

Chapter 4

Applicant Households

People who believe that their household may be eligible for the Food Stamp Program and who are interested in participating must apply for benefits. This typically involves visiting the food stamp office, filling out forms, having one or more interviews, and providing supplementary documentation of the household's income and other aspects of eligibility. The specific procedures for would-be participants vary considerably across local offices, as discussed in Chapter 7, and some of these variations may make it easier or harder for applicants actually to complete the process and receive benefits.

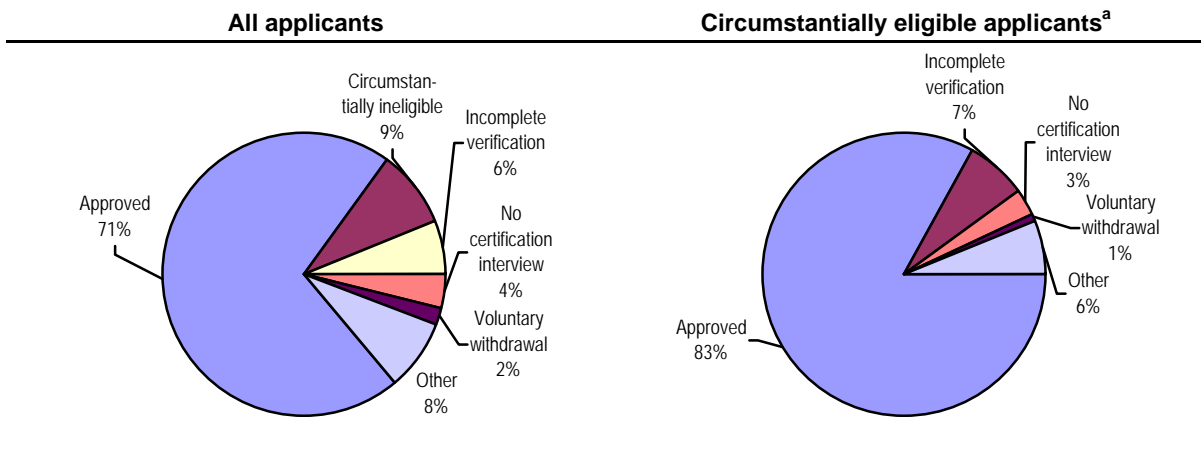
Approximately one-tenth of these applicants (9 percent) were circumstantially ineligible—that is, their income or some other aspect of their household circumstances did not meet the FSP eligibility criteria, as shown in Figure 4.1.¹ The other 91 percent of applicants were apparently circumstantially eligible.² Most of those who were apparently circumstantially eligible completed the application process and were approved for benefits, but 18 percent failed to meet one or more procedural requirements and were denied benefits for this reason. Program records indicate that 7 percent failed to provide information that was required to verify eligibility, 3 percent failed to appear for an interview, and 1 percent withdrew their applications. For the remaining 6 percent, program records do not provide a clear sense of the point at which the household left the application process.

This chapter examines the characteristics of circumstantially eligible applicants and their experience in applying for food stamp benefits, with particular attention to the distinctions between households that do and do not complete the application process. The sample includes a total of 910 circumstantially eligible households for whom data on basic household characteristics and application outcome were abstracted from program records. Survey data on households' experiences and perceptions are also available for 529 of those households.

¹ The study classified two types of households as circumstantially ineligible: (a) those whose application was denied because their household characteristics did not meet eligibility requirements; and (b) those whose application was denied for other reasons (such as failing to provide verification) but whose application data (supplemented by survey responses if missing data) indicated that they would probably have been ineligible for benefits because of their household circumstances.

² Households that were approved for benefits were automatically classified as circumstantially eligible. In addition, households were classified as circumstantially eligible if their program records (supplemented by survey responses, if missing data) indicated that they would meet the eligibility criteria based on income and household size, vehicle ownership, and liquid assets. Because these factors did not cover all aspects of eligibility, we often refer to these households as “apparently” or “potentially” circumstantially eligible. See Appendix A for discussion of the accuracy with which these items predict actual circumstantial eligibility.

Figure 4.1—Outcome of application process



^a Excludes households whose application was denied for circumstantial ineligibility. Also excludes households whose program records indicated that they were denied for not completing the application process and whose circumstances indicated that they would have been ineligible for benefits.

Data from appendix table B.15.

Who Applies for Benefits?

