DIRECT CERTIFICATION WITH MEDICAID DEMONSTRATION PROJECTS REQUEST FOR APPLICATIONS

July 19, 2022 Webinar Follow Up

Q1. If students are identified DC-M Free, would they count as "Identified" for the calculation of the Community Eligibility Provision (CEP) Identified Student Percentage (ISP)?

A1. Yes. Students directly certified as eligible for free meals as a result of Medicaid matching activities would be included in calculating the ISP for CEP. However, students directly certified as eligible for reduced price meals would not be included in the calculation and would not impact the ISP, since the ISP is the percentage of students certified for free meals without an application.

Q2. Must the State Child Nutrition Agency and State Medicaid Agency have in place a Data Sharing Partnership Agreement/Memorandum of Understanding prior to the September 30, 2022, deadline? Or is it sufficient to demonstrate that the State partners are in the process of developing an agreement?

A2. The data sharing agreement between the State Child Nutrition Agency and the State Medicaid Agency does not need to be fully executed by the September 30, 2022, which is the demonstration project's *application* deadline. However, to demonstrate the intent and ability to develop and execute a data sharing agreement prior to July 1, 2023, applicant State agencies must submit letters of commitment signed by the authorized signatory for both the NSLP State agency and partnering State Medicaid agency. As provided in Appendix B to the RFA, the letters of commitment affirm both agencies' commitment to the demonstration project. Please see Appendix B - Letters of Commitment Templates in the Demonstration Project RFA.

Q3. Does a Medicaid match override a free or reduced price eligible determination based on submission of a free or reduced price lunch application or other household income application?

A3. Yes, a Medicaid match identifying a student as eligible for direct certification to receive a free or reduced price meal would take precedence over household-provided income information. However, students who are already certified as eligible to receive free or reduced price school meals based on an application or direct certification with another program (e.g. SNAP, TANF, etc.) <u>must not</u> be negatively impacted by a subsequent match with Medicaid data. State agencies must build in safeguards at both the State and local levels to ensure that:

- Children <u>already certified for free meals</u> through the application process or directly certified for free meals through other means-tested programs or other conditions (foster care, migrants, runaways, homeless, Head Start, etc.) are not changed from free to reduced price or full price meals based on the Medicaid match; and
- Children <u>already certified for reduced price meals</u> through the application process are not changed to full price meals based on the Medicaid match.

Q4. Must the demonstration project start immediately on July 1, 2023?

A4. FNS acknowledges that all States do not begin School Year matching activities exactly on July 1st. Therefore, the July 1, 2023 "start date" should be understood to mean that States must demonstrate readiness by this date and incorporate Medicaid records within their initial SY 2022-2023 direct certification demonstration project matching activities. The expectation for the SY 2022-2023 start date aims to leverage the initial matches made in the school year. With this approach, the demonstration projects enable maximized data matching at the local level - prior to distribution and processing of free and reduced price applications.

We encourage States that anticipate a delay in the ability to incorporate Medicaid data in the initial SY 2022-2023 data matching and direct certification activities to apply for the demonstration projects. FNS can then work with that State in reviewing information and documentation with the goal of pursuing options for the State's participation in the DC-M demonstration projects SY 2022-2023.