Data Matching in the National School Lunch Program: 2005

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In addition, the study was influenced, in its early stages, by the contributions of five members of our expert panel. Todd Hubbard, Siva Kakuturi, and Mathew Rager consulted on the technology of computer matching; Carole Doeppers consulted on privacy issues; and Robert Goerge reviewed means-tested programs that might potentially be used for NSLP direct certification and verification.

Finally, we wish to acknowledge the guidance provided by Jenny Genser, the project officer at the Food and Nutrition Service (FNS), and Laura Castro (FNS) who was instrumental during the initial stages of the project. This report also benefited from the comments of Cindy Long, Jodie Harris, Melissa Rothstein, and Susan Fouts of FNS.

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Executive Summary

USDA's Food and Nutrition Service (FNS) contracted with Abt Associates, Inc. to study 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). The study provides a detailed description of how computer matching is and could be used for the NSLP, and the study assesses what works well and what doesn't 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 processes without deterring eligible households from applying to the program.[1]

Background

In fiscal year 2005, an average of 17.5 million children per day received free or reduced-price school lunches funded by the National School Lunch Program (NSLP). Children in families with income at or below 130 percent of the poverty level are eligible for free meals, and children in families with income between 130 and 185 percent of the poverty level are eligible for reduced-price meals. Children are determined eligible for free or reduced-price meals through application or direct certification.

Direct certification was the first application of computer matching for the NSLP. Current regulations give School Food Authorities (SFAs) the option to directly certify children for free meals by obtaining documentation from State or local agencies operating the Food Stamp Program (FSP), Temporary Assistance to Needy Families (TANF), or Food Distribution Program on Indian Reservations (FDPIR). Children who are directly certified for free meals do not have to complete an application and are not subject to income verification. Numerous States and SFAs use computer matching of student enrollment records with food stamp and TANF records to directly certify children for free school meals. The *Child Nutrition and WIC Reauthorization Act of 2004* (P.L. 108-265) ("Reauthorization") mandates direct certification of children in food stamp households, to be phased in over 3 years beginning with SY2006-07.

A second application of computer matching for the NSLP is for verification of applications. SFAs are required to verify a sample of NSLP applications by obtaining documentation to confirm the income or program participation reported by the sampled households. SFAs generally verify eligibility by requiring households to provide documentation of eligibility. SFAs have also been authorized to use systems of records to verify program participation conferring categorical eligibility. *Reauthorization* specifically defines this method as direct verification and extended the allowable use of systems of records to include verification of income eligibility. Direct verification may use records from the FSP, FDPIR, TANF, the State Medicaid Program under Title XIX of the Social Security Act, and "a similar means-tested program as determined by the Secretary." Direct verification can be performed through a computer match or query, or through any suitable form of communication between the SFA and the State or local program office. Computer matching for direct verification is not currently widespread, although some States have developed or plan to develop direct verification systems based largely on existing systems for direct certification.

[1] Recent studies suggested that a substantial number of ineligible children are approved for free and reduced price meals. The relevant literature and policy issues are discussed in Burghardt et al., 2004, Chapter 1.

Study Methods

This study collected data through four primary activities.

- ***Expert panel***—Convened in January 2004 to examine computer matching issues relevant to the NSLP. Five experts in the fields of information technology, computer matching, and data privacy prepared papers to address: a) sources of data for determining or verifying NSLP eligibility; b) computer matching processes; c) data acquisition methods; d) matching algorithms; and e) privacy issues.
- ***Exploratory interviews***—Site visits were conducted in Nebraska and New Jersey, in September 2004, to interview School Food Authorities and several State agencies, including Child Nutrition, Education, Food Stamps, Labor, and Medicaid. Additional focused telephone interviews were conducted with the Arizona State Child Nutrition agency and Massachusetts State Food Stamp agency.
- ***State Surveys***—Surveys were conducted in summer and fall 2005 with State Child Nutrition, Education, and Medicaid agencies. These surveys gathered information about current practices and computer matching capabilities for the NSLP and other K-12 student programs.
- ***In-Depth Interviews***—Telephone interviews were conducted during late fall and winter of 2005 and 2006 with State and local agencies in six States selected to represent a variety of strong approaches to computer matching for the NSLP or other K-12 student programs. The States were: Georgia, Kansas, Massachusetts, Oregon, Texas, and Wisconsin.

These primary data collections were supplemented with administrative data collected by FNS through the SY2004-05 Verification Summary Report (VSR).

Preliminary findings from the expert panel and exploratory interviews were previously published in the "Preliminary Report on the Feasibility of Computer Matching in the National School Lunch Program." Those findings were also used to develop data collection instruments for the State surveys and in-depth interviews. This report supersedes the preliminary report, as it is based on more comprehensive and representative data collected subsequently. Information collected for the preliminary report, particularly in the exploratory interviews, is also referenced herein where relevant.

NSLP Certification and the Prevalence of Computer Matching

The percentage of public school districts using direct certification has been nearly constant over the past 10 years: 63 percent in SY1996-97, 61 percent in SY2001-02, and 63 percent in SY2004-05. However, there was an increase in the percentage of enrolled students and free certified students in districts using direct certification, indicating a shift in direct certification to larger districts.

While the percent of districts using direct certification has been stable, overall effectiveness of direct certification increased over time: 28.2 percent of free certified students were directly certified in SY2004-05, compared with only 17.9 percent in SY2001-2002. This increase was likely due to both the shift of direct certification to larger districts and improvements in procedures.[2]

[2] Data are not available for a within-district or within-State analysis of year-to-year changes in effectiveness. As more years of VSR data become available, this analysis will be possible.

Direct Certification Methods

There are three main methods used for direct certification, as described below: State-level computer matching, district-level matching, and the letter method.

- ***State-level computer matching*** ¾ This method involves a computer match of two State-level databases: a) a list of children in FS/TANF households from the FS/TANF agency, and b) student enrollment data from the State Education Agency (SEA) or from individual SFAs. After children are identified for certification, match results are sent to SFAs, and SFAs send notification letters to households.
- ***District-level matching*** ¾ With this method, a State agency sends a file to SFAs with records of FS/TANF children residing in the SFA geographic area (based on county, ZIP code, or similar identifiers). SFAs use computer matching or manual methods to identify FS/TANF children who are enrolled in the district. After children are identified for certification, the SFA sends notification letters to households.
- ***The letter method (no matching)*** ¾ Letters are mailed to food stamp households using address information in the food stamp database. Parents deliver these letters to the child's school, in lieu of completing an NSLP application. State Child Nutrition or Food Stamp Agencies typically take responsibility for mailing the letters to the FS/TANF households.

Some States combine these methods in various ways, either because all SFAs do not participate in a single method of direct certification, or because multiple methods provide a way to ensure direct certification of a greater number of eligible children. In all States with computer matching for direct certification, parental consent is passive so that children are certified unless parents notify the SFA that they wish to decline benefits (i.e., opt out).

Prevalence of Direct Certification Methods

Use of computer matching for direct certification has increased over time. 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 SFAs for district-level matching increased from 18 to 22. As a result, in 2004, school districts in 40 States had the option of using computer match results or computer matching to directly certify students—30 percent more States compared with 8 years earlier.

Reflecting changes at the State level, there was an increase from 1996 to 2004 in the percentage of public school districts using State-level match results (from 19 percent to 36 percent) and a decline in the percentage using only the letter method (no matching) (from 32 percent to 20 percent). The percentage of districts using district-level matching, however, increased and then declined: from 34 percent in 1996 to 41 percent in 2000, to 29 percent in 2004.

In 2004, districts using computer matching alone produced 86 percent of all direct certifications of students: 34 percent of directly certified students were in districts using State-level match results, and 52 percent were in districts using district-level matching. Typically, district-level matching is used only by the largest districts in a State, so this method has a disproportionate share of directly certified students relative to the share of districts. Districts using the non-matching letter method account for

only 5 percent of directly certified students, while districts using mixed methods (computer matching and the letter method) account for 9 percent of directly certified students.

Advantages and Disadvantages of Computer Matching Versus Other Direct Certification Methods

A primary advantage of computer matching for direct certification is reduced workload for SFAs. With computer matching, SFAs process electronic files and direct certification does not rely on household response (passive consent is used in all States where computer matching is used). In contrast, the letter method requires manual processing of letters submitted by households, and the effectiveness of direct certification depends on household response.

An additional advantage of State-level matching is that it is a centralized process, so the match does not depend on geographic identifiers and should result in higher match rates than district-level matching. However, a disadvantage of State-level matching is that the matching process sometimes uses outdated student enrollment records, and match results for transferred students may be sent to the wrong district.

District-level computer matching allows districts to control the process and use the most up-to-date student records. On the other hand, this method requires the State to parse the FS/TANF data among districts, so information for children with outdated addresses may be sent to the wrong district. Also, each district must develop procedures for data matching.

Effectiveness of Direct Certification Methods: District Participation and Identifying Eligible Children

Prior to July 2006, direct certification was optional under Federal rules for all SFAs. In practice, this meant that use of computer matching for direct certification was optional, but in States using the letter method, SFAs are required to accept direct certification letters from households. As a result, the letter method has the highest rate of district participation in direct certification (79 percent of districts directly certify students when the letter method is the only option; 85 percent when the letter method or district matching is available). State-level matching has a higher rate of district participation than district-level matching (68 percent versus 50 percent), largely because 7 of the 18 States with State-level matching have mandated participation of all public school districts.

The Verification Summary Reports for SY2004-05 provide evidence that State-level matching, implemented statewide, is the most effective method of direct certification. In States implementing mandatory statewide State-level matching, 74 percent of categorically certified children are directly certified.[3] In States implementing state-level matching, but not mandating participation of all districts, 51 percent of categorically certified children are directly certified. District-level matching, alone or implemented as a part of a mixed method, results in direct certification of 63 percent of categorically certified children. The letter method results in direct certification of 52 percent of categorically certified children.

[3] Categorically certified children include all children approved for free meals by application or direct certification based on participation in FSP, TANF, or FPDIR, or based on other categorical eligibility provisions.

Choices in the Design of a Computer Matching System for Direct Certification

Computer matching for direct certification, at the State or district level, involves the match of two databases: (a) records of children in FS/TANF households, and (b) student enrollment records from a Statewide Student Information System (SSIS) or district information systems. Information identifying children in food stamp households originates with the State Food Stamp Agency (SFSA).[4]

The study identified five methods of computer matching for direct certification, based on the source of student data and the agency responsible for the matching process.

> Method 1 (13 States): The SEA matches SSIS data with a statewide FS/TANF file and sends a list of matched children to each SFA.
>
> Method 2 (3 States): The SEA matches enrollment data from SFAs with a statewide FS/TANF file and sends a list of matched children to each SFA.
>
> Method 3 (19 States): The SEA sends local-area FS/TANF files to SFAs, and SFAs match these data with their student enrollment data.
>
> Method 4 (3 States): The SFSA sends local-area FS/TANF files to SFAs, and SFAs match these data with their student enrollment data.
>
> Method 5 (2 States): The SFSA matches enrollment data from SFAs with a statewide FS/TANF file and sends a list of matched children to each SFA.

State-level matching uses method 1, 2, or 5; district-level matching uses method 3 or 4.

This overall taxonomy reflects only two of seven key design choices in developing a computer matching system for direct certification:

- Is computer matching conducted at the State or district level?
- What is the source of student records?
- What data from means-tested programs are used?
- When, where, and how does the system bring together files from means-tested programs and student information systems?
- What identifiers are used to match records between means-tested programs and student information systems?
- What software and methods are used for computer matching?
- Do SFAs have access to information on categorically eligible children who are not matched?

State- Versus District-Level Computer Matching for Direct Certification

Currently, the decision to use State-level versus district-level matching depends almost entirely on the availability of student records from an SSIS. All State-level direct certification systems developed in recent years utilize student records from an SSIS. However, five States have State-level matching systems that predate an SSIS, and they continue to collect student records from SFAs via *ad hoc* data collection systems.

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[4] In some States, this information includes children in TANF households who are not certified for the FSP.

Information obtained for this study suggests that the determining factors in using State-level versus district-level matching should be:

1. Which is more feasible for the State: to collect and match student data at the State level, or to send appropriate FS/TANF data to districts for matching? The answer depends on whether the State has an SSIS or a suitable platform for collecting student data from districts, and on how well FS/TANF data can be assigned to geographic areas corresponding to school districts.
2. Which method, State-level or district-level, will yield the highest rate of participation by districts?
3. Can districts obtain higher match results through use of their student data, which may be more current or have identifying information unavailable to the State?
4. If question 2 suggests State-level matching and question 3 suggests district-level, is it feasible to operate a hybrid system?

Source of Student Records

Four sources of student records were observed by this study:

1. Statewide student information system, student membership data (SSIS)
2. Statewide student information system, student identifier system (SSID)
3. District information systems
4. Hybrid system of SSIS or district data, with SFAs choosing the source

SSIS data are static snapshots of student membership at a point in time. SSID data are dynamic records indicating, for each student, their current district, school, and grade. The differences between SSIS and SSID are the timeliness of information and the resulting accuracy with which State match results are distributed to districts.

District student information systems can be used for district-level matching or to provide student records for State-level matching through an *ad hoc* data collection system. District systems provide the most current source of student records, but using these data for State-level matching increases the burden for the State and for the districts, relative to State-level matching with SSIS or SSID data.

A "hybrid system" for State-level computer matching allows SFAs to use the results of a match with the SSIS or submit more recent student data for ad-hoc matching, thus combining the strengths of these alternatives. The extent of student mobility and the frequency of SSIS updates are factors to consider in weighing the value of adding ad-hoc matching capability to State-level computer matching based on an SSIS.

Identifiers and Matching Algorithms

State and local agencies cited several matching problems related to data quality issues. Names are often spelled differently in student records and FS/TANF records, date of birth sometimes has transposed numbers or a number is off by one digit, and Social Security Numbers (SSNs) are sometimes invalid (parent's may give the school the same SSN for all children, or report the parent

SSN). Several States match by name and date of birth, but in large States this can yield duplicate matches (a single FS/TANF record matches several student records).

There has been no research on the accuracy of direct certification matching algorithms, or the costs and benefits of developing more sophisticated algorithms. Use of probabilistic algorithms, such as those used in State student identifier systems, would improve match accuracy.

Information on Children Who Are Not Matched

When State-level matching is used, direct certification can be made more effective by providing SFAs data on FS/TANF children who are not matched at the State level. Three approaches are:

- Providing files of unmatched FS/TANF children to SFAs, where they can be matched to district student files by computer or manually
- Providing on-line access to State-level FS/TANF data for SFAs to look up students' FS/TANF status.
- Sending direct certification letters to unmatched children, so that they can submit the letters to their SFAs.

A State can use more than one of these approaches. For example, Georgia provides both batch files and on-line access.

From the State perspective, the feasibility of these approaches depends on several factors:

- How many FS/TANF children are not matched at the State level?
- Do SFAs have the perceived need and resources to use the additional data?
- Is there a way to assure that the correct SFA receives the data?
- Does an infrastructure exist for providing files or on-line lookups of unmatched FS/TANF children?

Characteristics of the Ideal System for Direct Certification

Overall, the best computer matching system for direct certification is one that uses timely records from FS/TANF and student information systems, obtains accurate matches, distributes match results to the correct districts, and provides a mechanism for directly certifying unmatched children. This study has shown that States have developed a variety of approaches to each of these components of a direct certification computer matching system.

SFA Perspective on Computer Matching for Direct Certification

With State-level computer matching systems for direct certification, the key challenge for SFAs is bringing the State match results into their databases of free/reduced-price students. Depending on the information provided by the State and the SFA's computer systems, this process can entail a straightforward importation of data, a district-level computer match, or a manual match and entry process. The process is simplest and most reliable if the direct certification results and the free/reduced-price application database have a common numeric identifier, such as the SSN or district student ID number.

Districts are often required to do data matching: a) to process State-level match results, b) to process FS/TANF data that were not matched by a State-level match, or c) to perform district-level matching with FS/TANF data. These types of matching differ primarily in terms of the student identifiers provided in the files received from the State.[5] For these matches, districts may use their free/reduced-price database software, the SFA's information technology department, or an outside vendor.

In SY2004-2005, five States provided direct certification data to districts at several times or continuously.[6] Use of more than one direct certification match can result in more directly certified students. However, SFAs need a way to differentiate new matches from previous ones otherwise the level of effort to use additional matches is not perceived to be worth the benefit of a few additional direct certifications. Additional monthly matches often result only in the reclassification of a student free-approved by application to directly certified, but these reclassifications have no impact on SFAs' workload after the selection of applications for verification.

In addition to data processing and data matching issues, SFAs face three main challenges. First, learning to use the direct certification system: SFAs use a system that is the result of tradeoffs made at the State level between ease of use, flexibility, knowledge required to use the system, and development costs. A useful feature is the capability to enter a list of students to look up, essentially an on-line *ad hoc* computer match.

Another common challenge for SFAs is that some direct certification notices to households are returned because of out-of-date addresses. SFAs demonstrated flexibility in using alternate address information or alternate means of delivering notices.

Finally, SFAs must deal with the challenge that parents often submit applications for children who are directly certified. The extent of this challenge and the solutions depend on the timing of direct certification, distribution of applications, and the start of school.

Direct Verification of NSLP Applications

SFAs are required to verify a sample of NSLP applications by obtaining documentation to confirm the income or program participation reported by the sampled households. Beginning in SY2005-2006, most SFAs are required to verify 3 percent of error-prone applications, with error-prone defined to be income applications with monthly income within $100 of the free or reduced price eligibility limit. Categorical applications are subject to sampling only if the number of error-prone applications is insufficient to yield a 3-percent sample, or if an SFA qualifies for alternative sampling.

Prevalence of Methods of Verification

Verification is typically conducted by providing written notice to sampled households requesting documentation of current NSLP eligibility. Failure to respond with documentation, or providing

[5] For example, student IDs and other student identifiers are present in the results of a State-level match with student records. But unmatched FS/TANF records contain only data elements from the FS/TANF data system.

[6] Oregon and Washington provided monthly matches. Arizona and Wisconsin allowed districts to obtain matches at any time during the school year. Minnesota provided a total of three matches.

documentation of income in excess of NSLP eligibility limits, results in termination or reduction of benefits. In addition to household documentation, SFAs also use collateral contacts.

Direct verification is the process of verifying approved applications using income and program participation information from a public agency administering FSP, FDPIR, TANF, State Medicaid program, or a similar income-tested program as determined by USDA. Many SFAs directly verified food stamp case numbers reported on applications, prior to the 2004 change in verification sampling requirements, typically through contacts with the local FS/TANF office. Direct verification of income applications utilizes income information collected by other means-tested programs to verify NLSP income eligibility for applications selected for verification.

The verification of FS/TANF case numbers relies primarily on household documents, or a manual process of contacting local welfare offices. In SY2004-2005, only four States had an automated system for SFAs to verify case numbers: Arizona, Georgia, Utah, and Washington. As of 2005, 11 States were investigating options for direct verification with electronic systems of records.

This study examined three main aspects of the feasibility of direct verification computer matching:

- Technological feasibility of developing computer matching systems to exchange and match data,
- Feasibility of means-tested programs to provide data needed for NSLP verification,
- Feasibility of using income reporting systems for NSLP verification.

None of the States surveyed have investigated use of electronic records from income reporting systems for verification of NSLP applications. Furthermore, the feasibility of using income reporting systems was widely rejected by many State officials interviewed for this study. Interviews with State officials who manage income verification for other means-tested programs (FS, TANF, and Medicaid) caution against this method for the NSLP for two reasons. First, computer matching with income reporting systems requires a database of SSNs for every adult household member (these are not collected on NSLP applications). Second, income verification requires a staff of trained and dedicated caseworkers to process match results and follow-up with households.

Evidence suggests that direct verification computer matching is technologically feasible with data from means-tested programs, and that data from FS, TANF and Medicaid/SCHIP are suitable for NSLP verification in most States. Nonetheless, current systems provide little concrete evidence of the efficacy of alternative models, tradeoffs, implementation issues, and lessons learned.

Technological Feasibility of Computer Matching for Direct Verification

Current State-level direct verification systems are in their infancy. They span a wide range of technological sophistication, from manual processing at the State level to automated systems. States with manual processing (Kansas and Oregon) indicated that current methods are intended to be temporary.

In the States interviewed for this study (Arizona, Georgia, and Wisconsin), the automated systems currently in place for direct verification are extensions of those States' direct certification systems. Based on interviews with other State agencies, it is expected that future implementations of direct verification will also build on existing infrastructures—either from direct certification or from

computer matching for Medicaid reimbursements to school districts. An extension of State-level direct certification matching systems is a logical approach for verification. Both direct certification and direct verification rely on data from means-tested programs; many States have integrated eligibility systems for FS/TANF and Medicaid; and it is logical to use existing technology infrastructures, where available.

The best available information about the feasibility of computer matching for direct verification is based on extrapolation of evidence from direct certification computer matching in light of the different demands of verification. The key differences between certification and verification are:

- The scale of operations is much smaller for direct verification
- More sources of electronic records are authorized for direct verification

Scale of Operations

The goal of direct verification is to match a selected sample of NSLP approved students with eligibility information; in contrast, the goal of direct certification is to identify all students eligible for NLSP free meals by matching all student records to eligibility information. There are four potential models for direct verification computer matching: batch processing, interactive on-line queries, hybrid of batch and interactive, and a two-step process of compiling a pre-verified database of students for matching with verification samples. The first three methods are demonstrated by direct certification; the last method is untested.

The need to match students sampled for direct verification presents a challenge for States with State-level direct certification computer matching based on student records from an SSIS. These States currently "push" match results out to SFAs, but do not collect data from SFAs for the specific purpose of direct verification. They will need to develop systems for collecting verification sample data from districts, or make verification data available to districts. Current direct certification systems that do not use SSIS data, but collect student records from SFAs, may easily be extended for direct verification (as demonstrated by Wisconsin).

The largest verification samples can be up to 3,000 applications, but the average verification sample is small (in SY2004-05, the average number of applications per public SFA was 28, and the median was 8). Therefore, systems of direct verification must accommodate SFAs with both very small and large workloads. One solution is a hybrid system allowing for both batch processing (for large districts) and interactive queries (for small districts).

Feasibility of Means-Tested Programs to Provide Data Needed for NSLP Verification

FS/TANF data used for direct certification are also available for direct verification of categorical or income applications. However, few categorical applications are sampled for verification, and it is expected that few FS/TANF children apply to NSLP on the basis of income in States where direct certification is operating effectively. Medicaid/SCHIP income eligibility is higher than FS/TANF income eligibility, and thus data from Medicaid and SCHIP can potentially verify a larger percent of NSLP income applications than FS/TANF data. Medicaid and SCHIP meet the key feasibility criteria as summarized below.

- Income eligibility level: 42 States have a maximum income eligibility level for Medicaid/SCHIP that exceeds the limit for reduced-price meals.

- Availability of SSNs for matching: Medicaid requires all applicants to provide an SSN, and at least 44 States have SSNs for 80 percent or more of SCHIP children.
- Statewide eligibility data: 34 States have statewide Medicaid/SCHIP databases that can be used to verify free and reduced-price meal applications with incomes up to 185 percent of the FPL.[7] In addition, there are five States with Medicaid/SCHIP databases that can be used to verify free meal applications and some reduced-price applications.

The principal challenge to using Medicaid/SCHIP data for direct verification is securing the active participation of the State Medicaid/SCHIP agency. At the time of this study, many State Medicaid/SCHIP agencies were unaware of the provisions of CN Reauthorization amending the Social Security Act to authorize release of Medicaid data for NSLP verification. In addition, there are practical considerations of resource availability within these agencies for participation in NSLP direct verification.

Conclusions

Computer matching for NSLP direct certification and verification is feasible, as indicated by the computer matching systems that are currently in place. 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 thereby expand direct certification to more Food Stamp or TANF recipients. The study provides numerous suggestions for how States and SFAs can optimize direct certification in their environments. This study also found that, as of SY2005-06, direct verification was used almost exclusively for categorical applications, although several States were beginning to develop or use systems for direct verification of income applications.

[7] To meet this requirement, eligibility for Medicaid/SCHIP must extend to at least 185 percent of the FPL, and the State must have a statewide database with household income data if Medicaid/SCHIP eligibility limits do not correspond exactly to NSLP income eligibility limits.

1. Introduction

In fiscal year 2005, an average of 17.5 million children per day received free or reduced-price school lunches funded by the National School Lunch Program (NSLP). Children in families with income at or below 130 percent of the poverty level are eligible for free meals, and children in families with income between 130 and 185 percent of the poverty level are eligible for reduced-price meals.[1] Children are determined eligible for free or reduced-price meals through application or direct certification.

Direct certification was the first application of computer matching for the NSLP. Current regulations give school food authorities (SFAs) the option to directly certify children for free meals by obtaining documentation from State or local Food Stamp Program (FSP), Temporary Assistance to Needy Families (TANF), or Food Distribution Program on Indian Reservations (FDPIR) agencies. Children who are directly certified for free meals do not have to complete an application and are not subject to income verification.

Direct certification was initially authorized in the early 1990's to reduce the burden of free/reduced-price meal applications for households and SFAs, improve the accuracy of eligibility determinations, and increase the number of eligible children certified for benefits. Methods of direct certification vary across and within States.[2] Use of computer matching has increased over time, and this method holds the promise of identifying the largest number of eligible children with the least amount of effort. Nonetheless, some State agencies indicate significant barriers to the implementation of computer matching for direct certification.

The *Child Nutrition and WIC Reauthorization Act of 2004* (P.L. 108-265) ("Reauthorization") includes provisions encouraging the use of computer matching for NSLP certification and verification. Reauthorization mandates direct certification of children in food stamp households, to be phased in over 3 years beginning with SY2006-07.[3] The legislation also defined "direct verification," thereby reiterating authorization to verify NSLP eligibility through use of systems of records.

SFAs are authorized to verify free or reduced-price eligibility through use of systems of records instead of requiring households to provide documentation of eligibility. Reauthorization specifically defines this as direct verification and allows use of records from the FSP, FDPIR, TANF, the State Medicaid Program under Title XIX of the Social Security Act, and "a similar means-tested program as determined by the secretary." Implementation of direct verification at the State level would most

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[1] Children in families with income above 185 percent of poverty must pay the SFA-determined price for school lunches. These "paid" meals receive a smaller NSLP subsidy.

[2] The simplest method is letter notification of eligibility delivered to households, which households submit to schools in lieu of an NSLP application.

[3] The mandate applies to local education agencies (LEAs) with at least 25,000 students in SY2006-07; to those with at least 10,000 students in SY2007-08; and to all LEAs in SY2008-09. P.L. 108-265 uses the term LEA rather than SFA in discussion of school meal certification and verification. The terms are used interchangeably in this report.

likely involve some type of computer match or query; at the local level, direct verification can be conducted through any suitable form of communications between the LEA and the local program office.

Recent studies suggest that a substantial number of ineligible children are being approved for free and reduced price meals.[4] At the same time, USDA is concerned that a substantial number of income-eligible children are not approved for benefits. Therefore, USDA is seeking to improve the integrity of the NSLP certification process in ways that do not deter eligible households from applying to the program. Data matching has the potential to meet both of these needs.

In addition to the provisions regarding direct certification and direct verification, the *Child Nutrition and WIC Reauthorization Act of 2004* contains other provisions to improve NSLP program integrity and access for eligible children. The legislation mandates use of household (or multichild) NSLP applications to reduce paperwork; it also extends NSLP eligibility for the duration of the school year. Verification requirements were strengthened so that as of July 1, 2005 most local education agencies are required to verify 3 percent of error-prone applications. The legislation also provided the mandate for this study of the feasibility of using computer technology to reduce overcertification and waste, fraud, and abuse in the school lunch program.

Purpose of the Study

USDA's Food and Nutrition Service (FNS) contracted with Abt Associates, Inc. to study the feasibility of expanding the use of computer matching for NSLP certification and verification. The goals of the study are to assess the following topics.

- Current computer matching activities within the NSLP, current information system capabilities, benefits of computer matching, effectiveness of computer matching, and perceived barriers to expanded use of computer matching.
- The operational feasibility of computer matching, including specification of alternative models and data sources that are currently used, or may be used, by State and local agencies.
- The implementation of NSLP computer matching systems, including challenges encountered at the State and local level, and lessons learned.
- Expansion of computer matching for the NSLP, including specification of ways in which computer matching may be expanded to encompass a larger population of eligible children, or improved to certify a higher percentage of eligible children.
- Uses of computer matching by State Education Agencies for purposes other than NSLP certification and verification, which might serve as prototypes for NSLP systems.

The primary goal of this study is to provide a detailed description of how computer matching is or could be used for the NSLP, and to assess what works well and what doesn't from the point of view of both State and local agencies. The remainder of this chapter describes expansion possibilities for computer matching in the NSLP, study methods, and the organization of the report.

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[4] The relevant literature and policy issues are discussed in Burghardt et al., 2004, Chapter 1.

Expanding Computer Matching in the NSLP

This report examines use of computer matching in the NSLP for two purposes:

- Determining eligibility of children without application (direct certification), and
- Verifying the eligibility of children certified by application (direct verification).

Computer matching is currently used by some States and School Food Authorities (SFAs) to match student enrollment records with food stamp and TANF records to directly certify children for free school meals. As discussed in this report, computer matching has many benefits: it reduces or eliminates household burden in applying for benefits, reduces the workload for SFA staff, and increases the number of eligible children certified for free meals. Computer matching for direct certification is highly accurate, insofar as directly certified children are rarely found to be ineligible (Gleason, et. al, 2003).[5]

This report examines the feasibility of expanding the use of computer matching for direct certification in the following ways:

1. Increase the number of SFAs that use computer matching for direct certification;
2. Increase the number of means-tested programs used for direct certification of children for free meals;
3. Use data from additional programs to directly certify children eligible for reduced-price meals;
4. Improve the accuracy of existing matches to directly certify a higher percentage of eligible children.

Computer matching for direct verification is not currently widespread, although some States have developed or plan to develop direct verification systems based largely on existing systems for direct certification. Some SFAs currently verify categorical applications (applications with food stamp, TANF, or FDPIR case numbers reported in lieu of income) by directly communicating with local program offices. Many SFAs, however, sample few categorical applications for verification, because most categorically eligible children are directly certified and exempt from verification, and most SFAs are required to use "error-prone" samples.[6] Therefore, the primary opportunity for States and SFAs is to extend direct verification to applications based on income and household size.

Study Methods

This study collected data through four primary activities.

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[5] Ineligibility would arise from errors in the matching process.

[6] Reauthorization requires SFAs to select 3 percent of approved "error-prone" applications, defined as those with household income within $100/month of the F/RP eligibility limit. For SY2006-2007 and beyond, use of an alternate random sample is permitted only for SFAs who achieved, in the prior school year, a response rate greater than 80 percent or a 10 percent improvement in response.

- ***Expert panel***—Convened in January 2004 to examine computer matching issues relevant to the NSLP. Five experts in the fields of information technology, computer matching, and data privacy prepared papers to address: a) sources of data for determining or verifying NSLP eligibility; b) computer matching processes; c) data acquisition methods; d) matching algorithms; and e) privacy issues.
- ***Exploratory interviews***—Site visits were conducted in Nebraska and New Jersey, in September 2004, to interview School Food Authorities and several State agencies, including Child Nutrition, Education, Food Stamps, Labor, and Medicaid. Additional focused telephone interviews were conducted with the Arizona State Child Nutrition agency and Massachusetts State Food Stamp agency.
- ***State Surveys***—Surveys were conducted in summer and fall 2005 with State Child Nutrition, Education, and Medicaid agencies. These surveys gathered information about current practices and computer matching capabilities for the NSLP and other K-12 student programs.
- ***In-Depth Interviews***—Telephone interviews were conducted during late fall and winter of 2005 and 2006 with State and local agencies in six States selected to represent a variety of strong approaches to computer matching for the NSLP or other K-12 student programs.

These primary data collections are supplemented with administrative data collected by FNS through the SY2004-05 Verification Summary Report (VSR).

Preliminary findings from the expert panel and exploratory interviews were previously published in the "Preliminary Report on the Feasibility of Computer Matching in the National School Lunch Program." Those findings were also used to develop data collection instruments for the State surveys and in-depth interviews.

This report supersedes the preliminary report, as it is based on more comprehensive and representative data collected subsequently, as described below. Information collected for the preliminary report, particularly in the exploratory interviews, is also referenced where it is relevant.

State Surveys

Three surveys were conducted with State agencies in the 50 States and the District of Columbia:

- Survey of State Child Nutrition Program Directors
- Survey of State Education Agencies: K-12 Information Systems and Computer Matching
- Survey of State Medicaid Agencies: Eligibility Information Systems and Data Exchanges

The surveys were conducted by mail, with the initial mailing in August 2005.[7] Response rates were 100, 92, and 88 percent to Child Nutrition Program (CNP), State Education Agency (SEA), and State Medicaid Agency (SMA) surveys, respectively. The overall response rate to the three surveys was 93 percent.

[7] Seventy percent of completed surveys were received by mid-October, although responses were received as late as December.

Surveys were mailed to the following officials: State CN directors, SEA liaisons to the National Center for Education Statistics (NCES) National Forum on Education Statistics, and State Medicaid Directors. Most CN directors and SEA liaisons (65 and 62 percent, respectively) completed the survey themselves, whereas most Medicaid Directors (96 percent) designated other staff persons to complete the survey.

The following general topics were included in the surveys:[8]

- **Survey of State Child Nutrition Directors**—Methods of NSLP application processing and direct certification; characteristics of State-level computer matching for direct certification; barriers to State-level computer matching for direct certification; use of electronic data for NSLP application verification; and electronic systems for SFA reporting of monthly claims for reimbursement.

- **Survey of State Education Agencies**—Characteristics of statewide student information systems (SSIS) for K-12 students; student identifiers contained in the SSIS; computer matching for the Medicaid Administrative Claiming (MAC) Program; and SEA involvement in computer matching of wage data.

- **Survey of State Medicaid Agencies**—Medical assistance income eligibility rules for school age children; whether medical assistance enrollee data are maintained in statewide computer systems; presence of integrated eligibility systems; data sharing with school districts; and availability of statistics on children enrolled in Medicaid assistance.

The survey instruments are included as Appendix A.

In-Depth Interviews

Based on information from the State Surveys, six States representing a variety of computer matching systems were selected for in-depth interviews. The six States included five with current State-level computer matching for direct certification, and one in the planning stages for State-level computer matching. In-depth interviews were similar to exploratory interviews conducted in September 2004. Participating States are shown in Exhibit 1-1.[9]

States participating in in-depth interviews were selected to represent variation in several dimensions: FNS region, size, years of experience with computer matching for direct certification, methods used for direct certification computer matching (different sources of student data and different matching algorithms). Two States had computerized systems for direct verification.

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[8] Two secondary sources of information (Christie, 2005 and Ross and Cox, 2005) were used to verify the following survey data and fill in responses for nonrespondents: a) the status of statewide student information systems in each State, and b) Medicaid/SCHIP income eligibility levels.

[9] Exploratory interviews focused on the feasibility of using data from means-tested programs for NSLP computer matching, and selection of States was based on presence of integrated eligibility systems for means-tested programs.

The selected States are listed in Exhibit 1-1, along with measures of size and primary reason for selection. In each State, in-depth telephone interviews were conducted with the following agencies:[10]

- State Child Nutrition Program
- State Education Agency
- State Medicaid Agency
- State Food Stamp Agency
- Two School Food Authorities (SFAs)

Of the twelve SFAs interviewed for the study, eight were large, with 14,000 to 102,000 students; three were mid-sized, with 3,000 to 6,000 students; and one was small, with 800 students.[11]

All interviews were conducted by the same two-person team so that interviews were sequential and information obtained from one agency in a State could be confirmed with other agencies in the State. Most interviews lasted one hour and involved multiple participants from the responding agency. Follow-up, when needed, was done mainly via email.

The topics of the in-depth interviews paralleled the topics in the State surveys. These interviews, however, obtained much more detailed information from several points of view. With regard to direct certification computer matching, respondents were asked to describe current procedures; the history of system development; the strengths and weaknesses of current operations; and the feasibility of changes. With regard to expanding computer matching to verification, respondents discussed current methods of verification; availability of food stamp, TANF, Medicaid, and SCHIP data for computer matching; legal limitations on the use of data for NSLP verification; and potential systems models.

Information obtained from in-depth interviews is discussed throughout this report. Complete State-by-State case studies appear in Volume II of this report, and highlights of the case studies are in Appendix B of this volume.

Verification Summary Report (VSR)

Under a final regulation published by FNS in September 2003[12], SFAs are required to report data on verification activities, and State agencies are required to report these data for all SFAs under their jurisdiction. Thus, the VSR was a new reporting requirement in SY2004-05; VSR reporting was optional for State agencies in SY2003-2004. SFAs reported student enrollment, number of schools participating in the NSLP, number of children approved as free and reduced price eligible, number of applications selected for verification, and verification outcomes. The VSR does not collect counts of directly certified students, but the number of children approved as free eligible and not subject to

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[10] In addition, the State Wage Information Collection Agency (SWICA) was interviewed in one State.

[11] The VSR data for 2004-2005 indicate that the average public SFA had approximately 3,353 students.

[12] "Determining Eligibility for Free and Reduced Price Meals in Schools— Verification Reporting and Recordkeeping Requirements", September 11, 2003, Federal Register Vol. 68, No. 176, pp. 53483-53490.

Exhibit 1-1

States Selected for Exploratory and In-Depth Interviews

State	Number of School Districts[a]	Total Student Enrollment[a]	Reason for Selection
Exploratory Interviews – September 2004			
Nebraska	488	284,600	Integrated system for large number of social service programs; operational SSIS.[b]
New Jersey	641	1.4 million	Integrated eligibility system for FS/TANF/Medicaid; planning SSIS.[c]
In-Depth Interviews – November 2005–February 2006			
Georgia	182	1.5 million	Old direct certification system (1992); does not use SSIS for direct certification[d]; on-line inquiry system, Medicaid data used for verification.
Kansas	302	466,000	District-level matching in 6 districts; letter method statewide; planning for State-level match for direct certification; SSIS currently being implemented.
Massachusetts	386	976,000	New system for direct certification (2004); the only Northeast State with State-level computer matching for direct certification; does not use SSN.
Oregon	206	550,000	New system for direct certification (2003); uses SSIS; match by SSN; monthly matching; the only State with a match algorithm that checks for unmatched siblings.
Texas	1,265	4.3 million	Old system for direct certification (1992); uses SSIS; match by SSN; large State with large number of SFAs.
Wisconsin	426	880,000	Old system for direct certification (1992); one of only 2 States where State-level matching is done by the food stamp agency; computer matching system for direct verification.

[a] Total student enrollment and number of school districts are for public schools only, for SY2004-05.

[b] Nebraska conducts a State-level direct certification match for the largest 2 districts and sends letters statewide.

[c] Direct certification in New Jersey is done with a combination of district-level matching (120 districts) and letters.

[d] Interviews clarified that the SSIS was actually used for direct certification in Georgia, and the survey data were corrected.

Sources: Number of districts and student enrollment are from State Education Agency websites.

verification is used as a proxy for direct certifications.[13] For this study, VSR data are used to estimate the prevalence of direct certification and the relative effectiveness of different methods of direct certification.

[13] The count of "children approved as eligible for free meals and not subject to verification" includes directly certified, homeless, income-eligible Head Start, pre-K Even Start, residential students in residential child care institutions (RCCIs), and nonapplicants approved by local officials.

Organization of the Report

This report on the feasibility of expanded computer matching for the NSLP includes six chapters, including this introduction. Chapter 2 provides background information about NSLP regulations and practices for certification and verification.

Chapter 3 provides a detailed discussion of current computer matching systems for direct certification and alternative models that States may consider. This chapter discusses the relative advantages and disadvantages of State-level versus district-level matching, tradeoffs of various system design choices, implementation issues, and lessons learned. Chapter 4 discusses many of these same direct certification issues from the perspective of SFAs.

Chapter 5 provides information about methods of verifying categorical and income applications. These include current computer matching systems for direct verification of categorical applications, the potential use of Medicaid and SCHIP data for direct verification of income applications, and the feasibility of verifying income applications through computer matching with wage data.

A summary of study findings and a list of promising practices appear in Chapter 6.

2. NSLP Certification and the Prevalence of Computer Matching

Direct certification and direct verification provide two opportunities to use computer matching to streamline NSLP operations. As discussed in Chapter 1, direct certification was implemented in the early 1990s and direct verification was newly defined in 2004. This chapter provides an overview of current regulations and practices for NSLP certification and verification, and presents information on the prevalence of computer matching for these activities.

Overview of NSLP Certification

At the present time, there are two main methods by which students are certified annually for NSLP free or reduced-price meals: direct certification and application.[1] Direct certification is mandated for students who are categorically eligible for free meals due to enrollment in the FSP. This mandate is being phased in over 3 years beginning with SY2006-07. Direct certification may also be used, at the discretion of State and local agencies, for students who are categorically eligible for free meals due to enrollment in qualifying TANF programs or FDPIR. Direct certification is generally completed prior to the start of the school year, and prior to the distribution of NSLP applications.

Households may submit NSLP applications for free or reduced price meals to: (a) apply for free meals on the basis of food stamp, FDPIR, or TANF certification (categorical eligibility), or (b) apply for free or reduced price meals on the basis of income and household size (income eligibility). NLSP applications are distributed to households at the start of the school year, generally after households with directly certified children have been notified of their eligibility. SFAs continue to accept applications throughout the school year, from households that have moved into the school district or had a change in income.

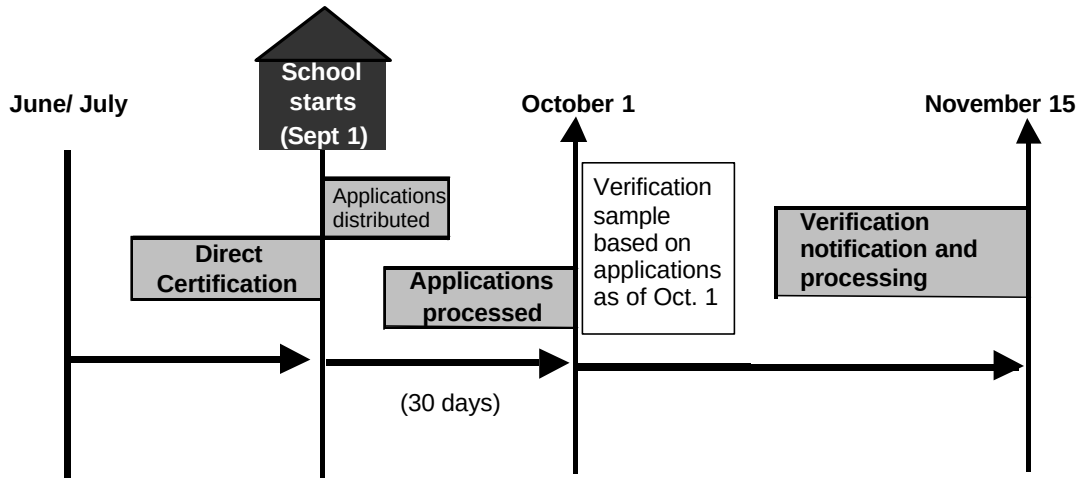
The general timeline for NSLP certification activities is shown in Exhibit 2-1, with direct certification shown prior to the start of the school year and application processing at the start of the school year. For up to 30 operating days in the new school year, children are served reimbursable meals based on their approval for free or reduced price meals from the preceding year. SFAs are required to verify a sample of approved applications on file as of October 1, with verification completed by November 15.

Reauthorization changed procedures for NSLP verification in three ways. First, the verification deadline for SFAs was moved up from December 15 to November 15 (as of SY2005-06). Second, SFAs are now required to select an sample of 3 percent of approved applications on file as of

[1] SFAs can reduce the frequency of certification by using Provisions 1, 2, or 3 of the National School Lunch Act. Provision 1 allows a 2-year certification period to be used for students certified for free meals in schools with at least 80 percent of students certified for free or reduced-price meals. Provision 2 allows schools to serve all meals at no charge for a 4-year period and receive USDA reimbursement based on claiming percentages established during the base year. Provision 3 allows schools to serve all meals at no charge for a 4-year period and receive the base year level of Federal cash and commodity support, with some adjustments. Further information on these provisions is provided at http://www.fns.usd.gov/cnd/.

Exhibit 2-1

NSLP Certification Procedures at Start of School Year[a]



[a] School start dates vary; Sept 1 is shown for example only.

October 1, selected from error-prone applications.[2] Error-prone applications are defined as those with monthly income within $100 of the income eligibility limit for free or reduced price meals.[3] Third, SFAs are authorized to directly verify applications through use of systems of records from means-tested programs, instead of requiring households to provide documentation of eligibility.

As a result of reauthorization: a) SFAs have less time to complete verification, and b) verification samples are less likely to include applications based on categorical eligibility ("categorical applications), which are the easiest to directly verify with systems of records from means-tested programs.

Direct Certification

In this section we briefly present the history and prevalence of direct certification. We describe computer matching and other methods of direct certification, present estimates of the prevalence of different methods, and discuss advantages and disadvantages of different methods.

The prevalence of direct certification is measured from Verification Summary Reports (VSR) collected by FNS for SY2004-05. VSRs do not directly measure district participation in direct certification or the number of students directly certified, but they provide the best available estimates of these measures. SFAs report on the number of students certified for free meals in each category:

[2] Beginning with SY2006-07, an SFA may qualify for alternative sample sizes.

[3] Previously, SFAs verified a 3-percent random sample of all applications (up to a maximum of 3,000 applications) or a focused sample of 1 percent of income applications, selected from error-prone applications, plus 0.5 percent of categorical applications. For a random sample, the maximum was 3,000; for a focused sample, the maximum was 1,000 income applications plus 500 categorical applications).

approved and not subject to verification, approved by categorical application, and approved by income application. For this study, a district is identified as having directly certified students if the number of free certified students not subject to verification (free_nv) exceeds the number of free certified students who are approved by categorical application (i.e., those certified by application providing a food stamp, TANF, or FDPIR case number, abbreviated as free_cat), or if free_nv is at least 5 percent of total free certified students. An approximation of the number of students available for direct certification is the total number certified on a categorical basis (free_nv + free_cat). Although the VSR data include private SFAs, the analysis for this study was restricted to public SFAs for comparability with previous studies.[4]

History of Direct Certification

Direct certification for free school meals was authorized by the *Child Nutrition and WIC Reauthorization Act of 1989* (PL 101-147) for children who are categorically eligible for free school meals. At the time of the legislation, categorical eligibility was available to children in households enrolled in Aid to Families with Dependent Children (AFDC), FSP, and FDPIR.

Welfare reform, authorized by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), eliminated the AFDC program and replaced it with TANF. Income eligibility criteria for TANF vary across States. Since the passage of PRWORA, TANF information can be used for direct certification of children for free school meals only in States with TANF income eligibility criteria comparable to or more restrictive than those in effect on June 1, 1995 (P.L. 104-193).

As shown in Exhibit 2-2, PRWORA had little effect on the percentage of States using AFDC/TANF data for direct certification. In 1996, FSP and AFDC data were used for direct certification in 35 States, and FSP data alone were used for direct certification in 10 States (Jackson, et al., 2000). In 2004, both FSP and TANF data were used for direct certification in 36 States, and FSP data alone were used for direct certification in 10 States.[5] In both years, two States used FSP, AFDC/TANF, and another source of information.

The next regulatory change to direct certification came with the *Child Nutrition and WIC Reauthorization Act of 2004*, which mandated direct certification of children in households enrolled in the Food Stamp Program. The mandate applies to districts with at least 25,000 students in SY2006-07, districts with at least 10,000 students in SY2007-08, and all districts in SY2008-09. This mandate will be binding on districts with no current procedures for direct certification.

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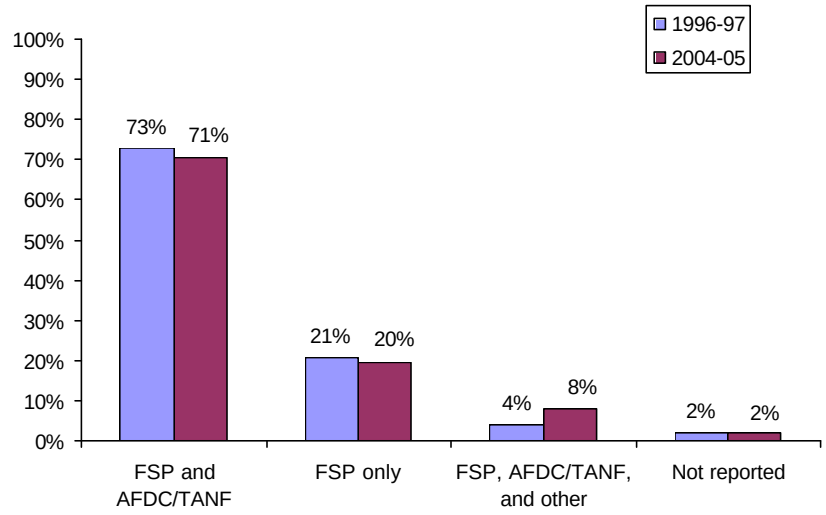
[4] SY2005-06 VSR data indicate that 21 percent of SFAs are private. However, private SFAs enroll only 2.5 percent of all students, and 1.8 percent of students approved for NSLP free or reduced price meals. States with the greatest percentage of NSLP students at private SFAs are: New Mexico (5 percent), New York (7.9 percent), South Dakota (5 percent) and Wisconsin (7.4 percent).

[5] Data for 2004 are from the Survey of Child Nutrition Directors conducted for this study.

Exhibit 2-2

Program Data Used for NSLP Direct Certification, 1996 and 2004



[a] Number of responding States was 48 in 1996 and 51 in 2004. The prevalence of program data used for direct certification refers to the generation of lists or files at the State level for State-level matching, district-level matching, or letters.

Sources: Jackson, et al (2000), p.28; USDA/FNS, Survey of State Child Nutrition Program Directors, 2005.

Prevalence of Direct Certification

The percentage of public school districts using direct certification appears to have been nearly constant over the past 10 years: 63 percent in SY1996-97, 61 percent in SY2001-02, and 63 percent in SY2004-05 (Exhibit 2-3).[6] However, there was an increase in the percentage of enrolled students and free certified students at districts using direct certification. This suggests a shift of direct certification to larger school districts over time.[7]

While district use of direct certification has been stable, the overall effectiveness of direct certification increased over time: 28.2 percent of free certified students were directly certified in SY2004-05, compared with only 17.9 percent in SY2001-2002 (Exhibit 2.3). Increased effectiveness was likely due to both the shift of direct certification to larger districts and improvements in direct certification procedures. SFA-level data are not available for an analysis of year-to-year changes in effectiveness within districts prior to SY2004-05; however, future changes may be examined as more years of VSR data become available.

[6] Estimates for 1996 and 2001 are based on survey responses indicating presence of district procedures for direct certification. The 2004 estimate is the number of districts with directly certified students from Verification Summary Reports (VSR). VSR data do not identify districts with procedures for direct certification but no eligible students, and therefore provide a lower bound estimate of the percentage of districts with direct certification procedures.

[7] The different trends over time in districts and students do not appear to be due to consolidation of school districts over time. There were 14,442 public school districts in SY1996-97, and 14,383 in SY2003-04 (NCES, 1998 and 2006).

Exhibit 2-3

Prevalence of Direct Certification Among Public School Districts Participating in the NSLP and Among Students at These Districts

	1996	2001	2004
Percentage of districts using direct certification	63.0 (1.81)	61.0 (1.73)	63.0
Percentage of students in districts using direct certification			
Percentage of all enrolled students	71.9 (2.94)	67.5 (1.44)	78.1
Percentage of free certified students	71.5 (4.33)	68.2 (2.07)	83.0
Percentage of free certified students who were directly certified	NA	17.9 (0.71)	28.2
Sample size	984	1,218	12,935

Notes: Estimates for 1996 (Jackson et al., 2000) and 2001 (Gleason et al., 2003) are based on survey data, and standard errors are shown in parentheses. Estimates for 2004 are based on district data submitted to FNS on the SY2004-05 Verification Summary Report (VSR). VSR data exclude Hawaii, Massachusetts, North Carolina, and Rhode Island because data were not available or not usable.

