U.S. DEPARTMENT OF AGRICULTURE
FOOD AND NUTRITION SERVICE

Supplemental Nutrition Assistance Program (SNAP)

REQUEST FOR APPLICATIONS

Increasing SNAP Participation among Medicare's Extra Help population

CFDA#: 10.580

Notice to Submit Application Due: May 14, 2010

Application Due: June 30, 2010

Awards Announced: September, 2010

Grant Funds Available: September 30, 2010

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SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP)

PILOTS TO INCREASE PARTICIPATION IN SNAP AMONG MEDICARE'S EXTRA HELP POPULATION

REQUEST FOR APPLICATIONS (RFA)

INTRODUCTION

The Agriculture, Rural Development Food and Drug Administration, and Related Agencies Appropriations Act, 2010 (PL 111-80) provides the Food and Nutrition Service (FNS) with $10.576 million to test the effectiveness of pilots designed to increase low-income elderly participation in the Supplemental Nutrition Assistance Program (SNAP; formerly the Food Stamp Program). These pilots will attempt to increase participation in SNAP among beneficiaries of the Medicare drug benefit's Extra Help (also called Low Income Subsidy or LIS) by using State Medicaid agency data from the Medicare Savings Programs (MSP) determinations.

The Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) required the Social Security Administration (SSA) to transmit new application data on beneficiaries of Extra Help to State Medicaid agencies, unless the applicant objects. This data transfer was effective 2010. MIPPA permits this data to be transmitted only to State Medicaid agencies. These agencies use this data to initiate MSP applications. Then, the State Medicaid agencies may collaborate with the applicants to modify the MSP application data before making determinations on MSP eligibility.[1] For the purpose of these pilots, the State Medicaid agency would transmit MSP eligibility data to the SNAP agency, which may or may not include Extra Help data. Before the State Medicaid agency can share any MSP eligibility determination data, the agency must obtain consent from all applicants whose information will be shared through the data exchange.

This MSP determination data will include biographic information and data on the income and assets of new Extra Help applicants. Since Extra Help and SNAP eligibility requirements do not correspond directly, these pilot projects will test the most effective method of increasing SNAP participation among the Extra Help population. With this money, FNS will also fund an evaluation through an independent contractor.

FNS invites State agencies to submit applications that will leverage the MSP determination data to reduce the barriers to SNAP participation experienced by the Extra Help population. Specifically, FNS is interested in projects that:

- Target outreach

- Simplify eligibility for the Extra Help population

- Standardize benefits for the Extra Help population

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[1] Many State Medicaid agencies are trying to align their MSP eligibility requirements with LIS eligibility requirements in order to streamline the process.

There is up to $8.076 million available for State agencies to conduct pilots that examine various methods for increasing participation in SNAP among the Extra Help population. The grants will cover 100 percent of the State administrative funds associated with the pilot. FNS will use the remaining funds for the evaluation. The 51 State agencies (50 States and District of Columbia) responsible for administering SNAP are eligible for these competitive grants. The amount of the award will depend upon the type of project selected, the proposed budget, and how well the project meets criteria described in this RFA.

The application must detail how the State agency will significantly improve SNAP participation among the target population. The application must show that the State Medicaid office has the legal authority to transfer the MSP determination data to the State SNAP office and that the State Medicaid office is willing to participate actively in the pilot.

The application must also demonstrate a strong relationship with the State Medicaid office to ensure smooth implementation of the project. The grants will allow for an implementation period for up to 1 year and an operation period for up to 2 years, with the option to extend due to compelling circumstances, subject to FNS approval. State agencies may have the option to extend the grants (for up to 2 years) if the project experiences delays. FNS will not provide any additional grant funds for extended projects. The application format, required elements, forms, and administrative procedures are provided in the attachments.

FNS expects to award the grants to selected State agencies by September 30, 2010. State agencies may use the grant funds for the entire grant period. The selected State agencies must complete the pilot projects by September 30, 2013.

An independent evaluator will rigorously evaluate each of the pilot projects to assess its improvement in elderly participation in SNAP. FNS will award and manage the contract for the evaluation. State agencies must comply with the evaluation requirements and fully cooperate with the evaluator. State agencies will have the ability to review any important evaluation deliverables.

Interested State agencies may locate this Request for Applications electronically on the FNS website or www.grants.gov.

Eligible Applicants for Grants

Any of the 51 State agencies that administer SNAP (50 States and District of Columbia) may apply for a grant. State agencies may apply on behalf of county administered SNAP agencies that wish to operate a pilot. If a county-administered SNAP agency applies for a grant, the grant application must display the potential for statewide implementation and contain a letter of support from the appropriate State agency.

Interested State agencies must demonstrate a strong partnership with the State Medicaid agency. State SNAP agencies that are not co-located with State Medicaid agencies must take additional efforts to show collaboration and continued partnership with the State Medicaid agency. FNS will cover any additional administrative costs incurred by the State Medicaid office during this pilot. State agencies interested in these projects may collaborate with other agencies and organizations during the planning, implementation, and operation phases of the grant. Collaborating agencies may include Federal, State, and local agencies, non-profit organizations, faith-based organizations, and select private organizations

that have experience working with the target population. State agencies must submit letters of commitment from all partner agencies, including the State Medicaid agency.

Legislative Authority

The Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2010 (PL 111-80) provides FNS with $10.576 million to test pilots that increase SNAP participation among non-SSI elderly. FNS will use this funding for pilot projects that target the Extra Help population and an evaluation to test the efficacy of the pilot projects at increasing SNAP participation.

Section 17 of the Food and Nutrition Act of 2008 (7 U.S.C. 2011-2036; the Act) allows FNS to approve pilot projects that increase the efficiency and effectiveness of the administration of SNAP and improve the delivery of SNAP benefits to eligible households. This authority allows FNS to waive sections of the law and implementing regulations to conduct these projects. FNS requires that these projects be time-limited, cost neutral to the Federal government, and contain an evaluation to determine the effectiveness of the pilot project. FNS measures cost neutrality in terms of benefit costs, not administrative costs. A project is cost neutral to the Federal government if it does not cost more to provide SNAP benefits to project households than it would to provide SNAP benefits to the same household in a non-pilot project area of the State. Checking for cost neutrality ensures that project households that would not otherwise be eligible for SNAP are detected and steps are taken to reduce or eliminate such households from the project.

