

Maura T. Healey
Governor

Kimberley Driscoll
Lieutenant Governor



Kiame Mahaniah, MD, MBA
Secretary

Michael Cole
Commissioner

Payment Error Rate Reduction Report

March 2026

**DEPARTMENT OF TRANSITIONAL ASSISTANCE
PAYMENT ERROR RATE REDUCTION REPORT
MARCH 2026**

OVERVIEW

Pursuant to line item 4400-0709 of Section 2 of Chapter 73 of the Acts of 2025, the Department of Transitional Assistance (DTA) submits this report on strategies for reducing Payment Error Rates (PER) and summarizing departmental responses to recent policy changes to the Supplemental Nutrition Assistance Program (SNAP).

DEPARTMENT OF TRANSITIONAL ASSISTANCE MISSION

DTA's mission is to assist and empower low-income individuals and families to meet their basic needs, improve their quality of life, and achieve long-term economic self-sufficiency. DTA offers a comprehensive system of programs and supports to help individuals and families achieve greater economic self-sufficiency, including food and nutritional assistance, economic assistance, and employment supports

BACKGROUND

SNAP is a federal nutrition assistance program administered by DTA for Massachusetts residents. SNAP is the largest anti-hunger program in Massachusetts, serving more than one million people. Thirty-two percent of recipients are children under 18, 24% are seniors age 60 and older, and 28% are people with disabilities. In FFY25, SNAP brought approximately \$2.6 billion in federal dollars into Massachusetts, which was spent at over 5,500 retailers across the state. The average SNAP benefit in Massachusetts as of January 2026 is \$323 per household per month, or \$11 per household per day. SNAP benefits generate an economic multiplier effect of \$1.54 for every dollar spent, generating economic activity in every community across the Commonwealth.

PAYMENT ERROR RATE

The Payment Error Rate (PER) is a federally defined measure used by the United States Department of Agriculture (USDA) to evaluate the accuracy of states' administration of SNAP. The PER reflects whether eligibility determinations and benefit calculations are accurate for SNAP households. Errors occur when benefits are either overpaid or underpaid.

Payment errors are distinct from fraud. Errors may occur when information about wages, household composition, or expenses is reported incorrectly or when changes in household circumstances are not reflected in a timely manner. The PER is calculated through rigorous Quality Control (QC) reviews, using a statistical sample of SNAP cases that are reviewed under strict federal guidelines, requiring clients to be reinterviewed and documents reverified, to determine whether eligibility and benefits were determined correctly. The PER is calculated monthly, then averaged over the year to determine each state's Payment Error Rate for the entire federal fiscal year.

Prior to 2020, Massachusetts maintained a low PER, typically between 4 and 6 percent. Following national trends, during the COVID-19 pandemic, SNAP participation increased

significantly and federal administrative waivers were implemented to reduce barriers to accessing benefits. While these temporary policies supported access to food assistance during a period of increased need, they also contributed to increased payment error rates across the country in subsequent years. In Federal Fiscal Year 2024, Massachusetts' final PER was 14.1 percent.

In July 2025, the One Big Beautiful Bill Act (OBBBA) was enacted by the federal government. Under OBBBA, the federal government has increased the administrative cost share burden that states must carry from 25% to 50%. Additionally for the first time in SNAP's history, OBBBA shifts the cost of benefits from the federal government to the states—and ties the amount of benefits a state must pay in the future to the state's payment error rate (PER) for FFY 25 or FFY26. If a state's FFY25/FFY26 PER is under 5.99%, the federal government will continue to pay 100% of SNAP benefits, as it always has done. But if a state's FFY25/FFY26 PER exceeds 6%, the state will be expected to cover an increasingly higher share of SNAP benefits, ranging from 5%-15%, depending on the final PER. Because of the size of SNAP, these penalties could result in significant costs to the Commonwealth if the PER is not reduced. As a result, improving payment accuracy is a priority for the Department.