Computer Matching and Other Methods of Direct Certification

There are three main methods used for direct certification, as described below: State-level computer matching, district-level matching, and the letter method. This study also identified four ways in which these methods are combined to provide direct certification of children in food stamp (and TANF) households.

- ***State-level computer matching*** ¾ This method involves a computer match of two databases: a) a list of children in FS/TANF households, and b) student enrollment data. Matching is based on individual identifiers present in both files, such as Social Security Number (SSN), or name and date of birth. The matching process is centralized at the State level and managed by the State Education Agency (SEA) or State Food Stamp Agency (SFSA). After children are identified for certification, match results are sent to SFAs, which send notification letters to households.
- ***District-level matching*** ¾ With this method, a State agency (SEA, SFSA, or Child Nutrition Program) sends a file to SFAs with records of FS/TANF children residing in the SFA geographic area (based on county or ZIP code on the FS/TANF record). SFAs use computer matching or manual methods to identify children in FS/TANF households who are enrolled in the district. After children are identified for certification, the SFA sends notification letters to households.
- ***The letter method (no matching)*** ¾ Letters are mailed to food stamp households using address information in the food stamp database. Parents deliver these letters to the child's school, in lieu of completing an NSLP application. This method does not require

sophisticated computer technology, but requires postage and computer resources for a mail merge and printing. State Child Nutrition or Food Stamp Agencies typically take responsibility for mailing the letters to the FS/TANF households.

- ***Mixed methods*** ¾ The following mixed methods were identified by this study:

  1. State-level match and letter method (2 States) ¾ The State performs a computer match, sends match results to SFAs, and sends letters to all unmatched children in FS/TANF households.

  2. District-level match and letter method (5 States) ¾ FS/TANF data are sent to districts requesting data; letters are sent to all food stamp households statewide or those in districts not requesting data.

  3. State-level match for some SFAs, district-level match for others (1 State) ¾ State-level match is done for most districts; FS/TANF data are sent to districts operating their own matching system.

  4. State-level match and district-level match (2 States) ¾ The State performs a computer match and sends two data files to SFAs: 1) file of match results, 2) file of unmatched children in FS/TANF households residing in district geographic area. Districts may, at their discretion, work to match the "unmatched" list.

State agency policies determine the direct certification methods available to SFAs. Mixed methods are used for two reasons: either because all SFAs do not participate in a single method of direct certification (mixed methods 2 and 3), or because multiple methods provide a way to ensure direct certification of a greater number of eligible children (mixed methods 1 and 4).

Change in the Prevalence of Direct Certification Methods Over Time

Use of computer matching for direct certification has increased over time. From 1996 to 2004, the number of States providing State-level computer match results increased from 13 to 18; the number of States providing data to SFAs for district-level matching increased from 18 to 22.[8] As a result, in 2004, school districts in 40 States had the option of using computer match results or computer matching to directly certify students—30 percent more States compared with 8 years earlier. This resulted in a shift in over time in the methods used by districts for direct certification, as shown in Exhibit 2-4.

Exhibit 2-4 shows that, among public school districts using direct certification, the percentage using State-level match results increased over the period from 1996 to 2004 (from 19 percent to 36 percent). The percentage of districts using district-level matching increased and then declined, from 34 percent to 41 percent to 29 percent.[9] The percentage of districts using only the letter method (no matching) declined from 32 percent to 20 percent, while use of mixed methods was stable (declining 2 percentage points over the entire period).

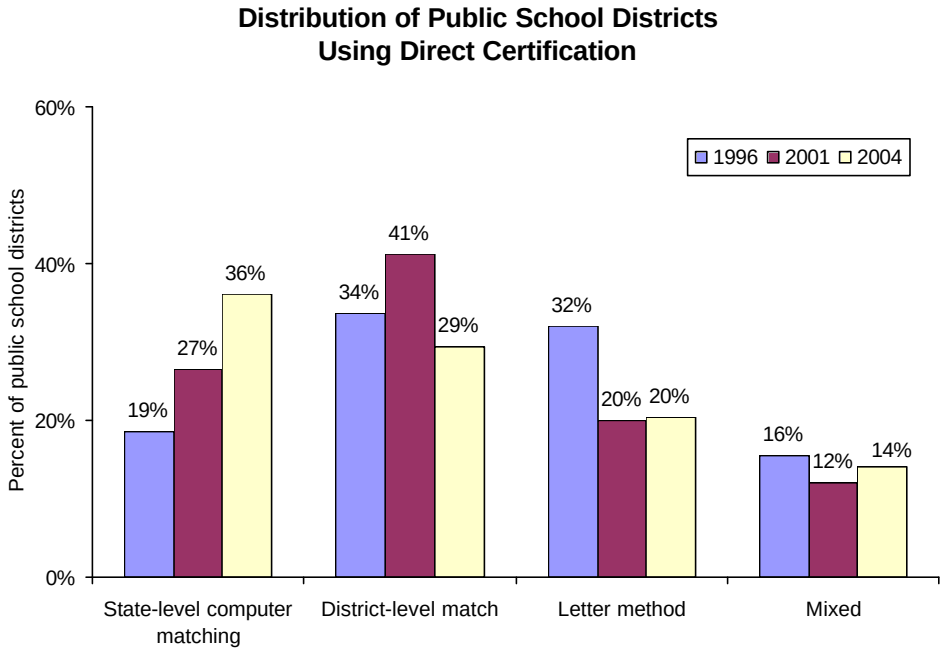
The decline in use of only the letter method has been dramatic over the past 8 years. Among districts using any form of direct certification, the percentage of districts using only the letter method declined

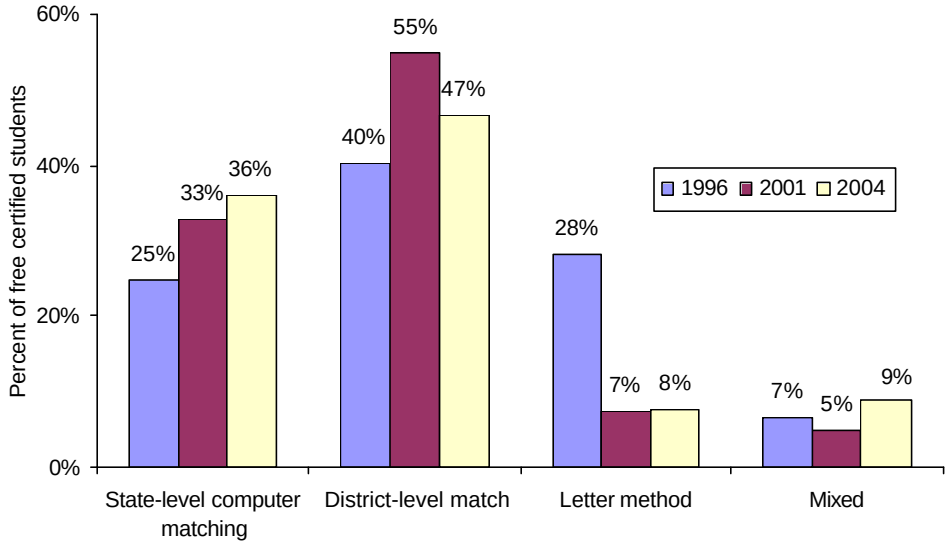
[8] See Jackson (2001), p. 18 for the number of States by method in 1996. Data for 2004 are from the Survey of Child Nutrition Program Directors conducted for this study.

[9] District-level matching may involve computer matching or manual methods.

Exhibit 2-4

Distribution of Districts and Free Certified Students by Method of Direct Certification, Among Public School Districts Using Direct Certification: 1996, 2001, 2004





Sources: Data for 1996 and 2001 are from Jackson, et al. (2000) and Burghardt et al. (2003), respectively. See Table II.5 on page 23 in Burghardt, et al. Data on available direct certification methods in 2004 are from the Survey of Child Nutrition Program Directors conducted for this study (2005); number of districts and free certified students per State are from the SY2004-05 Verification Summary Reports (Appendix Tables C-3 and C-4).

by a third, and the percentage of free certified students in districts using only the letter method declined 71 percent. This reflects the fact larger districts (with greater numbers of free certified students) are more likely to adopt computer matching methods when available (further evidence of this is presented below).

Overall, from 1996 to 2004, States where matching methods were available increased from 61 to 78 percent of States. Districts using matching methods increased from 53 to 65 percent of districts using direct certification. At the same time, however, nearly 40 percent of public school districts did not directly certify students, and the feasibility of expanding matching methods to these districts may be critical to meeting the Reauthorization mandate for direct certification.

The current method of direct certification available in each State is shown in Exhibit 2-5. As noted above, State-level match results are available to districts in 18 States, and data for district-level matching is available to districts in 22 States. (These counts include the States where a mix of computer matching and the letter method is used.) Computer matching is not an available method of direct certification in 11 States: 5 States in the Mountain Plains region and two States in northern New England, plus Idaho (West) and Illinois (Midwest).

Parents are entitled to decline NSLP certification for their children. SFAs can meet this requirement through passive consent (children are certified unless parents notify the SFA to opt out) or active consent (children are certified only if parents opt in through a written notice to the SFA). Past research (Gleason, et al., 2003) indicated that some SFAs required active consent for direct certification, and this was suggested as a source of variation in the proportion of FSP/TANF children who are directly certified. In the State CN Director survey, however, all of the States with computer matching for direct certification reported that all SFAs use passive consent.

Advantages and Disadvantages of Computer Matching Versus Other Direct Certification Methods

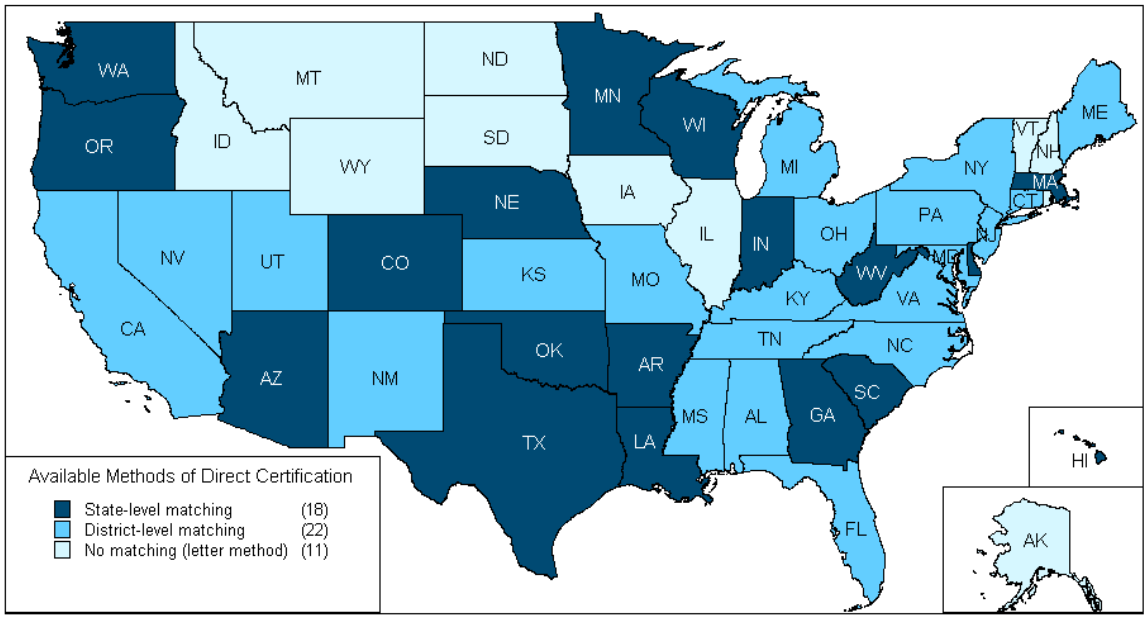
Each of the three primary methods of direct certification has advantages and disadvantages (Exhibit 2-6). The strengths and limitations of computer matching methods are discussed briefly here, and described in detail in Chapter 3. A primary advantage of computer matching, relative to the letter method, is the reduced workload for SFAs. With computer matching, SFAs process electronic files rather than paper letters submitted by households, and do not rely on household response. All methods have limitations related to the probability of directly certifying children who change address and/or school district within the past year. There are significant differences in procedures used by States within the primary categories of State-level and district-level matching, which are discussed in Chapter 3.

Aside from cost issues at the SFA level, the primary advantage of State-level matching is that it is a centralized process. A statewide file of FS/TANF children is matched to statewide student enrollment records. The same matching algorithm is applied statewide, and the match is not dependent on geographic identifiers. In theory, State-level matching should achieve the highest match rates.

The main limitation of State-level matching is that the matching process sometimes uses outdated student enrollment records (dependent on the schedule for collecting data from districts). In this case, match results for transfer students may be sent to the wrong district. Some States avoid this limitation by using student records from their student identifier system (the system for assigning State Student

Exhibit 2-5

Methods of Direct Certification, SY2005-06



Notes: Five States reported plans to implement State-level matching in SY2006-07 (California, North Carolina, Iowa, Kansas, and Wyoming).

States with mixed methods (matching and the letter method) are categorized by their matching method. Two States (Nebraska and Oklahoma) have State-level matching for some SFAs and send letters statewide. One State (Massachusetts) has State-level matching for all public SFAs and sends letters to unmatched children. Five States offer district-level matching and the letter method, at SFA option: Connecticut, Kansas, Maine, New York, and Utah.

Source: USDA/FNS, Survey of State Child Nutrition Program Directors, 2005.

IDs, and affiliating students with districts). An additional limitation of State-level matching is that districts must have the technological capability to process match results. From information obtained in-depth interviews conducted with SFAs for this study, it is apparent that the skills required to process State-level match results are sometimes the same as the skills required to complete district-level matching.

The primary advantage of district-level matching is that districts control the match process. They use the most up-to-date student enrollment records available within the district, and they sometimes match data based on identifying information available in district files but not State files (e.g., address, parent name).

In order to provide FS/TANF data to districts, however, the State Food Stamp Agency must parse the statewide file of FS/TANF children using address information on the FS/TANF record. Information for children with outdated addresses may be sent to the wrong district, resulting in a failure to directly certify these students.[10]

[10] Food stamp address information is collected at certification and interim time points, but may be up to 12 months old when used for direct certification. The average certification period for FSP households with

Exhibit 2-6

Advantages and Disadvantages of Alternate Methods of Direct Certification

State-level matching	District-level matching	Letter method (No matching)
Advantages: • Centralized process; same match algorithm statewide • Match is based on statewide files, not limited by geographic information	Advantages: • District controls the process • Match is based on current student enrollment data from district information system	Advantages: • Easy to implement • Requires few technology resources • Letters are sent to all children enrolled in FSP
Disadvantages: • Accurate distribution of match results depends on timeliness of student records • Generally there is no "fallback" mechanism to directly certify unmatched FS/TANF children • Most States do not have private school students in SSIS	Disadvantages: • Each district must develop a computer matching system • Match procedures vary across districts • FS/TANF data are distributed based on geographic information which may be outdated	Disadvantages: • Households must return letters • Relies on FSP address information which may be outdated
Main barrier to direct certification: • FS/TANF record is not matched due to simplistic matching algorithm	Main barrier to direct certification: • Districts need IT capabilities	Main barrier to direct certification: • Household doesn't receive letter or doesn't act on it

A further disadvantage of district-level matching is that each district must develop procedures for data matching. As shown below, this requirement limits the number of districts participating in direct certification in States where district-level matching is the only available method.

The primary advantage of the letter method of direct certification is that it is easily implemented, requires few technology resources at the State level, and no technology resources at the district level. It may be particularly useful for small districts and independent schools that lack computer capabilities or have few eligible children.

This method, however, has two clear disadvantages. First, a household may not receive the letter if the address information in the food stamp database is incorrect or outdated. Second, the letter method requires action from households; children cannot be directly certified if households do not return the notification letter to their school. As noted previously, matching methods as implemented currently use passive consent, so no household response is needed.

The strengths and limitations of different direct certification methods have an impact on two outcomes: 1) the rate of participation by districts in direct certification, and 2) the effectiveness of direct certification.

children was 8 months in 2003 (Cunnyngham and Brown, 2004). Anecdotal evidence suggests that the accuracy of address information in FS information systems deteriorated after implementation of Electronic Benefit Transfer (EBT), because a current address is not needed to assure continued receipt of benefits.

District "Participation" in Direct Certification

One of the current tradeoffs of using data matching for direct certification is that, in most States, use of State-level match results or district-level matching has been optional for SFAs. In contrast, the letter method is not optional; districts must accept letters submitted by households in lieu of applications. But it is possible that eligible children do not return letters, or households receive letters after NSLP applications are completed, resulting in no directly certified students for the district. There is limited information on the percentage of letters returned to schools. A study in Illinois found that the return rate was 48 percent for letters sent to households outside of Chicago (Chicago was not included in the study).

Exhibit 2-7 shows both the distribution of public school districts by available method of direct certification, and the percentage of districts with directly certified students.[11] The letter method is the least prevalent but results in the highest rate of district participation in direct certification (79 percent when the letter method is the only option; 85 percent when the letter method or district matching is available). State-level matching is available to slightly fewer districts than district level matching (4,469 versus 4,942) but has a higher rate of district participation (68 percent versus 50 percent). The higher rate of district participation for State-level versus district-level matching is due to the mandatory use of State-level match results in seven of the 18 States with State-level matching.

One question that States will face in meeting the Reauthorization mandate is whether they can raise district participation rates with matching methods, or whether they must supplement matching methods with the letter method, thereby increasing the number of States with mixed methods. In response to an open-ended survey question about planned changes for direct certification, two States indicated plans to use mixed methods (State-level match plus letters) to meet the requirements of Reauthorization.[12]

Exhibit 2-8 presents the distribution of districts, NSLP-free approved students, and directly certified students by direct certification method. (The first two measures were previously presented in Exhibit 2-4.) The exhibit does not account for districts with no directly certified students. State-level matching is used by 36 percent of districts with directly certified students, and these districts account for 36 percent of NSLP free students and 34 percent of directly certified students. In contrast, the 29 percent of districts using district-level matching account for a disproportionately large percent of free certified students (47 percent) and directly certified students (52 percent); and the 20 percent of districts using the letter method account for a disproportionately small percent of free certified students (8 percent) and directly certified students (5 percent).

Effectiveness of Direct Certification Methods

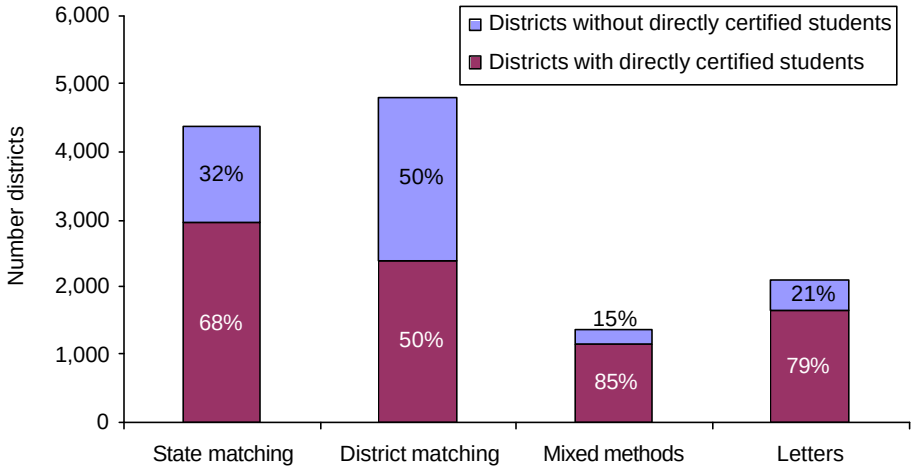
The previous section examined the percentage of districts "participating" in direct certification, by available method. This section examines the effectiveness of different direct certification methods, as indicated by the percentage of "eligible" children who are directly certified. This percentage is based

[11] The percentage of districts with directly certified students is measured only among districts with students "eligible" for direct certification (i.e., students categorically approved or not subject to verification).

[12] Twenty-one States indicated specific planned changes for direct certification including: implement or investigate State-level matching, change file transfer methods, increase from one to multiple matches per year, change the matching algorithm, include TANF, or implement mixed methods.

Exhibit 2-7

District Participation in Direct Certification by Available Method: Public School Districts, SY2004-05

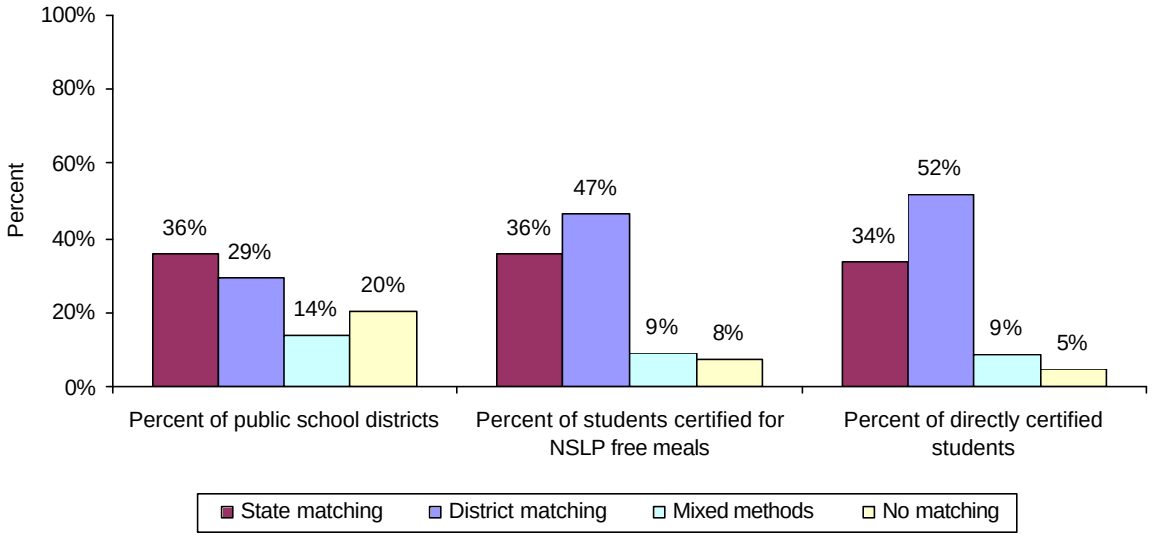


[a] Participating districts are districts with directly certified students. Participation is measured only among districts with students "eligible" for direct certification. Districts with "eligible" students were identified as having categorically approved students or students not subject to verification. Mixed methods indicates the availability of district-level matching and the letter method.

Sources: Survey of State Child Nutrition Directors, 2005. SY2004-05 Verification Summary Report, excluding Hawaii, Massachusetts, North Carolina, and Rhode Island because data were not available or not usable.

Exhibit 2-8

Distribution of Public School Districts With Directly Certified Students, and Their Free Certified and Directly Certified Students: By Method of Direct Certification, SY2004-05



Sources: Districts with directly certified students were identified from the SY2004-05 Verification Summary Report. Method of direct certification was reported in the Survey of State Child Nutrition Program Directors, 2005.

on data collected by FNS on the SY2004-05 Verification Summary Report (VSR).The number of children directly certified is not reported on the VSR, but can be approximated by the number of children not subject to verification, which includes: children directly certified and children certified without application because they are homeless, enrolled in certain income-eligible preschool programs, in residential care, or approved by local officials without application. The VSR is the only available source of data on direct certifications, and provides a reasonable approximation because the number of FS/TANF children greatly exceeds the number of children in other categories exempt from verification.

Children are eligible for direct certification if enrolled in FS/TANF at the time that FS/TANF data are extracted for direct certification.[13] There are two potential sources of information on eligible children. The Food Stamp Quality Control (FS-QC) data for FY2005 provides a count of school-age children enrolled in FS, based on a sample of food stamp households in each State. The VSR provides a count of children approved for NSLP on a categorical basis (by direct certification or application), and this group consists primarily of children enrolled in food stamps. Both measures are approximations: QC data do not include TANF-only children and others not subject to verification; VSR data do not include eligible children not approved for NSLP. For this study, we use the VSR measure of eligible children to ensure that the same SFAs are represented in the numerator and denominator when calculating the percent of eligible children directly certified. (There was some nonresponse by SFAs to the SY2004-05 VSR.)[14]

The Verification Summary Reports for SY2004-05 provide evidence that State-level matching, implemented statewide, is the most effective method of direct certification. Statewide State-level matching results in direct certification of 74 percent of categorically certified children in those States (Exhibit 2-9). State-level matching, when not implemented statewide, results in direct certification of only 51 percent of categorically certified children. District-level matching, alone or implemented as a part of a mixed method, results in direct certification of 63 percent of categorically certified children in States with these methods. In States using the letter method, the percentage directly certified depends on household response in returning the direct certification letter, and 52 percent of categorically certified children are directly certified.

Exhibit 2-10 shows the variation across States in the effectiveness of direct certification. Within each category of direct certification—State-level, district-level, letter method—there is significant variation in the percentage of eligible children who are directly certified. For the group of states with State-level matching implemented statewide, variation in the percentage directly certified is due to different matching algorithms and data quality issues. For the remainder of States, variation in the percentage matched is also due to variation in the percent of districts using direct certification. For example, Indiana directly certified 49.6 percent of eligible children statewide, and 69 percent in districts using direct certification. Similarly, all States using district-level matching achieve rates of 60 percent or better among districts using direct certification.

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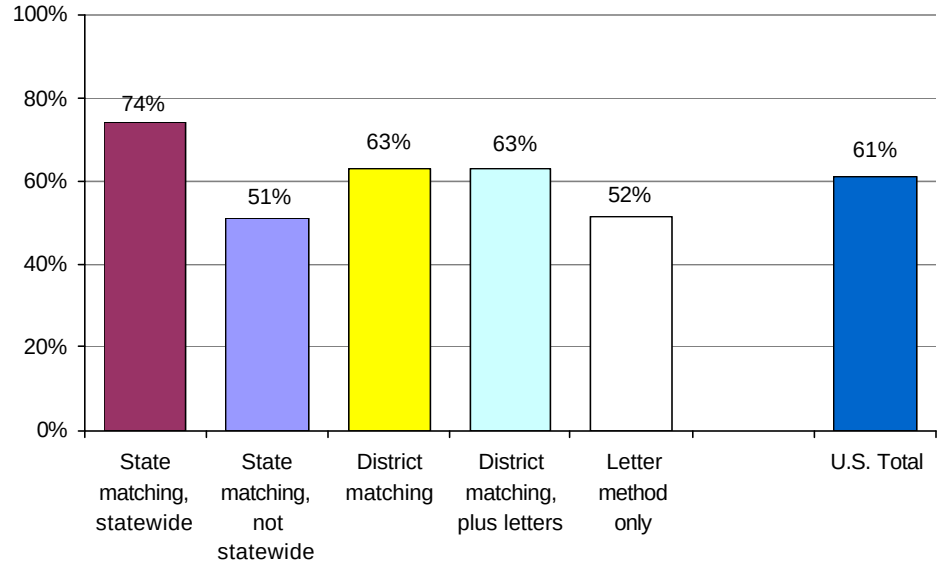
[13] FS/TANF data from June or July were used in 80 percent of States using State or district-level matching in SY2004-05. Three States used data from May and another three used data from August. Of the 18 States using State-level matching, only 4 States used FS/TANF data from more than one month, for multiple direct certification matches.

[14] A comparison of "percent directly verified" based on FS-QC data versus VSR data as the denominator yields a correlation coefficient of .80.

Exhibit 2-9

Directly Certified Students as a Percentage of Categorically Certified Students, by Method of Direct Certification: Public School Districts, SY2004-05



Notes: Directly certified students are approximated by the number of students not subject to verification. Categorically certified students include those not subject to verification and those approved by applications containing a food stamp, TANF, or FDPIR case number.

Source: USDA/FNS, Survey of State Child Nutrition Program Directors, 2005. SY2004-05 Verification Summary Report, excluding Hawaii, Massachusetts, North Carolina, and Rhode Island because data were not available or not usable. See appendix table C-5 for State level estimates.

NSLP Certification Via Application

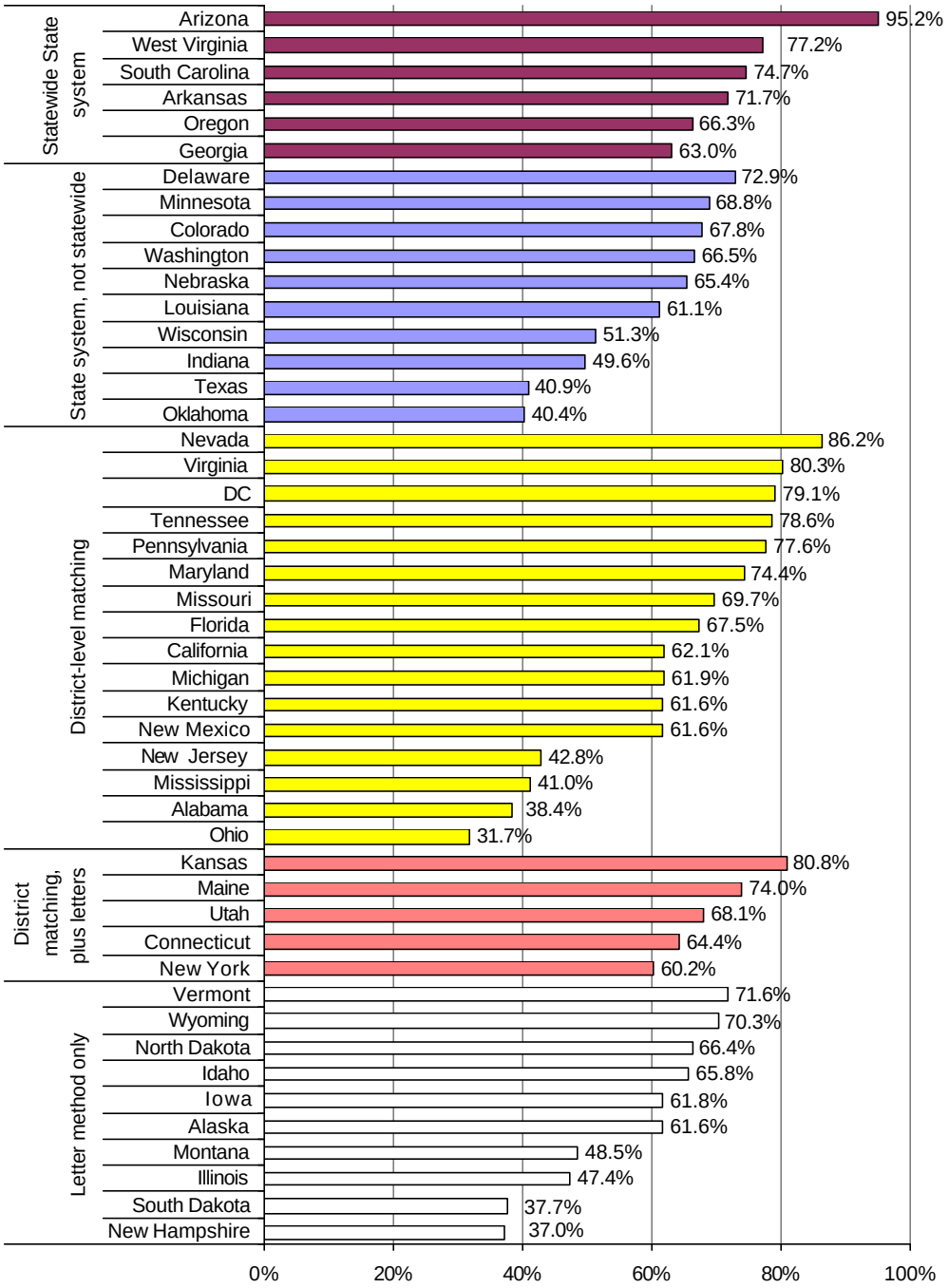
Information about NSLP application is presented in this chapter because it is directly relevant to verification activities and the feasibility of direct verification via computer matching. Among children certified for free school meals in SY2004-05, 77 percent were certified through applications such as the USDA prototype shown in Exhibit 2-11.[15] The specific information required on the application depends on the eligibility category:

- Categorical eligibility—Application must include names of all children for whom benefits are sought and their food stamp, TANF, or FDPIR case number, and signature of adult household member submitting the application. If categorically eligible children are directly certified, they need no application.
- Income eligibility—Application must include names of all children for whom benefits are sought, name of each person in the household, last month's income, and signature and SSN of adult household member submitting application (or indication that they do not have an SSN).

[15] See Appendix A. SY2004-05 VSR data indicate that 23 percent of students were free certified and not subject to verification, thus 77 percent were certified for free or reduced price meals by application.

Exhibit 2-10

State Estimates of Directly Certified Students as a Percentage of Categorically Approved Students, by Method of Direct Certification: Public School Districts, SY2004-05



Note: See notes on prior exhibit. District of Columbia has only one public SFA, but the SFA and State agency are separate entities.

Source: Survey of State Child Nutrition Program Directors, 2005; SY2004-05 Verification Summary Report, excluding Hawaii, Massachusetts, North Carolina, and Rhode Island because data were not available or not usable.

Exhibit 2-11

USDA Prototype NSLP Application Form[a]

FREE AND REDUCED PRICE SCHOOL MEALS APPLICATION

Part 1. Children in School (Use a separate application for each foster child)

Names of all children in school (First, Middle Initial, Last)	School Name	Grade	Food Stamp or TANF case # (if any)

If you listed a Food Stamp/TANF case number for EACH child, skip to Part 4.

Part 2. Foster Child

If this application is for a child who is the legal responsibility of a welfare agency or court, list the amount of the child's personal use monthly income: $_____. Skip to Part 4.

Part 3. Total Household Income from Last Month—You must tell us how much and how often

1. Name (List **everyone** in household)	2. Last month's income and how often it was received *Example: $100/monthly $100/twice a month $100/every other week $100/weekly*				3. Check if NO income
	Earnings from work before deductions	Welfare, child support, alimony	Pensions, retirement, Social Security	Other	
(Example) Jane Smith	$200/weekly	$150/weekly	$100/monthly	$_____/_____	❑
	$_____/_____	$_____/_____	$_____/_____	$_____/_____	❑
	$_____/_____	$_____/_____	$_____/_____	$_____/_____	❑
	$_____/_____	$_____/_____	$_____/_____	$_____/_____	❑
	$_____/_____	$_____/_____	$_____/_____	$_____/_____	❑
	$_____/_____	$_____/_____	$_____/_____	$_____/_____	❑
	$_____/_____	$_____/_____	$_____/_____	$_____/_____	❑

Part 4. Signature and Social Security Number (Adult must sign)

An adult household member must sign the application. If Part 3 is completed, the adult signing the form must also list his or her Social Security Number or mark the "I do not have a Social Security Number" box. (See Privacy Act Statement on the back of this page.)

I certify (promise) that all information on this application is true and that all income is reported. I understand that the school will get Federal funds based on the information I give. I understand that school officials may verify (check) the information. I understand that if I purposely give false information, my children may lose meal benefits, and I may be prosecuted.

Sign here: X_____

Social Security Number: __ __ __ - __ __ - __ __ __ __ ❑ I do not have a Social Security Number

Part 5. Children's racial and ethnic identities (optional)

Mark one or more racial identities:

❑ Asian ❑ Black or African American ❑ American Indian or Alaska Native ❑ Native Hawaiian or Other Pacific Islander ❑ White

Mark one ethnic identity:

❑ Hispanic or Latino ❑ Not Hispanic or Latino

Don't fill out this part. This is for school use only.

Monthly Income Conversion: Weekly x 4.33, Every 2 Weeks x 2.15, Twice A Month x 2

Monthly Income: _____ Household size: ___ FS/TANF: ___ Date Withdrawn: _____

Eligibility: Free___ Reduced___ Denied___ Reason: _____

Temporary: Free___ Reduced___ Time Period: _____ (expires after __ days)

Determining Official's Signature: _____ Date: _____

[a] State and local forms may vary in appearance but must collect the same information.

SFAs are required to use a household application form, on which the household lists all school-age children. When households apply on the basis of income, they must list all members of the household and report income for each household member (if any) by source: earnings from work; welfare, child support or alimony; pensions, retirement, or Social Security; and other sources. NSLP regulations define income as income received during the month prior to application (7CFR245.6(a)). Regulations further provide that "If such income does not accurately reflect the household's annual rate of income, income shall be based on the projected annual household income. If the prior year's income provides an accurate reflection of the household's current annual income, the prior year may be used as a base for the projected annual rate of income."

At the time of application, the NSLP requires no documentation of income or program participation other than the application. NSLP applications have always relied on self-declared eligibility, but application requirements have changed over the past 20 years. FSP recipients were first permitted to provide case numbers in lieu of income information in 1984, and in that year the application was changed to require all other applicants to report income by source and provide social security numbers for all adult household members. Applications were also modified to warn applicants of the consequences of making inaccurate income declarations (GAO, 1986). The requirement to report SSNs for all adult household members was dropped sometime after 1987.

Self-declaration of eligibility on NSLP applications minimizes the cost of application processing in a program that is highly decentralized and provides benefits valued at about $500 per student per year. Self-declared eligibility also minimizes barriers to the program. In SY2001-02, USDA conducted a pilot study of up-front documentation for NSLP (Burghardt et al., 2004). Nine pilot school districts required all NSLP applicants to provide documentation—either of their income or program participation—with the application. The study found that up-front documentation caused barriers to certification: the rate of certification among eligible students in pilot districts (42 percent) was significantly lower than in comparison districts (51 percent).[16]

Application Processing

Application processing is often seen as a burdensome task for local school food authorities, although, as noted above, this burden is reduced by direct certification. Most applications are processed within a very short time period during the first 30 days of the school year. The processing of applications includes:

- Distributing applications (by mail or sending them home with children),
- Reviewing applications for completeness and following up with households to get complete applications,
- Making eligibility determinations for free and reduced price meals,
- Sending notification letters to households,
- Preparing rosters of eligible children, and
- Providing a list of eligible children or a medium of exchange for use at the point of sale (tickets, coded ID cards, electronic purchase system, etc.).

[16] School districts volunteered for the pilot study, and comparison districts were matched to pilot districts based on district characteristics. The rate of certification among eligible students is not representative of the rate in all districts.

Computers are used by many SFAs to process applications. Information from applications is entered into the computer and the software calculates total household income, compares income and household size with NSLP guidelines, and determines eligibility status. Use of computers for NSLP application processing simplifies the integration of direct certification determinations, and also facilitates selection of applications for verification.[17] Use of computers also, in most cases, implies that the district maintains an electronic database of NSLP certified students and application information, which could be used for computer matching for direct verification.

Exhibit 2-12 shows the approximate prevalence of the use of computers for NSLP application processing, as reported by State Child Nutrition Directors. This ranges from nearly all SFAs using computers in some States, to "only a few" in other States. Scanning is the most technologically advanced form of application processing, and nearly half of the States report that at least one SFA uses scanning. Only two States reported scanning by more than 10 SFAs in their State.

State CN directors were asked to report their perceptions of the barriers to using computers for application processing (Exhibit 2-13). The most cited barrier, by 35 percent of States, is too few

applications to justify the cost. One-fourth of States reported that computer software costs were a barrier, and about 14 percent reported computer hardware costs a barrier. A few States indicated "no perceived need" and 7 were unable to provide information.

NSLP Eligibility Verification

NSLP regulations require Local Education Agencies (LEAs) to verify a sample of approved applications on file as of October 1 of the school year, with verification completed by November 15. As noted earlier, Reauthorization enacted new verification requirements effective July 2005. LEAs must verify a sample of error-prone applications (as previously defined) equal to 3 percent of all approved applications (up to a maximum requirement of 3,000). If an LEA does not have enough error-prone applications to meet the sample size requirement, additional applications are to be selected at random from all income and categorical applications. LEAs may qualify for alternative sample sizes according to performance-based measures.[18] When direct certification is used by an SFA, directly certified students are not included in the population sampled for verification.

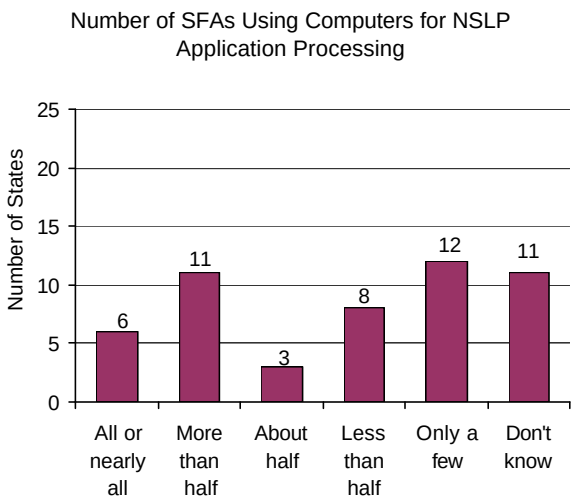
One of the largest problems for NSLP verification is the high rate of nonresponse by households selected for verification. This problem was first documented in the *Study of Income Verification in the National School Lunch Program* (St.Pierre et al., 1990), which examined the verification process for the 1986-87 school year and found that 10.1 percent of households failed to respond to

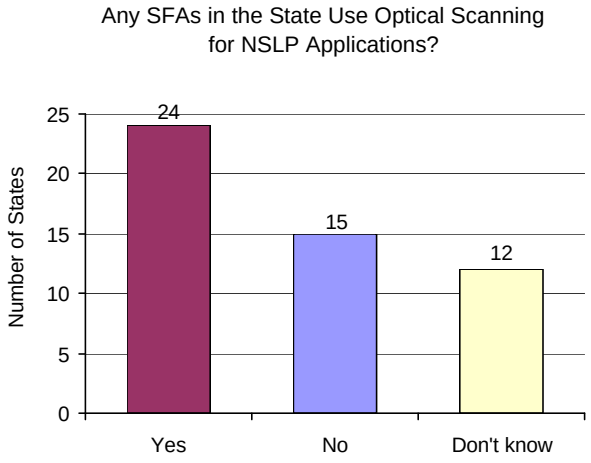
[17] Chapter 4 discusses SFA operations as they relate to the processing of FS/TANF data for direct certification matching, or the processing of State-level direct certification match results.

[18] LEAs qualify for alternative samples if either: (a) their non-response rate for the preceding year was less than 20%, or (b) for large SFAs (over 20,000 children approved by application) their non-response rate for the preceding school year was at least 10% below the non-response rate for the second preceding school year. The alternative samples, at LEA option, are (a) a 3 percent random sample (up to 3,000), or (b) a focused sample of error-prone applications equal to one percent of all applications (up to 1,000) plus 0.5 percent of categorical applications with a TANF, food stamp, or FDPIR case number (up to 500).

Exhibit 2-12

Use of Computer Technology for NSLP Application Processing

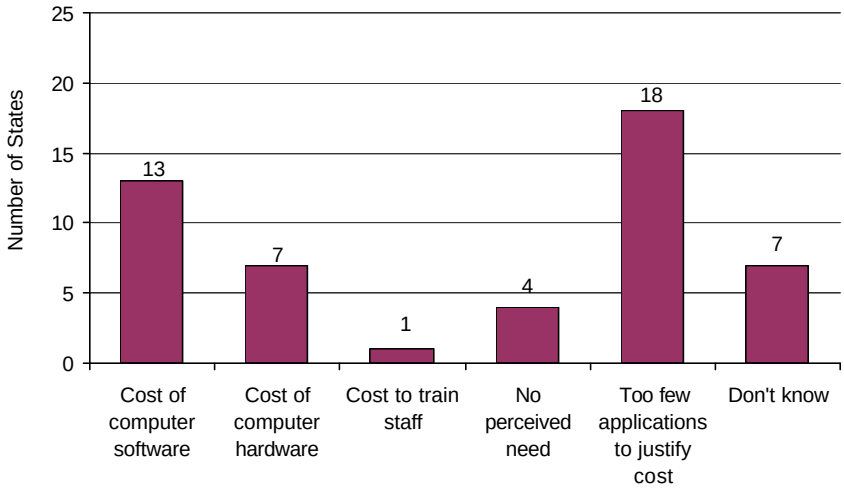




Source: USDA/FNS, Survey of State Child Nutrition Program Directors, 2005.

Exhibit 2-13

Main Barrier To Using Computers for NSLP Application Processing



Source: USDA/FNS, Survey of State Child Nutrition Program Directors, 2005.

verification requests. According to unpublished data submitted to FNS by State agencies for SY2000-01, 34 percent of all households selected for verification lost benefits due to nonresponse.[19] This problem of household nonresponse is an important reason why FNS is examining the feasibility of computer matching for verification of NSLP eligibility.

Methods of Verification

Verification is typically conducted by providing written notice to sampled households requesting documentation of current NSLP eligibility. Failure to respond with documentation, or providing documentation of income in excess of NSLP eligibility limits, results in termination or reduction of benefits. In addition to household documentation, SFAs also use collateral contacts. For example, an SFA may contact an employer if the documentation provided by a household is unclear or insufficient.

The *Child Nutrition and WIC Reauthorization Act of 2004* defines direct verification as the process of verifying approved applications using income and program participation information from a public agency administering FSP, FDPIR, TANF, State Medicaid program, or a similar income-tested program.[20] Direct verification of food stamp case numbers reported on applications is already done by many SFAs, as described above. Direct verification of income applications utilizes income information collected by other means-tested programs to verify NLSP income eligibility for applications selected for verification.

NSLP direct verification may be used to verify applications with food stamp and/or TANF case numbers, or to verify income applications. Exhibit 2-14 shows that verification of FS/TANF case numbers relies primarily on household documents, or a manual process of contacting local welfare offices. One of these methods is the primary approach in 40 States. The process of contacting local welfare offices varies across States. Interviews conducted for this study indicate that, in some States the process may be very informal and determined by the local agencies, while other States may prescribe specific forms for SFAs to complete and transmit to the welfare agency. Only four States have an automated system for SFAs to verify case numbers: Arizona, Georgia, Utah, and Washington.[21] No State is currently using electronic wage records to verify income applications. Chapter 5 provides a detailed discussion of the potential for direct verification of NLSP applications.

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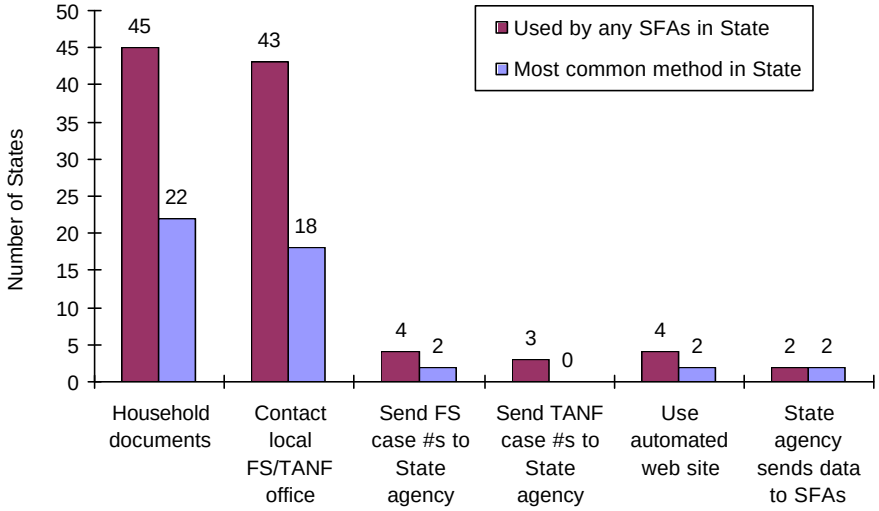
[19] Frost, Alberta (2002). "Free and Reduced Price Certification: An Update," Presentation, March 2002. Estimate based on unpublished data from school year 2000-01 and results from the NSLP Income Verification Study, 1990. The estimated error rate for NSLP must be viewed with caution because families that fail to respond to verification requests are counted as case errors.

[20] Use of systems of records for NSLP verification was authorized prior to 2004, but not labeled "direct verification." Reauthorization specifically authorized the use of Medicaid data for this purpose.

[21] Chapter 4 provides descriptions of the systems in Arizona and Georgia.

Exhibit 2-14

Methods of NSLP Verification of Categorical Applications



Source: USDA/FNS, Survey of State Child Nutrition Program Directors, 2005. Two States did not respond to the question about verification methods; five States did not indicate the most common method.

3. Choices In the Design of a Computer Matching System for Direct Certification

The previous chapter briefly discussed the advantages of computer matching for direct certification. The primary advantage is that exchange of electronic files is less burdensome for SFAs and households, compared with school meal applications or direct certification letters. The surveys and in-depth interviews conducted for this study revealed several choices in the design of a computer matching system. These choices are discussed in detail in this chapter. The various design choices can affect State and local costs, and effectiveness in certifying eligible children. The discussion focuses primarily on direct certification for public school students, but issues specific to private school students are noted as well.

Overview of the Computer Matching Process

Computer matching for direct certification, at the State or district level, involves the match of two databases: (a) records of children in FS/TANF households, and (b) student enrollment records.[1] Exhibit 3-1 provides an overview of computer matching processes for direct certification. Information identifying children in food stamp households originates with the State Food Stamp Agency (SFSA). (In some States, this information includes children in TANF households who are not certified for the FSP.) In SY2005-06, 34 SFSAs sent FS/TANF data to the State Education Agency (SEA), while 6 SFSAs used the data for matching or distributed it to SFAs.[2]

Exhibit 3-1 illustrates five methods of computer matching for direct certification.

Method 1 (13 States): The SEA matches SSIS data with statewide FS/TANF file and sends a list of matched children to each SFA.

Method 2 (3 States): The SEA matches enrollment data from SFAs with statewide FS/TANF file and sends a list of matched children to each SFA.

Method 3 (18 States): The SEA sends local-area FS/TANF files to SFAs, which match with their student enrollment data.

Method 4 (4 States): The SFSA sends local-area FS/TANF files to SFAs, which match with their student enrollment data.

Method 5 (2 States): The SFSA matches enrollment data from SFAs with statewide FS/TANF file and sends a list of matched children to each SFA.

State-level matching uses method 1, 2, or 5; district-level matching uses method 3 or 4.

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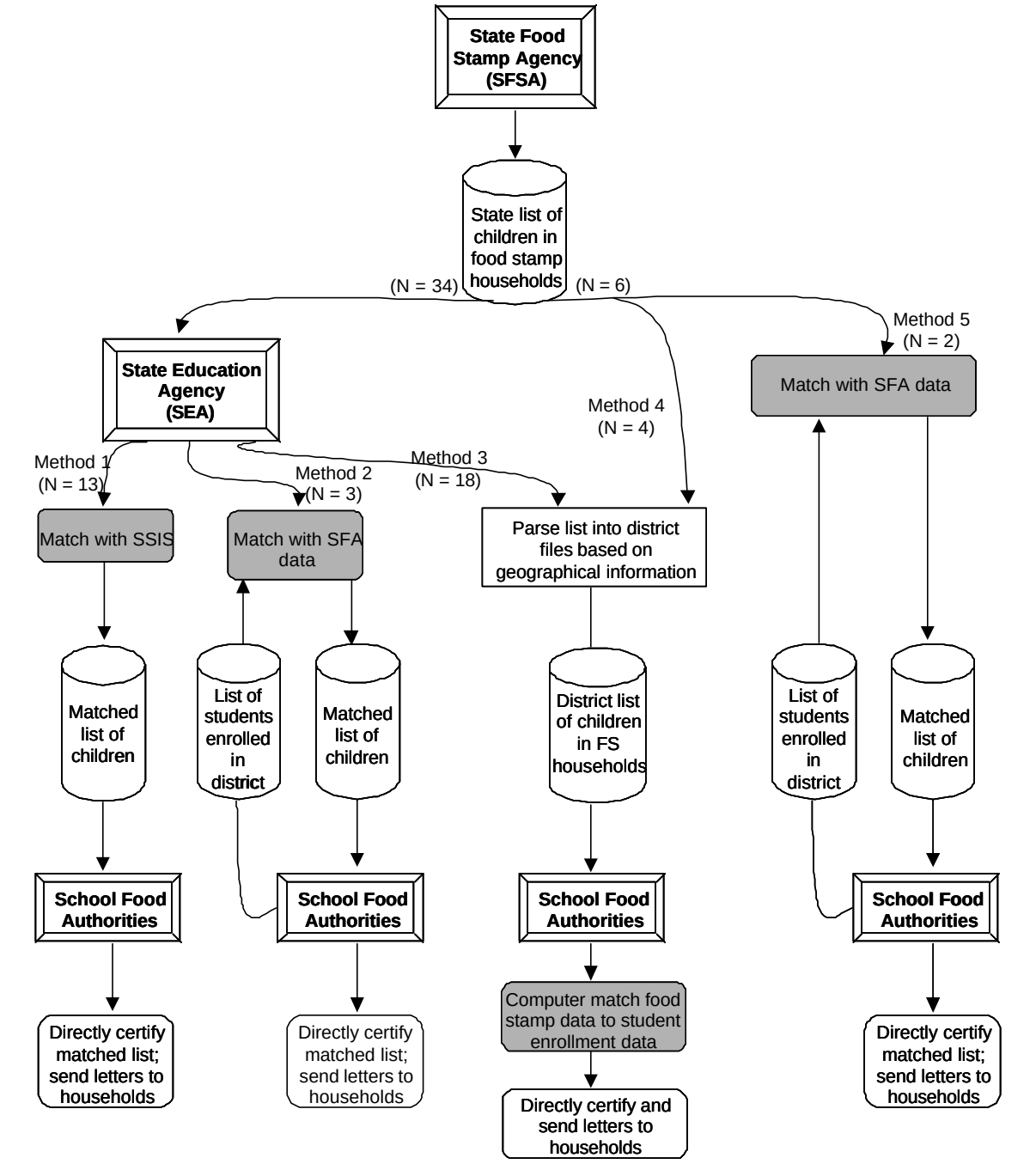
[1] This section assumes that the means-tested programs used for direct certification are FSP and TANF. Potential use of other programs for direct certification is discussed in Chapter Five.

