27.7	0.147	26.2	20.6	0.309
4 or more	38.9	30.0	0.147	43.7	39.2	0.309
<b><u>Education status</u></b>						
High school diploma, GED, or above (%)	86.8	79.2	0.116	71.4	58.8	0.046
<b><u>Labor force status</u></b>						
Hours per week of work (%)						
1 - 19	27.4	23.8	0.927	16.7	16.7	0.769
20 - 29	23.9	28.5	0.927	20.6	19.6	0.769
30 - 39	26.5	26.2	0.927	30.2	24.5	0.769
40 or more	22.1	21.5	0.927	32.5	39.2	0.769
Average weekly earnings (\$) <sup>b</sup>	219	229	0.482	273	281	0.653
<b><u>Income and work supports</u></b>						
Average monthly family income (\$) <sup>b,c</sup>	1,112	1,089	0.756	1,336	1,306	0.685
Sample size	114	130		126	102	

(continued)

## Appendix Table A.2 (continued)

SOURCE: MDRC calculations from WASC Baseline Information Form.

NOTES: Sample includes only those with a complete review, which means that the quality control reviewer was able to determine whether the active case was eligible for benefits (this includes cases where the error amount was greater than or equal to the benefit amount) and, if eligible, whether the issued amount was correct or incorrect. This precludes those selected for the case file review but for whom outcome data was not received, case files could not be located, and errors could not be determined, because of missing elements (thus ineligible). Sample sizes vary because of missing values. In order to assess differences in characteristics across research groups, chi-square tests were used for categorical variables, and t-tests were used for continuous variables. Statistical significance levels are indicated as follows: \*\*\* = 1 percent, \*\* = 5 percent, \* = 10 percent. Sample members who were randomly assigned before November 22, 2005, were not asked to report their monthly family income.

Square brackets indicate that the chi-square test may not be valid due to small sample sizes within the cross-tabulation distribution.

<sup>a</sup>Includes Native American/American Indian, Asian and Pacific Islander, multiracial and other race categories.

<sup>b</sup>Income and earnings are before taxes and are for one job only — the one with the most hours.

<sup>c</sup>Equal to total family income per month before taxes. Participants are asked to include all forms of income: earnings, child support, any public cash assistance, including SSI or SSDI, excluded are earnings of children under age 19.

**The Work Advancement and Support Center Demonstration**  
**Appendix Table A.3**  
**Outcomes of the Food Stamp QC, Monthly Review Level**  
**Dayton and San Diego**

Outcome	Dayton				San Diego			
	WASC Group	Control Group	Difference	P-Value	WASC Group	Control Group	Difference	P-Value
<b>Monthly Reviews</b>								
Case error (%) <sup>a</sup>	11.4	13.5	-2.1	0.597	19.9	23.2	-3.2	0.488
Overissuance	7.2	5.8	1.4	0.646	11.8	13.9	-2.1	0.606
Underissuance	4.3	7.7	-3.4	0.242	8.7	9.9	-1.2	0.670
Food stamp error amount (\$) <sup>b</sup>	14	9	6	0.280	30	31	-2	0.860
Amount of food stamps received (\$)	270	280	-10	0.579	281	279	2	0.893
Dollar error (%) <sup>c</sup>	5.82	3.28	2.54	0.212	17.31	13.62	3.69	0.563
Overissuance	3.74	1.59	2.15	0.179	4.85	6.88	-2.03	0.338
Underissuance	2.08	1.69	0.39	0.776	12.46	6.74	5.72	0.340
Sample size (total = 647)	132	147			193	175		

SOURCES: MDRC calculations from Dayton and San Diego case file reviews.

NOTES: Sample sizes vary because of missing values. Error amounts only include differences of \$25 or greater; differences of less than \$25 are coded as 0. Sample includes only those with a complete review, which means that the quality control reviewer was able to determine whether the active case was eligible for benefits (this includes cases where the error amount was greater than or equal to the benefit amount) and, if eligible, whether the issued amount was correct or incorrect. This precludes those selected for the case file review but for whom outcome data was not received, case files could not be located, and errors could not be determined, because of missing elements (thus ineligible).

<sup>a</sup>Error for active cases results when a determination is made by a quality control reviewer that a household that received food stamp benefits during the sample month received an incorrect allotment or is ineligible, which is considered an overissuance in this analysis.

