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Applicant

eBook

# Rethinking Verification in a Changing HHS Landscape

A practical guide to modern, consent-based  
income and employment verification for  
government agencies

# A Growing gap between verification demands and legacy capabilities

**Direct-source, consent-based verifications offer a practical path forward.**

For government benefit programs like SNAP, TANF, Medicaid, and unemployment insurance, traditional income and employment verification models are proving inadequate. These legacy approaches—built on manual document reviews, fragmented data sources, and outdated databases—are costly and prone to delays, and create gaps in coverage that leave eligible individuals without the support they need.

Meanwhile, the pressure on agencies administering these programs is mounting from multiple directions. The federal government recently tightened SNAP payment error rate thresholds, with substantial financial penalties awaiting states that fail to meet accuracy standards. At the same time, work requirements have expanded across benefits programs, demanding ongoing, granular verification of income and hours worked. And all of this comes at a time when federal administrative funding is being reduced and workforce capacity is constrained.

Direct-source, consent-based verifications offer a practical path forward. By connecting agencies directly to applicants' payroll systems, employer platforms, and financial accounts through secure, consumer-permissioned data sharing, this technology delivers the verification accuracy, timeliness, and efficiency that modern eligibility determination workflows demand.



It's an approach that supports both operational goals and program integrity by saving agencies time and money, reducing procedural denials, and ensuring that limited resources reach those who truly need them.

This guide examines the current state of income and employment verification for government benefits, explores the full range of verification options available to agencies administering benefits programs, and makes the case for why direct-source data should form the foundation of a modern verification approach.



## Who is this guide for?

This guide is for Health and Human Services professionals who want to learn about consent-based verifications (CBV) as an alternative to legacy database options such as The Work Number. It covers what CBV is, how it works, and implementation paths to get started.

The path forward

# Real-world results from consent-based verification (CBV)

Government agencies across the country are already implementing consent-based verification (CBV) with Argyle to modernize eligibility and renewal workflows.

**99%** of applicant searches  
return verification results

**6.7 min**



# From speed to savings

The following snapshot highlights real results from implementations across approximately ten state agencies, demonstrating measurable improvements in both operational efficiency and the applicant experience. While outcomes vary by program design and workflow, agencies consistently report meaningful benefits in the areas below:

## Faster processing

**31.6%**

reduction in decision time from application to eligibility determination

**66%**

reduction in days pending post-interview

## High success rates

**99%**

of applicant searches successfully return verification results

**85%**

of applicants report no difficulty completing verification

**6.7 min**

median applicant completion time

## Accuracy, staff satisfaction, and cost savings

**90%**

of verification reports contain data from the last 14 days

**93%**

of caseworkers find Argyle as easy or easier to use than The Work Number

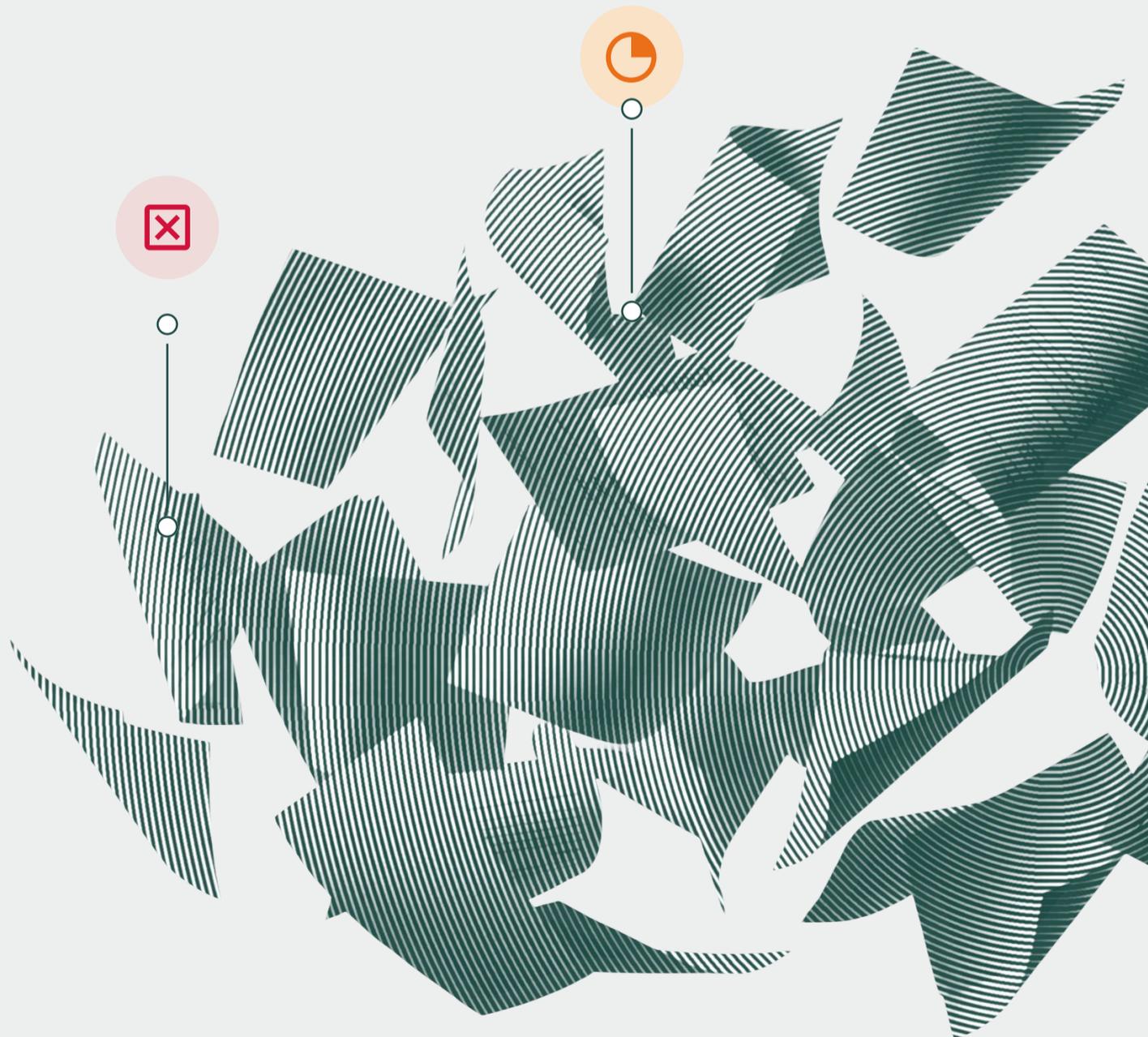
**90%**

reduction in verification costs compared to database providers and manual processes

Why CBV matters now

# The state of income & employment verification today

Government agencies administering SNAP, Medicaid, TANF, unemployment insurance, and other benefit programs face unprecedented verification challenges. From rising costs and shrinking federal funding to an increasingly diverse workforce that legacy systems were never designed to cover, the pressures are converging at precisely the moment when accuracy and efficiency matter most. The result is a widening gap between what today's verification infrastructure can deliver and what modern eligibility determinations demand.



# How legacy verification infrastructure falls short

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-  **Fragmented data sources and outdated systems**
- Most agencies rely on a patchwork of verification methods like manual document review, database checks through providers like The Work Number, and paper-based processes. Each source provides only a partial view of an applicant's employment and income situation, and data can be outdated by the time it's compiled and reviewed for eligibility.
- 
-  **High administrative burden**
- Caseworkers spend hours chasing down and reviewing proof of income and employment status, reconciling conflicting information, entering data into multiple systems, and following up on incomplete applications. Each manual touch point introduces delay and the potential for errors. In practice, verification bottlenecks show up as pending queues, repeat requests for information, increased applicant complaints, and added supervisor review.
- 
-  **Incomplete workforce coverage**
- The most popular legacy database verification tool, The Work Number, covers approximately 125 million U.S. workers—but that leaves millions more outside the system. Gig workers, independent contractors, employees of smaller businesses, and federal workers are often excluded from verification database coverage. This creates significant blind spots in areas of the labor market where low-income applicants are likely to work.
- 
-  **Costly verification fees**
- Database verification comes with significant per-transaction costs. According to reporting from The New York Times, some states have seen their database verification expenses nearly double over just two years, with others experiencing increases approaching 400%. When processing thousands of verifications each month, these fees quickly add up to millions of dollars annually—costs that could otherwise fund direct services.



## Applicant burdens

For applicants, traditional verification creates substantial barriers. They must locate paystubs (which gig workers often don't receive), download bank statements, request employer letters, and physically deliver or upload documents. For those without reliable transportation, digital literacy, traditional employment, or predictable work schedules, these requirements can prove insurmountable. The result is procedural denials and coverage losses for eligible individuals who simply couldn't navigate the verification process.

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These challenges stem from systems and processes that were designed for a different era and a different workforce, and they're creating operational bottlenecks that impact both agencies and the people they serve.

## How verification challenges affect benefit programs

These systemic verification challenges manifest similarly across benefit programs, and the impact is consistently negative for both agencies and applicants across Medicaid, SNAP, and TANF.

### **Medicaid: Expedited timelines strain capacity**

Since the unwinding of continuous enrollment provisions in 2023, Medicaid agencies annually face expedited redetermination timelines for millions of renewals. This burden will only increase in 2027 when new work requirements under The Big Beautiful Bill Act go into effect.

When income and employment verification takes days or weeks, agencies administering Medicaid struggle to meet federal timeliness requirements, resulting in coverage gaps for eligible members. Research from the Center on Budget and Policy Priorities shows that one of the more common reasons eligible individuals lose coverage is because agencies can't verify submitted information accurately or in a timely manner.

