

State Waiver Request

1. **Waiver Serial Number (if applicable):**
2. **Type of request:** Initial
3. **Primary regulation citation:** 7 CFR 273.18(e)(1), 7 CFR 273.18(e)(5)
4. **State:** Colorado
5. **Region:** Mountain Plains
6. **Regulatory requirements:** 7 CFR 273.18(e)(1) states that state agencies must begin collection action on all claims unless they are not cost-effective.

7 CFR 273.18(e)(5) requires that claims become delinquent if not paid by the due date and a satisfactory payment arrangement has not been made.

7. **Proposed alternative procedures:** Colorado requests to suspend all collection of active recoupment of SNAP overpayments and delay the collection actions on new recoupments to allow SNAP recipients to temporarily receive their full benefit amount for a period of 90 days during this time of uncertainty.

Liable individuals and households will still be liable for their outstanding debts. Colorado wants to allow households flexibility during this time to not be burdened by recoupments or repayments. These households and individuals would also not be considered delinquent for lack of payment by payment due dates already established via the repayment agreement. Households with newly identified overpayments will also be liable, but their collection will be postponed until after the waiver period.

8. **Justification for request:** Colorado is experiencing unique and unprecedented circumstances with the onset of COVID-19. As of 03/23/2020, in CO, 591 individuals have tested positive for COVID-19. This is an exponential increase in the number of individuals who positively tested in Colorado as of 03/12/2020 which was 49. Additionally, as of 03/23/2020 the Mayor of the City and County of Denver issued a stay-at-home order for all residents and Colorado anticipates other municipalities will follow suit.

Due to this rapid progression of confirmed cases in Colorado, the Colorado Department of Human Services (CDHS) hopes to ensure that affected individuals and families are able to maintain food security without undue burden. CDHS hopes to prevent unnecessary barriers to SNAP access during this period of uncertainty.

Reducing SNAP benefits due to claims collection places an undue burden on households attempting to secure adequate access to food during this unexpected time. By suspending household claims collections for 90 days, households subject to automatic recoveries will

have increased funds to purchase food items and prepare for these unanticipated circumstances.

9. Caseload information, including percent of caseload and description of population expected to be affected by this waiver:

In the quarter spanning 10/2019-12/2019, Colorado automatically recouped \$364,104 in active SNAP benefits from approximately 5,100 active SNAP households. During that quarter, those ~5,100 households received approximately \$2,900,000 in SNAP benefits after accounting for the reduction resulting from recoupment.

Suspending Colorado's active SNAP recoupment for 90 days, the spendable SNAP benefit for impacted households would increase by 11% on average.

10. Anticipated impact on households and State Agency operations: Households currently active on SNAP will temporarily receive their full benefit amount instead of having a reduced SNAP benefit due to overpayment recoupment.

Households that are closed from SNAP but still liable for overpayments will not be penalized or considered delinquent for missed payments. CDHS will work with the Governor's Office of Information Technology (OIT) support team to implement a plan, which will suspend all overpayment collections in the Colorado Benefits Management System (CBMS) for a period of 90 days.

11. Anticipated implementation date and time period for which waiver is needed (please indicate if the waiver approval is needed to make system adjustments): This waiver is requesting to be implemented upon approval from FNS. It will be valid for up to 90 days from the date of approval. At the end of the 90-day waiver period or the subsequent extension date, Colorado will re-establish recoupment the month following the month during which the 90th day falls. Approval is needed to begin system enhancements.

12. Proposed quality control review procedures: No quality control (QC) implications. QC does not review or report on overpayment recoupments affecting the benefit amount.

13. Name, title, and email of requesting official:

Name: Karla Maraccini

Title: Division Director, Food and Energy Assistance

Email: karla.maraccini@state.co.us

14. Date of Request: March 23, 2020

15. State agency staff contact

Name: Teri Chasten

Title: SNAP Manager/Deputy Division Director

Email: teri.chasten@state.co.us

16. Regional Office contact person (*to be completed by FNS regional office*):

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