- Medicaid direct certification
  - Improve school meals access
  - Expand CEP
  - Preserve data for ESSA
- ✓ Better wages for school nutrition
- ✓ Local Procurement

Improving Access to Healthy,
Locally Sourced
School Meals

### Free and Reduced-Price School Meals, in context

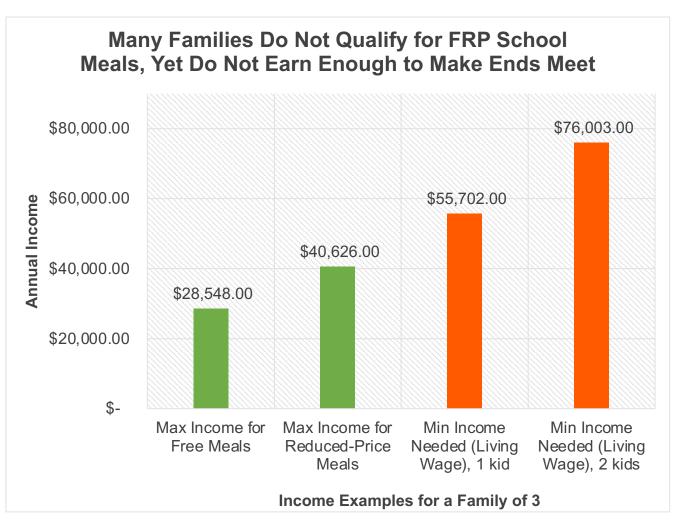
A household in Great Falls metro area with 2 adults and 1 child

- 185% of FPL = \$40,626
- 130% of FPL = \$28,548
- Living wage = \$55,702

A household in Great Falls metro area with 1 adult and 2 children

• Living wage = \$76,003



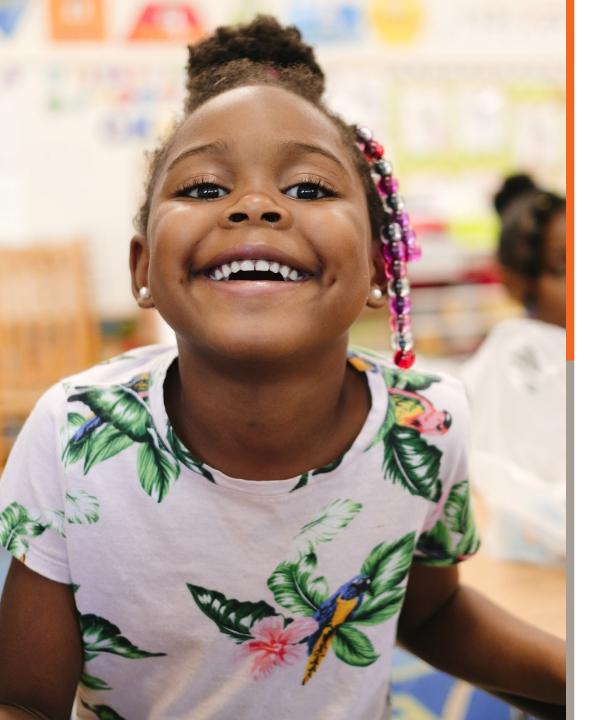


# Medicaid Direct Certification

- In 2021, 39,184 children, 0-18, were enrolled in SNAP (Source)
- In 2021, 104,101 children, 0-18, were enrolled in Medicaid (Source)
- Participating in USDA's Medicaid direct certification demonstration project would enable Montana to...
  - Ensure students from low-income households get the benefits they deserve (access to free or reduced-price school meals)
  - Cut red tape associated with school meals applications
  - Increase schools' eligibility for CEP (universal free school meals)
  - Increase Montana's eligibility for statewide CEP, if passed by the Build Back Better Act
  - Bring more federal dollars to Montana's school nutrition program
  - Buffer against data loss associated with universal free school meals during the pandemic, especially with respect to the "economically disadvantaged indicator" for ESSA
- Recommendation: Apply for Medicaid direct certification by 9/30/22.

# Understanding Direct Certification

Program	% FPL	Use for FRP meals	Use for data & accountability
Free school meals	130%	Application	No longer reliable with free meals for all
Reduced- price school meals	185%	Application	No longer reliable with free meals for all
SNAP	130%	Direct certification	Currently used
TANF	130%	Direct certification	Currently used
FDPIR	~110%	Direct certification	Currently used
MT Medicaid	143%	Potential direct cert	Possible
MT CHIP	210%	Not allowable for meals eligibility	Possible



## What is the Community Eligibility Provision (CEP)?

CEP enables eligible schools to provide breakfast and lunch to **all** students at no cost.