FEDERAL CHANGES TO SNAP

In addition to establishing a new federal-state cost share, OBBBA made significant changes to SNAP eligibility and administration. The Trump Administration required states to implement eligibility and benefit changes by November 1, 2025, or assume additional risk to the Payment Error Rate. To implement federally required changes, DTA updated notices and informational materials for clients, trained staff on new requirements, created public-facing resources in multiple languages to educate people on the changes, and worked with SNAP outreach partners in communities across the state to support clients navigate changes.

All changes apply to new applicants and to existing recipients at their next recertification. The major policy changes include the following areas:

Expanded Work Requirements. Adults ages 18 to 64 without dependents under 14 years of age are now required to work 80 hours per month or participate in a qualifying work activity unless they meet a qualifying exception at application or recertification. The new rules remove prior exceptions for veterans, homeless individuals, and individuals under 24 who aged out of foster care. Approximately 99,000 households in Massachusetts are estimated to be newly subject to these strict work requirements over the course of one year, including adults ages 55–65, and adults with children over 14.

Non-Citizen Eligibility. Federal changes limit SNAP non-citizen eligibility to Legal Permanent Residents, Cuban-Haitian Entrants, and Compact of Free Association (COFA) citizens. Households without an eligible member will have their SNAP cases closed at recertification, and ineligible members will be removed from mixed-status households. Approximately 9,500 immigrants in Massachusetts are estimated to lose eligibility over the next year as a result of this change.

Standard Utility Allowance Changes. SNAP households receiving energy assistance (H-EAT/LIHEAP) that include an elderly or disabled member will continue to automatically qualify for the Standard Utility Allowance. However, due to federal changes, households without an elderly or disabled member must now verify utility expenses to qualify for the Standard Utility Allowance at application or their next recertification. Approximately 45,000 Massachusetts households are at risk of having their benefits reduced due to this change over the next year.

Future Cost Impacts. Beginning in Federal Fiscal Year 2027, the federal administrative cost share for states increases from 50% to 75%, resulting in an estimated \$53 million in additional costs to Massachusetts. As noted in the previous section, beginning in Federal Fiscal Year 2028, the federal government will implement a benefit cost-share with states tied to each state's PER, which could result in up to \$394 million in benefit costs for Massachusetts. In total, Massachusetts faces up to \$447 million in potential SNAP benefit and administrative cost shifts as a result of these federal actions.

ONGOING STRATEGIES TO REDUCE THE PAYMENT ERROR RATE

To avoid escalating cost-share penalties and preserve SNAP, DTA is taking steps to rapidly reduce the PER while seeking to maintain access to benefits for which households are eligible. The Department's PER reduction strategy encompasses the following data-driven best practices. Using current and historical payment error data, and through collaboration with peer states, the Commonwealth has pursued the following initiatives to quickly and efficiently reduce the SNAP PER. The initiatives include:

Reinstatement of Recertification Interviews and Interim Report Requirements. DTA unwound COVID-era policies and has reinstated household interviews at recertification and requiring verification of income matches at interim reports. These procedural steps are critical to ensuring the accuracy of eligibility determinations and benefit calculations. By re-engaging households at regular intervals to verify income, household composition, and shelter expenses, the top drivers of errors in Massachusetts, DTA aims to reduce the incidence of over- and under-issuances before they are counted in the PER.

Changes to Self-Declarations. In February 2026, DTA expanded requests for documentary verification to better align with how errors are determined. In addition to providing documentation for identity, social security number (if applicable), Massachusetts residency, income, and non-citizen status (if applicable), clients are now also asked to provide documentary verification for certain expenses and circumstances whenever possible, except in situations where a client is unable to provide documentary verification and provides a reasonable explanation. This reflects a shift from current practice, where self-declaration has often been accepted as an initial form of verification, toward a more consistent emphasis on documentary evidence when available. DTA provides information to clients on acceptable verifications and has publicly available resources in multiple languages on verification requirements, including many options for how to submit documents. SNAP Outreach partners are also available to support clients submit documents and navigate application and recertification requirements. SNAP Outreach Partners have access to a provider portal through

DTA Connect they can use to identify the documents clients need to submit, and have been trained by DTA on verification documents and the changes to self-declarations DTA recently implemented.