### Where CBV can help



Initial eligibility determinations



Redeterminations / renewals



Procedural terminations



Timeliness vs. accuracy tension



Equity implications

# 5–15%

tiered financial penalties on total benefit costs

# 5 states

currently below the 6% error rate threshold

### SNAP: New accuracy requirements create financial exposure

Recent federal legislation has dramatically increased state exposure to SNAP payment error rates. States with error rates at or above 6% now face tiered financial penalties ranging from 5% to 15% of total benefit costs. With only five states currently reporting error rates below 6% and the national average near 11%, the vast majority of states face penalties beginning in October 2027. For many states, this can represent up to a 768% increase in total costs, adding up to millions or even billions of dollars in new annual expenses.

# \$57

monthly per-household error amount now counted toward SNAP error rates

Compounding this challenge, errors under \$57 per household monthly that were previously excluded now count toward error rates. Meanwhile, expanded work requirements mandate that able-bodied adults without dependents work, train, or volunteer for at least 80 hours per month, creating new demands for granular verification of hours worked—data that legacy systems often can't provide.

## Where CBV can help



Error-rate thresholds



Reverification frequency



Administrative cost vs. benefit cost exposure



Budget protection

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## TANF and UI: Balancing access and accuracy

TANF and unemployment insurance programs face similar pressures around work verification and fraud prevention. Both programs require documentation of employment status and earned income, but must also maintain accessible pathways for eligible individuals to receive support during critical transition periods. When verification becomes a bottleneck, benefits are delayed, increasing hardship for families already facing financial instability. At the same time, verifications must be conducted with the utmost accuracy to prevent overpayment of benefits, which strain program budgets and create unnecessary headaches for administrators and recipients alike.

## Where CBV can help

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Fraud narratives vs. real-world volatility

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Seasonal and variable income

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Political scrutiny

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**Inaccurate verifications can expose agencies to improper payment risks and corrective action plans.**

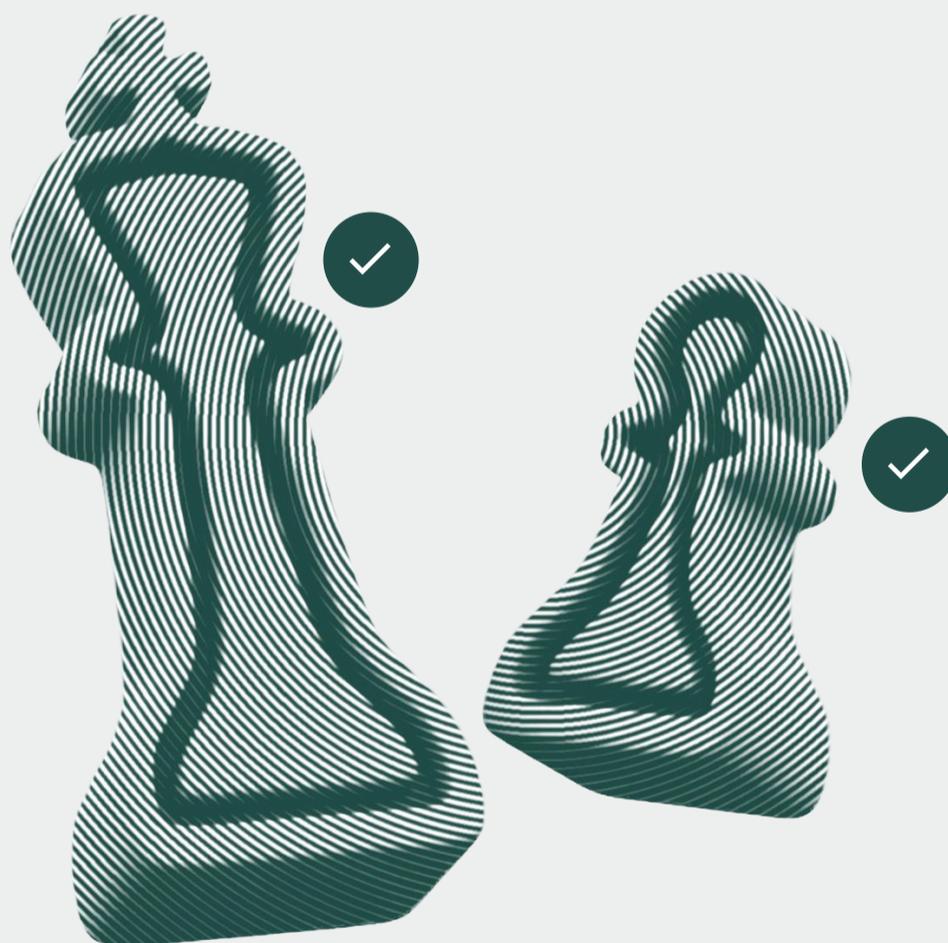
### **Cross-program impact: The cost of delay**

Across all programs, verification delays create cascading problems. Pending applications require multiple staff touchpoints, generate call center volume, and ultimately delay benefit delivery to eligible applicants. Procedural denials and coverage churn create gaps that harm vulnerable populations and generate additional administrative work as individuals reapply. And inaccurate verifications—whether false positives or false negatives—erode program integrity while potentially exposing agencies to improper payment risks and corrective action plans.

The solution landscape

# Verification models: understanding your options

State agencies have access to several distinct income and employment verification approaches, each with specific strengths, limitations, and use cases. Understanding these options and the differences between them is essential for building an effective, modern verification strategy.



# The legacy model: centralized databases

Despite their wide use, database verification models have significant shortcomings that limit their effectiveness for eligibility determinations.

## How it works

Centralized database verification providers—like The Work Number—buy income and employment data from employers and payroll providers, aggregate this information in databases, and then sell verification reports back to agencies and other requesting parties. When an agency requests verification, they submit identifying information about an applicant, and the database provider searches their records and returns a report containing whatever employment and income data is on file.

## Benefits

Database verification offers familiarity. Agencies are accustomed to integrating these providers into existing workflows. And for applicants with traditional W-2 employment at the large companies that contribute data to these databases, verification can be completed quickly.

## Limitations Agencies are Realizing

As eligibility programs evolve, many agencies are recognizing that database-based verification models no longer align with the accuracy, timeliness, and coverage demands of modern eligibility determinations.

Despite their wide use, database verification models have significant shortcomings that limit their effectiveness for eligibility determinations.

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	<b>High and rising costs</b>	Databases charge per report, including reverifications, and costs are increasing rapidly. Some states have seen database verification expenses nearly double over just two years. When processing thousands of verifications monthly, these fees represent millions of dollars in annual costs.
	<b>Incomplete coverage</b>	The Work Number excludes millions of gig workers, independent contractors, employees at smaller businesses, federal workers, and others.
	<b>Data latency</b>	Database records are updated on employer pay cycles, typically every two weeks or longer. This means income and employment data in verification reports could be weeks or even months out of date by the time an agency receives it. For applicants whose employment or income has recently changed, this lag creates serious accuracy problems.
	<b>Limited data granularity</b>	Traditional database reports provide basic employment status and income figures, but often lack shift-level information and hours worked per month, which are essential for compliance with work requirements.
	<b>Privacy concerns</b>	Database models collect and store sensitive personal information on millions of workers, creating substantial data stores that represent potential security and privacy risks. Workers have limited visibility into what data is held, how it's used, and who accesses it.
	<b>Insufficient for identity resolution</b>	Database checks assume accurate identity matching, but they don't typically include robust identity verification capabilities, potentially leading to cases where reports are generated for the wrong individual or miss applicants whose names or other identifiers have changed.

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# Manual document-based verification

Documents provide a tangible record that agencies can retain for audit and compliance.

## How it works

Manual document verification requires applicants to locate, obtain, and submit physical or digital documentation of their income and employment—typically paystubs, employer letters, bank statements, or tax documents. Caseworkers then review these documents, extract relevant information, and enter data into eligibility systems.

## Benefits

Document-based verifications are universal. Virtually anyone with income or employment can theoretically produce some form of documentation. It requires minimal technology infrastructure and can work for applicants who lack digital access or prefer paper-based processes. Documents also provide a tangible record that agencies can retain in case files for audit and compliance purposes.

## Limitations Agencies are Realizing

What agencies are increasingly experiencing is that manual, document-based verification introduces friction at nearly every point in the eligibility process—for both applicants and staff.

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	<b>Administrative burden and processing delays</b>	Agencies report that manual document collection and review consumes significant staff time, pulling caseworkers away from higher-value case management activities. Each document request, follow-up, and review extends application timelines and contributes to growing backlogs, particularly in periods of high volume or staffing constraints.
	<b>Applicant burden and procedural risk</b>	From the applicant perspective, document-based verification is often time-consuming and difficult to navigate. This is especially true for gig workers who may not receive traditional paystubs, individuals working multiple jobs, and applicants with unstable housing or limited digital access. These challenges increase the likelihood of incomplete submissions, repeat requests, and ultimately procedural denials for otherwise eligible individuals.
	<b>Error-prone data handling</b>	Manual data entry introduces opportunities for transcription errors and inconsistent interpretation. Documents may be outdated, illegible, or ambiguous, and caseworkers operating under tight timelines may miss discrepancies or make calculation errors—contributing to inaccurate determinations and downstream corrections.
	<b>Limited fraud detection</b>	Agencies also note that document-based processes provide limited protection against fraud. Altered or fabricated documents can be difficult to identify through visual inspection alone, particularly as increasingly sophisticated tools make document manipulation easier and harder to detect.

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# Direct-source, consent-based verification

## How it works

Direct-source, consent-based verification connects agencies to income and employment data systems of record: applicants' payroll systems, employer platforms, and financial accounts. Through secure, consumer-permissioned connections, agencies access real-time data that flows directly from these source systems.

## Benefits

Direct-source, consent-based verifications address the core limitations of both database and document-based approaches.