BACKGROUND INFORMATION

SNAP helps low-income families purchase healthy foods and maintain nutritious diets. As of January 2010, more than 39 million people received SNAP benefits, a number that has more than doubled since July of 2000. Even though the number of people receiving SNAP has increased dramatically in recent years, the percentage of eligible elderly individuals who participate in SNAP remains low.

Elderly Participation and SNAP

SNAP defines an elderly household member as someone over the age of 60. Generally, to be eligible for SNAP, households with elderly members must meet an asset limit of $3,000, as compared to $2,000 for households without elderly members, and are only subject to the net income limit.[2] The net income limit for SNAP is 100 percent of the Federal Poverty Guidelines (FPG). Since elderly individuals are not subject to the gross income limit, a greater number of elderly individuals with high deductible expenses are potentially eligible for SNAP.

The elderly have consistently had low SNAP participation rates; data suggests that participation rate among elderly individuals is slightly decreasing. In 2007, the most recent year for which data is

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[2] States that have implemented broad-based categorical eligibility may have eliminated or increased the SNAP asset limit for categorically eligible households.

available, the proportion of eligible elderly who participated in SNAP was 32.1 percent.[3] In fact, this number is a slight decrease from the previous year's elderly rate of participation (34.5 percent). Although 7 million elderly individuals are eligible for SNAP, only 2.2 million participated in SNAP. Elderly individuals living alone were more likely to participate than those who live with others; elderly who lived alone participated at a rate of 43.8 percent, while those who lived with others participated at a rate of 18.4 percent.

Extra Help

Although SNAP and Extra Help have slightly different eligibility requirements, many of the requirements are similar or at least comparable to one another. Please see Attachment D for a detailed list of Extra Help eligibility requirements. Extra Help is provided to low-income individuals with Medicare (who are 65 years of age or older, entitled to Social Security disability payments for 25 months, or who have end-stage renal disease) and need help paying their share of costs under the Medicare Part D drug benefit. Extra Help helps pay for monthly premiums, annual deductibles, and prescription co-payments. The Extra Help population must have income below 150 percent of the FPG and assets below $12,510 for single persons and $25,010 for married persons living together.[4]

Although most people who receive Extra Help are elderly, Medicare generally covers some non-elderly disabled individuals. These pilot projects should target the elderly, but may also include non-elderly beneficiaries of Extra Help.

Low-income Medicare beneficiaries can receive Extra Help if they apply for it or automatically qualify because of participation in Medicaid. Individuals automatically qualify for Extra Help if they have Medicare and receive full Medicaid, a MSP, or Supplemental Security Income (SSI). Those who do not automatically qualify may apply for Extra Help through a Social Security Office, State Medicaid program, or online with the SSA. Those eligible for Extra Help will only receive a benefit from participation if they are also enrolled in a Medicare drug plan.

Medicare Savings Programs (MSP)

In general, Medicaid funds the MSPs. Since the States administer Medicaid, eligibility for MSP varies depending on the State. There are three types of MSP that automatically qualify a beneficiary for Extra Help: Qualified Medicare Beneficiary (QMB), Specified Low-Income Medicare Beneficiary (SLMB), and Qualifying Individual (QI).[5] Each MSP has its own banded income eligibility requirements, but the asset limits are the same as the Extra Help asset limit. QMB helps low-income seniors pay for Medicare Part A and Part B premiums, deductibles, coinsurance, and copayments. SLMB and QI help the Medicare beneficiary pay for Part B premiums only. In order to qualify for an MSP, an individual must receive Medicare Part A.

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[3] Leftin, J and Wolkwitz K (2009), *Trends in Supplemental Nutrition Assistance Program Participation Rates 2000 to 2007.*

[4] These are the eligibility requirements for 2010.

[5] There is a fourth related program that is not officially an MSP. The Qualified Disabled and Working Individual (QDWI) provides help with Part A premiums for individuals lost Medicare Part A benefits because they returned to work, but remain eligible to purchase Part A. Receiving QWDI does not automatically qualify the beneficiary for Extra Help.

Starting in 2010, unless the applicant objects, MIPPA requires SSA to transmit new Extra Help application data to State Medicaid agencies. State Medicaid agencies will use this data to initiate an MSP application. State SNAP agencies may use the State Medicaid data for these pilots. Although MIPPA does not permit Extra Help data to be transmitted to SNAP State agencies directly, State Medicaid agencies may transmit their own data, which may or may not include the Extra Help data, collected during the MSP determination process. The data becomes State data once used by the State to initiate an MSP application. State agencies must allow potential participants in these pilots to opt out of the transfer of data between the State Medicaid agency and the State SNAP agency.

When Medicare beneficiaries apply for Extra Help, they may out of the data exchange between SSA and State Medicaid agencies. Any person whose information will be exchanged for the purposes of these pilots who did not opt out of the data exchange between SSA and the State Medicaid agencies, must be given **the additional opportunity to opt out** of the data exchange between State SNAP agencies and State Medicaid agencies. States can provide the opportunity to opt out on a form sent out for more information to determine eligibility for MSP, direct client contact, or any other reasonable method. Each State needs to describe in its application how it intends to offer the option to opt out.

Differences between Extra Help, MSP, and SNAP Eligibility Requirements

Household composition:

SSA determines eligibility for Extra Help using only the circumstances of the applicant and his or her spouse and does not consider the circumstances of other household members. Extra Help applicants are required to report their own finances and their spouse's finances (if they live together). Although Extra Help asks about other relatives in the home receiving at least one-half of their financial support from the applicants, it does not consider their income and resources when making an eligibility determination. Further, Extra Help does not ask about other non-relatives who live in the home.