<sup>b</sup>The food stamp error amount is equal to the absolute value of the issued benefit amount minus the correct benefit amount.

<sup>c</sup>The dollar error rate is computed by calculating the amount paid in error divided by the total amount paid for each review and averaging across reviews in the sample.

**The Work Advancement and Support Center Demonstration**  
**Appendix Table A.4**  
**Outcomes of the First Food Stamp QC, Person Level**  
**Dayton and San Diego**

Outcome	Dayton				San Diego			
	WASC Group	Control Group	Difference	P-Value	WASC Group	Control Group	Difference	P-Value
<b>First Case File Review, Person Level</b>								
Case error (%) <sup>a</sup>	13.3	14.5	-1.2	0.798	18.3	21.5	-3.2	0.561
Overissuance	8.4	5.7	2.6	0.434	11.2	10.6	0.6	0.893
Underissuance	4.9	8.8	-3.8	0.264	7.1	11.8	-4.8	0.232
Food stamp error amount (\$) <sup>b</sup>	17	9	8	0.188	26	25	2	0.857
Amount of food stamps received (\$)	270	283	-13	0.509	255	262	-7	0.700
Dollar error (%) <sup>c</sup>	6.72	3.56	3.15	0.142	18.17	12.56	5.61	0.609
Overissuance	4.32	1.64	2.68	0.124	4.76	4.76	0.00	1.000
Underissuance	2.40	1.93	0.47	0.728	13.41	7.80	5.61	0.603
Sample size (total = 472 )	114	130			126	102		

SOURCES: MDRC calculations from Dayton and San Diego case file reviews.

NOTES: Includes only those with a complete review, which means that the quality control reviewer was able to determine whether the active case was eligible for benefits (this includes cases where the error amount was greater than or equal to the benefit amount) and, if eligible, whether the issued amount was correct or incorrect. This precludes those selected for the case file review but for whom outcome data was not received, case files could not be located, and errors could not be determined, because of missing elements (thus ineligible). Sample sizes vary because of missing values. Error amounts only include differences of \$25 or greater; differences of less than \$25 are coded as 0.

<sup>a</sup>Error for active cases results when a determination is made by a quality control reviewer that a household that received food stamp benefits during the sample month received an incorrect allotment or is ineligible, which is considered an overissuance in this analysis.

<sup>b</sup>The food stamp error amount is equal to the absolute value of the issued benefit amount minus the correct benefit amount.

<sup>c</sup>The dollar error rate is computed by calculating the amount paid in error divided by the total amount paid for each review and averaging across reviews in the sample.

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## About MDRC

MDRC is a nonprofit, nonpartisan social and education policy research organization dedicated to learning what works to improve the well-being of low-income people. Through its research and the active communication of its findings, MDRC seeks to enhance the effectiveness of social and education policies and programs.

Founded in 1974 and located in New York City and Oakland, California, MDRC is best known for mounting rigorous, large-scale, real-world tests of new and existing policies and programs. Its projects are a mix of demonstrations (field tests of promising new program approaches) and evaluations of ongoing government and community initiatives. MDRC's staff bring an unusual combination of research and organizational experience to their work, providing expertise on the latest in qualitative and quantitative methods and on program design, development, implementation, and management. MDRC seeks to learn not just whether a program is effective but also how and why the program's effects occur. In addition, it tries to place each project's findings in the broader context of related research — in order to build knowledge about what works across the social and education policy fields. MDRC's findings, lessons, and best practices are proactively shared with a broad audience in the policy and practitioner community as well as with the general public and the media.

Over the years, MDRC has brought its unique approach to an ever-growing range of policy areas and target populations. Once known primarily for evaluations of state welfare-to-work programs, today MDRC is also studying public school reforms, employment programs for ex-offenders and people with disabilities, and programs to help low-income students succeed in college. MDRC's projects are organized into five areas:

- Promoting Family Well-Being and Children's Development
- Improving Public Education
- Raising Academic Achievement and Persistence in College
- Supporting Low-Wage Workers and Communities
- Overcoming Barriers to Employment

Working in almost every state, all of the nation's largest cities, and Canada and the United Kingdom, MDRC conducts its projects in partnership with national, state, and local governments, public school systems, community organizations, and numerous private philanthropies.