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	<b>Real-time, comprehensive data</b>	Information is retrieved directly from source systems at the moment of verification, ensuring agencies receive the most current data.
	<b>Superior workforce coverage</b>	Direct-source platforms expand coverage beyond traditional databases by including non-traditional workers—such as gig and federal employees—who are often excluded. For example, Argyle covers 90% of the U.S. workforce, including access to 30+ gig platforms.
	<b>Significantly lower costs</b>	Direct-source verification costs are substantially lower than database fees—agencies can save up to 90% compared to legacy methods.

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	<b>Reduced administrative burden</b>	Automated data retrieval eliminates the need for manual document collection, review, and data entry.
	<b>Enhanced accuracy</b>	By eliminating manual data entry and accessing verified information directly from source systems, direct-source verification reduces error rates significantly. There are no transcription mistakes, outdated information, or ambiguous documents requiring interpretation.
	<b>Stronger fraud prevention</b>	Data flowing directly from payroll and banking systems is exponentially harder to falsify than paper documents.
	<b>Improved applicant experience</b>	Instead of tracking down documents, applicants authorize data sharing by logging into their accounts—a process that usually takes under 7 minutes.
	<b>Privacy by design</b>	Consent-based verification gives applicants explicit control over their data, and data flows directly from source to agency, minimizing the handling of sensitive documents and reducing exposure to potential breaches.
	<b>Comprehensive data</b>	Direct-source connections provide access to granular details, including job status, pay cycles, hours worked per period, base pay, bonuses, commissions, historical income trends, employment tenure, and more. This depth of information supports more accurate eligibility determinations and compliance with work requirement verification.

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**Success depends less on technology constraints and more on intentional design and planning.**

### **Limitations Agencies are Realizing**

Agencies implementing direct-source, consent-based verification have learned that success depends less on technology constraints and more on intentional design and planning.

In practice, agencies have found that direct-source verification works best when implementation considers both system integration and applicant access from the outset.

From a systems perspective, agencies plan for how direct-source verification will integrate into existing eligibility workflows. While some level of technical alignment is required, the availability of low-code and no-code implementation options has significantly reduced barriers to adoption, allowing agencies with varying levels of IT capacity to deploy direct-source verification effectively.

From an applicant perspective, agencies recognize that direct-source verification relies on digital, consent-based access to payroll or financial accounts. As a result, successful implementations account for varying levels of digital access and comfort by pairing direct-source verification with complementary verification pathways. This hybrid approach ensures that applicants who cannot complete online authorization—due to access limitations, unsupported employers, or personal preference—can still complete the verification process without unnecessary delay.

Taken together, agencies have learned that direct-source verification is most effective when it is implemented as the foundation of a broader verification strategy.

# Automated document-based verification

Automated document processing saves time by reducing the need for manual caseworker reviews.

## How it works

Automated document verification uses optical character recognition (OCR) and artificial intelligence (AI) to extract data from uploaded documents like paystubs, tax returns, or bank statements. Applicants submit documents digitally, and the technology automatically reads, validates, and extracts relevant information.

## Benefits

Compared to manual document processing, automated document processing saves time by reducing the need for manual caseworker reviews. It also increases verification coverage when used as a fallback option, since it can handle situations where neither database nor direct-source verification is available. OCR technology can also flag potential fraud indicators by comparing documents against expected formats.

## Limitations Agencies are Realizing

Automated document verification works best as a complementary option within a hybrid verification strategy. When an applicant can't connect directly to their payroll system (perhaps because their employer isn't supported), automated document processing provides an efficient alternative that still reduces manual workload.

## Verification methods at a glance

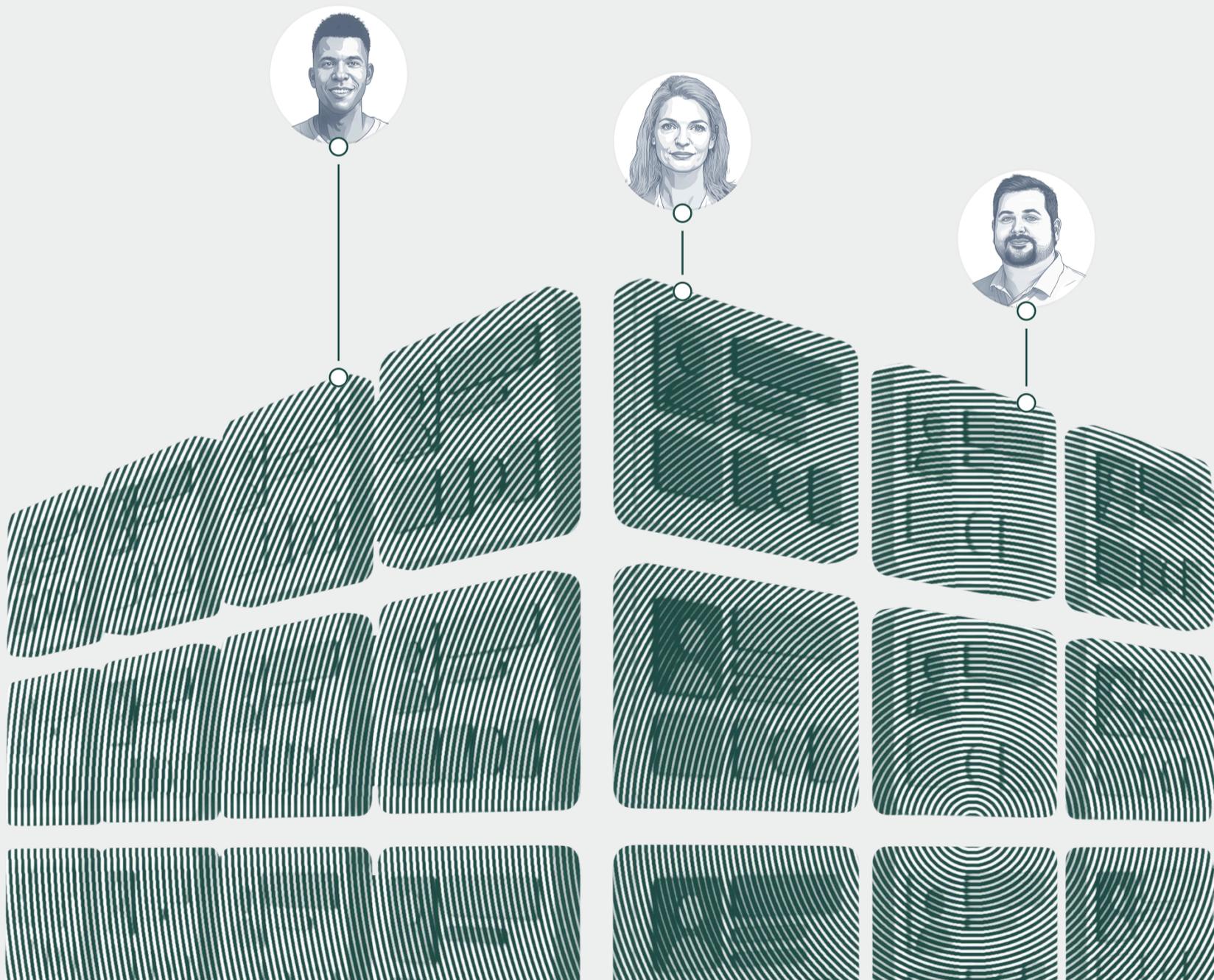
Feature	Database Verification	Manual Documents	Consent-based Verification	Doc OCR
Data Freshness	Varies, often outdated	Varies, often outdated	Real time	Varies, often outdated
Coverage	Largely limited to W-2 workers	Universal excluding gig or self-employed	Includes gig, federal, and independent contractors in addition to W-2 workers	Universal
Cost	Significant price increases are common	High labor costs	Up to 90% savings possible; stable pricing model	Still requires labor costs for review
Processing Speed	Fast	Slow	Fast	Fast (once documents are uploaded)
Fraud Prevention	Limited	Limited	Strong	Moderate
Data Granularity	Basic	Limited by documents	Comprehensive	Limited by documents
Applicant Burden	None	High	Low	Moderate

Each verification method has a role to play, but direct-source verification addresses the core challenges agencies face—providing real-time accuracy, comprehensive coverage, significant cost savings, and a superior experience for both staff and applicants. A modern verification strategy uses direct-source verification as the foundation, with automated document processing as a fallback and manual review reserved for exceptional cases.

The modern approach

# Benefits of direct-source data for eligibility determinations

Direct-source, consent-based verifications aren't just an incremental improvement over legacy methods—they represent a fundamental shift in how state agencies can approach the verification challenge. By connecting directly to applicants' payroll systems, employer platforms, and financial accounts, agencies gain access to real-time, verified data that eliminates the gaps, delays, and vulnerabilities inherent in traditional approaches.



## Improved accuracy and real-time data

**Direct-source verification significantly improves accuracy while reducing processing complexity.**

One critical advantage of direct-source verification is data accuracy. When information flows directly from an applicant's employer, payroll system, or bank account at the moment of verification, agencies receive a current and accurate picture of employment and income.

Compare this to verification database providers that update records based on employer pay cycles—typically every two weeks or longer. By the time an agency requests a verification report, the data may be weeks or even months out of date. For someone who recently started a new job, lost employment, or experienced a significant change in hours or income, this lag creates substantial accuracy problems.

It's especially problematic in today's dynamic labor market, where employment situations change rapidly. Someone working multiple part-time jobs may pick up an additional shift, lose hours at one employer, or transition between positions. Gig workers may increase or decrease their platform activity from week to week. Direct-source verification captures these changes as they happen, ensuring eligibility determinations reflect applicants' actual circumstances rather than outdated snapshots.

