

**State Plan for Pandemic EBT
Children in School and Child Care, 2022-2023**

Issuing Agency/Office:	FNS / Child Nutrition Programs, Supplemental Nutrition Assistance Program
Title of Document:	State Plan for Pandemic EBT: Children in School and Child Care, 2022-2023
Document ID:	
Z-RIN:	
Date of Issuance:	September 8, 2022
Replaces:	N/A
Summary:	(1) This document is a template to assist states in the development of state plans to operate Pandemic EBT for children in schools or child care during school year (SY) 2022-2023. (2) This document relates to Section 4601 of the Families First Coronavirus Response Act (P.L. 116-127) as amended by the Continuing Appropriations Act, 2021 and Other Extensions Act (P.L. 116-159), the Consolidated Appropriations Act, 2021 (P.L. 116-260), and the American Rescue Plan Act of 2021 (P.L. 117-2).

Additional context and background for this document can be found at State Guidance on Coronavirus P-EBT: [Click Here](#)

The submission of a P-EBT state plan, associated template, and related reporting obligations are addressed in OMB# 0584-0660, Pandemic Electronic Benefit Transfer (P-EBT), expiration 11/30/2023.

State Plan for Pandemic EBT
Children in School and Child Care, 2022-2023

1. **State:** North Carolina
2. **Primary Citations:** Families First Coronavirus Response Act (FFCRA);
Continuing Appropriations Act, 2021 and Other Extensions Act;
Consolidated Appropriations Act, 2021;
American Rescue Plan Act of 2021

3. **Executive Summary:**

Please provide the following data. In addition, please include a statement indicating that you commit to informing USDA of any significant increase or decrease in these data points during the *date range*¹ covered by this initial plan (or subsequent amendment).

- a. The *date range* covered by this state plan or amendment
 - for children in school
 - for children in child care
- b. Estimated monthly and total *amount* of P-EBT benefits the state will issue within this plan/amendment's date range.
 - Estimated amount issued to school children in SNAP households.
 - Estimated amount issued to school children in non-SNAP households
 - Estimated amount issued to non-school children in child care
- c. Estimated total *number* of children to which the state will issue P-EBT benefits.
 - Estimated number of school children in SNAP households
 - Estimated number of school children in non-SNAP households
 - Estimated number of non-school children in child care
- d. Tentative P-EBT issuance schedule (the dates on which you will issue P-EBT benefits).
 - School children in SNAP households
 - School children in non-SNAP households
 - Children in child care
- e. Names of state agencies involved in administering this plan.

Response:

North Carolina proposes to leverage the approach for administering P-EBT in its previously approved P-EBT plan for SY 2021-2022 with the addition of administering P-EBT to eligible fully virtual and homeschool students. P-EBT will be administered in partnership between the North Carolina Department of Health and Human Services, the North Carolina Department of Public Instruction, and new this year the North Carolina Department of Non-Public Education; Cherokee Central Schools will not be participating this year.

¹ The date range covered by P-EBT state plan or amendment. A state's plan will typically cover the instructional months in the state's school year (September 2022 through June 2023, for example).

The date range for the current plan will be from September 1, 2022 through May 31, 2023, or until the federal Public Health Emergency expires, whichever is sooner. The months included in the SY 2022-2023 plan are September 2022 to May 2023 in anticipation of administering P-EBT during the 2023 summer period (June 2023 – August 2023). This date range applies to both children in schools (in-person, virtual, and homeschool) and child care.

Most North Carolina public schools have returned to in-person instruction however, they continue to respond fluidly to COVID-19 outbreaks and are utilizing specific attendance codes for quarantine and temporary virtual instruction. Fully virtual and homeschool students are new this year and will require applications for P-EBT, therefore North Carolina has based estimates for these groups on the number of homeschools and students in fully virtual instruction with estimations on how many households will apply and be approved. The estimates presented here will be monitored and North Carolina will inform USDA of any significant increase or decrease in these data points during the period covered by this initial plan.

North Carolina reviewed data from the 2021-2022 school year as well as homeschool and fully virtual school population data to develop P-EBT estimates with increased confidence. The resulting estimates of P-EBT issuance during the date range coverage period are as follows:

- Estimated monthly amount issued to school children is \$6,184,080 assuming eligible students impacted by quarantine/temporary virtual instruction (associated with brick-and-mortar schools) monthly is 112,000 (based on last year's counts) averaging 4.5 days of benefits each month (based on last year's average) and eligible students in fully virtual and homeschool learning is 12,000 with 21 days of benefits each month. The fully virtual and homeschool estimate includes the assumption that we estimate sending out 30,000 applications with a 50% return rate (15,000), and that 80% of those applications will be deemed eligible.
 - Estimated monthly amount issued to school children in SNAP households (38% of \$6,184,080) is \$2,349,950
 - Estimated monthly amount issued to school children in non-SNAP households (62% of \$6,184,080) is \$3,834,130
- Estimated monthly amount issued to non-school children in the child care group (all in SNAP households) is \$8,302,700 assuming 203,000 children monthly averaging 5 days of benefits each month
- Total issuance of \$105,120,029 (based on actuals from the 2021-2022 school year)
 - Estimated total amount issued to school children in SNAP households is \$18,325,668
 - Estimated total amount issued to school children in non-SNAP households is \$23,444,796
 - Estimated total amount issued to children in the child care group (all in SNAP households) is \$63,349,565
- The estimated total *number* of school children to which the State will issue P-EBT benefits is approximately 496,840 (distinct annual student count based on the number of students who received P-EBT benefits in school year 2021-2022 plus the estimated number of fully virtual and homeschool students). With the inclusion this year of

fully virtual and homeschool students, North Carolina assumes as referenced above that approximately 50% of the students who are sent an invitation to apply do apply, and that 80% of those students are deemed eligible.

- Estimated number of school children in SNAP households (38% of total) is 188,951.
- Estimated number of school children in non-SNAP households (62% of total) is 308,289.
- Estimated *number* of non-school children in the child care group is 203,000.

The tentative monthly P-EBT issuance schedule is outlined in Section 7: Implementation Timeline, EBT Processing, and Benefit Issuance.

4. P-EBT for School Children (see Q&As #7-25)

A. Eligible Children

Standard for P-EBT Eligibility

A child is eligible for P-EBT benefits if two conditions are met:

1. The child would be eligible for free or reduced-price meals if the National School Lunch Program and School Breakfast Program were operating normally. This includes children who are:
 - a. directly certified or determined “other source categorically eligible” for SY 2021-2022, *or*
 - b. certified through submission of a household application processed by the child’s school district for SY 2021-2022, *or*
 - c. enrolled in a Community Eligibility Provision school or a school operating under Provisions 2 or 3, *or*
 - d. on the school’s most current prior year list of directly certified children, children determined other source categorically eligible, or children certified by application *and* the school district has not made a new school meal eligibility determination for the child in SY 2021-2022.
2. The child does not receive free or reduced-price meals at the school because the school is closed or has been operating with reduced attendance or hours for at least 5 consecutive days in the current school year. Once the minimum 5 consecutive day threshold is met, children are eligible to receive P-EBT benefits for closures or reductions in hours due to COVID-19.

