

## **North Carolina Plan for Providing Online Purchasing to Food and Nutrition Services Households**

- 1. Type of Request:** Initial
- 2. Regulatory citation:** Families First Coronavirus Relief Act
- 3. State:** North Carolina
- 4. Proposed Alternative Procedures:**

The State of North Carolina is responding to the impacts of the public health emergency, periods of social distancing, and the Governor's executive order requiring individuals to limit their movements and personal interactions outside of their home to only essential services and activities. North Carolina is requesting administrative flexibilities from the US Department of Agriculture, Food and Nutrition Service (FNS) to ensure North Carolina's residents continue to receive SNAP benefits and access to food. North Carolina requests approval to authorize retail food stores to accept SNAP benefits via online transactions with an Electronic Benefits Transfer (EBT) card. Approval of this plan will allow households across North Carolina to purchase eligible food items online using SNAP benefits.

North Carolina proposes to provide online purchasing as an option to SNAP households in response to the outbreak of COVID-19 that was declared a National Emergency on March 13, 2020, resulting in many individuals needing to self-quarantine and engage in social distancing, which in turn has made it challenging for some SNAP households to travel to stores to purchase food.

The State acknowledges that an expedited timeframe for this project carries some inherent risks, such as potential disruption to normal EBT transaction processing if the changes are not thoroughly tested before implementation. The requirements outlined below allow the State to address how these risks would be mitigated.

### **Requirements:**

By submitting this plan to FNS, the State is confirming/acknowledging the following:

- A change order has been initiated with the EBT Processor for these changes.
- This plan has been discussed with the contracted EBT Processor, the Third-Party Processor/Secure PIN-entry Provider (TPP) and the experienced retailers currently authorized for online purchasing, and all parties agree they can support a statewide implementation date of approximately May 5, 2020.
- The timeline in this plan includes the following activities:
  - Full documentation of the changes to the EBT system or a plan for how/when such documentation will be received.
  - Quality Assurance (QA) testing of the EBT system to be completed in coordination with the Department, each retailer (Walmart and

Amazon), FISERV, Fidelity National Information Systems (FIS), and FNS. Testing will begin on April 26, 2020 and include not only online purchasing functionality but also regression testing of point of sale transaction processing.

- The changes necessary for online purchasing have been fully reviewed such that the State was able to subsequently assess any downstream impacts of these changes to their State system(s).
- EBT test cards will be provided to retailers such that end-to-end testing is conducted in the production environment and passed prior to opening up online purchasing to SNAP households. This testing will include all stakeholders of this project including: the State, the EBT Processor, the TPP, the retailers and FNS. This testing involves the retailer running standard transaction scenarios on their website (successful purchase, insufficient funds, invalid PIN, balance inquiry, split tender, etc....) and verifying that the transactions execute as expected and the State is able to view the transaction details in their State EBT system.

### **Reporting:**

The State commits to report to FNS regarding project development status (via email or phone call) at least weekly, and to inform FNS of any changes to the implementation plan or expected launch date.

### **5. Justification for Request:**

North Carolina has experienced a rapid increase in the spread of COVID-19. Extensive public health warnings have been issued statewide to reduce exposure, including orders to implement social distancing when conducting essential business, eliminate group gatherings, and require home isolation for vulnerable populations. More recently, a statewide shelter-in-place order was implemented by Executive Order of our Governor. These restrictions may be in place for weeks and months to come. During this time, North Carolinians will need to meet their food needs while reducing in-person interactions. For some FNS households, this may require grocery home delivery.

Currently, FNS households must use their EBT card in-person at participating grocery stores, and farmers markets. The FNS nutrition assistance programs play a critical role in responding to food assistance needs during a human pandemic such as this. Yet, the requirement to complete a purchase with SNAP benefits in-person may pose a risk to vulnerable North Carolinians. To reduce the likelihood of exposure and mitigate the spread of COVID-19, while ensuring households have adequate access to food, North Carolina is requesting to expedite the implementation of a practice already proven successful in other states.

Allowing SNAP households to purchase food online will increase participation in public health recommended practices and mitigate risk associated with exposure to COVID-19. Approval of this request will have a positive impact on households that may not have the ability to make SNAP purchases in person during a public health crisis.

**6. Affected Caseload:**

As of March 31, 2020, North Carolina has 592,523 active cases which represents 1,218,886 participants. North Carolina has discussed and adequately prepared for implementation of online purchasing with the experienced retailers, Walmart and Amazon, and technical stakeholders to ensure functionality can be tested and launched under our proposed timeline.

**7. Anticipated Implementation Date:**

North Carolina currently anticipates an implementation date of May 5, 2020

**8. Name and Title of Requesting Official:**

A handwritten signature in blue ink that reads "David Locklear".

David Locklear, Deputy Director  
Economic and Family Services

**9. Date of Request:** April 15, 2020