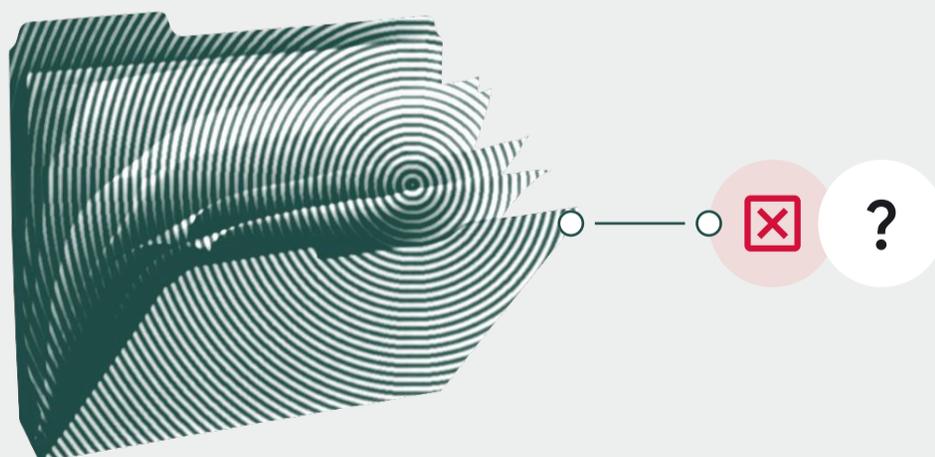
And for applicants working multiple jobs, direct-source verification provides a critical advantage: the ability to consolidate income data across all connected accounts. This comprehensive view significantly improves accuracy while reducing processing complexity.

# Reduced administrative burden

Verification consumes an enormous amount of staff time—time that could be better spent on case management, applicant support, and program improvement. Direct-source verification delivers substantial administrative efficiency gains in a few ways.

First, caseworkers no longer need to request, collect, organize, and review paystubs, bank statements, or employer letters. This eliminates not just the initial document submission process, but all the followup work when documents are incomplete, illegible, unclear, or raise questions. Instead, complete data arrives automatically in a standardized format. It also eliminates manual data entry and transcription, which are both time-consuming and error-prone.

By accelerating verification and simplifying the verification process, direct-source approaches also reduce the burden on call centers and applicant support staff. In comparison, document-based verifications often lead to applicant confusion and frustrations that drive call center volumes.



# Lower operational and vendor costs

The financial case for direct-source verification is especially compelling. Agencies can achieve substantial cost savings while simultaneously improving service quality—a rare combination in government operations.

The cost savings are multifold:

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 **Dramatic reduction in per-verification costs**

Databases charge per report, and verification databases have a long history of raising their prices rapidly and often. Some states have experienced cost increases approaching 400% over recent years.

In comparison, direct-source verification delivers up to 90% cost savings. For a state processing thousands of verifications monthly, this could represent millions of dollars in annual savings.

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 **Reducing manual processing costs**

While harder to quantify, the staff time saved through automation translates directly to cost savings. Caseworkers freed from document review and data entry can manage larger caseloads, reduce overtime, and focus on higher-value activities. In an environment where federal administrative funding is declining, these operational efficiencies help agencies maintain service levels without proportional budget increases.

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 **Avoiding error-related penalties**

For SNAP programs, the financial impact of reduced error rates can be enormous. States with error rates above 6% face tiered penalties ranging from 5% to 15% of total benefit costs. For a state distributing \$2 billion in SNAP benefits annually with a 9% error rate, crossing below the 6% threshold would save over \$120 million in annual penalties. By dramatically improving data accuracy, direct-source verifications significantly reduce this potential exposure.

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## 💰 Better budget predictability

Traditional verification costs can be unpredictable thanks to rising transaction fees and changes in vendor pricing. Direct-source verification often operates on more stable pricing models that give agencies better visibility into costs and help with annual budget planning.

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## Better applicant experience

Direct-source verifications transform what has traditionally been one of the most burdensome parts of the application process, helping to ensure verification isn't a barrier that prevents eligible individuals from accessing the benefits they need. Instead of locating paystubs from multiple jobs, requesting employer letters, downloading bank statements, and physically delivering or uploading documents, applicants simply log in to their payroll or banking account through a secure connection. The median completion time for this process is just 6.7 minutes—a dramatic improvement over traditional document submission.

Document-based verifications also generate confusion—What documents are needed? In what format? Where should they be submitted? What if an employer won't provide a letter? Direct-source verification eliminates these questions. The process is straightforward, guided, and typically successful on the first attempt.

Direct-source data also dramatically simplifies re-verification. With document-based processes, applicants must repeat the entire effort each time updated information is required—tracking down new paystubs, requesting fresh letters, and resubmitting files. With payroll-based verification, re-verification is seamless: applicants can re-authorize access with a single click, allowing agencies to receive updated, verified data instantly without restarting the process.

And because direct-source verifications are consent-based, they make the data sharing process explicit and understandable. Applicants can see what information they're authorizing the agency to access, why it's needed, and how it will be used. This transparency builds trust and helps applicants feel more in control of their personal information.

Perhaps most importantly, when verification happens in minutes rather than days or weeks, applicants receive eligibility decisions much more quickly. This is particularly critical for programs where delays in benefit delivery can create genuine hardship for families already facing financial instability.

## Stronger fraud prevention and program integrity

**Direct-source verification strengthens fraud detection without adding barriers for eligible applicants.**

Protecting program integrity while maintaining access for eligible individuals is a delicate balance. Fortunately, direct-source verification strengthens fraud detection without creating additional barriers for legitimate applicants.

Because data comes directly from the actual payroll or banking system, not from a document the applicant controls, direct-source verifications circumvent the problem of fake or altered paystubs, bank statements, and employer letters. This is especially important as AI tools make fraudulent documents relatively easy to produce and difficult to detect through visual inspection.

Furthermore, when applicants underreport or fail to disclose all income sources, direct-source verification can reveal the discrepancy immediately. If someone claims \$1,000 monthly income but their direct-source data shows \$2,500, caseworkers can address the issue proactively rather than discovering it during a later audit. This visibility supports more accurate determinations, reducing improper payment risk.

Direct-source verification platforms also maintain detailed records of what data was retrieved, when, and from which source—creating a clear audit trail that supports compliance and program integrity reviews. This documentation is far more reliable than paper records that can be lost, misfiled, or incomplete.

Critically, these fraud prevention capabilities don't come at the cost of increased burden for legitimate applicants. The same process that makes fraud harder to commit also makes verification easier for eligible individuals.

**Good Corporation** 1234 Target Parkway N. Mail Stop: NCC-1234 Minneapolis, MN 12345, HROC 1-234-567-8900

Name: John Doe    Check#: \*\*VOID\*\*    401k Before TAX: 10.00%  
 Employee ID: 123456    Check Date: 03/18/2022    401k After TAX: 0.00%  
 Pay Period Begin: 02/27/2022    Curr Tot Hrs Worked: 4.72    Average Hours: 23.72  
 Pay Period End: 03/12/2022    Total Hours YTD: 184.82

	Gross Pay	Pre Tax Deductions	Employee Taxes	Post Tax Deductions	Net Pay
Current	106.65	10.67	8.78	28.68	58.52
YTD	2,857.19	285.74	258.01	725.87	1,587.57

Earnings				Employee Taxes				
Description	Dates	Hours	Rate	Amount	YTD	Description	Amount	YTD
Regular	02/27/2022-03/05	4.72	15.3	72.22	2,470.08	OASDI	6.62	177.15
Sick	02/27/2022-03/05	2.25	2.25	34.43	34.43	Medicare	1.55	41.43
Emergency Leave				246.66		State Tax - NJ	0.00	23.28
Overtime				23.86		SUI-NJ	0.41	10.93
Pers Hol				61.20		NJ WFD - NJWDF	0.05	1.22
Shift Rate (\$1.00)				4.00		NJ FLI - NJFLI	0.15	4.00
Temp Pay Differential				16.96				

Pre Tax Deductions			Post Tax Deductions		
Description	Amount	YTD	Description	Amount	YTD
401(k)	10.67	285.75	401(k) Loan	26.68	80.04
			ST Disability	2.00	6.00
			Vision		542.76
			Creditor Garnishment	0.00	92.22
			IWO Employer Fee		4.85
Total	10.67	285.74	Total	28.68	725.87

**Description**    **Federal**    **State**  
 Marital Status: Married but withheld at higher Single rate    Married/Civil Union