- Describe how the state will identify eligible school children for P-EBT. Please describe separately for the subset of children enrolled in non-NSLP-participating fully virtual institutions or homeschooling who may be eligible for P-EBT (see Q&As #16 and #25). Also describe what measures the state will take to prevent the issuance of benefits to school year 2021-2022 graduates and other non-students.
- How will the state determine and/or confirm each child’s eligibility for free or reduced-price meals?² Please describe separately for SNAP-recipient and non-SNAP-recipient children, children in public and non-public schools, new students (such as kindergarteners and transfer students), children who become eligible during the

² The burden associated with National School Lunch Program applications is covered under OMB Control # 0584-0026, 7 CFR Part 245 - *Determining Eligibility for Free & Reduced Price Meals and Free Milk in Schools*, expiration date 7/31/23.

school year, and the subset of children enrolled in non-NSLP-participating fully virtual institutions or homeschooling who may be eligible for P-EBT.

- How will the state confirm each child's lack of access to meals at school? Please describe separately for children in public and non-public schools.
- If the state's schools will continue to impose temporary virtual or hybrid schedules, describe the process that the state will use to update each child's in-person and virtual schedules (see Q&A #12). How frequently will that information be updated? (Note that this information must be updated no less frequently than every other month.)
- Describe the process that the state will use to identify individual students' COVID-related absences or virtual learning days, including the process to identify, confirm and monitor the enrollment status of children in non-NSLP-participating fully virtual institutions or homeschooling.
- Describe the roles and responsibilities of each state agency or other partners involved in P-EBT (e.g., which agency is responsible for confirming eligibility).
- Describe any simplifying assumptions the state proposes to use and the justification for using those simplifying assumptions. **Please address both in detail.** In addition, please describe any proposed measures that the state will take to address program integrity when using the proposed simplifying assumptions. *(Please review Q&A #25 on simplifying assumptions regarding fully virtual schools and homeschooling.)*

Response:

The following entities are involved in the administration of P-EBT:

- The North Carolina Department of Health and Human Services (NC DHHS) is responsible for the planning, coordination, policy development, and monitoring of the P-EBT program as well as the North Carolina Food and Nutrition Services SNAP and Child and Adult Care Food Program (CACFP) data. NC DHHS is responsible for P-EBT applications and processing for the fully virtual and homeschool students and will utilize vendor services for P-EBT application related activities. Responsibilities also include development of primary communications regarding P-EBT (i.e. website, partner toolkits, social media) and the provision of customer service and support through internal and vendor resources, including call center.
- The North Carolina Families Accessing Services through Technology (NC FAST) is responsible for the P-EBT system and, along with the EBT NC DHHS EBT vendor, Fidelity Information Services (FIS), they are responsible for the issuance of P-EBT benefits and the issuance of P-EBT cards and replacement cards.
- The North Carolina Department of Public Instruction (NC DPI), including but not limited to the School Nutrition, Data, Research and Federal Reporting, Accountability, Federal Programs, Charter Schools, Communications and other Divisions, collaborates with local Public School Units (PSUs) to address pandemic-related initiatives for students. The department is responsible for student eligibility determinations for free or reduced-price school meals and the reporting of student enrollment, and attendance data, communications with education leaders and stakeholders and other outcomes as needed to support overall program integrity, equity and inclusion.

- The North Carolina Division of Non-Public Education (DNPE) processes and maintains data on all homeschools in North Carolina. DNPE will function as a data partner in identifying potentially P-EBT-eligible homeschool students for North Carolina to invite to apply.

Note: Though previously Cherokee Central Schools participated in P-EBT, they are no longer participating in NSLP, and are therefore inherently ineligible to participate in P-EBT for school year 2022-2023.

NC DHHS will work with its EBT processor, all relevant State agencies, and other stakeholders to ensure a successful P-EBT program, timely implemented, with realistic expectations.

To identify eligible brick-and-mortar school enrolled children and confirm their eligibility, North Carolina will use data provided by the PSUs and non-PSUs directly. North Carolina will not apply prior year free or reduced-price meal eligibility to the 2021-22 school year. Schools collected school meal applications from all interested households at the beginning of the current school year in order to reset all children's eligibility for free and reduced-price school meals. NC DPI will instruct PSUs and non-PSUs to provide them with a list of all students eligible for free or reduced-price meal benefits by way of application, direct certification (SNAP and eligible Medicaid recipients will follow the established direct certification process between NC DHHS and NC DPI), and other categorically eligible students. This list will contain the minimum necessary data elements to issue benefits in accordance with USDA guidance and the processes described in this plan. NC DPI will also instruct the PSUs and non-PSUs to remove data for students who have graduated or moved out of the district from this list and to update current school and household information.

For students enrolled in non-NSLP-participating fully virtual schools who may be eligible for P-EBT, North Carolina will identify potentially eligible children by leveraging virtual school data from the Educational Directory and Demographical Information Exchange (EDDIE) system. When schools register with NC DPI, they must self-identify their virtual status, opening effective date and contact details amongst other pieces of information within the EDDIE system, thus providing an opportunity for communicating with schools that identify as fully virtual to find students that could be P-EBT eligible. Once identified, NC DHHS will conduct direct outreach to these students. Virtual schools in EDDIE which will be included in this outreach are the FULLYVIRTUAL (no in-person contact) and FACEVIRTUAL (schools that operate with only occasional, supplemental in-person opportunities that do not include school meals) that started during the pandemic (after January 27, 2020) and which remain active in the 2022-2023 school year. Virtual schools that existed prior to the pandemic will filter student enrollment data to identify students that enrolled January 27, 2020, or later. NC DHHS intends to conduct direct outreach to virtual students with an invitation to complete a P-EBT application. This will be the same application and process used with homeschool students and is described below. The virtual school and grade level of the student will be collected in the application and graduates and other non-students will not be eligible for Student P-EBT.

For students enrolled in non-NSLP-participating homeschools who may be eligible for P-EBT, North Carolina will identify eligible children by leveraging data in partnership with the North Carolina Division of Non-Public Education (DNPE). When school administrators register their homeschool with DNPE, which must be done to establish a legal homeschool, they file a Notice of Intent (NOI). The NOI includes their date of opening and their reasoning for establishing the homeschool selected from a drop-down menu, with an option to choose “the Coronavirus pandemic.” Working with DNPE, North Carolina intends to filter for schools opened between January 27, 2020, and the present, that are operational in the 2022-2023 school year, and have stated the Coronavirus pandemic as their reasoning for opening. North Carolina intends to conduct direct outreach to these students with an invitation to complete a P-EBT application. This will be the same application used with fully virtual students and is described below. The students’ homeschool and grade level will be collected in the application and graduates and other non-students will not be eligible for Student P-EBT.

Note: North Carolina’s definition of homeschooling includes children at a minimum of age 7, as that is when school becomes compulsory in the state and that is when homeschools are required to register with the DNPE. Households with only children under age 7 who choose not to send their children to public school may not be captured as they are not registered with the state and are not considered homeschooled students by North Carolina.

The following simplified assumptions will be used with the fully virtual and homeschool student populations:

- North Carolina will assume a student’s election to participate in fully virtual school or homeschool will continue throughout the school year unless the state is notified of unenrollment by the virtual school and/or the household itself, or if the student is picked up in the student files received by NC DPI with PSU and non-PSU student information; if this occurs then the NC DPI student information will take precedence for P-EBT benefit issuance from the point of reentry into the brick-and-mortar school setting.
- North Carolina assumes that students living in a CEP school zone are automatically eligible because if they were attending their assigned school they would be free or reduced-price meal eligible. The student’s eligibility for P-EBT via CEP zoning will be based on the 2022-2023 CEP designation of the school they would currently be attending, so that North Carolina may take into account students who have moved locations or advanced to a school that may not be CEP (for example, a student who attends a CEP middle school, leaves for virtual school, and would now be in a high school that is NOT CEP).
- North Carolina assumes that a virtual or homeschool student in K-2nd grade that has never attended a brick-and-mortar school does meet the requirement to have left an NSLP school, making the assumption that they would have attended an NSLP public school if they had ever enrolled in a physical school.