SNAP, on the other hand, considers the circumstances of all members of the household who purchase and prepare meals together. Household composition cannot be deemed for these pilots because applications for Extra Help or the MSPs do not contain information on household members who purchase and prepare meals together. State Medicaid agencies may or may not collect information on additional household members. Therefore, FNS requires that all pilots ask applicants about household composition before providing SNAP benefits.

Income:

Extra Help and SNAP define income differently and have different income limits. Extra Help and SNAP both determine income prospectively and examine the household's current income to determine the household's prospective income. Extra Help has an income limit of less than 150 percent of FPG while SNAP has a net income limit of 100 percent of FPG for elderly households. Extra Help looks only at the income of the applicant and the applicant's living-with spouse while SNAP totals the income of the entire household. SNAP eligibility for elderly households is based on the household's net income, which includes the household's gross income less SNAP deductions, such as medical expenses, shelter costs, and dependent care expenses. What Extra Help and SNAP include as income is very similar, but Extra

Help does not count income received from someone else to pay household expenses (effective January 2010) and SNAP counts these funds as income.

Since MSPs are State administered, MSP program requirements vary by State, within certain Federal bounds. Typically, MSPs have income limits that range from 100 percent of FPG to 135 percent of FPG. States have the option to increase these limits. QMB is for Medicare beneficiaries with income at or below the FPG. SLMB is for Medicare beneficiaries who have income above the FPG, up through 120 percent of FPG. QI is for Medicare beneficiaries who have income above 120 percent of FPG, up through 135 percent of FPG.

Assets:

SNAP and Extra Help have different asset limits. Extra Help limits assets to $12,510 for single persons and $25,010 for married couples living together.[6] MIPPA required that the MSPs have asset limits no less than Extra Help's lower asset limits, $8,100 for an individual and $12,910 for a couple living together.[7] Again, since MSP States may have higher limits, these asset limits may also vary by State. Unlike SNAP, Extra Help defines assets as the assets of the applicant and applicant's spouse and does not include assets of other household members. Traditional SNAP rules allow elderly households to have up to $3,000 in assets, but assets from all members of the household are counted. These discrepancies may be mitigated because some SNAP State agencies have chosen to implement broad-based categorical eligibility, which allows State agencies to set higher asset limits or eliminate the asset limit all together .[8] Both SNAP and Extra Help define assets as bank accounts, bonds, mutual funds, property other than the residence, and cash. Extra Help includes individual retirement accounts (IRAs) in its assets, but SNAP does not. Additionally, some State agencies include some vehicles as assets in SNAP, but Extra Help does not.

The difference in asset limits between SNAP and Extra Help/ MSP may or may not be relevant to the State SNAP agency. If the State has adopted a broad-based categorical eligibility policy that excludes all assets or raises the asset limit, the State may be able to avoid these differences in asset limits and definitions.

PILOT DESIGN

FNS will select pilots based on the technical merits of its application. FNS expects that projects will be replicable and sustainable. These pilots should test the feasibility and effectiveness of using State Medicaid data on MSP beneficiaries to increase SNAP participation among low-income non-SSI elderly households. FNS expects that these pilot areas will cover a specific geographic area rather than the entire State. The pilots may not use any part of the State currently operating a project funded by a Reaching Underserved Elderly and Working Poor in SNAP – FY2009 grant or any part of a State that is a comparison site for such a project.

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[6] Extra Help's asset limits for 2010

[7] Extra Help's lower asset limits for 2010. A household that qualifies for the lower asset limits would receive full Extra Help benefits.

[8] Broad-based categorical eligibility refers to the policy that makes most, if not all, low-income households categorically eligible for SNAP because they receive a non-cash TANF/MOE funded benefit or service. Through broad-based categorical eligibility, the income and resources of the TANF program are deemed when determining eligibility for SNAP.

These pilots will take advantage of the MIPPA requirement that SSA transmit data from the Extra Help claimant population to State Medicaid agencies. State Medicaid agencies will use this data to initiate a MSP application. State SNAP agencies may use the MSP determination data to increase SNAP participation among the Extra Help population for these pilots. Although MIPPA does not permit Extra Help data to be transmitted to SNAP State agencies directly, State Medicaid agencies may transmit their own data, which may or may not include the Extra Help data, collected during the MSP determination process. The data becomes State data once used by the State to initiate an MSP application. State agencies must allow potential participants in these pilots to opt out of the transfer of data between the State Medicaid agency and the State SNAP agency.

FNS is interested in strategies that are innovative, can be implemented in other areas, and have large and lasting impacts on increasing SNAP participation. State agencies should know that FNS will strongly consider generalizability when evaluating the proposals. The evaluations of pilots conducted in areas with special projects, such as demonstration projects, may not be universally applicable to all State agencies. FNS will fund a contractor that will independently evaluate these pilots to determine how effective each pilot is at improving SNAP participation among the Extra Help population.

FNS has identified three models for pilot projects to increase participation in SNAP among non-SSI low-income seniors: targeted outreach, deemed eligibility, and standardized benefits. FNS expects to fund:

- 1 outreach pilot,

- 1 deemed eligibility pilot, and

- 2 deemed eligibility with standardized benefits pilots.

FNS expects to fund four projects, but may fund more than four projects if there are enough promising proposals. FNS will only fund one outreach project.

Model 1: Targeted Outreach

With the targeted outreach model, State agencies use MSP determination data to identify individuals or couples with circumstances that make them potentially eligible for SNAP. Outreach typically involves media campaigns, prescreening, application assistance, transportation to and from the SNAP office, assistance with forms, and help gathering verifications. The model would require State agencies and/or community based organizations to provide information about SNAP to the target population through phone calls and letters, and assist the target population with SNAP pre-screening.

Additional Options/ Variations to the Targeted Outreach Model:

- State agencies or community partners could provide households in the MSP determination dataset with a SNAP application (possibly an abbreviated application designed specifically for the target population).

- Enhanced outreach: In addition to targeted outreach, State agencies or community partners could provide SNAP application assistance to target households.

In the past, FNS has used targeted outreach to encourage various groups to apply for SNAP. Targeted outreach would involve cooperation among State agencies, local SNAP offices, community based organizations, and FNS. Although targeted outreach may provide prospective applicants with needed information about SNAP and eligibility requirements, it does not guarantee that more people will actually apply for SNAP. Potential SNAP applicants are encouraged to apply, but the household must take the initial step and apply.

