



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor

KODY H. KINSLEY • Secretary

YVONNE COPELAND • Director, Division of Child and Family Well
Being

Date: August 4, 2022

Attention: Program Integrity Managers, Supervisors, and Investigators

Subject: FNS Administrative Waiver for Pandemic-Caused Overissuances

Effective: Upon receipt

Priority: Information and Action

Dear County Directors of Social Services

I. General Information

On March 18, 2020, the Families First Coronavirus Response Act (FFCRA) of 2020 was signed to help state agencies provide Food and Nutrition Services (FNS) to those households affected by the COVID-19 virus. In April 2020, North Carolina received a waiver to suspend collection action on SNAP overpayments and delinquency determination on households whose payments are affected by these suspensions. The waiver indicated that households remain liable for their outstanding SNAP debts and the State agency will restart collection activity and delinquency determinations at the end of the waiver period. The Suspension of Claims waiver has been extended during the pandemic and is currently approved through September 30, 2022.

The United States Department of Agriculture (USDA) has since allowed additional flexibilities regarding Program Integrity, allowing states to waive SNAP regulations under 7 CFR 273.18(a)(2), which requires the state agency to establish and collect claims. Specifically, the USDA has allowed states to request an administrative waiver to waive the establishment of claims resulting from pandemic-caused overissuances. A pandemic-caused overissuance is defined as an "overpayment of FNS benefits that occurred during the federal public health emergency (PHE) and resulted from specific challenges presented by the pandemic such as temporary changes in state certification and recertification procedures due to the federal flexibilities for FNS."

To help alleviate financial hardship on households as a result of the COVID-19 pandemic, North Carolina Department of Health and Human Services (NCDHHS) requested this administrative waiver for pandemic-caused overissuances from the USDA. The USDA recently approved this waiver with an effective date of April 1, 2020 to July 31, 2022.

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF CHILD AND FAMILY WELL-BEING

LOCATION: 820 S. Boylan Avenue, McBryde Building, Raleigh, NC 27603
MAILING ADDRESS: 2420 Mail Service Center, Raleigh, NC 27699-2420
www.ncdhhs.gov • TEL: 919-527-6300 • FAX: 919-334-1265

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

An overpayment meets criteria for this waiver if it is an overpayment of SNAP benefits resulting from an Agency Error (AE) or Inadvertent Household Error (IHE) that occurred during the COVID-19 pandemic (i.e., with an overpayment period that started on or after April 1, 2020 through July 31, 2022). This waiver does not apply to overissuances established for Intentional Program Violations (IPVs), during Quality Control reviews, or related to Pandemic-EBT.

II. Policy Procedures

Counties must take the following actions, effective immediately:

- **Do not establish claims for AEs or IHEs with overpayment periods that started on or after April 1, 2020 through July 31, 2022.**
- If there are any pending referrals for AE and IHE only, between April 1st, 2020, and July 31st, 2022, these referrals must be unsubstantiated. (See [PI – Unsubstantiate a Referral \(Investigation Case\) Job Aid](#) for more information.)

Per guidance from USDA, this waiver does not permit refunds for claims that have already been established.

Claims must continue to be established for IPV and QC overissuances, as these claims are excluded by the pandemic-caused overissuance waiver.

Note: NCFAST will be updated to prevent these claims for pandemic-caused overpayment from being established. The updates will be complete by August 17, 2022. Users will receive a message and be prevented from continuing if the overpayment period for an Agency Error or Inadvertent Household Error includes any dates between 04/01/2020 and 07/31/2022. The user will need to edit the overpayment period to not include these dates. **In the meantime, counties must not establish claims for AEs or IHEs with overpayment periods that started on or after April 1, 2020 through July 31, 2022.**

For example: If an agency error overpayment is discovered for 02/01/2020-05/31/2020, the user will need to enter the overpayment period as 02/01/2020-03/31/2020 and only include those two months in the claim amount.

III. Implementation Instructions

This policy is effective immediately. If you have any questions, please contact dss.pi.questions@dhhs.nc.gov for assistance.

Sincerely,

Madhu Vulimiri, MPP
Deputy Director
Division of Child and Family Well-Being

MV/rp

EFS-FNSEP-54-2022