

**FOOD SERVICE**

**ADMINISTRATIVE POLICY #3  
SCHOOL YEAR 2001-2002**

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**SUBJECT:** Disclosure of Children's Eligibility for State Children's Health Insurance Program (SCHIP)

**DATE:** July 31, 2001

The Agricultural Risk Protection Act of 2000, Public Law 106-224 allows limited access to children's free and reduced price meal or free milk eligibility to Medicaid and SCHIP, called MICHild in Michigan. Interim regulations were issued January 11, 2001 to implement the provisions of the public law.

These regulations permit disclosure of all information from children's free and reduced price school meal applications to Medicaid and SCHIP if the following criteria are met:

1. The State agency and the School Food Authority (SFA) elect to disclose children's free and reduced price eligibility information to these health insurance program agencies.
2. There is a written agreement between the School Food Authority and health insurance program agency that requires the health insurance program agency to use the information to seek to enroll children in Medicaid and MICHild.
3. Parents are notified of the potential disclosure, are told that the information will be used to enroll children in a health insurance program and are given the opportunity to decline to have their information disclosed. This method gives the SFA the opportunity to disclose information without active consent of the parent/guardian.

The Michigan Department of Education, Food and Nutrition Program, has determined that SFA *will not* disclose free and reduced price school meal application information without active consent of the parent/guardian.

Therefore, if a school food authority does elect to provide free and reduced price meal eligibility information to Medicaid and MICHild, parental consent must be obtained in writing. It may be obtained at the time of application, or at a later time.

The written consent statement must:

- Identify the information that will be shared and how the information will be used. (The name, date of birth, mailing address and eligibility status of a child's application for free and reduced price school meals will be shared so MICHild information can be mailed directly to the child's parent/guardian.)
- Be signed and dated. In the case of a child participant, the consent statement must be signed by the parent or guardian of the applicant household, even though the application for free or reduced price meals or free milk may be signed by any adult household member.
- State that failing to sign the consent statement will not affect eligibility or participation for the program and the information will not be shared by the receiving program with any other entity or program.
- Allow the parent/guardian/adult to limit consent to only those programs with which he/she wishes to share information.

A prototype consent form is enclosed to assist with health insurance outreach for children. The form can be attached to the free and reduced price school meal application. The form can be used to obtain the necessary parental consent to disclose free and reduced price school meal eligibility information for the purpose of identifying children for Medicaid and MICHild.

Before providing and disclosing the information to the Michigan Department of Community Health (MDCH) MICHild Program, we recommend that school food authorities enter into a written agreement with the MDCH MICHild Program. We suggest that the agreement be signed by both the school food authority and the MDCH MICHild Program requesting the information.

The agreement should:

- identify the entity receiving the information,
- describe the information to be disclosed and how it will be used,
- describe how the information will be protected from unauthorized uses and disclosures, and
- describe the penalties for unauthorized disclosure.

At a minimum, the MDCH MICHild Program must be informed in writing that:

- eligibility information may only be used for the purpose for which the disclosure was made,
- further use or disclosure to other parties is prohibited, and

- a violation of this provision will result in a fine of not more than \$1000 or imprisonment of not more than 1 year, or both.

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Refer to the attached prototype agreement, Disclosure of Free and Reduced Price Information, that may be used to share information with the MDCH MICHild Program.

Please be reminded, the school food service fund must only be used for the operation and improvement of the school food service. Program cost to the food service to distribute, collect, consolidate and disclose information, such as for labor and supplies, cannot be charged to the food service account. Such cost may be charged to the agency requesting the free and reduced price eligibility information. However, incidental cost to the food service are acceptable, such as the cost of including a MICHild brochure in a mailing to parents. Some funds are available through Medicaid and MDCH MICHild Program to reimburse food service operators for cost associated with health insurance outreach.

If you have any questions regarding this memorandum contact Barbara Campbell, School Meals Supervisor at 517/373-2077.

Prototype  
Consent Form: MI Child Health Insurance

Dear Parent/Guardian:

Affordable health insurance for children is available in Michigan. Most families who work hard to make ends meet can receive low-cost or free health insurance for their children.

Children with health insurance are more likely to receive needed vaccinations and get treated for illnesses. Without treatment, these illnesses can slow a child's learning and have life long effects. If you do not have health insurance for your child and are interested in receiving information about free and low-cost health insurance for your children, check the box below.

MiChild Health Insurance:  Yes. Program officials may provide my child(ren)'s name, mailing address, date of birth and eligibility status from my Application for Free and Reduced Price School Meals to the Michigan Department of Community Health MiChild Program.