Model 2: Deemed Eligibility

Under the deemed eligibility model, State agencies would use the data to identify those who are eligible for Extra Help and deem them eligible for SNAP. States agencies could potentially deem certain eligibility requirements, such as fleeing felons and migrant workers, based on the target population. For more information on which SNAP eligibility requirements State agencies could potentially deem, please see Appendix E. This model would require State agencies to gather additional information, such as household size, from the target population to determine a household's SNAP allotment.

Additional Options/ Variations to the Deemed Eligibility Model:

- Deem households included in the MSP determination data as eligible for some limited period of time (e.g., 3 months) and then require usual application process for continued SNAP participation.

- Provide an additional shortened application to the target population.

- Ask households in the MSP determination data detailed information about their income, but do not verify reported income to save administrative time.

- Make deeming eligibility available only to those with no earned income and have income from sources verifiable through data matches.

Deeming eligibility would increase SNAP participation among the Extra Help population because they would not be required to complete a full SNAP application to establish eligibility. The deeming eligibility model would be relatively simple for State agencies to implement. There may be some initial administrative costs in terms of staff time and system changes, but these costs would decrease over time. State agencies would need to take special care to ensure cost neutrality because ineligible households that receive benefits will incur additional Federal costs. State agencies will need to assess cost neutrality annually.

The largest issue with this method is how to deem households as eligible for SNAP benefits without knowing their household composition, current monthly income, and deductions (assuming that broad-based categorical eligibility sets aside the countable asset limit). State agencies could resolve this issue by requiring the Extra Help population to fill out an abbreviated application that covers household composition and income. Since some State agencies require the Extra Help population to complete an additional MSP form in order to qualify for MSP, these States could provide additional SNAP questions on the MSP application.

Model 3: Deemed Eligibility with Standardized Benefits

Under the deemed eligibility model with standardized benefits, each household in the MSP determination data that appears eligible for SNAP would receive a standardized SNAP benefit. The standardized benefit would reflect average deductions and incomes rather than a household's actual deductions or income. Since the Act does not allow demonstration projects to increase the shelter deduction to households with no or minimal housing costs, the standard allotments must be based on high or low shelter expenses.

Households participating under this model would generally receive an allotment different from what they would receive under the regular program rules. Some households would receive higher allotments, but others would receive lower allotments. To help mitigate the number of households who would lose benefits, State agencies could allow households to apply through the regular SNAP rules if they would receive significantly higher benefits than they receive under the pilot program (similar to Combined Application Projects).

Additional Options/ Variations to the Standardized Benefits Model:

- Provide standardized benefits for limited time period (e.g., 3 months); recipient must complete a SNAP application to continue receiving benefits.

- Restrict the pilots to only those with no earned income.

This model goes beyond deeming eligibility. While the standardized benefits have no impact on eligibility, the deeming process will expand the amount of the Extra Help population that is eligible to participate in SNAP. The effect would be identical, however, for both models 2 and 3.

Like the deeming eligibility model, standardizing benefits would be difficult without knowledge of household composition, current monthly income, and deductions (assuming that expanded categorical eligibility sets aside the countable asset limit).

Although standardizing benefits may ease the administrative burden on the State agencies, standardizing benefits may create equity concerns. Under the standardizing benefits model, some households will receive a smaller allotment than they would have received from the regular SNAP program, while others will receive a larger allotment than they would have otherwise received. There may be ways to mitigate the effects for those who receive smaller benefits. These households could be provided the opportunity to apply under the regular SNAP rules or the pilot could differentiate between different subgroups of the Extra Help population. For example, a household with high shelter costs might receive a larger SNAP benefit under the normal Program than the household would receive under the pilot. States could reduce the inequity by providing a separate benefit for those with high versus low shelter costs. Conversely, any additional reporting/verification requirements may make the project less attractive to State agencies and/or the Extra Help population.

Cost neutrality is a significant concern in the standardizing benefits model because it might inadvertently expand eligibility to households who are not actually eligible for SNAP. State agencies looking to implement a standardizing benefit model should take precaution and ensure that the project will not exceed cost neutrality. Any State agency approved for the standardized benefit model will need to gather data for the evaluation contractor to conduct a review on cost neutrality at the end of each

project year. To conduct a cost neutrality review, the evaluation contractor will compare what the household would have received under the normal SNAP rules to what the household received under the pilot project. Typically, FNS requires that these cost neutrality reviews include 200 cases, but we may consider smaller reviews if the target population and target area are very small. The grant funding will cover any State agency administrative costs associated with the cost neutrality reviews. If the cost neutrality review shows that the pilot increases benefit costs significantly, FNS reserves the right to work with the State agency to bring the project back to cost neutrality.

PILOT REQUIREMENTS

Roles and Responsibilities

Food and Nutrition Service (FNS)

FNS will oversee the pilots and provide assistance to the selected State agencies and the evaluation contractor. FNS will also coordinate the cooperation between the evaluator and the State agencies. FNS will ensure that the State agencies are provided with appropriate funds for the pilot in a timely and consistent manner.

Selected State Agencies

The State agencies will ensure that they administer the pilots in accordance with the Act, applicable regulations, Office of Management and Budget (OMB) grant circulars, and the terms and conditions of the grant agreement. State agencies may locate these documents at the OMB website (www.whitehouse.gov/OMB/grants), the FNS website, or by request through the Grants Officer.

Selected State agencies will be responsible for planning, implementing, and operating the pilots in a manner and timeline agreed upon by FNS and the State agency. The State agency is responsible for coordinating between all partner agencies and organizations involved in the pilot (e.g. community organizations, local offices, advocacy groups, and other State agencies). FNS expects that the State agency will identify a specific person in the local office for FNS to contact.

Selected State agencies will ensure that the project contains appropriate training for the designated pilot, adequate staffing levels, and suitable staff to manage and carry out the project.

