Reconsidering the Supplemental Nutrition Assistance Program as Community Development

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ABSTRACT

The Supplemental Nutrition Assistance Program (SNAP) protects households from severe food insecurity or extreme poverty, buffers against certain adverse health effects, and exhibits a multiplier effect on the nation's economy. Nonetheless, SNAP remains contentious and benefit reductions are currently being debated. One new direction is to reconceptualize people-based SNAP allocations within place-based community development. Programs such as the federal Healthy Food Financing Initiative encourage retailer development in underserved neighborhoods, creating healthy options and opportunities to reinvest SNAP dollars locally. By exploring relationships between these programs, researchers and practitioners can better understand how to enhance their impact on individuals and neighborhoods.

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INTRODUCTION

Shortly after President Obama signed the Agricultural Act of 2014—commonly known as the Farm Bill[1]—into law, healthy food access supporters celebrated a victory. After years of advocacy and lobbying, the Healthy Food Financing Initiative (HFFI) was passed. It is the newest federal policy to address food deserts, or areas that are chronically underserved by large food retailers, joining existing local and state public–private partnerships. Although HFFI can be used to improve food deserts in a variety of ways, new retailer development represents the largest and most significant type of investment. Often modeled on successful state-level funds in Pennsylvania and California, healthy food financing programs steer flexible financing and development incentives to retailers who are willing to open stores in food deserts, thus helping them to overcome start-up obstacles that might otherwise render the developments unworkable.[2]

Much like similar state and local-level programs, HFFI is a promising method of increasing food access and stimulating community development, but it also belies a serious risk. Elsewhere in the Farm Bill, the Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps) was cut by nearly \$8.6 billion.[3] This occurred less than 4 months after a \$5 billion reduction owing to a sunset provision in the American Recovery and Reinvestment Act (ARRA).[4] With this, the Farm Bill sent a mixed message to poor communities by expanding food spending opportunities through HFFI while narrowing spending ability through SNAP.

Healthy food financing developments have not been conclusively shown to influence diet or health[5-7] but more is known about the protective health effects of SNAP.[8] In their efforts to improve diet-related health, researchers and practitioners should think of these programs in a larger ecosystem, in terms of both efficacy and political viability. Considered in this more complex, yet more complete, environment, household SNAP allocations can be seen as a buffer against food insecurity and adverse health outcomes,[8,9] but also as community-level economic development. Given the political uncertainty surrounding SNAP, a shift toward more interdisciplinary and holistic thinking is required to better study, implement, reform, and defend the program.

KEY FEATURES OF SNAP

Over half of the US Department of Agriculture (USDA) budget is dedicated to SNAP, which makes it the largest expense in the federal Farm Bill.[10] The cost of the program grew sharply during the recession as it enrolled more Americans and benefit amounts were raised by ARRA as a form of economic stimulus.[9] In October, 2013, Congress allowed the ARRA supplement to expire, returning benefit amounts to pre-recession levels.[4] Congress authorized further cuts in the Farm Bill, which was signed by President Obama in February, 2014.[1] Republican- and Democrat-controlled states have counteracted this additional benefit reduction through a provision that depends on state contributions to a separate welfare program, the Low Income Home

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Energy Assistance Program, which has been characterized by some as a program loophole.[11] Congressional legislators, however, are currently discussing strategies to override this provisional strategy and initiate deeper cuts to SNAP.[12]

Participants

The most recent American Community Survey data illustrate how SNAP participation exists across a variety of demographic and geographic variables.[13] Nearly 48% of SNAP households have at least 1 employed person, 56% have children, and 45% have at least 1 person with a disability. The median annual income for a SNAP household is about $18,500, nearly $35,000 less than the national median. The amount of benefit an individual or household receives is primarily based on income and household size, although additional state eligibility guidelines, such as asset tests, may count against income-only qualifications[14]; for instance, some states allow program applicants to exclude vehicles from the calculation of total household assets, whereas others do not.[15] Thus, state administrators may exert some degree of control over program enrollment through additional eligibility tests.

