



DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

Agency Information Collection Activities: Assessment of Administrative Costs of Electronic Healthy Incentives Projects (eHIP)

AGENCY: Food and Nutrition Service (FNS), USDA.

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, this notice invites the general public and other public agencies to comment on this proposed information collection.

This is a new collection for the study “Assessment of Administrative Costs of Electronic Healthy Incentives Projects (eHIP).” This study will calculate costs incurred by eHIP, which will provide incentives through EBT integration to increase purchase of healthy foods (e.g., fruits and vegetables) by Supplemental Nutrition Assistance Program (SNAP) participants.

DATES: Written comments must be received on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE **FEDERAL REGISTER**].

ADDRESSES: Comments may be sent to: Kathleen Patton, Food and Nutrition Service, U.S. Department of Agriculture, 1320 Braddock Place, 5th floor, Alexandria, VA 22314. Comments may also be submitted via email to Kathleen.Patton@usda.gov. Comments will also be accepted through the Federal eRulemaking Portal. Go to <http://www.regulations.gov> and follow the online instructions for submitting comments electronically.

All responses to this notice will be summarized and included in the request for Office of Management and Budget approval. All comments will be a matter of public record.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of this information collection should be directed Kathleen Patton at Kathleen.Patton@usda.gov or 703-305-2813.

SUPPLEMENTARY INFORMATION:

Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions that were used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on those who are to respond, including use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Title: Assessment of Administrative Costs of Electronic Healthy Incentives Projects (eHIP)

Form Number: Not Applicable

OMB Number: 0584-NEW

Expiration Date: Not Yet Determined.

Type of Request: New Collection.

Abstract: The Supplemental Nutrition Assistance Program (SNAP), administered by the United States Department of Agriculture (USDA), Food and Nutrition Service (FNS), distributes benefits to eligible low-income households through Electronic Benefits Transfer (EBT) card technology. In fiscal year 2023 FNS awarded grants to three States, Colorado, Louisiana, and Washington for implementing Electronic Healthy Incentives Projects (eHIP) to leverage EBT integration to deliver financial incentives at point of purchase to SNAP households when they purchase qualifying foods (e.g., fruits and vegetables). The aim of this study is to calculate the costs of eHIP in the three States to determine the startup and ongoing costs of administering incentives to SNAP households through EBT integration and to estimate the cost of administering eHIP at scale. The study will quantify startup and ongoing administrative costs to State grantees, retailers, and other eHIP stakeholders. It will also compare administrative costs to the amount of funding distributed as incentives.

Data will be collected from the three project States and multiple entities working with these States, including retailers, EBT processors, third-party processors (TPPs). These data will include both cost data, collected through cost data templates submitted to the States/entities, as well as interviews with State and other project representatives to contextualize the cost data. In addition, existing national data (such as SNAP caseloads and SNAP-authorized retailers) and State data from non-project States (such as State wage rates) will be examined in order to estimate the cost of nationwide expansion of eHIP. Lastly, data from select Gus Schumacher Nutrition Incentive Program (GusNIP) grantees—that do not use EBT integration for delivering incentives to SNAP households for purchasing fruits and vegetables will be examined to estimate the costs and return on investment (ROI) of GusNIP and compare these to the eHIP costs and ROI, in order to provide information on how these two incentive delivery modalities differ in costs and economic impact.

Data collection is expected to occur beginning in March 2025 with an approximate end date of May 2026. Data collection activities will be designed to address the three main objectives for the study:

1. Quantify, to the extent possible, the cost of administering eHIP;
2. Estimate the cost of nationwide expansion of eHIP; and
3. Compare the cost of administering eHIP with other incentive programs for SNAP households that do not use EBT integration.

Design consists of building and populating a central cost model for estimating the costs of implementing and administering eHIP. This model will then be expanded, through the use of publicly available State and national data, to estimate the nationwide costs of implementation and administration. Finally, existing data on GusNIP programs will be used to compare costs between eHIP and GusNIP.

Affected Public: State respondents are eHIP project staff. For-profit and not-for-profit business respondents are eHIP-participating EBT vendor staff, TPP staff, and retailer staff.

Estimated Number of Respondents: The estimated number of respondents is 38. Within each State, the study expects responses from 4 State staff (4 staff x 3 States = 12 State staff). In addition, the study expects to have responses from 6 retailer staff for each eHIP State (6 staff x 3 States = 18 retailer staff), as well as 2 TPP staff for each eHIP State (2 staff x 3 States = 6 TPP staff). Finally, the study expects responses from 2 EBT processor staff, 1 each from the two EBT processor firms working with the three eHIP States.

Estimated Number of Responses per Respondent: Across all respondents, the average number of responses is 7.3 (277 responses across 38 respondent). The number of responses will vary by respondent group and the specific data collection activity.

For the State SNAP agency staff:

- One staffer within each State will be asked to respond once to the pre-test of the cost templates and three times to the cost data templates data collection.
- Two staffers in each State will be asked to respond twice to the phone interview data collection. Staff will receive an electronic letter (i.e., email) for inviting them to participate and for scheduling the interview. They will also receive an email reminder for the interview, as well as a thank you email.

For the EBT processors, one staff from each of the two EBT processors will be asked to respond two times to phone interview data collection (including invitation to schedule, reminder, interview, and thank you note). For the retailer staff, 6 retailer staff from each State will be asked to respond two times to phone interview data collection (including invitation to schedule, reminder, interview, and thank you note). For the TPP staff, two staff from each State will be asked to respond two times to phone interview data collection (including invitation to schedule, reminder, interview, and thank you note).