[2] Under the Child Nutrition and WIC Reauthorization Act of 2004, "local education agencies" (i.e., school districts or independent schools) are responsible for certification for free/reduced-price meals, but "school food authorities" are responsible for operating the NSLP, SBP, and other school meal programs at the local level. In practice, the local education agency is usually the school food authority (SFA), and vice versa. For ease of discussion, we refer to the local operating unit as the SFA and the area it serves as the district.

Exhibit 3-1

Overview of NSLP Direct Certification Computer Matching Processes



Notes:

Methods 1, 2 and 5 are State-level matching. Methods 3 and 4 are district-level matching.

- Method 1 includes all States listed under State-level Matching in exhibit 3-2 except those using Method 2 (Colorado, Delaware, and Nebraska) or Method 5 (Oklahoma and Wisconsin).
- Method 3 includes all States listed under District-level Matching in exhibit 3-2 except those using Method 4 (California, District of Columbia, New York, and North Carolina).

Oklahoma is counted twice, under Methods 3 and 5, because both State- and district-level matching are available.

With district-level matching (methods 3 and 4), the State agency (SEA or SFSA) parses FS/TANF data into separate files for each school district (based on county or ZIP code on the FS/TANF record) and distributes the data to the SFAs to be matched with district enrollment data.

Among the SEAs receiving FS/TANF data in SY2005-06, 16 used the data for State-level matching and 19 distributed data to districts. Most SEA State-level matching (13 of 16 States) used student records from an SSIS, while three SEAs used student records collected from districts specifically for direct certification. District data were also collected by the two SFSAs conducting State-level matching.

Exhibit 3-1 presents only some of the options for designing a computer matching system for direct certification. Overall, there are seven key design choices:

- Is computer matching conducted at the State or district level?
- What data from means-tested programs are used?
- What electronic databases of students are used?
- When, where, and how does the system bring together files from means-tested programs and student information systems?
- What identifiers are used to match records between means-tested programs and student information systems?
- What software and methods are used for computer matching?
- What access do SFAs have to information on categorically eligible children who are not matched?

These choices are discussed in this chapter. Information on the prevalence of State practices is from the Surveys of State Child Nutrition Directors and State Education Agencies conducted for this study. Analysis of the effectiveness of direct certification methods is based on the 2004-2005 Verification Summary Reports. Examples and lessons learned are based on six case studies (provided in Volume II) and interviews conducted during the exploratory phase of the study. Key characteristics of direct certification computer matching systems are shown by State in Exhibit 3-2, and referenced throughout this chapter.

State- Versus District-Level Computer Matching for Direct Certification

State-level matching has three expected advantages over district-level matching: (a) greater efficiency, (b) higher match rates, and (c) higher direct certification rates. There is a difference between "match rates" and "direct certification rates." These rates are defined as:

- Match rate—Percent of FS/TANF records matched to student enrollment records.
- Direct certification rate—Percent of eligible children directly certified.

The match rate depends on the available identifiers, the matching algorithm, and the timeliness of FS/TANF and student records (how much they have been updated to represent current enrollment). The direct certification rate depends on the match rate, the proportion of matched children who are

Exhibit 3-2

Profiles of Direct Certification Computer Matching, SY2004-05 ¾ State-Level Matching Systems[1]

State	Year began	Program data		Student enrollment data		Primary match rule[4]	Secondary match rule
		Source	Month[2]	Source	Timing[3]		
Arizona	2002	FS/TANF	Real-time	SSIS	Spring 2004	Name, DOB, and SSN or mother's first name[9]	
Arkansas	1990	FS	July	SSIS	Spring 2004	SSN	
Colorado[5]	1991	FS	May	Districts	Spring 2004	SSN, last name, DOB	SSN, DOB *or* Name, DOB, ZIP *or* Name, DOB
Delaware[5]	2000	FS/TANF	Aug	Districts	Fall 2004	SSN, gender	Name, DOB, gender[6]
Georgia	1992	FS/TANF	May	SSIS	Fall 2004	SSN	Name, DOB, county
Hawaii	1993	FS/TANF	June	SSIS	Spring 2004	Name, DOB	
Indiana	1989	FS/TANF	June	SSIS	Fall 2004	Name, DOB, county	Phonetic name, DOB, county
Louisiana	1995	FS	June	SSIS	Spring 2004	SSN, name, DOB	
Massachusetts	2003	FS/TANF	July	SSIS	Spring 2004	Name, DOB	
Minnesota	1998	FS/TANF	July	SSIS	—	SSN	Lname (4 char), Fname (3 char), DOB, gender
Nebraska	1995	FS/TANF	July	Districts	Spring 2004	SSN	Name, DOB
Oklahoma[7]	1992	FS/TANF	—	Districts	Fall 2004	SSN, gender, birth yr, birth month	Lname (12 char), gender, birth yr, birth month
Oregon	2002	FS/TANF	July	SSIS	Fall 2004	SSN, gender, and Name *or* DOB	Unmatched FS children are considered "matched" if FS sibling is matched
South Carolina	1994	FS/TANF	June	SSIS	Spring 2004	SSN	1st 5 char of Lname, DOB, gender
Texas	1996	FS/TANF	May	SSIS	Spring 2004	SSN plus 2 of Fname, Lname, DOB	Name, DOB, gender
Washington	2002	FS/TANF	Monthly	SSIS	Spring 2004	Name, DOB	Use gender or address to resolve duplicates
West Virginia	2003	FS/TANF	July	SSIS	Spring 2004	SSN	Name, birth yr, birth month
Wisconsin[4]	1992	FS/TANF	Real-time	Districts	Fall 2004	Name, DOB	

See notes at end of table.

Exhibit 3-2 (continued)

Profiles of Direct Certification Computer Matching, SY2004-05 ¾ District-Level Matching Systems

State	Program Data		Source of student enrollment data	Primary match rule
	Source	Month		
Alabama	FS/TANF	July	Districts	SSN *or* Name, DOB *or* Name, DOB, parent name
California[8]	FS/TANF	Varies	Districts	n.s.
Connecticut	FS	Aug	Districts	n.s.
District of Columbia	FS/TANF	Aug	District	Name, DOB, address
Florida	FS/TANF	June	Districts	Match 2 of Name, DOB, SSN
Kansas	FS/TANF	July	Districts	Name and one of DOB, parent name, address
Kentucky	FS/TANF	June	Districts	n.s.
Maine	FS/TANF	July	Districts	n.s.
Maryland	FS/TANF	June	Districts	SSN *or* Name, DOB, address
Michigan	FS	June	Districts	SSN, Name, DOB
Mississippi	FS/TANF	July	Districts	n.s.
Missouri	FS/TANF	July	Districts	Name and one of SSN, DOB, gender, race, parent name, or address
Nevada	FS/TANF	July	Districts	a) SSN *or* b) Name, DOB *or* c) Lname, DOB, and address or parent name
New Jersey	FS/TANF	July	Districts	n.s.
New Mexico	FS	June	Districts	n.s.
New York[8]	FS/TANF	Aug	Districts	n.s.
North Carolina[8]	FS	Varies	Districts	n.s.
Ohio	FS/TANF	June	Districts	Match 2 of Name, DOB, address

(continued)

Exhibit 3-2 (continued)

Profiles of Direct Certification Computer Matching, SY2004-05 ¾ District-Level Matching Systems

State	Program Data		Source of student enrollment data	Primary match rule
	Source	Month		
Pennsylvania	FS/TANF	June	Districts	n.s.
Tennessee	FS/TANF	June	Districts	SSN *or* Name, DOB *or* Lname, DOB, parent name
Utah	FS/TANF	July	Districts	SSN *or* Name, DOB
Virginia	FS/TANF	July	Districts	Match 3 of Name, DOB, SSN, gender, parent name, address

Notes:

—- Indicates missing data due to item nonresponse on the survey.
ns. Indicates that match rules are not specified by the State Child Nutrition Agency.

[1] State matching systems are operated or maintained by State Education Agencies, except the State Food Stamp Agency maintains the system in Oklahoma and Wisconsin.

[2] Direct certification matches are determined once per school year, except in the following 4 States:

- Arizona - SFAs are required to obtain match results at the start of the school year, and may obtain additional match results as often as they like after that.
- Minnesota - Matches are done three times per year in July, November, and March.
- Oregon - Match results are available to SFAs monthly from August to May.
- Washington - SFAs may obtain match results monthly, it is not known how many SFAs use match results after the first match of the year.

[3] Timing of student enrollment data may refer to the effective date of records or the date records were finalized.

[4] Match by "Name" includes first and last name unless otherwise noted.

[5] Colorado, Delaware, and Wisconsin have an SSIS but do not use it for NSLP direct certification.

[6] Delaware secondary matches are "unmatched" if both records have SSNs that do not match, or middle initials that do not match.

[7] Oklahoma has State and district-level matching.

[8] California, District of Columbia, New York and North Carolina State Child Nutrition Agencies are not involved in direct certification matching; SFAs obtain data directly from State Food Stamp or TANF Agencies.

[9] Arizona SFAs can choose to obtain match results based on Spring SSIS data or to upload Fall student records for the match. SSIS matches are based on name, date of birth, and mother's first name (SSN is not stored in the SSIS). If SFAs upload data for the match, they must include name, date of birth, and either SSN or mother's first name.

Sources: Survey of State Child Nutrition Directors, 2005.

directly certified, and the proportion of children who are directly certified through a process other than the match. For matched children, the direct certification rate depends on the accuracy of the distribution of State-level match results to SFAs and the SFAs' ability to process this information accurately.[3]

Efficiency of State-Level Matching

With State-level matching, one process identifies students eligible for free meals throughout the State. As a result, only one system is designed, operated, and modified, when necessary.[4] In contrast, district-level matching requires each district to implement computer matching. This difference may account for the higher rate of participation by public school districts in direct certification when State-level match results are available, compared to when data are available for district-level matching (66 versus 49 percent; see Exhibit 2-7).

The efficiency advantage of State-level matching does not hold true in all cases. A State-level match is more efficient from the SFA point of view only if SFAs can incorporate results of the State-level match in their information systems with less effort than it would take for them to carry out a district-level match. In most of the SFAs interviewed for this study, this was true, while for some it was necessary to conduct a district-level match between the file of State match results and the district's free/reduced-price application database. In these SFAs, the required expertise and level of effort to use State match results were similar to what would be needed for district-level matching.

Match Rates With State- Versus District-Level Matching

State-level matching produces higher match rates than district-level matching (all else equal) because a statewide FS/TANF file is matched to a statewide student enrollment file. With district level matching, the statewide FS/TANF file is divided into separate district files based on FS/TANF address information. The statewide match rate for district-level matching depends on district participation, the accuracy of parsing FS/TANF data into district-level files (i.e., the accuracy of FS/TANF geographic information), and district-level match rates. The construction of appropriate district-level files of FS/TANF data may not be feasible when detailed address information is required to determine a child's district of residence. For private schools, there is often no defined geographic catchment area, so there is no clear way to define an appropriate subset of the statewide FS/TANF data for district-level matching.

Only one State conducts a State-level match conditional on geographic information. Indiana's State-level match is by name, date of birth, and county. This is equivalent to a county-by-county match by name and date of birth. Indiana uses geographic data in the State-level match algorithm because no unique identifier, such as SSN, is available for matching and a statewide match on name and date of birth has the potential for many duplicate matches.

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[3] If an SFA uses active consent, the rate of response from parents and guardians also affects the direct certification rate. As noted in Chapter Two, all States reported that SFAs use passive consent. Therefore, the discussion in this chapter assumes that computer matching is done with passive consent.

[4] In response to the Survey of Child Nutrition Program Directors, four States reported changes in the State-level matching algorithm over time to improve match rates.

SFAs interviewed for this study indicated three problems with FS/TANF data received for district-level matching:[5]

1. Districts sometimes receive too little data—i.e., children enrolled in the district are receiving food stamps or TANF but are not in the FS/TANF file.
2. Districts sometimes receive too much data—for example, when multiple school districts operate in a county, and each district receives data for all children in the county.
3. Districts often receive records for children no longer enrolled in their district—this happens when students transfer and the FS/TANF address information is outdated.

Other factors affecting match rates, such as matching algorithms and available identifiers, are discussed in subsequent sections and summarized at the end of the chapter.

Limitations on Direct Certification Rates With State- Versus District-Level Matching

With district-level matching, FS/TANF data are matched to current district enrollment data and all matched children are directly certified. With State-level matching, some **matched** children may not be directly certified if match results are sent to the wrong district. The problem of distributing match results to districts is similar to the problem of distributing FS/TANF data to districts (as described above)—i.e., some students move and transfer, and the State may have old information. State-level match results are distributed according to the district code on student records used for matching.

Exhibit 3-1 showed two sources of student data for State-level matching: districts (5 States) and statewide student information systems (SSIS) (13 States). Data collected from districts for direct certification are current files reflecting rollover of prior year enrollment; these files may or may not reflect registration of new students for the upcoming year. The timeliness of SSIS data depends on the SSIS data collection schedule. Two States indicated that State-level matching for SY2004-05 used Fall 2004 SSIS data (Exhibit 3-2), while 11 States indicated use of Spring 2004 data. During in-depth interviews, however, it was clear that in some States, "Spring 2004" data refer to data finalized in Spring but collected the previous Fall 2003, thus being nearly one year old. Data collection schedules and the timeliness of SSIS data are discussed in a later section.

Databases from Means-Tested Programs

Direct certification currently is authorized for children approved to receive benefits from the Food Stamp Program (FSP), qualifying TANF programs, or the Food Distribution Program on Indian Reservations (FDPIR).[6] This section discusses use of these program data for State-level computer matching. Potential use of other program data for direct certification is discussed in a later section.

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[5] Information about district-level matching was obtained from SFAs in Kansas and New Jersey.

[6] As noted earlier, TANF children are categorically eligible for free meals only in States where TANF eligibility criteria are comparable to or more restrictive than AFDC criteria as of June 1, 1995. Only recipients of TANF cash payments are eligible for direct certification; some families receive child care or employment assistance but no cash payments from TANF.

In SY2004-05, all States used FSP data for direct certification and 80 percent also used TANF data (Exhibit 3-3). A few States reported using FDPIR or Head Start data for direct certification (12 percent and 10 percent, respectively), but these data were used only for matching at the district level or for the letter method. Use of TANF data was similar among States with State-level computer matching (83 percent) and district-level matching (86 percent).

Two requirements must be met for use of program data in computer matching for direct certification:

1. The program data must contain sufficient identifying information for a computer match to student records.
2. The program agency must be authorized and willing to provide the data.

FSP and TANF regulations require maintenance of State-level eligibility databases with individual records.[7] These databases include extensive identifying information including: name, social security number (SSN), date of birth (DOB), address, and head of household information. In most States, a single computer system determines eligibility for both FSP and TANF, so this system can readily provide participant data for both programs.[8] On the other hand, FDPIR regulations do not require State-level databases, and eligibility records generally exist only at the local level.

State Food Stamp Agencies are required to cooperate with NSLP direct certification, but cooperation is voluntary for State TANF and FDPIR agencies. Among the 22 percent of States that did not use TANF data for direct certification, the specified reasons were (Exhibit 3-4):

- TANF data not in a suitable format (3 States),
- TANF program does not qualify recipients for free meals (2 States),
- no perceived need (2 States), and
- TANF unable to provide data (1 State).

The barriers to using TANF data may be legal or technological. For example, TANF data were not used for direct certification in Texas prior to 2004, when the policy issue regarding data-sharing with the NSLP was resolved. Several States have separate eligibility systems for the FSP and TANF, and this separation may be the reason why TANF data are not available in a suitable format or TANF is unable to provide data.

Electronic Database of Student Records

A prerequisite for conducting computer matching for direct certification is that student information must be available in an electronic database. This study found three sources of student records used for direct certification:

1. Statewide student information system, student membership data (SSIS)
2. Statewide student information system, student identifier system (SSIS-SSID)
3. District information systems

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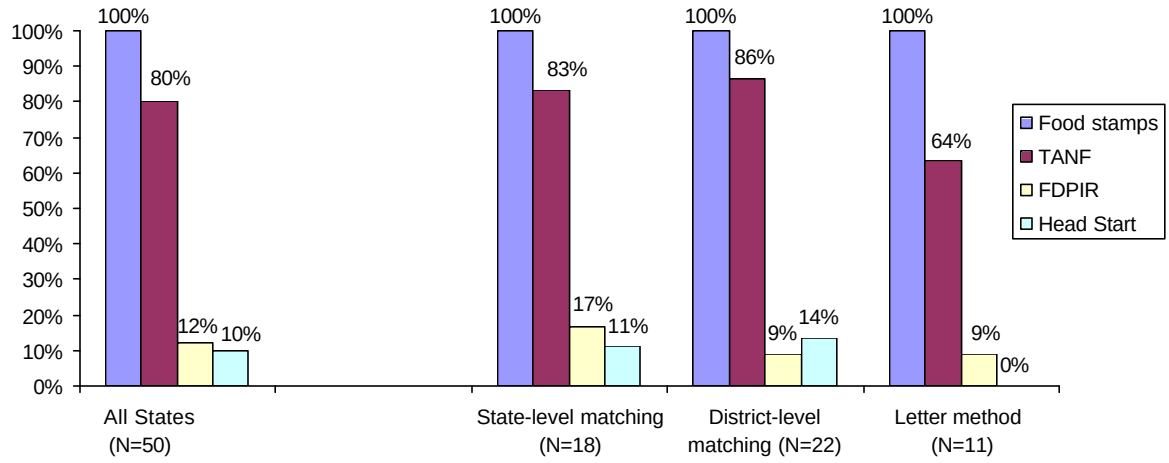
[7] For the FSP, a State-level database is not explicitly required. If there are separate databases for counties or regions of the State, these must be capable of changing information to check for duplicate participation and for electronic benefit transfer.

[8] In 2000, FSP data were integrated with TANF in 35 States (USDA, 2002).

Exhibit 3-3

Program Data Used for Direct Certification

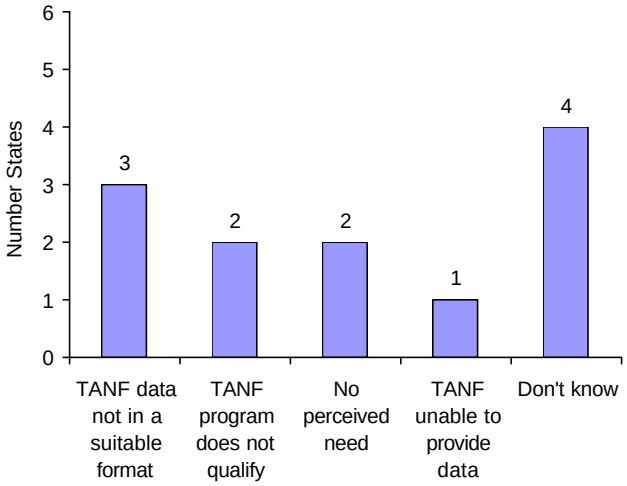


[a] States are grouped by primary method of direct certification. State-level matching States authorize the use of FDPIR and Head Start data for direct certification but use only FS/TANF data for the State-level computer match. The same is true of district-level matching.

Sources: USDA/FNS, Survey of State Child Nutrition Program Directors, 2005.

Exhibit 3-4

Reasons for Not Using TANF Data for Direct Certification



Sources: USDA/FNS, Survey of State Child Nutrition Program Directors, 2005.

Computer matching for direct certification takes place in the summer so that students can be certified by the first day of school. Thus, a key characteristic is the timeliness of student data used for direct certification. Data are most timely if collected in the late spring or, ideally, at the end of the school year. Even end-of-year data have two limitations: they do not include students enrolling for the first time for the fall, and they include graduating students and others who are leaving the State's public school system.

In SY2004-05, a statewide student information system (SSIS) was used by 13 of the 18 States with State-level computer matching for direct certification. Eleven of the 13 States exclusively used student data from the SSIS, and two States gave SFAs the option of receiving match results based on SSIS data, or uploading district data for the match (Exhibit 3-5). Five States relied exclusively on district data collected from SFAs for direct certification computer matching. In surveys conducted for this study, respondents were not asked to identify the specific components of their SSIS used for direct certification (membership data versus student identifier system). Information about the student identifier component of SSIS was obtained through in-depth interviews and is discussed below.

Several respondents to the in-depth interviews indicated that implementation of the SSIS made it feasible to implement State-level computer matching for direct certification. However, three States implemented State-level matching prior to implementing an SSIS (Colorado, Delaware, and Wisconsin) and continue to operate computer matching without using SSIS data. Wisconsin officials indicated that the SSIS is not used for NSLP computer matching because it does not include private schools, whereas current procedures collect student enrollment data from public and private school districts. Thus, the only way to use the SSIS and include private schools in direct certification would be to operate dual systems.

The remainder of this section provides background information on SSIS, focusing on the features most pertinent to direct certification.

Description and Prevalence of SSIS

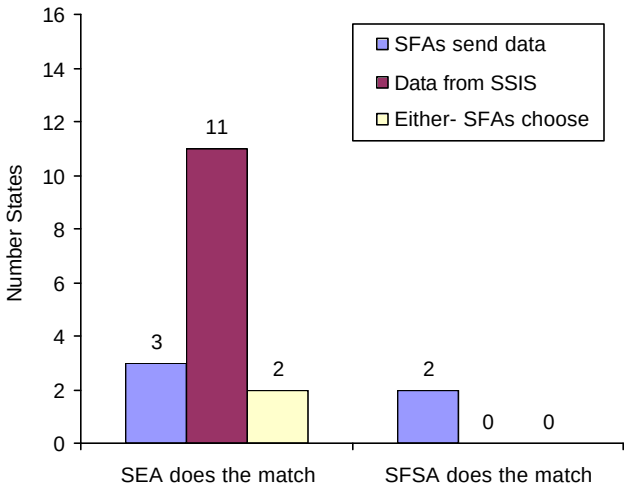
For the purpose of this study, an SSIS is defined as a database of individual student records collected from districts and maintained by the SEA. Student records may be collected from districts in a variety of ways, but the most common is electronic data interchange, such as upload or entry to a secure website. Some school districts maintain their own student information systems and use a service provider to format and submit their data to the SSIS.

An SSIS has become a valuable resource for meeting the goals and reporting requirements of The No Child Left Behind Act of 2001 (NCLB). NCLB requires States to collect and report information on student and school performance, and to track the progress of students over time. The fact that all States must meet the same federal reporting requirements is leading to similarities in SSIS data elements across States. For example, all SSIS have a unique, permanent identifier for each student that permits the compilation of data from different districts attended by the student over time. All States must have a plan to meet the NCLB requirements, but the U.S. Department of Education has not imposed a specific timetable for implementation.

As of SY2005-06, the majority of States (40) had an SSIS, and only two States lacked a current or planned SSIS (Exhibit 3-6). All but two States with SSIS reported that all public school districts participate. On the other hand, only six States report that all private school students are included in

Exhibit 3-5

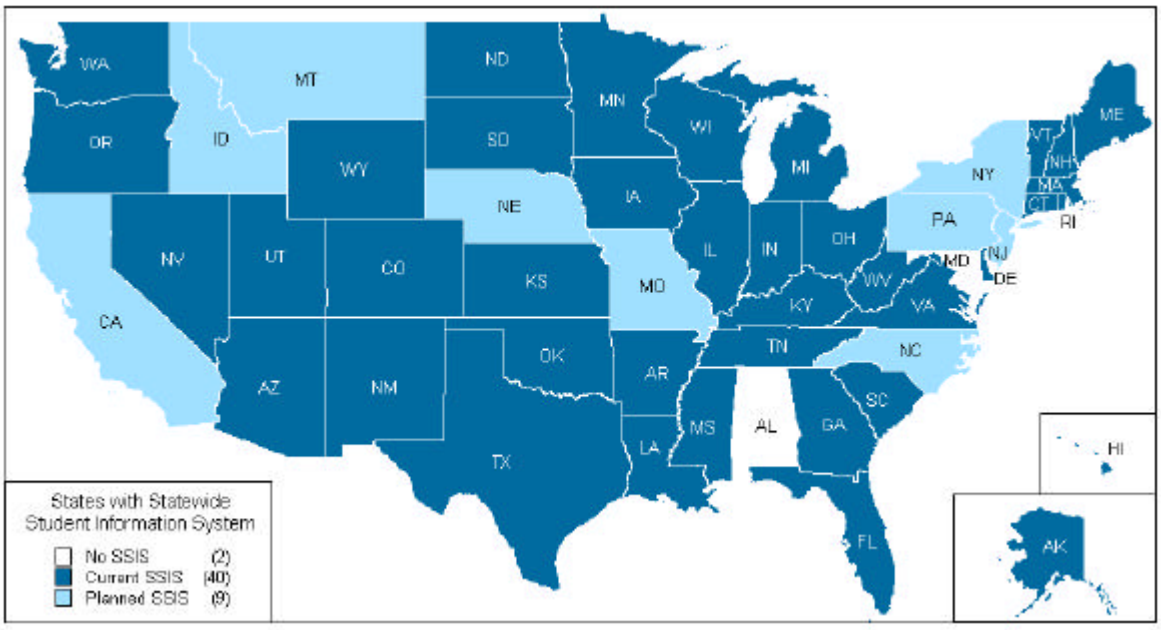
Source of Student Enrollment Data for Direct Certification State-Level Match



Sources: USDA/FNS, Survey of State Child Nutrition Program Directors, 2005.

Exhibit 3-6

Prevalence of Statewide Student Information Systems, SY2005-06



Notes: Three States reported plans to implement an SSIS in SY2006-07 (Montana, Nebraska, and Pennsylvania).

Sources: USDA/FNS, Survey of State Education Agencies, 2005 and Christie (2005).

their SSIS. (State-level data on SSIS implementation, participation, and use for direct certification are provided in Appendix Table D-1.)

There are two types of student-level databases in SSIS: static and dynamic databases. **Static** databases represent the characteristics of a specified population of students at a point in time, such as all students enrolled on the first Monday in October (student membership), or year-end data such as student attendance for the school year. These databases may be subject to correction, but they do not change once they are finalized. Some States compile a single static database of students each year, while others compile several for different purposes. The timing and frequency of data collection is discussed in the next section.

Dynamic databases are updated throughout the school year to provide current information. One dynamic component of an SSIS is the State student identifier system (SSID). The SSID maintains a central record of the district, school, and grade where each student is currently enrolled. The SSID is used when a school district enrolls a new student—the district obtains the student's State identifier from an existing record created by another district or through assignment of a new identifier. During in-depth interviews, we learned that Oregon uses the SSID system as the source of student records for direct certification computer matching. The SSID file is used because it represents the most current information about each student, whereas the student membership data represent snapshots of the student population at previous points in time. By using records from the SSID, Oregon ensures that match results are sent to districts where students are currently enrolled. The number of States using their SSID or other dynamic databases for direct certification is unknown, but seven States indicated that their SSIS is updated on an ongoing basis (as discussed below) and is thus dynamic.[9]

Timing of Data Collection for SSIS

The timeliness of student data is a key determinant of the effectiveness of computer matching for direct certification. Students cannot be matched to FS/TANF data if they were not enrolled somewhere in the State as of the effective date of student records used for the match. Furthermore, matched students cannot be directly certified if they transferred to a new district after the effective date of the student records.

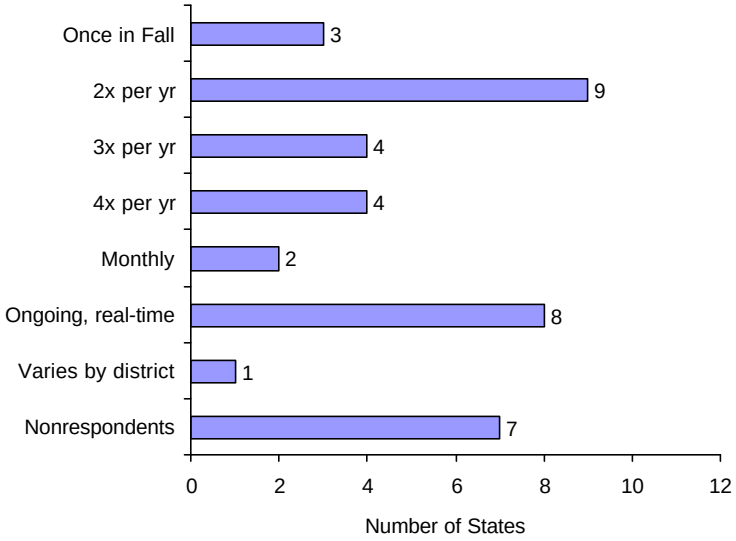
The Survey of State Education Agencies collected information about the frequency and timing of SSIS student record collections from States with an operational SSIS in SY2004-05. All States reported a fall data collection (usually as of October), and most have additional data collections (Exhibit 3-7). At one extreme, eight States report that SSIS data is updated on an ongoing basis. At the other extreme, three States report only a single data collection of fall membership. Between these extremes, nine States collected data twice a year, 4 had three collections per year, and another 4 had four collections per year. Most States reported an end-of-year data collection.

The case study interviews highlighted a second aspect of the timing of SSIS data collection: the elapsed time between the effective date of student records (e.g., October 1 membership) and finalization of the file. For static databases, the data collection process in several States allows a month or longer for each step in a process that includes initial data submission, review at the district

[9] States with both dynamic and static student databases may have provided the frequency of updates to the static databases, which are typically the basis for official statistics and payments to school districts. Thus, the survey did not provide a definitive count of States with dynamic databases.

Exhibit 3-7

Frequency of Student Record Collection for Statewide Student Information System



[a] 47 States responded to the Survey; 35 States reflected in this exhibit reported an operational SSIS in SY2004-05.

Sources: USDA/FNS, Survey of State Education Agencies, 2005.

and State levels, and revision. As a result, fall student data may not be finalized and released to users until winter or spring. Dynamic databases, on the other hand, are much more immediately available, but they are always subject to change as students move in and out of school districts. This flux may preclude the use of dynamic databases for statistical purposes, but it is an advantage for direct certification.

Among the six States participating in in-depth interviews, four States used SSIS data for SY2005-06 direct certification: Oregon used dynamic SSID data, Georgia and Texas used static student membership data collected in Fall 2004, and Massachusetts used static student membership data collected in Spring 2005. Georgia and Texas use Fall data because they collect data only twice per year and the spring data are not available when the match is done in June. On the other hand, Massachusetts uses Spring data to do a match in August, but for the past 2 years they have been unable to get match results to SFAs before the start of the school year.

Results from the case studies provide evidence of how the timing of SSIS data collection affects the proportion of FS/TANF children directly certified. In Texas, the SSIS file used for direct certification is a static database identifying all students enrolled in October and the districts where they were enrolled. When the SSIS is matched to FS/TANF data in July, students enrolled after October are not matched, and matched results for students who have moved are sent to the wrong district. State and local officials reported that students in Texas are highly mobile. The timing of SSIS data helps explain why only 41 percent of categorically certified children are directly certified, even though 57 percent of FS/TANF children are matched to the SSIS.

In contrast, Oregon uses data from the student identifier system of the SSIS for direct certification. These data are updated as often as weekly, particularly in large SFAs. The timeliness of student data contributes to both the high match rate at the State level (65 percent of FS/TANF children) and the overall effectiveness of direct certification at the SFA level (66 percent of categorically certified children who are directly certified).

Exhibit 3-8 lists the States using SSIS data for State-level computer matching. This exhibit shows the percent of categorically certified students who were directly certified (previously presented in Exhibit 2-10) and the frequency of SSIS data collection.[10] For the most part, among States implementing State-level matching on a statewide basis, the percent directly certified declines as the frequency of SSIS data collection declines. Hawaii, Arizona, and West Virginia conduct computer matching with student records that are updated on an ongoing basis, and these States achieve the highest rates of direct certification.

The relationship between SSIS data collection and percent directly certified is not as clear among States with State-level matching that is not implemented statewide. For these States, the percent of students directly certified depends on the quality of data used for the match and the participation of districts.

District Data as an Alternative To SSIS for State-Level Computer Matching

In SY2004-05, five States conducted State-level computer matching using student records collected from SFAs via *ad hoc* data collection systems designed specifically for direct certification. Two of these States lacked an SSIS (Nebraska and Oklahoma).[11] The other three States (Colorado, Delaware, and Wisconsin) had an SSIS but did not use it for NSLP computer matching. In Colorado and Wisconsin, State-level computer matching predated the SSIS; while Delaware's SSIS predated State-level computer matching. Arizona gives SFAs the option of receiving State-level match results based on SSIS matches, or submitting up-to-date student enrollment data for matching.

Detailed information about the Wisconsin *ad hoc* system of collecting district data was obtained through in-depth interviews with State and local officials. The State provides instructions for the file format (data elements and record layout) and how to submit data. SFAs extract data from their student information systems and submit data to the State via a secure File Transfer Protocol (FTP) connection to the host computer for the FS/TANF eligibility system.[12] Each SFA's data are automatically matched within 24 hours. Each SFA can submit data on its preferred schedule, as often as monthly. Private SFAs can submit their student data, an important feature because they represent over 50 percent of SFAs and eight percent of student enrollment but are not included in the SSIS. (VSR data indicated that only 18 private SFAs directly certified students in SY2004-05, but additional private SFAs may have used the State-level system without finding any matches.)

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[10] As discussed in Chapter Two, the number of children not subject to verification is used as an approximation of the number directly certified, with the recognition that some are not subject to verification for other reasons. "Categorically certified" includes those not subject to verification and those approved by categorical application.

[11] Oklahoma implemented its SSIS in 2005, and Nebraska plans to implement an SSIS in 2006. Neither State indicated plans to use its SSIS for direct certification.

[12] Until 2005, SFAs could submit student data on disks; some SFAs submitted data tapes before the FTP process was made available.

Exhibit 3-8

States Using SSIS Data for State-Level Direct Certification Computer Matching

State	Direct Certifications as Percent of Categorically Certified Students[a]	Frequency of SSIS Data Collection
State-level matching, statewide		
Hawaii	100.0%	Ongoing[b]
Arizona	95.2%	Ongoing[c]
West Virginia	77.2%	Ongoing
South Carolina	74.7%	4x
Minnesota	68.8%	2x
Oregon	66.3%	Varies from 2x to weekly
Georgia	63.0%	2x
Arkansas	71.7%	Once in fall
State-level matching, not statewide		
Washington	66.5%	Monthly
Louisiana	61.1%	3x
Minnesota	68.8%	2x
Texas	41.0%	2x
Indiana	49.6%	Once in fall

[a] Direct certifications includes all not subject to verification. Categorically certified includes not subject to verification and approved by categorical application. See Appendix table C-5.

[b] Hawaii did not respond to the SEA survey. Because the Department of Education is both the SEA and SFA, SSIS data are updated in real-time.

[c] Arizona allows SFAs to use SSIS or district student data for direct certification.

Sources: SY2004-05 Verification Summary Report and USDA/FNS Survey of State Education Agencies, 2005

There are advantages and disadvantages of both SSIS and *ad hoc* data collection for NSLP computer matching (Exhibit 3-9). When an SSIS is not available, or its use is not feasible, the *ad hoc* approach can be simple to develop and operate (depending on the State's IT capabilities). The primary disadvantages of the *ad hoc* approach are the added burden on SFAs and the lower rate of participation by SFAs. But in exchange for the added burden, the *ad hoc* approach allows SFAs to upload current data and receive match results for current students, thereby resulting in higher rates of direct certification.

When an SSIS is available, using it for direct certification lowers the burden on SFAs and promotes the use of direct certification by a greater number of SFAs. The disadvantage of using SSIS is that data are less timely (except where the SSID is used), thereby adversely affecting rates of direct certification.

Use of SSIS data appears to increase the percent of SFAs with directly certified students (Exhibit 3-10). Among 10 States using the SSIS as the sole source of student data for State-level matching, four had 98 to 100 percent of SFAs with directly certified students, and another four States had 81 to 89

Exhibit 3-9

Advantages and Disadvantages of SSIS Versus *Ad Hoc* Student Data Collection for State-Level Computer Matching for Direct Certification

	SSIS	*Ad hoc* system
Development requirements and effort	• Large and complex to develop and operate • Design, data elements, and schedule are driven by purposes other than direct certification	• Can be simple to develop and operate depending on IT capabilities of the State • State Child Nutrition Agency and SFAs can design it to fit their needs
Ongoing burden/cost to SFAs and State CN Agency	• Direct certification uses existing data submission by SFAs • Minimal cost for CN programs to use existing data	• If SSIS exists, SFAs have to comply with two data submissions • CN agency must maintain system or contract out
Statewide coverage	• Once SSIS exists, statewide data are available • All students in SSIS matched without SFA intervention • Does not include students who are not represented in SSIS (private schools)	• Relies on SFAs to submit data, reduces likelihood of statewide direct certification • Allows private schools to submit data for matching
Accuracy of data	• Built-in data cleaning process	• Depends on accuracy of SFA data (unless cleaning logic is added)
Timeliness of data	• Schedule is driven by other priorities • Time lag between updates at SFA level and at State level	• Uses the most recent data available at the local level at the time of direct certification • More flexibility to use multiple matches during school year
NSLP verification	• SSIS collects NSLP eligibility indicator with Fall membership data—too late for NSLP verification deadline	• Same system can be used for direct verification; SFAs could upload records of students in verification sample

percent of SFAs with directly certified students.[13] In contrast, four of five States using SFA student data for State-level matching had 70 percent of SFAs or fewer with directly certified students.

If the goal is to maximize both the number of SFAs participating in State-level matching and the timeliness of the data, then the most promising options for collecting student data are the following:

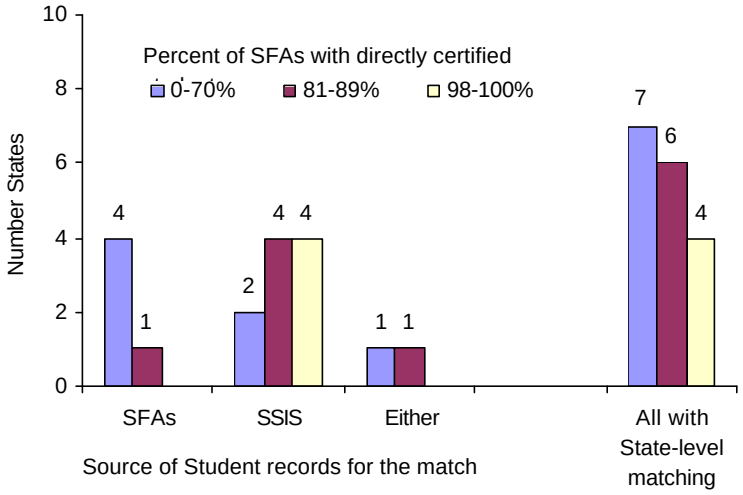
- Use a dynamic statewide database regularly updated by all SFAs (as in Oregon), or
- Give SFAs the option of receiving results based on SSIS data, or submitting current district data (as in Arizona).

The first option allows a simpler system for direct certification, but it depends on SFAs regularly updating their SSIS data. This is particularly challenging during the months of June through

[13] One State with SSIS data for direct certification was not represented in the VSR data analysis.

Exhibit 3-10

Number of States by Percent of SFAs With Directly Certified Students and Source of Student Data for State-Level Match, FY2004-2005



Sources: State Child Nutrition Agency Survey, Analysis of Verification Summary Reports.

September, when SFAs are busy processing enrollments and certifying students for free/reduced-price meals.[14] Some States are automating the SSIS update process, however, so that new or updated records are automatically uploaded to the SSIS at regular intervals. For example, as part of a new version of Georgia's SSIS, SFAs will be required to install software that automatically submits student records to the SSIS on a monthly basis. This type of system will provide more timely student data for direct certification.

Where SFAs do not regularly update the SSIS and State-level computer matching is used for direct certification, a "hybrid" system that allows SFAs to use matches with the SSIS or submit local student data is highly desirable. Arizona provides an example of this type of "hybrid" system for collecting student data for direct certification. While such a system is more complicated to develop than a system that uses one source of student data, most State-level computer matching systems for direct certification already have some type of on-line data exchange with SFAs (as discussed below), so key elements of the interface for uploading student data are already present. Similarly, States that currently use student data from SFAs for State-level computer matching could maintain these systems even if they also established matches with the SSIS.

[14] One State reported considerable variation among districts in the frequency of interactions with the statewide student identifier system (SSID). The State student ID is needed prior to submission of Fall membership data, and prior to State testing (because test booklets are computer generated). Some SFAs interact frequently to avoid backlogs or because their district information system uses the State student ID, while other districts wait and process new enrollments in batches.

The most promising options for obtaining timely statewide student data for direct certification are also likely to be more costly than simpler but potentially less effective solutions. The study did not obtain data to quantify the trade-off between data collection costs and results, but several factors are likely to be relevant:

- States with more mobile student populations will gain more from maximizing the timeliness of student data.
- The decision to collect SSIS data more frequently requires a financial investment by the State and a willingness to ask districts to bear additional costs. This choice is likely to be outside the sphere of influence of the State CN Agency, but once it is made, it provides an opportunity to strengthen direct certification.
- Developing a "hybrid" system is likely to be more cost-effective for large States and for States with an ad hoc system that predates use of an SSIS.

The preceding section discussed the tradeoffs of using SSIS student records versus district student records for State-level computer matching. Aside from burden, the main difference is the timeliness of data. The source of data does not appear to affect the type of identifiers used to match student records to FS/TANF data. As shown in Exhibit 3-2, State-level matching uses SSN and/or a few other identifiers (name, date of birth, gender) to match student data with FS/TANF data.

District Data Used for State- Versus District-Level Matching

District-level computer matching provides flexibility for SFAs to maximize use of identifying information maintained in their district information systems. Exhibit 3-2 shows that address information and/or parent/guardian name may be used for district-level matching in 9 States. In contrast, parent name is used for State-level matching in only one State, and address information is used for State-level matching in one State for the purpose of resolving duplicate matches.

District matching may utilize more student identifying information than State-level matching because some district information systems maintain more identifying information than is sent to the SSIS. State systems collect data needed for reporting. Districts maintain data needed for operations, and this includes contact information for families, and it often includes SSNs even if SSNs are not reported to the State.

In most States (30 of 44 with current or planned SSIS), some or all SFAs request SSNs from students, even if the SSN is not a required or optional data element for the SSIS. Parents' identifying information is usually optional or not collected by SSIS, but this information is very commonly used by SFAs, and some SFAs have family identifiers to link family members. These additional identifiers can be useful for making or confirming matches between student data and FS/TANF records.

Interviews for this study suggest that supplementary district-level matching can be beneficial in some States with State-level matching. For example, the Boston SFA uses both the State-level match (based on the SSIS) and a district-level match with FS/TANF data in its approach to direct certification. The district-level match allows the SFA to use fall enrollment data at a time that fits its schedule for application processing. This option is discussed further in the section on SFA use of unmatched FS/TANF records.

File Transfer Capabilities and Processes

As depicted in Exhibit 3-1, SFAs need file transfer capabilities to participate in State-level computer matching, both to send student enrollment data to the State (for the SSIS or specifically for NSLP matching) and to receive match results. For district-level matching, SFAs receive a data file identifying school-age children in food stamp households in the district's geographic area.

The Internet is the most common file transfer medium for State-level direct certification match results (Exhibit 3-11). Among the 18 States with State-level matching, 10 provide facilities for SFAs to download match results, either as static files available on a website (6 States) or as real-time match results requested through a website (4 States). Two other States use email to provide match results to SFAs, bringing the total to 12 States using the Internet. Only four States distribute match results on physical media (data disks or cartridge tapes).

In contrast, physical media are the most common single method for transferring FS/TANF data to SFAs for district-level matching, although 10 of 22 States use multiple methods. Among the 22 States with district-level matching, 13 mail FS/TANF data disks to SFAs, 9 mail hard copy lists, 7 provide files by email, 6 post files on a website, and 2 provide files over a network (Exhibit 3-11). Altogether, 8 States rely exclusively on non-electronic methods; 14 States use electronic methods, and also provide non-electronic delivery methods for some SFAs.

There are two potential platforms for web-based file transfer between State agencies and SFAs: the SEA website and the CN website (this is often part of the SEA site).[15] Many SEAs have established secure websites for transfer of student data and other reporting by school districts. These websites can be used to provide access to State-level direct certification matching results, as is done in two States interviewed for this report (Georgia and Massachusetts). This approach uses the SEA's existing website infrastructure and its linkages to the SSIS.

A second option is to use the CN website. This option builds on expertise that CN agencies have developed in implementing web-based systems for exchanging CN program data with SFAs, such as monthly claims for NSLP reimbursement or donated commodity orders. Thirty-nine States currently have electronic systems for NSLP reimbursement claims, and seven have planned systems (Exhibits 3-12–3-13).

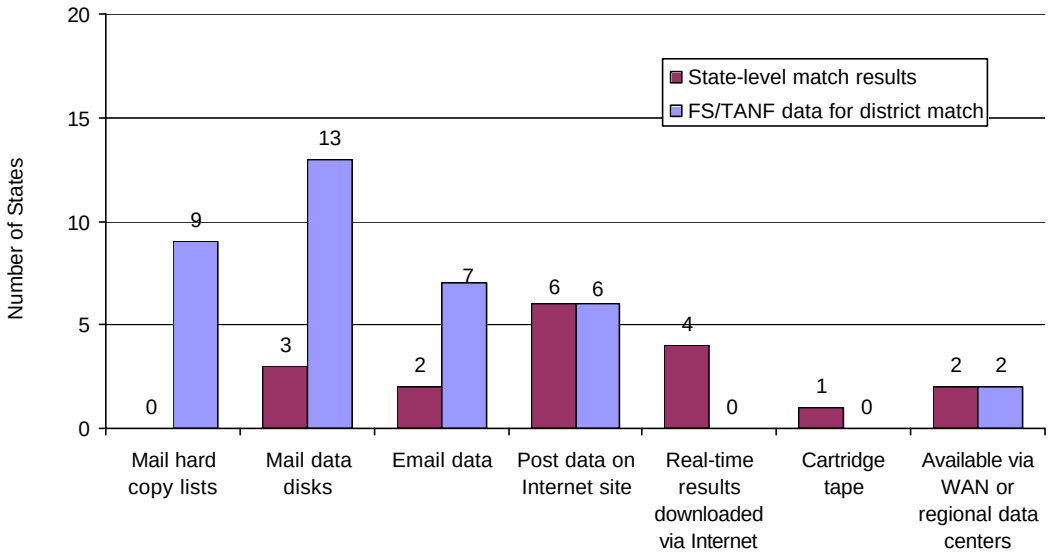
The States interviewed for this study reported that systems for submitting monthly claims were the best place to begin CN data collection via the Internet because SFAs have a financial interest in the claims system (it provides for quicker payment).[16] Internet access has not been considered a barrier

[15] State Child Nutrition Agencies are located within SEAs in all States except New Jersey and Texas, where CN is in the Department of Agriculture.

[16] The States interviewed used different development approaches for their web-based claims system: one implemented a vendor provided system, while the other used in-house expertise to design and develop a system. Both States reported that considerable training and technical assistance was needed to bring SFAs into the "web world", but that future web-based systems would build on this base.

Exhibit 3-11

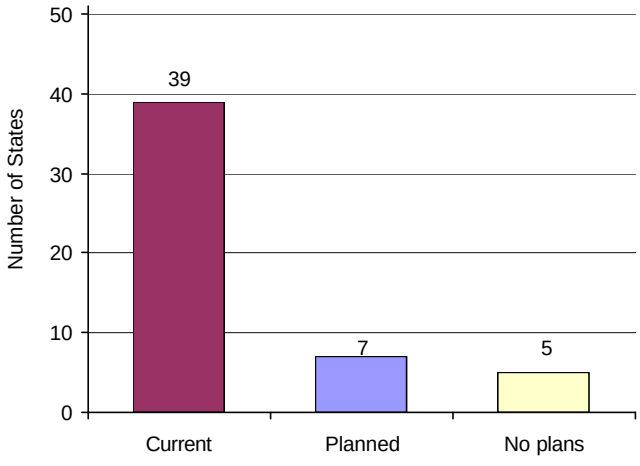
Methods of Data Transmission for Direct Certification Matching, SY2004-05



Source: USDA/FNS, Survey of State Child Nutrition Directors, 2005.

Exhibit 3-12

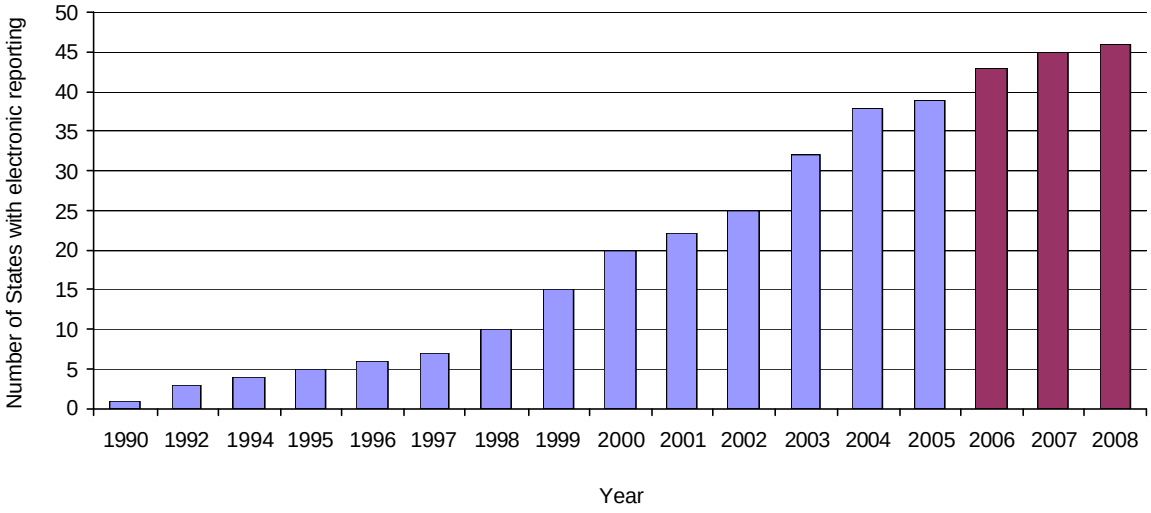
Number of States With Current and Planned Systems for Electronic Reporting of NSLP Monthly Claims



Source: USDA/FNS, Survey of State Child Nutrition Program Directors, 2005.

Exhibit 3-13

Trend in the Implementation of Electronic Reporting of NSLP Monthly Claims



Source: USDA/FNS, Survey of State Child Nutrition Program Directors, 2005. Cumulative effect of planned implementation is reflected by the darker shaded bars for years 2006-2008.

to web-based data collection, because food service personnel lacking Internet connectivity can obtain Internet access at their school or local library.[17]

Texas uses its web-based Child Nutrition information system to provide State-level match results for direct certification. SFAs use the Child Nutrition Program Information System for submitting or renewing NSLP/SBP sponsor applications, updating school campus information, submitting claims for reimbursement (NSLP, SBP, and Summer Food Service Program), viewing program reports, and obtaining direct certification computer matching results. The web-based system allows SFAs to print or download lists of their students matched with FS/TANF records.