Grantees must submit timely reports, attend the orientation and closing meetings at FNS headquarters, and submit progress reports in a timely manner.

Selected State agencies will guarantee collaboration with the State Medicaid agency and are responsible for ensuring the State Medicaid agency will transfer data on MSP eligibility determinations to the SNAP office. Since these pilot projects are contingent upon the data being transferred from the State Medicaid office to the State SNAP office, special consideration must be made towards potential administrative barriers. State agencies interested in these pilots must take precautions to ensure that the State Medicaid office has the legal authority to transfer the MSP determination data to the State SNAP office and that the State Medicaid office is willing to participate actively in the pilot.

State agencies conducting the deeming eligibility model or the deeming eligibility with standardized benefits model must demonstrate how they will ensure cost neutrality at the time of application. States conducting the standardized benefit model must also demonstrate how they will establish benefit costs, most likely using current data on the target population.

A grantee must comply with the requirements of any evaluation conducted by the evaluation contractor. In addition, the grantee is required to cooperate with any technical assistance provided by the FNS or its contractor. The purpose of this technical assistance will be to ensure that the evaluations are of the highest quality and to encourage commonality in evaluation approaches across funded projects where such commonality is feasible and useful. Finally, the grantee must provide the evaluator with access to administrative records that cover project costs and participation data. Specifically, grantees must provide evaluators:

- Administrative case records necessary for benefit determination for designated months, including participant contact information and data on demographics, income, expenses, and the amount of benefits issued. This data will be used to compare the characteristics of the pilot participants to the SNAP participants in possible comparison sites.

- Descriptive data on project implementation, including any changes to SNAP rules in the pilot, size and characteristics of target population, and timeline of project implementation.

- Data from Medicaid on the number of people who chose not to share their information with the SNAP State agency.

- Data on status of applications submitted in pilot sites (incomplete, approved, or denied and reason for denial).

- Data on individuals the project contacted who did not respond (name, address, and any other information that was available when the household was contacted).

- Data on cases contacted, number that submitted applications, and the number that accessed benefits. It is particularly important to include the cases that accessed their benefits if the use of the EBT card signifies acceptance of SNAP.

- Data on administrative costs and projected budget costs.

- Data on quality control (QC) errors, if required.

- Cost neutrality review data for each year of pilot operation. The data should cover a sample of households that receive benefits under the pilot. The State agency will provide these data in Excel by household. For budget purposes, States should use a sample size of 200 households. The necessary sample will be determined by the evaluation contractor. Data shall include eligibility information, such as immigration status, other nonfinancial factors, and data necessary to calculate a SNAP allotment for the household if it were participating in the State's SNAP program. These data should include household size, household income, household SNAP deductible expense information (dependent care expenses, out of pocket medical expenses, shelter expenses, utility expenses or standard utility allowance (SUA) as appropriate to the household circumstances, court ordered child support payments), asset data as determined by the State for the resource test, applicable maximum allotment, and standard deduction. The evaluation contractor will use these data to calculate a SNAP benefit to compare with the pilot calculated/provided benefit to determine cost neutrality.

State agencies are only responsible for collecting cost neutrality data, and are not responsible for conducting the cost neutrality calculations. The chosen evaluation contractor will calculate cost neutrality.

Selected State agencies will travel to FNS headquarters to meet with the contractor and FNS staff for a full day meeting. This meeting will cover implementation plans, reporting requirements for the States, review of FNS evaluation objectives, and clarification of how FNS, State agencies, and the contractor will communicate. Selected State agencies will also travel to a final briefing at FNS Headquarters. Each State agency will present its project and the contractor will present the findings of the evaluations. The State agency's budget should include the costs associated with travel to these meetings.

Required Design Elements

The pilot proposal must include written commitment from all stakeholders involved in the pilot, including the State Medicaid agency. The letter of commitment from the State Medicaid agency should provide assurance that the transfer complies with all Federal and State privacy laws, detailed information of how the Medicaid agency will transfer the MSP determination data to the State SNAP agency, and how the agencies will solve any technical issues associated with the data transfer. Additional letters of commitment may include but are not limited to community organizations supporting the targeted population, advocacy groups, local offices, and other State agencies. The plan should also clearly identify the role of each partner involved in the pilot and the way the State agency will maintain coordination between partners. The plan must also detail how the project will function and how the targeted population will be aware of the new project.

Unallowable Project Designs

FNS will not consider the following types of projects:

1. Pilots that are Statewide because the evaluation requires within-State comparisons

2. Projects that do not provide SNAP benefits in the form of an EBT card (cash benefits, commodities, paper vouchers)

3. Pilots that include areas that operate a project funded by a Reaching Underserved Elderly and Working Poor in SNAP – FY2009 grant or any part of a State that is a comparison site for such a project.

Quality Control

Households that participate in SNAP are subject to quality control (QC) reviews. FNS will allow QC exemptions for pilots with substantial changes to regular SNAP rules. The State agency with a QC exemption must provide adequate data and information to the evaluator so that the evaluator may determine case and payment errors in the pilot. The evaluation will evaluate the project's impact on

program integrity, but projects with significant differences from regular SNAP rules will be exempt from QC.

Use of Grant Funds

The State agency is responsible for oversight of grant and fiscal activities. The State agency must exercise effective control of funds that the agency provides to sub-grantees. All costs must be allowable, allocable, necessary, and reasonable in accordance with OMB Circular A-87, A-21, and A-122. State agencies may use grant funds for a variety of costs essential for operating the pilot or for participating in the evaluations. Such costs may include, but are not limited to, personnel costs, training, translation, supplies, printing, photocopying, disseminating materials, public service announcements, and technology. Upon completion of the grant, FNS will collect any item bought for the pilot valued over $5,000. The State agency may keep any item valued less than $5,000.

If the State Medicaid agency incurs additional administrative costs as a result of these pilot projects, FNS will pay for the administrative costs of the State Medicaid agency.