The application and invitation to apply will contain the following components (please note that any text in italics is written for USDA context only and will not be present on the application itself):

Invitation to Apply Letter

- Explanation of why the household is receiving the letter, how P-EBT was not previously available for fully virtual and homeschool students and that this is the first year these students may participate in P-EBT;
- Clarity that receipt of this invitation does not in any way imply that the recipient is eligible for P-EBT;
- Explanation that P-EBT applications are only available and necessary for fully virtual and homeschool students;
- Statement of the eligibility criteria for the P-EBT program;
- Information that the household is receiving an invitation to apply for P-EBT and that the invitation is specific to student(s) in their household;
- Information on how the household can apply (*online application will be encouraged with an option to call a designated number for a call center representative to assist and enter the information into the online application for the applicant*);
- Statement that each household must submit its own P-EBT application, and that each child in the household will be evaluated for eligibility on an individual basis. While each household will submit only one application, there will be an option to “add” children to the form;
- Note that if there is more than one household in a single homeschool, P-EBT eligibility does not extend to all children in that homeschool, as each household must fill out their own application for the children in their legal care;
- A list of information that will be needed to apply;
- Encouragement to apply right away, as there will be an application deadline (*to be determined*).

P-EBT Application: The state will provide USDA the opportunity to review the application prior to implementation.

- Introduction message providing instructions on how to complete the application and information that is needed;
- Statement that each household must submit its own P-EBT application (similar to the statement in the invitation to apply);
- Statement that P-EBT eligibility does not extend to all children in the homeschool (similar to the statement in the invitation to apply);
- Name of student;
- Social security number (*optional field*)
- Household email address (*for sending an eligibility notice once the application is processed and/or other communications as needed such as request for income verification*);
- Student grade for the 2022-2023 school year (*to ensure 2021-2022 graduates and other non-students aren't served through Student P-EBT*);
- Date of birth (*for matching purposes*)
- Exit date (month/year) of the in-person school
 - Include a drop-down menu of schools that participated in NSLP (*applicants will be presented with a slightly different drop-down menu based on their exit dates, as the list of eligible schools is subject to change each school year*);

- Ask if the student entered the homeschool / virtual school due to reasons related to COVID-19;
- Name of current virtual school or homeschool;
- Name of school they are currently zoned for (*to check if CEP school*);
- Home address (*for mailing the P-EBT card if they don't receive NCFNS (SNAP)*);
- Ask if the student is categorically eligible
 - List the scenarios that make a student “categorically eligible” (part of a NCFNS (food stamps) case, or are a migrant, homeless or in foster care)
 - If NCFNS is selected, applicant is prompted to enter their NCFNS case number (*to validate*);
- Income eligibility questions substantively equivalent to North Carolina’s prototype NSLP free or reduced-price meal application, including instructions comparable to those used in the North Carolina prototype (*to be required for all income-based applications, not required for CEP or categorically eligible (foster, migrant, homeless)*);
- Parent or caregiver attestation that all information is true, using the following language provided by the USDA: “I certify (promise) that all information on this application is true and correct and that all income is reported. I also certify that the reason my child is being homeschooled or is attending a fully virtual school is ***due to concerns about COVID***. I understand that this information is given in connection with the receipt of federal funds. I understand that state or local school officials may verify the accuracy of information in this application. If my child’s homeschooled or virtual school status changes during the school year, and my child enrolls in an in-person school, I will notify the state immediately. I am aware that if I purposely give false information or fail to promptly notify the state of my child’s enrollment in an in-person school, my child may be denied benefits, and I may be prosecuted under applicable state and federal criminal laws.”; and
- Statement that if found eligible, it is the responsibility of the parent or caregiver to alert North Carolina if the child is no longer eligible to receive P-EBT. Statement that if any information submitted in this application to North Carolina changes, including unenrollment from virtual / homeschool OR enrollment in a brick-and-mortar institution, to inform the state immediately by calling the P-EBT Call Center (*this is particularly important given the difficulty for NC DHHS to determine if a student returns to/enrolls in a brick-and-mortar school*).

Additional data elements will be added if needed during development of the application; for example, social security numbers to execute a data match with SNAP households.

For both fully virtual and homeschool students, the application will use the following logic (steps) in processing:

- (1) Confirm the student left their NSLP school or began their school career in a virtual / homeschool setting due to COVID-19 through applicant self-reporting in the application;
- (2) Confirm the student P-EBT applicant left an NSLP school during the pandemic by matching the child to student enrollment data provided by NC DPI, OR that the child began their school career in a virtual / homeschool institution by proving the child’s existence using DPI, NCFNS (SNAP) and potentially Medicaid data to the extent possible. If the existence of

a child that began their school career virtually or in homeschool due to the pandemic CANNOT be proven using the aforementioned data sources, North Carolina will request identification in the form of one of the following: a passport; a state-issued non-driver's identification card; an adoption decree; a doctor, clinical or hospital record; a religious record; a school daycare center record; or a school identification card.

(3) Review for CEP or "categorical" eligibility (i.e., lives within the school zone of a CEP school, participates in SNAP, or the student is homeless, migrant, or in foster care)

Note: Due to not having data available to verify school zones, upon customer attestation that all information in the application is correct, NC DHHS will accept as correct the customer supplied school name that the student is zoned for in SY 2022-2023 and, for application processing, will check the name of the school against the NC DPI list of CEP schools.

Additionally, upon customer attestation that all information in the application is correct, NC DHHS will accept as true the customer supplied statement that the student is homeless, migrant, or in foster care;

(4) If a student does not meet CEP or categorical eligibility, then assess eligibility based on income. Income parameters for P-EBT will follow the NSLP FRP income requirements/thresholds.

Students who pass the first three filters will be eligible for P-EBT. Students who pass the first two filters and are deemed income eligible in step 4 will also be eligible for P-EBT.

For both full virtual and homeschool students, North Carolina will require **all applicants** who are submitting an income-based application to submit income documentation **at the time of application**. North Carolina will use that documentation to verify the eligibility of the first 100 applications to be process for income-based eligibility. If the error rate for this first 100 is at or below 5 percent, North Carolina will review and verify the documentation for **10 percent** of remaining applications. If at any time, the error rate rises above 5 percent, North Carolina will resume verifying the documentation for all applicants.

A uniform process will be used for all students (SNAP recipients and non-SNAP recipients) to confirm their eligibility for P-EBT benefits. However, there will be a data-based process for students whose information is captured in the student information system (PowerSchool) and through their brick-and-mortar schools, and a separate, application-based process for students who are newly eligible as homeschool or fully virtual students. Students who attend traditional, in-person schools will have their eligibility determined by the data shared by NC DPI, as has been done in previous years and this process is described below. The application and eligibility determination process for virtual / homeschool students is described above.

For the purposes of P-EBT, public schools, charter schools and non-public school units who administer the NSLP will be instructed to record individual student attendance using virtual instruction and quarantine codes and provide that information to NC DPI. These codes will confirm a student's eligibility and amount of benefits for P-EBT. Students receiving traditional school based temporary virtual instruction or who are absent due to COVID-19 conditions will be eligible for benefits for the days in which they were in virtual instruction or absent and/or quarantined (including COVID-19 related symptoms or illness).

