

School Meal Programs- Medicaid Student Proposal

Prepared by the Joint Fiscal Office on 3/30/21

A **new proposal** would mandate all public schools to offer free meals to students that are on Medicaid and below 317% the federal poverty line (FPL). About 18% of public-school students already attend a school that offers universal school meals and additional students receive free meals if they are enrolled in the free and reduced-price meals, so this analysis estimates only the new costs resulting from this proposal. These costs shall be borne by the education fund.

Table 2: Proposals to expand access to school meals at no cost to Vermont families.

Policy Option	Total Students	New Students	New Cost
All Students (S. 100)	82,200	40,400	\$24-40 million
Medicaid Eligible Students	53,000	16,400	\$10-\$14 million

Analysis details:

This analysis assumes the average cost of breakfast \$1.57 and lunch \$3.18, which includes the USDA food contribution. The range is a result of participation rate scenarios: average at Vermont schools with universal meals 60%/75% participate in breakfast and lunch respectively and the high end all students in attendance at a Vermont school 95% participate in breakfast and lunch.

A key difference between these estimates is the assumption for enrolled free and reduced-price students. There is some risk that if all meals are free (S. 100), families may not submit the application for USDA assistance without the incentive of free and reduced-price meals. This risk doesn't carry through to the Medicaid proposal because families would still have the incentive to apply for free meals.