

YEAR 2 DEMONSTRATION IMPACTS OF USING MEDICAID DATA TO DIRECTLY CERTIFY STUDENTS FOR FREE SCHOOL MEALS: FINAL EVALUATION REPORT (SUMMARY)

Background

The Healthy, Hunger-Free Kids Act of 2010 (HHFKA; P.L. 111-296) required the U.S. Department of Agriculture (USDA), Food and Nutrition Service (FNS) to conduct a demonstration that directly certifies students for free meals based on income eligibility identified through Medicaid data. The Direct Certification with Medicaid (DC-M) demonstration enables selected States and districts to use Medicaid files to directly certify students for free meals if the students are (1) enrolled in Medicaid and (2) in a household with a gross income at or below 133 percent of the Federal Poverty Level (FPL). Students in a household with a child who meets these two criteria are also eligible for free school meals under DC-M.

This report focuses on the experiences of States and districts conducting DC-M during School Year (SY) 2013-2014, the second year of the demonstration. It examines whether DC-M leads to changes in the percentage of students certified, the number of meals served, Federal reimbursements, and certification costs incurred by districts. It also assesses State-level administrative costs and identifies the challenges that States and districts face when implementing DC-M.

Methods

Florida, Illinois, Kentucky, New York City, and Pennsylvania began conducting DC-M in SY 2012-2013. Kentucky and Pennsylvania implemented DC-M statewide, while the others implemented DC-M in selected districts. Massachusetts and New York State joined the demonstration in SY 2013-2014 along with additional districts in Florida and Illinois. In Florida, Illinois, New York City, New York State, and Massachusetts, districts were matched into pairs based on district characteristics and randomly assigned to either a treatment group that implemented DC-M, or a control group that did not.

Four types of data were collected: (1) district-level administrative data on certification and National School Lunch Program (NSLP) and School Breakfast Program (SBP) participation, (2) survey data on district certification costs, (3) State agency administrative cost data pertaining to startup and ongoing DC-M activities, and (4) State and district views on DC-M implementation challenges. Qualitative analyses included estimation impacts in States with randomly assigned sites, and an analysis of administrative costs included State agency staff in both random-assignment and statewide-implementation States. All demonstration States were included in the qualitative analyses of challenges encountered.

The DC-M evaluation is based on a sample that is not representative of all districts in the demonstration States or nationally. Some States experienced difficulty in implementing the demonstration. Three States (IL, KY, PA) encountered issues related to household income needed for DC-M for at least part of Year 2. Two States (MA and NY) did not begin implementing DC-M until the second semester, limiting the potential for impacts. Limitations of the demonstration implementation, the sample, and the data available for analysis necessitate caution in interpreting the findings.

Findings

DC-M impacts on certification were mixed. Statistically significant impacts on the percentage of students directly certified for free meals and the total percentage of students certified for free meals were found in New York City but not Florida (Table 1). DC-M increased the percentage of students directly certified to receive free meals by 6.9 percentage points in New York City. The impact on the total percentage of students certified for free meals was smaller (5.9 percentage points). The impacts on both key certification outcomes were not statistically significant in Florida.

Table 1. Summary of Impacts of DC-M on Key Certification Outcomes in SY 2013-2014

State	Impact on the Percentage of Students	
	Directly Certified for Free Meals	Total Certified for Free Meals
Florida	2.5 (±3.8)	2.0 (±3.7)
New York City	6.9* (±1.5)	5.9* (±1.8)

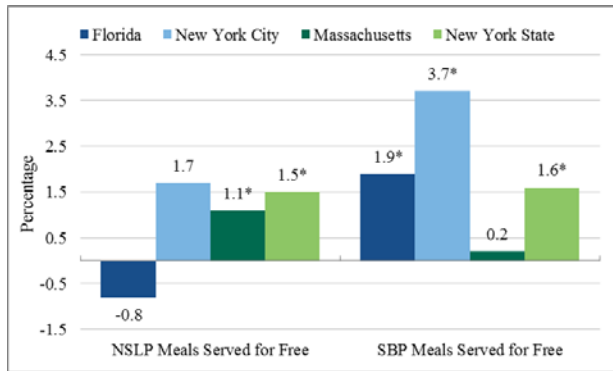
Source: October certification data and monthly administrative claims data provided by the States and District Cost Survey

*Impact is significant at the 0.05 level.

