Strengthening SNAP for Rural and Urban America

A Path to Health and Prosperity in the 2018 Farm Bill

The US Department of Agriculture's (USDA) Supplemental Nutrition Assistance Program (SNAP) has long played a critical role in reducing food insecurity and alleviating poverty in America. As the largest nutrition assistance program in the federal safety net, SNAP is the first line of defense against hunger and a critical source of support for more than 21 million American households (FNS 2017a). The program was most recently authorized by the 2014 farm bill, which is set to expire September 30, 2018. The reauthorization process now underway raises threats to the structure and function of SNAP, including its responsiveness to economic growth and decline, and also provides opportunities to strengthen the program's ability to help families achieve healthy diets. The decisions that will determine the future of SNAP must be made with sound scientific evidence and a commitment to providing pathways to achieve better health for all Americans. Given the broad reach and the demonstrated effectiveness of the program, providing adequate SNAP funding to increase the purchasing power of low-income individuals and families is a strategic long-term investment in our nation’s economic security and long-term health.

Research Shows That SNAP Works

SNAP alleviates poverty and food insecurity, operates with low rates of fraud and abuse, and improves health among families needing assistance during financial hardship.
A substantial body of research demonstrates the ways in which families and individuals benefit from SNAP participation. In 2014, the program lifted an estimated 4.7 million people out of poverty—including 2.1 million children—and resulted in food insecurity rates 30 percent lower than would be expected in the absence of SNAP benefits. And the long-term health benefits of SNAP participation begin even before birth: when mothers receive benefits during pregnancy, the risk of low-birthweight babies can be reduced by up to 23 percent. Young children’s participation in SNAP is linked to a higher likelihood of high school completion and lower rates of obesity and metabolic syndrome in adulthood.

Common assumptions about the people served by this program, including enduring stereotypes of the contrived “welfare queen,” are directly countered by data on the real beneficiaries of this support. More than four in 10 SNAP recipients are children. And among SNAP households with at least one non-disabled, working-age adult, eight in 10 participants were employed in the year before or after receiving benefits, supporting the notion that SNAP often provides people with temporary assistance during periods of economic difficulty (CEA 2015). The perception of SNAP as an urban program is also challenged by the data, which show that households in rural areas participate in the program at higher rates than in either small or large cities (Bailey 2014).

SNAP also functions effectively from an administrative standpoint, boasting one of the lowest fraud rates of any federal program. Over the last 15 years, USDA program integrity efforts have helped to reduce rates of illegal sale of SNAP benefits from 4 percent to about 1 percent of benefits (FNS 2013). Error rates, which measure the frequency with which the government mistakenly underpays or overpays SNAP recipients, have seen similar declines. The average program error rate in 2014 was one of the lowest on record at 3.66 percent, representing a reduction of nearly 4 percentage points between 2008 and 2013—even as enrollment and spending over the same period increased (FNS 2017b).

The Structure of SNAP Is Critical to Its Success

Congress can ensure that SNAP continues to work for Americans by maintaining the core funding structure of the program and defending key provisions related to eligibility, including state options to utilize broad-based categorical eligibility and time limit waivers.

The funding structure provided by the farm bill helps SNAP respond to changes in the national economy and play a critical role as an economic stimulus. Proposals to separate nutrition assistance programs from other farm bill provisions have the stated intent of enabling more effective reform of each. However, decoupling food assistance from the farm bill would serve primarily to reduce SNAP funding and weaken the federal safety net. Similarly, proposals to convert SNAP funding to a block grant would reduce the program’s responsiveness to national financial crises. Funding for block grant programs like Temporary Assistance for Needy Families (TANF) can be allocated flexibly, but does not increase with greater eligibility or need. When unemployment grew by 93 percent between 2007 and 2011 following the Great Recession, SNAP participation grew by 70 percent, while TANF state caseloads experienced only marginal increases due to limited resources (BLS 2017; FNS 2017c). Moreover, research demonstrates that increased SNAP expenditures act as economic stimuli during periods of economic recession, with every five dollars in new SNAP benefits generating as much as nine dollars in economic activity (ERS 2016). Following economic recovery, SNAP enrollment and spending tend to decrease. For example, estimates of total SNAP spending over the five-year period from FY2014 through FY2018 are now $26 billion less than initial 2014 projections, reflecting a decline in caseloads and average benefits as the economy improved (CRS 2017).
Congress should defend SNAP eligibility provisions that can reduce state administrative costs and protect vulnerable populations. Broad-based categorical eligibility (BBCE) bypasses SNAP asset tests by granting automatic eligibility for families that receive TANF assistance and meet state-determined income limits, thus simplifying the SNAP application process and potentially reducing states’ administrative costs. This is achieved without significant increases in eligibility: data show that 97 percent of SNAP recipients in states utilizing BBCE are also eligible under standard rules limiting income (ORA 2012). Also important are waivers that suspend the three-month benefit limit imposed on able-bodied adults without dependents (ABAWD) unable to find work. States currently have the option to utilize ABAWD waivers during periods of high unemployment, providing critical safeguards against household poverty and preserving the core function of the federal safety net (Bolen et al. 2016). Both of these state options have been threatened in past versions of the farm bill and must be preserved during reauthorization.

