



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor

MANDY COHEN, MD, MPH • Secretary

MARK T. BENTON • Assistant Secretary for Public Health

Division of Public Health

March 23, 2020

Dr. Lilly Bouie, Regional Director
United States Department of Agriculture
Food and Nutrition Service
61 Forsyth Street, Suite 8T36
Atlanta, GA 30303

Dear Dr. Bouie:

The North Carolina Department of Health and Human Services respectfully requests a waiver from 7 CFR 226.23(e), which states in part “institutions (other than emergency shelters and at-risk afterschool care centers) shall distribute applications for free and reduced price meals to the families of participants enrolled in the institution. Sponsoring organizations of day care homes shall distribute applications for free and reduced price meals to day care home providers who wish to enroll their own eligible children in the Program.”

Details of the waiver request are submitted in the format as required by the USDA and are described herein.

Subject of waiver request: Child Nutrition Program Waiver to Classify all CACFP Participants as Categorically Eligible for Free Meals as a result of COVID-19 Outbreaks

1. State agency submitting waiver request and responsible State agency staff contact information:

Name of State agency: North Carolina Department of Health and Human Services
State agency contact: Mary Anne Burghardt
Mailing address: 1914 Mail Service Center, Raleigh, NC 29699-1914
Telephone number: (919) 707-5783
Email address: maryanne.burghardt@dhhs.nc.gov

State agency alternate contact: Courtney Jones
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NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF PUBLIC HEALTH • NUTRITION SERVICES BRANCH

LOCATION: 5601 Six Forks Road, Building 2, Raleigh, NC 27609
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2. **Region:** Southeast

3. **Eligible service providers participating in waiver and affirmation that they are in good standing:**

Only institutions operating in good standing will be approved to participate in this waiver.

4. **Description of the challenge the State agency is seeking to solve, the goal of the waiver to improve services under the Program, and the expected outcomes if the waiver is granted.**

Effective March 10, 2020, North Carolina was declared a state of emergency in response to COVID-19. Currently North Carolina has 662 institutions participating on the Child and Adult Care Food Program. In December 2019, there were 428 Independent Centers and 165 sponsoring organizations that have 2,087 childcare centers and 1,168 family day care homes under their sponsorships. Many families are dependent upon meals at care facilities for their primary source of nourishment. Institution closures threaten the health and well-being of our most vulnerable citizens when access to nutritious, appealing meals is lost. They also threaten the continuity of child care across the state of North Carolina at the conclusion of the COVID-19 pandemic.

The NC State of Emergency related to the spread of COVID-19 necessitates an additional waiver in order to meet the needs of food-insecure children and adults. The NCDHHS respectfully requests a statewide waiver to allow operating child and adult facilities to claim all meals and snacks served to participants from March 10, 2020 forward as categorically eligible as free, or at the free rate. Many child and adult day care providers operate as small businesses with very thin operating margins. Self- and mandatory quarantine reduce daily participation and stretch already tight operating budgets. Approval of this waiver will allow operating providers to maximize federal reimbursement and reduce the paperwork burden when staffing is already greatly reduced.

There is concern across the state of North Carolina about the impact the COVID-19 pandemic will have on small and medium sized businesses, which could extend well beyond the pandemic. Loss of the child cares forced to close or quit offering meal service will have a devastating impact on the childcare infrastructure statewide.

5. **Specific Program requirements to be waived (include statutory and regulatory citations).**

The NCDHHS proposes a waiver of regulations in 7 CFR 226.23(e) which states "institutions (other than emergency shelters and at-risk afterschool care centers) shall distribute applications for free and reduced price meals to the families of participants enrolled in the institution. Sponsoring organizations of day care homes shall distribute applications for free and reduced price meals to day care home providers who wish to

enroll their own eligible children in the Program.” Rather, participating institutions would be allowed to classify all participants as categorically eligible for free meals and snacks from March 10, 2020 until the conclusion of the pandemic.

All other CACFP requirements would apply.

6. Detailed description of alternative procedures and anticipated impact on Program operations, including technology, State systems, and monitoring:

If approved, providers who have continued to serve meals and snacks during this unprecedented and difficult time would claim all meals and snacks as free. They would not need to collect income eligibility applications or claim meals and snacks based on eligibility for free, reduced-price, or paid meals. Rather, all meals and snacks served to participants from March 10, 2020 forward could be claimed at the free rate.

CACFP institutions may request to participate in the statewide waiver by notifying the NCDHHS of their intent to claim meals and snacks at the free rate from March 10, 2020 forward. The NCDHHS Special Nutrition Programs Unit would review and approve all requests and approve institutions in writing.

7. Description of any steps the State has taken to address regulatory barriers at the State level.

No state level barriers have been identified. On February 11, 2020, Governor Roy Cooper directed the establishment of a COVID-19 Task Force to further prevent, prepare for, and respond to the COVID-19 infections in the State. On March 10, 2020 Governor Cooper declared a State of Emergency. In response, DHHS has requested a number of waivers from CACFP requirements to address local barriers in response to the pandemic.

8. Anticipated challenges State or eligible service providers may face with the waiver implementation:

The NCDHHS does not anticipate this waiver will present any challenges to the department or the participating institutions. Implementation of this waiver will decrease the challenges faced by institutions in providing nutritious meals to children and adults by increasing reimbursement for them and reducing paperwork burdens.

9. Description of how the waiver will not increase the overall cost of the Program to the Federal Government. If there are anticipated increases, confirm that the costs will be paid from non-Federal funds.

The NCDHHS does not anticipate the waiver will increase the overall cost of the Program to the Federal Government since daily participation is greatly impacted by institution closures and social distancing.

10. Anticipated waiver implementation date and time period:

Requested Waiver Timeframe:

- Waiver Request Start Date: March 23, 2020 or upon approval of the waiver
- Waiver Request End Date: June 30, 2020

11. Proposed monitoring and review procedures:

The State agency has discontinued on-site administrative reviews at this time to comply with social distancing recommendations. Desk reviews are being conducted. Usual review procedures will resume when the State of Emergency is lifted.

State agency staff may conduct claim reviews for institutions implementing this waiver to ensure compliance. Institutions found to have non-compliance issues related to this waiver will be required to work with the NCDHHS/DPH on an individualized corrective action plan and will have follow-up reviews scheduled as needed.

12. Proposed reporting requirements (include type of data and due date(s) to FNS):

No later than December 31, 2020, the NCDHHS will report to FNS the number of institutions that used this waiver including the number of unanticipated operating days and meals claimed.

13. The State agency has submitted an update request to our webmaster to post the waiver request on our website, www.nutritionnc.com, as required.

14. Signature and Title of Requesting Official:



Title: Nutrition Services Branch Program Director | State Director, Special Supplemental Nutrition Program for Women, Infants and Children (WIC) State Director, Child and Adult Care Food Program (CACFP)

Requesting official's email address for transmission of response:

maryanne.burghardt@dhhs.nc.gov