SFA file transfer capabilities do not pose a barrier to direct certification because of the many options available to accommodate SFA capabilities—for example, an SFA with even minimal computer capabilities can transfer files through the physical exchange of disks. But the file transfer method chosen by the State will affect costs. Exchanging data disks requires labor time for processing and costs for mailing. For a State with numerous SFAs, creating or receiving a large number of disks or e-mails can pose a considerable workload. For this reason, some States (such as Kansas) provide data disks for district-level matching only to a small number of large SFAs. On the other hand, an Internet system for file transfer may entail a larger initial investment, but the automated processes for

[17] Use of non-SFA computers for file transfer poses some risk of disclosing private data. Even if the user does not intentionally copy private data onto the non-SFA computer, the file transfer process may create temporary files that could be viewed by an unauthorized user. Thus, additional security measures are needed in this situation.

electronic data transfer, and automated edit checks on received files, can result in very low ongoing costs for the State agency. Four of the six States participating in in-depth interviews use automated Internet-based processes to exchange direct certification data with SFAs, a fifth (Oregon) planned to replace its e-mail-based system with an automated website, and the sixth State is planning State-level matching and intends to use Internet data exchange. Arizona chose the Internet-based approach for direct certification because the system requires little ongoing staff time.[18] The cost of implementing the system was equal to less than 3 years' cost for mailing direct certification notices statewide.

A trade-off between the costs and accessibility of file transfer systems emerged from the case studies. Wisconsin chose a low-cost, easy approach to automating file transfer by providing FTP access for SFAs to exchange files with the FS/TANF mainframe computer system. This approach required SFAs to follow several steps to configure the file transfer settings, and in some cases SFAs had to purchase software or modify their firewalls. The FS/TANF agency provided technical support and reported that all SFAs that attempted to transfer data were able to do so after making the necessary adjustments. On the other hand, the implementation of FTP as the sole mechanism for data exchange coincided with a drop of about 35 percent in the number of SFAs using the State-level computer matching system for direct certification. While other factors could have contributed, it appeared that some SFAs chose not to use direct certification, rather than going through the set-up process for FTP. Thus, while the FTP system likely was less expensive and quicker for the State to implement than a secure website, the process was more complex and potentially a disincentive to direct certification from SFAs' perspective.

Social Security Numbers and Other Common Identifiers for Matching

The combination of social security number (SSN) and name provides the most reliable and efficient basis for computer matching. The SSN is the only unique identifier potentially available in both FS/TANF records and student information systems. State FS agencies verify SSNs when certifying clients for benefits; however, SSNs in student records are not independently verified. Invalid SSNs in student records can result in false matches if the match is based on SSN alone. False matches can be avoided by matching with SSN and at least one confirming variable, such as name or date of birth. Additional identifiers are needed when an SSN is not available.

Identifiers in FS/TANF Eligibility Systems

FSP and TANF regulations require maintenance of State-level eligibility databases containing information on households/families enrolled in these programs. Eligibility databases contain four types of personal information for enrolled individuals: primary identifiers (case and client ID), personal identifiers (name, SSN); contact information (address, phone); and demographics (date of birth, gender, race/ethnicity, primary language).

FS/TANF programs assign primary identifiers to households (cases), as well as to each individual in the household (clients). For NSLP, this means that verification of a FS/TANF household case number does not verify eligibility of a particular child in that household; verification must be based

[18] Arizona was not a case study State, but the Child Nutrition Director was interviewed during the exploratory phase of the study.

on the client ID. A 2002 survey of 26 State Food Stamp Agencies found variation among States in the primary identifier used to identify persons within FS eligibility systems: 2 States used SSN, 7 used a system-generated ID, and 16 used a shared ID (shared with other public assistance programs such as TANF and Medicaid).[19] All FSP agencies indicated that primary identifiers follow participants through multiple spells of participation.

The 2002 survey found that data fields for name, SSN, date of birth, gender, and race/ethnicity were present in the FSP participant database of all 26 States surveyed. Federal law requires individuals to provide their SSN to receive FS/TANF benefits and authorizes State FS/TANF agencies to use SSNs to verify eligibility, prevent duplicate participation, and determine the accuracy and/or reliability of information given by households (7CFR273.6).

Contact information is generally available in FS/TANF databases, although the 2002 survey of FS agencies found that address information was required (could not be left blank) by 19 of 26 States; remaining States do not require this information but collect it if available. Telephone number was required by only 3 States and not collected at all by 3 States, while the remaining States collected it if available.

FS/TANF programs enroll households/families and all household/family members are linked in the participant database by the case ID. As a result, for school age children in households receiving FS/TANF benefits, it is possible to associate the children with identifying information (name, SSN, date of birth) of their parent/guardian.

Student Identifiers in SSIS

The availability of SSNs and other identifiers is an important factor in the feasibility of using SSIS data for State-level computer matching for direct certification. Exhibit 3-14 shows the distribution of States by student identifiers maintained in the SSIS. This exhibit includes 40 current SSIS and 4 planned SSIS, as of Fall 2005. Data items are "required" insofar as a State requires districts to report the item. For example, a State may require reporting of SSNs, but the SSN may be missing if the data are missing at the district level. On the other hand, when SSNs are "optional," districts report the item at their discretion. The most common required identifiers are (listed by number of States in parentheses):

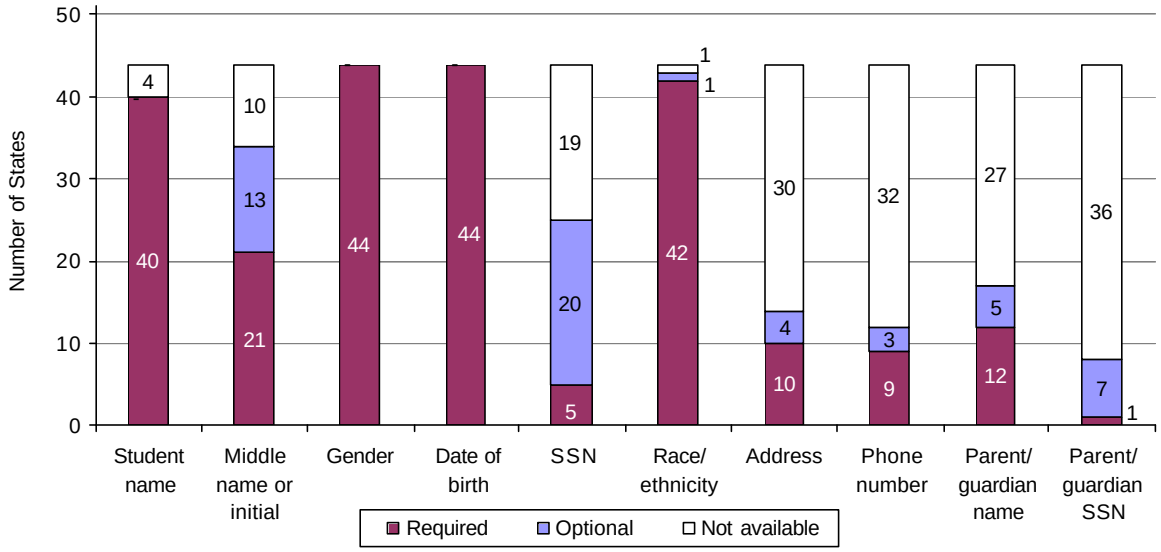
- Date of birth (44)
- Gender (44)
- Race/ethnicity (42)
- Name (40)
- Middle name or initial (21)

In contrast, less than half of SSIS collect address, phone number, parent/guardian name, or parent/guardian SSN, either as required or optional data. Appendix D provides State-specific information on the presence of identifiers, demographic data elements, and NSLP certification status in SSIS.

[19] USDA/ERS, *Survey of Food Assistance Information Systems*, 2002. See Cole (2003).

Exhibit 3-14

Student Identifiers in 44 Current and Planned Statewide Student Information Systems



Sources: Survey of State Education Agencies, 2005. Pennsylvania did not provide information about their planned SSIS.

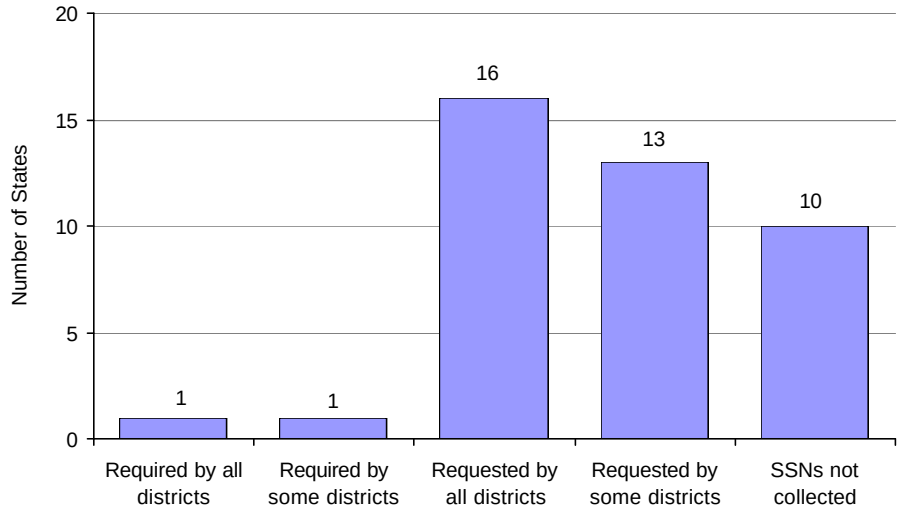
Only five SSIS require submission of student Social Security Numbers (SSNs), but 20 make this an optional element. According to the Family Educational Records Privacy Act (FERPA), schools can request reporting of a child's SSN, but cannot require it. Furthermore, State agencies can request that school districts include SSNs on student enrollment files, but school districts are free to withhold SSNs for confidentiality reasons. States have procedures to assign an alternative identifying number to students who do not provide SSNs.

As shown in Exhibit 3-15, States generally fall into one of three groups with respect to school district practices for collecting student SSNs. (These practices directly affect the SSN data in district information systems and limit the possible collection of SSNs for the SSIS.) The most common pattern, found in 16 of 41 States responding, was that all districts requested but did not require student SSNs. In the second most common group (13 States), some districts but not all requested student SSNs. The third group (10 States) had no districts requesting student SSNs.

The combination of State and district policies yields a wide range in the percentage of student records with SSNs in the SSIS. Among the States with SSIS, close to half reported that 99 to 100 percent of student records have SSNs (16 of 31 respondents), as indicated in Exhibit 3-16. At the other extreme, 10 States reported that SSNs are present in fewer than 20 percent of student records in their SSIS, while four States reported 50 percent of student records with SSNs. Thus, there is substantial variability in the extent to which computer matching with SSIS data can rely on SSNs. (See Appendix D for State-level information.)

Exhibit 3-15

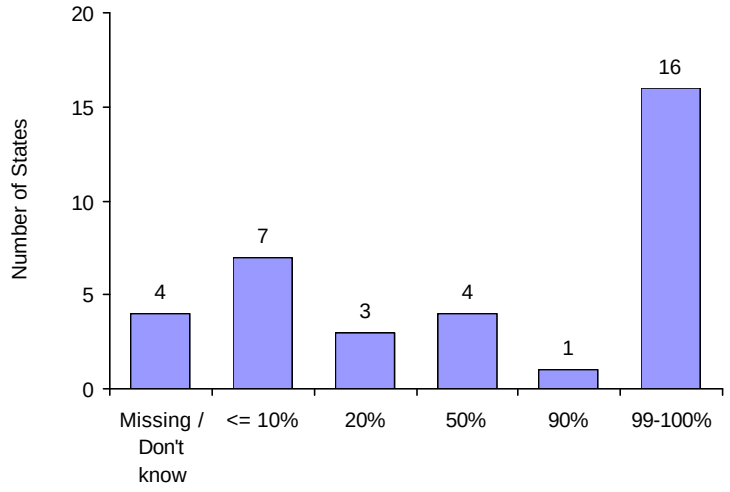
School District Collection of Student Social Security Numbers (SSNs)



Source: USDA/FNS, Survey of State Education Agencies, 2005. Four States did not respond to the survey; an additional 6 States did not respond to this question.

Exhibit 3-16

Approximate Percent of Student Records With SSN in Statewide Student Information Systems



Sources: USDA/FNS, Survey of State Education Agencies, 2005.

Matching Algorithms

Computer matching for direct certification involves a match of individual student records with individual FS/TANF records. States conducting State-level matching must specify a matching algorithm, or a set of rules, for identifying matches. In addition, about half of the States facilitating district-level matching prescribe a matching algorithm to be used by districts, while the remainder allow districts to choose a matching algorithm.

State-Level Matching Algorithms

Two-thirds of State-level matching systems for direct certification use an algorithm that includes a match by SSN. Among 18 States, 6 match by SSN alone and another 6 match by SSN and other identifiers (e.g., name, date of birth, gender). Among the 6 States that do not use student SSNs for matching, four match by name and date of birth; one matches by name, date of birth and county (Indiana); and Arizona's matching algorithm depends on the source of student records.[20] (See Exhibit 3-2 for State level information.)

As discussed in the previous section, SEAs cannot mandate reporting of student SSNs. Thus, in all States, some percentage of student records will not have an SSN. Among the 12 States using SSN for computer matching, all but one implement multiple rounds of sequential matching: the primary match rule (by SSN) identifies student records that match FS/TANF records and matched records are set aside; then a secondary match rule is used to match the remaining unmatched records.

As noted previously, FS/TANF programs enroll households/families and assign case numbers to link all individuals within a household/family. Oregon is the only State to use FS/TANF case information in their computer matching for NSLP direct certification. Oregon does a primary match by SSN of FS/TANF records to student records. A secondary match identifies unmatched FS/TANF children who are "siblings" of children matched to student records by SSN.[21] The "sibling match" uses the FS/TANF head of household information. FS/TANF records for siblings identified in the secondary match are sent to SFAs along with records of children matched by SSN. However, the results of the primary match are records containing information from FS/TANF records and student records; the results of the secondary match are records containing only FS/TANF data (and no student IDs). Therefore, the results of the secondary match must be matched to student records at the district level.

District-Level Matching Algorithms

Twenty-two States provide FS/TANF data to districts for district-level matching; 10 States do not prescribe a matching algorithm for use by districts, while 12 States prescribe a matching algorithm. Only one State-prescribed match rule requires a match by SSN (Michigan requires a match by SSN, name, and date of birth). Other States provide flexibility by specifying a choice of match rules or requiring that two out of three identifiers must match (Florida requires a match on two of name, date

[20] SFAs in Arizona can accept match results based on Spring SSIS data (with the match by name, date of birth, and mother's first name) or SFAs can upload Fall district records and provide name, date of birth, and either SSN or mother's first name.

[21] The match identifies children in the same FS/TANF households, some of whom may not be siblings, but for convenience we have labeled this a "sibling match."

of birth, and SSN; Virginia requires an exact match on 3 of name, date of birth, SSN, gender, parent name, and address).

Matching Methods

The States providing information about matching algorithms (for State-level or district-level matching) indicate use of exact match on SSN or other deterministic matching rules. An exact match on SSN is the simplest type of match to implement; it can be done in a wide variety of software packages (e.g., SAS or MS-ACCESS), and can be done through batch merges or ad-hoc queries. A deterministic match based on a comparison of multiple data fields (e.g., name, date of birth, gender) is used when a single common identifier does not exist or is not reliable; this method requires more programming than an exact match on a single identifier.

The most reliable computer match uses a single unique identifier that is validated in both files being matched.[22] FS/TANF programs validate the SSNs in their eligibility systems, but student record systems do not. Any errors in student SSNs can result in match errors (false positives or false negatives). In-depth interviews indicated that one of the causes of duplicate matches or no match by SSN is that parents report to school districts the same SSN for all of their children. (This SSN may belong to one child or may belong to the parent.) Matching by SSN and at least one other identifier (name or date of birth) decreases the probability of a false positive match, but possible errors in these other identifiers also increase the probability of false negatives. For the same reason, deterministic matching with multiple identifiers decreases the probability of a false positive match, but increases the probability of false negatives.

A probabilistic match is based on comparison of multiple data fields and allows for matches when identifiers in two files do not match exactly. Probabilistic models account for the possibility of spelling errors, spelling variations, and transposed numbers. A match is made when the calculated statistical probability of a match exceeds a certain threshold. Probabilistic matching attains higher match rates than deterministic matching, but requires specialized software or computer programming.

None of the States reported use of probabilistic matching methods for direct certification. We learned, however, through in-depth interviews, that systems used by SEAs for assigning unique State student IDs employ probabilistic matching algorithms. SEAs understand the concepts behind these probabilistic systems, but the student identifier systems are custom SSIS components that cannot be readily adapted for NSLP computer matching.

Access To Unmatched FS/TANF Records

In most States with State-level matching for direct certification, FS/TANF children who are not matched to student records have no opportunity to be directly certified. This is because the State agency distributes only matched records to SFAs. The unmatched children include those who were not enrolled in school in the State at the time that the student data for matching were extracted, as well as those who were enrolled but not matched due to the limitations of the matching data and methods. In addition, FS/TANF children cannot be directly certified if they were enrolled in

[22] The FS, TANF, and Medicaid programs conduct computer matching for income verification, and all matches are based on SSN. These programs validate SSN prior to matching, and they conduct matches with other agencies that also validate SSN.

FS/TANF after the effective date of the extract used for direct certification matching (generally, children enrolled between June and September). These matching problems are partially mitigated if the State performs matches several times during the school year, but the certification of eligible children (e.g., incoming kindergarteners and transfers from out of State) may be delayed.

There are, however, three practices providing direct certification for unmatched FS/TANF children:[23]

1. The State may supplement State-level matching with the letter method, sending direct certification letters to unmatched FS/TANF children (Massachusetts).
2. The State may provide SFAs with "unmatched data"—i.e., files containing records of unmatched FS/TANF children residing in the SFA's geographic area (Georgia and Oregon).
3. The State may provide SFAs access to the FS/TANF eligibility system for looking up children who are not in the matched or unmatched file, but may have recently enrolled in FS/TANF (Georgia).

Letter Method

In Massachusetts, the SEA receives FS/TANF data from the State FS agency, conducts the State-level computer match with spring enrollment data from the SSIS, and sends information on unmatched children back to the State FS agency, which sends direct certification letters to households. Most letters go to students in private schools, students who transfer after the SSIS data for the match are compiled, children entering kindergarten in the upcoming year, and preschool age children. This approach is only feasible if unmatched children are identified; otherwise the FS/TANF agency would have to send letters to all eligible households, duplicating the effort of computer matching and incurring the costs of mailing to children who are directly certified via a match.

Distributing Data on Unmatched FS/TANF Children

The distribution of data for unmatched children (method 2) was revealed during in-depth interviews with Georgia and Oregon. Other States may use the same method, but the study did not ascertain the overall prevalence of this practice. These data are provided so that SFAs can attempt to match the FS/TANF data to their district data using identifying information unavailable to the State (address, parent name), using manual lookups (this can identify matches when minor data errors are present), or using more sophisticated matching algorithms.[24]

Both Georgia and Oregon provide files to SFAs with records of unmatched FS/TANF children. Each of these States uses the same file transfer process as for direct certification matches (website access in Georgia, intranet e-mail in Oregon). Georgia automatically provides the data for unmatched children to all SFAs, while Oregon provides extracts upon request to about one-third of SFAs.

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[23] These options are not relevant to district-level matching, as the SFA receives a complete list of FS/TANF children in the geographic area.

[24] SFAs interviewed for this study reported that manual lookups of the unmatched list can reveal minor data errors in their district information system (e.g., date of birth off by one digit, spelling variation in formal name). The SFAs investigate these "errors" with schools and correct their information system, if indicated.

Additional Access To FS/TANF Status of Children

SFAs in Georgia have the ability to look up the current FS/TANF eligibility status of students (method 3). SFAs can use a secure Internet-based system to look up FS/TANF status through the State's eligibility determination system for the food stamp, TANF and Medicaid programs. SFAs can query the system by client SSN or FS/TANF case number. For example, the SFA enters the student SSN, and the screen displays the case number and status for FS, TANF, and Medicaid. (Medicaid data are used only for direct verification.) The SFA can also enter the FS/TANF case number to look up whether other students in the household are categorically eligible. Massachusetts has a similar system allowing certain partners of the FS/TANF agency to query the eligibility system, but this capability is not available to SFAs.

The Oregon CN agency provides SFAs with indirect access to current FS/TANF eligibility data. SFAs can submit a request to the State CN agency to look up the FS/TANF status of individual children. Authorized CN staff use the FS/TANF file provided for direct certification. These files are provided monthly, so they are up-to-date at the time of the inquiry. The CN agency performs about 100 to 150 inquiries each year, a modest number suggesting that SFA use of this option is driven by a need for information about specific children (such as those who have not been approved for free meals but frequently cannot pay).

When To Provide "Unmatched" Data?

Several issues are pertinent when considering whether and how to provide data on unmatched FS/TANF children to SFAs for direct certification.

Will additional direct certifications justify the additional State and SFA effort? The potential gain depends on the proportion of FS/TANF children who are not matched by the State agency and the reasons for not matching. Providing data on unmatched children is most useful when their numbers are substantial. In addition, there must be a readiness by SFAs to use the information, including perceived need, available staff time, and technical capability (for automated use through matching to district files). The SFAs interviewed for this study chose to use the "unmatched" data when available, but they indicated that some of their peers lack the staff time, do not see a need (usually because numbers of FS/TANF children were small), or believe it is more efficient and effective to certify unmatched FS/TANF children by application.

Is it feasible to provide the data to the correct SFA? Unless SFAs are given access to the records of all FS/TANF children, the State agency must select records to be provided to each SFA. This requires a linkage of address information in the FS/TANF database to areas served by SFAs. As with the provision of data for district-level matching, this mapping can be simple or complicated, depending on how SFA boundaries are defined. The Texas CN agency commented that it was not feasible to provide data on unmatched children because of the complexity of SFA boundaries and the large number of SFAs in the State.

Providing the entire FS/TANF file to all SFAs would not be practical because of technical problems (capacity for the State to deliver the data and for the SFAs to use them) and the potential for misuse or unauthorized release of data. However, a controlled capability for inquiries to the statewide FS/TANF database, with proper safeguards for confidentiality, can provide access to data on unmatched children without requiring the State to select the records available to each SFA.

How will data be provided? The basic choice is between a batch file transfer process and individual record lookups, though States may choose to offer both. The experience of the case study States suggests that the process for distributing match results can readily be used to distribute data on unmatched FS/TANF children. Furthermore, the batch approach allows large SFAs to automate use of the data through district-level matching, while giving small SFAs easy access to data for manual matching or individual lookups.

On the other hand, batch files are static, while individual record lookups can access real-time data, thereby identifying newly certified FS/TANF children. As noted above, providing the capacity for look-ups in a statewide database may be particularly advantageous where SFA boundaries are complex or student mobility is high. The cost of building an on-line lookup system from scratch would be substantial, but the cost of providing access to an existing system would be much more modest. Georgia pays $90,000 per year for on-line access for direct certification and direct verification, a modest amount considering that nearly 230,000 FS/TANF children were unmatched in SY2005-06. As more States establish web-based interfaces to their FS/TANF eligibility systems (as in Massachusetts), the technical capability for SFAs to do inexpensive record look-ups will become more widespread. Nevertheless, individual on-line lookups are likely to be more labor-intensive than batch processing and may be more labor-intensive than manual matching of lists. Therefore, large SFAs are likely to see on-line lookup capability as a supplement to other methods for directly certifying children who are not matched at the State levelState level.

When and how often will data be provided? The mode of access to data on unmatched FS/TANF children will influence when and how often the data are provided to SFAs. With a batch approach, the State performs a match and provides both matched and unmatched records at the same time. If a State performs multiple direct certification matches over time (e.g., monthly), the unmatched records must be updated to provide only "new" records not included in previous rounds (otherwise, SFAs are reviewing the same unmatched data every month). In States where SFAs initiate the match, the unmatched records can be obtained whenever the SFA chooses. Similarly, on-line inquiry allows SFAs to obtain data whenever they need them, a particularly useful feature when certification issues arise after the initial processing of direct certification and applications (e.g., for transfers or students who accumulate large balances on their meal accounts).

Summary

One way to illustrate the full set of choices in the design of a computer matching system is to describe the overall systems of a few States. The five States participating in in-depth interviews are profiled in Exhibit 3-17. They illustrate the following models of State-level computer matching for direct certification.

- Texas—a **single** annual **State-level** match conducted by the **SEA** using **SSIS** data, one of the simplest approaches to State-level matching among the five States.

Massachusetts—a **single** annual **State-level** match conducted by the **SEA** with **SSIS** data, supplemented with d**istrict-level** matching and **letters** to **unmatched** children, a hybrid of State-level matching with the letter method.

Exhibit 3-17

Features of State-Level Computer Matching Systems for Direct Certification in Case Study States

State	Year began	Source of student data (Date)[a]	Exact match on SSN	Other match	Timing of computer match	SFA access to match results	Unique student ID included with match results	Direct certification for unmatched FSP/TANF children
GA	1992	SSIS (Last October)	Yes	Name and date of birth (exact)	Once per year, results in July	SEA website	State Student ID[d]	SFA may download unmatched list for county, or Look up on-line by SSN or case number of directly certified sibling
MA	2004	SSIS[b] (Spring)	No	Name and date of birth (multiple criteria)[c]	Once per year, results in September	SEA website	State Student ID	Letter method
OR	2003	SSIS (Current)	Yes	Siblings via head of household name and address (exact)	Monthly starting August 2005	Intranet E-mail	Match by SSN: State Student ID & District Student ID Other match: No unique ID	SFA may download unmatched list of children with address in district
TX	1992	SSIS (Last October)	Yes	Name and date of birth (exact)	Once per year, results in July	CN website	SSN	No
WI	1992	SFA upload (Current)	No	Name and date of birth (exact)	On demand	FTP site	None[e]	No

[a] Date for SSIS data indicates the reference period for the enrollment records submitted to the State, not necessarily the timing of data submission. There may be a significant lag between the reference period for the data, and the time when data are available for use at the State-level.

[b] The two largest SFAs in Massachusetts receive FS/TANF data and match it to their current district enrollment database.

[c] Massachusetts' match criteria are: exact match on name and DOB; exact match on name and DOB with month and day switched; exact match on first initial, last name, DOB, and city of residence.

[d] The SSN is the State Student ID in Georgia; if a child does not have an SSN, the State assigns an alternate ID.

[e] Wisconsin SFAs upload student data to be matched. The file format includes student SSN as an optional field, and a filler field. Some SFAs include the District Student ID in the filler field so that match results are easily imported into the SFA information system.

- Oregon—**monthly State-level** matches conducted by the **SEA** with **SSIS** data, plus distribution of district-level files of **unmatched** children.
- Georgia—represents the most complex approach of the five States, combining a **single** annual **State-level** match conducted by the **SEA** with **SSIS** data, plus distribution of district-level files of **unmatched** children, plus **on-line access** to the statewide FS/TANF database.
- Wisconsin—represents a very different alternative: **on-demand** matches by the State **FSP** agency using **SFA student data**.

The **availability of the SSIS** was a key factor shaping these States' approaches. The four States using the SSIS indicated that having the SSIS was essential to the feasibility of State-level matching in their States. They also indicated that, because of student privacy restrictions under FERPA, only the SEA could use SSIS data for computer matching. Wisconsin developed its system in the absence of the SSIS and chose to maintain it because of the need to support direct certification in private schools. Massachusetts is alone among the other four States in providing a means of direct certification for private schools.

The decision to supplement the basic State-level computer match in Massachusetts, Oregon, and Georgia was based on a number of factors. First, the CN agency perceived a gap in the reach of direct certification when based solely on the State-level match. Second, SFAs were aware of this gap and interested in ways to close it. Third, the CN agency and its partners took advantage of existing processes to make additional options available to SFAs. State officials in Texas indicated awareness of the limitations of the State-level computer match, but they had no feasible alternatives to supplement the match because of key constraints. The first was the complexity of school district boundaries, which make it difficult to distribute FS/TANF data to districts; and the second was that technical and confidentiality issues precluded the State from providing SFAs on-line access to statewide FS/TANF data.

Lessons Learned and Promising Practices

The data for this study, including the surveys and in-depth interviews, provide a number of key lessons and examples of promising practices for the use of computer matching in direct certification. These lessons are summarized below for each of the key choices identified at the beginning of this section.

State Versus District Level Computer Matching

Currently, the decision to use State-level versus district-level matching depends almost entirely on the availability of data from an SSIS. All State-level systems developed in recent years utilize student records from an SSIS. However, it is not clear that availability of SSIS data should be the determining factor for using State-level matching; 5 States have State-level matching systems that predate an SSIS and continue to collect student records from SFAs via *ad hoc* data collection systems.

Information obtained for this study suggests that the determining factors in using State-level versus district-level matching should be:

1. Which is more feasible for the State: to collect and match student data at the State level, or to send appropriate FS/TANF data to districts for matching? This question depends on

whether the State has an SSIS or a suitable platform for collecting student data from districts, and on how well FS/TANF data can be divided into areas related to school districts.

2. Which method, State-level or district-level, will yield the highest rate of participation by districts?
3. Can districts obtain higher match results through use of their student data, which may be more current or have identifying information unavailable to the State?
4. If question 2 suggests State-level matching and question 3 suggests district-level, is it feasible to operate a hybrid system?

Source of Student Records

Four sources of student records were observed by this study:

1. Statewide student information system, student membership data (SSIS)
2. Statewide student information system, student identifier system (SSID)
3. District information systems
4. Hybrid system of SSIS or district data, with SFAs choosing the source

SSIS data are static snapshots of student membership at a point in time. SSID data are dynamic records indicating, for each student, their current district, school, and grade. The differences between SSIS and SSID are the timeliness of information and the resulting accuracy with which State match results are distributed to districts.

District information systems are the sole source of student data for district-level matching, and they can also be used to provide student records for State-level matching through an *ad hoc* data collection system. District systems provide the most current source of student records. For State-level matching, this ensures accurate distribution of match results to districts. The tradeoff is added burden for the State in developing the system, and added burden for districts (they must submit data to an SSIS and a direct certification system). An *ad hoc* system may, at least initially, deter district participation. But an added benefit of an *ad hoc* system is that it can be used to collect NSLP applicant information for direct verification.

A final alternative is a "hybrid system" for State-level computer matching, such as Arizona's. This system allows SFAs to use the results of a match with the SSIS or submit more recent student data for ad-hoc matching, thus combining the strengths of these alternatives. The extent of student mobility and the frequency of SSIS updates are factors to consider in weighing the value of adding ad-hoc matching capability to State-level computer matching based on an SSIS. The ability to use the ad-hoc system for direct verification should also be a factor.

Identifiers and Matching Algorithms

The States participating in in-depth interviews provided quantitative information on State-level match rates and anecdotal information about match problems. Match rates were given as the percent of

FS/TANF children matched to student records, but these rates cannot be compared across States.[25] The highest rate reported was 80 percent.

State and local agencies cited several matching problems related to data quality issues. Names are often spelled differently in student records and FS/TANF records, date of birth sometimes has transposed numbers or a number is off by one digit, and SSNs are sometimes invalid (parent's may give the school the same SSN for all children, or report the parent SSN). Several States match by name and date of birth, but in large States this can yield duplicate matches (a single FS/TANF record matches several student records).

There has been no research on the accuracy of direct certification matching algorithms, or the costs and benefits of developing more sophisticated algorithms. Use of probabilistic algorithms, such as those used in State student identifier systems, would improve match accuracy.

Information on Children Who Are Not Matched

When State-level matching is used, direct certification can be made more effective by providing SFAs data on FS/TANF children who are not matched at the State levelState level. The case study States demonstrate several notable approaches:

- Providing files of unmatched FS/TANF children to SFAs, where they can be matched to district student files by computer or manually
- Providing on-line access to State-level FS/TANF data for SFAs to look up students' FS/TANF status.
- Sending direct certification letters to unmatched children, so that they can submit the letters to their SFAs.

A State can use more than one of these approaches; for example, Georgia provides both batch files and on-line access.

From the State perspective, the feasibility of these approaches depends on several factors:

- How many FS/TANF children are not matched at the State level?
- Do SFAs have the perceived need and resources to use the additional data?
- Is there a way to assure that the correct SFA receives the data?
- Are static batch files or dynamic on-line lookups better suited to meet the need?
- Does an infrastructure exist for one or both of these approaches?

Overall, the best computer matching system for direct certification is one that uses timely records from FS/TANF and student information systems, obtain accurate matches, distributes match results to the correct districts, and provides a mechanism for directly certifying unmatched children. This study has shown that States have developed a variety of approaches to each of these components of a direct certification computer matching system.

[25] Match rates cannot be compared because the age range of children in FS/TANF files varies (e.g., 0-18, 4-19, 3-21), and because most States do not include private school students in the match, but there is considerable variation across States in private school populations.

4. SFA Perspective on Computer Matching for Direct Certification

The preceding chapter discussed computer matching for direct certification from the State perspective. In this chapter, information from SFA interviews in the six case study States is used to describe the methods used by SFAs and the challenges they encounter when implementing district-level matching or using State-level match results.

SFA interviews usually included the perspectives of the food service department, which is responsible for processing applications and direct certification for free/reduced-price meals; and the information technology department, which is responsible for the local student information system (SIS) and in some cases for technical support of food service information systems (FSIS).

SFA Requirements

To use computer matching for direct certification, SFAs need the following resources:

- authorization to access FS/TANF data (either the results of a State-level match or unmatched records for district-level matching)
- trained staff with credentials (i.e., user names/IDs, passwords, and network rights) to access direct certification data
- a personal computer with browser software and an Internet connection to access match results (or similar computing capabilities if an alternative access method is used)
- software to merge match results with the SFA's system for maintaining free/reduced-price application data.

Most of these resources are not needed at the SFA level if the State provides a hard-copy list of matched FS/TANF children for SFAs to certify. This is a labor-intensive process, however, both for the State and for the SFA. None of the case study States with State-level matching offered this option in SY2005-06, although Wisconsin had done so through 2004-2005, and Texas originally used this method.

In most of the case study States, the authorization to use FS/TANF data comes from the SFA's general NSLP agreement with the State CN agency and from the CN agency's data sharing agreement with the FS/TANF agency. In Wisconsin, however, SFAs must have an agreement with the FS/TANF agency to use the direct certification system. States with district-level computer matching for direct certification, such as the current systems in Kansas and Nebraska, may also require SFAs to sign a data sharing agreement.

SFA staff get credentials and instructions to access direct certification data from the State agency that provides the data. Where the SEA website is used to distribute these data, the SFA's IT department usually issues user credentials and assigns the appropriate level of access. In Texas, the State CN agency controls access to its website for direct certification. The Wisconsin State FS/TANF agency manages user-level access credentials for the direct certification system. All of the case study States had instructions and technical assistance for direct certification access available to users, and at least

one (Georgia) provided training. Officials interviewed for the study suggested that staff turnover is sometimes a barrier to using direct certification for some SFAs, because it takes time to get credentials and train new staff.

Hardware, telecommunications, and software requirements to access direct certification data depend on the file transfer system maintained by the State, but the majority of SFAs already have the necessary capabilities. SFAs in the 32 States with an SSIS already have the capability to download direct certification data posted on the SSIS user website. Similarly, SFAs in the 39 States with electronic systems for exchanging NSLP reimbursement claims data are already equipped to download data from the CN agency's website, if this is the channel for direct certification data. Interview respondents also noted that subsidized Internet access through the e-rate program has enabled even small, rural SFAs to "go on-line", although sometimes the food service department shares access with other departments. Software requirements for merging or matching direct certification data with SFA records are discussed below.

Processes for Using Direct Certification Data

The approach to direct certification at the SFA level depends on both the design of the State-level systems (particularly data transfer processes and formats) and on SFAs' existing systems for maintaining basic student identifying data and free/reduced-price eligibility status. SFAs have a variety of approaches to maintaining these data.

Most of the SFAs interviewed for this study had a general-purpose student information system and a separate, but linked, food service information system (FSIS) with a database of students' free/reduced-price status and payment accounts. Student names, addresses, and other identifiers from the general-purpose system were loaded into the FSIS. These SFAs entered information from free/reduced-price applications to the FSIS manually or by scanning, and the FSIS computed eligibility. The FSIS provided student status and account data to point of sale (POS) terminals in the cafeterias.

Two alternative configurations were observed:

- One mid-size SFA used its general-purpose student information system to record students' free/reduced-price status and to provide this information to POS terminals in cafeterias. The SFA manually processed free/reduced-price applications and entered the results to the student information system.
- One small SFA had a general-purpose student information that was not linked to the FSIS. All information on students' free/reduced-price applications and direct certification was processed manually, but the SFA had an electronic database of student accounts for its POS system.

Ideally, when State-level computer matching is used for direct certification, SFAs do not need to match data. Instead, SFAs simply import the match results to the database where students' free/reduced-price eligibility status is maintained. A simple import of match results was possible, and worked smoothly, in several of the SFAs interviewed for the study, but other SFAs encountered complications that made direct certification more difficult and time-consuming.

A simple data import is possible if the match results contain the student identifier used as a primary ID in the food service information system (FSIS). Depending on the State, the file of match results usually contains the State student ID or SSN. Where the district received the SSN and used this identifier in the free/reduced-price eligibility database, the match results could be imported (as long as the district software had this capability). In Wisconsin, SFAs also had the option to include a district student ID in the student data uploaded for direct certification matching, and thus they could use the district student ID to import the results with their free/reduced-price eligibility data.

On the other hand, if the direct certification match results and the district free/reduced-price eligibility database do not have a common identifier, there were three less direct options requiring matching, as described below.

- Under one approach, SFAs matched the direct certification results to their general-purpose student information systems by State student ID or SSN, in order to attach the district student ID to the direct certification data. The match results were then imported to the FSIS using the district student ID. The approach required the cooperation of IT personnel outside the food service department; this cooperation was not available in some SFAs.

- Other SFAs matched the direct certification data with the free/reduced-price eligibility database by student name and date of birth (DOB), sometimes using other identifiers. This match was typically performed outside the free/reduced-price eligibility system and often by the system vendor. The use of these identifiers introduced a greater likelihood that all children matched by the State were not directly certified. This processing of State-level match results is essentially equivalent to district-level matching with FS/TANF data.

- In the most laborious solution, the SFA printed out the direct certification data and manually entered the free/reduced-price status in the free/reduced-price eligibility system. This solution was particularly time-consuming for large SFAs, but interviews suggested that small SFAs often used this approach.[1] It was used when an automated process of merging or matching was not available.

Students Matched at the State Level but not Directly Certified

Discussions with State CN directors and SFAs identified several reasons why students matched with FS/TANF files at the State level were not directly certified at the SFA level. The most common reason appeared to be that students matched at the State level were no longer enrolled in the school district. As previously discussed, this was the result of the timing of enrollment data used for matching. This was not a problem in Wisconsin due to the use of SFA student data for matching.

When districts have to match the match results to their data, missing or incorrect information in SFA files caused a failure to match for students who were actually enrolled. For matches by name, some problems arose when the direct certification data had the student's legal name but the SFA database

[1] The only small SFA interviewed for the study processed direct certification results manually. State and local officials reported that small SFAs often use this approach, because of having few directly certified students or a lack of capability for automated merging or matching of direct certification data with databases of students approved for free/reduced-price meals.

had the preferred name. When SFAs used data other than an ID number (e.g., date of birth) to confirm a match, errors in the confirming information led to some correct matches being rejected. Some SFAs used manual processes to identify and directly certify these students, while others did not because of timing or resource constraints.

In Oregon, the students who were identified as siblings of matched students did not have State student IDs in the direct certification file, so the SFAs could not use the State student IDs in processing direct certification. One of the SFAs was unable to do any automated matching of direct certification results to its free/reduced-price eligibility database, so the lack of State student IDs for some students was not a major barrier.

In Oregon and Wisconsin, where SFAs had the option to obtain State-level match results multiple times (based on monthly FS/TANF extracts), two challenges emerged. First, SFAs needed a way to separate previously matched students from newly matched students, to facilitate processing and to avoid changing students' status from free to paid if they had left the FSP (but were still eligible for free meals under full-year eligibility). Wisconsin's system gave SFAs the flexibility to select students who were not already matched when submitting data for direct certification, although this option required the capability to extract a list of unmatched students from the FSIS. Oregon's State-level matching system matched all students in the SSIS with all FS/TANF children every month. As a result, the Oregon SFAs manually processed the direct certification files after the initial file.

In addition, one Wisconsin SFA found that its free/reduced-price eligibility system would not allow the automated processing of direct certification data after the verification sample had been selected. Therefore, the SFA had to manually process the direct certification data from its second cycle of matching. This type of problem may be eliminated if more States allow for multiple cycles of direct certification, thus providing a stronger incentive for vendors to modify their software to support this.

A few SFAs observed that they occasionally found "false positives", i.e., students in the SFA who were incorrectly matched to FS/TANF data. These cases were usually detected when parents reported the error after receiving notices. One SFA mentioned that a "false positive" happened to involve a child of a well-known, affluent family, so the error was apparent to SFA personnel. The detection of "false positives" appeared to be quite rare.

Using Unmatched Records of FS/TANF Children for Direct Certification

For SFAs that use batch files of unmatched FS/TANF children, the most efficient and user-friendly process may be either computer matching or manual matching. The efficiency and ease of computer matching depend on several factors: (1) the size of the file, (2) the identifiers available for district-level matching, and (3) the SFA's capability for district-level matching with the available identifiers. Where the file is large, the up-front investment in programming time and software is more likely to pay off in reduced processing effort. The size of this investment depends on the other factors. Matching with SSNs is easier for SFAs to implement than matching by a combination of name and other identifiers, but SSN matching is feasible only where this information is available in the file of unmatched FS/TANF children and in the SFA's computer system. The capability for matching includes both available technology and staff expertise; some SFAs have food service software with built-in matching capabilities, while others must use more general-purpose software or develop their own matching programs, both approaches that typically require more staff expertise.

The experience of SFAs with on-line systems for determining the FS/TANF status of individual children points several trade-offs affecting efficiency and ease of use.

- A system designed just for SFA use can be optimized for this purpose, but a more general-purpose system that meets the needs of other organizations can spread fixed costs and thus be more cost-effective for the NSLP.
- A simple system with few options is less expensive to build, easier to learn, and likely to be quicker to use because it offers fewer choices. A more flexible system meets the needs of more users at a higher cost, both in terms of development and the users' learning curve.
- The capability to look up a list of students at one time increases the efficiency and usefulness of an on-line system, but also adds to the cost of building and maintaining the interface. This is essentially the ability to do an *ad hoc* computer match.

The Georgia SFAs pointed out that their on-line system required users to pass through several screens to log in and select the desired function before entering the first inquiry. These steps affected the efficiency and ease of using the system. They were willing to use it because of its benefits and availability at no cost to them. In addition, there was long job tenure among the staff members using the system, so the learning curve was not a major barrier, although they noted that they had to review instructions if they had not used the system for a while. The State reported that the system was widely used, so the cost/benefit balance appeared to be favorable from the SFAs' perspective.

Notifying Students and Their Parents of Direct Certification

SFAs are required to notify each student who is directly certified, regardless of the method. The notice must be delivered in a way that does not violate the confidentiality of the information. Among the SFAs interviewed for the study, all mailed the notices. Some SFAs used FS/TANF address information from the direct certification file, either by choice or because the State required this, while others used district records.

Regardless of the source of address information, all of the SFAs had some experience of direct certification notices being returned because of out-of-date addresses. When notices were returned, some SFAs used an alternate address if available, while others sent the notice home with the child via the school. Some SFAs viewed this as a significant problem that caused a good deal of extra work, while for others the problem was minor. There was some evidence that FS/TANF address information was less reliable than SFA information, but this was not universal, and several SFAs noted that parents often were slow in reporting address changes, particularly within the school district. One SFA noted that sometimes the school had more recent address information than was indicated in the SFA student database, i.e., the entry of information to the database lagged behind the reporting of address changes to the school.

Overlap of Direct Certification and Application Processing

A common challenge for SFAs is that parents often submit applications for children who are directly certified. This happens for several reasons:

- Parents receive applications before they receive direct certification notices, so they submit applications, even if the SFA clearly advises that food stamp recipients should expect to receive a direct certification notice.
- In one SFA, all children who were directly certified had already been approved based on applications, because the SFA needed to distribute and process applications before the direct certification data were available.
- Parents may be confused if some but not all of their children are directly certified, so they submit applications for all of their children.
- Some parents apparently do not trust direct certification notices and submit applications to be sure that their children are approved for free meals.

For SFAs that send direct certification notices before they distribute applications, this approach has advantages and disadvantages. It appears to have some effect on the number of applications for directly certified children, but it does not eliminate the problem. On the other hand, providing applications sooner and to all families allows more time for application submission and processing before the start of school. Timing is important because SFAs want to have as many children certified for free/reduced-price meals as possible by the start of school, and because the previous year's certification can only be extended for the first 30 days of school. It is easier to send applications to all families, particularly as part of a packet of materials, than to selectively distribute applications, which also poses some risk of disclosing the status of directly certified children to non-family members. A large SFA that scanned applications noted that it spent little effort on those that duplicated direct certification, because the scanning program automatically detected when a child had been certified and identified the application as a duplicate.

Even if FS/TANF households do not submit applications for directly certified children, they often submit applications because a child has not been directly certified, i.e., because of the "unmatched sibling problem". SFAs try to minimize this problem when they have access to data on unmatched FS/TANF children, but data limitations and timing constrain this solution. The direct certification of unmatched FS/TANF children may overlap with application processing. Within the allowed time for application processing, SFAs can set aside categorical applications while they directly certify unmatched FS/TANF children, or else they can look up the status of children on categorical applications when processing them. Thus, the SFA meets application processing requirements but is able to directly certify the child, providing a greater assurance of eligibility and reducing the number of applications subject to verification sampling.

Summary

With State-level computer matching systems for direct certification, the key challenge for SFAs is bringing the State match results into their databases of free/reduced-price students. Depending on the information provided by the State and the SFA's computer systems, this process can entail a straightforward importation of data, a district-level computer match, or a manual match and entry process. The process is simplest and most reliable if the direct certification results and the free/reduced-price application database have a common numeric identifier, such as the SSN or district student ID number.

Districts are often required to do data matching: either to process State-level match results, to process FS/TANF data that were not matched by a State-level match, or to perform district-level matching with FS/TANF data. In these cases, districts may use their free/reduced-price database software, the SFA's information technology department, or an outside vendor. These types of matching differ primarily in terms of the student identifiers provided in the files received from the State. In many cases, SFAs must choose between computer matching by multiple identifiers (e.g., name and date of birth) and manual matching.

Use of more than one direct certification match (e.g., monthly) can result in more directly certified students. However, SFAs need a way to differentiate new matches from previous ones otherwise the level of effort to use additional matches is not perceived to be worth the benefit of a few additional direct certifications. Additional monthly matches often result only in the reclassification of a student free-approved by application to directly certified, but these reclassifications have no impact on SFAs' workload after the selection of applications for verification.

In designing or choosing an on-line system for SFAs to look up the FS/TANF status of children, there are important tradeoffs between ease of use, flexibility, knowledge required to use the system, and development costs. A useful feature is the capability to enter a list of students to look up, essentially an on-line *ad hoc* computer match.

Another common challenge for SFAs is that some direct certification notices are returned because of out-of-date addresses. SFAs demonstrated flexibility in using alternate address information or alternate means of delivering notices.

Finally, SFAs must deal with the challenge that parents often submit applications for children who are directly certified. The extent of this challenge and the solutions depend on the timing of direct certification, distribution of applications, and the start of school.

5. Feasibility of Computer Matching for Direct Verification

As discussed in Chapter 2, all SFAs are required to verify at least a sample of applications for free/reduced-price meals. This chapter provides background about verification processes, defines the choices, and assesses the feasibility of alternative approaches to computer matching for direct verification. The topics include:

- Current methods for verifying applications for free and reduced-price meals
- Overview of potential methods of computer matching for direct verification
- Choices in designing a computer matching system for direct verification using electronic records for means-tested programs
- Feasibility of direct verification via computer matching to wage and benefit databases

Throughout this chapter, comparison is made between direct verification and direct certification. Direct verification with electronic records is similar to direct certification, with three critical differences. First, for most SFAs, the scale of operations is much smaller for direct verification. Second, direct verification may use more sources of electronic records, in addition to the sources used for direct certification (FS/TANF). Third, the purpose of direct certification is to make benefits available, whereas the purpose of direct verification is to determine continuation of benefits.

In practice, the different purpose and scale of direct certification and direct verification imply that one system (direct certification) must match of **all** student records, and another system (direct verification) must match **selected** student records (those with applications selected for verification). Direct certification can use student records from a statewide student information system (SSIS), as described in Chapter 3, but direct verification requires a method of collecting specific student records from SFAs.

Direct certification may use data only from specific means-tested programs (FSP, TANF, and FDPIR), and a match of student records with these data is sufficient for direct certification. In contrast, direct verification may use Medicaid and "similar" means-tested programs as determined by USDA in addition to FSP, TANF, and FDPIR, but a match is not necessarily sufficient to verify eligibility. Direct verification procedures must provide a way to verify income eligibility for free versus reduced price meals when using means-tested program data with income eligibility limits that do not coincide with NLSP income eligibility limits.

Finally, because the purposes of direct certification and direct verification differ, there are different implications from match results. A direct certification computer match confers eligibility for program benefits, but failure to match does not preclude application to the program. A direct verification match may identify eligibility for continuation of benefits, or it may also identify apparent ineligibility (for example, if SCHIP information indicates household income greater than 185 percent of poverty). In direct verification, only eligibility indications are conclusive; ineligibility information may not be used without followup because the data may be outdated. Thus, direct verification computer matching does not return a "yes/no" result. It may return information indicating that follow-up is needed.

Current Methods of Verifying NSLP Applications

As background, we first discuss the household method of application verification, current methods of direct verification, perceived benefits of direct verification, and the direct verification systems in the case-study States.

Household Verification

The conventional method of verifying NSLP applications is **household verification**, i.e., obtaining documentation of income or categorical eligibility from households who submitted applications that were selected for verification. Interviews with SFA directors for the case studies indicate that the household verification process is time-consuming and burdensome. SFAs typically select their verification sample soon after October 1st. They send a verification notice letter to households with a due date and follow up if there is no response. One SFA director reported that, on average, it takes 4 contacts to obtain a household response, using the following process:

- Send initial letter to household
- If letter is returned, send it home with student
- Send second letter, if no response by due date
- Telephone follow-up if no response to letters
- Obtain translators for telephone follow-up with non-English speakers

SFAs are required to follow up with households that do not respond to verification requests, but the intensity of follow-up varies. For example, one SFA director reported only two contacts with households—initial letter and one phone follow-up. Another SFA director reported that the initial letter is sent by certified mail, followed by a letter sent regular mail, and up to three telephone follow-ups per family. SFAs reported that follow-up with nonrespondents is only part of the burden of verification. Many households respond with incomplete documents, requiring SFA telephone follow-up to complete the file.

Direct Verification

There are three currently used methods for direct verification of eligibility for free/reduced-price meals:

- Local-level verification, whereby the SFA contacts the local program office to verify applications indicating categorical eligibility based on certification for FSP, TANF, or FDPIR;
- State-level computer matching or individual lookups to the FS/TANF eligibility database, to verify categorical eligibility; and
- State-level computer matching or individual lookups to other eligibility databases to verify income eligibility. In 2005, this method was limited to the use of Medicaid data in two States (Georgia and Oregon).

NSLP legislation and regulations currently authorize all of these methods, but only the local-level verification method is widely used. Regulations also authorize computer matching or individual lookups to income reporting systems, such as employer wage reports for the Unemployment

Insurance (UI) program, to verify income eligibility; but this method is not currently used in any State. As shown in Exhibit 5-1, the household verification method is used to verify categorical eligibility in 45 States (out of 49 responding) and is the most common method in 22 States. Local-level verification through the FS/TANF office is almost as common, with some use in 43 States and 18 States using this as the primary method of verifying categorical eligibility.