I understand that I will be releasing information that will show that I applied for free and reduced school meals for my child. **I understand that I am not required to release this information to participate in any of the child nutrition programs. Its release is strictly voluntary.**

I certify that I am the parent/guardian of the child for whom application is being made.

Signature of parent/guardian: \_\_\_\_\_ Date: \_\_\_\_\_

Printed name of parent/guardian: \_\_\_\_\_

Address: \_\_\_\_\_

PROTOTYPE  
DISCLOSURE OF FREE AND REDUCED PRICE INFORMATION  
AGREEMENT

I. PURPOSE AND SCOPE

(Insert name of determining agency) and (insert name of receiving agency) acknowledge and agree that children’s free and reduced price meal and free milk eligibility information obtained under provisions of the National School Lunch Act (42 USC 1751 et. Seq.) or Child Nutrition Act of 1966 (42 USC 1771 et. Seq.) and the regulations implementing those Acts is confidential information. This Agreement is intended to ensure that any information disclosed by the (insert name of determining agency) to the (insert name of receiving agency) about children eligible for free and reduced price meals or free milk will be used only for purposes specified in this Agreement and that the (insert name of determining agency) and (insert name o receiving agency) recognize that there are penalties for unauthorized disclosures of this eligibil information.

- II. Section 9(b)(C)(iii) of the National School Lunch Act (42 USC 1758(b)(2)(C)(iii) authorizes the limited disclosure of children’s free and reduced price meal or free milk eligibility information to specific programs or individuals, without prior parent/guardian consent. Additionally, the statute specifies that for any disclosures not authorized by the statute, the consent of children’s parent/guardian must be obtained prior to the disclosure. For any unauthorized disclosure of children’s eligibility information, the statute specified a fine of not more than \$1,000 or imprisonment of not more than 1 year, or both.

III. RESPONSIBILITIES

(Insert Name of Determining Agency) will:

- A. When required, secure parent/guardian written consent prior to any disclosure not authorized by the State Agency, National School Lunch Act or any regulations under that Act.
- B. Ensure the consent statement conforms to the following requirements:
- ! The consent statement must identify the information that will be shared and how the information will be used.
  - ! The consent statement must be signed and dated. In the case of a child participant, the consent statement must be signed by the parent or guardian of the applicant household, even though the application for free and reduced price meals or free milk may be signed by any adult household member.

- ! The consent statement must state that failing to sign the consent statement will not affect eligibility or participation for the program and that the information will not be shared by the receiving program with any other entity or program.
- ! The parent/guardian/adult must be able to limit consent to only those programs with which he or she wishes to share information.

C. Disclose eligibility information only to persons directly connected to the administration or enforcement of programs authorized access under the National School Lunch Act or regulations under the Act or to programs or services for which parent/guardian give consent.

*(Insert Name of Receiving Agency)* will:

1) Ensure that only persons who are directly connected with the administration or enforcement of the *(insert name of the Program)* and whose job responsibilities require use of the eligibility information will have access to children's eligibility information:

(Specify by name(s) or title(s) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2) Use children's free and reduced price eligibility information for the following specific purpose(s):

(Describe) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3) Inform all persons that have access to children's free and reduced price meal eligibility information that the information is confidential, that children's eligibility information must only be used for purposes specified above, and the penalties for unauthorized disclosures.

Protect the confidentiality of children's free and reduced price meal or free milk eligibility information as follows:

(Specifically describe how the information will be protected from unauthorized uses and further disclosures.) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



**Description of Procedures to Transfer Meal Eligibility Information** (May be completed by either the determining agency or receiving agency)

Describe the procedures for transferring students' meal eligibility information from the determining agency to the requesting agency/program so as to limit the number of individuals who have access to the information.

(Describe) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**IV. EFFECTIVE DATES**

This Agreement shall be effective from \_\_\_\_\_ to \_\_\_\_\_.

**V. PENALTIES**

Any person who publishes, divulges, discloses, or makes known in any manner, or to any extent not authorized by Federal law (Section 9(b)(2)(C) of the National School Lunch Act; 42 USC 1758(b)(2)(C)) or a regulation, any information about a child's eligibility for free and reduced price meals or free milk shall be fined not more than a \$1,000 or imprisonment of not more than 1 year, or both.

**VI. SIGNATURES**

The parties acknowledge that children's free and reduced price meal and free milk eligibility information may be used only for the specific purposes stated above; that unauthorized use of free and reduced price meal and free milk information or further disclosure to other persons or programs is prohibited and a violation of Federal law which may result in civil and criminal penalties.

Requesting Agency/Program Administrator:

Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_ Phone: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Date: \_\_\_\_\_

Determining Agency Administrator:

Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_ Phone: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Date: \_\_\_\_\_

\* Any attachments will become part of this Agreement.