North Carolina schools use a common Student Attendance and Student Accountability Handbook which provides school administration and personnel (including teachers) information regarding the application of attendance policy and recording of attendance in the student information system (PowerSchools). The quarantine and virtual instruction codes which will be utilized for P-EBT are included in the Student Attendance and Student Accountability Handbook. North Carolina recognizes the ongoing need for districts to be able to respond to local COVID-19 conditions. School Superintendents and local School Boards of Education have the authority to make decisions that are best for their students. Though the Student Attendance Handbook and Student Accountability provides a measure of consistency across school districts, local control will govern the details which are developed or adjusted based on need in response to COVID-19 conditions through structured processes within the school districts.

North Carolina will monitor for outliers in COVID-related absences as the data is received and processed each month. If any large discrepancies are detected, North Carolina will reach out to the location to inquire and verify that the data recorded and submitted are in accord with the Student Attendance and Student Accountability Handbook and local school district guidance.

Student attendance records will be reported on a monthly basis and will determine student eligibility and benefit amount each month. If the student is no longer eligible or withdraws from school during the month, benefits will be based on the period of time the child was eligible for that month.

NC DPI will request the PSUs and non-PSUs to provide student, enrollment and attendance records no later than the 10th of the following month and will provide this data to NC DHHS for issuing benefits. Benefits will be issued monthly retrospectively on or about the 25th of each month following implementation through June 2023 (benefit months September 2022-May 2023).

B. School Status

Standard for P-EBT Eligible School Status

Children are eligible for P-EBT benefits if they are eligible for free or reduced price meals, but are unable to receive those meals at school due to the operating status of their schools as outlined below:

1. The school is closed (including any delayed start or early closure to the school year), or the school is operating with reduced attendance or hours.
2. School closures do not include weekends, or days when the school is closed due to a holiday or regularly scheduled break (Thanksgiving, New Year's Day, Spring Break, etc.).
3. The period of closure or reduced attendance or hours must meet the current school year minimum 5 consecutive day threshold before any child is eligible for P-EBT benefits. Once the minimum 5 consecutive day threshold is met, children are eligible to receive P-EBT benefits for closures or reductions in hours and/or attendance due to COVID-19.

- Describe how the state will identify, confirm and monitor the status of individual schools. Also describe how the state will identify the period of duration of the closure, reduced hours, or reduced attendance of the state's schools.
- How will the state confirm that the child's school has been closed or is operating with reduced attendance or hours for a minimum of 5 consecutive days?
- Describe how this information will be obtained and how often the state will collect updated information from schools. (Note that this information must be updated no less frequently than every other month.)
- Describe any simplifying assumptions the state proposes to use and the justification for using those simplifying assumptions. Please address both in detail. In addition, please describe any proposed measures that ensure program integrity when using the proposed simplifying assumptions.

Response:

North Carolina will identify, confirm, and monitor the status of individual schools and students through monthly reporting from PSUs and non-PSUs to NC DPI. The State will use student attendance records from the 2022-23 school year to confirm schools have met the 5 consecutive days of school closure or reduced attendance/hours. NC DPI will provide guidance to each district on how to classify and report a student's attendance. PSUs and non-PSUs operating fully in-person will have eligible students if the student meets the requirements in section 4.A., Eligible Students.

North Carolina schools will be asked to use specific codes when documenting student attendance, including a code for virtual instruction and a code for quarantine or COVID-related absence which will be used to determine P-EBT eligibility and benefit amount. Students will be eligible for P-EBT benefits if their attendance record contains evidence of days in quarantine and/or virtual instruction. A school will be considered to have met the 5 consecutive day requirement by way of reduced attendance if one or more students are in quarantine and/or virtual instruction for 5 or more consecutive days as reflected in their attendance record. Schools will submit this information via a data file to NC DPI monthly.

Because fully virtual schools and homeschools are inherently operating away from brick-and-mortar schools where NSLP free or reduced-price meals are served, they are unable to receive meals within a traditional school setting. Therefore, these school settings will be considered to have met the P-EBT eligible school status and students within these setting can receive P-EBT once the other eligible criteria have been determined as met through the application process.

5. P-EBT for Children in Child Care (see Q&As #26-33)

Standard for P-EBT Eligibility

A child enrolled in a covered child care facility is eligible for P-EBT if:

1. The child is a member of a household that is enrolled in SNAP in the benefit month.
2. The child is enrolled in a covered child care facility. (Note that under the FFCRA, USDA deems all children under the age of 6 to be enrolled in a covered child care facility.)
3. During a public health emergency designation, the child's child care facility is closed or is operating with reduced attendance or hours for at least 5 consecutive days, resulting in the child's inability to attend the facility; or one or more schools in the area of the facility, or in the area of the child's residence, is closed or is operating with reduced attendance or hours.

There are no changes for P-EBT for children in child care from SY 2021-2022. USDA encourages states to refer to their **approved** SY 2021-2022 child care plan to complete this section. Please describe:

- how the state will identify eligible children and confirm their eligibility consistent with the above standard,
- how the state will set benefit levels for children,
- the roles and responsibilities of each state agency or other partners involved in P-EBT and
- any simplifying assumptions the state proposes to use and the justification for using those simplifying assumptions.

If the state will establish a reduction in access to child care using the CACFP data method, we recommend that the state respond to all points as described in their **approved** SY 2021-2022 child care plan, such as:

- The state will confirm that there has been a statewide reduction in access to child care for each of the months of the current school year relative to the same months immediately prior to the pandemic, and will share this data and calculations with USDA before issuing benefits for any months.
- The state will use the sum of CACFP lunch claims for child care centers and family day care homes as reported by the state on the FNS-44³. The state will exclude at-risk lunches and adult lunches.
- The state will set an average monthly P-EBT child care benefit using the reduction in aggregate lunch claims over a designated period of time, the average number of school instructional days over the course of the current school year, and the SY 2022-2023 P-EBT benefit per day.
- The designated period over which the state will set the average monthly benefit (e.g., a separate average monthly benefit for the fall semester and the spring semester).

³ The burden associated with state reporting of CACFP meal claims via the FNS-44 form is covered under OMB Control number 0584-0594, *Food Programs Reporting System (FPRS)*, expiration date July 31, 2023.

- The state will monitor CACFP lunch claims through the end of the school year (or through the end of the public health emergency, as applicable) and will only issue benefits for months where lunch claims remain below claims for the most recent same month prior to the pandemic.

USDA will continue to support states with their calculations for the above approach.

If the state will establish a reduction in access to child care using a different approach, such as individual children’s eligibility or proximity to area schools, then please describe below what the state will do and how this approach will be consistent with the above standard, such as:

- How will the state determine that a child’s residence is in the area of one or more schools that is closed or is operating with reduced attendance or hours? (See Q&A #30)
- For children whose residence is *not* in the area of one or more closed schools or schools operating with reduced attendance or hours, how will the state determine those children’s eligibility? (See Q&A #32-33). Specifically, how will the state determine that:
 - the child’s child care facility is closed or is operating with reduced attendance or hours, or
 - the child’s child care facility is in the area of one or more schools that are closed or operating with reduced attendance or hours?
- Are there any state or local public health ordinances that limit the capacity of child care facilities in response to COVID-19 in your state? If yes, describe how you will use those to find that all SNAP-participant children under age 6 are eligible for P-EBT in those areas?
- Describe the process that the state will use to update and re-establish each child’s continued P-EBT eligibility and benefit level consistent with changes in the operating status of the child care facility or area schools? How frequently will that information be updated? (Note that this information must be updated no less frequently than every other month.)