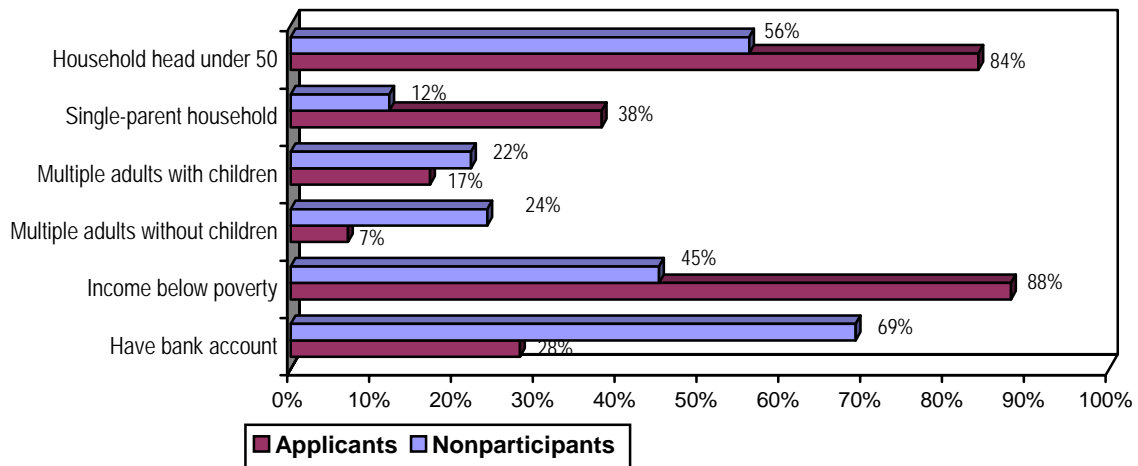
Eligible households who applied for food stamp benefits had a profile that differed in several respects from the general population of apparently eligible nonparticipants (figure 4.2). Relative to the apparently eligible nonparticipants, the eligible³ food stamp applicants were:

- **Non-elderly**—The household head was under age 50 in 84 percent of applicant households, compared to 56 percent of nonparticipants.
- **Single-parent households**—More than a third of applicant households (38 percent) consisted of one adult with one or more children, compared to 12 percent of nonparticipant households. Fewer applicants than nonparticipants were in households consisting of multiple adults with children (17 versus 22 percent), and fewer applicant households included multiple adults with no children (7 versus 24 percent).
- **In worse financial condition**—A large majority of applicants (88 percent) had below poverty incomes, compared to just under half (45 percent) of apparently eligible nonparticipants. Relatively few applicants had bank accounts. Their financial assets averaged \$77 compared to \$804 for nonparticipants; this includes cash, checking and savings accounts, and other liquid resources such as other bank accounts and financial investments.

³ These comparisons are based on all applicant households who were apparently circumstantially eligible, including those who were approved for benefits and those who did not complete the application process. Because we determined circumstantial eligibility based on reported income and assets, the latter group could include some households that would have been determined circumstantially ineligible during the full food stamp certification process.

The fact that applicants were in worse financial condition appears to conflict with the earlier finding that economic circumstances were unrelated to whether people would apply for benefits if they found out they were eligible (Appendix table B.10). Recall, however, that respondents who thought they might be eligible had less income and fewer assets, on average, than those who believed themselves ineligible.

Figure 4.2—Characteristics of food stamp applicants and nonparticipants (percent of group with characteristic)



Data from appendix tables B.16, B.17, and B.18.

All of these patterns are consistent with the literature on food stamp participation, which shows higher participation rates for the non-elderly, for single-parent households, multiple adult households with children, and for lower-income households (Cunnyngham, 2003).