We expect a 100 percent response rate from all categories of respondents.

Estimated Total Annual Responses: The estimated number of total annual responses is 277 (38 respondents and no nonrespondents).

Estimated Time per Response: The estimated time of response varies from 0.083 hours to 7 hours depending on the instrument, as shown in the table below. The average estimated time per response is 0.644 hours.

Estimated Total Annual Burden on Respondents: The estimated total annual burden on respondents 178.315 hours. See the table below for estimated total annual burden for each type of respondent.

Total Burden Estimates

Respondent Category	Type of respondents	Instruments	Sample Size	Responsive					Non-Responsive					All Respondents		
				Number of respondents	Frequency of response	Total Annual responses	Hours per response ^a	Annual burden (hours)	Number of non-respondents	Frequency of response	Total Annual responses	Hours per response	Annual burden (hours)	Grand Total Annual Burden Estimate (hours)	Hourly Wage Rate ^b	Total Annualized Cost of Respondent Burden ^c
		Pre-test with Cost Templates	3	3	1	3	1.5	4.5	0	0	0	0	0	4.5	\$ 40.85	\$ 183.83
State Government ^d	Project Staff	Electronic Letter with Data Request	3	3	3	9	0.167	1.503	0	0	0	0	0	1.503	\$ 40.85	\$ 61.40
		Cost Data Templates Data Collection	3	3	3	9	7	63	0	0	0	0	0	63	\$ 40.85	\$ 2,573.55
		Electronic Letter with Request to Schedule Phone Interview	6	6	2	12	0.167	2.004	0	0	0	0	0	2.004	\$ 40.85	\$ 81.86
		Electronic Letter with Reminder about Phone Interview	6	6	2	12	0.083	0.996	0	0	0	0	0	0.996	\$ 40.85	\$ 40.69
		In-Depth Phone Interview (includes consent)	6	6	2	12	1.5	18	0	0	0	0	0	18	\$ 40.85	\$ 735.30
		In-Depth Interview Follow Up and Thank You Note	6	6	2	12	0.083	0.996	0	0	0	0	0	0.996	\$ 40.85	\$ 40.69
State Sub-Total			12	12	6	69	1.3188261	90.999	0	0	0	0	0	90.999		\$ 3,717.31

Businesses	EBT Processors ^e	Electronic Letter with Request to Schedule Phone Interview	2	2	2	4	0.167	0.668	0	0	0	0	0	0.668	\$ 83.49	\$ 55.77
		Electronic Letter with Reminder about Phone Interview	2	2	2	4	0.083	0.332	0	0	0	0	0	0.332	\$ 83.49	\$ 27.72
		In-Depth Phone Interview (includes consent)	2	2	2	4	1	4	0	0	0	0	0	4	\$ 83.49	\$ 333.96
		In-Depth Interview Follow Up and Thank You Note	2	2	2	4	0.083	0.332	0	0	0	0	0	0.332	\$ 83.49	\$ 27.72
	Retailers ^f	Electronic Letter with Request to Schedule Phone Interview	18	18	2	36	0.167	6.012	0	0	0	0	0	6.012	\$ 59.07	\$ 355.13
		Electronic Letter with Reminder about Phone Interview	18	18	2	36	0.083	2.988	0	0	0	0	0	2.988	\$ 59.07	\$ 176.50
		In-Depth Phone Interview (includes consent)	18	18	2	36	1.5	54	0	0	0	0	0	54	\$ 59.07	\$ 3,189.78
		In-Depth Interview Follow Up and Thank You Note	18	18	2	36	0.083	2.988	0	0	0	0	0	2.988	\$ 59.07	\$ 176.50

Third Party Processors ^d	Electronic Letter with Request to Schedule Phone Interview	6	6	2	12	0.167	2.004	0	0	0	0	0	2.004	\$ 83.49	\$ 167.31
	Electronic Letter with Reminder about Phone Interview	6	6	2	12	0.083	0.996	0	0	0	0	0	0.996	\$ 83.49	\$ 83.16
	In-Depth Phone Interview (includes consent)	6	6	2	12	1	12	0	0	0	0	0	12	\$ 83.49	\$ 1,001.88
	In-Depth Interview Follow Up and Thank You Note	6	6	2	12	0.083	0.996	0	0	0	0	0	0.996	\$ 83.49	\$ 83.16
Business Sub-Total		26	26	6	208	0.41978 85	87.316	0	0	0	0	0	65		\$ 5,678.59
TOTAL		38	38	12	277	0.64373 65	178.31 5	0	0	0	0	0	178.31 5		\$ 9,395.90

Notes:

^aDecimal values have been calculated by multiplying the decimal unit value of one minute (.0167) by the total number of minutes (Conversion of Minutes to Decimals)

^bAll hourly wage rates are fully loaded.

^cCosts are rounded up to the next whole cent.

^dJob category "Management Occupations" code #11-9151 "Social and Community Service Managers" industry "State Government" for state level mean hourly wage of \$40.85.

^eJob category "Management Occupations" code #11-3021 "Computer and Information Systems Managers" mean hourly wage \$83.49.

^fJob category "Management Occupations" code #11-1021 "General and Operations Managers" mean hourly wage \$59.07.

Tameka Owens,
Assistant Administrator,
Food and Nutrition Service.