Eight States reported a State-level verification method for categorical applications: four provide a process for SFAs to send FS case numbers from applications to the State food stamp agency, and 3 of these 4 systems also include the TANF program. Four States provide an automated web site for verification, and 2 States provide data to SFAs for verification. Income reporting systems are not currently used for direct verification in any State.

The four States where SFAs can verify applications via a website are Arizona, Georgia, Utah, and Washington. Arizona and Georgia representatives, in interviews for the study, reported that the same computer system is used for direct certification and direct verification. In addition to the eight States with current state-level verification, 11 States reported that they were investigating the feasibility of using computer matching with electronic records to verify NSLP eligibility.

Two considerations are key in evaluating options for direct verification. First, the majority of applications sampled for verification are income applications. In SY2004-05, 80 percent of applications sampled by all public school districts nationwide were income applications, while only 20 percent were categorical applications. The percentage of categorical applications is expected to be significantly lower, however, after CN Reauthorization of 2004 changed the verification sampling requirements effective for SY2005-06. New regulations require a 3-percent sample of approved error-prone applications, with error-prone defined to be income applications with monthly income within $100 of the free or reduced price eligibility limit. With these new regulations, categorical applications are sampled only if the number of error-prone applications is insufficient to yield a 3-percent sample, or if an SFA qualifies for alternative sampling.[1]

The level of effort to verify categorical applications was relatively minor for the great majority of SFAs, even prior to Reauthorization. In SY2004-05, the mean number of categorical applications sampled per SFA was 6; but 32 percent of all public SFAs had no sampled categorical applications and 80 percent had fewer than five. Less than 5 percent (530 SFAs) sampled more than 25 categorical applications for verification in SY2004-05. Overall verification sample sizes (income and categorical applications) in SY2004-05 were 28 applications per public SFA, on average. The median verification sample size was 8 applications; 80 percent of all SFAs had a total verification sample size of 27 or fewer applications; and only 5 percent of SFAs had a sample size of 96 or more applications.[2] Thus, for most SFAs, the potential for direct verification of income applications is far more important than the direct verification of the relatively few categorical applications selected for verification under current rules.

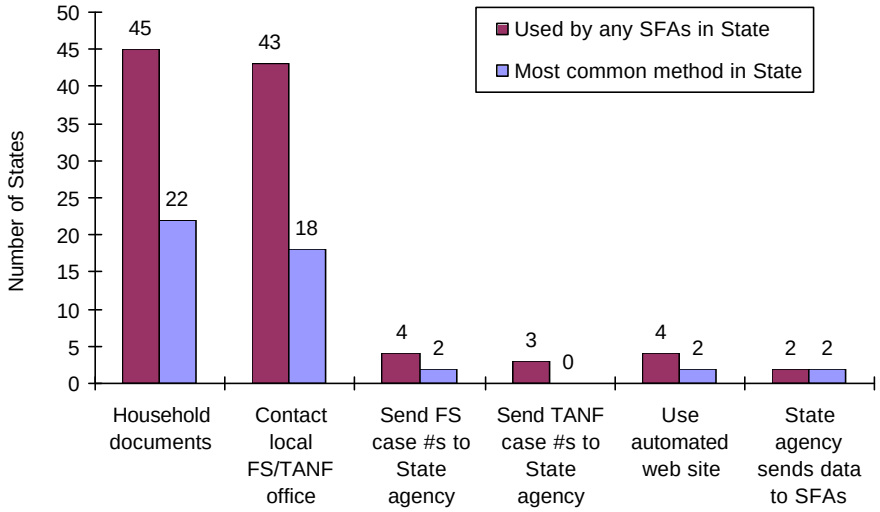
It is important to note, however, that some households with FS/TANF children apply to the NSLP on the basis of income, rather than categorical eligibility. SFAs indicated that parents sometimes find it

[1] Beginning with SY2006-07, an SFA may qualify for alternative sample sizes (3% random sample or 1% focused sample) if it achieves a non-response rate of 20 percent or lower.

[2] Information about verification samples is from the SY2004-05 Verification Summary Report.

Exhibit 5-1

Methods of NSLP Verification of Categorical Applications



Note: The 3 States where SFAs can send TANF case numbers to the State TANF agency are 3 of the 4 States where SFAs can send case numbers to the FS agency.

Source: USDA/FNS, Survey of State Child Nutrition Program Directors, 2005. Two States did not respond to the question about verification methods; five States did not indicate the most common method.

easier to submit income applications because they know their income but need to consult documentation to find their FS/TANF case number. In addition, there is a connection between the effectiveness of direct certification and the potential for direct verification using FS/TANF data: the more FS/TANF children are directly certified, the less likely it is that children selected for verification are certified for FS/TANF.

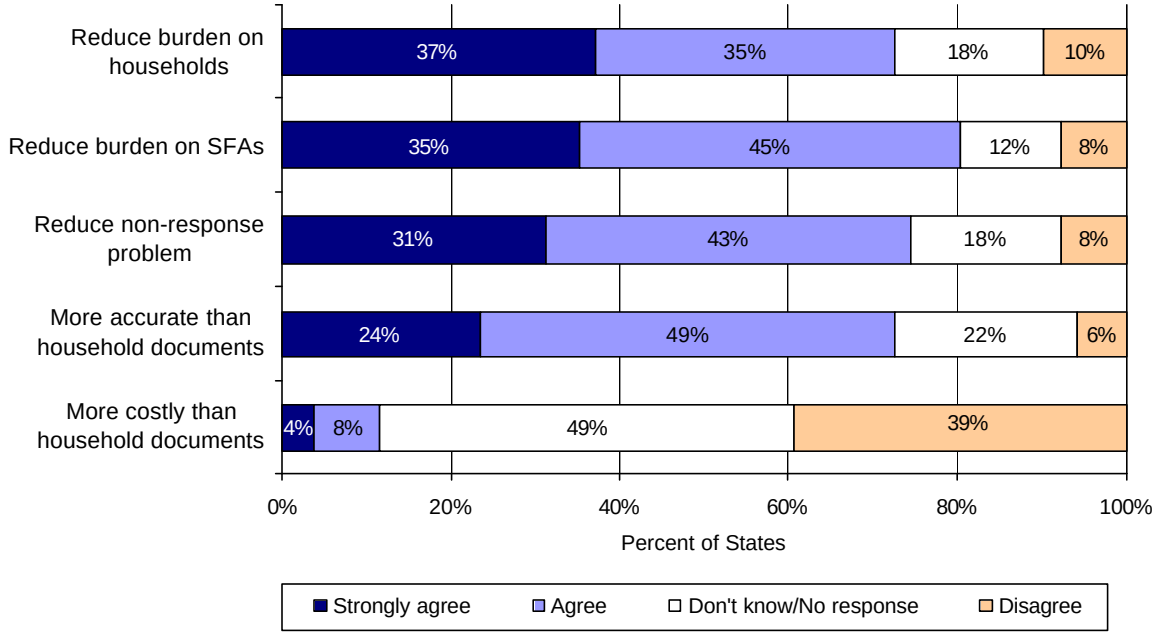
Perceived Benefits of Using Electronic Records for Direct Verification

Although few States currently have systems for direct verification with electronic records, most State Child Nutrition (CN) program directors perceive several advantages of this alternative to household verification. As shown in Exhibit 5-2,

- 72 percent of CN directors believe that direct verification with electronic records reduces burden on households
- 80 percent believe that this approach reduces burden on SFAs
- 74 percent believe that this approach reduces problems with non-response to verification requests
- 73 percent believe that use of electronic records is more accurate than use of household documents.
- 39 percent believe that use of electronic records is not more costly than using household documents, while only 12 percent believe that the electronic approach is more costly.

Exhibit 5-2

Perceptions About the Use of Electronic Records for NSLP Application Verification



Source: USDA/FNS, Survey of State Child Nutrition Program Directors, 2005.

NSLP Verification Methods in Case Study States

All six case study States use household documents and at least one other method for verification of free/reduced-price applications, as shown in Exhibit 5-3. Four States had some form of local-level direct verification with the local FS office. State-level direct verification was available in two States via contact with State Food Stamp Agencies (SFSAs) and in two States via electronic data exchange.

Local-level Direct Verification

In the six States interviewed for this study, the availability of local-level direct verification of categorical applications varied at both the State and SFA level. The State FS agencies in Kansas and Massachusetts indicated that local FS offices are authorized to release FS eligibility information directly to SFAs seeking verification of FS case numbers. In practice, however, some SFAs in these States reported they were unable to obtain eligibility information from local FS offices without a signed release from the FS household. Two other State agencies allowed local FS offices to provide verification information to SFAs only with household consent for release of information, thus diminishing the time-saving potential of direct verification. The last two of the six States had a policy that local food stamp offices could not release information directly to SFAs; local FS offices would provide documents to households, which could be used for the household response to the SFA.

Exhibit 5-3

Features of NSLP Verification in Case Study States

State	Methods of Verifying Categorical Applications[a]				Program data used for direct verification	Direct Verification With Electronic Data	
	House-hold docs	Contact local FS office	Contact State FS agency	Use electronic data		Access to data	Identifiers for matching
GA	√			√	FSP, TANF, Medicaid	Online, real-time query of FS/TANF/Medicaid eligibility system	SSN, or FS/TANF case number
KS	√	√	√		FSP, TANF	—	—
MA	√	√			FSP, TANF	—	—
OR	√	√*	√		FSP, TANF, Medicaid	—	—
TX	√	√*			FSP	—	—
WI	√			√	FSP, TANF	Upload student data; receive results in 24 hrs	Name and DOB

— Indicates not applicable.

[a] Direct verification includes all methods of verification other than collection of household documents.

* SFAs may obtain verification information from local FS office only with household consent for release of information.

Note: Wisconsin implemented Medicaid expansion and does not have a separate SCHIP program.

Sources: USDA/FNS, Survey of State Child Nutrition Program Directors and Survey of State Medicaid Agencies, 2005.

State-level Direct Verification

As shown in Exhibit 5-3, State-level direct verification was available in two States via contact with State FS agencies (Kansas and Oregon) and in two States via electronic data exchange (Georgia and Wisconsin).

The Kansas approach to state-level direct verification is similar to local-level direct verification. The State FS agency responds to calls from SFAs requesting FS/TANF eligibility information, both during application processing (August and September) and during verification (October and November). The State agency queries the State FS/TANF eligibility system to obtain information and responds to SFAs.

The Oregon approach to state-level verification includes formal procedures for SFAs to compile information for their entire verification sample in an electronic file, and submit the file via secure e-mail to a designated staff member at the SFSA during the first week of October. The State agency does not, however, query the State eligibility system, but instead contacts local offices to verify eligibility. Results of the local office inquiry are recorded in the file by SFSA staff, and the file is e-mailed back to the SFA. Oregon has an integrated eligibility system for FS, TANF, and Medicaid and data from all three programs are used to verify income applications, as well as verifying

categorical eligibility. Despite State CN Agency efforts to promote this direct verification process, only 10 SFAs used it for SY2005-06. Barriers to use are the turn-around time for this largely manual process within a short timeframe for completing verification, and lack of awareness of the option among SFAs.

Direct verification via electronic data exchange was implemented in Wisconsin in SY2005-2006 using the same computer matching system as direct certification. SFAs submit data on students in the verification sample by sending a file by FTP to the SFSA. The SFSA computer system automatically matches the file to its database by name and date of birth, and inserts an eligibility indicator for matched students. The SFSA downloads match results and uses them to complete direct verification. The State is unable to separately track use of the system for direct certification versus direct verification and does not know how many SFAs used direct verification. SFAs interviewed for the study did not use direct verification, and we were unable to determine how well it works.

Among the six States selected for case study, Georgia is the only State where SFAs can conduct direct verification via on-line, real-time access to the State eligibility database for FS, TANF, and Medicaid. This system has been available to SFAs since the late 1990's for direct verification of categorical applications. In 2005, Medicaid information was made available through the system, and the CN and FSP agencies conducted training to encourage use of the system and to emphasize direct verification of income applications using FS, TANF, and Medicaid data.

To verify categorical applications, Georgia SFAs enter the FS/TANF case number from the NSLP application and receive a list of all currently certified household members. The SFA can also enter a child's SSN to check the child's status and verify the case number. SFAs reported that the system is easy and useful for verification of categorical eligibility.

After Medicaid data were added to the system in 2005, the Georgia CN agency advised SFAs to use the system for verification of all applications (categorical and income applications), and to request household documentation as a second step, if not directly verified. Only one of two SFAs interviewed used the system to verify income applications, and that SFA found a match in only one of 28 applications. A key limitation of this system for verification of income applications is that it includes Medicaid but not SCHIP data, and the great majority of Medicaid children are eligible for the FSP. The Medicaid and SCHIP income eligibility limits in Georgia are 100 and 235 percent of the poverty level, respectively

Overview of Potential Methods of Computer Matching for Direct Verification

The previous section described current methods of direct verification. Overall, four potential methods of computer matching may be used for direct verification: batch processing, interactive queries, a hybrid system, or a two-step match process. The first three methods were described in Chapter 3, as they are used for direct certification.

Batch processing is a computer match of data files, with multiple records processed in a batch. This method requires that SFAs create a database of applications to be verified, transfer the database to the matching system, and receive and process match results. The advantages of batch processing are:

restriction of the amount of data accessed by SFAs, centralized processing, and control of match criteria.

Interactive queries, or computer look-ups, can be used to verify applications on a case-by-case basis. This method requires that SFAs have on-line, real-time access to systems of records from means-tested programs. Georgia has demonstrated the feasibility of this approach. For this model, the State makes data available through an automated system, and SFAs use the data and resolve duplicate or uncertain matches. From the SFA perspective, a look-up system eliminates the time and effort to compile a database for matching, and to process the match results. Time is critical in direct verification, because the SFA has at most eight weeks to complete direct verification and to follow up with households who are not directly verified.

A hybrid system would be similar to the Georgia and Arizona systems for direct certification. First, SFAs could submit a file for batch processing and receive match results. Following this first step, SFAs could use interactive queries to examine "close" matches that they might resolve with additional information. Alternatively, with a hybrid system, large SFAs may rely primarily on batch processing, while small SFAs rely primarily on interactive queries. Arizona requires SFAs to use batch matches or on-line queries to verify categorical applications.

A final untested but potential approach to computer matching for direct verification is a two-step matching process. The first step in the process would match the SSIS with one or more statewide databases of means-tested programs. The methods for this match would be essentially the same as for direct certification with SSIS data, except that programs other than FSP and TANF could be included (as long as the match data were sufficient to determine free/reduced-price meal eligibility).[3] The statewide match would apply a primary match rule (e.g., name, and date of birth), identify duplicates throughout the State and resolve duplicates with additional available information, thereby providing information to SFAs only about the "best match" for each student. The result would be a database of pre-verified students. SFAs would query this database (either in batch mode or interactively) using student ID numbers, after selecting applications for verification. The process would report to the SFA whether each student was "eligible-free", "eligible-reduced price", or "not verified."[4]

The two-step approach provides four advantages over batch processing of application data. First, the statewide match with means-tested program data can be done before verification samples are selected, thus enabling the fastest possible response to SFA requests for verification. Second, the verification match can be coordinated with direct certification, to simplify data processing. Third, SFAs can use either batch or interactive modes of access to match results. Fourth, the burden on SFAs is minimized because they need only compile a list of student IDs, not a more extensive data set of applications.

[3] This approach is most suitable for direct verification with programs that are not used for direct certification. Thus, if direct certification with Medicaid data were authorized, most children matched with Medicaid data would not be subject to verification.

[4] This approach was proposed by Abt Associates for the Direct Verification Evaluation Study.

Choices in Designing a System for Direct Verification of NSLP Applications Using Electronic Records from Means-Tested Programs

As demonstrated by the current and potential methods for direct verification discussed in previous sections, a system for direct verification with means-tested program data requires the following components:

- A database of applications to be verified (including free/reduced-price status, child identifiers, and case numbers if applicable)
- An eligibility database from means-tested programs (indicating income consistent with either free or reduced-price meals)
- A file transfer process, or interface, to bring together the applicant and verification data, and provide match results to SFAs
- Matching software and methods.

This section presents the choices faced by States and SFAs in designing a system for direct verification with electronic records. Data obtained from surveys and interviews are used to define the choices and, where possible, to assess the feasibility of alternative approaches.

Application Data

To verify free/reduced-price meal applications by computer matching, SFAs must compile data on the applications selected for verification. Depending on the specifications of the computer matching system, these data will include:

- Identifying information for children (such as student ID, name, SSN, and date of birth)
- Status as approved during the application process (free by categorical eligibility, free by income eligibility, reduced-price by income eligibility)
- For categorical eligibility, program (FS/TANF) necessary and case identifier is desirable[5]
- For verification with income records, identifying information for adults (as discussed below, SSN is necessary, and name or date of birth is highly desirable).

Most, but not all, of this information is provided on the NSLP application. The one very important gap is that only the adult signing the application provides an SSN. Other adults must be named on the application, but SFAs may collect their SSNs only when the household's application is selected for verification.

If the SFA uses a computer system to process free/reduced-price meal applications, then it has a database of information that can be used for direct verification computer matching. As was shown in

[5] We do not discuss computer matching to verify categorical eligibility based on certification for FDPIR. The lack of state-level data for this program makes computer matching for direct verification infeasible, except perhaps in very large FDPIR sites.

chapter 2, however, there is a wide range among States in the prevalence of SFA use of computers to process applications. About half of the States (20 of 40 with definite responses) reported that half or more of their SFAs use computers for this purpose, with six States reporting that all or nearly all SFAs do so. On the other hand, 12 States reported that only a few SFAs use this technology, while 8 indicated that less than half of SFAs do so.

For SFAs that do not use computer systems to process free/reduced-price meal applications, there are three possible ways to compile an application database for direct verification:

- If the SFA maintains free/reduced-price status in its general student information system, the available information can be extracted to a document or spreadsheet through a database query, and the other information can be entered for the applications selected for verification.
- The SFA can compile from scratch a database of applications selected for verification, using a spreadsheet or similar basic office software. Oregon required all SFAs using direct verification to do this, regardless of how they maintained their data. The agency doing the match can provide a template to facilitate consistent reporting.
- The State can provide an on-line form for SFAs to submit application data for verification. This process can operate in batch mode (collecting all application data for the SFA, then submitting them for verification) or interactively (verifying each application when entered).

In general, States face a trade-off when choosing how to collect free/reduced-price application data for direct verification. From the State's perspective, the simplest and least expensive approach is to require all SFAs to submit application data in a standard batch file format. For most SFAs, this will be feasible and efficient, whether they compile the data by extracting data from an existing database or by compiling a spreadsheet (or a combination of these two processes, if the existing database does not have all of the information needed for the sample). Smaller SFAs, on the other hand, may find it easier and quicker to use a website to enter application data interactively, so they can compile and submit the data in one step. Ease of use is likely to influence whether direct verification is used by SFAs. Thus, the best solution may vary from State to State.

Means-Tested Program Data for Direct Verification and Potential Expansion of Direct Certification

Reauthorization enabled States and SFAs to use records from the FSP, TANF, Medicaid, or "a similar means-tested program" for direct verification. Conceptually, data that can directly verify free or reduced-price eligibility could also be used to directly certify free or reduced price eligibility. The National School Lunch Act (as amended) currently permits use of FSP, TANF, and FDPIR information for direct certification. Data from Medicaid and other means-tested programs may be used for verification, but the law would have to be amended to permit use of these data for direct certification.

Means-tested programs must meet the following conditions to be used for NSLP computer matching:

- Income eligibility level is consistent with NSLP free meals (≤ 130% poverty), or else household income and size are identified in the program's eligibility database. For Medicaid, FNS guidance specifies that "in States with income limits of 133% or less of

the Federal poverty line, Medicaid participation is the only information needed to verify free or reduced price eligibility."[6]

- SSNs are collected for all program enrollees, including children, or else sufficient other identifiers are available to ensure accurate matches.
- Cycles for collecting eligibility data are frequent enough to provide timely information for NSLP uses.[7]
- A statewide electronic database identifies school-age children enrolled in the program.[8]
- Applicable laws and rules permit the use of the data for this purpose.

Exhibit 5-4 lists means-tested programs currently authorized for direct certification (FSP, TANF), and programs that are potential sources for direct verification or expanded direct certification. FDPIR is not included in this discussion because the program is administered at the tribal level, it is very small relative to the other programs under discussion, and electronic databases may not be available for computer matching.[9] The table includes Medicaid, State Child Health Insurance Program (SCHIP), Low Income Home Energy Assistance Program (LIHEAP), and the Supplemental Nutrition Program for Women, Infants, and Children (WIC).[10]

The Supplemental Security Income (SSI) program is not included in Exhibit 5-4. SSI is available to needy aged, blind, and disabled persons. Children may receive SSI cash assistance. However, SSI is not likely to identify children eligible for NSLP who are not identified through computer matches with FS/TANF. SSI law requires that SSI applicants file for all other benefits for which they may be entitled. Since its inception, SSI has been viewed as the "program of last resort" (DHHS, 2001). Furthermore, all SSI children are categorically eligible for Medicaid, so matching with both Medicaid and SSI would be redundant.

Income Eligibility Levels

As shown in Exhibit 5-4, only the FSP has income eligibility consistent with free school meals in all States. TANF, Medicaid, SCHIP, and LIHEAP income eligibility vary by State. WIC income eligibility is consistent with NSLP reduced price eligibility and does not vary by State.

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6 USDA/FNS Memo SP-32-2006, "Clarification of Direct Verification," August 31, 2006.

7 For direct verification, State agencies must use the latest available information from one month, within the 180-day period prior to the month of NSLP application or "information for all months from the month prior to application through the month direct verification is conducted" (Ibid.).

8 A program database for a large area within a State (such as a major county) could theoretically be used for NSLP computer matching, but opportunities for efficient computer matching with such local area systems are likely to be rare. The means-tested programs of significant size (notably FSP, TANF, WIC, and Medicaid) generally have either statewide systems or mechanisms for data exchange between local area systems that could be used to compile statewide data.

9 Average monthly FDPIR participation in FY2005 was 98,905 adults and children. (Source: USDA-FNS National Data Bank.)

10 Programs administered at the local level, such as public housing and Section 8 rental assistance, are not considered here because of the potential difficulty of establishing data-sharing agreements and compiling data.

Exhibit 5-4

Means-Tested Programs for Direct Certification and Direct Verification of NSLP Eligibility

Program	Income Eligibility Limit	SSNs Required?	Certification Period/ Timeliness of Data[a]
Direct Certification/Direct Verification[b]			
Food Stamp Program	130% FPL	Required of all persons in household	3 to 12 months
TANF	Varies by State[c]	Required of all persons in family	6 or 12 months
Direct Verification			
Medicaid	Varies by State and assistance category: 100-250% FPL[d]	Required of applicant; Requested of other family members	6 or 12 months
SCHIP	Varies by State: 130-350% FPL[d]	Requested of applicant and other family members	6 or 12 months
Other candidate programs			
Low Income Home Energy Assistance Program (LIHEAP)	Varies by State: 110-200% FPL	Required of all persons in household	
Supplemental Nutrition Program for Women, Infants, and Children (WIC)	185% FPL	Requested of applicants	6 months; 12 months for infants

Notes

[a] Certification periods shown in table are those that apply to most applicants.

[b] FDPIR can be used for direct certification, but this program is not considered a potential source for computer matching as discussed in the text.

[c] TANF income eligibility levels are determined by a complex formula and cannot easily be expressed as a percent of the poverty level.

[d] See Appendix E for Medicaid and SCHIP eligibility levels by State.

As noted in Chapter 2, 36 States use TANF data for direct certification of students for free meals, so at least this number have income standards for TANF cash assistance that are no less restrictive than their former AFDC eligibility standards.

Medicaid income eligibility varies by State according to the optional eligibility categories that States choose to cover. All States are required to provide Medicaid coverage to certain mandatory eligibility groups including: families with limited income who meet the eligibility requirements of the State's AFDC plan in effect as of 1996 (Section 1931 coverage); recipients of Supplemental Security Income (SSI); children under age 6 whose family income is at or below 133 percent of the Federal poverty level; and children age 6 to 19 whose family income is at or below the Federal poverty level. States may, at their option, extend coverage to low-income children whose family income exceeds mandatory coverage.

Most school-age children enrolled in Medicaid are income eligible for free school meals. Medicaid income eligibility limits for children age 6-19 are equal to the Federal poverty level in 19 States; between 133 and 185 percent of poverty in 20 States, and above 185 percent of poverty in 12 States.[11]

SCHIP eligibility alone cannot be used to directly certify children or verify applications for free meals in any State because SCHIP eligibility limits exceed 133 percent of poverty in all States with an SCHIP program. SCHIP eligibility could be used in some States to certify children for reduced price meals, and SCHIP information on family income and household size could potentially be used for NSLP certification or verification. SCHIP income eligibility is between 130 and 185 percent of poverty in 4 States, and above 185 percent of poverty in 32 States (see Appendix E).

The substantial majority of States (42 of 51) have maximum income eligibility levels for Medicaid/SCHIP exceeding the income limit for reduced-price meals, as shown in Exhibit 5-5. Thus, most States would need to use Medicaid/SCHIP information about family income and family size to verify NSLP reduced-price eligibility. Eight States have maximum income eligibility levels for Medicaid/SCHIP such that information on enrollment alone could verify eligibility for reduced-price meals, and only one State could verify free meal eligibility just with Medicaid enrollment.

Federal statute specifies the minimum and maximum LIHEAP income eligibility levels that may be set by States; income eligibility currently ranges from 110 to 200 percent of the poverty level.[12] While LIHEAP income eligibility levels make this program a potential candidate for NSLP direct certification or verification, discussions with State FSP and Medicaid officials suggest that use of LIHEAP data may identify few eligible school-age children not already enrolled in other means-tested programs. In addition, most LIHEAP applications are processed in winter months, which precludes this program as a data source for direct certification prior to the school year. In 30 States, LIHEAP assistance is administered by the State agency administering TANF; in 21 States, agencies administering LIHEAP included Departments of Commerce, Development, Housing and Community Development, and the State Energy Office (NCAT, 2004).

The WIC program differs from other programs shown in Exhibit 5-4 because WIC generally does not enroll school-age children. WIC enrolls pregnant and postpartum women, infants, and children up to age five. (Pregnant or post-partum teenagers may be enrolled in WIC and in school.) In some SFAs, the NSLP includes preschool children who might be WIC participants, and many WIC children have older school-age siblings. In the 2001-2002 school year, there were 866,969 pre-kindergarten students enrolled in public schools, approximately 2 percent of the total enrollment of 47.7 million students in public elementary and secondary schools (U.S. Department of Education, 2004).

WIC income eligibility is based on household income at or below 185 percent of the poverty level. Information from the WIC program might potentially be used for NSLP direct certification and verification, but computer matching would have to be based on identifying information for parents and guardians, particularly if the goal is to directly certify all school-age children in WIC households.

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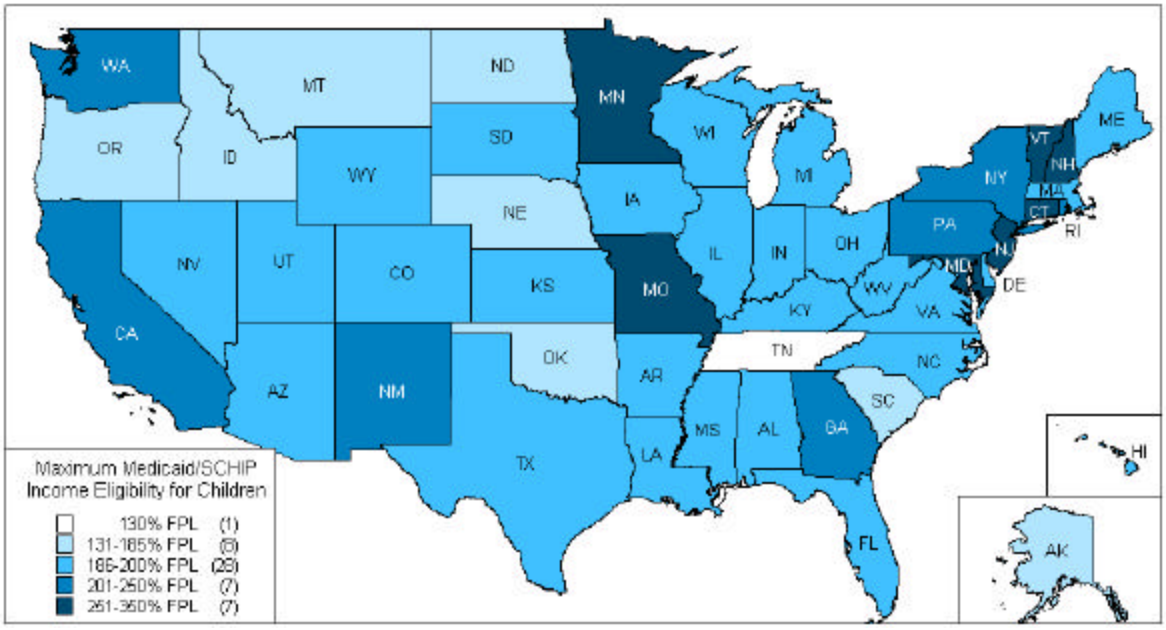
[11] Data from the Survey of State Medicaid Agencies, 2005. See Appendix E for Medicaid and SCHIP eligibility levels by State.

[12] Federal statute allows States to set LIHEAP eligibility from 110 percent of the poverty level to 150 percent of the poverty level or 60 percent of the State's median income, if higher.

Exhibit 5-5

Maximum Medicaid/SCHIP Income Eligibility Limit for School-Age Children[a]



[a] Tennessee enrollment under the Medicaid waiver (130% FPL) is frozen; the eligibility limit for new applicants is 100% FPL. Wisconsin BadgerCare (Medicaid expansion) enrolls children in families with income up to 185%FPL, but enrolled children remain eligible unless household income exceeds 200% FPL. (HRS, 2005).

Sources: USDA/FNS, Survey of State Medicaid Agencies, 2005 and Ross and Cox (2005).

Student information systems vary in the parent information that they maintain, with name, address, and telephone number being the data most likely available for matching to WIC data.

Food stamp and Medicaid officials interviewed for this study reported that FSP, TANF, and Medicaid cover most of the school-age children enrolled in means-tested programs. Additional means-tested programs will identify few additional children income-eligible for the NSLP. USDA has not, however, examined the distribution of school-age children enrolled in the array of means-tested programs administered by State agencies. Thus, it is not known how many children eligible for free or reduced-price meals would be good "candidates" for direct verification because they participate in Medicaid or other means-tested programs but not in the FSP or TANF.

SSN Disclosure Policies

Exhibit 5-4 indicates, for each means-tested program, the policy for collection of social security numbers from applicants. The Privacy Act of 1977 prohibits Federal, State and local government agencies from requiring disclosure of SSN as a condition of program eligibility except in cases where disclosures of SSN are required by Federal statute, or by regulations adopted prior to 1975. Furthermore, any requests for disclosure of individuals' SSNs must specify whether disclosure is mandatory or voluntary.

Federal statutes require FSP, TANF, and Medicaid applicants to provide their SSN, or make application to obtain an SSN, as a condition of eligibility.[13] The food stamp and TANF programs provide benefits to households/families, enroll each member of the household/family, and thereby collect SSNs for each household member. In contrast, Medicaid enrolls individuals and collects the SSN only for the program applicant. Medicaid cannot require disclosure of SSNs from nonapplicant parents of children applying to Medicaid. Federal regulations allow Medicaid to request SSNs from other family members, for the purpose of verifying household income used in making the child's eligibility determination, but SSNs cannot be required from nonapplicant family members (DHHS and USDA, 2000). SCHIP cannot require disclosure of SSNs, but the program requests SSNs of applicants and other family members. WIC also cannot require disclosure of SSNs but requests SSNs of applicants and requires income documentation.

There are, however, several reasons why SSNs are commonly available for nonapplicant family members of Medicaid and SCHIP children. When Medicaid or SCHIP family members do not provide SSNs at application, they must provide income documentation. Also, when a State uses a common application for food stamps and medical assistance, families typically complete the entire application and thus provide SSNs for all family members, according to several respondents in the case study States. Further, States can retain SSN information from individuals who have applied for benefits in the past.

Most States with separate SCHIP programs have SSNs on file for at least 90 percent of SCHIP children (Exhibit 5-6). Only two States reported having SSNs for fewer than 80 percent of SCHIP children, although five States responding to the survey were unable to respond to this question.

There are no formal studies indicating the national rate of compliance with SSN disclosure requests in other programs that do not require disclosure. Evidence from three States indicates that the rate of compliance in WIC varies across States and WIC eligibility category. One State did not collect the SSN for any infants and children; the other two States had the SSN reported for about 95 percent of children, and 86 and 99 percent of women (Cole and Lee, 2004).[14]

Timeliness of Eligibility Data

Direct verification requires the use of the most recent available eligibility data, and these data must be no more than 6 months old. While this requirement only refers to when the data are extracted, the question of how often a program updates eligibility information, particularly income, is relevant as well. Programs with more timely eligibility data will provide more accurate representation of household income at the time of NSLP application. The timeliness of eligibility data depends on three factors: the length of time between certifications, the requirements for households to report changes in income between certifications, and the extent of income verification by the program.

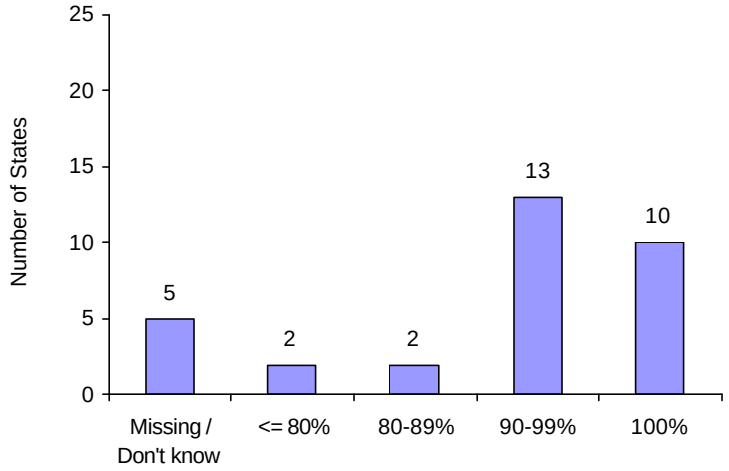
Certification periods are shown in Exhibit 5-4 to indicate the average timeliness of data obtained from means-tested programs. For example, the average FSP certification period for households with children is 8 months, and 37 percent of these households have 12-month certification periods

[13] Disclosure of SSN is authorized by the Food Stamp Act of 1977 as amended (7 U.S.C. 2011-2036); and by Title IV and Title XIX of the Social Security Act as amended, for TANF and Medicaid, respectively.

[14] This study was conducted for the USDA, Economic Research Service to test the feasibility of linking FS and WIC records to estimate rates of multiple program participation.

Exhibit 5-6

Approximate Percent of Child Records With SSN in SCHIP Information Systems



Note: Only the 32 responding States with a separate SCHIP program are reflected in the exhibit. Four States with a separate SCHIP program did not respond to the survey.

Source: USDA/FNS, Survey of State Medicaid Agencies, 2005. The number of responding States was 45.

(Cunnyngham and Brown, 2004).[15] Thus, at a point in time, the information collected at application on FSP households with children may be up to twelve months old. Certification periods for TANF, Medicaid, and SCHIP are determined by State rules, and are usually between 6 and 12 months (see Appendix E for Medicaid and SCHIP).[16] WIC certification periods are 6 months for most participants and 12 months for infants.

The extent to which households provide updated information between certifications depends on the household's circumstances and the State's FSP reporting policy. The FSP requires all households to report when their income rises above 130 percent of the FPL, even if lesser income changes need not be reported between certifications under simplified reporting. For Medicaid and SCHIP, States have the option to provide continuous eligibility between certifications, meaning that households are not required to report changes in income, and enrollees remain eligible during the certification period even if their income rises above the eligibility level. Among the 45 States responding to the Survey of State Medicaid Agencies, 20 provide continuous eligibility for Medicaid; 20 of 31 responding agencies with a separate SCHIP program provide continuous eligibility for SCHIP.

In addition to certification periods and reporting policies, the timeliness of income eligibility information also depends on the extent of income verification activities. FSP and TANF agencies

[15] Certification periods may be longer for some households with children, such as those receiving transitional food stamp benefits after termination of TANF cash assistance. Elderly households generally have longer certification periods.

[16] Households losing TANF benefits can obtain at least six months of transitional Medicaid benefits without reapplying, so the effective certification period for these households may be longer than six months.

verify income eligibility at application and periodically throughout the certification period through computer matching with employer wage data or other sources. For Medicaid, Federal regulations require verification of income at application and redetermination. States may also verify income between redeterminations. Federal regulations require verification of SCHIP income eligibility at application, but there are no Federal verification requirements at redetermination.[17]

The date of the last certification is strongest and most standardized indicator of how recent the eligibility data are. On the other hand, it may be reasonable to treat as current the eligibility data for programs with strong reporting rules and computer matching systems for income verification. This aspect of direct verification policy may be expected to evolve as FNS develops regulations and guidance, and as States develop experience with direct verification.

Statewide Information Systems

As shown in Exhibit 5-7, most States (38) have a statewide database with household income data for all children enrolled in Medicaid or SCHIP.[18] Thus, even if these States' Medicaid/SCHIP income eligibility levels do not coincide perfectly with NSLP income eligibility levels, they have the information needed for direct verification. Only five States definitely lack statewide income data for Medicaid/SCHIP children, while two have these data for Medicaid but not for SCHIP.

Combining the data on eligibility levels and information systems, there are 34 States with Medicaid/SCHIP databases that can be used to verify free and reduced-price meal applications with incomes up to 185 percent of the FPL. To meet this requirement, eligibility for Medicaid/SCHIP must extend to at least 185 percent of the FPL, and the State must have a statewide database with household income data if needed for direct verification. There are five States with Medicaid/SCHIP databases that can be used to verify free meal applications and some reduced-price applications; these States have maximum Medicaid/SCHIP income levels between 130 percent and 185 percent of the FPL. In six States, the Medicaid income eligibility level is 100 percent of the FPL and the SCHIP program does not maintain household income data; thus only a portion of free meals applications may be verified with Medicaid/SCHIP data. Finally, Medicaid/SCHIP information is not available for verifying NSLP eligibility in Minnesota and New Jersey: income eligibility levels do not coincide with NSLP eligibility levels, and household income data are not maintained in a statewide database.[19]

Legal and Regulatory Restrictions on Program Data

Even if data for direct verification are available and sufficient from a technical point of view, this use must comply with applicable laws and regulations. State Medicaid Agencies are governed by the Social Security Act, Medicaid/SCHIP regulations, and HIPAA. In general, these laws and regulations do not allow release of protected health information (PHI) without prior consent of the individual, except for specifically authorized program purposes.[20] PHI is defined to include individually identifiable information that relates to a person's physical or mental condition, the provision of health

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[17] States may allow self-declaration of income to determine Medicaid and SCHIP eligibility at application and redetermination, but Medicaid agencies are required to verify self-declared income under the IEVS system.

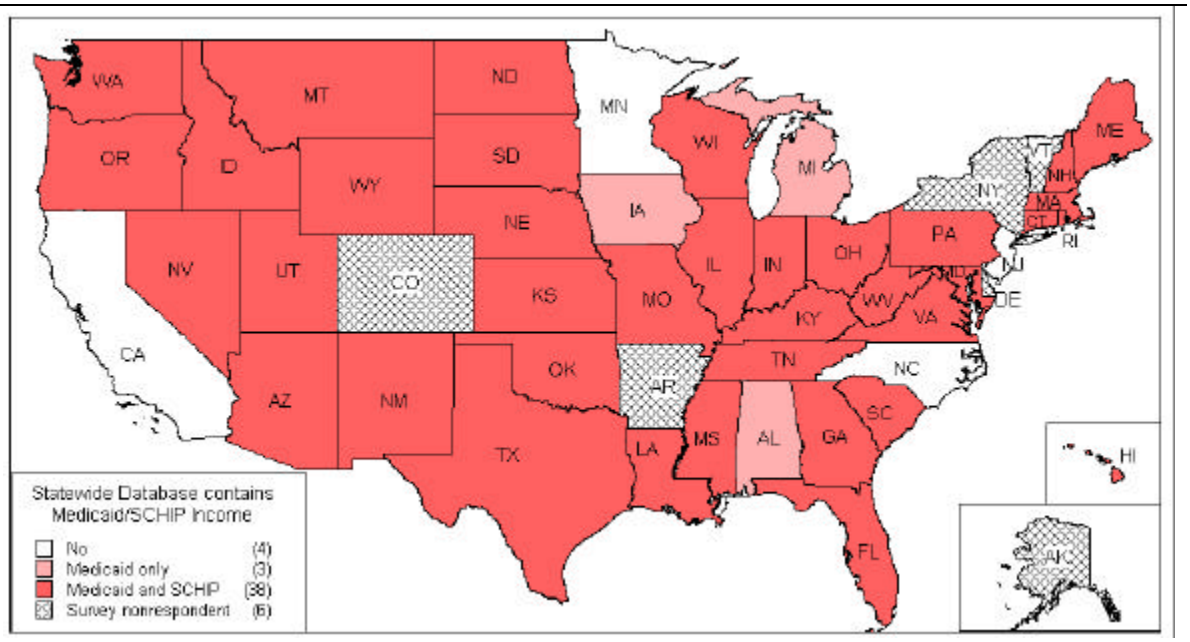
[18] This count includes States without a separate SCHIP program.

[19] Six States did not respond to the survey, as indicated in the exhibit.

[20] HIPAA is the Health Insurance Portability and Accountability Act of 1996. The Department of Health and Human Services issued a HIPAA privacy rule in 1999, as required by the law, with the final regulation issued in 2000. The privacy rule was modified in 2002 in response to comments. See U.S. DHHS (2003).

Exhibit 5-7

Availability in a Statewide Database of Household Income for Medicaid and SCHIP Enrollees



Sources: USDA/FNS, Survey of State Medicaid Agencies, 2005

care to the individual, or the payment for provision of health care to the individual (U.S. DHHS, 2003). According to this definition, the identifiers needed for NSLP direct verification do not fall within the definition of PHI.

Reauthorization included a provision amending the Social Security Act to authorize State Medicaid Agencies to provide information necessary for direct verification of NSLP applications.[21] According to FNS, this amendment overrides any restrictions that might apply under HIPAA.

Interviews with State Medicaid agencies for the case studies indicated some uncertainty as to whether they have authorization to share eligibility information for direct verification. Several States indicated that they treat Medicaid/SCHIP eligibility data as covered by HIPAA, and they would need a determination from the Centers for Medicare and Medicaid Services (CMS) authorizing release of these data for direct verification. At least one State also would need a determination that this use was in compliance with applicable State privacy laws and regulations. Another State Medicaid Agency indicated that informed consent by the household was needed before its Medicaid/SCHIP eligibility data could be disclosed for direct verification. These States were not aware of the amendment authorizing release of Medicaid data for direct verification. Thus, it is likely that communication from CMS will be needed to address State Medicaid Agency concerns. In some cases, State laws or regulations may also need to be amended to permit direct verification with Medicaid data.

[21] The amendment is to Section 1902(a)(7) of the Social Security Act, 42 U.S.C. 1396(a)(7).

From a practical perspective, use of Medicaid/SCHIP data for direct verification also requires the cooperation of State Medicaid Agencies. Their role is voluntary, and USDA does not have direct administrative authority over them. In an increasing number of States, the State Medicaid Agency is separate from the State Food Stamp Agency, thus reducing USDA's potential influence. Considerable effort may be needed to address State-specific confidentiality and consent requirements, and to develop mutually agreeable data sharing agreements.

Operational Feasibility of Direct Verification With Means-Tested Program Data

To support computer matching or other electronic direct verification with means-tested program data, the State agency needs to set up processes for verification requests, matching or identifying students' records in the means-tested program data, and reporting results to SFAs. In general, the feasibility issues for these processes are largely the same as those identified for direct certification computer matching. Key considerations and their application to direct verification are highlighted below, along with operational feasibility issues that are specific to direct verification.

Interface between State and SFAs

Automated, web-based systems offer the most efficient and accessible method for collecting application data from numerous SFAs for state-level computer matching, and for providing match results or look-up capabilities for SFAs to use in direct verification. The contrast between Georgia's automated look-up system and Oregon's largely manual system for state-level direct verification highlights the relative strengths and weaknesses of these approaches. Both CN agencies and SEAs now commonly have web-based file transfer systems that can be made available as the interface with school districts for direct verification.

A related challenge is determining what agency will be responsible for the interface between the State and SFAs for direct verification. As one State Medicaid Agency pointed out, State-level direct verification requires a lead agency to make it happen. Establishing a State-level system for direct verification is likely to require an active role by the State CN agency, which has not traditionally been involved in verification. Direct verification, particularly at the State level, is a relatively new feature of the NSLP, and State CN agencies need to determine what role they can and want to have, consistent with their other responsibilities and their resources. At the same time, direct verification may require involvement of the SEA and State agencies for FSP, TANF, and Medicaid, at least at the initial implementation stage. If the SEA or the FSP agency provides the interface, then they will need to be involved with technical support for start-up and trouble-shooting at the SFA level. In addition, if the Medicaid/SCHIP agency uses a contractor for SCHIP enrollment, then the agency may need to have an additional role as liaison between the contractor and other participants in the process.

Past Experience with Data Exchanges between Medicaid/SCHIP and Schools

With regard to data exchanges with the Medicaid and SCHIP programs, there are two ways that some States have interacted with SFAs:

- SFAs providing data on students approved for free/reduced-price meals who may be interested in enrolling in Medicaid/SCHIP
- Matches of student data with Medicaid data enabling SFAs to claim reimbursement for services to Medicaid-eligible students.

As discussed below, none of the case study States had a successful model of using computer matching of free/reduced-price application data for Medicaid/SCHIP enrollment, but several had successful systems of computer matching for Medicaid reimbursement that could serve as models or even platforms for direct verification, at least from a technical perspective.

Providing free/reduced-price application data for Medicaid/SCHIP enrollment. Child Nutrition program officials have been active in efforts to promote awareness of Medicaid and SCHIP benefits among parents of school children, and to facilitate enrollment in Medicaid/SCHIP. In the six case study States, there were policies permitting local-level sharing of NSLP application information for this purpose with active consent through a check-off on the application or a separate consent form. None of these States, however, had an operational State-level referral process from the NSLP to Medicaid/SCHIP. Two States (Georgia and Kansas) had plans in development to provide information from free/reduced-price meal applications to Medicaid/SCHIP for outreach, but both indicated that initially this process would be paper-based and the potential for electronic data exchange was uncertain. Kansas officials noted that a match between NSLP and Medicaid/SCHIP for this purpose was conceivable, but such an exchange would require two elements that were not currently available: a State-level database of free/reduced-price applications and a common identifier for matching. In other States, past efforts to refer large numbers of free/reduced-price children to Medicaid/SCHIP had not been successful, and there were only generic referrals (i.e., providing benefit and contact information to parents) at the SFA level. Thus, none of these States currently had the option of basing direct verification on an existing process of sending NSLP application information to Medicaid/SCHIP. Moreover, the barriers to such a process appeared to be typical of what might be encountered in other States.

Student Data Matches for Medicaid Reimbursement. In contrast, States currently match student data with Medicaid records for two programs that provide reimbursement to school districts. These are the Medicaid Administrative Claiming (MAC) program and the School-Based Health Services program.

The MAC program provides Medicaid reimbursement to school districts for school-based Medicaid administrative services. Reimbursement is based in part on the percentage of Medicaid-eligible students per school district. This percentage may be determined by computer matching of individual student records with Medicaid records. Alternatively, MAC does not involve computer matching if the State Medicaid agency determines an approximate percentage of eligible children per district using aggregate counts of Medicaid children by county or ZIP code.

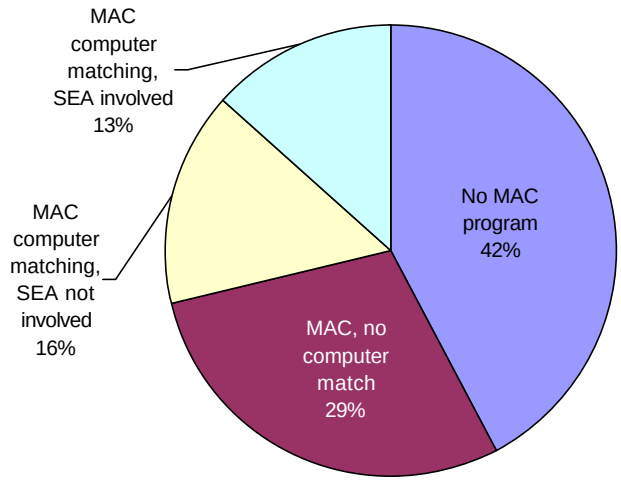
As Exhibit 5-8 shows, the majority of States have either no MAC program (42 percent) or MAC without computer matching to student records (29 percent). On the other hand, 29 percent of States have some form of computer matching to determine reimbursement percentages for MAC. The SEA is involved in MAC matching in 13 percent of States. When the SEA is not involved in computer matching, the Medicaid Agency exchanges data directly with school districts or with vendors working on behalf of school districts.

The case study interviews provide examples of three alternative approaches to matching for MAC.

The Massachusetts Medicaid agency provides quarterly eligibility files to each participating district listing the children enrolled in Medicaid who live in the district's catchment area (usually one or more municipalities). The districts match the files to their

Exhibit 5-8

Prevalence of Computer Matching Of K-12 Student Data for the Medicaid Administrative Claiming Program



Sources: Survey of State Medicaid Agencies, 2005.

- student enrollment and report the percentages back to the Medicaid agency. Some districts use vendors for this match. The Medicaid agency considers the districts as Medicaid providers and therefore authorized to have access to the eligibility data.
- In Texas, the SEA matches the SSIS to a statewide file of Medicaid children. Fall student enrollment data are matched to a cumulative file of children enrolled in Medicaid at some time during the previous school year. The primary identifier for matching is the SSN, but additional matches are made with name and date of birth. The SEA reports each district's rate of Medicaid enrollment to the district and the State Medicaid Agency. To protect the confidentiality of Medicaid eligibility, districts do not receive this information on individual children.
- In Wisconsin, school districts submit files of student data to the Medicaid agency for matching to its database. This process is similar to direct certification, except that districts submit data for the MAC match to a secure website, and the match uses probabilistic methods with name, address, date of birth, and gender as identifiers. This match uses information that is considered directory information (as defined by FERPA) and thus permissible for districts to share. As in Texas, districts receive only the percentage of students enrolled in Medicaid.

Thus, each State adopted a different approach that fit best within its constraints, including the student identifiers available, the capabilities of the State and local agencies, and the applicable confidentiality and privacy restrictions as understood by the State Medicaid Agency. Districts had a direct financial incentive to participate in the matching system.

Medicaid officials in Wisconsin and Texas described another Medicaid program, School-Based Health Services (SBHS), that reimburses school districts for eligible services to special education

students. Unlike MAC, this program requires claims for services to individuals, so the State provides individual-level eligibility status information to the districts. To obtain this information, the districts can submit rosters of special education students to be matched (similar to Wisconsin's system for MAC). In Wisconsin, they can also use an automated telephone system to look up information in an individual basis. Other States in the interviews mentioned similar SBHS programs but did not provide details.[22]

Matching Algorithms

The most effective matching algorithm depends on the common identifiers available in both the application data and the means-tested program data. Thus, States where SFAs usually collect student SSNs have more options for matching and are likely to realize a higher match rate than those that do not.

Direct verification can use parent SSN information from free/reduced-price applications as an additional identifier that is not available for direct certification. If a parent SSN is available in the both the application record and the Medicaid/SCHIP record, it can be used to match records for all Medicaid/SCHIP children on the household application.

There are important constraints on this approach. First, interviews with SFAs indicate that most free/reduced-price applications have parent SSNs, but some parents report that they do not have an SSN, whether they do or not. Second, SSNs on NSLP applications are not verified and may be incorrect or false. Third, as previously discussed, Medicaid/SCHIP records may lack SSNs for one or both parents, because SSNs are not required for adults unless they apply for benefits for themselves. A related issue is that matching to information in students' Medicaid/SCHIP records may be more difficult if the SSN on the application is not that of the head of household in the Medicaid/SCHIP record, because a three-step match is required (first to the signer of the application, then to the head of household, and finally to the children). Finally, the application processing systems used by SFAs do not always capture the signer's SSN, so this information may have to be added manually to the application data used for matching.