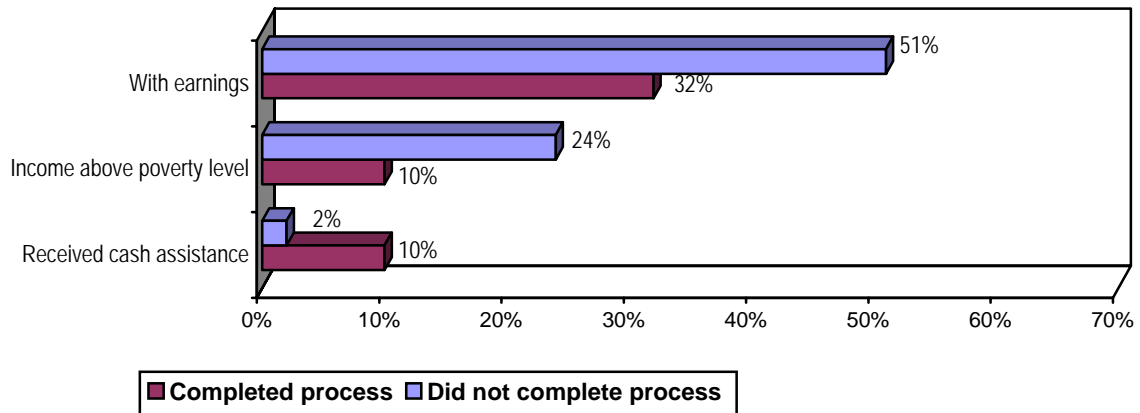
It is worth noting that the applicant and nonparticipant samples did not differ significantly in terms of primary language or citizenship of the head of household. Both communications barriers and regulations concerning aliens might be hypothesized to discourage some people from seeking food stamp benefits, but no such problems were visible in this overall comparison.

Who Fails to Complete the Application Process?

Eligible applicants who did not complete the application process were in a somewhat better financial situation, on average, than those who completed the process and received benefits (figure 4.3). The non-completers were more likely to have earnings (51 versus 32 percent) and to have above-poverty income (24 versus 10 percent). This pattern is again consistent with the research showing that participation rates are inversely related to income.⁴

⁴ It may also indicate that some of the applicants who did not complete the process would have been determined ineligible on income grounds during the certification process, even though they appeared eligible in the available data.

Figure 4.3—Economic circumstances of food stamp applicants among those who did and did not complete the application process (percent of group with characteristic)

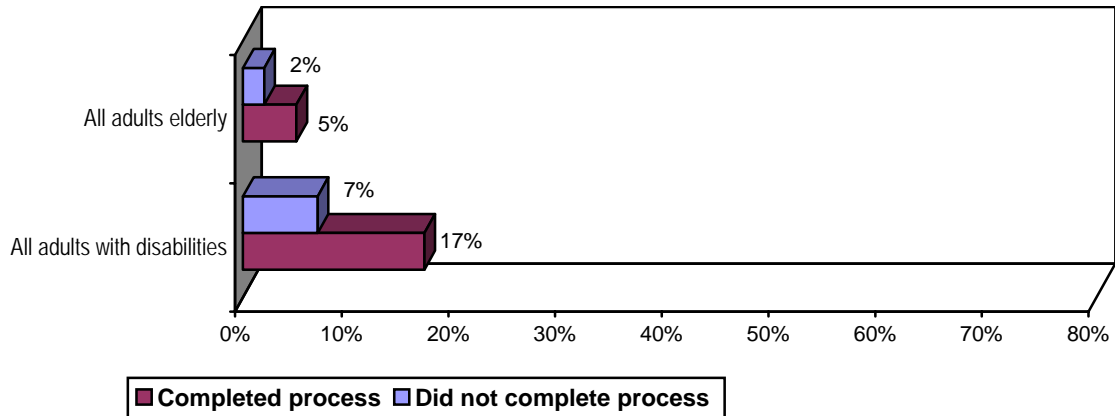


Data from appendix table B.19.

Households not completing the application process were less likely to be receiving TANF or other cash assistance than were the households approved for benefits. Since the income cutoff for cash assistance is typically lower than that for food stamps, this is consistent with the idea that applicants who do not complete the process are in somewhat better circumstances, on average, than those who are approved for benefits.

Two groups that might be expected to encounter difficulties in the application process—households consisting entirely of elderly adults or households in which all adults have disabilities—actually made up significantly larger proportions of the successful applicant group than the non-completers (figure 4.4). The finding regarding the elderly is particularly interesting because of the strong tendency of elderly households not to apply for benefits (appendix table B.17). Elderly and disabled persons who anticipate difficulty with the application process may decide not to apply for that reason. Those who do apply, however, successfully complete the process at an above-average rate.

