



## Elimination of Reduced Price School Breakfast and Lunch Montana Analysis

*Completed by Share Our Strength, May 2020*

### **Potential Impact of Eliminating Reduced Price Meals**

Eliminating reduced price meals for kids in Montana would allow over 6,000 more kids to eat lunch for free every day (3,000 for breakfast), many of whom would be incentivized to participate in the program for the first time. These projections use current data from Montana, assuming participation will mirror the results observed in studies of similar policies in other states<sup>1</sup>.

### **How It Works & Why It Matters**

Eliminating the reduced-price meals category can help increase participation in the school breakfast program among low-income children. School meals are reimbursed based on free, reduced-price and paid meal categorizations based on family income thresholds. Some low-income families make just enough money that they qualify for reduced-price meals, but they still struggle to pay the reduced-price copayments. Eliminating the reduced-price meals category reduces this burden on families. It also reduces administrative time spent trying to collecting outstanding copayments from families or seeking other district resources required to ensure student meal accounts are paid in full.

### **Small Investment, Big Gains**

Closing the achievement gap requires mobilization of resources to create opportunity for optimal learning. Research shows that increasing access of school meals to low-income students is an effective intervention in decreasing the achievement gap. This policy incentivizes participation in the federal nutrition programs. Removing the barrier of the reduced-price meal copayment makes it more likely children will eat breakfast at school. This means more resources supporting Montana's schools. Each additional breakfast served will bring in nearly \$2 in federal reimbursements.

**1 in 6 kids in Montana struggles with hunger.**

**Eliminating the reduced-price category for school breakfast can help.**

# Projected Impact of Eliminating Reduced-Price Meals in Montana (baseline: March 2019 - February 2020)

<b>Baseline</b>	
Kids eligible for reduced-price meals	8,593
Kids eating reduced-price breakfast	2,381
Kids eating reduced-price lunch	5,560
Annual reduced-price breakfasts	404,808
Annual reduced-price lunches	945,162
<b>Projected growth<sup>1</sup></b>	
Additional kids eating breakfast	976
Additional kids eating lunch	973
Additional annual breakfasts	165,971
Additional annual lunches	165,403

<b>Projected Annual Cost to State (Total)</b>	<b>\$ 615,460</b>
Cost for breakfast reimbursements	\$ 171,234
Cost for lunch reimbursements	\$ 444,226
<b>Projected Additional Annual Federal Reimbursements (Total)</b>	<b>\$ 803,251</b>
For breakfast <sup>2</sup>	\$ 305,387
For lunch <sup>3</sup>	\$ 497,864

## Notes On The Data

1) The projections assume that reduced-price breakfast participation will increase by 41% and reduced-price lunch participation will increase by 17.5%. Estimated increases in breakfasts were informed by the following study: <https://www.gao.gov/assets/300/292555.pdf>. Estimated increases in lunches were informed by the following study:

<https://data.ers.usda.gov/FANRP-ridge-project-summaries.aspx?type=2&summaryId=277>

2) This calculation uses the federal reimbursement rate for the additional breakfasts served in the reduced-price category. \$1.84 was used as the reimbursement rate, which is the weighted average between the SY19-29 regular (\$1.54) and severe need (\$1.90) reimbursement rates based on the proportion of MT reduced-price breakfasts served at the severe need rate.

3) This calculation uses the SY19-20 federal reimbursement rate (\$3.01) for the additional lunches served in the reduced-price category.



### For More Information:

- Bernadette Downey, Associate Director, Government Relations & Advocacy  
bdowney@strength.org
- Adam Wozniak, Senior Manager, Measurement, Planning and Analysis  
awozniak@strength.org

### About No Kid Hungry

No child should go hungry in America, but in the wake of the coronavirus pandemic, 1 in 4 kids could face hunger this year. No Kid Hungry is ending childhood hunger through effective programs that provide kids with the food they need. No Kid Hungry is a campaign of Share Our Strength, an organization working to end hunger and poverty. Join us at [NoKidHungry.org](http://NoKidHungry.org)

Education Interim  
Committee  
June 18-19, 2020  
No Kid Hungry PowerPoint  
Exhibit 7