SFA Perspective on Use of Direct Verification

As with direct certification, the timing of direct verification is critical to SFAs. In fact, SFAs have less time to complete direct verification than direct certification, because they have at most six weeks for the entire verification process, and they need several weeks to follow up with households for whom direct verification is not successful. Thus, the turn-around time for direct verification requests is the most critical consideration. The State can meet this need several ways:

- An on-line look-up system provides immediate, real-time access to direct verification data.
- An automated overnight batch matching system, such as Wisconsin's, also provides timely response to direct verification requests.

[22] Because SBHS does not apply to the entire student population, the data collection instruments for the study did not specifically request information on this program.

- The State can "pre-verify" students by matching the SSIS with the Medicaid-SCHIP database, as discussed earlier in this chapter. This combined database facilitates look-ups, state-level matching with application data, or district-level matching with application data, while assuring that each SFA's access to Medicaid/SCHIP data is restricted to information on its students.

The case study interviews provided a variety of perspectives on the usefulness and effectiveness of direct verification.

- Both Georgia SFAs had used their on-line access to verify categorical applications against FSP or TANF data. One Georgia SFA had tried verifying income applications, with only one hit out of 28 applications. The other Georgia SFA was not aware that this was an option.
- Neither of the Oregon SFAs used the direct verification system. One SFA was not aware of the system, and the other did not know it could be used to verify income applications. The CN agency acknowledged that the time required to complete the process (several days) was a disincentive for SFAs to use the process, but about one in five applications was directly verified.
- One Wisconsin SFA was aware of the direct verification system, but the staff did not see it as a way to verify income applications, and this SFA had only one categorical application. The other SFA was not aware of the direct verification system but saw it as potentially helpful. This SFA had a high non-response rate.

Thus, the experience with direct verification at the SFA provided some evidence that this approach is feasible, but it also pointed to the challenges of implementation. It is clearly not sufficient to make direct verification available and announce this to SFAs, particularly at a time such as SY2005-2006, when other changes to verification and other aspects of the NSLP were being implemented. Training and follow-up are important elements of implementation, particularly for encouraging SFAs to use direct verification for income applications. The Georgia experience highlights the limitations of using direct verification with only FS/TANF data - the hit rate is low because FS/TANF children are eligible for direct certification. The only FS/TANF children in verification samples are those enrolling in FS/TANF after direct certification is completed.

Computer Matching To Wage and Benefit Databases

Computerized income verification is a potential option for verifying NSLP income applications from households that are not enrolled in means-tested programs and thus cannot be directly verified through computer matching with means-tested programs. Although NSLP legislation and regulations authorize the use of *systems of records* to verify NSLP income applications, no State CN agency has a current system or plans for verifying eligibility in this way.

Verification of household income via computer matching to information on wages, unearned income, and benefits is a complex process. Information on household income must be compiled from information stored about each individual household member, located in potentially numerous data sources, each with its own rules and limitations. To investigate the feasibility of applying this approach to the NSLP, we reviewed existing literature and program information, and we gathered

additional data in the case study interviews with State and local officials. These interviews included discussion about current income verification for FSP, TANF, Medicaid, and SCHIP, and the challenges of applying these methods to NSLP verification. We also interviewed officials of State Wage Information Collection Agencies in New Jersey, Nebraska, Oregon, and Wisconsin.[23]

Income Verification Conducted by Other Means-Tested Programs

Computer matching is routinely used by FSP, TANF, Medicaid, and other means-tested programs to improve program efficiency and integrity. These programs perform computer matches for four purposes: a) to identify ineligible participants who are deceased or incarcerated (via matches with the Social Security Administration Death Match file and the Prisoner Verification System), b) to detect dual participation (through matches with neighboring States), c) to verify income eligibility (through the Income Eligibility Verification System (IEVS)), and d) to identify unreported assets (through motor vehicle registrations and bank records).

Income Databases for Eligibility Verification

The IEVS was established as part of the Deficit Reduction Act (DEFRA) of 1984, which required State agencies administering TANF, Food Stamps, and Medicaid to conduct computer matches as part of the verification process.[24] IEVS matches are no longer mandated for the Food Stamp Program (PRWORA, 1996) but continue to be used because they are perceived to provide useful data (Borden and Robbi, 2002). IEVS data include benefits data maintained by the Social Security Administration, quarterly wage data and unemployment insurance benefits maintained by State Wage Information Collection Agencies (SWICAs), and unearned income and bank account data from the Internal Revenue Service. IEVS matches are used to verify income of applicants at the time of application, and periodically thereafter.

The mandatory IEVS data sources include:

- Quarterly wage information provided by employers to the State Wage Information Collection Agency (SWICA),
- Unemployment compensation (UC) benefits,
- Social Security Administration records, including SSN verification, earnings, and benefit data, and
- Unearned income information reported to the Internal Revenue Service by banks and other institutions (Form 1099 data).

States use additional matches outside the IEVS to verify income or employment status. Means-tested programs frequently conduct matches with the State Directory of New Hires (SDNH), a mandatory component of the Child Support Enforcement (CSE) program, and with CSE payment data. Other common state-level sources include State employee and retiree payrolls, Workers' Compensation, and

[23] New Jersey and Nebraska interviews were conducted in Summer 2004, during the exploratory phase of the study. The Oregon and Wisconsin interviews were conducted during Winter 2005-2006.

[24] IEVS requirements also apply to SSI and other programs under regulations of the Office of Family Assistance, Administration for Children and Families, U.S. Department of Health and Human Services (DHHS) at 45 CFR 205.

tax records. Some States use commercial databases or data brokers for alternative sources of verification data, including clearinghouses of employer wage information and credit bureaus.

Cross-program matches between the TANF, Medicaid, and Food Stamp Programs are required if these programs are not part of an integrated data system. IEVS regulations also require interstate matches of SWICA, UC, TANF, Medicaid, and other state-level data "as necessary" (45 CFR 205.55(a)(5)). A detailed description of the IEVS sources and their use is presented in an FNS study of computer matching in the FSP (Borden and Ruben-Urm, 2002).

All computer matches conducted by FSP, TANF, and Medicaid are based on Social Security Number (SSN). SSNs reported to FSP, TANF, and Medicaid are verified with the Social Security Administration prior to matching with other data systems.

Food Stamp and Medicaid agencies interviewed for this study reported that the most consistently useful matches for income verification are matches to benefit databases, including UC and Social Security administration records. These data are considered to be sufficiently reliable and up-to-date to be used automatically, whereas other income verification matches are viewed as a starting point for further inquiry by a trained eligibility worker or fraud investigator. As discussed below, quarterly wage data maintained by SWICAs are widely used, because of the importance and volatility of earnings for a large percentage of participants, but they have important limitations. [25] The databases of the Child Support Enforcement (CSE) program are also widely used, in part because of the required linkages to TANF.

Availability of Quarterly Wage Data For Verification of Program Eligibility

Each State has an agency to administer the Unemployment Compensation (UC) program—usually the Department of Workforce Development or similar entity. This agency collects quarterly wage data from employers for determination of UC benefits, processes applications for UC, and issues payments to eligible workers. The UC agency is referred to in Federal IEVS regulations by the generic term of State Wage Information Collection Agency (SWICA). SWICAs make quarterly wage and UC payment data available to the State IEVS and other authorized users for income verification.

Because SWICAs collect quarterly wage data for the UC system, the data are collected only for employees covered by UC laws and do not include self-employment, partnerships, and certain categories of employees exempt under Federal or State law. SWICA wage files include employees' SSNs, quarterly earnings, and employer identifiers. Additional data such as number of weeks worked, occupation, and industry may be included, depending on State regulations and voluntary employer compliance. Employee names may be truncated. The SWICAs' role in IEVS is governed by regulations and policy of the Employment and Training Administration (ETA), U.S. Department of Labor, in addition to the HHS regulations. (For ETA regulations regarding IEVS, see 20 CFR 603.)

Employers submit quarterly wage data to the SWICA via paper reports, computer disk or tape, or electronic transmission via the Internet. These reports are due by the 30th day of the month following

[25] In 2003, 39.5 percent of food stamp households with children had earned income from wages or salary, and 23.2 percent received benefits from the Social Security Administration (Cunnyngham and Brown, 2004; Table A-6).

the end of each quarter. The SWICA receives employers' submissions, key-enters paper reports, compiles electronic submissions, cleans the data, and makes the complete earnings file available to authorized users, generally no earlier than 60 days following the end of the reporting quarter. Depending on their needs and capabilities, users may directly access the earnings file in batch or on-line mode, receive match results in electronic form, or receive paper reports of inquiries on individuals.

Other Computer Matches For Income Verification

The Social Security Administration (SSA) maintains several databases that are used by the IEVS. Agencies participating in the IEVS verify SSNs against the SSA's master index. The SSA's earnings database includes self-employment income and other earnings that are subject to FICA taxes but not covered by UC. The SSA is also the primary source for information on benefits paid under the Old Age, Survivors, and Disability Insurance (OASDI) and Supplemental Security Income (SSI) programs.

The Internal Revenue Service (IRS) provides information to IEVS on unearned income. These data are reported annually to the IRS by banks and other institutions. State agencies interviewed for this study indicated that IRS data are costly and difficult to use because of the stringent data safeguarding requirements established by the IRS. In addition, unearned income data are not relevant to a large percentage of the low-income populations served by the food stamp, TANF, and Medicaid programs.[26] IRS data are reported annually, and they are not available until five months or more after the end of the tax year. Due to this lag, the IRS unearned income data are not useful for determining eligibility at application, but food stamp and TANF agencies use these data to adjust household benefit levels and identify overpayments.

Another source of unearned income is child support payments. TANF recipients are generally required to cooperate with the Child Support Enforcement (CSE) program, and States use CSE collections from non-custodial parents to offset TANF payments. Thus, all States must have methods for sharing CSE information with the TANF database, either through integrated data systems or data matching. Computer matches with CSE are used in 28 States for FSP income verification (Borden and Ruben-Urm, 2002). Child support may be quite irregular, however, due to intermittent payments and recovery efforts (e.g., tax refund intercepts).

A primary source of information about current employment status is the State Directory of New Hires (SDNH), a mandatory component of the Child Support Enforcement (CSE) program in each State. Employers are required to report new hires to the SDNH within 10 days of employment. SDNH exchanges this information with other States through the National Directory of New Hires (NDNH) maintained by DHHS. The SDNH and NDNH do not provide income information, but they can be used to identify unreported employment for follow-up. Several State respondents highlighted the timeliness of New Hires data as making it more useful than SWICA data for detecting unreported employment.

Computer Matching Process for Income Verification

State agencies use IEVS and other sources to verify the eligibility of applicants and current participants. There are three basic parts of the IEVS process.

[26] In 2003, only 4.2 percent of food stamp households received "other unearned income", including dividends, interest, alimony, and foster care payments (Cunnyngham and Brown, 2004; Table A-6).

- **SSN verification.** Client SSNs are verified with the SSA before SSNs are used for computer matching to verify income. To verify SSNs, agencies submit an applicant's reported SSN, name, date of birth, and gender to the SSA. SSA returns a code indicating the degree of agreement with its records. If the SSA does not report a valid match, the agency must follow up with the applicant to obtain a correct SSN.
- **Wage and income matching.** User agencies, such as the FSP, use computer matching to verify income data with SWICA, SSA, IRS and other databases. All IEVS matches are based on SSN. Match results indicate discrepancies between income reported by the client and IEVS records.
- **Follow-up.** User agencies, such as the FSP, set criteria to identify discrepancies (differences between reported income and match results) that require action and to determine how workers should respond. For most match discrepancies, caseworkers must contact the client to obtain further information before changing the client's eligibility status or benefits.

Use of other State data for income verification in the FSP is similar to IEVS. The FSP agency establishes a data matching agreement with the data provider and, where necessary, has specific legal authorization for data sharing. Matches are conducted using SSNs, and FSP workers follow up when discrepancies with client-reported income are identified through computer matching.

Potential Benefits and Limitations of Income Data Matching for the NSLP

Computer matching for income verification permits States to identify errors and fraud in the reporting of income by clients of TANF, FSP, Medicaid, and other programs. This process provides independent verification of income from sources reported by clients without the labor-intensive process of contacting employers. In addition, computer matching identifies unreported sources of income.

The IEVS and other income data sources have several important limitations.

- Agencies must have legal authority to use the data source. Some States authorize access to employer wage records for a broad range of public purposes, while others are highly restrictive.
- Most sources of income data are individual-level databases. Thus, all relevant household members must be identified to determine household income.
- Matches require a valid SSN. This is a requirement of IEVS and SWICAs. Thus, if applicants to a program are not required to provide SSNs for all household members, the IEVS cannot be used to verify household income.
- Depending on the reporting process, there is a lag of weeks or months before income data are available to the IEVS or other data matching system. The lag varies by data source according to reporting protocols and time needed to process and prepare the database for use.
- Follow-up is an essential part of the income verification process because sources of income data may have reporting errors, particularly with data provided by employers or individuals.

- Participating agencies must provide adequate safeguards, including physical, procedural, and computer system controls, to prevent unauthorized access or release of confidential data.
- The Computer Matching Act requires that clients receive notice and an opportunity to respond before their benefits are changed on the basis of a computer match.

These limitations have several implications for the use of computer matching for NSLP income verification.

Additional legal authority may be needed. NSLP regulations give States and SFAs the authority to use systems of records in verifying income, but IEVS sources and other potential providers must be authorized to share their data. The SWICAs have broad authority under Federal law to share information with public agencies for legitimate government uses, as long as adequate safeguards are in place. State laws may, however, restrict the use of employer wage records for income verification and program eligibility decisions, such that legislative changes would be required to enable NSLP use of these data. The SSA and IRS may release information only for programs that are specifically authorized by law, and these programs may not share this information with other programs. Similar constraints may apply to State-level data sources.

The need to use SSNs for IEVS and other income matches is a critical issue for the NSLP. Currently, the only SSN obtained on NSLP applications is that of the adult signing the application. Thus, the IEVS cannot be used for NSLP verification without contacting the household and obtaining SSNs for all members who may have income to be verified. (The definition of whose income needs to be verified is a separate issue.) The current verification process obtains SSNs of all members of households, but the process entails burden for the SFA and the household. Moreover, a major objective of using income matches for verification is to overcome the high rate of non-response to requests for household information.

Income verification may need to be centralized at the State level. A critical issue for NSLP, in considering computer matching for income verification, is how to adapt this process to the decentralized environment of the NSLP. Currently, income verification is the responsibility of individual SFAs, with oversight from the State Child Nutrition agency. However, it is not feasible for every SFA to establish data sharing agreements and maintain ongoing communications with agencies that provide income verification. The SWICAs interviewed for this study suggested that a State sponsoring agency would be needed, because it was not feasible for them to communicate with individual SFAs. Furthermore, SFAs may be challenged to maintain physical and systems safeguards required by provider agencies. From both the NSLP and the data providers' perspective, the most practical approach to income matching is to centralize the process at the State level. The challenge then becomes the need for State-level resources, which may be constrained by State and Federal budgets.

Computer matching does not eliminate the need to follow up with applicants. Computer matching is used to verify income reported by applicants and to identify unreported sources of income. But most match results require follow-up with the applicant. Only payments issued by government agencies (such as SSI or UI) can be considered as verified upon receipt of the data, and even these are subject to reporting lags. The follow-up process would be very similar to the existing income verification process in the NSLP: a representative of the SFA would have to request information from the applicant, review the information, and provide the applicant an opportunity to respond if a

reason was found to reduce benefits. **Thus, computer matching with wage and benefit data sources for income verification has the potential to identify errors and fraud, but not to reduce the level of effort for verification.** In addition, the need for follow-up means that even if computer matching occurs at the State level, SFAs may need access to income data, thus raising issues of authorization and protection of confidential information.

A further policy issue is the scope of income to be verified. In the FSP and other programs, the array of verified income sources ranges from the most common (wages) to the very rare (lottery winnings). The definition of income for the NSLP is comprehensive, but the cost of verifying each type of income—including follow-up—must be weighed against the benefit (i.e., the likely impact on the accuracy of benefit determinations). The cost includes both the workload for State or local agencies and the burden on applicants, which could reach a level that would discourage participation.

Finally, several SFAs interviewed for this study expressed concern about how parents would respond to being informed that their wage information and other private data were being used to verify free/reduced-price meal applications. Some of these SFAs viewed this as a violation of privacy, while others focused on the practical issue of responding to parents' complaints. There was a consensus among the SFA respondents that they did not want to be directly involved in the process of computer matching with multiple income data sources, but some were willing to use consolidated information if this would save time or increase their response rates for verification. Lastly, a few State and SFA contacts suggested the use of tax records at the State or Federal level for verification, because of the comprehensive data available to tax authorities.

Summary

This chapter described current methods and potential models of computer matching for direct verification with means-tested programs. Current methods do not fully capture the range of options for direct verification computer matching. Only four States have implemented automated systems for direct verification, although the Survey of State CN Directors found that as of 2005, 11 States were investigating options for direct verification with electronic systems of records. Nonetheless, current systems provide little concrete evidence of the efficacy of alternative models, tradeoffs, implementation issues, and lessons learned.

This chapter examined three main aspects of the feasibility of direct verification computer matching:

- Technological feasibility of developing computer matching systems to exchange and match data,
- Feasibility of means-tested programs to provide data needed for NSLP verification,
- Feasibility of using income reporting systems for NSLP verification.

None of the States surveyed have investigated use of electronic records from income reporting systems for verification of NSLP applications. Furthermore, the feasibility of using income reporting systems was widely rejected by many State officials interviewed for this study. Interviews with State officials who manage income verification for other means-tested programs (FS, TANF, and Medicaid) caution against this method for the NSLP. First, because computer matching with income reporting systems requires a database of SSNs for every adult household member (these are not

collected on NSLP applications). Second, because income verification requires a staff of trained and dedicated caseworkers to process match results and follow-up with households.

Evidence suggests that direct verification computer matching is technologically feasible with data from means-tested programs, and that data from FS, TANF and Medicaid/SCHIP are suitable for NSLP verification in most States.

Technological Feasibility of Computer Matching for Direct Verification

Current State-level direct verification systems are in their infancy. Thus it is not surprising that they span a wide range of technological sophistication, from manual processing at the State level to automated systems. States with manual processing (Kansas and Oregon) indicated that current methods are intended to be temporary.

The automated systems currently in place for direct verification (e.g., Arizona, Georgia, and Wisconsin) are extensions of those States' direct certification systems. Based on interviews with other State agencies, it is expected that future implementations of direct verification will also build on existing infrastructures—either from direct certification or from computer matching for Medicaid reimbursements to school districts. An extension of state-level direct certification matching systems is a logical approach for verification. Both direct certification and direct verification rely on data from means-tested programs; many States have integrated eligibility systems for FS/TANF and Medicaid; and it is logical to use existing technology infrastructures, where available.

The best available information about the feasibility of computer matching for direct verification is based on extrapolation of evidence from direct certification computer matching in light of the different demands of verification. The key differences between certification and verification are:

- The scale of operations is much smaller for direct verification
- Direct verification may use more sources of electronic records

Where the goal of direct certification is to identify all students eligible for NLSP free meals (and thus match all student records), the goal of direct verification is to match a selected sample of NSLP approved students. As discussed in this chapter, there are four potential models for direct verification computer matching: batch processing, interactive on-line queries, hybrid of batch and interactive, and two-step process of compiling a pre-verified database of students for matching with verification samples. The first three methods are demonstrated by direct certification; the last method is untested.

The need to match students sampled for direct verification presents a challenge for States with state-level direct certification computer matching based on student records from an SSIS. These States currently "push" match results out to SFAs, but do not collect data from SFAs for the specific purpose of direct verification. They will need to develop systems for collecting verification sample data from districts, or making verification data available to districts. Current direct certification systems that do not use SSIS data, but collect student records from SFAs, may easily be extended for direct verification (as demonstrated by Wisconsin).

Another implication of the scale of verification is that average verification sample is small (28 applications per public SFA, on average, in SY2004-05, with a median of 8 applications), but the largest verification samples can be up to 3,000 applications. This implies that systems of direct

verification must accommodate SFAs with both very small and large workloads. A hybrid system allowing for either batch processing or interactive queries may be the only way to do this.

Feasibility of Means-Tested Programs To Provide Data Needed for NSLP Verification

FS/TANF data used for direct certification are also available for direct verification, but few categorical applications are sampled for verification. Medicaid and SCHIP are the programs with the most potential usefulness in direct verification of income applications, by virtue of target population, program size, and features. Medicaid and SCHIP meet the key feasibility criteria as summarized below.

- Income eligibility level: in 42 States, the maximum income eligibility level for Medicaid/SCHIP exceeds the limit for reduced-price meals.
- Availability of SSNs for matching: providing SSN is required for Medicaid, and at least 44 States have SSNs for 80 percent or more of SCHIP children.
- Timeliness of eligibility data: Medicaid/SCHIP eligibility periods range from 6 to 12 months. Data more than 6 months old cannot be used for direct verification. For States with eligibility periods of more than 6 months, data may be timely if households are required to report all changes in income, or if the State verifies income between certifications through computer matching or other independent methods.
- Statewide eligibility data: There are 34 States with Medicaid/SCHIP databases that can be used to verify free and reduced-price meal applications with incomes up to 185 percent of the FPL. To meet this requirement, eligibility for Medicaid/SCHIP must extend to at least 185 percent of the FPL, and the State must have a statewide database with household income data if needed for direct verification. In addition, there are five States with Medicaid/SCHIP databases that can be used to verify free meal applications and some reduced-price applications.

The principal challenge to using Medicaid/SCHIP data for direct verification is securing the active participation of the State Medicaid/SCHIP agency. There is uncertainty among some of these agencies about whether they legally can share eligibility data for NSLP direct verification, and there are practical considerations of available resources for these agencies to participate.

6. Conclusions

Computer matching for NSLP direct certification and direct verification is feasible, as indicated by the computer matching systems currently in place. Computer matching is used by 40 States for direct certification: 18 States use State-level matching systems and 22 States distribute FS/TANF data to districts for district-level matching. On the other hand, computer matching for direct verification is in its infancy. Currently only four States have automated systems for this process, however, 11 States indicated that they are investigating the use of electronic records for direct verification.

Computer Matching for Direct Certification

This study conducted an in-depth examination of the design, implementation, and operation of computer matching for direct certification (Chapter 3). The ultimate goals of computer matching are to provide SFAs with timely, accurate, and comprehensive information about children eligible for direct certification for free school meals. This study identified 4 key choices in the design of computer matching systems that influence the ability of States to meet these objectives:

State- Versus District-Level Matching

This choice depends on the availability of State-level data from an SSIS, the timeliness of SSIS data, the feasibility of distributing FS/TANF data to districts, the identifiers available in the SSIS versus district information systems, and the likely rates of district participation in State-level versus district-level matching. Each of these factors will vary across States.

Source of Student Records for State-Level Matching

This study identified four potential sources of student records for State-level computer matching:

- SSIS membership data (SSIS),
- SSIS student identifier system (SSID),
- District information systems, and
- Hybrid systems.

The most timely and accurate data are obtained from districts, at the source of new student enrollments. But collection of district data specifically for direct certification puts added burden on SFAs. Data from the student identifier system provides a middle ground: more accessible (centralized) that district data and more timely than SSIS data. Hybrid systems allow SFAs the choice of receiving match results based on SSIS data or uploading current district data.

Identifiers and Matching Algorithms

Two alternative matching algorithms are most commonly observed for direct certification computer matching: matches by SSN and matches by name and date of birth. These algorithms are limited because SSNs are not available for all students; school districts do not verify SSNs; and data on name and date of birth are subject to spelling variation, transposed numbers, and other data quality issues. There is a lack of research on the accuracy of direct certification matching algorithms, or the costs and benefits of developing more sophisticated methods.

Distribution of Information on Eligible Children Who Are Not Matched

One of the choices faced by States operating State-level matching systems is whether and how to provide an opportunity for direct certification of FS/TANF children not matched by the State-level matching systems. Three approaches are currently used: send direct certification letters to unmatched children, provide data files of unmatched FS/TANF children to SFAs, and/or provide on-line access for SFAs to look up students' FS/TANF status. The decision to use any approach may vary among States according to their match rates and the absolute numbers of unmatched children.

Overall, the best computer matching system for direct certification is one that uses timely records from FS/TANF and student information systems, obtains accurate matches, distributes match results to the correct districts, and provides a mechanism for directly certifying unmatched children. This study has shown that States have developed a variety of approaches to each of these components of a direct certification computer matching system.

An additional challenge for each State is to provide a means of direct certification that meets the needs of every SFA, given the mandate of Reauthorization. A few States are meeting this objective by mandating SFA participation in a State-level computer matching system (Arizona, Arkansas, South Carolina, and West Virginia). Other States are likely to meet the mandate by implementing hybrid systems of direct certification that combine State and district-level matching, or computer matching with the letter method (the latter method is currently used by Massachusetts).

In addition to the challenges faced by State agencies in developing an overall system design, the primary challenges for SFAs are:

- Using matching results—State-level match results are not necessarily easy to incorporate into district information systems, and sometimes the level of effort is equivalent to that of district-level matching
- Timing is critical—If data are not received from the State prior to distribution of NSLP applications, the primary value of direct certification is the reduction in verification sample sizes

Despite the challenges of computer matching, all interview respondents who are involved in the direct certification computer matching process confirmed the benefits of computer matching. Relative to the letter method of direct certification, there are significant cost savings at the State and local levels. The response of the mostly large- and medium-sized SFAs interviewed for this study was of overwhelmingly enthusiastic support for computer matching.[1]

[1] Of the twelve SFAs interviewed for the study, 3 were very large (58,000 to 102,000 students), 5 were large (14,000 to 45,000 students), 3 were mid-sized (3,000 to 6,000 students), and one was small (800 students). The VSR data for 2004-2005 indicate that the average public SFA had approximately 3,353 students, and the distribution of SFA size was: 1 percent very large (>50,000), 5 percent large (10,000-50,000), 21 percent mid-size (2,500-10,000), and 73 percent small (<2,500).

Computer Matching for Direct Verification With Data from Means-Tested Programs

Chapter 5 of this report described current methods and potential models of computer matching for direct verification. Current methods do not fully capture the range of options for direct verification computer matching, and only four States had automated systems for direct verification as of SY2005-06.

Current State-level direct verification systems are in their infancy. Thus it is not surprising that systems span a wide range of technological sophistication, from manual processing at the State level to automated systems. Only four States had automated systems for direct verification in operation for SY2005-06, implemented as extensions of direct certification computer matching systems. Based on interviews with other State agencies, direct verification computer matching is perceived as feasible, and it is expected that future implementations will also build on existing infrastructures—either from direct certification or from computer matching for Medicaid reimbursements to school districts.

The feasibility of using means-tested program data for direct verification is primarily a question of the feasibility of using Medicaid/SCHIP data (FS/TANF data used for direct certification are available for direct verification). Medicaid and SCHIP are the programs with the most potential usefulness in direct verification of income applications, by virtue of target population, program size, and features.

The key features determining the feasibility of using Medicaid and/or SCHIP data for NLSP verification are:

- Income eligibility level: in 42 States, the maximum income eligibility level for Medicaid/SCHIP exceeds the limit for reduced-price meals.
- Availability of SSNs for matching: providing SSN is required for Medicaid, and at least 44 States have SSNs for 80 percent or more of SCHIP children.
- Timeliness of eligibility data: Medicaid/SCHIP eligibility periods range from 6 to 12 months. Data more than 6 months old cannot be used for direct verification. For States with eligibility periods of more than 6 months, data may be timely if households are required to report all changes in income, or if the State verifies income between certifications through computer matching or other independent methods.
- Statewide eligibility data: There are 34 States with Medicaid/SCHIP databases that can be used to verify free and reduced-price meal applications with incomes up to 185 percent of the FPL. To meet this requirement, eligibility for Medicaid/SCHIP must extend to at least 185 percent of the FPL, and the State must have a statewide database with household income data if needed for direct verification. In addition, there are five States with Medicaid/SCHIP databases that can be used to verify free meal applications and some reduced-price applications.

Overall, 39 States have statewide Medicaid/SCHIP databases with sufficient information to verify eligibility for free meals, while 34 States have Medicaid/SCHIP databases with sufficient information to verify eligibility for reduced-price meals.

The principal challenge to using Medicaid/SCHIP data for direct verification is securing the active participation of the State Medicaid/SCHIP agency. There is uncertainty among some of these agencies about whether they legally can share eligibility data for NSLP direct verification, and there are practical considerations of available resources for these agencies to participate.

Computer Matching for Direct Verification With Data from Income Reporting Systems

Computer matching to wage and benefit information for verification of NSLP income applications is not feasible at the current time. Many State officials interviewed for this study confirmed that matching to wage data (or other income reporting systems) requires individual SSNs for each adult household member. This information is not currently collected on NSLP applications. Furthermore, interviews with State officials who manage income verification for other means-tested programs (FS, TANF, and Medicaid) caution against this method for the NSLP because income verification requires numerous data sources and a staff of trained and dedicated caseworkers to process match results and follow up with households.

Future Directions

Four primary challenges face NSLP computer matching at the current time.

- Direct certification must be expanded to encompass all SFAs by 2009, and States must determine the feasibility of statewide computer matching, versus hybrid systems, in meeting this objective.
- Direct certification rates in state-level matching systems are constrained by the lack of SSNs for many students, the timing of SSIS data collection, and the matching algorithms in use.
- Many States with operational State-level or district-level computer matching systems continue to face some challenges in providing timely and accurate data to districts.
- States face the challenge of designing cost-effective computer matching for direct verification. A small number of States have demonstrated the feasibility of implementing direct verification as an extension of a direct certification computer matching systems. While direct verification is still largely unstudied, it could prove to be a valuable tool for reducing the burden of verification and improving program integrity.

Our hope is that the data and analyses provided in this report will assist State and local agencies in meeting these challenges.

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Appendix A

Survey Instruments

1. Survey of State Child Nutrition Program Directors
2. Survey of State Education Agencies: K-12 Information Systems and Computer Matching
3. Survey of State Medicaid Agencies: Eligibility Information Systems and Data Exchanges

Form Approved
OMB No. 0584-0529
Exp. Date 6/30/06

Survey of State Child Nutrition Program Directors

Responding Agency

[Affix label here]

If necessary, make corrections to the contact information appearing above by crossing out incorrect information and writing in corrections.

Introduction

This survey of State Child Nutrition (CN) directors is conducted by Abt Associates Inc. for the United States Department of Agriculture (USDA), Food and Nutrition Service. The survey has been sent to all CN directors in the United States. Information from this survey will assist USDA in studying the feasibility of computer matching with other means-tested programs for the National School Lunch Program (NSLP).

The primary goals of the survey are:

- To determine current uses of computer technology for the NSLP; and
- To determine the prevalence of computer matching activities, coordinated at the state level, for NSLP direct certification and application verification.

The survey contains the following sections, although some respondents will skip one or more of these sections.

A NSLP Application Processing
B Direct Certification for the NSLP
C Barriers to Computer Matching for Direct Certification
D Application Verification
E Monthly Claims Reporting

Your participation in this survey is voluntary. None of your responses will be released in a form that identifies you or any other agency staff member by name.

Questions about the content of the survey may be directed to:

Nancy Cole
Abt Associates Inc. 617-349-2820 (voice), 800-371-7074 (toll free)
55 Wheeler Street 617-520-2954 (fax)
Cambridge, MA 02138 nancy_cole@abtassoc.com (e-mail)

Please return the completed survey by August 26, 2005. A postage-paid return envelope has been provided. You may also fax the completed survey to Nancy Cole at 617-520-2954.

Office of Management and Budget (OMB)

The Paperwork Reduction Act of 1995 requires that all persons who respond to this collection of information be informed that they are not required to respond unless it displays a currently valid OMB control number (see 5 CFR 1320.5(b)(i)). The time required to complete this collection of information is estimated to average 40 minutes per response, including the time to review instructions and complete the information collection. Comments on the burden or content of this collection of information may be sent to the U.S. Department of Agriculture, Food and Nutrition Service, Office of Analysis and Evaluation, Attn: Jenny Genser, 3101 Park Center Drive, Alexandria, VA 22302.

Question Format

All questions require a single-response, unless (CHECK ALL THAT APPLY) appears above response categories. The survey contains three types of questions:

Type of Question	Sample Question
1. Questions with pre-specified response categories. Answer question by placing a ✓ in the box next to the correct response.	1. During what year did you receive this survey? |___| 1. 2003 |___| 2. 2004 |_✓_| 3. 2005
2. Questions requiring numeric open-ended response. Answer question by providing response in specified format.	2. During what calendar month did you receive this survey? |_0_|_8_|
3. Questions requiring open-ended response. Answer question by writing response in space provided.	3. Provide respondent name. Jane Doe

Please respond to all questions. The responses do not need to be typed. Please feel free to add explanatory notes in the margins, if needed. If additional space is needed for open-ended response, please attach pages.

Please answer all questions about the **State Child Nutrition (CN) agency** or **"your agency,"** considering only the state-level staff administering the USDA child nutrition programs.

This survey uses the term "School Food Authority" (SFA) to refer to any local entity responsible for NSLP operations, including determining eligibility for free or reduced-price meals and verification of applications. Under the Child Nutrition and WIC Reauthorization Act of 2004, the "local education agency" (LEA) is the entity responsible for the NSLP eligibility and verification processes. The terms "SFA" and "LEA" are equivalent for the purposes of this survey.

A. NSLP Application Processing

This section includes questions about the use of computers for processing household applications for NSLP free and reduced price meals.

A1. Approximately how many School Food Authorities (SFAs) in your State enter NSLP application data into a computer to **determine** eligibility status? Please include SFAs using key-entry and SFAs using scanning.

|__| 1. All SFAs → **GO TO A3**
|__| 2. Nearly all
|__| 3. More than half
|__| 4. About half
|__| 5. Less than half
|__| 6. Only a few
|__| 7. None
|__| 8. Don't know

A2. Among the SFAs that do not use computers for application processing, what do you think is the **main** barrier to using computers?

(CHECK ONLY ONE)

|__| 1. Cost of computer software
|__| 2. Cost of computer hardware
|__| 3. Cost to train staff
|__| 4. Unable to retain staff
|__| 5. No perceived need
|__| 6. Too few applications to justify cost
|__| 7. Don't know
|__| 8. Other, please specify

_____

_____

_____

A3. Does the State CN agency provide SFAs with a list of software programs available for NSLP application processing?

|__| 1. Yes → **PLEASE ATTACH THE LIST**
|__| 2. No

Application Scanning

A4. Did any SFAs in your State **scan** NSLP applications during school year 2004-05?

|__| 1. Yes
|__| 2. No → **GO TO A8**
|__| 3. Don't know → **GO TO A8**

A5. How many SFAs scanned applications during SY2004-05?

Number of SFAs: |__|__|__|__|
|__| Check if Don't know

A6. Does your agency have a policy to accept digital images of NSLP applications for CRE reviews from SFAs that use application scanning?

|__| 1. Yes
|__| 2. No

A7. How many SFAs provided digital images for CRE reviews in SY2004-05?

|__|__|__|

A8. Please identify the three largest SFAs in your State and indicate their use of computers for NSLP application processing for SY2004-05.

Name of SFA	Check if computer program is used for application processing	Check if scanning
1) _____	|__|	|__|
2) _____	|__|	|__|
3) _____	|__|	|__|

B. Direct Certification for the NSLP

Direct certification is the process whereby school officials determine a child's eligibility for free school meals based on data provided by the State or local welfare office about participation in the Food Stamp Program (FSP), Temporary Assistance for Needy Families (TANF), and Food Distribution Program on Indian Reservations (FDPIR). Direct certification is generally implemented in the following ways:

- Letter method—Letters are mailed to food stamp households notifying them of their children's eligibility for free school meals.
- State-level match—A State agency (usually Child Nutrition) maintains a computer system for matching a list of children enrolled in NSLP schools with a list of children in food stamp households. Examples of state-level matching are:
    a. State agency collects student enrollment files from SFAs and runs a matching program,
    b. SFAs directly access a State computer system, via their web browser or other software, to initiate a matching program and obtain match results.
- District-level match—SFAs match a list of children enrolled in their schools with a list of children in food stamp households, using manual methods or their own computer system. Examples of district-level matching are:
    a. SFA receives a hardcopy list of children in food stamp households, and manually matches this against its student enrollment list,
    b. SFA receives an electronic file of children in food stamp households and matches the file to its student enrollment data using computer matching software,
    c. SFA works with the local welfare office to identify enrolled students in food stamp households.

B1. For SY 2004-05, approximately how many SFAs in your State used each of the following methods of direct certification, as defined above?

(ENTER "0" IF NONE. ENTER "DK" IF DON'T KNOW. DO NOT LEAVE BLANK.)

1. Direct certification not used	|__|__|__|__|
2. Letter method	|__|__|__|__|
3. State-level match	|__|__|__|__|
4. District-level match	|__|__|__|__|
5. Other, specify method below	|__|__|__|__|
TOTAL NUMBER OF SFAS	|__|__|__|__|

Other method: _____

_____

_____

IF DIRECT CERTIFICATION IS NOT USED, GO TO SECTION C

B2. What programs are currently used to conduct direct certification in your State?

(CHECK ALL THAT APPLY)

|__| 1. Food Stamp Program
|__| 2. TANF
|__| 3. Food Distribution Program on Indian Reservations (FDPIR)
|__| 4. Medicaid
|__| 5. Head Start

IF TANF IS USED FOR DIRECT CERTIFICATION, GO TO B3.

B2a. What was the **primary** reason that TANF data were not used for direct certification?

|__| 1. State TANF program does not qualify for direct certification
|__| 2. TANF agency was unable to provide the data
|__| 3. TANF data are not in a suitable format for direct certification
|__| 4. Other, specify

_____

_____

B3. For purposes of direct certification, does the State CN agency have a formal data sharing agreement or contract with the State Food Stamp agency?

|__| 1. Yes
|__| 2. No

B4. Does the State Child Nutrition agency provide written guidance or procedures to SFAs for the direct certification process?

|__| 1. Yes
|__| 2. No → **GO TO B5**

B4a. To provide us with detailed information about the direct certification procedures in your State, please attach a copy of your guidelines to school districts, or a web address where those guidelines are posted.

(DO NOT INCLUDE USDA GUIDANCE.)

|__| 1. Guidelines will be attached to this survey
|__| 2. Guidelines can be found on the web at

http://_____

_____

Letter Method

B5. For SY2004-05, did a State agency generate and mail direct certification letters to households?

|__| 1. Yes
|__| 2. No → **GO TO B8**

B5a. Which State agencies generated the letters and which agencies mailed the letters?

(CHECK ALL THAT APPLY)

	Generated	Mailed
Child Nutrition agency	|__|$_1$	|__|$_1$
Food Stamp agency	|__|$_2$	|__|$_2$
TANF agency	|__|$_3$	|__|$_3$

B6. Approximately how many letters were mailed by the State for SY2004-05?

Letters: |__|,__|__|__|,__|__|__|

B7. Has your agency conducted studies to determine the percentage of direct certification letters returned by households to school districts?

|__| 1. Yes
|__| 2. No → **GO TO B8**

B7a. What were the results of those studies? What percentage of letters were returned? Was the study statewide? (ATTACH ADDITIONAL PAGES, IF NEEDED)

_____

_____

_____

State-Level Matching

PLEASE REFER BACK TO QUESTION B1. IF NO DISTRICTS USED STATE-LEVEL MATCHING IN SY2004-05, GO TO B18.

B8. For SY2004-05, which State agency used computer matching, or maintained a computer system used by SFAs, to identify children eligible for direct certification?

|__| 1. State Child Nutrition agency
|__| 2. State Food Stamp agency
|__| 3. State TANF agency

B8a. Which program data were used in the computer matching system?

(CHECK ALL THAT APPLY)

|__| 1. Food Stamp Program
|__| 2. TANF
|__| 3. Food Distribution Program on Indian Reservations (FDPIR)
|__| 4. Medicaid
|__| 5. Head Start

B9. For SY2004-05, how many times during the year was computer matching conducted for direct certification?

|__| 1. Once, before the start of the school year
|__| 2. More than once, specify below

_____

_____

_____

B9a. For what month did the food stamp program identify currently eligible food stamp participants for SY2004-05 direct certification?

|__|__| /|__|__|__|__| MM/YYYY

or

|__| Check if varied across SFAs

B10. What was the source of student enrollment data for State-level matching?

(CHECK ALL THAT APPLY)

|__| 1. Student records collected from LEAs → **GO TO B10a**
|__| 2. SEA statewide student information system (SIS)→ **GO TO B10b**
|__| 3. Other, specify→ **GO TO B10b**

_____

_____

_____

B10a. How do SFAs send student enrollment data to the State agency/system?

(CHECK ALL THAT APPLY)

|__| 1. Send files via email
|__| 2. Send data disks via mail
|__| 3. Upload files via Internet
|__| 4. Enter data through web browser
|__| 5. Other, specify

_____

_____

B10b. Which enrollment period was represented by the student enrollment data used for direct certification matching for SY2004-05?

|__| 1. Fall 2004
|__| 2. Spring 2004 (last year)
|__| 3. Other, specify

_____

_____

B11. What is the first, or primary, rule for identifying a match of student enrollment records to food stamp records?

|__| 1. Exact match on social security number
|__| 2. Match on student name and date of birth
|__| 3. Match on student name, date of birth, and gender
|__| 4. Match on student name, date of birth, and address
|__| 5. Match on student name, date of birth, and parent name
|__| 6. Other, specify

_____

_____

_____

B12. Under what circumstances are additional or secondary rules used to identify matches?

(CHECK ALL THAT APPLY)

|__| 1. Duplicate matches
|__| 2. Missing data for applying primary match rule
|__| 3. No match by primary match rule
|__| 4. Other, specify below
|__| 5. No secondary matches→ **GO TO B13**

_____

_____

_____

_____

B12a. What are the secondary match rules?

_____

_____

_____

_____

_____

_____

B12b. For matches using student names, which parts of the name are used to establish a match?

(CHECK ALL THAT APPLY)

|__| 1. Full first name
|__| 2. First initial of first name
|__| 3. Full last name
|__| 4. Other, specify below

_____

_____

B13. Please describe the computer program or system used to match student enrollment records to food stamp and/or TANF records for State-level matching. For example, do you use MS-Access or SAS, or do you have an automated web-based system linked to the food stamp eligibility information system?

_____

_____

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_____

_____

B13a. How long has this method been used?

Number of years since first implemented: |__|__|

Number of years used on a statewide basis: |__|__|

B14. Has your agency conducted studies to determine the percentage of school-age children in the food stamp and/or TANF database that are matched to student enrollment data?

|__| 1. Yes
|__| 2. No → **GO TO B15**

B14a. What were the results of those studies? What percentage were matched? Was the study statewide?

(ATTACH ADDITIONAL PAGES, IF NEEDED)

_____

_____

_____

B15. How are match results communicated to SFAs?

(CHECK ALL THAT APPLY)

|__| 1. Hard copy lists sent via mail
|__| 2. Data disks sent via mail (with or without hard copy)
|__| 3. Results sent via email
|__| 4. Results posted on the Internet for download
|__| 5. Results generated in real-time when SFA submits data, and results are downloaded
|__| 6. Other, specify

_____

_____

_____

_____

B16. Which agency sends notification letters to households with children identified for direct certification via State-level matching?

|__| 1. State Child Nutrition agency
|__| 2. State Food Stamp agency
|__| 3. SFAs
|__| 4. Other, specify _____

_____

B17. For SFAs using the results of State-level matching for direct certification, is active or passive consent required of households?

[ACTIVE CONSENT REQUIRES HOUSEHOLDS TO RESPOND TO A NOTIFICATION LETTER. PASSIVE CONSENT DOES NOT REQUIRE HOUSEHOLD RESPONSE.]

|__| 1. Active consent
|__| 2. Passive consent
|__| 3. Varies by SFA

District-Level Matching

PLEASE REFER BACK TO QUESTION B1. IF NO DISTRICTS USED DISTRICT-LEVEL MATCHING IN SY2004-05, GO TO B25.

B18. For SY2004-05, did any districts receive electronic files of food stamp or TANF data from a State agency?

|__| 1. Yes
|__| 2. No → **GO TO B25**

B18a. Which program data were distributed to SFAs in electronic files?

(CHECK ALL THAT APPLY)

|__| 1. Food stamp data
|__| 2. TANF data
|__| 3. FDPIR data

B18b. For what month did the Food Stamp Program identify currently eligible food stamp participants for SY2004-05 direct certification?

|__|__| /|__|__|__|__| MM/YYYY

or

|__| Check if varied across SFAs

B18c. Which State agency distributed electronic files to SFAs for district-level direct certification?

|__| 1. State Child Nutrition agency
|__| 2. State Food Stamp agency
|__| 3. State TANF agency

B19. For SY2004-05, what method was used to send food stamp data to SFAs?

(CHECK ALL THAT APPLY)

|__| 1. Hard copy lists sent via mail
|__| 2. Data disks sent via mail (with or without hard copy)
|__| 3. Data sent via email
|__| 4. Data posted on the Internet for download
|__| 5. Other, specify

_____

_____

_____

B20. Among SFAs that received food stamp data for **district-level** direct certification, approximately how many used computer matching to identify children for direct certification?

COMPUTER MATCHING USES COMPUTER SOFTWARE TO IDENTIFY ENROLLED STUDENTS IN FOOD STAMP HOUSEHOLDS.

Number of SFAs: |__|__|__|__|

|__| Check if don't know

B21. What are the most significant barriers to greater SFA use of district-level **computer matching** for direct certification?

CHECK ALL THAT APPLY AND CIRCLE THE MOST SIGNIFICANT BARRIER.

|__| 1. Cost of computer software
|__| 2. Lack of technical expertise
|__| 3. Student enrollment data is not suitable for computer matching
|__| 4. No perceived need for computer matching
|__| 5. Other, specify

_____

_____

_____

B22. Did the State specify rules about which student identifiers SFAs could use in establishing a computer match between student records and food stamp records?

|__| 1. Yes
|__| 2. No → **GO TO B24**

B23. Please indicate the rules for identifying a match of student enrollment records to food stamp records for **district-level computer matching**.

(CHECK ALL THAT APPLY)

|__| 1. Match on social security number
|__| 2. Match on student name and date of birth
|__| 3. Match on student last name, date of birth, and gender
|__| 4. Match on student last name, date of birth, and address
|__| 5. Match on student last name, date of birth, and parent name
|__| 6. Other, specify

_____

_____

B24. For SFAs using district-level matching for direct certification, is active or passive consent required of households?

(ACTIVE CONSENT REQUIRES HOUSEHOLDS TO RESPOND TO A NOTIFICATION LETTER. PASSIVE CONSENT DOES NOT REQUIRE HOUSEHOLD RESPONSE.)

|__| 1. Active consent
|__| 2. Passive consent
|__| 3. Varies by SFA

B25. Please indicate below whether you strongly agree, agree, disagree, or strongly disagree with the following statements about computer matching for direct certification.

a. Computer matching makes the direct certification process less costly for the State CN agency.

|__| 1. Strongly agree
|__| 2. Agree
|__| 3. Disagree
|__| 4. Strongly disagree
|__| 5. Don't know

b. Computer matching makes the direct certification process less costly for SFAs.

|__| 1. Strongly agree
|__| 2. Agree
|__| 3. Disagree
|__| 4. Strongly disagree
|__| 5. Don't know

c. Computer matching increases the probability that ineligible children will be certified for free meals.

|__| 1. Strongly agree
|__| 2. Agree
|__| 3. Disagree
|__| 4. Strongly disagree
|__| 5. Don't know

d. Computer matching for direct certification helps certify more eligible children for free meals.

|__| 1. Strongly agree
|__| 2. Agree
|__| 3. Disagree
|__| 4. Strongly disagree
|__| 5. Don't know

e. Computer matching for direct certification provides more timely certification, at the start of the year, of children who are truly eligible for free meals.

|__| 1. Strongly agree
|__| 2. Agree
|__| 3. Disagree
|__| 4. Strongly disagree
|__| 5. Don't know

B26. Are there any procedures at the State or district level that allow parents to request that their child not be included in computer matching to determine eligibility for school meals?

|__| 1. Yes
|__| 2. No
|__| 3. Don't know

B27. Have certification methods changed since direct certification was first used in your State?

|__| 1. Yes
|__| 2. No → **Go To B28**

B27a. Briefly describe how direct certification methods have changed, and when those changes were implemented.

_____

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B28. Does the State CN agency have any plans to change current procedures for direct certification?

|__| 1. Yes
|__| 2. No → **GO TO B29**

B28a. Briefly describe planned changes and the timeline for these planned changes.

_____

_____

_____

_____

_____

B29. Other than plans specified in B28a above, if you could change anything about the current operation of direct certification in your State, what would you change?

_____

_____

_____

_____

_____

_____

B30. Has any analysis been conducted on the costs and effectiveness of **computer matching** for direct certification in your State?

|__| 1. Yes
|__| 2. No → **GO TO SECTION C**

B30a. Who conducted the analysis?

_____

B30b. What were the main findings?

_____

_____

_____

_____

_____

C. Barriers to State-level Computer Matching for Direct Certification

PLEASE REFER BACK TO QUESTION B1 ¾ IF STATE-LEVEL COMPUTER MATCHING IS USED IN YOUR STATE, SKIP TO SECTION D.

C1. Please indicate whether each of the factors listed below is a very important factor, important factor, somewhat important factor, or not at all an important factor for not using State-level computer matching for direct certification.

	FACTOR	Very Important Factor	Important Factor	Somewhat Important Factor	Not At All Important Factor	Don't Know/Not Applicable
a.	The State agency does not maintain a database of students	|__|1	|__|2	|__|3	|__|4	|__|9
b.	The State's database of students does not have sufficient information to support computer matching (e.g., no SSNs)	|__|1	|__|2	|__|3	|__|4	|__|9
c.	The State's database of students is not updated with fall membership data in time for direct certification	|__|1	|__|2	|__|3	|__|4	|__|9
d.	It takes too long to obtain student data files from all districts	|__|1	|__|2	|__|3	|__|4	|__|9
e.	The Food Stamp agency does not keep records in a manner that makes it cost-effective for your agency to use computer matching	|__|1	|__|2	|__|3	|__|4	|__|9
f.	The TANF agency does not keep records in a manner that makes it cost-effective for your agency to use computer matching	|__|1	|__|2	|__|3	|__|4	|__|9
g.	It's too difficult to get data files from the Food Stamp agency	|__|1	|__|2	|__|3	|__|4	|__|9
h.	It's too difficult to get data files from the TANF agency	|__|1	|__|2	|__|3	|__|4	|__|9
i.	The Food Stamp agency won't agree to perform the match	|__|1	|__|2	|__|3	|__|4	|__|9
j.	The TANF agency won't agree to perform the match	|__|1	|__|2	|__|3	|__|4	|__|9
k.	Staff not available at the state level to perform the work required for computer matching for direct certification	|__|1	|__|2	|__|3	|__|4	|__|9
l.	Funds are not available to pay for training State staff to do the work required for computer matching	|__|1	|__|2	|__|3	|__|4	|__|9
m.	Computer resources not available at the state level to conduct the computer matching process	|__|1	|__|2	|__|3	|__|4	|__|9
n.	Concerned about how State-level computer matching would compromise student confidentiality	|__|1	|__|2	|__|3	|__|4	|__|9
o.	Satisfied with your State's current procedures to determine student eligibility	|__|1	|__|2	|__|3	|__|4	|__|9
p.	Percentage of students eligible for free meals is too small to make computer matching for direct certification worthwhile	|__|1	|__|2	|__|3	|__|4	|__|9
q.	State regulations prohibit use of student records for this purpose	|__|1	|__|2	|__|3	|__|4	|__|9

[This page intentionally left blank.]

C2. What other reasons does your State have for not using state-level computer matching for direct certification at the current time?

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

C3. Does the State CN agency have any plans to implement state-level computer matching for direct certification in the future?

|__| 1. Yes
|__| 2. No
|__| 3. Don't know

C3a. If yes, when is computer matching expected to be operational?