Figure 4.4—Demographic characteristics of applicant households among those who did and did not complete the application process (percent of group with characteristic)



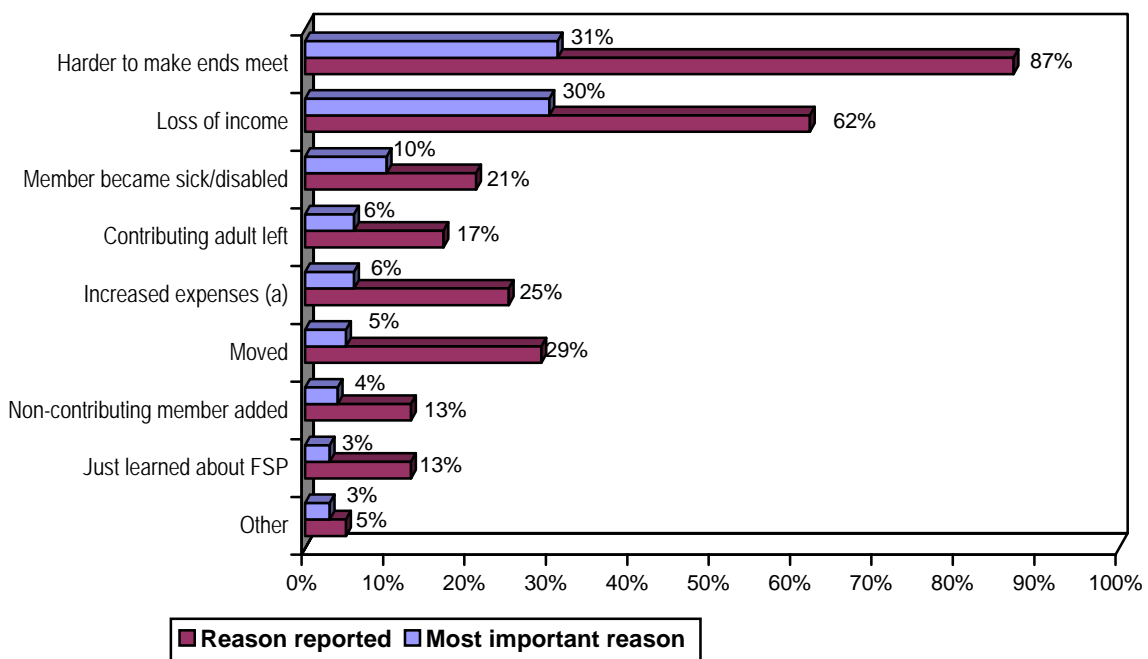
Data from appendix table B.20.

Other household characteristics were not significantly different for those who did and did not complete the application process. This includes household composition and the head of household’s age, gender, race/ethnicity, primary language, citizenship status, and education level.

The 1990 study of the food stamp application process cited earlier (Bartlett et al., 1992) found similar demographic and economic differences between households that completed the application process and those that did not. In that in-depth study in five sites, households headed by adults with disabilities and those headed by high school dropouts were significantly more likely to complete the process than other households.⁵ Households with elderly members were also apparently more likely to complete the process, though the difference (based on a fairly small sample size) was not statistically significant. Households with earners were less likely to complete the process and those receiving cash assistance were more likely to complete it.

The 2000 survey of applicants, in addition to asking about general household characteristics, asked whether particular “trigger events” had occurred—that is, events that might be expected to precipitate an increase in the household’s financial need or its interest in applying for benefits. Respondents were asked whether the event was among the reasons that they applied for food stamps and, if so, whether it was the most important reason. Figure 4.5 shows the results.

Figure 4.5—Circumstances precipitating FSP application



a Increased rent, mortgage, utilities

Data from appendix table B.21.

⁵ Our data also show that educational attainment was greater for noncompletes than for those approved for benefits, though the difference is not statistically significant (Appendix table B.20).

Almost 90 percent of all food stamp applicants reported that it became “harder to make ends meet,” which represented some combination of changes in income and expenses. For 31 percent of households, this was the most important reason that led to their application. A decrease in income, usually because of a termination of employment, was a major reason many other households decided to apply for food stamp benefits. About 30 percent of households cited income loss as the most important trigger event. Other precipitating events were reported much less frequently. About 13 percent said that they had “just learned about” the Food Stamp Program, a somewhat surprising figure since 96 percent of apparently eligible nonparticipants said they were aware of the FSP. This suggests that some peoples’ awareness is quite general and must be supplemented with additional information before they apply.