- Healthy school meals for all!
- Reduces stigma for school meals
- Removes application barrier to accessing free meals
- Improves student behavioral and academic outcomes
- Eliminates school meal debt
- Decreases financial stress
- Improves school nutrition morale
- Facilitates Breakfast After the Bell (BAB)







### **CEP Benefits Students, Families, & Schools**

#### Research shows that the Community Eligibility Provision is associated with...

- decreased BMI across grade levels<sup>1</sup>
- decreased rates of student hunger<sup>2</sup>
- lower rates of household food insecurity<sup>3</sup>
- increased household purchasing power<sup>4</sup>
- higher student math test scores<sup>5,6</sup>
- decreased disciplinary referrals<sup>7</sup>

- increased likelihood that students will be promoted to the next grade on time<sup>7</sup>
- improved attendance8
- improved job satisfaction among school nutrition staff<sup>9</sup>
- increased participation in school meals<sup>10-14</sup>



### The Build Back Better Act

- Raises CEP multiplier from 1.6 to 2.5\*
- Lowers CEP eligibility threshold from 40% ISP to 25%\*
- Creates a statewide CEP option\*

\*Subject to change

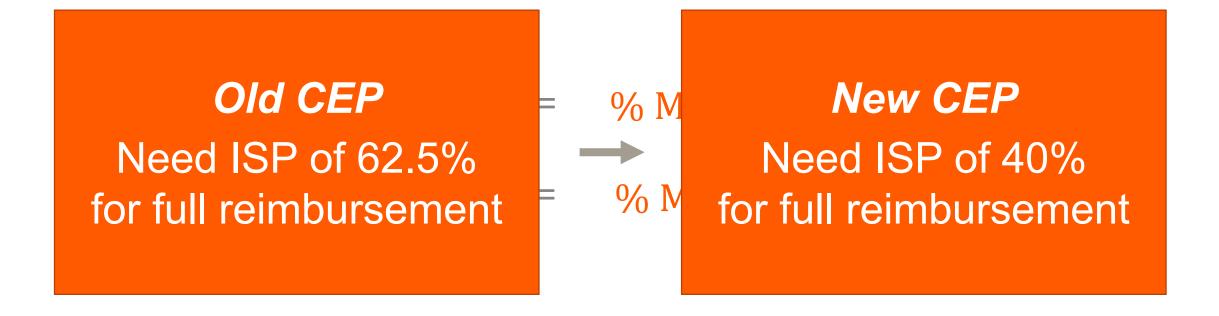


# of "identified" students
total student enrollment

 $\times 100$ 

**Identified Students** = SNAP, TANF, FDPIR Foster Care, Homeless, Migrant, Head Start/Early Head Start

## Reimbursement



The ISP multiplier will be increased from 1.6 to 2.5 after the passage of the Build Back Better Act.

### **Expand CEP**

- With the BBBA changes, Montana will more than double the number of schools eligible to operate CEP (131 → 284)
- Currently, only 51 schools are eligible to receive full reimbursement under CEP
- With the BBBA changes, 131 schools will be eligible to receive full reimbursement under CEP
- With Medicaid direct certification on top of BBBA, even more schools will be eligible for CEP
- Recommendation: Apply for Medicaid direct certification demonstration project by September 30, 2022
- Montana may be able to operate statewide CEP at minimal cost for the state
- Recommendation: Conduct an analysis to see how much it would cost for Montana to do statewide CEP



- Packaging
- Kitchen Equipment
- Staff Salary
- Staff Benefits



### Support Fair Wages for School Nutrition Workers

- In the School Nutrition Association's (SNA) nationwide <u>2021 Supply Chain Survey</u>, 95% of respondents said that staff shortages are a challenge for their program
  - 1/3 say they lack sufficient funds to provide a raise or bonus to keep and attract new staff
- Montana can provide supplemental, per-meal funding to support essential school nutrition workers
- Colorado legislation: 12 cents per lunch
  - Would cost MT approx. \$6,223.92 per year
- Recommendation: Explore appropriating funds to invest in better wages for school nutrition workers

### Incentivize Local Procurement in School Meals

- In the School Nutrition Association's (SNA) nationwide 2021 Supply Chain Survey, 98% of respondents said:
  - Menu items are not available in sufficient quantities
  - Menu items are discontinued by manufacturer
- Montana can provide supplemental, per-meal funding to
  - Support local procurement
  - Improve local economy
  - Improve students' nutrition
- Colorado legislation: 25 cents per lunch
  - Would cost MT approx. \$12,966.50 per year
- Recommendation: Explore appropriating funds to invest in schools' local procurement efforts

