



November 25, 2008

ANTI-HUNGER PRIORITIES FOR THE TRANSITION TEAM – PART 2: IMPORTANT EARLY ADMINISTRATIVE ACTIONS

1. SNAP/Food Stamps

Help jobless adults facing arbitrary time limits to retain food stamp eligibility for longer periods while they are looking for work. The 1996 welfare law restricted jobless, childless adults aged 18 to 50 to three months food stamp eligibility in a 36-month period. Two important safety valves in that law allow USDA to grant state requests for waivers in areas with 10 percent or higher unemployment or “with insufficient jobs.” USDA should be more flexible about defining areas that would qualify for such waivers and about their duration. USDA could extend the duration of waivers for those areas that have them; allow areas with rapidly rising unemployment to be waived; and/or base state waiver requests on the nationally widespread insufficiency of jobs in the current economic crisis. This strategy is, of course, especially important as millions of people lose jobs and need food stamp support.

Ensure that the full amount of child care costs are taken into account for SNAP/Food Stamp families. The 2008 Farm Bill took the cap off the SNAP/Food Stamp dependent care deduction. USDA policy guidance released in August 2008 clarifies that states may take into account the transportation costs associated with dependent care, but the guidance neither requires nor encourages that states do so. Moreover, we understand some states may be reluctant to fully take those costs into account without more positive signals from USDA. Massachusetts is an exception, and its policy should be a model for other states to follow on the range of expenses to be considered and the ways they can be verified most efficiently. Strong policy guidance to states on the costs that count toward the dependent care deduction can help boost SNAP/Food Stamps for many thousands of households with high child care costs (including for grandparents caring for grandkids) or with high costs for dependent care for an older person.

Help more states enroll SSI recipients on SNAP/Food Stamps seamlessly. Only about 20 states have implemented or are in the process of implementing the Combined Application Project (CAP) that allows information for poor, aged or disabled recipients of Supplemental Security Income (SSI) to be used to enroll those individuals onto SNAP/Food Stamps without a complicated separate application. USDA could address the serious and growing problem of hunger among seniors by promoting SSI/CAP more aggressively, by enlisting more cooperation from the Social Security Administration, and by marketing the model to more states. SSI/CAP projects are cost-neutral and, where implemented, have brought tens of thousands of older persons onto SNAP/Food Stamps in one administrative action. While some up-front planning is required, the model provides states with a very cost efficient way of enrolling large numbers of eligible people and of reaching the older American population whose participation rate is only 34 percent.

Update program standards for processing payments accurately. Currently, \$25 is the threshold for error in USDA assessing case payment accuracy for SNAP/Food Stamp Quality



Control. This threshold has not been changed since FY 2000, when it was raised from \$5. The low threshold contributes to some counterproductive strategies, such as some caseworkers inappropriately and inefficiently requiring more than one document to verify the same client information. Updating the threshold would allow states to focus on enrolling more clients during an economic downturn more efficiently and without being at risk of liability for fiscal sanctions due to de minimis errors in calculations.

Promote expanded Categorical Eligibility (“Cat EI”) to get SNAP/Food Stamps to more working families with children with low net incomes. The Bush Administration tried for three years to limit the option states have to eliminate asset tests and raise the gross income test for SNAP/Food Stamps for families that receive TANF-funded services. Congress rejected those efforts, but many states held off from taking the option for expanded Cat EI for fear that Congress would act. That barrier is now gone. A USDA promotion of this option with states could accelerate the use by states (several have adopted this approach in recent months). The option makes more families with low net incomes eligible for SNAP/Food Stamps, streamlines the process for caseworkers (who will no longer have to review household resources), and brings extra nutrition dollars into households and states’ economies. At a time of tight state budgets and rapidly growing need, expanded Cat EI is a smart choice for states to take and for USDA to promote.

Expedite FY 2010 outreach and participation grants (from already appropriated funds) and bolster USDA’s media campaign. In recent years, pools of competitive grants to support SNAP/Food Stamp outreach and to enable states to test methods for improving access and operations have totaled \$1 million and \$5 million, respectively. The FY 2009 grants were awarded in September 2008. USDA could provide important support to efforts to enroll more eligible people earlier in this bad economic cycle by issuing the FY 2010 Request for Proposals in February 2009 and making awards in the spring. USDA also could increase the total pools for those awards as well as increase the investments in its SNAP/Food Stamp radio ads. Getting clear information out to eligible people will be especially key as the program undergoes its name change.

Provide guidance to states on maximizing SNAP/Food Stamps with investments of state Low Income Home Energy Assistance Program (LIHEAP) payments. Earlier this year New York announced that it would make annual LIHEAP payments to certain SNAP/Food Stamp households to help them get the Standard Utility Allowance, something allowed under federal regulations but not well understood by states. Only a handful of states use this approach. USDA should quickly publish and disseminate state policy guidance promoting this approach.

Closely monitor state operations to ensure that eligibility decisions are not made by private for-profit entities. Experiments to contract out operations in Texas and then in Indiana have entailed numerous complaints, potential delays in getting benefits to eligible people, and barriers to eligibility.



2. School Meals

Reverse a last-minute and counterproductive Bush Administration decision and expand, rather than shut down, pilot projects that allow high-poverty school districts to provide free school meals to all students based on statistically reliable household sampling, rather than collecting paper applications from all families. Congress authorized such pilots, expecting a number of them to happen. The School District of Philadelphia however, is currently the only district piloting this model. School districts in New York City, Los Angeles, Columbus (Ohio) and the District of Columbia have formally expressed interest in being added in the pilot, and others likely would want to join. The Bush Administration recently informed Philadelphia that the pilot is to be terminated, despite the district's close collaboration and compliance with all of USDA's requirements and a recent investment of half a million dollars of local school district funds. Senators Casey and Specter, along with the Congressional delegation from the Philadelphia region have all written to USDA asking that the program be reinstated. Senate Agriculture Committee Chairman Harkin also has written USDA asking the pilot to be expanded to additional school districts. USDA should immediately reverse this decision and expand the number of districts that are allowed to operate under the pilot.