Response:

Per the guidance, North Carolina will assume all children under the age of 6 (as of September 1, 2022) to be enrolled in a covered child care facility. NC DHHS will identify all children less than 6 years of age (as of September 1, 2022) that are part of a household that receives North Carolina Food and Nutrition Services (NCFNS, a.k.a SNAP) benefits any time September 1, 2022 onward. The following business rules will be applied to child care P-EBT:

- If a household with a child under 6 years of age begins to receive NCFNS benefits the State will issue P-EBT benefits retroactively back to the first month of NCFNS eligibility and ongoing through May 2023 as long as the household continues to receive NCFNS.
- If an active NCFNS household adds a newborn to their household, P-EBT benefits for child care will be provided retroactively back to the month of birth.

- North Carolina will conduct a data match to exclude children who are already receiving P-EBT benefits for children in school to prevent over-issuance.
- If the child turns 6 years old while being served and is not picked up in student P-EBT records, the State will continue to provide benefits to them through May 2023 as long as the household continues to receive NCFNS.
- If a child is removed from the NCFNS household or if the NCFNS case closes, child care P-EBT benefits will terminate with the last month of NCFNS eligibility.
- North Carolina will use NC FAST NCFNS (SNAP) participation data to determine eligibility based on a child being below age 6 as of September 1, 2022 and on an active NCFNS case during the period of benefit issuance. We are applying the assumption that reduced CACFP attendance at the state level is reflective of reduced attendance at child care facilities across the State of North Carolina.
- North Carolina will use CACFP meal claim data to determine child care P-EBT benefit level.
- Once implemented, the issuance procedure will be run on a monthly basis to determine eligibility and child care P-EBT benefit level.
- Child care P-EBT benefits will be issued retroactively on a monthly basis on or around the 26th of each month and will be staggered with respect to student P-EBT and other food assistance benefits to account for grocery supply pressure and program integrity.

Due to limited data North Carolina will use the following simplified assumptions and processes to issue benefits for the child care population:

- NC CACFP data will be used to determine the benefit level for child care P-EBT. North Carolina will use aggregate, statewide data for the following reasons:
 1. CACFP data will be used as a proxy to determine the impact of COVID-19 on child care attendance. North Carolina finds a large data set is more representative of COVID-19 trends because not all counties within North Carolina have sufficient child care facilities participating in the CACFP program to provide a representative sample.
 2. A statewide benefit amount will enable North Carolina to develop consistent messaging around benefit amounts to clearly communicate benefit levels for recipients to maximize understanding and minimize customer frustration.
- North Carolina will use CACFP data to determine benefit levels based on the following criteria:
 1. Consistent with NC P-EBT for students, the maximum number of benefit days in a month will be 21 days.
 2. NC DHHS will look at the total CACFP meals served per month as published on the USDA website for child care centers and Day Care Homes (DCH) for the months prior to the pandemic (for the purposes of this plan, the first month of the pandemic will be assumed to be March 2020).
 3. NC DHHS will use the federally posted CACFP data for meals served for child care (Center and DCH) recipients for a specific period on a monthly basis, comparing to the corresponding pre-pandemic month to pull data for determining benefit levels (i.e. will use September 2019 as the pre-pandemic comparison month for September 2022 benefits, October 2019 as the pre-

pandemic comparison month for October 2022 benefits and so on). The CACFP meal claim data used to calculate benefits will include Day Care Homes and Child Care Centers only and will exclude adult meals served.

4. NC DHHS will then compare the total meals served in a month to a similar period of time prior to the pandemic and calculate the percentage change in meal claims.
 - Example: If in October 2022, there were 100,000 CACFP meals served and in October 2019 (the most recent pre-pandemic October) there were 150,000 CACFP meals served, that represents a 33.33% reduction in meal claims.
5. If there is a percentage change that is a reduction (>0%), that will be applied to the 21 days of benefits for the benefit month.
 - Using the example above applied against 21 days of benefits equates to seven (7) days of benefits. **[33.33% reduction in meal claims * 21 days of benefits = 7 days of childcare P-EBT benefits]**.
 - The benefit calculation for a benefit month will consist of the average number of benefit days averaged from at least two months of CACFP data. NC DHHS will use CACFP data that USDA has released to its website in the calculation. The resulting number of benefit days will be used to issue benefits for the benefit month(s) in each issuance period. North Carolina will send USDA the CACFP data, months used in the calculation, the calculated days/amount, and benefit months being issued prior to each issuance.

Months used to calculate benefits	Benefit months	Month issued
September, October 2022	September, October, November, December 2022 & January 2023	February 2023
September, October, November 2022*	February 2023	March 2023
October, November, December 2022*	March 2023	April 2023
November, December 2022 & January *2023	April 2023	May 2023
December 2022 & January, February* 2023	May 2023	June 2023

*Third month is subject to availability of this data at time of issuance.

Note: Benefit months will only continue as long as the Public Health Emergency is in place; once it expires, the remaining benefit months (and benefit days if the PHE ends mid-month) associated with this state plan will not be issued.

- Example: Following the calculation methodology above, September is determined to have 6 benefit days and October is determined to have 7 benefit days. These will be averaged with standard rounding to arrive at 7 benefit days which will be applied to all months in the issuance (September 2022-January 2023).

6. The number of eligible days of benefits would be multiplied by the current per day meal calculation of \$8.18 per day to determine the per child benefit amount for each month in the issuance.
 - In the example above, all eligible children who meet the other child care P-EBT requirements in North Carolina would receive \$57.26 for each benefit month in the issuance (September through January). **[7 days of benefits for September (7 * \$8.18 = \$56.26) plus 7 days of benefits for October (\$56.26) et cetera through January, equating to \$286.30 total per child for the issuance]**
- There are no State or local public health ordinances that limit the capacity of child care facilities due to COVID-19 in North Carolina.
- The same agencies and partners (NC DHHS and NC FAST) will be involved in child care P-EBT as outlined in section 4.A., Eligible Children, of this document.
- North Carolina will use the same processes as used for P-EBT for students for issuance to EBT cards, P-EBT communications and public information campaign, dispute resolution and serving marginalized communities.

6. Benefit Levels

Standard for Benefit Levels

4. The full daily benefit level for each eligible child is equal to the free reimbursement for a breakfast, a lunch, and a snack for school year 2022-2023. The benefit is multiplied by the number of days that the eligible child's status makes them eligible for P-EBT benefits.

SY 2022-2023 July 1, 2022 - June 30, 2023	Free Reimbursements USDA School Meal Programs			
	Lunch	Breakfast	Snack	Daily Total
Contiguous U.S.	\$4.43	\$2.67	\$1.08	\$8.18
Alaska	6.87	4.21	1.75	12.83
Hawaii, Guam, Virgin Islands, Puerto Rico	5.10	3.09	1.26	9.45

Notes:

1. Lunch rates include the 8 cent performance-based reimbursement and the extra 2 cents per meal received by school food authorities in which 60 percent or more of the lunches served during the second preceding school year were served free or at a reduced price.
2. Breakfast rates are those received by "severe need" schools.
3. Snack rates are those for afterschool snacks served in afterschool care programs
4. The figures include the temporary additional funding for school lunch and school breakfast authorized under Section 2 of the Keep Kids Fed Act of 2022.

Source: <https://www.federalregister.gov/documents/2022/07/26/2022-15892/national-school-lunch-special-milk-and-school-breakfast-programs-national-average-paymentsmaximum>

- Describe the benefit levels proposed, including how days of eligibility will be determined. What simplifying assumptions does the state propose? Why must the state make those simplifying assumptions? Please address both of these questions in detail.