Reporting Requirements

Each selected State agency must submit quarterly Financial Status Reports (standard form 425/425A, which replaces SF-269/269A) and a final Financial Status Report upon completion of the project. Financial reports should provide information on grant expenditures and are due 30 days after the end of each reporting period. Selected State agencies must enter and the SF-425 reporting information into the Food Program Reporting System (FPRS)

Additionally, each State agency will provide quarterly progress reports and a final progress report. Quarterly progress reports must provide a description of the activities conducted, major accomplishments, deviations from proposed plan, difficulties, solutions, and major planned activities for the next quarter. The quarterly reports are due 30 days after the end of each calendar quarter.

The State agencies will submit the initial draft of the final report once the grant period ends. FNS will provide the State agency with comments and the State agency will submit a final report to FNS within 90 days from the pilot's end date. Final reports will contain an executive summary and descriptions of the project, major accomplishments, lessons learned, final results, plans for continuation (if any), and recommendations for future projects. Final reports are limited to 10 pages. The final report should also contain any materials used during the operation of the pilot.

APPLICATION INSTRUCTIONS

Letter of Intent to Apply

State agencies planning to submit applications to conduct one of these pilots should complete and submit the Intent to Submit an Application form (Attachment A) by May 14, 2010. State agencies may submit this form by mail or electronically to the grants officer. This form does not obligate the State agency to submit an application, but provides useful information to FNS in preparing for application

review and selection. State agencies that do not submit a Letter of Intent to Apply may still submit an application by the due date.

Clarification Questions

State agencies with clarification questions about this RFA should submit questions to the grants officer in writing at lisa.johnson@fns.usda.gov. FNS will compile these questions and post them on the FNS website, http://www.fns.usda.gov/snap/. FNS will not identify questions by the individual or individual's agency that submitted the questions.

Submission of Application

State agencies may submit applications by hand delivery, mail, or electronically through http://www.grants.gov. State agencies should send applications to:

>Lisa Johnson, Grants Officer
>Grants and Fiscal Policy Division
>Food and Nutrition Services, USDA
>3101 Park Center Drive, Room 738
>Alexandria, VA 22302

FNS must receive the complete application at the address listed above on or before 5:00 p.m. Eastern Daylight Time on June 30, 2010. FNS will not consider late or incomplete applications. FNS will not consider any additions or revisions to applications once received.

FNS will not accept faxed or emailed applications. For mailed or delivered applications, State agencies must submit one original and two copies of all application materials. The original copy must be single-sided, unstapled, unbound, and on 8 ½ by 11 inch paper. Please see Attachment C for more information on the suggested template for the application.

The website, www.grants.gov, allows State agencies to submit applications electronically. State agencies submitting electronic applications should ensure they leave enough time to familiarize themselves with the system. State agencies will need a Data Universal Number (DUNS) and a Contract Registry Number (CCR) to access the system. To obtain a DUNS number, please contact Dun and Bradstreet at (800) 234-386. State agencies should also note that the system provides multiple confirmation notices. The application is not complete until the system informs the State agency that the application was accepted.

State agencies that submit applications electronically must email the Grants Officer, Lisa Johnson, at lisa.johnson@fns.usda.gov once they submit an application electronically. The Grants Officer must receive the email notification no later than the due date.

EVALUATION OF GRANT APPLICATIONS

FNS will prescreen all applications to ensure that they contain the essential items. If an application does not meet these criteria, FNS will determine the application to be non-responsive and will eliminate it from further consideration.

Following the initial screening process, FNS will assemble a panel of FNS staff to review and determine the technical merits of each application based on how they address the required application components. The panel will score each application using the following weighted criteria. The panel will award the grants to applicants whose proposal represents the best value to the Federal government after evaluating all criteria.

The selection official will consider the panel's recommendations. The selection official may consider other USDA or FNS priorities, such as geographic, demographic, or socioeconomic diversity, in addition to the scores assigned by the technical review panel. The selection official may determine that few applications are of technical merit and may make fewer awards or smaller awards than expected.

FNS reserves the option to select one or more lower rated applications in order to achieve a diversity of projects and regional representation.

Technical Evaluation Criteria and Weights

Pilot Design and Implementation   50 points

- ✓ Proposal demonstrates a thorough understanding of the goals and objectives of this RFA.

- ✓ Proposal explains the need for the pilot project by describing how the project will address the needs of the target population.

- ✓ Proposal contains clear and realistic timeframes to plan, implement, and operate the pilot. Proposal clearly defines timelines and milestones. Proposal thoroughly describes the design and implementation of the project.

- ✓ Proposed project has the potential to be incorporated into ongoing SNAP operations and adopted by other State agencies.

- ✓ Proposal assures the legality of the data transfer and explains how the State Medicaid agency will transfer the MSP determination data to the SNAP agency and how the agencies will solve any technical issues associated with the data transfer.

- ✓ Proposal demonstrates that State agency has the technical capacity to complete the project. The State agency must demonstrate that it can import and use the State MSP determination data from the State Medicaid agency.

- ✓ Proposal must indicate a strong partnership between Medicaid and SNAP personnel within the State agency.

- ✓ The proposal also explains how project administrators and key personnel will address challenges throughout the course of the project.

- ✓ Proposed sites for project and comparison sites are compatible with this RFA. Proposal explains why the State agency chose the pilot site(s). That said, grantees will be expected to work with the FNS independent evaluator in the final selection of appropriate matched comparison sites.

- ✓ Proposal clearly expresses its intention to cooperate with the independent evaluation contractor. Proposal also demonstrates an understanding of the evaluation and reporting requirements.

- ✓ Proposal identifies all likely waiver requests and when the requests will be submitted to FNS.

- ✓ Proposal allows anyone captured in the MSP determination data to opt out of the pilot if they do not wish to be a part of the data exchange.

Key Partners   10 points

- ✓ Proposal includes a letter of commitment from State Medicaid agency and demonstrates a strong relationship between the State SNAP agency and the State Medicaid agency.

- ✓ Proposal includes partnerships with key organizations in the community that will help the pilot succeed at increasing SNAP participation among the target population.

- ✓ Partner agencies have the necessary experience and qualifications to complete their assigned tasks.

- ✓ Proposal explains any necessary training for community partners involved in the project.