(Confidence Interval) = 95 percent confidence interval half width

DC-M increased the percentage of meals – particularly breakfasts – served for free but did not increase the number of meals served (see Figure 1). DC-M had a positive impact on the percentage of lunches served for free in two of the four random-assignment States (Massachusetts +1.1 and New York State +1.5 percentage points) and on the percentage of breakfasts served for free in three of the States (Florida +1.9, New York City +3.7, and New York State +1.6 percentage points). The impacts on meals served free did not translate into changes in the overall participation rates in most States.

Figure 1. Impacts of DC-M on Key Federal Participation Outcomes in SY 2013-2014



Source: October certification data and monthly administrative claims data provided by the States and District Cost Survey.

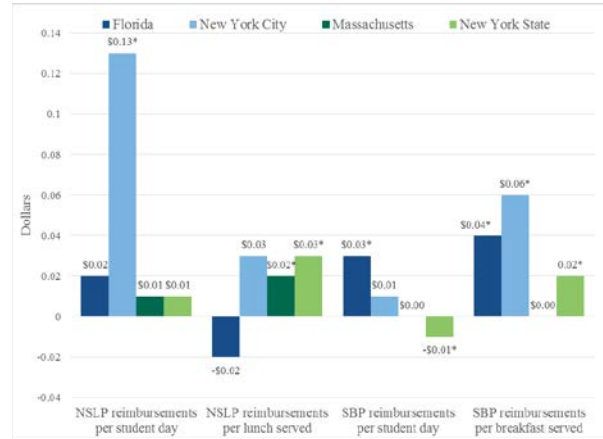
*Estimate for treatment districts is significantly different from the estimate for control districts at the 0.05 level.

NSLP = National School Lunch Program; SBP = School Breakfast Program; SY = school year.

DC-M had a positive impact on average per-lunch reimbursements in two States and increased average per-breakfast reimbursements in three of the four States (Figure 2). The average per-lunch reimbursements were increased by 2 cents in Massachusetts and 3 cents in New York State. For the per-breakfast reimbursement rate, DC-M had

impacts of 4 cents in Florida, 6 cents in New York City, and 2 cents in New York State.

Figure 2. Impacts of DC-M on Key Federal Reimbursement Outcomes in SY 2013-2014



Source: October certification data and monthly administrative claims data provided by the States and District Cost Survey.

*Estimate for treatment districts is significantly different from the estimate for control districts at the 0.05 level.

NSLP = National School Lunch Program; SBP = School Breakfast Program; SY = school year.

Implementation of DC-M did not reduce district costs, but neither did it impose a financial burden on participating districts. There were no statistically significant impacts on total district certification costs or on the costs of any of the types of certification activities examined (direct certification, application, and other activities).

The total State-level cost of DC-M, over and above other direct certification costs in Year 2, ranged from less than \$8,000 to almost \$78,000. Startup costs were substantially higher than ongoing costs, with Massachusetts incurring a \$45,000 one-time cost to make major data system revisions required to incorporate DC-M. Average monthly ongoing costs in Year 2 were less than \$1,600 per month in each State.

For More Information

Hulsey, L., Gordon, A., Leftin, J., et. al (2016). Year 2 Impacts of Using Medicaid Data to Directly Certify Students for Free School Meals. Prepared by Mathematica Policy Research, Contract No. AG-3198-B-12-0006. Alexandria, VA: U.S. Department of Agriculture, Food and Nutrition Service, Office of Policy Support, Project Officers: Allison Magness and John Endahl. Available online at: www.fns.usda.gov/research-and-analysis.