Response:

North Carolina is using its experience in administering P-EBT during the 2021-2022 school year to inform its 2022-2023 benefit issuance strategy. Continued flexibility is essential to support student, staff and community health while minimizing community spread of the virus. To account for the fluid nature of the pandemic and that a student's school attendance, traditional school-based temporary virtual instruction or quarantine status may change throughout the month, the State will be issuing benefits monthly retrospectively for the previous month. Students will receive P-EBT benefits equal to the daily rate times the number of days in temporary virtual instruction and/or quarantine reflected in their school attendance record (inclusive of students who are absent from an in-person learning model due to COVID-19 symptoms or illness and the need to quarantine). North Carolina schools will also provide changes in each student's attendance record so that corrected benefits can be issued if needed.

For fully virtual and homeschool students, North Carolina will make the simplified assumption that because every school day consists of remote instruction, those students deemed eligible will qualify for the full amount of benefits each month. Consistent with NC P-EBT for in-person students and child care, the maximum number of benefit days in a month will be 21 days. It follows that homeschool and fully virtual students who qualify will receive the daily \$8.18 benefit multiplied by 21 each month, or \$171.78 per month of eligibility.

Refer to section 5, P-EBT for Children in Child Care, for a description of the methodology used to determine benefit levels for the child care population.

Additionally, it is the state's goal to issue P-EBT benefits to children who were excluded or under issued benefits in the P-EBT issuances during the prior iterations of the P-EBT program. In these instances, North Carolina acknowledges the need to email SERO explaining the nature of the error, the number of children affected, and the amount before making the corrections.

7. Implementation Timeline, EBT Processing, and Benefit Issuance

Please provide an implementation timeline for SY 2022-2023 with estimated dates for major milestones in your plan.

- States should develop their timeline cooperatively, including input from its EBT processor and all state agencies involved in implementing P-EBT. Instead of using specific dates, describe important milestones and realistic durations between them. USDA suggests that states build their timelines from the date USDA approves the state's plan (Day #0).
- The timeline must include the state's tentative issuance dates. In past years, most states issued in phases, and on a rolling basis thereafter. For example: issuance to SNAP households Day #10, to non-SNAP households on Day #15, and to newly identified cases from Day #16 onward. This is a best practice, which we encourage states to continue.

- Examples of other possible milestones include, but are not limited to:
 - State Education agency provides student data to SNAP state agency (Day #5)
 - P-EBT hotline becomes active (Day #9)
 - Public notice campaign begins (Day #10), etc.

Please also address each of the following:

- Will the state issue P-EBT benefits on a unique P-EBT card design? If so, who will receive these cards, non-SNAP households only? Or also SNAP households?
- How will the state distinguish P-EBT from SNAP and D-SNAP issuances? USDA strongly encourages the use of a sub-benefit type, even if your state did not do so in P-EBT issuances for previous school years. This will greatly facilitate the states' ability to report and USDA to maintain accountability for P-EBT.
- What will be your draw/spend priority for P-EBT, SNAP, and D-SNAP? USDA suggests making P-EBT first on your draw/spend priority.
- How will the state handle expungement of P-EBT benefits? USDA recommends that states follow the same expungement rules that the state currently follows for SNAP.
- How will you and your EBT processor handle returned P-EBT cards? How will you handle the need to issue replacement cards in these cases?
- Will you issue *new* P-EBT cards to existing P-EBT households?
 - If so, who will receive these cards? Non-SNAP households only? Or also SNAP households?
 - If not, how will you handle cases where the P-EBT household no longer has their P-EBT card?

Response:

Key milestones within the tentative timeline for implementing the 2022-2023 P-EBT program are listed below. The issuance schedule may change from that described below depending on when the State Plan is approved and when system updates and the new P-EBT application are ready for deployment.

The tentative timeline for initial implementation in SY 2022-2023 is as follows:

Day 0 – Plan approval is received

Day 1 – Inform partners of the data and reporting criteria and submission instructions: NC DPI, PSUs and non-PSUs (for regular and virtual student data), NC DNPE (for homeschool information), and NC DHHS (for CACFP meal claim data) [Discussions and information on anticipated approach and expectations will occur in advance]

Day 3 – Finalize the P-EBT application requirements and the P-EBT system requirements to develop the P-EBT application and update P-EBT system in accordance with SY 2022-2023 approved State Plan approach

Day 8 – Initiate development of the P-EBT application and P-EBT system updates (planning, scheduling, coding)

Day 10 – Finalize P-EBT application processing procedures and training materials

Day 20 – Finalize P-EBT application and invitation to apply
 Day 30 - Onboard and train call center staff
 Day 35 - P-EBT online application readiness complete (development, testing, launch)
 Day 36 – Send out invitations to complete a P-EBT application
 Day 40 – Deadline for PSUs, non-PSUs, and to submit student files and for NC DHHS to submit CACFP meal claim report
 Day 47 – File transfers from NC DPI to NC DHHS
 Day 55 - File of eligible virtual and homeschool students provided to NC FAST
 Day 67 – P-EBT system readiness complete (development, testing, promotion)
 Day 67 – Public awareness campaign commences
 Day 71 – File transfers to EBT processor FIS
 Day 71 – First issuance for SY 22-23 commences and benefits are deposited for both non-SNAP and SNAP households (regular school students, child care and home/virtual school students), staggering the issuance over several days
 Note: 3-5 days may need to be added to these dates based on weekend and holiday schedules.

North Carolina intends to issue student P-EBT benefits for September 2022-May 2023 retrospectively on a monthly basis beginning in February 2023. Benefit months will only continue as long as the PHE is in place; once it expires, no more months (or days) of benefits will accumulate for the school year beyond the date the PHE ends. The feasibility of a February implementation is dependent on State Plan approval and P-EBT application and system readiness. To avoid unnecessary delays in issuances for brick-and-mortar students and child care, North Carolina anticipates it will begin processing those benefits prior to completing preparations for virtual and homeschool students. North Carolina will update USDA if there are significant changes to the approved issuance schedule. North Carolina will stagger the issuances over several days in anticipation of fewer recipients each month, other food assistance benefit issuances, lessons learned from the 2021-2022 P-EBT program, and consultation with stakeholders.

The typical monthly timeline for issuances is as follows:

Day 1 – Start of month
 Days 1-15 – Process P-EBT applications for homeschool and virtual school students
 Day 10 – Deadline for PSUs and non-PSUs to submit student files to NC DPI
 Day 15 – File transfers from NC DPI to NC DHHS
 Day 15 - NC DHHS provides CACFP meal claim report data
 Day 16 – File of eligible virtual and homeschool students provided to NC FAST for issuance processing
 Day 25 – File transfers to EBT processor FIS
 Day 25 – Social media post informing on commencement of monthly issuance
 Day 25 – Benefits are deposited for both non-SNAP and SNAP households (regular school students, child care and home/virtual school students), staggered over several days
 Note: 3-5 days may need to be added to these dates based on weekend and holiday schedules.

Each month for student issuances, by the 10th day of the month, all eligible PSUs and non-PSUs will provide the State with the necessary data to issue P-EBT. This data includes a list

of students eligible for free and reduced-price meals and their respective student, enrollment, and attendance data. The PSUs and non-PSUs will provide the data to NC DPI. NC DPI will collate the data and transfer the resulting files to NC FAST on or around the 15th day of each month. This allows for the necessary data clean up and file transfer to the state's EBT processor, FIS. The goal is to issue the student P-EBT benefits by the 25th day of each month following an eligible month (15 days after receiving the data from the PSUs and non-PSUs).