Congress must oppose costly proposals to limit SNAP eligibility through drug testing. With few exceptions, the USDA does not allow drug testing to determine SNAP eligibility. Where drug testing programs have been used in other public assistance programs, they have simultaneously revealed relatively low rates of illegal drug use in these programs and consistently suffered from net financial losses. For example, the state-run TANF drug testing programs in Idaho and Louisiana resulted in net losses to the state of between $60,000 and $180,000 (OHSP 2011). The available evidence indicates that mandatory drug testing would be an impractical, ineffective, and expensive means of attempting to improve the health and well-being of SNAP-eligible people.

Evidence-Based Changes Can Help SNAP Achieve More and Save Money

Congress can address health disparities among constituents and reduce long-term health care costs by providing adequate SNAP benefit allotments, support for nutrition education, and opportunities for innovative food distribution models to thrive.

SNAP benefits must be increased to fully prevent hunger in American households. Research assessing the adequacy of SNAP benefit levels converges on a common finding: current benefits are insufficient to meet the food needs of low-income households. Data indicate that household food bills frequently exceed the USDA Thrifty Food Plan standard costs used to determine benefit amounts, which may reflect inaccurate assumptions about geographic price variation, food preparation time, households’ ability to access food outlets, and the percentage of household income spent on food (CEA 2015; Caswell and Yaktine 2013). Near the end of the month, low benefit levels are associated with a 10 to 25 percent drop-off in caloric intake and have been linked to poorer academic performance in kids and increased risk of diabetes complications and hospitalizations in adults (CEA 2015). These and other negative consequences resulting from low purchasing power are borne disproportionately by low-income communities of color and contribute significantly to health and economic disparities. Benefit calculations must be revised with greater attention to individual, household, and environmental factors if SNAP is to achieve its intended aims of helping low-income families afford a nutritionally adequate diet.

Continued investment in SNAP’s nutrition education programs can help reduce the nation’s medical costs over time. Public health research has demonstrated the importance of evidence-based nutrition education and healthy food environments in preventing chronic disease. Evaluations of SNAP-Ed programs have reported increases in participants’ fruit and vegetable consumption, fewer overweight youth, and increases in physical activity among adults, with estimates of $10 saved in overall long-term health care costs for every dollar invested in nutrition education.
(PHI 2013; Dollahite et al. 2008). These benefits have important consequences for US healthcare costs. Annual medical costs associated with obesity are estimated at nearly $150 billion; should the incidence of obesity continue at current rates, associated medical costs could see annual increases of $48 to $66 billion by 2030 (USDA and DHHS 2015; Wang et al. 2011). Investing in evidence-based nutrition education programs is a cost-effective strategy for both advancing population health and reducing health care costs.

New definitions of SNAP-authorized retailers are needed. A lack of access to SNAP retailers can present significant barriers to SNAP participation in urban and rural areas. Rural households often face challenges related to geography: nationwide, the median distance from a rural household to the nearest supermarket, superstore, or large grocery store is four miles, and many areas lack reliable public transportation systems (OPS 2014). While urban populations as a whole tend to live closer to supermarkets, there are significant food access disparities by race and income. One multi-state study reported that 31 percent of whites live in a census tract containing a supermarket, compared with only 8 percent of blacks (Treuhaft and Karpyn 2010). Innovative purchasing and distribution models have developed in recent years to address these food access issues, including mobile fresh-food trucks and pop-up community supported agriculture markets. However, existing statutory and agency definitions of SNAP-authorized retailers are inadequate proxies for many of these innovative models, which must be approved on a case-by-case basis. Rethinking existing definitions of SNAP-authorized retailers to accommodate innovative program models and provide access to existing funding sources will be an essential strategy to expand healthy food access in underserved communities.

Conclusions: Providing a Pathway to Health and Prosperity

Current levels of poverty and food insecurity, paired with rapidly rising rates of chronic disease and health care spending in the United States, pose significant threats to our nation’s health and economic security. Congress can address these inter-locking challenges by making substantial investments in evidence-based solutions during the 2018 farm bill reauthorization. SNAP provides a vehicle for these investments to reach the families and communities who stand to benefit the most, including both rural and urban populations and...
The decisions made about SNAP today—if grounded in principles of science and equity—will shape a vision of health and economic prosperity that can be shared by all Americans.

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REFERENCES


