

North Carolina Department of Health and Human Services

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

June 3, 2013

Dear County Director of Social Services:

Attention: Work First Program Administrators and Supervisors
Special Assistance Administrators and Supervisors
Adult Services Supervisors

Subject: Electronic Issuance of Benefits

The purpose of this letter is to provide Departments of Social Services (DSS) with information concerning the electronic issuance of Work First Family Assistance (WFFA), Refugee Cash Assistance (RCA) and Special Assistance (SA), cash payments. Beginning July 2013, paper checks for WFFA, SA, including SA In-Home and RCA payments will begin the transition to electronic payments. It will take several months for all 100 counties to change from paper checks to electronic payments.

Paper checks for WFFA, RCA, SA and SA In-Home cash payments will be eliminated as counties implement the North Carolina Families Accessing Services through Technology (NC FAST) Case Management system. The NC FAST pilot counties will begin the transition to electronic issuance in July 2013. The changeover to electronic payments will continue as additional counties launch NC FAST. Households should be notified as local department of social services begin the change from paper checks to electronic payments.

The primary method for electronic issuance will be direct deposit. RCA recipients are recent arrivals to the US and may or may not have access to a savings or checking account. RCA payments will be issued on an Electronic Benefits Transfer (EBT) card unless recipients have a bank account. WFFA and SA recipients should have a personal bank account. The monthly cash payment will be electronically deposited to their bank account. If the recipient has a substitute or protective payee; the payments can go into the payee's designated account. SA facilities cannot be substitute payees for Special Assistance checks. The bank account must be a personal bank account and may not be affiliated with the facility.

Workers should encourage recipients and their payees, if designated, to obtain an account (checking or savings) at a financial institution and to use direct deposit. Numerous credit unions and banks operating statewide have accounts available with free or minimal monthly costs. These accounts

www.ncdhhs.gov

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can be a safe way to receive electronic payments. Search the websites of the financial institutions operating in your county for further information.

While the primary method of issuance should be Direct Deposit, there are limited exceptions to this requirement that may allow the payment to be issued on an EBTcard. The following are the exceptions:

1. The household receives WFFA and is unable to establish a bank account due to a disability, resides in a remote geographic location or is unable to meet the requirements of a financial institution.
2. Benefit Diversion (BD) payments; BD is a one-time payment that is designed to deal with a specific crisis or episode of need.
3. RCA recipients are recent arrivals to the US, and may or may not have access to a bank account. If an RCA recipient has or establishes a bank account within the 8 months of eligibility, they can request to change the RCA payments to direct deposit. If the head of household is the same for both the RCA and the Food and Nutrition Services (FNS) case; the RCA payment will be added to the household's existing FNS EBT card.
4. SA recipient or his/her substitute payee who are unable to establish a personal bank account for direct deposit will have payments issued on an EBT card. SA facilities will be offered the opportunity to lease or purchase a Point of Sale (POS) machine that will allow the use of EBT cards at their facility. A separate letter will be mailed to SA eligible facilities informing them of the change to paperless payments and instructions for obtaining a POS machine.

SA, RCA and WFFA recipients will be notified of the change to electronic issuance through a check insert beginning with the June 2013 check. The Spanish version of the insert will be included with the July 2013 check. The July and August 2013 checks will include a Direct Deposit Authorization Form with instructions for providing bank information to the local DSS agencies. The form only needs to be completed once unless the recipient changes their savings or checking account.

Counties will be notified when the Direct Deposit Authorization form is available for use. Please ensure Direct Deposit Authorization forms are available on site. As workers interact with recipients it is important to share information regarding the change and to provide recipients with the direct deposit form. Explain the electronic issuance process as individuals apply for and are approved to receive WFFA, RCA and SA payments.

As the Direct Deposit Authorization forms are returned to the local DSS agency, ensure they are stored securely. The information contained on the completed form is confidential and is protected under North Carolina General Statute and the [Identity Protection Act of 2005](#).

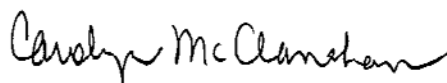
The local DSS agency is responsible for transferring the direct deposit information into the NC FAST system. As counties soft launch NC FAST, they must enter the direct deposit information for applications approved in NC FAST. In addition, direct deposit information must be entered on existing FNS cases when it is determined that the head of household is the same for the RCA, WFFA or SA programs. County staff must enter the direct deposit information for EIS cases into NC FAST by the date they are scheduled to hard launch. This will ensure timely receipt of benefits for households.

As the electronic payment process is finalized, additional information and guidance will be provided to DSS agencies. If there are questions, please contact WorkFirst.Support@dhhs.nc.gov, specialassistance@dhhs.nc.gov or gail.andersen@dhhs.nc.gov (Refugee Assistance Program).

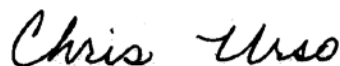
Sincerely,
DHHS Economic Services Policy Governance Board



Dean Simpson
Division of Social Services



Carolyn McClanahan
Division of Medical Assistance



Chris Urso
Division of Aging and Adult Services



Ron Byrd
Division of Child Development and Services Early
Education

EFS-WF-09-2013 (DSS)
AFS-05-2013 (DAAS)

Attachments:

Electronic Payments Check Insert
Direct Deposit Authorization Form