For homeschool students, NC DHHS expects to receive refreshed data files from DNPE every two months to identify any new students that entered homeschool from a standard school setting. After NC DHHS receives the files, assessments will be made for new additions and invitations to complete an application for P-EBT will be sent to those students. Applications that are processed within the first 15 days of the month will be included in the issuance for that month.

For fully virtual students, we will coordinate with fully virtual schools to identify students who switched to fully virtual school throughout the year and send those students invitations to apply. NC DHHS will work with virtual schools to get unenrollment data when possible. Applications that are processed within the first 15 days of the month will be included in the issuance for that month.

Each month for child care issuances, by the 15th day of the month NC DHHS will provide the CACFP meal claim report data relevant to the issuance. NC FAST will use pre- and post-pandemic meal claim data along with NCFNS participation data in the issuance procedure. NC DHHS will share the calculated benefit amount for each month with USDA prior to issuing benefits.

North Carolina will verify that no child receives child care P-EBT that has already received student P-EBT for the same benefit month before transferring the child care issuance file to the EBT processor. The goal is to issue the child care P-EBT benefits by the 26th day of each month.

The State intends to follow the same distribution model utilized in the 2021-2022 P-EBT. North Carolina Food and Nutrition Services (NCFNS) households will receive their P-EBT benefits on their EBT card while non-NCFNS households will receive benefits on a unique P-EBT card. New P-EBT cards will not automatically be issued to households who have already been previously issued a P-EBT card. Newly eligible households will be mailed benefit cards to their household address. For families whose card has been lost or damaged, NC DHHS has developed an online replacement card portal and NC DHHS is also accepting replacement card requests via its call center assistance line. Undeliverable cards will be returned to the EBT processor, FIS, who will in-turn provide the counties with information on undeliverable cards. This information will be shared with PSUs for outreach purposes as needed.

P-EBT benefits will follow the same expungement rules that the state follows for SNAP. The state will continue its use of the F9SS benefit code which was modified specifically for P-EBT. The P-EBT draw/spend priority is first, ahead of D-SNAP and SNAP.

8. Customer Service

To complete Section 8, we encourage states to use language from their approved plan from SY 2021-2022 with all necessary updates.

Recommended Standard for Household Support

USDA strongly encourages states to develop a customer service plan that anticipates common questions from households of children that are eligible and potentially eligible to participate in P-EBT, and that ensures that all who are eligible are able to receive and use their P-EBT benefits.

1. USDA strongly encourages states to provide a means to resolve disputes and answer questions from actual or potential P-EBT households.
2. USDA strongly encourages states to provide relevant program information to actual and potential P-EBT households.

- How will the state resolve disputes or issuance errors (incorrect benefit amount, denied benefits, etc.)? Based on the large number of such inquiries received by USDA, the states, and EBT processors, USDA suggests a phone number (hotline) staffed by personnel empowered to research and address such cases.
- Please describe how the state will serve groups with potential access problems, for example: homeless children, foster children, children without social security numbers, children and caregivers with limited English proficiency, households without internet access, and people living with disabilities.
- Describe the state's public information campaign. That is, the information you will provide to the general public (i.e., **not directly** to P-EBT participants), and how you will provide that information (i.e., print or broadcast advertising, social media, mailers to the general population).
- Describe what information you will provide for households that do not want the P-EBT benefit that is directly issued to them. How dispose of the card, etc.
- Describe the information you will provide **directly** to P-EBT participants (this is different than the information you provide to the general public), and how you will provide that information. For example:
 - What will you provide to explain the purpose of P-EBT and how to use the benefit? Based on the large number and wide variety of public inquiries that USDA, states, and EBT processor call centers received regarding P-EBT in over the past year, USDA recommends it include:
 - A description of P-EBT
 - Instructions for PINing a P-EBT card
 - Explanation of where benefits can be used
 - Explanation of how benefits can and cannot be used (i.e., eligible foods and non-eligible items)
 - Explanation of violations and penalties, such as trafficking
 - An indication that benefits are non-transferable
 - Instructions for destroying the card, if they want to decline benefits

- Information regarding a hotline, helpdesk, or website/portal that participants can reach out to, if they have questions, need assistance (setting up a PIN, for example)
- How will you provide P-EBT information to non-SNAP households? How will you provide P-EBT information to SNAP households?
 - Will you provide information via mailers? Will the mailer(s) be a flyer/brochure, buck slip, letter, or some other alternative? USDA recommends flyers/brochures, because these can be used more flexibly than buck slips.
 - Will you provide information via e-mail, text messages, social media, website, robo-call, and/or other electronic means?

Response:

NC DHHS has a multi-faceted approach to ensuring robust and accurate communication to all eligible households regardless of primary language, lack of permanent address or access to technology.

NC DHHS' EBT Call Center will continue to serve as customer support. North Carolina will also be standing up a call center to specifically address the needs of P-EBT customers, including P-EBT-specific topics and application support for virtual and homeschool students, to which the EBT Call Center can transfer calls to. This new call center will be the main support mechanism for P-EBT customers, taking the majority of the P-EBT workload from the NC DHHS EBT Call Center. While the development of this call center is ongoing, North Carolina has no concerns about its imminent ability to research and resolve issues in a timely manner, and the state commits to employing robust staff, materials and training. To aid field staff in assisting callers, staff has access to EBTedge to allow field staff to specifically investigate a child's P-EBT eligibility, benefit amount and card issuance status. NC DPI also stood up and staffed a P-EBT phone line to assist callers with concerns specific to school data. In Spring 2020, North Carolina stood up an independent P-EBT website (www.ncdhhs.gov/pebt) which provides information on the state's P-EBT program and answers to frequently asked questions and continues to be maintained and updated to provide the most current information. NC DHHS has deployed a chat bot to the website to provide an additional option for customer support. Additionally, a specific email/inbox exists internally at NC DHHS where counties and state field staff may forward issues when they cannot easily be resolved. A dedicated staff member will monitor this inbox and forward the emails to the appropriate staff to problem solve issues utilizing the records provided by the PSU. In instances where NC DHHS and NC DPI are unable to locate a child in their records, the family will be referred to their respective PSU where issues of eligibility can be more easily determined.

Due to the introduction of an application process, North Carolina will also have a reconsideration process for those fully virtual and homeschool students who apply but are not found eligible. Applications will be processed based on information provided within the application and other available data for validation (i.e. school enrollment, FNS participation, etc.). When an applicant is found ineligible, they will receive a notice of ineligibility with the

reason for ineligibility included. An applicant can call the P-EBT call center if they need clarification as to their ineligibility and if the determination was based on incorrect information, the applicant will be directed to resubmit with corrected information within a set timeframe so the application can be processed with correct information.

The state is committed to serving all eligible children regardless of primary language. The P-EBT website (www.ncdhhs.gov/pebt) is translated into multiple languages upon selection from 23 language options. Additionally, a Spanish version of the P-EBT website has been created. Furthermore, all outreach materials have been translated into Spanish as required. These materials will be shared with PSUs, partners and other community organizations to distribute to families.

Public Awareness Campaign: The state will conduct a public information campaign through use of websites www.ncdhhs.gov and www.covid19.ncdhhs.gov and social media platforms. North Carolina intends to issue a press release in English and Spanish to target state-wide and local news organizations and Senior Leadership to announce at a press conference. The press release, websites and social media posts will direct the general public to the eligibility notice published on the website. The notice will include an explanation of P-EBT generally, eligibility for the program, benefit amounts, issuance cycles, how to check balances, how to request a replacement card, where P-EBT can be used, who to contact for questions and how to opt out. The notice will also include information on where to go for step-by-step instructions on how to PIN their card and what to do if they do not want to use the benefits. The notice will be available in English and Spanish and will direct clients to www.ncdhhs.gov/pebt or NC DHHS' EBT call center for further information or assistance.