**Payment Information**  
 Bank:    Account Name:    Account Number:    Reference ID:    Amount:

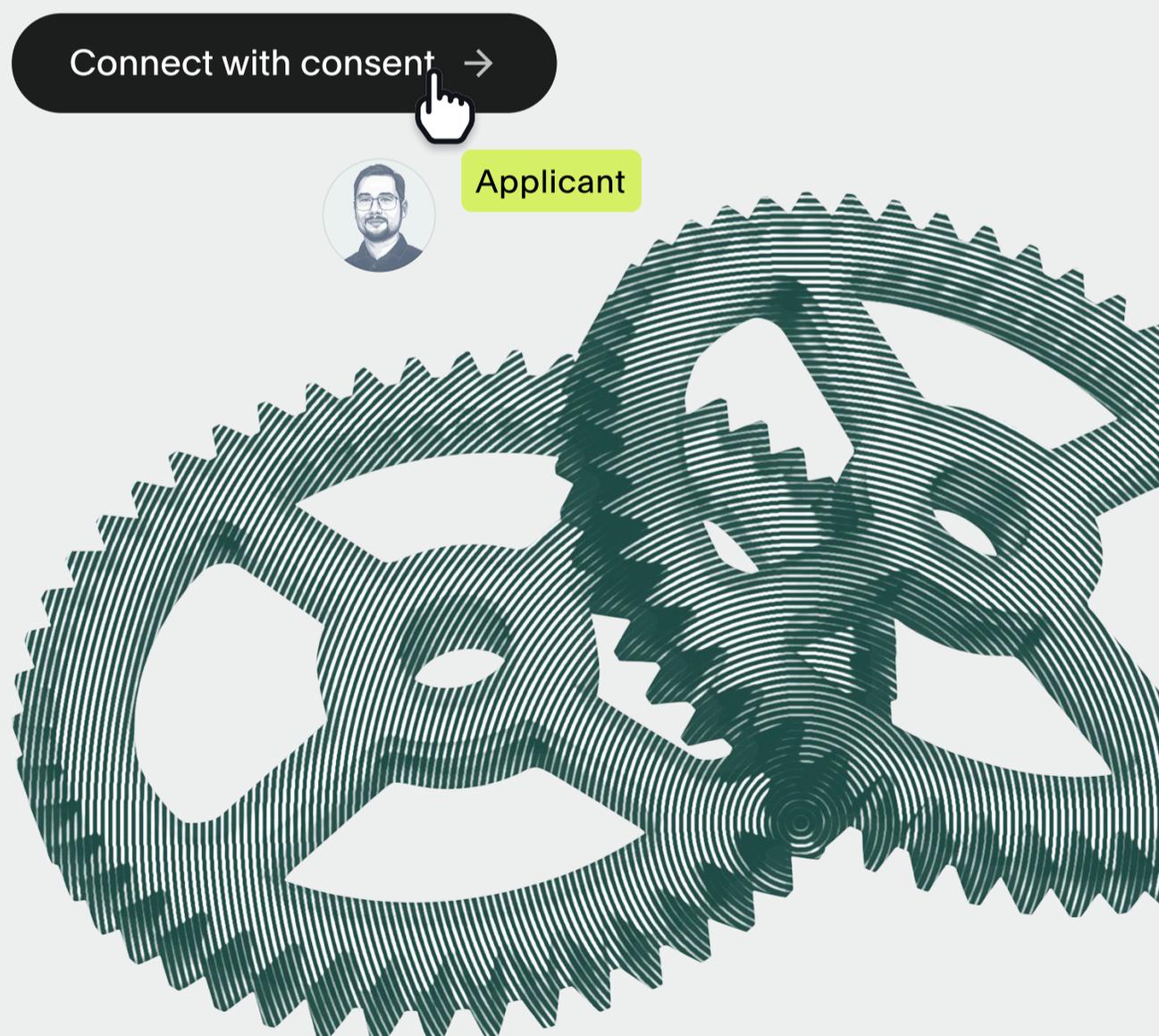
No. 1545-0008    This information is being furnished to the Internal Revenue Service. If you are required to file a tax return, a negligence penalty or other sanction may be imposed on you if this income is taxable and you fail to report it.

1 Wages, tips, other compensation	98,500.00	2 Federal income tax withheld	15,000.00
3 Social security wages	100,000.00	4 Social security tax withheld	5,000.00
5 Medicare wages and tips	100,000.00	6 Medicare tax withheld	1,100.00
7 Social security tips		8 Allocated tips	
9		10 Dependent care benefits	
Suff. 11 Nonqualified plans		12a See instructions for box 12	D 1,500.00
13 Statutory employee <input type="checkbox"/> Retirement plan <input checked="" type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b	DD 1,000.00
14 Other		12c	
		12d	

How it works

# The mechanics of direct-source, consent-based verification

Agencies need to understand the technology behind direct-source CBV and the applicant journey it requires in order to evaluate how it would integrate with their existing systems and workflows. While direct-source CBV involves sophisticated data connections behind the scenes, the experience itself is designed to be simple for both caseworkers and applicants. Here's a step-by-step overview of the direct-source CBV process, from initiation to final data delivery.

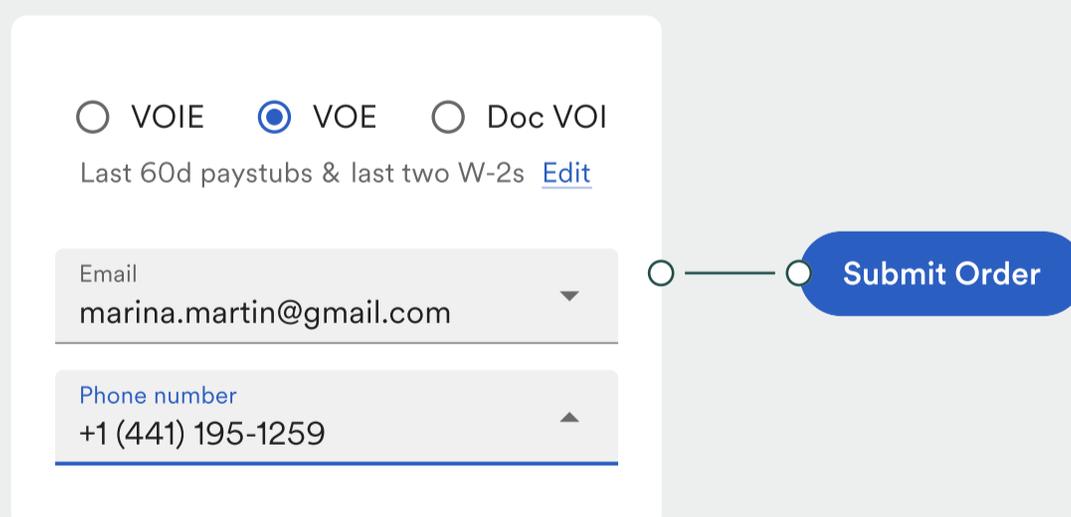


## Step 1

## Agency initiates verification request

The verification process begins when a caseworker or eligibility system determines that income and employment verification is needed. This could happen at several points: during initial application, at recertification or redetermination, when an applicant reports a change in circumstances, or as part of routine eligibility review.

In most implementations, the verification request is initiated directly within the application or eligibility workflow—either embedded at the point of application or triggered from the agency’s case management or eligibility determination system. Requests may be launched automatically based on workflow rules or manually by a caseworker, and include the basic identifying information needed to complete the verification.



The screenshot shows a user interface for submitting a verification request. At the top, there are three radio button options: 'VOIE', 'VOE' (which is selected), and 'Doc VOI'. Below these options, the text reads 'Last 60d paystubs & last two W-2s' followed by a blue 'Edit' link. There are two input fields: 'Email' with the value 'marina.martin@gmail.com' and a dropdown arrow, and 'Phone number' with the value '+1 (441) 195-1259' and an upward arrow. To the right of the form is a blue rounded rectangular button labeled 'Submit Order', connected to the form by a thin line.

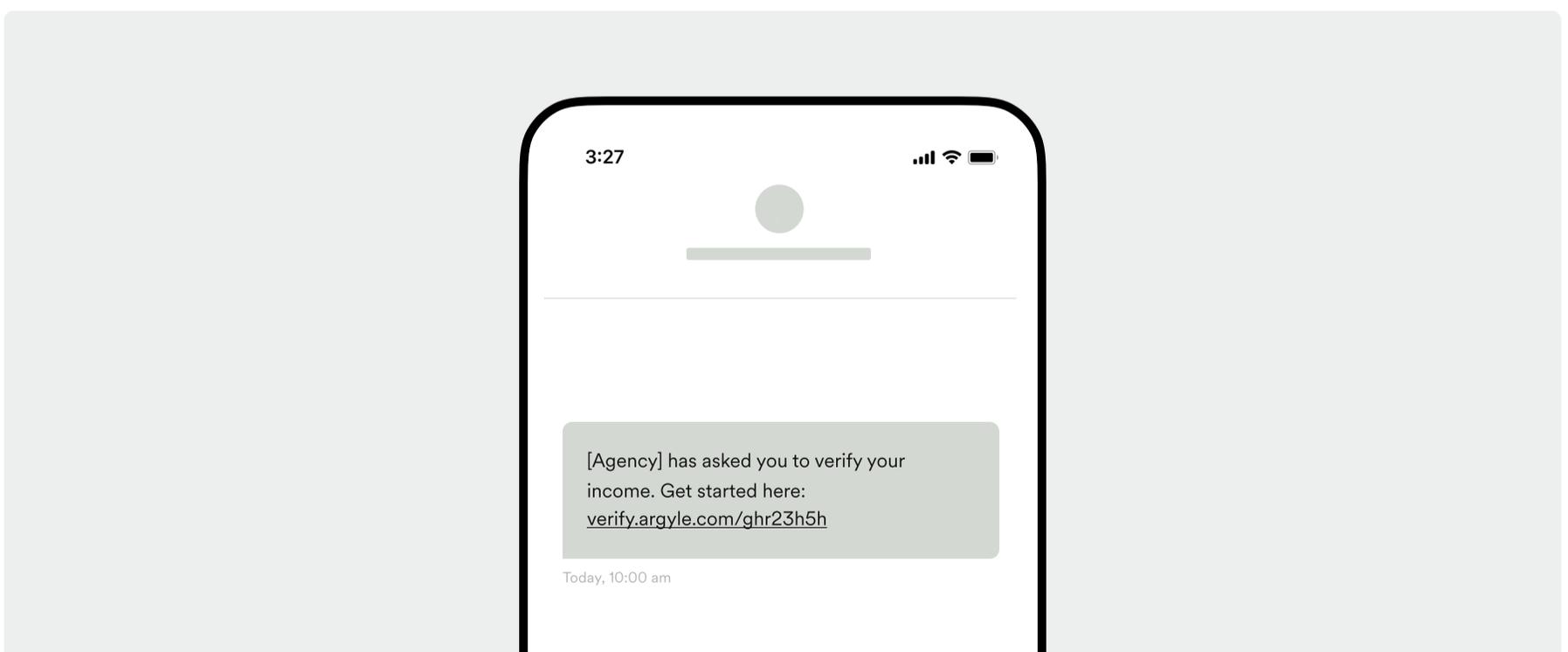
**Step 2**

## Applicant receives secure verification link

Once the request is initiated, the applicant receives a secure, unique verification link. Common delivery channels include:

-  **Email:** a message with an embedded verification link sent to the applicant's email address on file
-  **Text/SMS:** a text message with a link sent to the applicant's mobile number
-  **Embedded in online portal:** the verification step can be embedded directly in the application workflow or applicants can be provided a link to the portal at a later time.