Documentary evidence is key for accurate payments for many reasons. These steps are intended to ensure that documentary evidence is available in the case record if selected for a Quality Control sample review. When verification is on file, Quality Control reviewers generally do not need to make additional attempts to reverify the expense, thereby reducing the risk of error findings due to discrepancies.

Hiring Case Workers and Dedicated Staff. In January 2026, DTA hired an additional 76 case workers to reduce caseload-to-worker ratios and improve staff ability to accurately process cases. Higher caseloads per worker increase the risk of errors in eligibility and benefit determinations. By increasing staffing levels, the Department aims to expand case manager time and capacity necessary to conduct thorough and accurate reviews of each household's circumstances.

Establishing a Dedicated Quality Assurance Team. A dedicated Quality Assurance team of highly skilled case workers has been created to support payment accuracy efforts. This team focuses specifically on identifying, reviewing, and correcting cases that present an elevated risk of error, providing a specialized layer of oversight to complement the work of frontline eligibility staff. The Quality Assurance staff focus on existing cases, working to identify and correct payment errors before they can be captured in a Quality Control review sample.

Staff Training and Development. The Department has enhanced its staff development and training programs to focus on areas with the highest risk of errors. Targeted training will ensure that case managers are well-versed in the complex SNAP eligibility rules most likely to result in miscalculations, including but not limited to income reporting, household composition changes, and shelter expense verification. By investing in staff competency in these high-risk areas, the Department aims to reduce the rate of agency-attributable errors. Staff training and development opportunities are informed by and responsive to error trends, staff and supervisor feedback, and quality improvement data.

Leveraging Data to Identify Cases at High Risk of Errors. DTA is leveraging internal and external data to identify and correct errors. The Department uses data analytics modeling to proactively flag cases that may contain an error based on factors such as reported income levels, household composition, and recent changes in circumstances. By targeting review and intervention efforts to these potentially error containing cases, DTA can more efficiently deploy its case management resources to address errors before they are reflected in the PER.

Improving Technology Platforms. In support of case managers, DTA is working to improve its technology platforms to ensure availability and stability of the systems case managers use to complete their work. This includes migrating DTA's eligibility system to a cloud platform and

improving case manager workflows to support accurate benefit determinations within the eligibility system.

Data Matching. DTA has also enhanced use of external data matches, which include timely wage information, to identify households with misreported or underreported eligibility factors requiring follow-up and correction to reduce payment errors.

GOVERNOR'S ANTI-HUNGER TASK FORCE

In response to the harmful federal cuts to SNAP and their anticipated impacts on Massachusetts residents, Governor Healey issued an Executive Order in July 2025 establishing the Governor's Anti-Hunger Task Force. The Task Force is charged with developing a coordinated state response to the federal SNAP changes and their impact on hunger and food insecurity across the Commonwealth.

The Task Force objectives include: providing recommendations for mitigating the direct and indirect impacts of federal SNAP cuts and program changes to Massachusetts; initiating and deepening collaboration among public, private, and nonprofit sectors for alleviating hunger and food insecurity, with a specific focus on communities and populations most impacted by federal action; exploring opportunities for partnership and collaboration across northeastern states, including New England and New York; and providing recommendations for long-term, sustainable solutions for mitigating hunger and food insecurity, preserving food systems, and bolstering local economies through cross-cutting initiatives, including public-private partnerships, coordinated state responses, and data-driven reforms to policies and practices.

More information about the Governor's Anti-Hunger Task Force is available at www.mass.gov/governors-anti-hunger-task-force.