

From: Shahin, Jessica – FNS <jessica.shahin@fns.usda.gov>

Sent: Thursday, January 31, 2019 1:20 PM

To: FNS Regions

Subject: Q&A document

Attachment: Early Issuance QA #4 January 31 FINAL.pdf

Please see attached the latest Q&A document which addresses State questions including not only early issuance, but also questions posed after the lapse in funding was resolved on January 25, 2019. Please distribute these to your States and confirm when this has been accomplished.

Thanks,

Jessica

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1. **Can FNS confirm that the continuing resolution signed by President on January 25 ensures SNAP benefits and State administrative costs through March?**

Yes, FNS can confirm that the continuing resolution signed by the President on January 25 provides for full funding of SNAP benefits as well as State administrative costs through March.

2. **What happens to waivers that expired during the shutdown?**

States that submitted timely requests to renew existing administrative or statutory waivers may continue operating under their existing terms and conditions. Now that normal operations have resumed, we will work with affected State agencies individually to ensure that pending waiver requests are processed appropriately to ensure no disruption in service to SNAP households covered by these waivers.

3. **At this point FNS has confirmed that benefits “available” in February are good to be approved. Our question is at the end of the month our draw to AMA happens the day after benefits are available (it was our understanding this was consistent across States and vendors). As a result this means benefits available on February 28 will be drawn on the AMA credit file March 1. Does this mean, at this point, we are only able to say it is normal operating through February 27, 2019?**

Available funds will cover all February issuances that have a February availability date for recipients, regardless of when the February issuance files clear the AMA.

4. **Will FNS meet with EBT Processors regarding timing of end-of-the-month issuances?**

FNS has communicated with EBT Processors to clarify that the timing of end-of-the-month issuances does not require that issuance files be sent the day before months end.

5. **For my State to be able to pay the EBT Processor for the service fees they are requesting, we are going to have to add an addendum or PADD #2 to the contract. In the past FNS has had to approve the contract between the State and the vendor with the budget and cost proposal. Is this something we would have to clear with FNS at this time?**

No, it is not necessary for FNS to review EBT contract amendments pertaining to the early issuance for approval. Clearly, additional State expenses related to the early issuance are subject to regular 50/50 Federal Financial Participation. While not requiring FNS approval, FNS would expect the State to ensure that any such additional expenses are determined to be reasonable and necessary and we would request a copy of signed amendments for our records. FNS does not expect States to await approval of the contract amendment and will not require an Implementation Advanced Planning Document Update (IAPDU). This answer pertains to only those contract amendments that result from the early issuance of February benefits.

- 6. If the State was willing to take the risk for issuing March benefits, would the State be able to load money into the accounts?**

The ability to load State-funded benefits into EBT accounts is a technical and contractual issue that each State will need to work through with their EBT Processor.

- 7. If we submit a file to our EBT vendor on the 16th for February benefits, and there is a change made on the case in January that allows for timely notice to the household, what would be the State's responsibility in either issuing a supplement for benefits or reductions in benefit amounts? For example, if we issue \$400 in benefits for February benefits and we have new information on the 19th that would close February benefits or reduce the amount, will the state be liable for writing an overpayment? Are we held accountable for changes that could normally be made to increase or decrease benefits for February after they have paid early?**

If a change is made to the case that indicates that the household is entitled to an increased February benefit, the State should issue a supplement to the household. If the change indicates that the household's February benefits require a decreased benefit, the State should make the change and follow FNS claims regulations.

States will not be required to conduct QC reviews on the cases that received an early benefit issuance for February. FNS will provide a blanket waiver to exclude the early issued February 2019 benefits from QC review. However, States must take action to update the household's benefit amount if it changes subsequent to the early issuance to ensure the household receives the correct benefit amount for February and in future months.

- 8. We need clarification on how/when early issuance February benefits will be reported on the FNS-46 and FNS-388 forms. February benefits are going to be shown on the reports as January issuance. If this needs to be separated to show actual January benefits on the January FNS-46 and the actual February benefits on the February FNS-46 we will have to have a way to separate them.**

States should report the early February benefits (from January 20 and prior) as January issuances on both forms.