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Food Stamp Program Access Study Eligible Nonparticipants

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Abstract

Many food stamp-eligible nonparticipants are aware of the Food Stamp Program (FSP) and how to apply but do not realize that they are eligible. Nearly all eligible nonparticipating households surveyed in 2000 and 2001 knew of the FSP, but less than half thought they were eligible. Most nonparticipant households said that they would apply for food stamp benefits if they were sure they were eligible. Nonetheless, 27 percent would never apply. The main reason for not applying was a desire for personal independence. Some eligible nonparticipants were interested enough in receiving benefits to contact the food stamp office but did not get enough information or support to become participants. This report was produced as part of the Food Stamp Program Access Study, which is examining local food stamp office policies and practices as possible barriers to participation. The report focuses on one group of eligible households, those who are not participating in the FSP. As a group, these households generally have higher incomes and earnings and are more food secure than participants.

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Executive Summary

The Food Stamp Program Access Study examines the relationships between the food stamp participation decisions of eligible households and local food stamp office policies and practices that potentially affect access to the program. This report focuses on one group of eligible households, those who are not participating in the Food Stamp Program, and presents a descriptive analysis of their characteristics, experiences, and perceptions of the program.

The Food Stamp Program caseload declined dramatically in the late 1990s, a period characterized by an unusually strong economy and by major changes in the public assistance landscape following the welfare reform legislation of 1996. Studies have shown that the food stamp caseload declined not only because many households' circumstances improved enough to make them ineligible for benefits, but also because a smaller percentage of the potentially eligible households were participating in the program. This led policymakers and analysts to focus on the broad question of what factors influence FSP participation, including the possible role of local food stamp office policies and practices in encouraging or deterring households' participation decisions. The Economic Research Service of the U.S. Department of Agriculture funded Abt Associates Inc. and Health Systems Research, Inc. to conduct a national study of Food Stamp Program accessibility at the local office level. The study collected information describing the policies and practices in local food stamp offices, the characteristics of participant and nonparticipant households, and the reasons that some eligible households do not participate in the FSP.

This report, one of three reports prepared for the study, describes the experiences, perceptions, and circumstances of households that appear eligible to receive food stamp benefits, but have not applied for them.¹ A number of previous research studies have examined this issue, although this is the first national study conducted since full implementation of welfare reform. It is particularly instructive to compare findings from the current study with those obtained from a nationally representative survey of eligible nonparticipants conducted in 1996–1997, as welfare reform was being implemented (Ponza et al., 1999). Comparing the findings of the present study and the 1996 study gives some idea of how the population of eligible nonparticipants changed over that period.

The findings presented here are based on a random-digit-dialing telephone survey of households that were apparently eligible for food stamp benefits, but were not participating in the FSP. The survey was conducted in the geographic areas served by a nationally representative sample of 109 local food stamp offices. Data collection for the entire study occurred in 2000 and 2001. RDD interviewing took place between February and June 2001, though for convenience, we refer to this as the 2000 study.

Demographic Characteristics of Eligible Nonparticipant Households

Eligible nonparticipant households in 2000 were predominantly headed by females (74 percent) and by those who classified themselves as non-Hispanic white (53 percent). Half were headed by young or middle-aged persons (aged 20 to 49) and 31 percent were headed by individuals 60 or older. One-third of the households included children and 37 percent included elderly members.

¹ Gabor et al. (2003) describes for the 109 offices in the study the policies and practices that might be expected to affect FSP participation. Bartlett and Burstein (forthcoming, 2004) examine the extent to which particular policies and practices are associated with households' participation behavior.

The broad outlines of this pattern did not change between 1996 and 2000, but some moderate shifts in subgroup proportions can be seen. The nonparticipant population included a larger proportion of single-parent households and one-person households in 2000 than 1996. On the other hand, the 2000 nonparticipant population had smaller proportions of households made up of multiple adults with children, households with elderly members, and households headed by non-Hispanic whites.

Previous studies have noted that food stamp participation rates—that is, active food stamp recipients as a percentage of all eligible households—have been relatively low for households with elderly members and relatively high for single-parent households and households headed by blacks. All of these patterns are still visible in the 2000 data, but with some evidence that the differences in participation rates narrowed between 1996 and 2000. For example, the proportion of households with elderly members increased from 1996 to 2000 among active food stamp cases, while declining in the nonparticipant population. The proportions of single-parent households and households headed by blacks remained roughly constant in the active caseload while increasing among nonparticipants.

Economic Circumstances of Nonparticipant Households

By definition, food stamp eligible households have quite low incomes and limited assets. Half of the nonparticipant households in 2000 had some earnings; those households earned an average of about \$1,200 per month. Hardly any of the nonparticipant households received TANF or General Assistance (1 percent), but 31 percent received social security payments and 23 percent SSI. The pattern of income sources for nonparticipating households shows little change from 1996, except that the proportion with SSI income was considerably larger in 2000.

Compared to the active food stamp caseload, the eligible nonparticipant households in 2000 were more likely to have earnings and social security income, and the nonparticipants had higher average household incomes. This is expected, since research has long shown that food stamp participation rates are inversely related to income. Following another long-standing pattern, receipt of TANF or General Assistance is much more common among food stamp participants than nonparticipants.