SY |__|__|__|__| - |__|__|

D. Application Verification

Application verification is the confirmation of eligibility for NSLP free or reduced price meals. State CN agencies must ensure that, by December 15 of each year, SFAs have selected and verified a sample of approved free and reduced-price applications. Sources of information for verification may include written evidence of income (such as wage stubs), collateral contacts (such as calls to employers), and *electronic systems of records* (such as computerized wage and benefit records from State or local government agencies).

Federal regulations authorize computer matching with food stamp (FS) or TANF systems of records to verify applications with case numbers; and regulations authorize computer matching with records maintained by the State Unemployment Insurance agency, or other sources, to verify income applications. In addition, the Child Nutrition and WIC Reauthorization Act of 2004 authorizes direct verification, whereby NSLP eligibility may be verified on the basis of income and program participation information maintained by the food stamp, TANF, FDPIR, Medicaid, or similar income-tested program.

D1. What methods were used by SFAs to **verify** food stamp and TANF case numbers on NSLP applications in SY2004-05?

(CHECK ALL THAT APPLY)

|__| 1. SFAs request documentation from households
|__| 2. SFAs contact local FS/TANF offices
|__| 3. SFAs send food stamp case numbers to State agency
|__| 4. SFAs send TANF case numbers to State agency
|__| 5. SFAs verify case numbers through an automated web site
|__| 6. Other, specify below

_____

_____

D1a. What was the **most commonly used** method of **verifying** food stamp and TANF case numbers in SY2004-05?

(CHECK ONLY ONE)

|__| 1. SFAs request documentation from households
|__| 2. SFAs contact local FS/TANF offices
|__| 3. SFAs send food stamp case numbers to State agency
|__| 4. SFAs send TANF case numbers to State agency
|__| 5. SFAs verify case numbers through an automated web site
|__| 6. Other (specified in D1)

D2. Did any SFAs use *electronic* records from State or local government agencies to **verify** NSLP **income** applications for SY2004-05?

INCOME APPLICATIONS CONTAIN INFORMATION ABOUT HOUSEHOLD MEMBERSHIP AND INCOME SOURCES.

|__| 1. Yes
|__| 2. No → **Go To D3**

D2a. Among SFAs using *electronic* records to **verify** NSLP **income** applications, did any SFAs use computer matching? (This includes use of an automated web site that provides a match to electronic records.)

|__| 1. Yes
|__| 2. No → **Go To D3**

D2b. Which electronic records were used to **verify** NSLP **income** applications?

(CHECK ALL THAT APPLY)

|__| 1. Wages and salaries
|__| 2. Unemployment insurance benefits
|__| 3. Social Security or SSI benefits
|__| 4. Food Stamp records
|__| 5. TANF records
|__| 6. Medicaid records
|__| 7. Other, specify below

_____

_____

D3. Have any SFAs contacted your agency regarding SFA plans to use computer matching *to electronic records* to **verify** NSLP eligibility in the future?

|__| 1. Yes
|__| 2. No → **Go To D4**

D3a. Which SFAs have contacted your agency regarding plans for computer matching for **income verification**?

(ATTACH LIST IF MORE SPACE IS NEEDED)

_____

_____

_____

_____

D3b. Which *electronic records* are these SFAs planning to use to **verify** NSLP eligibility?

(CHECK ALL THAT APPLY)

|__| 1. Wages and salaries
|__| 2. Unemployment insurance benefits
|__| 3. Social Security or SSI benefits
|__| 4. Food Stamp – to verify case numbers
|__| 5. Food Stamp – to verify income applications
|__| 6. TANF – to verify case numbers
|__| 7. TANF – to verify income applications
|__| 8. Medicaid records
|__| 9. Other, specify below

_____

_____

D3c. What is the expected year of implementation?

SY |__|__|__|__| - |__|__|

D4. Has your agency investigated the feasibility of using computer matching with *electronic records* to **verify** NSLP eligibility?

|__| 1. Yes
|__| 2. No → **Go To D5**

D4a. Which *electronic records* might be used to **verify** NSLP eligibility, that are not already being used?

(CHECK ALL THAT APPLY)

|__| 1. Wages and salaries
|__| 2. Unemployment insurance benefits
|__| 3. Social Security or SSI benefits
|__| 4. Food Stamp – to verify case numbers
|__| 5. Food Stamp – to verify income applications
|__| 6. TANF – to verify case numbers
|__| 7. TANF – to verify income applications
|__| 8. Medicaid records
|__| 9. Other, specify below

_____

_____

D4b. What is the expected year of implementation?

SY |__|__|__|__| - |__|__|

D5. Has your agency conducted any analyses to determine the average cost of **verifying** a school meals application?

|__| 1. Yes → **PLEASE ATTACH STUDY FINDINGS**
|__| 2. No

D6. Please indicate below whether you strongly agree, agree, disagree, or strongly disagree with the following statements about using *electronic records* to verify eligibility for free or reduced price school meals.

a. Using electronic records can reduce the verification burden on households

|__| 1. Strongly agree
|__| 2. Agree
|__| 3. Disagree
|__| 4. Strongly disagree
|__| 5. Don't know

b. Using electronic records can reduce the verification burden on SFAs

|__| 1. Strongly agree
|__| 2. Agree
|__| 3. Disagree
|__| 4. Strongly disagree
|__| 5. Don't know

c. Using electronic records is more accurate than collecting household documents

|__| 1. Strongly agree
|__| 2. Agree
|__| 3. Disagree
|__| 4. Strongly disagree
|__| 5. Don't know

d. Using electronic records can reduce the verification non-response problem

|__| 1. Strongly agree
|__| 2. Agree
|__| 3. Disagree
|__| 4. Strongly disagree
|__| 5. Don't know

e. Using electronic records is or would be more costly than collecting and reviewing household documents

|__| 1. Strongly agree
|__| 2. Agree
|__| 3. Disagree
|__| 4. Strongly disagree
|__| 5. Don't know

E. Electronic Systems for SFA Reporting of Monthly Claims for Reimbursement

USDA is interested in the use of computer technology to automate recurring functions such as the monthly reporting of claims for reimbursement.

E1. Does your State have a system for electronic reporting of NSLP monthly claims for reimbursement?

|__| 1. Yes
|__| 2. No → **GO TO E7**

E2. When was the electronic system for NSLP monthly claims implemented?

SY |__|__|__|__| - |__|__|

E3. How does the electronic system collect monthly claims for reimbursement?

|__| 1. Through web browser
|__| 2. Via email
|__| 3. Other, specify

_____

_____

_____

E4. Was the electronic system for collecting monthly claims developed by in-house staff or by a vendor?

|__| 1. In-house staff
|__| 2. Vendor
|__| 3. Other, specify

_____

_____

_____

E4a. Is your software for collecting monthly claims protected by copyright or is it free code?

|__| 1. Copyright protected
|__| 2. Free code
|__| 3. Don't know

E5. How many months elapsed between initial planning for the electronic system and full implementation? (Please count the months spent on planning, development, and testing.)

Months: |__|__|

E6. Is the financial payment system linked to the electronic system that collects monthly claims for reimbursement?

|__| 1. Yes → **GO TO SECTION F**
|__| 2. No → **GO TO SECTION F**

IF RESPONSE TO E1 = NO, CONTINUE WITH E7.

E7. Is your State planning or developing a system for electronic reporting of NSLP monthly claims for reimbursement?

|__| 1. Yes
|__| 2. No → **GO TO SECTION F**

E7a. When did you begin the planning process?

|__|__| / |__|__|
MM YY

E7b. What is the expected year of implementation?

SY |__|__|__|__| - |__|__|

F. Contact Information

F1. Did the State Child Nutrition Director answer the questions on this survey or designate someone else to answer?

|__| 1. Answered himself/herself → **PLEASE PROVIDE INFORMATION FOR FOLLOW-UP PURPOSES**

E-mail address: _____

Telephone number: |__|__|__|-|__|__|__|-|__|__|__|__|

|__| 2. Someone else → **PLEASE PROVIDE RESPONDENT'S NAME AND CONTACT INFORMATION FOR FOLLOW-UP PURPOSES**

Respondent name: _____

Respondent title: _____

E-mail address: _____

Telephone number: |__|__|__|-|__|__|__|-|__|__|__|__|

F2. How long have you (the respondent) been at this position?

|__|__| YEARS

This completes our survey. Please feel free to provide additional comments.
Thank you very much for your cooperation!

Form Approved
OMB No. 0584-0529
Exp. Date 6/30/06

Survey of State Education Agencies: K-12 Information Systems and Computer Matching

Responding Agency

[Affix label here]

If necessary, make corrections to the contact information appearing above by crossing out incorrect information and writing in corrections.

Introduction

This brief survey has been sent to all State Education Agencies to collect information about three topics:

- Statewide student information systems for K-12 students,
- Computer matching for the Medicaid Administrative Claiming (MAC) Program, and
- SEA involvement in data matching with Unemployment Insurance wage data.

The survey is part of a larger research effort conducted by Abt Associates Inc. for the **United States Department of Agriculture (USDA), Food and Nutrition Service**. As part of a study of the feasibility of computer matching for the National School Lunch Program (NSLP), USDA is seeking information about other computer matching activities conducted by State Education Agencies. The Child Nutrition (CN) and Medicaid program directors in your state are also participating in this research.

Your participation in this survey is voluntary. None of your responses will be released in a form that identifies you or any other agency staff member by name.

Questions about the content of this survey may be directed to:

Nancy Cole
Abt Associates Inc. 617-349-2820 (voice), 800-371-7074 (toll free)
55 Wheeler Street 617-520-2954 (fax)
Cambridge, MA 02138 nancy_cole@abtassoc.com (e-mail)

Please return the completed survey by August 26, 2005. A postage-paid return envelope has been provided. You may also fax the completed survey to Nancy Cole at 617-520-2954.

Office of Management and Budget (OMB)

The Paperwork Reduction Act of 1995 requires that all persons who respond to this collection of information be informed that they are not required to respond unless it displays a currently valid OMB control number (see 5 CFR 1320.5(b)(i)). The time required to complete this collection of information is estimated to average 15 minutes per response, including the time to review instructions and complete the information collection. Comments on the burden or content of this collection of information may be sent to the U.S. Department of Agriculture, Food and Nutrition Service, Office of Analysis and Evaluation, Attn: Jenny Genser, 3101 Park Center Drive, Alexandria, VA 22302.

Question Format

All questions require a single response, unless (CHECK ALL THAT APPLY) appears above response categories. The survey contains three types of questions:

Type of Question	Sample Question
▪ Questions with pre-specified response categories. → Answer question by placing a ✓ in the box next to the correct response.	1. During what year did you receive this survey? |___| 1. 2003 |___| 2. 2004 |_✓_| 3. 2005
▪ Questions requiring numeric open-ended response. → Answer question by providing response in specified format.	2. During what calendar month did you receive this survey? |_0__||_8__|
▪ Questions requiring open-ended response. → Answer question by writing response in space provided.	3. Provide respondent name. Jane Doe

Please respond to all questions. The responses do not need to be typed. Please feel free to add explanatory notes in the margins, if needed.

A. Statewide Student Information Systems

A1. Does the State Education Agency (SEA) maintain a statewide student information system (SIS) containing student-level data identifying individual students?

|__| 1. Yes
|__| 2. No → **GO TO A11**

A2. When was the statewide student information system initially implemented for collection of individual student records?

SY |__|__|__|__| - |__|__|

A3. What percent of public and private school districts participate in the SIS?

Public school districts: |__|__|__| %

Private school districts: |__|__|__| %

IF 100% OF PUBLIC DISTRICTS, GO TO A3b

A3a. When do you expect 100% of **public** school districts to participate in the SIS?

SY |__|__|__|__| - |__|__|

|__| Don't know

A3b. What percent of public and private school **students** are included in the SIS?

Public school students: |__|__|__| %

Private school students: |__|__|__| %

A4. How often did the SIS collect individual student enrollment records during SY2004-05?

|__| 1. Monthly
|__| 2. Once per year in Fall
|__| 3. Twice per year
|__| 4. Three times per year
|__| 5. Ongoing, real-time updates
|__| 6. Other, specify below

_____

A5. What is the due date for collection of fall membership data?

|__|__| / |__|__|
MM DD

A6. Which of the following data items, for individual students, are maintained in the SEA's student information system?

Data Item	Check if required	Check if optional
1. State student ID	|__|	|__|
2. First and last name	|__|	|__|
3. Middle name or initial	|__|	|__|
4. Grade level	|__|	|__|
5. Address	|__|	|__|
6. Phone number	|__|	|__|
7. Gender	|__|	|__|
8. Date of birth	|__|	|__|
9. City/town of birth	|__|	|__|
10. Social Security number (SSN)	|__|	|__|
11. Race or ethnicity	|__|	|__|
12. First language	|__|	|__|
13. Migrant status	|__|	|__|
14. Immigrant status	|__|	|__|
15. Country of origin	|__|	|__|
16. NSLP certification for free/reduced-price meals	|__|	|__|
17. NSLP certification type (free vs. RP)	|__|	|__|
18. Parent/guardian name	|__|	|__|
19. Parent/guardian SSN	|__|	|__|
20. Food stamp case number	|__|	|__|
21. TANF case number	|__|	|__|
22. School ID	|__|	|__|
23. District ID	|__|	|__|

A7. Do school districts request or require **student** Social Security numbers (SSNs) when enrolling students?

|__| 1. Student SSN is required by **all** districts
|__| 2. Student SSN is required by **some** districts
|__| 3. Student SSN is requested, but not required, by **all** districts
|__| 4. Student SSN is requested, but not required, by **some** districts
|__| 5. Student SSN is not collected

A8. Approximately what percent of student records in the SIS **DO NOT** contain Social Security numbers?

|__|__|__|%

A9. Is the statewide student information system currently used for NSLP direct certification?

[NSLP DIRECT CERTIFICATION IS THE PROCESS WHEREBY CHILDREN IN HOUSEHOLDS RECEIVING FOOD STAMPS ARE IDENTIFIED AS ELIGIBLE FOR FREE SCHOOL MEALS BASED ON DATA PROVIDED BY THE STATE OR LOCAL FOOD STAMP OFFICE.]

|__| 1. Yes → **GO TO SECTION B**
|__| 2. No

A10. Does your agency expect to use the statewide student information system for NSLP direct certification in the future?

|__| 1. No plans at the current time
|__| 2. Within 1-2 years
|__| 3. Within 3-4 years
|__| 4. Within 5 years
|__| 5. Time frame is uncertain

GO TO SECTION B

ANSWER NEXT QUESTIONS IF RESPONSE TO A1 = NO

A11. Is the State Education Agency in the planning or development phases for a statewide student information system?

|__| 1. Yes
|__| 2. No → **GO TO A15**

A12. What is the expected year of implementation?

SY |__|__|__|__| - |__|__|

A13. Does your agency expect to use the statewide student information system for NSLP direct certification?

|__| 1. No plans at the current time
|__| 2. Within 1-2 years
|__| 3. Within 3-4 years
|__| 4. Within 5 years
|__| 5. Time frame is uncertain

A14. Which of the following data items, for individual students, will be maintained in the SEA's student information system?

Data Item	Check if required	Check if optional
1. State Student ID	|__|	|__|
2. First and last name	|__|	|__|
3. Middle name or initial	|__|	|__|
4. Grade level	|__|	|__|
5. Address	|__|	|__|
6. Phone number	|__|	|__|
7. Gender	|__|	|__|
8. Date of birth	|__|	|__|
9. City/town of birth	|__|	|__|
10. Social Security number (SSN)	|__|	|__|
11. Race or ethnicity	|__|	|__|
12. First language	|__|	|__|
13. Migrant status	|__|	|__|
14. Immigrant status	|__|	|__|
15. Country of origin	|__|	|__|
16. NSLP certification for free/reduced-price meals	|__|	|__|
17. NSLP certification type (free vs. RP)	|__|	|__|
18. Parent/guardian name	|__|	|__|
19. Parent/guardian SSN	|__|	|__|
20. Food stamp case number	|__|	|__|
21. TANF case number	|__|	|__|
22. School ID	|__|	|__|
23. District ID	|__|	|__|

A15. Do school districts request or require **student** Social Security numbers (SSNs) when enrolling students?

|__| 1. Student SSN is required by **all** districts
|__| 2. Student SSN is required by **some** districts
|__| 3. Student SSN is requested, but not required, by **all** districts
|__| 4. Student SSN is requested, but not required, by **some** districts
|__| 5. Student SSN is not collected

B. State Education Agency Computer Matching Activities—Medicaid Administrative Claim Program

The Medicaid Administrative Claim (MAC) Program provides federal reimbursement for the costs of administrative activities that support school-based medical services or enable Medicaid-eligible K-12 students to access benefits. The Centers for Medicare and Medicaid Services (CMS) require that administrative costs of school-based health services be allocated to Medicaid eligible students based on the Medicaid percentage of students at the school or school district. One way to determine the Medicaid percentage of students at the school or school district is through a match of school/school district enrollment data to Medicaid eligibility files.

B1. Do school districts in your State participate in a MAC program?

|__| 1. Yes, all school districts → **GO TO B2**
|__| 2. Yes, some school districts
|__| 3. No → **GO TO SECTION C**

B1a. How many school districts participate in a MAC program?

School districts: |__|__|__|__|

B2. For school districts participating in MAC, is the Medicaid percentage of students determined through a computer match of student enrollment data to Medicaid eligibility files?

|__| 1. Yes → **GO TO B3**
|__| 2. No

B2a. Why is computer matching *not* used for MAC?

(CHECK ALL THAT APPLY)

|__| 1. State Medicaid agency will not release records for matching
|__| 2. Student records are not suitable for computer matching
|__| 3. Education agencies do not have the resources for computer matching
|__| 4. Other methods are less costly
|__| 5. Other methods are more accurate

GO TO B6

B3. How many times during the school year are school/school district enrollment data matched to Medicaid eligibility files for the MAC program?

Number of times: |__| __|

Check if varies across districts |__|

B3a. If number of times varies across districts, indicate the minimum and maximum number of matches conducted during the school year.

Minimum: |__|__| Maximum: |__|__|

B4. During what month are the first match results for the school year available for determining Medicaid administrative claims?

Month |__|__| (enter 01-12)

Check if varies across districts |__|

B5. What is the main coordinating agency for the match of school/school district enrollment data to Medicaid eligibility files for the MAC program?

|__| 1. Individual districts
|__| 2. District consortiums
|__| 3. State Education Agency (SEA) or SEA contractor
|__| 4. Other State agency, please specify

_____

_____

B5a. Please indicate the role(s) of the SEA, or SEA contractor, in the match of school or school district enrollment data to Medicaid eligibility files for the MAC program.

(CHECK ALL THAT APPLY)

|__| 1. SEA has no role
|__| 2. Hire vendor to manage the match process
|__| 3. Receive data from the State Medicaid agency
|__| 4. Match Medicaid data to student enrollment data from the statewide student information system
|__| 5. Collect student enrollment data from school districts
|__| 6. Match Medicaid data to student enrollment data collected from school districts
|__| 7. Communicate match results to school districts
|__| 8. Report Medicaid eligible percentages to the State Medicaid agency

B5b. Is a statewide student information system (SIS) currently used for the Medicaid Administrative Claiming Program (MAC)?

|__| 1. Yes → **Go To B6**
|__| 2. No

B5c. Does your State plan to use a statewide student information system (SIS) for Medicaid Administrative Claiming in the future?

|__| 1. No plans at the current time
|__| 2. Within 1-2 years
|__| 3. Within 3-4 years
|__| 4. Within 5 years
|__| 5. Time frame is uncertain

B6. Does the SEA distribute guidelines to school districts participating in the MAC program?

|__| 1. Yes
|__| 2. No → **Go To Section C**

B6a. To provide us with detailed information about the MAC program in your State, please provide a copy of your guidelines to school districts, or a web address where those guidelines are posted.

|__| 1. Guidelines will be attached to this survey
|__| 2. Guidelines can be found on the web at

http://_____

_____

C. Computer Matching with Unemployment Insurance (UI) Wage Data

Unemployment insurance (UI) wage data are used by some State Education Agencies to measure employment outcomes for participants in federally funded programs. For example:

- The Carl D. Perkins Vocational and Technical Education Act of 1998 (Perkins III) requires States to report progress in achieving performance goals for employment placement and retention, as well as other student outcomes.

- The Federal Workforce Investment Act of 1998 (WIA) requires postsecondary institutions to report performance data by determining the number of program graduates with workforce placement.

In addition, some States have established comparable accountability requirements for State community college systems.

UI wage records are maintained by State labor or employment security agencies. These records consist of quarterly reports of employee earnings that are submitted by employers who are required to comply with the State's unemployment compensation law. UI wage records are matched to student records by student Social Security Number.

C1. Does your agency have **any** role in coordinating or facilitating a data match to unemployment insurance (UI) wage records for measuring the employment status of former students?

|__| 1. Yes
|__| 2. No → **GO TO SECTION D**
|__| 3. Don't know → **GO TO SECTION D**

C2. Does the State Education Agency obtain wage record data from the State UI agency and match these records with student records, either internally or through a contractor?

|__| 1. Yes
|__| 2. No

C3. Does the State Education Agency authorize the State UI agency (or another agency that has access to State UI wage records) to be its representative in matching information from student records with UI wage records for the purpose of evaluating the employment status of students?

|__| 1. Yes
|__| 2. No

C4. Please indicate the programs for which data matching with UI wage records is used to evaluate program outcomes.

(CHECK ALL THAT APPLY)

|__| 1. Perkins Act, secondary education (Career and Technical Education)
|__| 2. Perkins Act, post-secondary education (Community and Technical College)
|__| 3. Workforce Investment Act Title I: Adults
|__| 4. Workforce Investment Act Title I: Dislocated Workers
|__| 5. Workforce Investment Act Title I: Youth
|__| 6. Workforce Investment Act Title II: Adult Education
|__| 7. Other, specify

D. Contact Information

D1. Did the SEA's NCES liaison answer the questions on this survey or designate someone else to answer?

|__| 1. Answered himself/herself → **PLEASE PROVIDE INFORMATION FOR FOLLOW-UP PURPOSES**

E-mail address: _____

Telephone number: |__|__|__|-|__|__|__|-|__|__|__|__|

|__| 2. Someone else → **PLEASE PROVIDE RESPONDENT'S NAME AND CONTACT INFORMATION FOR FOLLOW-UP PURPOSES**

Respondent name: _____

Respondent title: _____

E-mail address: _____

Telephone number: |__|__|__|-|__|__|__|-|__|__|__|__|

This completes our survey. Thank you very much for your cooperation!

Form Approved
OMB No. 0584-0529
Exp. Date 6/30/06

Survey of State Medicaid Agencies: Eligibility Information Systems and Data Exchanges

Responding Agency

[Affix label here]

If necessary, make corrections to the contact information appearing above by crossing out incorrect information and writing in corrections.

Introduction

This brief survey has been sent to all State Medicaid agencies to collect information about the following topics:

- Medical assistance eligibility rules,
- Data maintained on medical assistance enrollees and income verification,
- Integrated eligibility data for medical assistance and other means-tested programs
- Data sharing with school districts
- Availability of statistics on children enrolled in medical assistance, by income or poverty level

The survey is part of a larger research effort conducted by Abt Associates Inc. for the **United States Department of Agriculture (USDA), Food and Nutrition Service**. USDA is interested in learning about the feasibility of computer matching for the National School Lunch Program (NSLP). The Child Nutrition (CN) director in your state is also participating in this research.

Your participation in this survey is voluntary. None of your responses will be released in a way that identifies you or any other agency staff member by name.

Questions about the content of this survey may be directed to:

Nancy Cole
Abt Associates Inc. 617-349-2820 (voice), 800-371-7074 (toll free)
55 Wheeler Street 617-520-2954 (fax)
Cambridge, MA 02138 nancy_cole@abtassoc.com (e-mail)

Please return the completed survey by August 26, 2005. A postage-paid return envelope has been provided. You may also fax the completed survey to Nancy Cole at 617-520-2954.

Office of Management and Budget (OMB)

The Paperwork Reduction Act of 1995 requires that all persons who respond to this collection of information be informed that they are not required to respond unless it displays a currently valid OMB control number. (See 5 CFR 1320.5(b)(i).) The time required to complete this collection of information is estimated to average 30 minutes per response, including the time to review instructions and complete the information collection. Comments on the burden or content of this collection of information may be sent to the U.S. Department of Agriculture, Food and Nutrition Service, Office of Analysis and Evaluation, Attn: Jenny Genser, 3101 Park Center Drive, Alexandria, VA 22302.

Question Format

All questions require a single response, unless (CHECK ALL THAT APPLY) appears above response categories. The survey contains three types of questions:

Type of Question	Sample Question
1. Questions with pre-specified response categories: Answer question by placing a ✓ in the box next to the correct response.	1. During what year did you receive this survey? |___| 1. 2003 |___| 2. 2004 |_✓_| 3. 2005
2. Questions requiring numeric open-ended response: Answer question by providing response in specified format.	2. During what calendar month did you receive this survey? |_0__||_8__|
3. Questions requiring open-ended response: Answer question by writing response in space provided.	3. Provide respondent name. Jane Doe

Please respond to all questions. The responses do not need to be typed. Please feel free to add explanatory notes in the margins, if needed.

A. Medical Assistance Eligibility Rules

A1. For each of the following medical assistance eligibility groups, what is the income eligibility limit, as a percent of the federal poverty level? (If the income eligibility limit is not the same percentage of the federal poverty level for all family sizes, specify the monthly income limit in dollars for a family of 3 and mark with a $ sign in place of the % sign.)

Medical Assistance Eligibility Groups Covering School-age Children	Check if Category Not Applicable	A1) Income eligibility limit, as a percent of the federal poverty level
Mandatory Medicaid		
a) Low income families with children as described in Section 1931 of the Social Security Act		|__|__|__| %
b) Children ages 6-19 with income at or below 100 percent of the Federal Poverty Level.		100%
c) Children ages 1-5 with income at or below 133 percent of the Federal Poverty Level		133%
d) Title IV-E foster care/adoption assistance recipients		|__|__|__| %
e) Transitional Medicaid for families losing Section 1931 eligibility		NOT APPLICABLE
Optional Medicaid		
f) Optional Medicaid expansion for low-income children (ages 6-19, above 100 percent of the Federal Poverty Level)	|__|	|__|__|__| %
g) Optional children who meet income and resource requirements for AFDC but otherwise are not eligible for AFDC	|__|	|__|__|__| %
SCHIP and Other Programs		
h) Separate SCHIP program	|__|	|__|__|__| %
i) Medicaid waiver program for school-age children. Specify name of program below.		
_____	|__|	|__|__|__| %
j) State-only program for school-age children. Specify name of program below.		
_____	|__|	|__|__|__| %

Question A2-A4 Instructions	Medical Assistance Eligibility Groups Covering School-age Children	A2) What is the shortest redetermination period in months?	A3) What is the longest redetermination period in months?	A4) Do children have continous eligibility between redeterminations?
• For each medical assistance eligibility group covering school-age children in your State, please answer questions A2-A4 by filling in the chart to the right. • If an eligibility group or program is not applicable in your State, leave the row blank.	**Mandatory Medicaid**			
	a) Low income families with children as described in Section 1931 of the Social Security Act	|__|__| months	|__|__| months	|__| Yes |__| No
	b) Children ages 6-19 with income at or below 100 percent of the Federal Poverty Level	|__|__| months	|__|__| months	|__| Yes |__| No
	c) Children ages 1-5 with income at or below 133 percent of the Federal Poverty Level	|__|__| months	|__|__| months	|__| Yes |__| No
	d) Title IV-E foster care/adoption assistance recipients	|__|__| months	|__|__| months	|__| Yes |__| No
	e) Transitional Medicaid for families losing Section 1931 eligibility	|__|__| months	|__|__| months	|__| Yes |__| No
	Optional Medicaid			
	f) Optional targeted low-income children (ages 6-19, above 100 percent of the Federal Poverty Level)	|__|__| months	|__|__| months	|__| Yes |__| No
	g) Optional children who meet income and resource requirements for AFDC but otherwise are not eligible for AFDC	|__|__| months	|__|__| months	|__| Yes |__| No
	SCHIP and Other Programs			
	h) Separate SCHIP program	|__|__| months	|__|__| months	|__| Yes |__| No
	i) Medicaid waiver program for school-age children. Specify name of program below. _____	|__|__| months	|__|__| months	|__| Yes |__| No
	j) State-only program for school-age children. Specify name of program below. _____	|__|__| months	|__|__| months	|__| Yes |__| No

B. Medical Assistance Enrollee Data

Question B1-B2 Instructions	Medical Assistance Eligibility Groups Covering School-age Children	B1) Does State agency maintain eligibility information for children in a statewide computer system?	B2) Are household income and household size available for children in a statewide computer system?
• For each medical assistance eligibility group covering school-age children in your State, please answer questions B1-B2 by filling in each row of the chart to the right. • If an eligibility group or program is not applicable in your State, leave the row blank.	**Mandatory Medicaid**		
	a) Low income families with children as described in Section 1931 of the Social Security Act	|__| Yes |__| No	|__| Yes |__| No
	b) Children ages 6-19 with income at or below 100 percent of the Federal Poverty Level.	|__| Yes |__| No	|__| Yes |__| No
	c) Children ages 1-5 with income at or below 133 percent of the Federal Poverty Level	|__| Yes |__| No	|__| Yes |__| No
	d) Title IV-E foster care/adoption assistance recipients	|__| Yes |__| No	|__| Yes |__| No
	e) Transitional Medicaid for families losing Section 1931 eligibility	|__| Yes |__| No	|__| Yes |__| No
	Optional Medicaid		
	f) Optional Medicaid expansion for low-income children (ages 6-19, above 100 percent of the Federal Poverty Level)	|__| Yes |__| No	|__| Yes |__| No
	g) Optional children who meet income and resource requirements for AFDC but otherwise are not eligible for AFDC	|__| Yes |__| No	|__| Yes |__| No
	SCHIP and Other Programs		
	h) Separate SCHIP program	|__| Yes |__| No	|__| Yes |__| No
	i) Medicaid waiver program for school-age children. Specify name of program below. _____	|__| Yes |__| No	|__| Yes |__| No
	j) State-only program for school-age children. Specify name of program below. _____	|__| Yes |__| No	|__| Yes |__| No

Question B3-B4 Instructions	Optional Medical Assistance Eligibility Groups Covering School-age Children	B3) What percent of **enrolled children** have an SSN in the statewide eligibility system?	B4) Are SSNs present in the statewide eligibility system for **non-enrolled adults in households with enrolled children?** (These SSNs may not be required by Federal regulations.) (CHECK ONE RESPONSE)			
• For each medical assistance eligibility group covering school-age children in your State, please answer questions B3-B4 by filling in each row of the chart to the right. • If an eligibility group or program is not applicable in your State, or if the group/program is not included in a statewide eligibility system, leave the row blank.	**Optional Medicaid**					
	f) Optional Medicaid expansion for low-income children (ages 6-19, above 100 percent of the Federal Poverty Level)	SSN REQUIRED	|__| All	|__| More than half	|__| Less than half	|__| None
	g) Optional children who meet income and resource requirements for AFDC but otherwise are not eligible for AFDC	SSN REQUIRED	|__| All	|__| More than half	|__| Less than half	|__| None
	SCHIP and Other Programs					
	h) Separate SCHIP program	|__|__|__| %	|__| All	|__| More than half	|__| Less than half	|__| None
	i) Medicaid waiver program for school-age children. Specify name of program below. _____	|__|__|__| %	|__| All	|__| More than half	|__| Less than half	|__| None
	j) State-only program for school-age children. Specify name of program below. _____	|__|__|__| %	|__| All	|__| More than half	|__| Less than half	|__| None

IF YOUR STATE DOES NOT HAVE A SEPARATE SCHIP PROGRAM, → GO TO SECTION C

B5. The Medicaid program uses the Income Eligibility Verification System of computer matching to assure the accuracy of eligibility data. Does the separate SCHIP program use computer matching to verify income eligibility?

|__| 1. Yes
|__| 2. No → **GO TO SECTION C**

B5a. When is computer matching used to verify income eligibility for the separate SCHIP program?

(CHECK ALL THAT APPLY)

|__| 1. At initial determination
|__| 2. Between redeterminations
|__| 3. At redetermination

B5b. Which of the following data sources are used by the separate SCHIP program for computer matching to verify income?

(CHECK ALL THAT APPLY)

|__| 1. Quarterly employer wage data
|__| 2. Social Security and SSI benefit data
|__| 3. TANF
|__| 4. Unemployment compensation
|__| 5. Internal Revenue Service data
|__| 6. Child support payments
|__| 7. Other, specify below

_____

_____

_____

C. Integrated Eligibility Systems

C1. Is the eligibility system for **Medicaid** part of an integrated eligibility system that also serves the Food Stamp (FS) and/or TANF programs? Integration means that Medicaid shares the same computer system with FS/TANF or that Medicaid has real-time access to the records of the other programs.

(CHECK ALL THAT APPLY)

|__| 1. Food Stamp program
|__| 2. TANF
|__| 3. Neither → **GO TO SECTION D**

C2. Please indicate all medical assistance groups included in the integrated eligibility system that serves Medicaid and FS and/or TANF.

(CHECK ALL THAT APPLY)

|__| 1. Low income families with children as described in Section 1931 of the Social Security Act
|__| 2. Children ages 6-19 with income at or below 100 percent of the Federal Poverty Level
|__| 3. Children ages 1-5 with income at or below 133 percent of the Federal Poverty Level
|__| 4. Title IV-E foster care/adoption assistance recipients
|__| 5. Transitional Medicaid for families losing Section 1931 eligibility
|__| 6. Optional Medicaid expansion for low-income children (ages 6-19, above 100 percent of the Federal Poverty Level)
|__| 7. Optional children who meet income and resource requirements for AFDC but otherwise are not eligible for AFDC
|__| 8. Separate SCHIP program
|__| 9. Other medical assistance for school-age children (Medicaid waiver, State-only programs etc.). List program name(s) below.

_____

C3. Which other means-tested programs are included in the integrated eligibility system that serves the **Medicaid** program?

(CHECK ALL THAT APPLY)

|__| 0. None
|__| 1. Foster care
|__| 2. Low-income home energy assistance program for non-TANF families (LIHEAP)
|__| 3. Non-TANF child care assistance
|__| 4. Rental assistance
|__| 5. WIC
|__| 6. Other, specify below:

_____

D. Medicaid Administrative Claiming Program for School Districts

D1. Does your agency provide information to state or local education agencies for the Medicaid Administrative Claiming (MAC) program, which provides reimbursements for Medicaid-related **administrative** costs to school districts?

|__| 1. Yes
|__| 2. No → **GO TO E1**

D2. What type of data does your agency provide to state or local education agencies for the Medicaid Administrative Claiming (MAC) program?

(CHECK ONLY ONE)

|__| 1. Individual records of children enrolled in Medicaid
|__| 2. Aggregate counts of children enrolled in Medicaid → **GO TO E1**
|__| 3. Individual records of children are provided to some agencies and aggregate counts of children enrolled in Medicaid are provided to some agencies

D3. How does your agency provide information about Medicaid children to education agencies?

|__| 1. Provide data to State Education Agency for the entire State
|__| 2. Provide data to State Education Agency only for participating school districts
|__| 3. Provide data directly to all school districts
|__| 4. Provide data directly to participating school districts
|__| 5. Other, specify below

_____

_____

_____

D4. How many school districts participated in the MAC program in Federal Fiscal Year 2004?

participating districts: |__|__|__|__|

|__| Check if all school districts in the State participate in MAC

|__| Check if don't know how many school districts participate

D5. How many times did districts receive Medicaid eligibility information for the MAC program in Federal Fiscal Year 2004?

IF VARIES ACROSS DISTRICTS, INDICATE THE AVERAGE NUMBER OF TIMES.

times per district: |__|__|

Check if varies by district |__|

E. Other Data Sharing with School Districts

E1. School districts are authorized to share information from applications for free or reduced-price meals with agencies administering the Medicaid and SCHIP programs. This information is used to provide outreach and enroll eligible children in medical assistance programs. Does your agency receive information from school meals applications?

|__| 1. Yes
|__| 2. No → **GO TO F1**

E2. What is the format of the information that you receive from school meal applications?

|__| 1. Electronic data
|__| 2. Hardcopy/paper documents → **GO TO F1**

E3. How does your agency receive **electronic** data from school meal applications?

|__| 1. Receive data from State Education Agency for **all** school districts
|__| 2. Receive data from State Education Agency for **some** school districts
|__| 3. Receive data directly from **all** school districts
|__| 4. Receive data directly from **some** school districts
|__| 5. Other, specify below

_____

_____

F. Statistics on Children Enrolled in Medical Assistance

F1. Could your agency produce reports on the number of children enrolled in medical assistance by income group or poverty level? For example, the number of children in households with income below the poverty level, between 100 and 130 percent of the poverty level, between 130 and 150 percent of the poverty level, and so on (your reports may use different ranges of the poverty level).

|__| 1. Yes
|__| 2. No → **GO TO G1**

F2. To provide us with information about the population of children enrolled in medical assistance who are potentially eligible for free or reduced-price school meals, please attach a copy of a recent report showing the number of children enrolled in medical assistance by income or poverty group.

|__| 1. Check if report is attached to this survey

What time period is covered by this report? _____

G. Contact Information

G1. Did the Medicaid Director answer the questions on this survey or designate someone else to answer?

|__| 1. Answered himself/herself → **PLEASE PROVIDE INFORMATION FOR FOLLOW-UP PURPOSES**

E-mail address: _____

Telephone number: |__|__|__|-|__|__|__|-|__|__|__|__|

|__| 2. Someone else → **PLEASE PROVIDE RESPONDENT'S NAME AND CONTACT INFORMATION FOR FOLLOW-UP PURPOSES**

Respondent name: _____

Respondent title: _____

E-mail address: _____

Telephone number: |__|__|__|-|__|__|__|-|__|__|__|__|

This completes our survey. Thank you very much for your cooperation!

Appendix B

Highlights of Case Studies

Georgia Case Study

NSLP Direct Certification

Methods

■ State-level computer match by the Dept. of Education Information Systems Division

■ SFA on-line access to look up FS/TANF eligibility

Coverage

■ All public SFAs

History

■ 1992 – Implemented State-level computer match based on SSN, done by SFSA

■ Late 1990s – SFAs given access to FS/TANF eligibility system

■ 1997 - SSIS implemented

■ 2005 - Moved match to SEA, added match by name and date of birth

Effectiveness

■ The State matches 57% of FS/TANF children, age 1-19, to students in public schools

■ VSR data show that all public SFAs directly certify more children than they approve by categorical application

■ Statewide, 63% of categorically approved children in public schools are directly certified (Source: VSR)

Strengths

■ 100% participation by public SFAs

■ Three-prong approach – computer match; county files of unmatched FS/TANF children; individual look-ups

Limitations

■ Student data are 9 months old

■ Exact match is required, with no tolerance for data errors

■ Unmatched lists of FS/TANF children do not correspond precisely to SFA catchment area

State-level Computer Match Procedures

Timing

■ June – SFSA provides FSP/TANF data to SEA

■ June/July – SEA extracts SSIS data and does the match

■ Mid-July – Match results posted on SEA secure website

File Specifications

■ FSP/TANF data
- Active caseload as of May
- Children ages 1-19
- Identifiers: Name, SSN, date of birth, mother's name, mother's SSN, address, county
- Approximately 531,000 records in 2005

■ Student enrollment data from SSIS
- Student information from prior October
- Unique students ID is SSN or alternate ID
- Identifiers: Name, SSN, date of birth, district name, district number, school name, school number, race, gender, graduation status
- Approximately 1,553,000 records in 2005

Matching Algorithms

■ Primary match: Exact match by SSN

■ Secondary match: Exact match by name and DOB

Files provided to SFAs (via SEA secure website)

1. Match results
2. Unmatched FSP/TANF children age 6-19*
3. Unmatched FSP/TANF children age 4-5*

* Unmatched files contain children residing in the county where the SFA is located.

SFA Access to SUCCESS

■ SUCCESS is the Georgia eligibility determination system for the FSP, TANF and Medicaid

■ SFAs have secure but limited access to SUCCESS through Georgia Online (GO)

■ For **direct certification**, SFAs may use the system to query FS/TANF eligibility data by:
- SSN
- Case number (e.g., to identify FSP household membership when all siblings are not directly certified)

Georgia Case Study (continued)

NSLP Verification

Methods of Verifying Categorical Applications

1. Direct verification
2. Request documentation from household

Direct Verification with FSP Data

■ Available since late 1990s
■ SFAs need more training to understand that the system can be used for the entire verification sample

Feasibility of Direct Verification with Medicaid Data

■ Implemented in SY2005-2006 through the SUCCESS online system

■ Adding Medicaid was feasible because the FSP, TANF, Medicaid eligibility systems are integrated

■ SCHIP is not included because SCHIP eligibility information resides in a separate system

Direct Verification via SUCCESS

■ FSP, TANF, and Medicaid data are available for direct verification

■ SFAs may use the system to query:
- FSP/TANF/Medicaid eligibility data by SSN
- FSP/TANF eligibility data by case number

Other Computer Matching with K-12 Student Data

■ Medicaid School Health and Related Services – Not used
■ Medicaid Administrative Claiming – Not used

Agencies Interviewed

State Agencies

■ Department of Education
- School and Community Nutrition Division
- Information Systems Division

■ Division of Family and Children's Services, Dept. of Human Resources (DHR) – Food Stamp/TANF programs

■ Department of Community Health (DCH) – Medicaid/SCHIP programs

SFAs

■ Cobb County
- Large SFA with over 10,000 students
- 32 % Free/RP NLSP in SY2004-05
- Approximately 1,700 direct certifications

■ Crisp County
- Mid-size SFA with about 4,500 students
- 70% Free/RP NLSP in SY2004-05
- Approximately 1,200 direct certifications

Kansas Case Study

NSLP Direct Certification

Methods

■ District-level computer match in six districts

■ Letters sent to all FS/TANF children statewide (including those attending districts that use district-level match)

Coverage

■ All SFAs by letter method; 6 SFAs receive data

History

■ 1990 –Implemented letter method

■ Mid 1990s – Implemented district matching

■ 2005 – Implemented SSIS

■ 2006 – Planning for State-level computer match begins

Effectiveness

■ 86% of public SFAs directly certify more children than they approve by categorical application (Source: VSR)

■ Statewide, 81% of categorically approved children in public schools are directly certified (Source: VSR)

Strengths

■ High rate of direct certification

Limitations

■ Most SFAs must manually process letters, rather than electronic data

■ Computer matching procedures are not standardized across SFAs

■ Letter method duplicates electronic data in SFAs using computer matching

■ State-level match methods may be limited because SSIS contains SSN for only 47% of students

District-level Computer Matching Procedures

Participating Districts

■ Wichita, Shawnee Mission, Kansas City, Topeka, Leavenworth, Seaman

■ These districts account for 24 percent of enrollment and 27 percent of Free/RP certifications

Timing

■ Mid-July – SFSA emails data files to districts

■ July to mid-August – Districts complete match and mail notification letters to households

■ End of August – School starts

FS/TANF File Specifications

■ Two files to each district containing FS/TANF children residing in counties served by the district:

1) Children ages 3-4 (pre-K and CACFP)
2) Children ages 5-18 (K-12)

■ Active caseload as of end of July

■ Identifiers: Name, SSN, date of birth, head of household name, address, and FS/TANF case number

Matching Algorithms

■ Determined by each district

- Most matches are by name and DOB
- Use of SSN is limited because district records do not contain SSN for all students

Letter Method

■ Mid-July

- SFSA mails letters to all households with FS/TANF children
- SFSA sends hard-copy printouts to all districts containing list of FS/TANF children in counties served by the district

■ Approximately 32,000 letters mailed

Kansas Case Study (continued)

NSLP Verification

Methods of Verifying Categorical Applications

1. Request documentation from household
2. Contact local FSP office
3. Contact State FSP office

Direct Verification with FSP Data

■ No system for direct verification with FSP data

■ Respondents questioned usefulness, given high rate of direct certification and use of focused verification samples

■ Reluctant to provide SFAs with direct access to FS/TANF eligibility data; prefer centralized system

Feasibility of Direct Verification with Medicaid Data

■ No current plans

■ Perceived as technically feasible, but legal issues must be resolved.

■ State has an integrated eligibility system for FSP, TANF, Medicaid, and SCHIP

■ Direct verification is likely to be effective only if SCHIP is included. Income eligibility limits are:

- Medicaid - 100% FPL
- SCHIP - 200% FPL

Direct Verification Procedures

■ Method #1 - SFA submits FSP/TANF case numbers to local FSP office using a standard form, or by telephone (large SFAs may use electronic methods).

■ Method #2 – SFA telephones the State FSP office and State does a look-up of case numbers

Other Computer Matching with K-12 Student Data

■ Medicaid Administrative Claiming (MAC)
- Medicaid agency contracts with MAXIMUS to administer the program; SEA has no involvement;
- County estimates of Medicaid-eligible children are used for reimbursement calculations.