This pattern is quite similar to the findings of Ponza et al. (1999), who analyzed reported reasons for applying for benefits among the 1996 sample of food stamp participants. As in the present study, the two reasons most frequently reported as “most important” were increased need and loss of income, cited by 40 percent and 25 percent of households, respectively.⁶ Other reasons were reported by similar percentages of households in both the 1996 and 2000 studies.

Among the applicants in 2000, trigger events generally did not significantly distinguish applicants who completed the application process from those who did not. The main exception is the onset of disability or serious illness of a household member. The proportion of respondents citing this reason was larger among those who completed the application process (23 percent versus 9 percent, appendix table B.21). This is consistent with the earlier finding that the applicants who completed the process included a larger proportion of households consisting entirely of elderly or disabled persons.

Why Do Some People Fail to Complete the Application Process?

Applicants who did not complete the process were read a series of possible reasons for abandoning their application and asked which ones contributed to their action. About one-quarter (26 percent) of the applicant dropouts indicated that their situation had changed and they no longer needed benefits (figure 4.6). These people were presumably not affected by any aspect of local office policies and practices.

About half of the dropouts (46 percent) said they believed they were ineligible because they had too much income or assets,⁷ even though the information in their application form did not seem to indicate ineligibility.⁸ These applicants had gotten some information that made them believe they were ineligible. Their conclusion may have been correct if, for example, their application form had

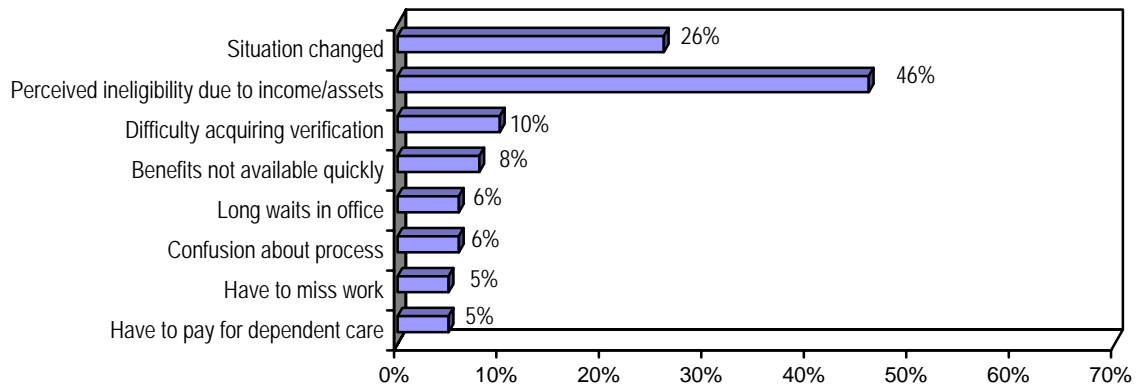
⁶ Ponza et al. separately list income change (15 percent) and lost job (10 percent). We combine those categories here as “loss of income.”

⁷ Households were classified as indicating “perceived ineligibility” if they responded that (a) they received a letter from the food stamp office that said they were ineligible because of income or resources, (b) they thought they were ineligible because food stamp staff told them or made them think so, or (c) they concluded they were ineligible after hearing the eligibility requirements.

⁸ Interestingly, only 7 percent of those who believed they were ineligible also reported that their situation had changed and they no longer needed food stamps. Most of those who said their circumstances had changed did not say that they now believed themselves ineligible.

under-reported their income. Alternatively, they might have reached the wrong conclusion, perhaps by misinterpreting information such as a caseworker statement that the applicant would not be eligible for TANF. The available data do not allow us to assess the accuracy of applicants' belief that they were ineligible.⁹

Figure 4.6—Detailed reasons for not completing application process^a



a Includes reasons reported by more than 4 percent of respondents.

Data from appendix table B.22.