Similarly to the 2021-2022 school year, the State will create communication toolkits and will work with schools and community organizations to push out P-EBT materials in English and Spanish (sample website copy, sample social media posts and graphics, flyers, etc.). These outreach materials will be shared with schools, community organizations, partner agencies and other stakeholders.

Direct Communication: As was done for summer 2022 and approved by USDA, a P-EBT eligibility notice for school year 2022-2023 will be posted on the NC DHHS P-EBT website in lieu of sending notices directly to households. Direct communication will be used only with potentially eligible students that are either homeschooled or in fully virtual school. Those students will be sent via electronic communications and/or standard mail a letter about P-EBT with an invitation to apply, as described above in North Carolina's response to question 4A, P-EBT for Eligible School Children. Additionally, eligibility notices (approvals and denials) will be electronically sent to these student households using the email entered on their application once their application is processed. North Carolina assumes that because fully virtual students attend school online, the family inherently has access to both email and Internet, making it reasonable to communicate electronically with these families. North Carolina also assumes that because homeschools are registered by the administrator online and DNPE communicates with those homeschools by email, communicating electronically with homeschool families is also appropriate. Because North Carolina feels it is reaching all potentially eligible homeschooled and fully virtual students with its invitations to apply, the

state will not be providing a public website link or a communications campaign for others to apply; this is expected to help minimize the risk of fraud.

The EBT processor, FIS, tracks P-EBT card pinned rates by city and town. The State can use that data as needed to partner with PSUs that have high rates of unpinned cards which may indicate that families are having trouble accessing their benefits.

9. Over-issuance of P-EBT benefits

To complete Section 9, we encourage states to use language from their approved plan from SY 2021-2022 with all necessary updates.

States should outline a process to recover or adjust P-EBT payments to correct errors on previous issuances. States cannot simply apply their existing SNAP benefit claim process to P-EBT. Accordingly, states should develop P-EBT-specific rules and procedures and include those in their state plans. States must also consider the capability of their SNAP systems to distinguish P-EBT from SNAP benefits.

The process should take into consideration that many households received their benefits, without application, through an automated match process that relied on the state's own administrative data. Reclaiming benefits under those circumstances calls for a process that weighs the equity of the claim, the burden on affected households, and the likelihood and costs of recovery. Given those considerations, a state's P-EBT plan should consider reasonable thresholds for taking action to recover over-issued benefits. States that establish a process for benefit recovery must provide clear notice to beneficiaries of the circumstances under which the state may attempt to recover benefits or reduce a future issuance. Under no circumstances may the state reduce a SNAP benefit to settle a P-EBT claim.

Finally, the states recognize that USDA is responsible for ensuring accountability of funds for P-EBT purposes. As part of its oversight responsibilities, USDA may hold state agencies liable for aggregate over-issuances or improper payments. USDA's course of action is to pursue P-EBT over-issuance claims in the aggregate where USDA believes such action is merited, based on the nature of the error that gave rise to the over-issuance, the size of the error, and whether such action would advance program purposes.

Please describe how your state will manage P-EBT payment errors.

Response:

With regards to P-EBT over-issuances, NC DHHS will model its approach after the established NCFNS SNAP claims management plan. The state will generate a monthly report to identify all potential over-issued P-EBT benefits. These cases will be tracked in the NC FAST eligibility system and will be coded as administrative error claims, unless proven to be due to household error or misrepresentation, to avoid reduction of NCFNS SNAP benefits as part of the repayment arrangement. North Carolina has considered the fact that many households received their benefits, without application, through an automated match process

that relied on the state's own administrative data and that reclaiming benefits under those circumstances would likely burden affected households. North Carolina has also considered the likelihood of recovery with respect to the costs and administrative burden for recovery. With these considerations, North Carolina will not pursue claims against recipients of P-EBT benefits. When NC DHHS discovers instances where a child's benefits went to the wrong household or child, NC DHHS will research those cases individually and issue benefits only when the state confirms that its original issuance was made in error. NC DHHS will not issue duplicate benefits in cases of disputed guardianship if the state believes the original issuance was correct. North Carolina commits to filling out the spreadsheet provided by the USDA last year documenting size of the overpayment, the number of children affected, the reason for the error, and a thorough explanation of the corrective action that the state will take or has taken to prevent a recurrence of the error.

10. Benefit Issuance Reporting

The state agrees to complete the FNS-292 form as well as all other normally recurring SNAP reporting, including the FNS 46, 388, and 778 reports, on a timely basis in accordance with requirements.

11. Administrative Funding

A separate grant to cover state level administrative costs associated with the administration of P-EBT will be awarded to the SNAP state agency within each state, for the period of performance October 1, 2022 through September 30 2023. As the authorized grantee, the SNAP state agency will be granted access to the associated letter-of-credit in which the administrative grant funds will be placed. As P-EBT related state administrative costs may be incurred by state agencies other than the SNAP state agency, the SNAP state agency will be responsible for entering into interagency agreements in the form of a Memorandum of Understanding, or document of similar construct, with all other respective state agencies responsible for delivering P-EBT benefits. The SNAP state agency will be responsible for reimbursing the administrative costs of all associated agencies accordingly.

Prior to USDA releasing the grant for administrative funding, each SNAP state agency will be required to submit a P-EBT Budget Plan using the FNS-366(a) Program and Budget Summary Statement. Funds will not be released to the SNAP state agency's letter-of-credit until this plan is submitted and approved. The SNAP state agency's Budget Plan should include the estimated administrative costs for all state agencies that will be handling P-EBT.

As noted in Item 9 above, the SNAP state agency will be also responsible for reporting all administrative expenditures on a separate FNS-778, Supplemental Nutrition Assistance Program, Federal Financial Report designated specifically for P-EBT. The expenditures on the FNS-778 should align with those outlined in the FNS-366(a), Program and Budget Summary Statement. The forms associated with P-EBT will be modified accordingly.

12. Release of Information

Per Section 1101(e) of the Families First Coronavirus Response Act: Notwithstanding any other provision of law, the Secretary of Agriculture may authorize state educational agencies and school food authorities administering a school lunch program under the Richard B.

Russell National School Lunch Act (42 U.S.C. 1751 et seq.) to release to appropriate officials administering the supplemental nutrition assistance program such information as may be necessary to carry out this section.”

13. Civil Rights Statement

The state will continue to comply with civil rights requirements by not discriminating on the basis of race, color, national origin, sex (including gender identity and sexual orientation), disability, age, or reprisal or retaliation for prior civil rights activity. The state will also provide meaningful access to its programs and activities for individuals who are limited English proficient, and provide equal access to individuals with disabilities.

14. Administration of State P-EBT Plan

The state will administer P-EBT according to the terms of its approved state plan. If the state wishes to change any of the terms of its plan, the state shall first notify USDA and will, if requested by USDA, submit a plan amendment for USDA review and approval.

Signature and Title of Requesting SNAP and Child Nutrition State Agency Officials:

Original submission signed 11/07/22 _____

Signature

Lynn Harvey

Senior Director, School Nutrition Division

NC Department of Public Instruction

Original submission signed 11/07/22 _____

Signature

Yvonne Copeland

Director, Division of Family and Child Well-Being

NC Department of Health and Human Services

Date of Request: Original signed State Plan submitted 11/07/22, revised submission per USDA feedback 12/19/22