The link is time-limited and unique to the specific applicant and verification request, providing security and preventing unauthorized access.



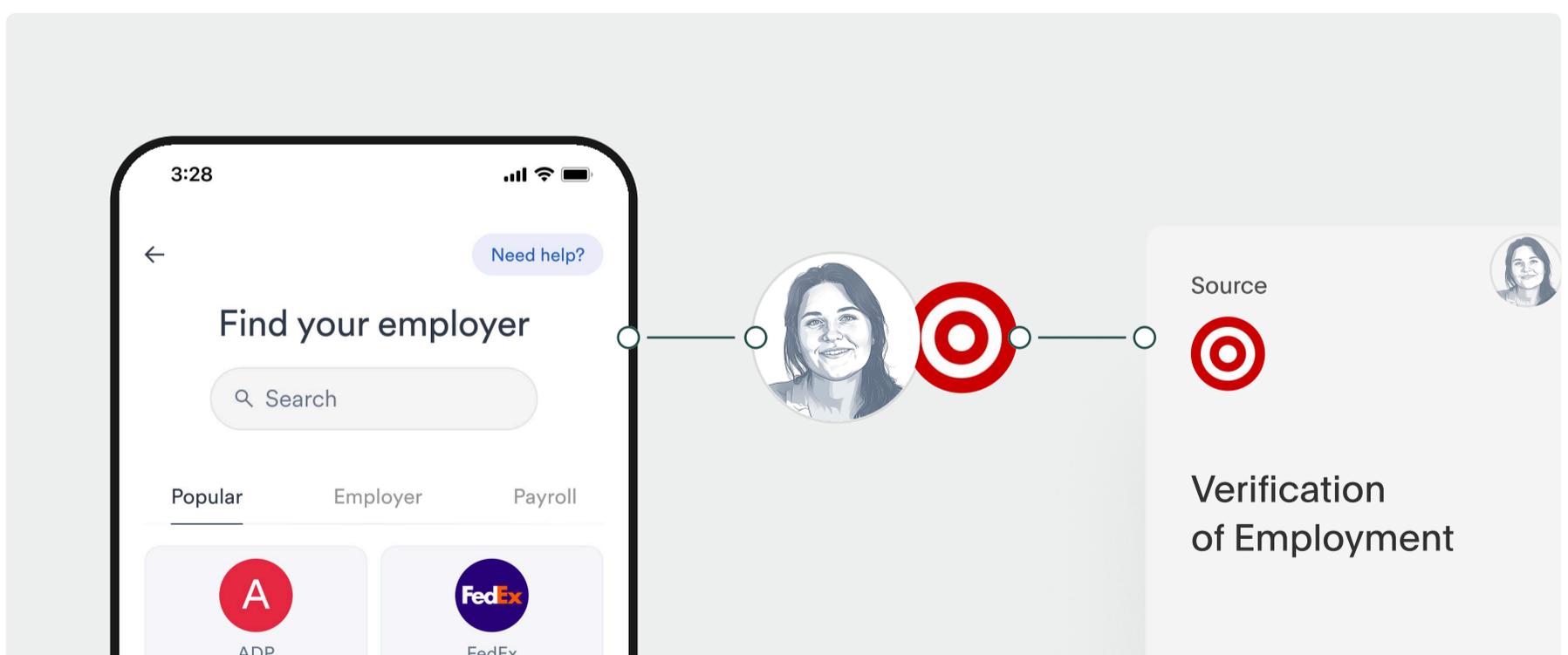
**Step 3**

## Applicant provides consent and authenticates

When the applicant clicks the verification link, they're presented with a clear explanation of what data will be shared, why it's needed, and how it will be used. This transparency is a core feature of consent-based verification—applicants understand and explicitly authorize the data sharing.

After reviewing the consent information and agreeing to proceed, the applicant selects their employer, payroll provider, bank, or gig platform from a comprehensive list. The interface is user-friendly and searchable.

The applicant then logs in using the same username and password they use to check their paystubs online, view their bank account, or track their gig platform earnings. This authentication step ensures that data is retrieved from the correct account and that the person requesting verification is the actual account holder.



**Step 4**

## Data retrieved in real time

Once authenticated, the platform establishes a secure connection to the source system. Then, it retrieves data in real time through a combination of API connections and secure data extraction technology.

The data retrieved is comprehensive and structured, typically including:

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-  **Employment verification:** current employer name, job title, employment status, hire date, employment type (full-time, part-time, contract)

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  -  **Income data:** base pay, hourly rate, salary, bonuses, commissions, tips, pay frequency, pay cycle dates

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  -  **Detailed pay history:** transaction-level detail for recent pay periods, showing gross pay, deductions, net pay, and year-to-date earnings

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  -  **Hours worked:** shift-level or pay period hours worked

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  -  **Banking data (if applicable):** account balances, transaction history, deposit patterns, income sources
- 

The exact fields retrieved depend on what's available in the source system and what the agency has requested.

**Step 5**

## Data delivered to eligibility system

The retrieved data is then formatted into a structured report and delivered to the agency's eligibility or case management system. Delivery methods vary based on the agency's technical infrastructure:



**API integration:** for agencies with modern systems, data can flow directly via API into existing eligibility determination platforms, populating relevant fields automatically.



**Standardized reports:** alternatively, data can be delivered as standardized reports (PDF or structured data files) that caseworkers can review and use for decision-making.



**Web-based console:** for agencies without integrated systems, data can be accessed through a secure web portal where caseworkers can view verification reports and export needed information

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The structured nature of the data makes it easy to process, whether through automated rules engines or manual caseworker review.

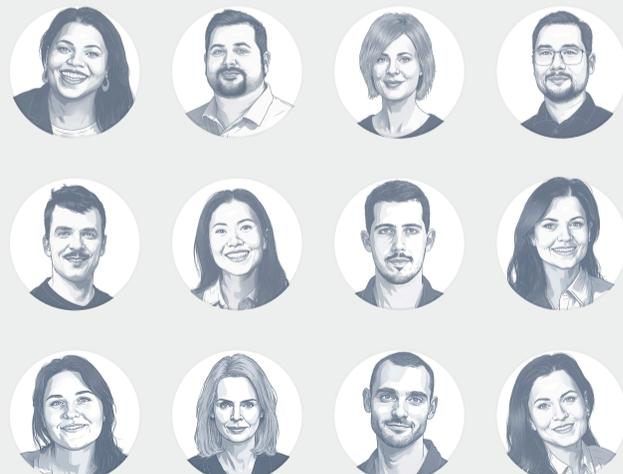
## Step 6

## Eligibility decision and system update

With complete, current verification data in hand, caseworkers or automated eligibility systems can make accurate benefit determinations quickly. The data can be used to:

- Calculate income eligibility against program thresholds
- Verify employment status and hours worked for work requirement compliance
- Confirm identity and employment authorization
- Detect discrepancies between applicant attestations and verified data
- Document the verification for audit and compliance purposes

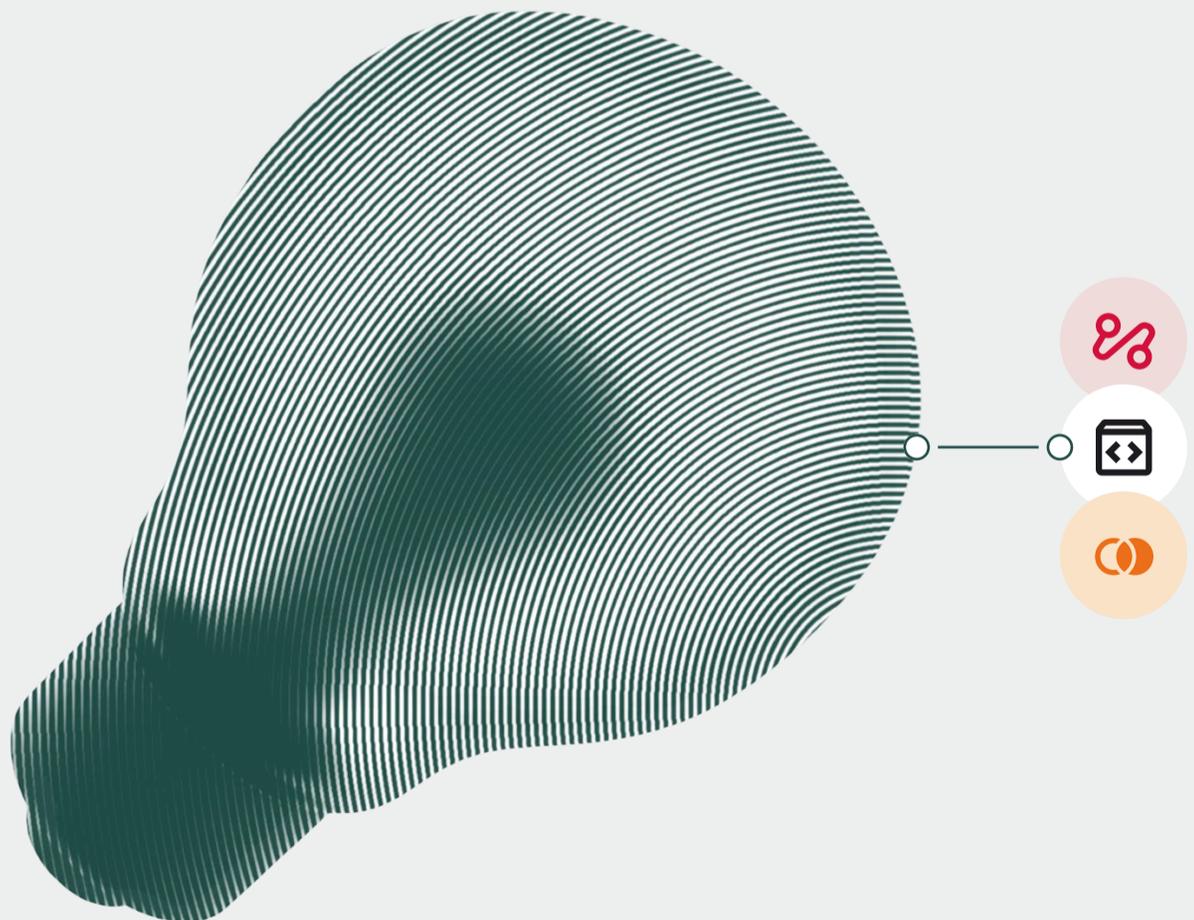
In short, the direct-source verification process benefits all parties involved. Applicants appreciate the clarity and simplicity. Caseworkers appreciate receiving complete, accurate data without the usual back-and-forth. And agencies see measurable improvements in processing speed, accuracy, and cost.