Most of the nonparticipant households in 2000 lived on their own, with 50 percent renting and 42 percent owning their housing, although about a fifth either lived in public housing or received Section 8 subsidies. About three-fifths had a vehicle. Similarly, about two-thirds had some form of financial assets, most commonly a checking account; those who had such accounts reported an average value of about \$640. (No directly comparable statistics are available for 1996 or for active participants.)

Food Security of Nonparticipant Households

Based on commonly used measures of food security, the population of eligible nonparticipant households in 2000 had fairly high levels of food insecurity. About 45 percent reported experiencing food insecurity during the year prior to the survey and 25 percent experienced hunger at some point. These proportions are larger than those found in the 1996 survey of eligible participants, and also larger than the proportions indicated for low-income households by the 1999 Current Population Survey. Although the food security measure cannot be taken as a precise indicator of the need for food stamp benefits, these data do not suggest that the nonparticipants' level of need in 2000 was substantially less than in 1996, when participation rates were higher.

Awareness of the Food Stamp Program and Likely Eligibility

Most nonparticipation in the Food Stamp Program does not stem from a lack of basic awareness of the program. Nearly all nonparticipants (96 percent) said they knew of the program, two-thirds knew where to go to apply for food stamps, half had previously received food stamp benefits as adults, and 30 percent knew someone who was currently participating. Awareness was lower among households with elderly members, those with no children, and especially those who had no prior experience with the Food Stamp Program. Even among the latter group, however, 92 percent were aware of the program and 39 percent knew where to go to apply.

Not realizing the household's own likely eligibility for food stamps appears to be a more important impediment to participation than not knowing of the program's existence. Less than half (43 percent) of the nonparticipants knew of the program and thought they were eligible, even though they appeared likely to be eligible on the basis of information they provided in the survey. The lack of awareness of eligibility is not a new development, however, having been found at similar levels in several studies over the past two decades. In fact, the proportion of nonparticipants who believed that their household would be eligible for food stamp benefits was higher in the 2000 than the 1996 study.

Although the overall level of understanding of eligibility has not diminished, the data suggest that confusion about the post-welfare reform rules may affect a small proportion of households. Among those apparently eligible households who thought they were ineligible for food stamps or were unsure of their eligibility, 6 to 8 percent felt they were ineligible because they received a TANF lump-sum payment, because they had reached the TANF time limit, or because of their citizenship status.

Reasons Some Households Would Not Apply to the Food Stamp Program

Most nonparticipant households (69 percent) said that they would apply for food stamp benefits if they were sure they were eligible. Nonetheless, 27 percent would not apply even in those circumstances. Among households who had not previously received food stamps, 35 percent would not apply.

The vast majority (91 percent) of households who would not apply or were unsure whether they would apply were restrained by a desire for personal independence, feeling they "can get by without food stamps" or "do not like to rely on government assistance." In addition, 61 percent mentioned some aspect of the food stamp application or process or the program's participation requirements as an impediment to applying. Smaller proportions of respondents cited issues of stigma, low expected benefits, or previous negative experience with the program. These responses are quite similar to those found in the 1996 study, which suggests that there were no major shifts over the period in attitudes about applying to the Food Stamp Program.

Stigma Associated with Program Participation

Just over half of nonparticipants indicated that they perceived no social stigma associated with participating in the Food Stamp Program, responding negatively to all of four questions that asked about stigma-related experiences they might expect (such as being "treated disrespectfully using food stamps in stores"). About a third did respond positively to one or more of the questions, however, and 44 percent of those who said they would not apply even if they were eligible mentioned stigma as one factor.

Some observers have expressed concern that the public debate surrounding welfare reform and perhaps even some of the policies instituted after welfare reform might give food stamp participation a more negative public image and lead to greater social stigma. The data do not suggest an increasing prevalence of stigma, however. The extent of stigma perceived in 2000 is very similar to that measured in 1996 for households who had previously received food stamps, and actually lower in 2000 for households who had not previously participated. Curiously, among those nonparticipants who reportedly would not apply for benefits even if they were eligible, the proportion citing stigma as a reason was greater in 2000 than 1996.

“Near Applicant” Households

The final issue examined in the study was whether some eligible nonparticipant households might be sufficiently interested in receiving benefits to contact the food stamp office, but then never file an application. The study defined “near applicant” households as those who contacted an office within the six to twelve months prior to the survey but did not submit an application. This group turned out to be quite small but not trivial. The study estimate of 4.6 percent of nonparticipant households implies a nationwide total of about 290,000 near applicant households, a number roughly comparable to the households newly approved for benefits nationwide in a single month (314,000 in June 2000, the focal month for the study).

The small number of near applicants in the study sample (66) precludes generalization about such households, but the responses to survey questions may suggest hypotheses to be investigated in future research. When the near applicants in the study sample visited the welfare office, about half were specifically interested in the Food Stamp Program, often in conjunction with other programs such as medical assistance, and about a third did not have a specific idea of what programs might be applicable. About half obtained a food stamp application form during their visit to the office (but, by definition, did not submit the application). About half saw a caseworker, but only half of those felt they really learned what they needed to do to get food stamps. About three-quarters felt they had not accomplished the purpose of their visit, largely because they had not found out about their likely eligibility and had not applied for benefits.

These data suggest that some eligible nonparticipants—perhaps people with limited knowledge, motivation, or confidence—approach the Food Stamp Program but do not get enough information or support to become participants. The number of these near applicants appears to be small but their experiences may be worthy of further examination.