



HNS # 06-2023

Original Signed

MEMORANDUM

To: School Food Authorities Operating the National School Lunch Program

From: Melissa Conner, Senior Deputy Associate Superintendent
Arizona Department of Education, Health and Nutrition Services Division

Date: June 1, 2023

Subject: Announcement of the Direct Certification with Medicaid Data Demonstration Project

The purpose of this memorandum is to announce Arizona's participation in the Direct Certification with Medicaid Data Demonstration (DC-M) Project. The United States Department of Agriculture (USDA) has approved the Arizona Department of Education (ADE) to partner with the Arizona Health Care Cost Containment System (AHCCCS) to administer the Arizona DC-M. The DC-M demonstration project is for both free and reduced-price meal eligibility in the National School Lunch Program (NSLP) and School Breakfast Program (SBP) and will begin in Arizona in School Year 2023-2024.

Eligibility Requirements

DC-M is the use of Medicaid data files to identify children eligible to receive meals through the NSLP and SBP for free or reduced-price without the need of application. Medicaid is the medical assistance program established under Title XIX of the Social Security Act. To be eligible for Medicaid data matching, students must receive Medicaid or live in a household with another child who receives Medicaid and has family income as measured by the Medicaid Program. Information from Medicaid data files will be used to identify students eligible to receive meals for free or at a reduced price. The Medicaid data matching process will allow School Food Authorities (SFAs) to certify eligible students for meal benefits without the need of a household application.

NSLP income eligibility standards will be used to determine a student's benefit level for school meals:

- 130% of the Federal Poverty Level (FPL) for free meal eligibility
- 185% of the FPL for reduced-price meal eligibility

Matching Medicaid Data in CNP Direct Certification/ Direct Verification

Technology enhancements are being developed for the *CNP Direct Certification/Direct Verification* system in *ADEConnect*, including Medicaid data to match individual students for benefits. Once the enhancements are complete and tested, the system will yield match results for Medicaid for free

Tom Horne, Superintendent of Public Instruction

1535 West Jefferson Street • Phoenix Arizona 85007 • www.azed.gov

"We are a service organization committed to raising academic outcomes and empowering parents."

eligibility and Medicaid for reduced-price eligibility, in addition to the match results for the current data sets. Additional guidance detailing the system updates and match yields is forthcoming, pending the completion of the system enhancements.

School Food Authority Responsibility

Children directly certified by Medicaid match data are not required to submit applications for free and reduced-price meals and are not subject to verification procedures. Households directly certified for reduced-price meals must be notified of the income level used and offered the opportunity to apply via a household application if they think their income is within the standard for free meals. Because an income standard must be used and met, children who are directly certified for free meals based on Medicaid data are not deemed ‘categorically eligible’ for meal benefits.

SFAs must not certify households based on the family providing a Medicaid case number or letter from the Medicaid agency, AHCCCS. The benefit level or categorical eligibility for students already approved for free or reduced-price meals based on a household application or direct certification with another program, must not be negatively impacted by a match with Medicaid.

Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), Food Distribution Program on Indian Reservations (FDPIR), and other direct certification matches always supersede Medicaid matches for reporting purposes. Students should be identified as a Medicaid match only when there is no match with SNAP, TANF, FDPIR, or other programs. Additionally, direct certification for reduced-price meals does not affect the identified student percentage for the Community Eligibility Provision.

SFAs must notify their respective vendor/POS software provider of the inclusion DC-M free and DC-M reduced data for the upcoming school year. Vendors will need to prepare the user interface and system to intake the two new direct certification fields (DC-M Free and DC-M Reduced) and ensure hierarchy rules are implemented when a child matches in multiple categories of direct certification.

ADE anticipates that SFAs will be able to access the Medicaid matching data in the *CNPDirect Certification/Direct Verification* system in ADEConnect beginning in July 2023 for student eligibility in School Year 2023-2024. ADE will release guidance once system enhancements are complete.

SFAs with questions concerning this guidance should contact (602) 542-8700 or email ContactHNS@azed.gov.

In accordance with federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, this institution is prohibited from discriminating on the basis of race, color, national origin, sex (including gender identity and sexual orientation), disability, age, or reprisal or retaliation for prior civil rights activity.

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotape, American Sign Language), should contact the responsible state or local agency that

Tom Horne, Superintendent of Public Instruction

1535 West Jefferson Street • Phoenix Arizona 85007 • www.azed.gov

“We are a service organization committed to raising academic outcomes and empowering parents.”

administers the program or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339.

To file a program discrimination complaint, a Complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form which can be obtained online at:

<https://www.usda.gov/sites/default/files/documents/USDA-OASCR%20P-Complaint-Form-0508-0002-508-11-28-17Fax2Mail.pdf>, from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

1. *mail:*
U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410; or
2. *fax:*
(833) 256-1665 or (202) 690-7442; or
3. *email:* program.intake@usda.gov

This institution is an equal opportunity provider.

Tom Horne, Superintendent of Public Instruction

1535 West Jefferson Street • Phoenix Arizona 85007 • www.azed.gov

"We are a service organization committed to raising academic outcomes and empowering parents."