Putting CBV into practice

# Best implementation paths for government agencies

Moving from legacy verification methods to a modern, direct-source approach requires thoughtful planning and execution. Agencies that treat verification modernization as an IT project are likely to struggle, while those that treat it as an operational redesign are destined to succeed.



# Understanding your integration options

Direct-source verification platforms are designed to work within agencies' existing technology ecosystems. There are multiple integration approaches, each suited to different technical environments and organizational priorities.

**API integrations populate relevant fields automatically without requiring manual data transfer or entry.**

## **API integration**

For agencies with modern eligibility determination systems, direct integration via an application programming interface (API) offers the most seamless experience. With an API integration, verification data flows directly into an agency system, populating relevant fields automatically without requiring manual data transfer or entry. API integration typically involves:

- ✓ Connecting the verification platform's API endpoints to the agency's eligibility determination system
- ✓ Mapping data fields from the verification response to corresponding fields in the eligibility system
- ✓ Configuring automated workflows that trigger verification requests at appropriate points in the application process
- ✓ Setting up real-time status updates so caseworkers can see when verifications are completed

This approach delivers the highest level of automation and efficiency but requires technical resources for initial integration and testing.

**No-code and low-code options enable rapid deployment without full system integration.**

### **No-code and low-code workflows**

For agencies without API integration capabilities or those seeking a faster path to implementation, no-code and low-code options provide a practical alternative. These approaches use web-based interfaces that caseworkers can access without deep system integration.

In practice, caseworkers log in to a secure web portal, initiate verification requests, and view results. Data can be downloaded or manually entered into eligibility systems as needed. On the applicant side, verification links are generated and sent to via email or text, with results delivered back to caseworkers through the portal or email notifications.

These approaches reduce technical barriers and enable faster deployment, making them attractive for agencies with limited IT resources or those piloting direct-source verification before full integration.

### **Embedded verification in online applications**

Embedding verification directly in online application and self-service portals creates the most streamlined applicant experience. Applicants can complete their entire application, including verification, in a single session without leaving the portal or waiting for separate verification communications.

Implementation considerations include:

- ✓ Placing verification at the optimal point in the application flow, typically after basic information is collected but before final submission
- ✓ Providing clear instructions and expectations about the verification process
- ✓ Designing fallback options for applicants who can't complete direct-source verification
- ✓ Ensuring mobile responsiveness, since many applicants will access applications on smartphones

**Existing vendor relationships provide a faster path to direct-source implementation.**

### **Partner platform integrations**

Many agencies work with eligibility system vendors, health technology platforms, or other third-party providers. Direct-source verification can be integrated through these partner systems, leveraging existing vendor relationships and technical infrastructure.

Direct-source verification providers like Argyle have established partnerships with major government technology providers including Gainwell, enabling agencies to access direct-source verification capabilities through platforms they already use. This approach often simplifies procurement, reduces integration complexity, and provides a faster path to implementation.

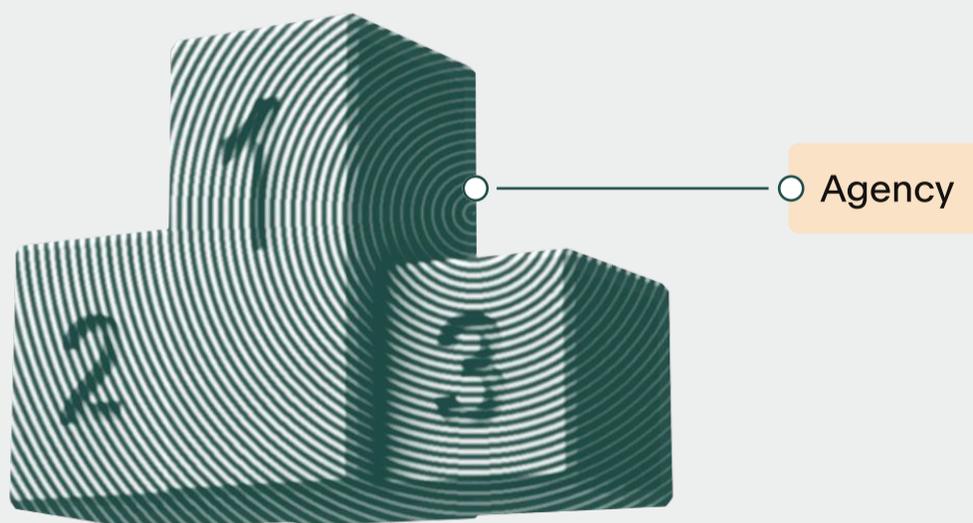
# Program rollout strategies

Successful implementation extends beyond technical integration. Agencies need clear rollout strategies that manage change, build staff competency, and ensure applicant awareness.

## Pilot-to-scale approach

Most agencies benefit from starting with a controlled pilot before expanding to full-scale implementation. A well-designed pilot allows the agency to:

- ✓ Test technical integration in a limited environment
- ✓ Identify and resolve workflow issues before they affect large volumes
- ✓ Gather feedback from caseworkers and applicants
- ✓ Build internal expertise and champions
- ✓ Demonstrate measurable results that build support for broader rollout
- ✓ Refine processes and training materials based on real-world experience



Typical pilot parameters include:

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 **Scope:** select one or two field offices, a specific program, or a subset of application types

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 **Duration:** run for 60-90 days to gather sufficient data and experience

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 **Metrics:** track key performance indicators like completion rates, processing time, error rates, user satisfaction, and cost per verification

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 **Evaluation:** conduct structured debrief with staff and applicants, analyze quantitative results, and develop recommendations for full rollout

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## Applicant communication and education

Applicants need to understand what direct-source verification is, why it's beneficial, and what they need to do. Effective communication strategies include:

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 **Pre-application awareness:** information on agency websites, social media, and community partner channels explaining the new verification option

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 **Application-time guidance:** clear instructions within application packets or online portals, including screenshots or video tutorials

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 **Email and SMS messaging:** communications sent when verification is needed, with simple instructions and reassurance about data security



**In-person support:** training for field office staff, eligibility specialists, and community navigators who assist applicants in person

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**Multi-language materials:** communications in all languages relevant to the agency's applicant population

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**Accessibility accommodations:** alternative formats for individuals with disabilities, phone support for those without internet access

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The messaging should emphasize benefits to applicants—faster decisions, less paperwork, easier recertification—and provide reassurance about privacy and data security.

## Staff training and workflow design

Caseworkers and eligibility specialists are on the front lines of implementation. Their understanding, buy-in, and proficiency directly determine success. Effective training programs include:



**Workflow training:** how verification fits into existing eligibility determination processes, when to use it, and what to do with the results

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**Technical training:** how to initiate verification requests, troubleshoot common issues, interpret verification reports, and use data in decision-making

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**Applicant support:** how to explain the process to applicants, assist those who have questions, and handle fallback scenarios

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**Change management:** why the agency is adopting this new approach, what benefits it provides, and how it will improve both staff and applicant experiences

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Training should be hands-on and scenario-based, allowing staff to practice with realistic examples. Providing quick reference guides, FAQs, and accessible support channels helps staff feel confident as they begin using the new system.

Workflow design should consider:

- At what points in the eligibility process will verification be required?
- What fallback options exist if direct-source verification isn't possible?
- How will verification results be documented in case records?
- What quality assurance processes will ensure data is used correctly?
- How will supervisors monitor adoption and address problems?

## **Compliance considerations and consent language**

Government agencies must ensure that verification practices comply with federal and state privacy laws, program-specific regulations, and fair information practice principles. Key compliance considerations include:



**Informed consent:** ensure consent language clearly explains what data will be collected, how it will be used, who will have access, how long it will be retained, and applicants' rights regarding their data

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**FCRA compliance:** for verifications that fall under Fair Credit Reporting Act jurisdiction, ensure proper consent procedures and adverse action processes

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**Privacy impact assessments:** document privacy risks and mitigation strategies, particularly when implementing new data sharing mechanisms

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**Security standards:** verify that verification platforms meet federal and state data security requirements, including encryption, access controls, and incident response capabilities

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**Accessibility requirements:** ensure verification processes comply with Section 508 and ADA requirements

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**Data retention and deletion:** establish clear policies for how long verification data will be retained and procedures for deletion when no longer needed

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Working with legal counsel and compliance officers early in the implementation process helps identify and address these requirements proactively.

## Vendor spotlight

# How Argyle supports government agencies

Argyle is the leading provider of direct-source, consent-based verification for income, employment, and assets. Built on a foundation of real-time data connections to payroll providers, employer systems, gig platforms, and financial institutions, Argyle's platform enables government agencies to verify eligibility quickly, accurately, and at significantly lower cost than legacy methods.