Spending

Only food items sold at authorized food retailers can be purchased with SNAP benefits.[15] Furthermore, SNAP cannot be used at restaurants except in certain situations when the participant belongs to a vulnerable subpopulation, such as disabled or elderly persons.[16] Benefits are redeemed through a system called electronic benefit transfer, which enables participants to use SNAP to purchase food in a manner similar to a credit or debit card payment. To be eligible to accept SNAP benefits as payment, retailers are required to meet minimum standards for the amount and varieties of certain types of foods.[17] Reforms to these requirements, called retailer enhancement, would create more stringent item stocking requirements for retailers who wish to accept SNAP; these revisions are currently under consideration by the USDA.[18] As of September, 2014, over 250,000 food retailers are permitted to conduct sales using electronic benefit transfer.[19]

A USDA analysis of SNAP transactions revealed patterns about where and how benefits are spent.[20] According to this analysis, the vast majority of SNAP benefits are redeemed at supermarkets and supercenters, not convenience stores; these larger retailers represent about 64% of all SNAP transactions and 84% of benefit dollars, whereas convenience stores make up only 15% of transactions and 4% of SNAP dollars.[20] Nationwide, over 96% of participants spend at least some SNAP benefits in supermarkets.[20] The study also indicated that SNAP purchase amounts are larger at supermarkets than at small stores; on average, a supermarket transaction is about $42, compared with only $8 at convenience stores.[20] Participants also make multiple trips to use all of their benefits, with the average household recording approximately 9 transactions per month.[20]

DISCUSSION

Protective Qualities of SNAP

As defined by the USDA, food insecurity is the "reduced quality, variety, or desirability of diet,"[21] and it is estimated that that 14.5% of American households were at least temporarily food insecure during 2012.[21,22] Researchers find adverse health indicators associated with food insecurity, especially among vulnerable subpopulations, including negative psychosocial outcomes, increased hospitalizations, decreased adherence to medication regimens, and lower food intake.[22-28] Other studies attempted to disentangle the seemingly paradoxical association between food insecurity and obesity.[23,29,30] Some also suggested an obesity relationship to bingeing and restricting behaviors that may coincide with SNAP allocation schedules.[30]

Research indicates that SNAP participation improves food security and that increasing SNAP allocation amounts enhances this effect.[8,9,25,31,32] Although the effects may not be equal across all subpopulations, there is reason to believe that as SNAP reduces food insecurity, it also decreases or buffers against harmful health effects. Whereas SNAP is understood to be protective in terms of food insecurity, there is mixed evidence on the program's ability to improve dietary quality among participants.[8,32,33] Given this uncertainty, other researchers point to the important influence of obesogenic environments on household behavior in future studies of SNAP participant outcomes.[34]

SNAP Innovations to Encourage Healthier Eating

Several SNAP programs, such as state-level SNAP Education (SNAP-Ed) Guidance initiatives[35] and the USDA's Healthy Incentives Pilot,[36] have been recently implemented among groups of SNAP participants to promote healthy purchasing and eating. Supplemental Nutrition Assistance Program Education Guidance is a grant system intended to increase the nutritional knowledge and physical activity of SNAP-eligible populations through partnerships with state-level agencies. The program empowers states to use grant funds in a variety of ways, resulting in a broad range of approaches.[37] State-level evaluations of SNAP-Ed show promising results in both short-term adoption and long-term maintenance of healthy eating behaviors. Although encouraging, findings from these state-led initiatives may have limited generalizability nationwide because of their size and unique program designs.[38-41]

Other programs use SNAP to incentivize healthy purchasing by offering bonus allocations for benefits spent on fruits or vegetables. Interim results from the USDA's Healthy Incentives Pilot showed that fruit and vegetable consumption and perceptions among the intervention population improved compared with a control group.[42] Additional publicly and privately funded SNAP incentives are also favorable, with examples in Philadelphia,[43,44] New York City,[45] and Detroit.[46] Broadly speaking, the USDA favors these incentive-based efforts to increase healthy eating over previously debated item restrictions based on nutritional content.[47]

Economic Stimulus

A strong multiplier effect is associated with SNAP spending; that is, for every