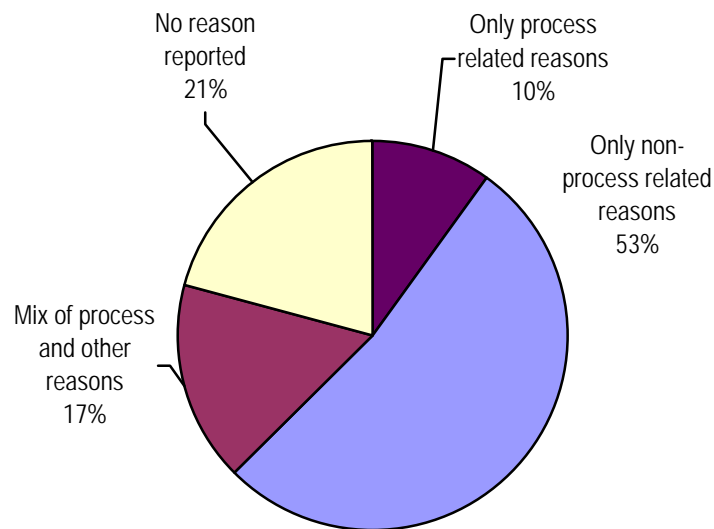
About 27 percent of the applicant dropouts said that their reasons for abandoning the application included some aspect of the process or the program (figure 4.7). Their issues included the need to acquire documents for verification (10 percent), the length of time before benefits would be available (8 percent), long waits in the food stamp office (6 percent), missing work (5 percent), paying for someone to care for their child or elderly dependent (5 percent), and general confusion about the process (6 percent).

These responses are generally similar to those found in the 1990 study of the food stamp application process in five sites (Bartlett et al., 1992), which also indicated that perceived ineligibility was a reason for not completing the application by approximately half of all dropout households. A larger proportion of respondents in 1990 than 2000 cited problems with the application process as a factor that deterred them. Small samples and the difference in study designs make it impossible to conclude that the process has become more applicant-friendly, but there is certainly no evidence that it has become more difficult.

⁹ The single most common reason for classifying people as “perceived ineligible” was the response that they “got a letter from the food stamp office saying you were not eligible because you have too much income or resources.” This would suggest that many of these households were actually ineligible. However, the case records for these applicants did not indicate that the applications were denied for circumstantial reasons. Thus we do not know what kind of letter the applicants actually received or whether they interpreted it correctly.

We had hypothesized that apparently eligible applicant dropouts would be distinguished from completers by cost-benefit considerations—that is, the dropouts would experience greater difficulty with the application process, or they would expect to get lower food stamp or other program benefits. The data provide quite limited support of the hypothesis, however (appendix table B.23). On the one hand, applicants who completed the process were significantly more likely to find the office hours convenient (85 versus 70 percent) and to expect to receive monthly benefits of over \$200 (21 versus 9 percent).¹⁰ On the other hand, no significant difference was found for the convenience of office location, or whether the applicant was also applying for cash assistance or Medicaid.

Figure 4.7—Reasons for not completing application requirements: process versus other^a reasons



a Other reasons include: perceived ineligibility due to income/assets, benefits too small, situation changed and no longer needed benefits, and other.

Data from appendix table B.22.

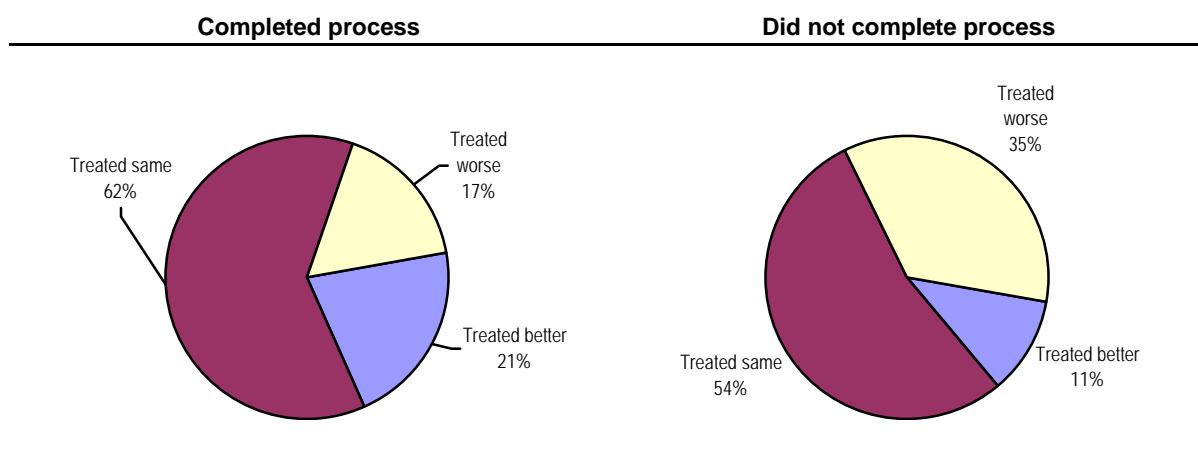
Although application difficulties were not substantially different for applicants who completed the process and those who did not, those who completed and were approved for benefits reported significantly higher levels of satisfaction with the process (appendix table B.24). Far fewer of the dropouts expressed satisfaction with the overall process (43 versus 76 percent) and they had significantly more negative comparisons of the food stamp office to other government offices (figure 4.8). This pattern cannot be taken as a clear indication of problems with the application process, because we cannot know whether the dropouts abandoned the process because they were less satisfied with the experience or whether, in making a retrospective assessment, the people who got benefits felt more satisfied with the process than those who did not. Nonetheless, analysis in Chapter 8 shows that applicants are more likely to complete the process successfully when supervisor attitudes are positive, which may contribute to the pattern of differential satisfaction seen here.