- ✓ Proposal includes a summary of each organization, its structure, and any other relevant information for the pilot project.

- ✓ Proposal contains letters of commitment or memoranda of understanding from all partner agencies and local SNAP offices in the pilot areas. Local offices are willing to provide data for the evaluation.

- ✓ Proposal includes references or letters of endorsement for any sub-grantees.

Key Personnel   15 points

- ✓ The proposal clearly and thoroughly defines the roles and duties of all key positions that bear substantial responsibility for managing, developing, or administering the pilot. The proposal provides the current position of key personnel and their prospective title during the pilot.

✓ Key personnel have the necessary education, experience, and skills for their designated project role. The proposal includes supporting documentation, which may include the résumé or curriculum vitae of key personnel and position descriptions for all key positions.

✓ Key personnel have the appropriate availability to complete their project roles. The proposal contains supporting documentation to demonstrate the time commitment of key personnel through letters of support from supervisors. The designated project director must have a minimum time commitment of 50 percent. The proposal cannot combine two staff positions to reach the 50 percent time commitment.

✓ The proposal includes preliminary training plans for all key positions.

✓ The proposal identifies a person responsible for working with the evaluators.

Management Plan   *15 points*

✓ Management plan articulates how the State agency will provide the necessary oversight to ensure high quality products, services, or outcomes to keep the project on schedule and within budget. The proposal also contains a contingency plan for unforeseen obstacles.

✓ Management plan provides a plan for managing all personnel associated with the pilot and for addressing contingencies, such as the loss of key personnel. The proposal contains a distinct chain of command. The proposal also contains a management plan for managing key partners.

✓ Management plan shows potential for strong interrelationships, teamwork, and cooperation between State agencies, local SNAP offices, and community partners.

Budget Plan   *15 points*

✓ The budget is appropriate for the project's size and scope.

✓ Proposed budget plan considers all necessary pilot implementation and operation costs. Costs are allowable and reasonable. The proposal also explains which items will be funded through Federal and non-Federal resources, including in-kind contributions.

✓ The budget narrative describes how costs within the budget categories were derived and explains how those relate to the project goals, objectives, and proposed activities.

✓ The budget includes expenses for State staff to travel to FNS headquarters to meet with the contractor after the pilots are awarded. The budget also includes expenses for State staff to travel to the final briefing at FNS headquarters.

ATTACHMENT A: LETTER OF INTENT

Any State agency that intends to submit an application for a pilot for *Increasing SNAP participation among Medicare's Extra Help population*, should complete the section below and return this form by May 14, 2010. This intent does not obligate a State agency to submit an application, but provides useful information in the preparation for the review and selection process. State agencies may send this letter of intent or email it to:

> Lisa Johnson, Grants Officer
> Grants and Fiscal Policy Division
> Food and Nutrition Services, USDA
> 3101 Park Center Drive, Room 738
> Alexandria, VA 22302
> lisa.johnson@fns.usda.gov

Increasing Supplemental Nutrition Assistance Program Participation among Medicare's Extra Help Population

Intent to Submit an Application

State Agency Name and Address:

Project Director or Contact Person:

Telephone:

Email:

State SNAP Director:

Telephone:

Email:

ATTACHMENT B: TERMS AND CONDITIONS OF AWARD

FNS will award and administer these grants in accordance with 7 CFR Parts 3015, 3016, 3017, 3018, and 3019, and the applicable regulations and OMB grant circulars, as described below. **Copies of these documents are available from the OMB website (**www.WhiteHouse.gov/OMB/grants**) and from the Grants Officer, upon request.**

7 CFR Part 3015: "Uniform Federal Assistance Regulations" for Entitlement Programs (Reference OMB Circular A-110 Common Rule)

7 CFR Part 3016: "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments" other than Entitlement Programs (Reference OMB Circular A-102 Common Rule)

7 CFR Part 3017: Subparts A-E "Government-wide Debarment and Suspension (Non-procurement)"

7 CFR Part 3017: Subparts F "Government-wide Requirements for Drug-free Workplace (Grants)"

7 CFR Part 3018: "New Restrictions on Lobbying"

7 CFR Part 3019: "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations"

OMB Circular A-21: Cost Principles for Educational Institutions

OMB Circular A-87: Cost Principles for State and Local Governments

OMB Circular A-122: Cost Principles for Nonprofit Organizations

41 CFR 1-15.2 (FAR Part 31): Cost Principles for For-Profit Organizations

OMB Circular A-133: Audits of State, Local Governments and Nonprofit Organizations

ATTACHMENT C: APPLICATION TEMPLATE

FNS strongly encourages interested State agencies to adhere to the following application format. Applications should be typed on 8 ½ by 11 inch white paper with at least 1 inch margins on the top and bottom. All pages should be single-spaced and in 12 point font. All pages must be numbered.

All applications must contain the following completed forms: Application for Federal Assistance (SF-424), Budget Information and Instruction (SF-424A), Assurances – Non Construction Programs (SF-424B), and Disclosure of Lobbying Activities (SF LLL). All forms are available at http://www.grants.gov.

1. Cover Sheet (1 page limit)
    - Name (State agency name and mailing address)
    - Contact person (name, job title, mailing address, phone number, fax number, and email address)
    - Time period for planning (not more than a year) and operating pilot (must operate for a minimum of two years)
    - Level of grant support requested

2. Table of Contents (1 page limit)

3. Proposal Summary (1 page limit)
    - Summary should highlight pilot goals and provide a general timeline for the planning, implementation, operations, and completion of the pilot.

4. Pilot Design and Implementation (15 page limit)
    - Outline goals and objectives
    - Describe the pilot site in detail including community characteristics, SNAP participant characteristics, and local agency characteristics. Detail any SNAP corrective action plans or outstanding issues at any of the sites.
    - Provide detailed information on the pilot's timeline (design, implementation, operation, and conclusion of the pilot).
    - Plan for notifying target population about pilot
    - Explain the training plans for local agency staff, partners, and any other group involved in the pilot.
    - Detail how the MSP determination data will be transferred from the State Medicaid agency to the State SNAP agency. Describe how the agencies will resolve any data transfer issues.
    - Describe how the State will ensure that the target population can opt out of the data transfer between the State SNAP agency and the State Medicaid agency.
    - Describe how the State and its partners will work with the evaluation contractor to meet the needs of the evaluation.