# One platform, three ways to verify

Depending on agency preferences and an applicant's circumstances, the Argyle platform can verify income and employment using one of three methods:

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- |  |   |
|--|---|
|  <b>Via direct payroll data</b>                   | <p>Argyle retrieves and standardizes 170+ fields of granular payroll data, including:</p> <ul style="list-style-type: none"><li>• Current employment status and employment history</li><li>• Income details including gross pay, deductions, taxes, and net pay</li><li>• Pay frequency and pay cycle dates</li><li>• Hours worked per pay period (critical for work requirement verification)</li><li>• Year-to-date earnings and historical income trends</li><li>• Job title, hire date, and employment type</li></ul> |
|  <b>Via direct banking and transaction data</b> | <p>For additional income validation, Argyle can retrieve banking data including account balances, transaction history, and deposit patterns. This capability supports programs that require asset tests or need visibility into income sources that might not flow through traditional payroll channels.</p>  |
|  <b>Via automated document analysis</b>         | <p>As a fallback for situations where direct-source connections aren't available, Argyle offers automated document processing using advanced OCR and artificial intelligence. Applicants can upload paystubs, bank statements, or other documents, and Argyle extracts relevant data automatically—providing broader coverage while still reducing manual caseworker effort.</p>  |
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All data is retrieved in real-time at the moment of verification, ensuring agencies receive information rather than outdated records. Data flows through secure, encrypted connections and is delivered in structured formats that integrate with eligibility systems.

# What sets Argyle apart

Government agencies considering direct-source verification have several options in the market. Argyle's platform offers distinct advantages that make it particularly well-suited to public benefit programs' unique needs.



## One-click redeterminations

Argyle enables agencies to complete redeterminations with a simple, one-click reverification from the applicant. Instead of requiring individuals to track down and resubmit updated documents, agencies can securely refresh verified income and employment data directly from the source. This streamlined approach reduces administrative burden for caseworkers, shortens renewal timelines, and improves continuity of benefits.



## Consent-based approach

Argyle's model is built on explicit consumer consent and transparency. Applicants understand what data is being shared and actively authorize access, creating a privacy-protective approach that respects individual autonomy while meeting agencies' verification needs. This consent-based model aligns with fair information practice principles and reduces privacy risks compared to approaches that rely on background data collection or aggregation.



## Comprehensive workforce coverage

With connections covering 90% of the U.S. workforce, including 96% of the Fortune 1000 and more than 30 gig platforms, Argyle provides the breadth of coverage agencies need to verify eligibility across diverse applicant populations. This includes traditional W-2 employees at large and small employers, gig workers and independent contractors, government employees, and employees in seasonal, temporary, or variable-hour positions.

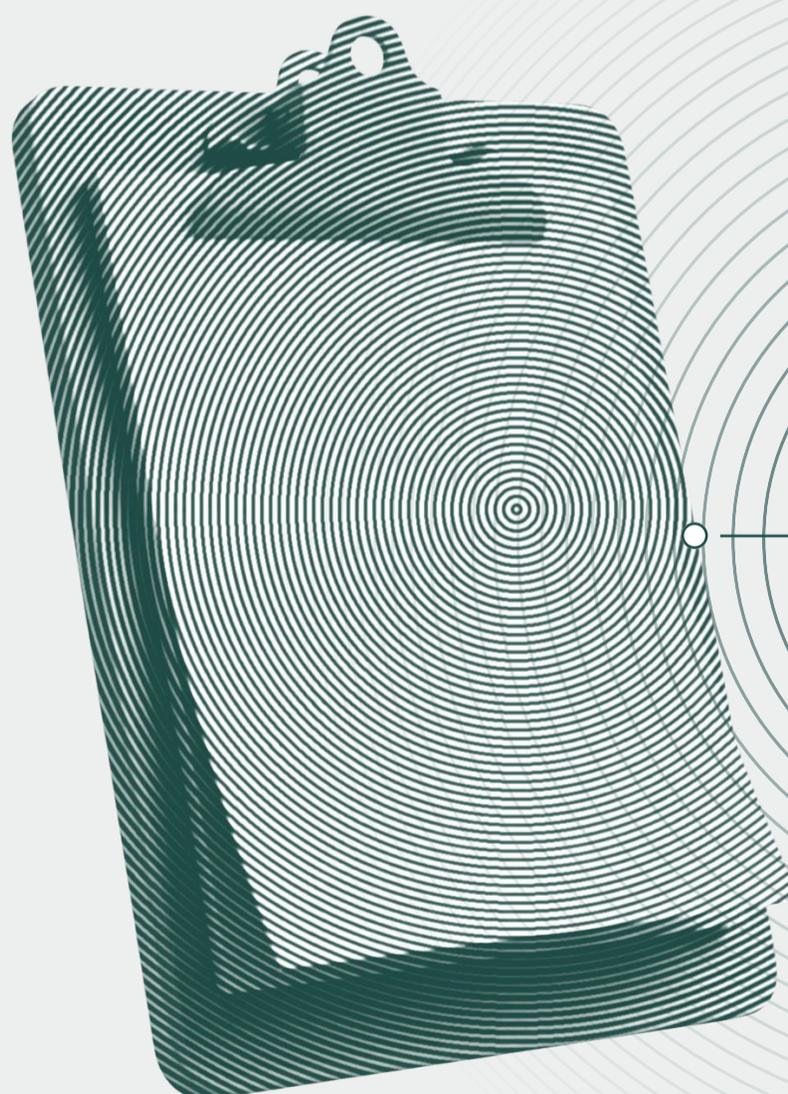
Argyle's comprehensive coverage reduces the need for fallback to manual verification, accelerating processing and improving applicant experience.

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-  **Significantly lower cost**
- Compared to legacy database providers like The Work Number, Argyle delivers up to 90% cost savings. These savings are a result of our lower per-verification transaction costs, no additional fees for reverification at redetermination, reduced need for manual processing and document review, and lower error rates that reduce corrective work and potential penalties.
- 
-  **Proven at scale in highly regulated industries**
- Argyle’s verification platform is trusted by leading companies in mortgage, lending, tenant screening, and background check industries—all of which operate under strict regulatory requirements similar to those facing government benefit programs. The platform has processed millions of verifications and is built to handle high transaction volumes with consistent performance and meet strict data security, privacy, and audit requirements.
- 
-  **Backed by leading industry partners**
- Argyle has established partnerships with major organizations that serve government agencies, including Gainwell Technologies, a leading provider of eligibility and enrollment systems for government health and human services programs; Mastercard for financial infrastructure, and Databricks for processing and analyzing large-scale data. These partnerships enable Argyle to integrate with existing government technology ecosystems and benefit from the innovation and scale of established industry leaders.
- 
-  **Government-focused implementation support**
- Argyle’s team understands government agencies’ unique needs, constraints, and requirements. Implementation support includes dedicated account management and technical support, assistance with change management and rollout planning, and going optimization and performance monitoring. Our specialized support helps agencies navigate implementation efficiently and achieve results quickly.
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## Key takeaways

# The case for moving to direct-source, consent-based verification

Government benefit programs stand at an inflection point. Traditional verification approaches are proving inadequate for today's demands. These legacy methods are expensive, slow, error-prone, and create barriers that prevent eligible individuals from accessing benefits.



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# New requirements demand a new approach

Direct-source, consent-based verification gives agencies comprehensive data that enables faster, more accurate eligibility determinations.

At the same time, the pressure on agencies has never been greater. SNAP error rate requirements now carry substantial financial penalties for states that fail to meet accuracy thresholds. Medicaid redetermination timelines have accelerated. Work requirements have expanded, demanding granular verification of income and hours worked. And federal administrative funding is declining, forcing agencies to do more with less.

Direct-source, consent-based verification addresses these challenges head-on. By connecting directly to applicants' payroll systems, employer platforms, and financial accounts, agencies gain access to real-time, comprehensive data that enables faster, more accurate eligibility determinations. The benefits are substantial and measurable:



**Improved accuracy:** real-time data eliminates lag, captures job changes immediately, and provides comprehensive multi-employer visibility



**Reduced administrative burden:** automated data retrieval eliminates document collection, manual review, and data entry—freeing staff for higher-value work



**Lower costs:** up to 90% savings compared to legacy methods, with no additional fees for reverification



**Better applicant experience:** simple, quick process that typically takes under 7 minutes and requires minimal effort



**Stronger program integrity:** direct-source data is exponentially harder to falsify than documents, supporting fraud prevention without creating barriers

The evidence from implementations across multiple states is clear: Direct-source verification works. But importantly, it doesn't require agencies to abandon all other verification methods. A thoughtful, modern approach uses direct-source as the foundation while maintaining fallback options for situations where it can't be used. This hybrid strategy typically looks like:

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- ① Primary method: direct-source, consent-based verification for the majority of applicants

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  - ② Automated document processing for applicants whose employers or payroll systems aren't connected, or who prefer document submission

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  - ② Manual review reserved for exceptional cases, unusual income sources, or applicants who can't use digital verification options

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This layered approach maximizes efficiency and accuracy while ensuring no eligible applicant falls through the cracks due to verification barriers.

## Taking the first step

The choice facing agencies today isn't whether to modernize verification, but when and how. The financial penalties for inaccuracy are too substantial to ignore. The operational benefits are too compelling to pass up. And the impact on applicants' lives—ensuring eligible individuals can access benefits without unnecessary barriers—is too important to delay.

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# Ready to modernize your verification process?

Get in touch with Argyle's government solutions team to schedule a consultation to discuss your agency's specific verification challenges or see a demonstration of the Argyle platform in action.

[argyle.com](https://argyle.com)



## Contact us

Argyle is the leading provider of direct-source, consent-based verification for income, employment, and assets. Trusted by top companies in mortgage, lending, tenant screening, and government benefits, Argyle's platform enables faster, more accurate verification through real-time connections to payroll systems, gig platforms, and financial institutions.