The costs of application include out-of-pocket costs and time associated with completing all the application requirements. Those applicants who completed the process reported making an average of

¹⁰ Statistically significant difference at the 5 percent level based on t-test.

2.4 trips to the food stamp office for filing the application, meetings, and dropping off documentation (appendix table B.25).¹¹ They spent, on average, 6.1 hours completing the process—3.9 hours at the office and 2.2 hours traveling between their home and the office. On average, they made 1.2 additional trips to other locations to acquire necessary documentation of their circumstances. Households also applying for TANF or Medicaid made 0.4 extra trips to complete the additional application(s). Twelve percent of households—39 percent of those with earnings—reported that they missed work in the course of applying for food stamps. Nine percent of applicants incurred dependent care expenses, either for the care of children or elderly household members.

Figure 4.8—Treatment at food stamp office compared to other government offices^a



a Other government offices include Division of Motor Vehicles, voter registration, WIC, post office, unemployment office.

Data from appendix table B.24.

It appears that completing the food stamp application required somewhat more visits to the food stamp office in 2000 than during the 1990s. In 1996, participants reported making an average of 1.6 trips to the food stamp office for their most recent application (Ponza et al., 1999). Approved applicants made an average of 1.8 trips to the local food stamp office in the course of applying for benefits in 1990 (Bartlett et al., 1992). These figures compare to an average of 2.4 trips in 2000. In addition, applicants in 2000 made an average of 1.3 additional trips to obtain documentation compared to an average of 0.7 trips in 1996. The total time spent at the food stamp office and traveling to the office also increased between 1996 and 2000—from 3.9 hours to 6.1 hours, on average.

Conclusion

Of those applicants who were not found to be ineligible because of excess income or other household circumstances, 18 percent failed to complete the application process. About a quarter of those dropout households abandoned the application after their circumstances changed and they felt they no longer needed food stamp benefits. The remaining 13 percent of applicants would amount to about 57,000

¹¹ These data are not tabulated for those who did not complete the application process because by definition they did not go through all the necessary visits and hours.

households each month nationwide. This is a small fraction of the estimated 6 million eligible nonparticipant households, but not a trivial number.

Many applicant dropouts may have been discouraged from pursuing their application in part by some aspect of local office practices. About 27 percent mentioned some aspect of office policy or practice as a reason for abandoning the application. They emphasized the need to acquire documents for verification, the length of time before benefits would be received, long waits in the office, and the need to take time off from work or to pay for child or elder care. Most of those who did not mention specific aspects of the application process said that they believed they were ineligible because of having too much income or assets; it is quite possible that some of these people misinterpreted information that they received during the process.

The analysis suggests that difficulty with the application is not focused on particular population subgroups. For example, although elderly households are much less likely to participate in the program, age is not significantly related to completing the application process, and households consisting exclusively of elderly or adults with disabilities were significantly more likely to complete the process. Non-English speakers were no less likely to complete the application process, suggesting that office practices have overcome most difficulties that might be associated with language barriers.

The patterns of application behavior—who applies, who fails to complete the process, and their reasons—do not differ markedly from those found in the prior studies of these issues. In particular, the percentage of applicants who abandoned the application process was quite similar to the proportion seen in a five-site study in 1990 by Bartlett et al. (20 percent of all applicants in 2000, compared to 19 percent in 1990). The data suggest that the number of times that applicants must visit the food stamp office has increased over time and that, as a result, the total hours spent in completing the application process has increased. Thus, despite concerns that the application process has become more complex since the welfare reforms of 1996, the evidence on complexity is mixed and the rate of failure to complete the process does not appear to have increased substantially.