CACFP-509

SUBJECT:  List of Federal Categorically Eligible Programs for Use in Tier II Day Care Homes: Two-Tier Reimbursement Structure for Family Day Care Homes Participating in the Child and Adult Care Food Program (CACFP)

TO:  STATE AGENCY DIRECTORS - Colorado DPHE, Iowa, Kansas, Missouri DH, Montana DPHHS, Nebraska ED, North Dakota, South Dakota, Utah, and Wyoming ED

(Child Nutrition Programs)

The purpose of this memorandum is to provide a list of Federal programs, participation in which will qualify a child enrolled in a Tier II day care home for Tier I rates of reimbursement. We have also provided as much information as we have on each program's use of case numbers or other identifiers. Please note that this "expanded" categorical eligibility authorized in P.L. 104-193 only pertains to the households of children enrolled in Tier II day care homes; it may not be used for classifying a day care home as a Tier I home on the basis of the provider's household income, nor for qualifying providers' own children for reimbursement.

Listed below are Federal programs that meet the law's criteria for categorical eligibility (i.e., a Federally supported child care or other benefit program with an income eligibility limit that does not exceed 185 percent of poverty). These programs may be included on income eligibility statements that will be used in Tier II homes, with the exceptions discussed below. We have also included programs which may meet the categorical eligibility criteria, but which are not on our Federal list of programs because of State discretion in setting eligibility criteria. We recommend that State Agencies further evaluate these programs to determine if their eligibility criteria are at or below 185 percent of poverty.

FEDERAL CATEGORICALLY ELIGIBLE PROGRAMS

- **Food Stamp Program.** Food stamp recipients may be identified by a household case number, which in many cases corresponds to the social security number of the head of the household.

- **Food Distribution Program on Indian Reservations (FDPIR).** Similar to food stamps, recipients of FDPIR may be identified by a household case number which in many cases corresponds to the social security number of the head of the household.
• National School Lunch Program and School Breakfast Program. Free and reduced price recipients.

• Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), except in the States of California, Hawaii, Minnesota, Rhode Island, Vermont, and Washington. The WIC provision which provides "adjunct" (automatic) eligibility for recipients of Medicaid makes it necessary to exclude from the categorical eligibility list WIC recipients in the six States listed above because Medicaid income eligibility criteria in these States exceed 185 percent of poverty. [Please note: Medicaid is not included on the Federal categorical eligibility list; we are attempting to obtain further information on eligibility criteria for Medicaid.]

• Commodity Supplemental Food Program (CSFP): elderly recipients only. All elderly recipients meet the criteria because they must be at or below 130 percent of poverty to participate in the CSFP. [For non-elderly CSFP recipients, please refer to the discussion under "Programs Which May Qualify for Categorical Eligibility" below.]

• Federally funded Head Start participants enrolled on the basis of a determination that the family meets the program's low-income criteria. This would exclude children participating in State-funded Head Start slots, and children enrolled in non-low-income Federal slots (up to 10 percent of Federal slots).

• Pre-Kindergarten Participants of the Even Start Program, but only through September 30, 1997. Section 17(c)(6) of the National School Lunch Act authorizes automatic eligibility for these participants, but only until September 30, 1997.

Temporary Assistance to Needy Families (TANF) Programs, formerly Aid to Families with Dependent Children (AFDC). We cannot include TANF on the Federal list of categorically eligible programs at this time because we are still working to resolve issues related to the proper implementation of the TANF program in accordance with P.L. 104-193. We will inform you of this decision as soon as possible.
PROGRAMS WHICH MAY QUALIFY FOR CATEGORICAL ELIGIBILITY
(State Agencies should further investigate these programs’ eligibility criteria.)

♦ **Child Care Development Fund** (formerly Child Care Development Block Grant, Title IV-A, and At-Risk Funds). These benefits are typically provided in the form of family child care assistance, vouchers, etc. P.L. 104-193 set the maximum income eligibility limit for receipt of Child Care Development Fund benefits at 85 percent of each State’s median income. Our review of each State’s median income indicates that, at the 85 percent level, all States exceed 185 percent of the Federal poverty guidelines. However, we are aware that it is possible for State Agencies to establish funding priorities which serve only children from households with a level lower than 85 percent of the State’s median income. Therefore, we urge all CACFP State Agencies to coordinate with the State Agencies which administer child care subsidies to determine whether their eligibility criteria are at or below 185 percent of the Federal poverty guidelines.

♦ **Commodity Supplemental Food Program (CSFP): pregnant, postpartum and breastfeeding women, infants, and children.** These CSFP recipients are not included on the Federal categorical eligibility list because eligibility of this population for the CSFP is based on their participation in another Federal, State or local food, health or welfare program for low-income persons. Since State Agencies have discretion in identifying these programs, we cannot be certain that their eligibility criteria are always at or below 185 percent of poverty. CACFP State Agencies in States operating the CSFP may wish to explore whether the programs used to determine CSFP eligibility are all at or below 185 percent of poverty.

♦ **The Emergency Food Assistance Program** (TEFAP) State Agencies have discretion in setting income eligibility limits of recipients of commodities through TEFAP. However, it is likely that most, if not all States have set limits at or below 185 percent of poverty. CACFP State Agencies should contact their State Agencies responsible for commodity distribution to determine the income limits for TEFAP.

Finally, please note that Section 226.6(f)(10) of the interim regulation requires State Agencies to annually provide sponsoring organizations with a list of State programs which meet the categorical eligibility criteria. As indicated in the preamble to the interim regulation, we recognize that the process of identifying categorically eligible programs will be ongoing at both the Federal and State levels. To date, we have examined all of the food assistance programs administered by FCS, as well as several
programs administered by the Department of Health and Human Services. We will be contacting other Federal Agencies in the near future to attempt to identify additional programs that meet the criteria set forth in the law. As additional eligible Federal programs are identified, we will issue updates to this memorandum.

If you have any additional questions, please call our office at (303) 844-0359.

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