Agencies Interviewed

State Agencies

■ Department of Education
- Child Nutrition and Wellness Division
- Planning and Research Division

■ Department of Social and Rehabilitative Services (SRS) – Food Stamp/TANF programs

■ Division of Health Policy and Finance, Department of Administration – Medicaid/SCHIP programs

SFAs

■ Wichita Public Schools
- Large SFA with 45,000 students
- 46% Free/RP NLSP in SY2004-05
- Approximately 1,500 direct certifications

■ Shawnee-Mission Public Schools
- Large SFA with 29,000 students
- 17% Free/RP NLSP in SY2004-05
- Approximately 1,000 direct certifications

Massachusetts Case Study

NSLP Direct Certification

Methods
■ State-level computer match by the Dept. of Education, Data Collection Division
■ Letters sent to unmatched FSP/TANF children
■ Two largest SFAs (Boston and Springfield) do their own match

Coverage
■ All public SFAs

History
■ 2002 – Pilot of computer match with FSP/TANF data in Boston and Springfield Public School Districts
- Districts developed match
- Project Bread initiated pilot

■ 2003 – Expanded pilot to 12 additional districts
■ 2004 – Implemented State-level match using SSIS

Effectiveness
■ The State matches 80% of FS/TANF children, age 0-19, to students in public schools
■ Data not available about direct certification as a percent of categorically approved

Strengths
■ Multiple rounds of matching result in high match rate
■ Match is supplemented by letter method

Limitations
■ Match results were not available to SFAs until after school started; too late to be useful

State-level Computer Match Procedures

Timing
■ August – SFSA provides FSP/TANF data to SEA
■ August – SEA extracts SSIS data and does the match
■ Mid-Sept – Match results posted on SEA web portal

File Specifications
■ FSP/TANF data
- Active caseload as of July
- Children ages 0-19
- Identifiers: Name, date of birth, city of residence
- Approximately 120,000 records in 2005

■ Student enrollment data from SSIS
- Student information from March 2005
- Identifiers: State student ID, name, date of birth, gender, city of residence, district ID, school code, last reported NSLP status
- Approximately 975,000 records in 2005

Matching Algorithms
■ 1. Exact match on Name and DOB
■ 2. Exact match on Name and DOB (month and day switched)
■ 3. Match on first initial of first name, exact match on last name, DOB, city of residence

Matching Hardware/Software
■ Match is done on PC using FoxPro

Files provided to SFAs (via SEA secure website)
■ Match results provided in MS-Excel format, with indicator of applicable match criteria

Letter Method for Unmatched FSP/TANF Children

■ Mailing done by SFSA in September
■ Letters mailed to children age 4-19
■ 16,000 letters mailed in SY2004-05

Massachusetts Case Study (continued)

NSLP Verification

Methods of Verifying Categorical Applications

1. Request documentation from household
2. Request documentation from local FSP office

Direct Verification with FSP Data

■ No current plans

Feasibility of Direct Verification with Medicaid Data

■ No current plans

■ Potential barriers:

- Establishing legality under HIPAA
- Collecting verification sample data from SFAs

■ Medicaid/SCHIP data are in same eligibility system; but separate from FSP/TANF

■ Direct verification can be effective even if limited to Medicaid. Income eligibility limits are:

- Medicaid - 150% FPL
- SCHIP – 200% FPL

Other Computer Matching with K-12 Student Data

■ Medicaid School Health and Related Services – Not used

■ Medicaid Administrative Claiming

- 320 districts participated in 2005 (nearly the entire State)
- State Medicaid Agency provides eligibility records to school districts each quarter (Name, SSN, DOB, gender, recipient ID)
- Districts (or their vendors) do a quarterly computer match of Medicaid records with student records, and submit quarterly claims

Agencies Interviewed

State Agencies

■ Department of Education
- School Nutrition and Health
- Finance and Operations, Data Collection Processing and Reporting

■ Dept. of Transitional Assistance (DTA) – Food Stamp/TANF programs

■ Dept. of Health and Human Services, Office of Medicaid (MassHealth) – Medicaid/SCHIP programs

SFAs

■ Boston Public Schools
- Large SFA with about 58,000 students
- 73% Free/RP NLSP in SY2004-05
- Approximately __ direct certifications

■ Orange Public Schools
- Small SFA with about 800 students
- Almost 50% Free/RP NLSP in SY2004-05
- Approximately __ direct certifications

Oregon Case Study

NSLP Direct Certification

Methods

■ State-level computer match by the Dept. of Education Office of Assessment and Information Services

■ SFAs can receive files of unmatched FSP/TANF children for manual look-up or computer match with district student data

Coverage

■ All public SFAs

History

■ 2001-2003– Pilot of computer match with FSP/TANF data in Portland Public School District

■ 2003 – Quarterly statewide computer match implemented

■ 2004—Sibling match added

■ 2005 – Monthly match implemented

Effectiveness

■ The State matches 65% of FS/TANF children, age <1-21, to students in public schools

■ 86% of public SFAs directly certify more children than they approve by categorical application (Source: VSR)

■ Statewide, 66% of categorically approved children in public schools are directly certified (Source: VSR)

Strengths

■ Combines SSN match of children with sibling match using parent name and address

■ Uses student identifier subsystem to minimize lag in enrollment data

■ Monthly matches allow direct certification throughout the year

State-level Computer Match Procedures

Timing – Monthly

■ SFSA provides FSP/TANF data to SEA

■ SEA extracts SSIS data and does the match

■ Match results sent by secure e-mail to SFAs

File Specifications

■ FSP/TANF data
- Active caseload as of end of month
- Children ages <1-21
- Identifiers: Name, SSN, date of birth, sex, head of household name, address
- Approximately 93,000 records in 2005

■ Student enrollment data from SSIS
- Student information from student identifier subsystem, updated at least 2 times/year and more often in large districts
- Identifiers: Name, SSN, state student ID, date of birth, sex, ethnicity, grade, district, school
- Approximately 552,000 records in October 2004

Matching Algorithms

■ Primary match: Exact match by SSN

■ Secondary match: Unmatched FSP/TANF children matched to head of household name and address of matched children

Files provided to SFAs (via CN secure e-mail)

4. Match results with SSN (and state student ID if matched by SSN)
5. Unmatched FSP/TANF children with address in district (upon request)

Limitations

■ Little time for SFAs to process direct certification before start of school; will be available sooner for SY2006-2007

■ Monthly matches do not separate new vs. previously matched records

Oregon Case Study (continued)

NSLP Verification

Methods of Verifying Categorical Applications

1. Request documentation from household
2. Request documentation from local FSP office with household consent
3. Direct verification

Direct Verification with FSP Data

■ Implemented in SY2005-2006
■ Used by 10-15 SFAs
■ One in five applications matched
■ SFAs need more training to understand what the system can do to help

Feasibility of Direct Verification with Medicaid Data

■ Currently operational, but process not automated

■ Direct verification is likely to be effective only if SCHIP is included. Income eligibility limits are:
- Medicaid - 100% FPL
- SCHIP – 185% FPL

■ Shared data system for TANF, Medicaid and SCHIP; interface with FSP allows unduplicated list of children

Direct Verification Process

■ SFA creates list, in Word document, of applicants to be verified
■ SFA sends list to SFSA using secure e-mail
■ SFSA liaison contacts local FSP office to determine if applicants are approved for FSP, TANF, or Medicaid
■ Medicaid information indicates if eligible for free or reduced-price
■ SFSA returns list with verification results to SFA by secure e-mail

Advantages
■ Simple and inexpensive to implement

Disadvantages
■ Takes several days to get response, so SFA has less time to get verification from household if needed

Other Computer Matching with K-12 Student Data

■ Medicaid School Health and Related Services – Not used
■ Medicaid Administrative Claiming – Not used

Agencies Interviewed

State Agencies

■ Department of Education
- Child Nutrition and Food Distribution
- Office of Assessment and Information Services

■ Department of Human Services, Div. of Children, Adults, and Families
- Office of Self Sufficiency Programs (FSP)
- Medicaid Policy Unit

SFAs

■ Beaverton School District
- Large SFA with 36,000 students
- 29% Free/RP NLSP in SY2004-05
- Approximately 3,100 direct certifications

■ McMinnville School District
- Mid-size SFA with 6,000 students
- 44% Free/RP NLSP in SY2004-05
- Approximately 850 direct certifications

Texas Case Study

NSLP Direct Certification

Methods
- State-level computer match by the Dept. of Education Information Services Division

Coverage
- All public SFAs

History
- 1992 – Implemented State-level computer match based on SSN
- 1990s – Electronic distribution, web access to results introduced
- 2005 – TANF match added, match moved to server environment

Effectiveness
- The State matches 57% of FS/TANF children, age <1-21, to students in public schools
- Statewide, 41% of categorically approved children are directly certified (Source: VSR)
- 60% of public SFAs directly certify more children than they approve by categorical application (Source: VSR)

Strengths
- Match uses both SSN and Name+DOB
- Distribution of match results through CN website

Limitations
- Student data are 9 months old
- Exact match is required, with no tolerance for data errors
- Match results are not easily imported into district databases because they don't have the district student ID
- No direct certification method for unmatched FSP/TANF children

State-level Computer Match Procedures

Timing
- June – SFSA provides FSP/TANF data to SEA
- June/July – SEA extracts SSIS data and does the match
- Mid-July – Match results posted on CN secure website

File Specifications
- FSP/TANF data
  - Active caseload as of May
  - Children ages <1-21
  - Identifiers: Name, SSN, date of birth, ethnicity, sex, address, client number, TANF case number, FSP case number, head of household name
  - Approximately 1.3 million records in 2005
- Student enrollment data from SSIS
  - Student information from prior October
  - SSIS has unique student ID, but not used for direct certification
  - Identifiers: Name, SSN, date of birth, sex, grade, street address, city, zip
  - Approximately 4.4 million records in 2005

Matching Algorithms
- Primary match: Exact match by SSN
- Secondary match: Exact match by name and DOB

Files provided to SFAs (via CN secure website)
6. Match results

Texas Case Study (continued)

NSLP Verification

Methods of Verifying Categorical Applications

1. Request documentation from household
2. Request documentation from local FSP office with household release

Direct Verification of Categorical Applications

■ Initial discussions among CN agency, SEA, and FSP agency have occurred - possible State-level match of LEA verification samples to FSP/TANF data

Feasibility of Direct Verification with Medicaid Data

■ Direct verification is likely to be effective only if SCHIP is included. Income eligibility limits are:
- Medicaid - 100% FPL
- SCHIP – 200% FPL

■ Limitations of using SCHIP data:
- Eligibility system is not integrated with Medicaid and is operated by a contractor
- SSN disclosure is not mandatory; data missing for 30% of children

Other Computer Matching with K-12 Student Data

Medicaid Administrative Claiming (MAC)

■ HHSC provides file of all children ages 3 to 21 enrolled in Medicaid during school year (August to May)
■ SEA matches to current student data by SSN or name and DOB; names are truncated
■ 30 percent of students are matched to Medicaid data
■ SEA computes percentage of students enrolled in Medicaid for each district and sends percentages to all public LEAs and to HHSC
■ 700 LEAs submit claims for reimbursement of Medicaid administrative costs

Medicaid School Health and Related Services

■ LEA or its vendor sends a file of student records to HHSC monthly via secure website
■ HHSC matches student file to current Medicaid database by SSN
■ HHSC returns student file with Medicaid eligibility indicator to LEA or its vendor via secure website
■ LEA can also check individual student eligibility via automated telephone system
■ 1,000 LEAs submit claims for reimbursement of costs for school health and related services

Agencies Interviewed

State Agencies

■ Department of Agriculture, Food and Nutrition Division

■ Department of Education, Information Systems Division

■ Health and Human Services Commission– Information Technology, Policy Analysis & Program Coordination, Special Nutrition Programs, Medicaid/CHIP

SFAs

■ Hurst-Euless-Bedford ISD
- Large SFA with 19,000 students
- 37% Free/RP NLSP in SY2004-05
- Approximately 850 direct certifications

■ Victoria ISD
- Large SFA with 14,000 students
- 56% Free/RP NLSP in SY2004-05
- Approximately 2,000 direct certifications

Wisconsin Case Study

NSLP Direct Certification

Methods
■ State-level computer match by the State Food Stamp Agency (SFSA)

Coverage
■ All public and private SFAs may participate; participation is voluntary

History
■ 1992 – Implemented State-level computer match

■ 2005 – Automated the system; SFAs may match data multiple times during the year

■ 2005 – Implemented SSIS (not used for direct certification)

Effectiveness
■ Information is not available on percent of FS/TANF children matched to student records

■ Statewide, 51% of categorically approved children in public schools are directly certified

Strengths
■ System is completely automated; no action required at the State level

■ SFAs may obtain matches when they wish and as often as they wish

■ Private SFAs may participate

Limitations
■ Estimates suggest that only about 20% of all SFAs, and 34% of public SFAs, use the system

■ Exact match is required, with no tolerance for data errors

■ SFAs need technical expertise to set up data exchange and process match results

■ There is no direct certification method for unmatched FS/TANF children

State-level Computer Match Procedures

Process
■ SFAs initiate the match by uploading student records via secure FTP
■ District data are matched against a statewide file of FS/TANF children; FS/TANF file is updated monthly
■ Match results are available in 24 hours for download via FTP

Timing
■ Peak times for system use are the last 3 weeks in June, and mid-August through late September

File Specifications
■ FSP/TANF data
- Active caseload, updated monthly
- Identifiers: Name, SSN, date of birth,
- Approximately 114,000 school-age children in 2005

■ Student enrollment data
- Districts use current student records
- Unique students ID is SSN if available
- Data fields: Name, SSN, date of birth, district code, filler (for SFA use)

Matching Algorithms
■ Exact match by name and DOB

Files provided to SFAs (via SEA secure website)
7. Match results: SFA data file is updated to include an eligibility indicator

Wisconsin Case Study (continued)

NSLP Verification

Methods of Verifying Categorical Applications

1. Request documentation from household
2. Direct verification

Direct Verification with FSP Data

■ Implemented in SY2005-06
■ Same system as direct certification
■ SFAs can submit their entire verification sample: categorical and income applications

Feasibility of Direct Verification with Medicaid Data

■ State Medicaid Agency concerned about lack of SSNs in SSIS, and potential for error with name/DOB match

■ HIPAA not considered a barrier; State does not consider eligibility information to be Personal Health Information (PHI)
■ Medicaid income eligibility limit for children is 200% FPL (State does not have a separate SCHIP program)

Direct Verification Procedure

■ Same as direct certification

■ SFAs initiate the match by uploading student records via secure FTP
■ District data are matched against a statewide file of FS/TANF children; FS/TANF file is updated monthly
■ Match results are available in 24 hours for download via FTP
■ Match is by Name and DOB; match does not use FS/TANF case numbers

Other Computer Matching with K-12 Student Data

■ Medicaid School Health and Related Services – Not used
■ Medicaid Administrative Claiming – Not used

Agencies Interviewed

State Agencies

■ Department of Public Instruction
  - School Nutrition Team
  - Information Technology Team

■ Department of Workforce Development (DWD), Bureau of Workforce Programs, Automated Operations Section – Food Stamp/TANF programs

■ Department of Health and Family Services (DHFS) – Medicaid/SCHIP programs

SFAs

■ Milwaukee Public Schools
  - Large SFA with 97,000 students
  - 74 % Free/RP NLSP in SY2004-05
  - Approximately 24,000 direct certifications

■ Tomah Area School District
  - Mid-size SFA with about 3,000 students
  - 30% Free/RP NLSP in SY2004-05
  - Approximately 180 direct certifications

Appendix C

Tabulations of SY2004-05 Verification Summary Report

Table C-1—Number of NLSP School Districts, Student Enrollment, and NSLP-Eligible Students: Public School Districts, SY2004-05

	Number of districts	Total student enrollment	NSLP-eligible students			
			Number of students		Percent of enrollment	
			Free	Reduced price	Free	Reduced price
U.S. Total	12,935	43,278,139	14,450,579	3,362,675	33.4%	7.8%
State system, statewide	955	4,274,425	1,693,762	356,802	39.6	8.4
Arizona	247	854,631	360,933	70,686	42.2	8.3
Arkansas	242	428,919	187,992	38,847	43.8	9.1
Georgia	153	1,484,007	565,820	124,323	38.1	8.4
Oregon	174	532,462	170,610	42,961	32.0	8.1
South Carolina	84	693,791	292,978	51,992	42.2	7.5
West Virginia	55	280,615	115,429	27,993	41.1	10.0
State system, not statewide	3,495	9,744,685	3,510,433	738,180	36.0	7.6
Colorado	143	500,626	146,884	34,548	29.3	6.9
Delaware	27	117,924	40,622	7,872	34.4	6.7
Indiana	287	1,004,751	360,099	541	35.8	0.0
Louisiana	76	732,988	412,190	59,639	56.2	8.1
Minnesota	400	807,943	188,618	62,829	23.4	7.8
Nebraska[1]	305	272,628	73,160	24,520	26.8	9.0
Oklahoma[2]	499	620,772	264,611	63,260	42.6	10.2
Texas	1,094	3,957,572	1,576,537	346,916	39.8	8.8
Washington	250	881,185	254,815	77,936	28.9	8.8
Wisconsin	414	848,296	192,897	60,119	22.7	7.1
District-level matching	4,942	21,905,771	7,112,782	1,675,154	32.5	7.6
Alabama	138	734,409	301,490	55,673	41.0	7.6
California	934	6,699,798	2,206,152	559,317	32.9	8.4
District of Columbia	42	78,921	47,467	4,739	60.1	6.0
Florida	71	2,628,644	989,050	215,559	37.6	8.2
Kentucky	172	652,418	272,383	57,160	41.8	8.8
Maryland	24	853,203	214,405	64,278	25.1	7.5
Michigan	626	1,611,506	478,886	105,230	29.7	6.5
Mississippi	140	468,844	252,374	41,589	53.8	8.9
Missouri	551	935,717	298,463	67,263	31.9	7.2
Nevada	38	370,527	115,577	28,227	31.2	7.6
New Jersey	528	1,179,079	273,457	86,112	23.2	7.3
New Mexico	67	234,470	105,049	20,563	44.8	8.8
Ohio	803	1,688,070	423,032	103,131	25.1	6.1
Pennsylvania	530	1,705,546	463,128	116,408	27.2	6.8
Tennessee	137	922,371	374,030	68,943	40.6	7.5
Virginia	141	1,142,248	297,839	80,962	26.1	7.1
District match plus letters	1,389	4,188,951	1,137,039	360,027	27.1	8.6
Connecticut	156	506,231	73,013	25,588	14.4	5.0
Kansas	297	462,439	121,540	52,968	26.3	11.4
Maine	218	190,326	50,072	14,951	26.3	7.9
New York	670	2,545,505	774,876	219,298	30.4	8.6
Utah	48	484,450	117,538	47,222	24.3	9.8
Letter method only	2,154	3,164,307	996,563	232,512	31.5	7.4
Alaska	41	101,060	23,062	7,666	22.8	7.6
Idaho	111	241,462	74,407	26,253	30.8	10.9
Illinois	796	1,687,979	654,649	109,181	38.8	6.5
Iowa	367	480,433	113,467	37,187	23.6	7.7
Montana	224	137,860	34,116	11,649	24.8	8.4
New Hampshire	72	176,391	23,868	10,444	13.5	5.9
North Dakota	142	56,020	11,191	4,641	20.0	8.3
South Dakota	163	116,645	26,179	11,048	22.4	9.5
Vermont	193	84,952	17,778	6,108	20.9	7.2
Wyoming	45	81,505	17,846	8,335	21.9	10.2

[1] In Nebraska, State-level matching is used by two SFAs, and letters are sent to Food Stamp households in the remainder of the State.
[2] In Oklahoma, State-level matching (13 SFAs) and district-level matching (233 SFAs) is available.

Sources: USDA/FNS, SY2004-05 Verification Summary Report (VSR), excluding districts with only Provision 2/3 schools. Excludes Hawaii, Massachusets, North Carolina, and Rhode Island because data were not available or not usable. Data are incomplete for Alaska, Colorado, Connecticut, Illinois, Montana, New Hampshire, New Mexico, North Dakota, Oregon, and Texas.

Table C-2—Distribution of NLSP Free-Eligible Students by Type of Certification: Public School Districts, SY2004-05

	Number of free-eligible students				Distribution of free-eligible students		
	Total	Not subject to verification	Categorically eligible	Income eligible	Not subject to verification	Categorically eligible	Income eligible
U.S. Total	14,450,579	4,069,799	2,611,194	7,764,134	28.2%	18.1%	53.7%
State system, statewide	1,693,762	606,695	216,188	870,879	35.8	12.8	51.4
Arizona	360,933	140,179	7,015	213,739	38.8	1.9	59.2
Arkansas	187,992	73,514	29,049	85,429	39.1	15.4	45.4
Georgia	565,820	158,000	92,877	314,943	27.9	16.4	55.7
Oregon	170,610	60,778	30,834	78,998	35.6	18.1	46.3
South Carolina	292,978	116,704	39,441	136,833	39.8	13.5	46.7
West Virginia	115,429	57,520	16,972	40,937	49.8	14.7	35.5
State system, not statewide	3,510,433	794,998	758,547	1,956,888	22.6	21.6	55.7
Colorado	146,884	34,837	16,567	95,480	23.7	11.3	65.0
Delaware	40,622	14,658	5,443	20,521	36.1	13.4	50.5
Indiana	360,099	74,635	75,730	209,734	20.7	21.0	58.2
Louisiana	412,190	149,659	95,260	167,271	36.3	23.1	40.6
Minnesota	188,618	65,601	29,759	93,258	34.8	15.8	49.4
Nebraska[1]	73,160	22,315	11,820	39,025	30.5	16.2	53.3
Oklahoma[2]	264,611	49,107	72,424	143,080	18.6	27.4	54.1
Texas	1,576,537	252,605	364,259	959,673	16.0	23.1	60.9
Washington	254,815	84,196	42,365	128,254	33.0	16.6	50.3
Wisconsin	192,897	47,385	44,920	100,592	24.6	23.3	52.2
District-level matching	7,112,782	2,118,934	1,246,068	3,742,328	29.8	17.5	52.6
Alabama	301,490	58,372	93,580	149,538	19.4	31.0	49.6
California	2,206,152	453,226	276,162	1,476,764	20.5	12.5	66.9
District of Columbia	47,467	18,394	4,848	24,225	38.8	10.2	51.0
Florida	989,050	365,281	175,562	448,207	36.9	17.8	45.3
Kentucky	272,383	99,851	62,184	110,348	36.7	22.8	40.5
Maryland	214,405	71,749	24,677	117,979	33.5	11.5	55.0
Michigan	478,886	178,949	110,204	189,733	37.4	23.0	39.6
Mississippi	252,374	42,837	61,532	148,005	17.0	24.4	58.6
Missouri	298,463	122,750	53,371	122,342	41.1	17.9	41.0
Nevada	115,577	36,361	5,816	73,400	31.5	5.0	63.5
New Jersey	273,457	38,845	51,953	182,659	14.2	19.0	66.8
New Mexico	105,049	28,936	18,000	52,661	27.6	17.1	50.1
Ohio	423,032	76,149	163,858	183,025	18.0	38.7	43.3
Pennsylvania	463,128	232,676	67,192	163,260	50.2	14.5	35.2
Tennessee	374,030	176,948	48,308	148,774	47.3	12.9	39.8
Virginia	297,839	117,610	28,821	151,408	39.5	9.7	50.8
District match plus letters	1,137,039	349,294	202,954	584,791	30.7	17.8	51.4
Connecticut	73,013	21,501	11,911	39,601	29.4	16.3	54.2
Kansas	121,540	33,174	7,875	80,491	27.3	6.5	66.2
Maine	50,072	23,494	8,249	18,329	46.9	16.5	36.6
New York	774,876	248,605	164,349	361,922	32.1	21.2	46.7
Utah	117,538	22,520	10,570	84,448	19.2	9.0	71.8
Letter method only	996,563	199,878	187,437	609,248	20.1	18.8	61.1
Alaska	23,062	6,912	4,305	11,845	30.0	18.7	51.4
Idaho	74,407	16,862	8,752	48,793	22.7	11.8	65.6
Illinois	654,649	114,084	126,713	413,852	17.4	19.4	63.2
Iowa	113,467	29,023	17,961	66,483	25.6	15.8	58.6
Montana	34,116	7,607	8,074	18,435	22.3	23.7	54.0
New Hampshire	23,868	4,287	7,291	12,290	18.0	30.6	51.5
North Dakota	11,191	3,374	1,710	6,107	30.2	15.3	54.6
South Dakota	26,179	4,333	7,155	14,691	16.6	27.3	56.1
Vermont	17,778	7,430	2,952	7,396	41.8	16.6	41.6
Wyoming	17,846	5,966	2,524	9,356	33.4	14.1	52.4

[1] In Nebraska, State-level matching is used by two SFAs, and letters are sent to Food Stamp households in the remainder of the State.
[2] In Oklahoma, State-level matching (13 SFAs) and district-level matching (233 SFAs) is available.

Sources: See previous table. Excludes Hawaii, Massachusets, North Carolina, and Rhode Island because data were not available or not usable. Data are incomplete for Alaska, Colorado, Connecticut, Illinois, Montana, New Hampshire, New Mexico, North Dakota, Oregon, and Texas.

Table C-3—Number and Percent of School Districts With Directly Certified Students: Public School Districts, SY2004-05

	Number of districts	Districts with directly certified students[1]		Districts without directly certified students	
		Number	Percent	Number	Percent
U.S. Total	12,935	8,152	63.0%	4,783	37.0%
State system, statewide	955	891	93.3	64	6.7
Arizona	247	209	84.6	38	15.4
Arkansas	242	238	98.4	4	1.6
Georgia	153	152	99.4	1	0.6
Oregon	174	154	88.5	20	11.5
South Carolina	84	84	100.0	0	0.0
West Virginia	55	54	98.2	1	1.8
State system, not statewide	3,495	2,050	58.7	1,445	41.3
Colorado	143	38	26.6	105	73.4
Delaware	27	22	81.5	5	18.5
Indiana	287	71	24.7	216	75.3
Louisiana	76	53	69.7	23	30.3
Minnesota	400	352	88.0	48	12.0
Nebraska[2]	305	210	68.8	95	31.2
Oklahoma[3]	499	214	42.9	285	57.1
Texas	1,094	728	66.5	366	33.5
Washington	250	212	84.8	38	15.2
Wisconsin	414	150	36.2	264	63.8
District-level matching	4,942	2,400	48.6	2,542	51.4
Alabama	138	58	42.0	80	58.0
California	934	369	39.5	565	60.5
District of Columbia	42	1	2.4	41	97.6
Florida	71	59	83.1	12	16.9
Kentucky	172	120	69.8	52	30.2
Maryland	24	24	100.0	0	0.0
Michigan	626	320	51.1	306	48.9
Mississippi	140	71	50.7	69	49.3
Missouri	551	429	77.9	122	22.1
Nevada	38	33	86.8	5	13.2
New Jersey	528	124	23.5	404	76.5
New Mexico	67	43	64.2	24	35.8
Ohio	803	147	18.3	656	81.7
Pennsylvania	530	336	63.4	194	36.6
Tennessee	137	131	95.6	6	4.4
Virginia	141	135	95.7	6	4.3
District match plus letters	1,389	1,151	82.9	238	17.1
Connecticut	156	123	78.8	33	21.2
Kansas	297	269	90.6	28	9.4
Maine	218	183	83.9	35	16.1
New York	670	533	79.6	137	20.4
Utah	48	43	89.6	5	10.4
Letter method only	2,154	1,660	77.1	494	22.9
Alaska	41	31	75.6	10	24.4
Idaho	111	96	86.5	15	13.5
Illinois	796	641	80.5	155	19.5
Iowa	367	293	79.8	74	20.2
Montana	224	126	56.2	98	43.8
New Hampshire	72	54	75.0	18	25.0
North Dakota	142	113	79.6	29	20.4
South Dakota	163	84	51.5	79	48.5
Vermont	193	178	92.2	15	7.8
Wyoming	45	44	97.8	1	2.2

[1] Districts are identified as having directly certified students if the number of students "not subject to verification" exceeds the number "categorically eligible" or is at least 5% of free-eligibles.

[2] In Nebraska, State-level matching is used by two SFAs, and letters are sent to Food Stamp households in the remainder of the State.

[3] In Oklahoma, State-level matching (13 SFAs) and district-level matching (233 SFAs) is available.

Sources: See previous table. Excludes Hawaii, Massachusets, North Carolina, and Rhode Island because data were not available or not usable. Data are incomplete for Alaska, Colorado, Connecticut, Illinois, Montana, New Hampshire, New Mexico, North Dakota, Oregon, and Texas.

Table C-4—Distribution of NLSP Free-Eligible Students by Type of Certification, For Districts With and Without Directly Certified Students: Public School Districts, SY2004-05

	Districts with directly certified students				Districts without directly certified students			
	Number of free-eligible	Distribution of free-eligible students			Number of free-eligible	Distribution of free-eligible students		
		Not verified	Categ-orical	Income eligible		Not verified	Categ-orical	Income eligible
U.S. Total	11,990,384	33.8%	14.9%	51.3%	2,460,195	0.6%	33.5%	65.7%
State system, statewide	1,671,646	36.3	12.6	51.2	22,116	1.2	28.1	70.7
Arizona	346,699	40.4	1.0	58.6	14,234	1.0	24.3	74.7
Arkansas	186,319	39.4	15.3	45.3	1,673	4.0	34.1	61.9
Georgia	563,721	28.0	16.3	55.6	2,099	1.3	35.6	63.1
Oregon	167,826	36.2	17.9	45.9	2,784	1.3	28.6	70.2
South Carolina	292,978	39.8	13.5	46.7	–	0.0	0.0	0.0
West Virginia	114,103	50.4	14.3	35.3	1,326	0.0	47.6	52.4
State system, not statewide	2,688,196	29.3	17.9	52.7	822,237	0.8	33.6	65.6
Colorado	124,427	27.9	9.5	62.6	22,457	0.4	21.3	78.3
Delaware	38,320	38.2	11.3	50.5	2,302	1.6	47.6	50.7
Indiana	224,452	33.2	15.0	51.8	135,647	0.0	31.0	68.9
Louisiana	358,001	41.7	20.4	37.9	54,189	0.7	40.8	58.5
Minnesota	178,822	36.7	15.2	48.2	9,796	0.2	27.3	72.5
Nebraska	68,907	32.4	15.5	52.2	4,253	0.6	27.4	72.0
Oklahoma	184,105	26.3	23.2	50.6	80,506	0.8	37.0	62.1
Texas	1,125,870	22.0	18.8	59.2	450,667	1.1	33.9	65.0
Washington	243,113	34.5	15.7	49.8	11,702	2.1	36.2	61.6
Wisconsin	142,179	33.1	20.8	46.1	50,718	0.6	30.2	69.2
District-level matching	5,608,163	37.7	13.2	49.1	1,504,619	0.4	33.7	65.6
Alabama	163,297	35.4	16.6	48.0	138,193	0.4	48.1	51.4
California	1,637,088	27.6	9.2	63.2	569,064	0.3	21.9	77.8
District of Columbia	38,856	47.2	4.8	48.0	8,611	0.6	34.6	64.8
Florida	945,055	38.6	17.7	43.7	43,995	0.5	19.2	80.3
Kentucky	216,293	46.1	15.3	38.7	56,090	0.4	52.0	47.6
Maryland	214,405	33.5	11.5	55.0	–	0.0	0.0	0.0
Michigan	391,379	45.6	17.8	36.5	87,507	0.3	46.1	53.6
Mississippi	148,313	28.6	16.8	54.6	104,061	0.4	35.1	64.4
Missouri	267,147	45.9	14.9	39.2	31,316	0.6	43.2	56.1
Nevada	112,405	32.2	4.7	63.1	3,172	3.3	18.3	78.3
New Jersey	155,279	24.5	14.0	61.5	118,178	0.6	25.6	73.8
New Mexico	84,786	34.1	15.3	50.6	20,263	0.0	24.8	48.3
Ohio	187,633	40.2	26.2	33.6	235,399	0.3	48.8	51.0
Pennsylvania	389,353	59.7	10.3	30.0	73,775	0.5	36.6	63.0
Tennessee	361,551	48.9	11.4	39.6	12,479	0.0	56.1	43.9
Virginia	295,323	39.8	9.6	50.6	2,516	0.4	20.5	79.0
District match plus letters	1,090,659	31.9	17.6	50.4	46,380	2.1	22.9	75.1
Connecticut	70,475	30.5	15.6	53.9	2,538	0.8	35.5	63.7
Kansas	118,683	27.9	6.2	65.8	2,857	0.7	15.9	83.3
Maine	46,182	50.9	13.2	35.9	3,890	0.2	55.3	44.5
New York	738,111	33.6	21.3	45.1	36,765	2.5	19.1	78.4
Utah	117,208	19.2	9.0	71.8	330	0.9	17.0	82.1
Letter method only	931,720	21.4	17.5	61.1	64,843	0.7	37.1	62.2
Alaska	22,381	30.9	18.0	51.1	681	0.3	41.0	58.7
Idaho	71,302	23.5	11.8	64.6	3,105	3.0	9.8	87.2
Illinois	624,181	18.3	18.3	63.4	30,468	0.4	41.1	58.4
Iowa	103,222	28.0	14.0	57.9	10,245	0.8	33.9	65.2
Montana	28,439	26.5	22.1	51.4	5,677	1.0	31.7	67.2
New Hampshire	21,626	19.7	29.4	50.9	2,242	1.4	41.7	57.0
North Dakota	10,347	32.6	14.4	53.0	844	0.1	26.7	73.2
South Dakota	15,495	27.8	18.9	53.2	10,684	0.2	39.5	60.3
Vermont	17,222	43.1	15.7	41.2	556	0.2	44.8	55.0
Wyoming	17,505	34.0	14.3	51.7	341	3.8	7.3	88.9

Sources: See previous table. Excludes Hawaii, Massachusets, North Carolina, and Rhode Island because data were not available or not usable. Data are incomplete for Alaska, Colorado, Connecticut, Illinois, Montana, New Hampshire, New Mexico, North Dakota, Oregon, and Texas.

Table C-5—Students Not Subject to Verification as a Percentage of Categorically Approved Students: Public School Districts, SY2004-05

	All districts		Districts with directly certified students		Districts without directly certified students	
	Number categorically approved[1]	Percent directly certified	Number categorically approved[1]	Percent directly certified	Number categorically approved[1]	Percent direcly certified
U.S. Total	6,680,993	60.9%	5,842,459	69.4%	838,534	1.7%
State system, statewide	822,883	73.7	816,405	74.3	6,478	4.2
Arizona	147,194	95.2	143,590	97.5	3,604	4.0
Arkansas	102,563	71.7	101,926	72.1	637	10.5
Georgia	250,877	63.0	250,102	63.2	775	3.5
Oregon	91,612	66.3	90,781	66.9	831	4.2
South Carolina	156,145	74.7	156,145	74.7	–	0.0
West Virginia	74,492	77.2	73,861	77.9	631	0.0
State system, not statewide	1,553,545	51.2	1,270,459	62.0	283,086	2.4
Colorado	51,404	67.8	46,526	74.7	4,878	1.8
Delaware	20,101	72.9	18,966	77.1	1,135	3.4
Indiana	150,365	49.6	108,210	68.9	42,155	0.3
Louisiana	244,919	61.1	222,422	67.1	22,497	1.7
Minnesota	95,360	68.8	92,667	70.8	2,693	0.8
Nebraska	34,135	65.4	32,946	67.6	1,189	2.2
Oklahoma	121,531	40.4	91,048	53.2	30,483	2.2
Texas	616,864	41.0	458,925	54.0	157,939	3.2
Washington	126,561	66.5	122,069	68.8	4,492	5.6
Wisconsin	92,305	51.3	76,680	61.4	15,625	1.8
District-level matching	3,365,002	63.0	2,852,073	74.1	512,929	1.1
Alabama	151,952	38.4	84,865	68.1	67,087	0.9
California	729,388	62.1	602,976	74.9	126,412	1.3
District of Columbia	23,242	79.1	20,214	90.8	3,028	1.6
Florida	540,843	67.5	532,186	68.6	8,657	2.4
Kentucky	162,035	61.6	132,638	75.1	29,397	0.7
Maryland	96,426	74.4	96,426	74.4	–	0.0
Michigan	289,153	61.9	248,518	71.9	40,635	0.7
Mississippi	104,369	41.0	67,361	62.9	37,008	1.2
Missouri	176,121	69.7	162,386	75.5	13,735	1.5
Nevada	42,177	86.2	41,490	87.4	687	15.4
New Jersey	90,798	42.8	59,792	63.7	31,006	2.4
New Mexico	46,936	61.6	41,904	69.0	5,032	0.0
Ohio	240,007	31.7	124,613	60.6	115,394	0.6
Pennsylvania	299,868	77.6	272,546	85.2	27,322	1.2
Tennessee	225,256	78.6	218,254	81.1	7,002	0.0
Virginia	146,431	80.3	145,904	80.6	527	2.1
District match plus letters	552,248	63.2	540,692	64.4	11,556	8.3
Connecticut	33,412	64.4	32,491	66.1	921	2.1
Kansas	41,049	80.8	40,573	81.7	476	4.4
Maine	31,743	74.0	29,585	79.4	2,158	0.3
New York	412,954	60.2	405,012	61.2	7,942	11.4
Utah	33,090	68.1	33,031	68.2	59	5.1
Letter method only	387,315	51.6	362,830	55.0	24,485	1.8
Alaska	11,217	61.6	10,936	63.2	281	0.7
Idaho	25,614	65.8	25,218	66.5	396	23.5
Illinois	240,797	47.4	228,132	50.0	12,665	1.1
Iowa	46,984	61.8	43,422	66.6	3,562	2.4
Montana	15,681	48.5	13,822	54.6	1,859	3.2
New Hampshire	11,578	37.0	10,613	40.1	965	3.2
North Dakota	5,084	66.4	4,858	69.4	226	0.4
South Dakota	11,488	37.7	7,245	59.5	4,243	0.5
Vermont	10,382	71.6	10,132	73.3	250	0.4
Wyoming	8,490	70.3	8,452	70.4	38	34.2

[1] Categorically approved students include those not subject to verification and those approved by applications containing a FS/TANF case number.

Sources: See previous table. Excludes Hawaii, Massachusets, North Carolina, and Rhode Island because data were not available or not usable. Data are incomplete for Alaska, Colorado, Connecticut, Illinois, Montana, New Hampshire, New Mexico, North Dakota, Oregon, and Texas.

Appendix D

Additional Data on Statewide Student Information Systems and Computer Matching With K-12 Data

Exhibit D-1—Characteristics of Statewide Student Information Systems (SSIS), SY2004-05

	Year implemented	Participation in SSIS				Is/will SSIS used for NSLP direct certif.?
		Percent of districts		Percent of students		
		Public school districts[1]	Private school districts	Public school students	Private school students	
Current SSIS (38)						
Alaska	*	*	*	*	*	*
Arizona	2002	100	100	100	100	Yes
Arkansas	1997	100	0	100	0	Yes
Colorado	2002	100	0	100	0	No
Connecticut	2005	100	0	100	0	No
Delaware	1999	100	0	100	0	In 1-2 yrs
District of Columbia	*	*	*	*	*	*
Florida	1987	100	0	100	0	No
Georgia	1997	100	0	100	0	No
Hawaii	*	*	*	*	*	*
Indiana	2002	100	100	100	100	Yes
Iowa	2004	100	10	100	20	In 1-2 yrs
Kansas	2005	100	100	100	100	In 1-2 yrs
Kentucky	2005	100	0	100	0	No
Louisiana	1993	100	0	100	0	Yes
Maine	2004	90	10	98	10	No
Massachusetts	2000	100	0	100	0	Yes
Michigan	2002	100	0	100	0	No
Minnesota	1992	100	0	100	0	No
Mississippi	1999	100	0	100	0	Yes
Nevada	1997	100	0	100	0	No
New Hampshire	2005	100	0	100	1	No
New Mexico	1997	100	0	100	0	No
North Dakota	2004	100	0	100	0	Yes
Ohio	2003	100	0	100	0	No
Oregon	2001	100	0	100	0	Yes
Rhode Island	2003	100	0	98	0	No
South Carolina	1984	100	100	100	100	Yes
South Dakota	2002	100	100	100	100	No
Tennessee	2001	60	0	100	0	In 1-2 yrs
Texas	1991	100	0	100	0	No
Utah	*	100	0	100	0	No
Vermont	1999	100	100	100	100	No
Virginia	2005	100	0	100	0	No
Washington	2002	100	0	100	0	Yes
West Virginia	1991	100	0	100	0	Yes
Wisconsin	2004	100	0	100	0	No
Wyoming	2005	100	0	100	0	No
Planned SSIS (11)						
California	2008	–	–	–	–	No
Idaho	2007	–	–	–	–	No
Illinois	2005	–	–	–	–	*
Missouri	2007	–	–	–	–	No
Montana	2006	–	–	–	–	No
Nebraska	2006	–	–	–	–	No
New Jersey	*	–	–	–	–	*
New York	2007	–	–	–	–	No
North Carolina	2008	–	–	–	–	No
Oklahoma	2005	–	–	–	–	*
Pennsylvania	2006	–	–	–	–	No

— Not applicable. * Survey nonresponse.
1 Maine and Tennessee reported that 100 percent of school districts would participate in SY2005-06.
Source: USDA/FNS, Survey of State Education Agencies, 2005. Four States did not respond to the survey: AK, DC, HI, and NJ. Alabama and Maryland have no current or planned SSIS.

Exhibit D-2—Collection of Student Records for SSIS, and Availability of SSNs, SY2004-05

	Collection of student enrollment data		Student SSNs		
	Frequency	Approx fall data deadline	Collected by districts at enrollment?	Stored in SSIS?	Percent of SSIS records with SSN
Current SSIS (38)					
Alaska	*	*	*	*	*
Arizona	Ongoing[1]	*	Not collected	No	0
Arkansas	Once/Fall	Mid-Oct	Requested by all	Optional	96
Colorado	Ongoing[1]	Mid-Oct	Not collected	No	0
Connecticut	*	Oct 1	Not collected	No	0
Delaware	Ongoing[1]	Mid-Oct	Requested by some	Optional	0
District of Columbia	*	*	*	*	*
Florida	2x per yr	Mid-Oct	Requested by all	Optional	95
Georgia	2x per yr	Mid-Oct	Requested by all	Optional	90
Hawaii	*	*	*	*	*
Indiana	Once/Fall	Mid-Sep	Not collected	No	0
Iowa	2x per yr	Mid-Oct	Requested by some	Optional	80
Kansas	*	Mid-Oct	Requested by some	Optional	47
Kentucky	*	Nov 1	Requested by all	Required	98
Louisiana	3x per yr	Oct 1	Requested by all	Required	*
Maine	4x per yr	Oct 1	Requested by some	Optional	10
Massachusetts	3x per yr	Mid-Nov	Requested by some	No	0
Michigan	3x per yr	Mid-Nov	Not collected	No	0
Minnesota	2x per yr	Dec 1	Requested by all	Optional	80
Mississippi	Monthly	Mid-Oct	Requested by all	Optional	95
Nevada	Ongoing[1]	Oct 1	Requested by all	Optional	50
New Hampshire	2x per yr	End-Oct	*	No	0
New Mexico	4x per yr	Oct 1	Requested by all	No	0
North Dakota	2x per yr	Oct 1	Not collected	No	0
Ohio	2x per yr	End-Oct	Requested by some	No	0
Oregon	varies[2]	Oct 1	Requested by all	Optional	50
Rhode Island	4x per yr	Mid-Oct	Requested by some	No	0
South Carolina	4x per yr	Oct 1	*	Required	97
South Dakota	Ongoing[1]	Mid-Oct	Requested by all	Optional	*
Tennessee	Ongoing[1]	Mid-Oct	Requested by all	Required	80
Texas	2x per yr	Jan 6	Requested by all	Optional	91
Utah	3x per yr	Mid-Oct	Requested by some	Optional	1
Vermont	2x per yr[3]	Mid-Nov	Not collected	No	0
Virginia	Once/Fall	Mid-Oct	Required by all	No	0
Washington	Monthly	Mid-Sep	Requested by some	Optional	*
West Virginia	Ongoing[1]	Mid-Oct	Requested by all	Optional	50
Wisconsin	Ongoing[1]	End-Nov	Not collected	No	0
Wyoming	*	Mid-Oct	Not collected	No	0
Planned SSIS (11)					
California	–	–	*	No	–
Idaho	–	–	*	Optional	–
Illinois	–	–	*	No	–
Missouri	–	–	Requested by some	Optional	–
Montana	–	–	Requested by all	Optional	–
Nebraska	–	–	Requested by some	Optional	–
New Jersey	–	–	*	*	–
New York	–	–	Not collected	No	–
North Carolina	–	–	Requested by some	Required	–
Oklahoma	–	–	Requested by some	No	–
Pennsylvania	–	–	*	*	–

— Not applicable. * Survey nonresponse.
1 Nevada and Tennessee districts upload data nightly. Some South Dakota public districts do ongoing updates, otherwise 3x per year. In Wisconsin, directory information is updated on an ongoing basis, full demographic info is collected once per year.
2 Varies from weekly to twice per year.
3 Twice per year for public school districts; once per year for independent districts.
Source: USDA/FNS, Survey of State Education Agencies, 2005. Four States did not respond to the survey: AK, DC, HI, and NJ. Alabama and Maryland have no current or planned SSIS.

Exhibit D-3—Student Identifiers in K-12 Statewide Student Information Systems, SY2004-05

	Key identifiers					Other identifiers			Demographics							NSLP certification	
	Student name	Grade level	Gender	Date of birth	SSN	Middle name or initial	Address	Phone number	Race/ ethnicity	First language	Migrant status	Immigra-nt status	City/town of birth	Country of origin	Parent/ guardian name	Certified (Y/N)	Certificat-ion type
Current SSIS																	
Arizona	✔	✔	✔	✔	—	✔	—	—	✔	✔	❑	❑	—	✔	✔	❑	❑
Arkansas	✔	✔	✔	✔	❑	❑	—	—	✔	✔	✔	—	—	—	✔	✔	✔
Colorado	✔	✔	✔	✔	—	✔	—	—	—	—	—	—	—	—	—	—	—
Connecticut	✔	✔	✔	✔	—	❑	—	—	✔	✔	—	—	—	—	—	✔	✔
Delaware	✔	✔	✔	✔	❑	❑	✔	✔	✔	❑	❑	❑	✔	❑	✔	❑	❑
Florida	✔	✔	✔	✔	❑	—	—	—	✔	✔	✔	—	—	✔	—	✔	✔
Georgia	✔	✔	✔	✔	❑	—	—	—	✔	—	✔	—	—	—	—	✔	✔
Indiana	✔	✔	✔	✔	—	❑	❑	—	✔	✔	✔	✔	—	✔	❑	❑	❑
Iowa	—	✔	✔	✔	❑	—	—	—	✔	✔	✔	✔	—	✔	—	✔	✔
Kansas	✔	✔	✔	✔	❑	✔	—	—	✔	—	✔	—	—	—	—	—	✔
Kentucky	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Louisiana	✔	✔	✔	✔	✔	✔	—	—	✔	✔	—	—	—	✔	—	—	—
Maine	✔	✔	✔	✔	❑	❑	❑	—	✔	✔	✔	✔	✔	❑	❑	✔	❑
Massachusetts	✔	✔	✔	✔	—	✔	—	—	✔	✔	✔	✔	✔	✔	—	✔	✔
Michigan	✔	✔	✔	✔	—	—	✔	✔	✔	—	✔	✔	✔	✔	—	✔	✔
Minnesota	✔	✔	✔	✔	❑	✔	—	—	✔	✔	—	—	—	—	—	✔	✔
Mississippi	✔	✔	✔	✔	❑	❑	✔	—	✔	❑	❑	❑	✔	❑	✔	—	✔
Nevada	✔	✔	✔	✔	❑	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
New Hampshire	—	✔	✔	✔	—	—	—	—	✔	—	✔	—	✔	—	—	—	—
New Mexico	✔	✔	✔	✔	—	✔	—	—	✔	✔	✔	✔	—	—	—	✔	✔
North Dakota	✔	✔	✔	✔	—	—	—	—	✔	—	—	—	—	—	—	—	—
Ohio	—	✔	✔	✔	—	—	—	—	✔	✔	✔	—	—	—	—	—	—
Oregon	✔	✔	✔	✔	❑	❑	❑	❑	✔	✔	✔	—	—	—	—	✔	—
Rhode Island	✔	✔	✔	✔	—	✔	—	—	✔	—	✔	—	—	—	—	—	✔
South Carolina	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	—	✔	✔	—	✔
South Dakota	✔	✔	✔	✔	❑	❑	—	—	✔	—	—	✔	—	—	—	—	✔
Tennessee	✔	✔	✔	✔	✔	❑	—	—	✔	❑	❑	❑	—	—	—	✔	—
Texas	✔	✔	✔	✔	❑	❑	—	—	✔	❑	✔	✔	—	—	—	✔	✔
Utah	✔	✔	✔	✔	❑	❑	—	❑	❑	❑	❑	❑	—	—	—	—	❑
Vermont	✔	✔	✔	✔	—	✔	—	—	✔	—	—	—	—	—	—	✔	✔
Virginia	—	✔	✔	✔	—	—	—	—	✔	✔	✔	✔	—	✔	—	—	—
Washington	✔	✔	✔	✔	❑	✔	—	—	✔	✔	—	—	—	—	—	✔	✔
West Virginia	✔	✔	✔	✔	❑	✔	✔	✔	✔	✔	✔	❑	—	—	✔	✔	✔
Wisconsin	✔	✔	✔	✔	—	❑	—	—	✔	—	❑	—	❑	—	❑	—	✔
Wyoming	✔	✔	✔	✔	—	✔	—	—	✔	—	✔	—	—	—	—	✔	✔

✔ Indicates data field is required to be filled; ❑ indicates data field is available but not required to be filled; — indicates data field is not available.
Source: USDA/FNS, Survey of State Education Agencies, 2005. Five States did not respond: AK, DC, HI, NM have an SSIS; NJ is planning an SSIS. In addition, AL and MD reported no current or planned SSIS.

Exhibit D-3—Student Identifiers in K-12 Statewide Student Information Systems, SY2004-05 — Continued

	Key identifiers					Other identifiers			Demographics							NSLP certification	
	Student name	Grade level	Gender	Date of birth	SSN	Middle name or initial	Address	Phone number	Race/ ethnicity	First language	Migrant status	Immigra-nt status	City/town of birth	Country of origin	Parent/ guardian name	Certified (Y/N)	Certificat-ion type
Planned SSIS																	
California	✔	✔	✔	✔	—	—	—	—	✔	✔	✔	—	✔	—	—	✔	—
Idaho	✔	✔	✔	✔	❑	✔	❑	❑	✔	✔	✔	✔	❑	✔	❑	❑	—
Illinois	✔	✔	✔	✔	—	✔	—	—	✔	❑	✔	—	❑	—	—	✔	—
Missouri	✔	✔	✔	✔	❑	—	—	—	✔	—	❑	—	—	—	—	✔	—
Montana	✔	✔	✔	✔	❑	✔	✔	✔	✔	✔	✔	✔	✔	❑	✔	✔	✔
Nebraska	✔	✔	✔	✔	❑	✔	—	—	✔	✔	✔	✔	—	✔	✔	❑	✔
New Jersey	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New York	✔	✔	✔	✔	—	✔	✔	✔	✔	✔	—	✔	✔	✔	✔	—	—
North Carolina	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	❑	❑	❑	❑	✔	❑	❑
Oklahoma	✔	✔	✔	✔	—	❑	—	—	✔	✔	✔	✔	❑	✔	❑	✔	✔

✔ Indicates data field is required to be filled; ❑ indicates data field is available but not required to be filled; — indicates data field is not available.
Source: USDA/FNS, Survey of State Education Agencies, 2005. Five States did not respond: AK, DC, HI, NM have an SSIS; NJ is planning an SSIS. In addition, AL and MD reported no current or planned SSIS.

Appendix E

Additional Data on State Medicaid/SCHIP Programs

Exhibit E-1—Medicaid/SCHIP Income Eligibility Limits for School-Age Children, and Prevalence of Statewide and Integrated Eligibility Databases

	Income eligibility limit		Statewide database with income data		Medicaid elig system integrated with FS/TANF?	Also integrated with	
	Medicaid	SCHIP	Medicaid[1]	SCHIP		Medicaid expansion	SCHIP
Medicaid = 130% FPL, No separate SCHIP							
Tennessee	130	–	Yes	–	FS/TANF	No	–
Medicaid = 100% FPL, Separate SCHIP							
Alabama	100	200	Yes	No	No	–	–
Arizona	100	200	Yes	Yes	No	–	–
California	100	250	No	No	No	–	–
Colorado	100	200	*	*	*	–	*
Delaware	100	200	*	*	*	–	*
Florida	100	200	Yes	Yes	FS/TANF	–	Yes
Georgia	100	235	Yes	Yes	FS/TANF	–	No
Kansas	100	200	No/Yes	Yes	FS/TANF	–	Yes
Mississippi	100	200	Yes	Yes	No	–	–
Montana	100	150	Yes	Yes	FS/TANF	–	No
Nevada	100	200	Yes	Yes	FS/TANF	–	No
North Carolina	100	200	No	No	TANF	–	Yes
North Dakota	100	140	Yes	Yes	FS/TANF	–	Yes
Oregon	100	185	Yes	Yes	TANF	–	Yes
Pennsylvania	100	235	No	Yes	FS/TANF	–	No
Texas	100	200	Yes	Yes	FS/TANF	–	No
Utah	100	200	Yes	Yes	FS/TANF	–	Yes
West Virginia	100	200	Yes	Yes	FS/TANF	–	Yes
Wyoming	100	200	Yes	Yes	FS/TANF	–	No
Medicaid > 130% FPL, No separate SCHIP							
Alaska	166	–	*	–	*	*	–
Arkansas	200	–	*	–	*	*	–
District of Columbia	200	–	Yes	–	FS/TANF	No	–
Hawaii	200	–	Yes	–	FS/TANF	Yes	–
Louisiana	200	–	Yes	–	FS/TANF	Yes	–
Minnesota	275	–	No	–	FS/TANF	No	–
Missouri	300	–	Yes	–	No	–	–
Nebraska	185	–	Yes	–	FS/TANF	No	–
New Mexico	235	–	Yes	–	FS/TANF	Yes	–
Ohio	200	–	Yes	–	FS/TANF	Yes	–
Oklahoma	185	–	Yes	–	FS/TANF	Yes	–
Rhode Island	250	–	Yes	–	FS/TANF	Yes	–
South Carolina	150	–	Yes	–	No	–	–
Wisconsin	200	–	Yes	–	FS/TANF	Yes	–
Medicaid > 130% FPL, Separate SCHIP							
Connecticut	185	300	Yes	Yes	FS/TANF	Yes	No
Idaho	150	185	Yes	Yes	FS/TANF	No	Yes
Illinois	133	200	Yes	Yes	FS/TANF	Yes	Yes
Indiana	150	200	Yes	Yes	FS/TANF	Yes	Yes
Iowa	133	200	Yes	No	FS/TANF	Yes	No
Kentucky	150	200	Yes	Yes	FS/TANF	Yes	Yes
Maine	150	200	Yes	Yes	FS/TANF	Yes	Yes
Maryland	200	300	Yes	*	FS/TANF	Yes	Yes
Massachusetts	150	200	Yes	Yes	No	–	–
Michigan	150	200	Yes	No	FS/TANF	Yes	No
New Hampshire	185	300	Yes	Yes	FS/TANF	No	Yes
New Jersey	133	350	Yes/No	No	FS/TANF	Yes	No
New York	133	250	*	*	*	*	*
South Dakota	133	200	Yes	Yes	FS/TANF	No	Yes
Vermont	300	300	*	*	*	*	*
Virginia	133	200	Yes	Yes	FS/TANF	Yes	No
Washington	200	250	Yes	Yes	FS/TANF	Yes	Yes

— Not applicable. * Survey nonresponse.

1 Yes/No or No/Yes indicate different response applies to a) Medicaid for low-income families as described in Section 1931 of the Social Security Act, and b) Medicaid expansion for children in families with income up to the Medicaid income limit shown in column 1.

Sources: USDA/FNS, Survey of State Medicaid Agencies, 2005. Six States did not respond: AK, AR, CO, DE, NY, and VT.

Exhibit E-2—Medicaid/SCHIP Certification Periods and Prevalence of SSN Disclosure for Children Enrolled in SCHIP

	Length of certification periods (months)		Continuous eligibility between redeterminations		Percent of SCHIP children with SSN
	Medicaid	SCHIP	Medicaid[1]	SCHIP	
Medicaid = 130% FPL, No separate SCHIP					
Tennessee	12	–	Yes	–	–
Medicaid = 100% FPL, Separate SCHIP					
Alabama	12	12	Yes	Yes	95
Arizona	12	12	No	No	100
California	6-12	12	Yes	Yes	81
Colorado	*	*	*	*	*
Delaware	*	*	*	*	*
Florida	12	*	Yes	*	90
Georgia	6	12	No	No	100
Kansas	12	12	Yes	Yes	99
Mississippi	12	12	Yes	Yes	*
Montana	1-12	12	No	Yes	99
Nevada	6-12	12	No	No	100
North Carolina	6-12	*	Yes	*	100
North Dakota	1-12	12	No	Yes	99
Oregon	2-12	6	No/Yes	Yes	97
Pennsylvania	6-12	12	No	Yes	90
Texas	6-12	6	No/Yes	Yes	70
Utah	1-12	12	No	Yes	98
West Virginia	12	12	Yes	Yes	100
Wyoming	12	12	Yes	Yes	85
Medicaid > 130% FPL, No separate SCHIP					
Alaska	*	–	*	–	–
Arkansas	*	–	*	–	–
District of Columbia	12	–	No	–	–
Hawaii	12	–	No	–	–
Louisiana	12	–	Yes	–	–
Minnesota	12	–	No	–	–
Missouri	12	–	No	–	–
Nebraska	6	–	No	–	–
New Mexico	6	–	No	–	–
Ohio	6-12	–	No	–	–
Oklahoma	6	–	Yes	–	–
Rhode Island	6-12	–	No	–	–
South Carolina	3-12	–	Yes	–	–
Wisconsin	12	–	No	–	–
Medicaid > 130% FPL, Separate SCHIP					
Connecticut	12	12	No	No	95
Idaho	6-12	12	Yes	Yes	100
Illinois	12	12	Yes	Yes	100
Indiana	12	12	No	No	100
Iowa	12	12	No	No	40
Kentucky	12	12	No	No	100
Maine	12	12	Yes	Yes	99
Maryland	12	*	No/Yes	*	*
Massachusetts	12	12	No	No	100
Michigan	12	12	Yes	Yes	90
New Hampshire	1-6	1-6	Yes	Yes	90
New Jersey	12	12	Yes	Yes	*
New York	*	*	*	*	*
South Dakota	1-12	1-12	Yes	Yes	95
Vermont	*	*	*	*	*
Virginia	12	12	No	Yes	*
Washington	12	12	Yes	No	*

— Not applicable. * Survey nonresponse.

1 Yes/No or No/Yes indicate different response applies to a) Medicaid for low-income families as described in Section 1931 of the Social Security Act, and b) Medicaid expansion for children in families with income up to the Medicaid income limit shown in column 1.

Sources: USDA/FNS, Survey of State Medicaid Agencies, 2005. Six States did not respond: AK, AR, CO, DE, NY, and VT.