

## Background

This study examines the feasibility of expanding the use of computer matching for certification and verification of children eligible for free and reduced-price meals funded under the National School Lunch Program (NSLP). This study provides a detailed description of how computer matching is currently used and how it could be used. It addresses the feasibility and effectiveness of different practices, from the point of view of both State and local agencies. Computer matching for NSLP has the potential to improve the efficiency and integrity of the certification and verification process without deterring eligible households from applying for free or reduced-price meals.

The *Child Nutrition and WIC Reauthorization Act of 2004* (P.L. 108-265) mandated direct certification of children in food stamp households, to be phased in over three years beginning in 2006.

## Study Methods

The study collected data through four activities:

**An expert panel** consisting of five experts in the fields of information technology, computer matching and data processing prepared papers to address sources of data for matching with student information to determine or verify eligibility, computer matching processes, data acquisition methods, matching algorithms, and privacy issues.

**Site visits** were conducted in New Jersey and Nebraska in September 2004 to interview School Food Authorities and some State agencies, including Child Nutrition, Education, Food Stamps, Labor, and Medicaid.

**Surveys of all states** were conducted in late summer 2005 with State Child Nutrition, Education, and Medicaid agencies, to collect information about current computer matching practices and capabilities for the NSLP and other education programs.

**In-depth telephone interviews** were conducted during winter 2005 with State and local agencies in six States which used a variety of approaches to computer matching.

## Prevalence of Matching for Certification

The percentage of public school districts using direct certification appears to have been nearly constant over the past ten years: 63 percent in 1996-1997, 61 percent in 2001-2002, and 63 percent in 2004-2005. However, the percentage of free certified students who were directly certified rather than certified through application rose from 17.9 percent in 2001-2002 to 28.1 percent in 2004-2005.

There are three main methods used for direct certification: matches performed at the State level, matches performed at the school district level, and the letter method. State-level and district-level matches involve linking two databases – children in Food Stamp Program (FS) or Temporary Assistance for Needy Families (TANF) households and students enrolled in school. With the letter method, letters are mailed to FS/TANF households, which parents return to the child's school, rather than completing an application.

Over time, the number of States providing State-level computer matches has increased. From 1996 to 2004, the number of States providing State-level computer match results increased from 13 to 18 and the number of States providing data to school districts for matching increased from 18 to 22.

State-level matching, implemented State-wide, is the most effective method of direct certification, reaching 75 percent of all FS/TANF children receiving free meals. States implementing State-level matching but not requiring school districts to participate only certified 51 percent of all FS/TANF children receiving free meals. District-level matching matched 63 percent of FS/TANF children receiving free meals, and the letter method reached 52 percent. The best computer

matching systems for certification were those using timely records from FS/TANF and student information systems, obtaining accurate matches, distributing match results to the correct districts, and providing a mechanism for directly certifying unmatched children.

### Direct Verification

School districts are required to verify a sample of NSLP applications by obtaining documentation to confirm the income or program participation reported by the sampled households. Verification is typically conducted by requiring households to provide documentation. School districts also use collateral contacts.

Direct verification is the process of verifying approved applications using income and program information from a public agency administering a means-tested program. Many school districts contact the local FS/TANF office to verify program participation. However, in 2004-2005, only four States had an automated system for school districts to verify case numbers. Another 11 States were investigating options for direct verification using computer matching.

Medicaid data is a potential source of income information for low-income children not participating in FS/TANF. Medicaid and State Child Health Insurance Program (SCHIP) income eligibility limits are higher than FS/TANF limits, and thus data from Medicaid and SCHIP can potentially verify a larger percentage of NSLP income application than FS/TANF data. Medicaid and SCHIP have good potential for matching because:

- Most States have maximum income eligibility limits that meet or exceed the limits for reduced-priced meals;

- Social Security Numbers (SSN) are required for Medicaid and most States have SSNs for the majority of SCHIP children; and
- 34 States have Statewide Medicaid/SCHIP databases that can be used to attempt to verify all free and reduced-price applications, and five States have databases that can be used for all free and some reduced-price applications.

However, substantial challenges remain, including Medicaid's definitions and recordkeeping on income, and identification of the assistance unit. Another challenge to using Medicaid/SCHIP data for direct verification is securing the active participation of the State Medicaid/SCHIP agency.

### Conclusions

Computer matching systems for NSLP direct certification and verification are currently in place in a number of States. This study found considerable variation in the methods and effectiveness of direct certification across States, suggesting that it may be possible to increase effectiveness in some States and thus expand direct certification to more food stamp or TANF participants. The study also found that, as of 2005-2006, direct verification was used almost exclusively for categorical applications, although a few States were beginning to develop or use systems for direct verification of income applications.

The Food and Nutrition Service has contracted for a study of Direct Verification, as mandated by P.L. 108-265.

### For More Information

Cole, Nancy A. and Logan, Christopher, *Computer Matching in the National School Lunch Program: 2005*, prepared by Abt Associates, Inc., for the Food and Nutrition Service (available on-line at [www.fns.usda.gov/oane](http://www.fns.usda.gov/oane)).

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