5. Staffing Plan
    - Key Personnel
        – Identify all persons who are responsible for managing, developing, and administering the pilot. Please include current position, salary, time

commitment of each person, roles and duties in the project, relevant experience.
- – Describe all vacant positions, hiring plans and anticipated hiring dates.
- – Attach résumé or curriculum vitae for all key personnel.
- Key Partners
  - – Provide detailed information on the relationship between the State SNAP agency and the State Medicaid agency.
  - – Describe the expertise and commitment of any major partner.
  - – Include letters of commitment or memoranda of understanding to demonstrate the partner's dedication to the project and understanding of its role in the pilot.

6. Management Plan
   - Provide a flow chart that shows all key personnel and the chain of command.
   - Identify who will prepare the quarterly performance reports and the final report.
   - Discuss any contingency plans if key personnel leave or any other disruption in the implementation plan.
   - Explain how communication and teamwork will be fostered with key partners. Discuss how key partners will be managed.

7. Budget
   - The budget must reflect the proposed pilot project. FNS reserve the right to request information not clearly addressed.
   - The budget should include all costs related to personnel, fringe benefits, travel, equipment, supplies, contracts, consultant fees, and indirect costs
   - Use the current SF-424 and SF-424A (expiration date 3/31/12) to prepare the budget for the pilot. If submitting a paper application, interested State agencies must download an application package using grants.gov.
   - To obtain the current SF-424 and SF-424A to submit an application via hand delivery and mail, State agencies must download the application package using the compatible software identified on grants.gov. To obtain an Active Government wide SF424 application package State agencies must access the following website http://www07.grants.gov/agencies/aforms_repository_information.jsp. This website also has a link to the lists of grants.gov compatible software to help the applicant navigate, download software, and complete the grants.gov grant application package. The forms available on grants.gov do not have fees.

8. Budget Narrative (3 page limit)
   - Budget amounts and computations should be presented in columns:
     - – First column: Object class categories
     - – Second column: Federal resources
     - – Third column: Non-Federal resources
     - – Last column: Total budget
   - Budget should include funds for at least one project official to attend the one-day orientation meeting held at the FNS national office in Alexandria, Virginia.

9. Indirect Cost
   - Applicants claiming an indirect cost must attach a copy of the State agency's negotiated and approved rate.

10. Appendices (2 page limit per résumé)

11. Attachments
    - Application for Federal Assistance (SF-424)
    - Budget Information and Instruction (SF-424A)
    - Non-Construction Programs, SF 424B (assurance)
    - Disclosure of Lobbying Activities, SF LLL

ATTACHMENT D: EXTRA HELP DATA ELEMENTS

The following list describes the elements in the Extra Help dataset that SSA is transmitting to State Medicaid Agencies. Once the MSP application is initiated, many States collaborate with the applicant to modify this data. This process produces a new dataset that is State data. The State Medicaid agency may transmit this MSP determination data to State SNAP agencies. State SNAP agencies can use the following information to learn which eligibility requirements are similar to SNAP eligibility requirements, what could be deemed, and what would require additional client contact.

- Complete name of beneficiary
- Beneficiary's Health Insurance Claim Number (HICN)
- Beneficiary Identification Code
- Beneficiary's Social Security Number
- Beneficiary's Date of Birth
- Beneficiary's Gender Code
- Beneficiary's Burial or Funeral Expenses (value of 0 or $1,500)
- Mailing address
- Telephone number
- Whether Extra Help was approved
- Denial reason (not Medicare A/B beneficiary, failure to cooperate, resources, income)
- Level of Resources (reduced co-pay, no reduced co-pay)
- Whether income was based on individual or couple
- Resources
  - Bank accounts
  - Stocks, bonds, or other investments
  - Cash
  - Real estate (other than home)
- Income:
  - From Social Security
  - From Railroad Board
  - From Veterans Administration
  - Other Pensions or annuities
  - Other income
  - Earned income
  - Net earnings from self-employment
  - Net loss from self-employment
- Other relatives in the home
- Complete name of beneficiary's spouse
- Spouse's SSN
- Spouse's Burial or Funeral Expenses (value of 0 or $1,500)

ATTACHMENT E: SNAP ELIGIBLITY REQUIREMENTS THAT COULD BE DEEMED

The following chart describes the SNAP eligibility requirements that State agencies could deem based on the MSP determination data from the State Medicaid agencies. The MSP determination data may include information from the Extra Help data originally sent by SSA.

SNAP ELIGIBILITY REQUIREMENT	IN EXTRA HELP DATA?	IF NO, COULD IT BE ASSUMED?
Applicant Specific information		
Name	Yes	Can be deemed from data
Social Security Number	Yes	Can be deemed from data
Date of Birth	Yes	Can be deemed from data
Address	Yes	Can be deemed from data
Zip Code	Yes	Can be deemed from data
State Residency	No	Yes, can assume that applicant's address indicates State residency
Household Characteristics		
Migrant or Seasonal Workers	No	Yes, if household only includes elderly members, can assume there are no migrant workers.
Citizenship Status	No	Yes, if household receives Extra Help, there should be no conflict.
Strikers	No	Yes, if household only includes elderly members, can assume there are no strikers.
Student Status	No	Yes, if household only includes elderly members, can assume there are no students.
Fleeing Felon Status	No	Yes, if household only includes elderly members, can assume there are no fleeing felons.
Drug Felony Convictions	No	Yes, if household only includes elderly members, can assume there are no drug felony convictions.
Receiving Benefits in Another State	No	Yes, if household is receiving Extra Help in the State can assume they are not receiving benefits elsewhere.
Resources		
Value of Assets	Yes	Possibly, if State has broad-based categorical eligibility, assets may be excluded from eligibility determination.
Vehicles	No	Possibly, if State has broad-based categorical eligibility, assets may be excluded from eligibility determination.