Ensure that low-income children who participate in SNAP/Food Stamps are cross-certified for free school meals. All school districts are required to "directly certify" (i.e. not require separate written applications) for free school meals those children who are receiving SNAP/Food Stamps. In far too many states the process is badly implemented. Some states only match names once a year, which is especially problematic now as food stamp participation grows each month. Some don't send data from the Food Stamp office to the school; they simply mail a letter to families and tell them they can give it to the school district, which adds an additional and unnecessary step. All states should be required to use the best (and most cost-effective) method for direct certification—data matching conducted at the state level with easy access by local school districts. Under this system, the matches can be updated easily each month and school districts can check regularly for newly eligible students and certify them for free meals.

Require that Local Education Agencies (LEA) effectively communicate with a parent or legal guardian about school meal benefits in their primary language. This requirement was included in the 2004 child nutrition reauthorization, but the Bush Administration has failed to issue guidance that outlines the steps school districts must take. This is a significant barrier to use of the program by Hispanic and other children. USDA should require LEAs: to identify the primary language of households that might be eligible for free or reduced-price school meals; to provide written translations of application, certification, and verification materials to the greatest extent possible; to provide oral translation services in a parent's primary language, including for parents who do not read at all; and to use plain language in all written application and verification materials to make them more comprehensible to parents who have difficulty reading. In order for LEAs to implement this requirement effectively, USDA must assess compliance as part of its management evaluations, coordinated reviews, and administrative reviews.



3. Afterschool and Summer

Allow schools to provide meals after school through the National School Lunch Program, without a separate application to another program. Schools operating afterschool programs can provide snacks in those programs through the National School Lunch Program, but they must operate under the Child and Adult Care Food Program (CACFP) in order to provide suppers if their hours of caring for kids run into the early evening. The redundant paperwork required to participate in multiple nutrition programs does not improve program integrity, but instead raises administrative costs and discourages schools from participating, resulting in only a fraction of eligible children receiving suppers after school. The Bush Administration made a similar positive change and approved a waiver that allows schools to provide meals during the summer through the National School Lunch Program instead of switching to the Summer Food Service Program. This logic now needs to be extended to the afterschool situation, especially as more and more low-wage workers are working non-traditional hours.

Allow the nutrition reimbursement rates for afterschool care in child care centers to be determined by the percentage of children eligible for free and reduced-price meals in the local elementary school. Except in eight pilot states, the only way children can receive suppers in afterschool programs is under the CACFP rules for Outside School Hours Care Centers. Less than 200,000 children in the entire country participate in this option because afterschool programs must go through the difficult and time-consuming task of documenting each child's eligibility for free or reduced-price meals, primarily by collecting applications that schools already collect. Operating the program would be far simpler if afterschool programs had the option of being reimbursed based upon the percentage of children eligible for free or reduced-price meals in the local elementary school. The afterschool program simply would apply the percentage of free and reduced-price students at the local school to the number of meals served. The local school data provide a reliable basis for children's free and reduced-price eligibility in most afterschool programs.

Act quickly to expand participation in the 2009 Summer Food Service Program. January is the prime time for promoting summer food, and 2009 will be the first year that all states have had time to implement the Congressionally-created "Simplified Summer Food Program," so there is an immediate opportunity to embark on an aggressive strategy to promote participation. Additionally, the new Administration should quickly move to reduce the number of summer food monitoring visits sponsors must make, develop simplified application materials, and evaluate states on additional efforts to minimize administrative work for sponsors. As the President-Elect has said, summer is a critical time for children. The amount of unnecessary administrative work required to run a nutrition program that on average operates for only 7.5 weeks each year is overwhelming, and the result has been severe underutilization of the summer food program.

4. CACFP

The federal Child and Adult Care Food Program (CACFP) provides reimbursements for healthy meals and snacks served in child care centers, Head Start and family child care homes. The food program can provide up to \$5,000 a year for a family child care home serving 5 children and up to \$70,000 a year for a child care center serving 60 low-income children. CACFP supports



quality child care not only by funding the good nutrition that is crucial to children's health, growth and development, but also by ensuring nutrition education, training, inspection, and other forms of support for caregivers.

Streamline paperwork in order to expand access to CACFP.

Two key initial strategies to accomplish this are:

- Allowing FNS staff to make much needed policy changes to streamline program applications and operations. The path to this was laid out in USDA Paperwork Reduction task force report recommendations in 2007, many of which remain unimplemented. One example is allowing Head Start enrollment forms to count as CACFP enrollment forms.
- Eliminate the ineffective and poorly targeted "block claim" requirement, which deems as suspect any provider serving one or more meals to the same number of children for 15 days. There are numerous other, better ways to prevent program abuse.

Integrate coordination with CACFP as a key resource for the success of President-Elect Obama's Zero to Five Plan.

Strategies here include:

- Making CACFP part of the Presidential Early Learning Council, a step which is essential to promoting program collaboration and encouraging states to better coordinate the use of all federal and state funding streams across early learning and child development systems. (Best practices demonstrating the power of state level collaboration include the CACFP and Child Care Working Group in Illinois.)
- Emphasizing the value of CACFP as a resource and quality indicator for State Learning Challenge Grant plans to create or expand high-quality early care and education programs, universal Pre-K, and family support services.