

EVALUATION OF DEMONSTRATIONS OF NATIONAL SCHOOL LUNCH PROGRAM AND SCHOOL BREAKFAST PROGRAM DIRECT CERTIFICATION OF CHILDREN RECEIVING MEDICAID BENEFITS: ACCESS EVALUATION REPORT (SUMMARY)

Background

The Healthy, Hunger-Free Kids Act of 2010 (HHFKA; P.L. 111-296) required the USDA Food and Nutrition Service (FNS) to conduct a demonstration that adds Medicaid to the list of programs used to directly certify students for free school meals.

The Direct Certification with Medicaid (DC-M) demonstration enables selected States and districts to use Medicaid files to directly certify students for free meals. Under the demonstration, students are eligible for free meals if they are (1) enrolled in Medicaid and (2) in a household with a gross income 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.

The evaluation study of the demonstration has two main components: an access evaluation using data from the year *prior to* the demonstration (School Year (SY) 2011-2012); and a participation and cost evaluation based on data collected during the demonstration. The access evaluation identifies the potential impacts of DC-M on National School Lunch Program (NSLP) and School Breakfast Program (SBP) certifications if DC-M had been conducted in SY 2011-2012. The participation and cost evaluation considers the impact of DC-M once implemented. This report focuses on the first component, the access evaluation.

Methods

The study team collected student enrollment data from participating school districts and State Medicaid data, and searched for student matches between the two lists based on individual identifiers, such as name and date of birth, to simulate DC-M. It was considered a DC-M match only if the Medicaid income data showed that household income was less than 133 percent of the

Federal Poverty Level. This “DC-M match” was compared to the students’ actual certification status. The study described the potential impact of DC-M on the distribution of students across certification categories and estimated how the impacts would change under alternative matching processes and policy assumptions if DC-M would have been in place in SY 2011-2012.

FNS solicited applications from States to participate in the DC-M demonstration and selected five States — Florida, Illinois, Kentucky, Pennsylvania, and New York (only New York City) — to begin conducting DC-M in SY 2012–2013. The study sample included selected districts from these States.

Findings

DC-M could increase the direct certification rate by almost 12 percentage points in the study districts. The simulations indicate that DC-M could have increased the percentage of students who were directly certified to receive free meals in October 2011 from approximately 26 percent to 38 percent in the study districts pooled together (**Table 1**).

Table 1. Summary of Simulated Impacts of DC-M

Pooled sample of districts (455 districts)	Percentage of students	
	Directly certified	Certified for free meals
Actual certification rate	25.8	43.1
Simulated certification rate under DC-M	37.5	48.6
Difference	11.6*	5.5*

*Impact is significant at the 0.05 level.

The potential increase in the percentage of students certified for free meals is smaller — almost 6 percentage points — because some of

the students who could be directly certified under DC-M would be certified for free meals by application in the absence of DC-M. Among the 6 percent of students, one-fifth were certified to receive reduced-price meals based on the districts' actual certification procedures and four-fifths were in the paid category without DC-M.

By increasing the number of directly certified students, DC-M could increase the number of districts eligible to participate in the Community Eligibility Provision (CEP) established by HHFKA. Schools, groups of schools, or entire districts are eligible for the CEP if at least 40 percent of their students in the previous year were identified as eligible for free meals through means other than submitting an application — such as through direct certification. Under the DC-M simulation, 40 percent of districts would have become eligible for CEP compared to 8 percent of actual districts (Table 2). In addition, nearly 5 percent of school districts would have reached the level at which all meals were reimbursed at the highest rate, compared to less than 1 percent without DC-M. Per-meal reimbursement rates under the CEP are based on the percentage of identified students, with the reimbursement rate rising with the percentage identified up to 62.5 percent of students.

Table 2. Distribution of Access Evaluation Sample Districts, by Key Thresholds Related to the CEP, Actual October 2011 Direct Certification Rates and Simulated Rates Under DC-M

Percentage of students directly certified	Percentage of districts	
	Actual	Simulated under DC-M
More than 62.5 to 100	0.7	4.8
More than 40 to 62.5	7.9	40.2
0 to 40	91.4	54.9

The inclusion of reduced-price meal certifications under DC-M would increase the simulated percentage of students directly certified from almost 40 percent under demonstration rules (DC-M for free meals only) to nearly 42 percent (with DC-M for both free and reduced-price meals). The difference implies that almost 2 percent of students in sample districts would be directly certified for reduced-price meals; some of these students may have been certified for reduced-price meals by application under current policies and others may not have been certified at all. Adding reduced-price meal certifications under DC-M would increase the total percentage certified for free or reduced-price meals by less than a half of a percentage point, from 59.5 percent with DC-M for free meals to 60.0 with DC-M for both free and reduced-price meals.

Of the alternative policies examined, making only Medicaid enrollees (and not other members of the household) categorically eligible would substantially increase the impacts of DC-M. Extending categorical eligibility for free meals to Medicaid participants would enhance the current effects of DC-M by a 4-percentage-point increase in the number of students directly certified for free meals and a 2-percentage-point increase in the number of students certified for free meals.

For the most part, variables used for matching in the Medicaid file were rarely missing. First name, last name, date of birth, gender, and address are rarely, if ever, missing in each of the demonstration sites' files. Furthermore, Social Security numbers (SSNs) were excluded from the Medicaid file in less than 1 percent of the cases in all demonstration States except for New York City, which did not include any SSNs in the Medicaid file provided for our DC-M simulations.

For More Information

Hulsey, L., Gordon, A., Leftin, J., et. al (2014). Evaluation of Demonstrations of National School Lunch Program and School Breakfast Program Direct Certification of Children Receiving Medicaid Benefits: Access Evaluation Report. 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 Officer: Allison Magness. Available online at: www.fns.usda.gov/research-and-analysis.