

Research on FSP Take-up

A considerable amount of previous research focuses on the effects of individual-level socioeconomic and demographic characteristics on food stamp take-up. Bartlett and Burstein (2004) for example found that compared to the active food stamp caseload, eligible nonparticipant households had higher average household income. Not surprisingly, individuals in families with higher incomes are less likely to remain on food stamps. This is probably due to increased earnings, but possibly also due to the fact that working families have less time available for trips to the food stamp office to fill out forms and to complete other administrative tasks (Wiseman, 2002). Bartlett and Burnstein (2004) found that getting to the food stamps office during hours it was open was difficult for a sizable minority of households. Likewise, individuals likely to receive smaller benefits are less likely to participate than those eligible for higher benefits (Cunnyngham, 2002). Controlling for background demographics, Black and Hispanic TANF leavers were more likely to stay on food stamps than White/Non-Hispanic TANF leavers, while public housing resident leavers were more likely to remain on food stamps than their counterparts in private housing. (Miller et al., 2002). Similarly, families that declined to use food stamps in 1999, despite having a poverty-level income, were more likely to have owned a car and have moved at least once in the previous year (Zedlewski and Gruber, 2001). Cancian et al. (2001) found education, family composition, and location to affect food stamp enrollment. Those who lacked a high school degree, had larger families with very young children, and lived in an urban setting were more likely to be enrolled in the FSP. Geographic differences also exist, with welfare leavers in California more likely to remain on food stamps than leavers in Vermont or Oregon (Miller et al., 2002).

Lack of information about eligibility rules and confusion about eligibility also help explain why many families do not remain on food stamps. It appears that many families leaving TANF (many of whom are working) have been unaware of the fact that they may still be eligible for food stamps. Quint and Widom (2001) conducted interviews with 50 TANF clients in two cities to find out what these families knew about eligibility rules for food stamps after leaving welfare, and found that most families did not know that they might still be eligible for food stamps after leaving TANF. In a summary of state and local leaver studies, Dion and Pavetti (2000) report that many families who left TANF and found employment have incomes low enough to remain eligible for food stamps, even 12 months after leaving cash assistance. Regarding general nonparticipation, Coe (1983) and U.S. GAO (1988) found that approximately half of all nonparticipating households did not think they were eligible for the program. There is some evidence to suggest that this proportion has increased over time. Ponza et al. (1999) found that almost three-quarters of nonparticipants surveyed who thought they were ineligible for the FSP were, in fact, eligible. Bartlett and Burstein (2004) found that less than half of nonparticipants thought they were eligible even though they appeared likely to be eligible based on the self-reported income. Not surprisingly, Daponte, Sanders, and Taylor (1999) found that providing information about eligibility and anticipated benefits to families makes a significant difference in food stamp participation. Bartlett and Burstein (2004) found that over two-thirds of nonparticipant households (69 percent) said they would apply for food stamp benefits if they were sure they were eligible. Notably, however, 27 percent said they would not apply even under conditions of certainty.

Take-up rates are also likely to depend on the DHS office. Practices and efficiencies, including outreach and communication about the FSP, can differ across offices, and these differences may affect participation rates. Clearly, the actions of individual caseworkers (or inaction, as it may be) can and do affect individual take-up rates at the local level. Dion and Pavetti (2000) assert that diversion practices by caseworkers likely prevent eligible families from applying, and Miller et al. (2002) and Quint and Widom (2001) also cite that attention from caseworkers as families leave welfare is important to food stamp participation. In fact, a recent review of the FNS found that two New York City job centers were not informing applicants rejected for TANF benefits that they may still be eligible for food stamps (GAO, 1999). Likewise, policy differences at the state level have been shown to significantly affect food stamp take-up. Kabbani and Wilde (2003) find that shorter recertification periods reduce state error rates, but also reduce program participation, an effect more pronounced with nonworking families. Administrative difficulties associated with both application and recertification have also been shown to play a role. Ponza et al. (1999) for example found that 15 percent of nonparticipants cited extensive paperwork requirements and difficulties in getting to the office as reasons for nonparticipation (also see Coe, 1983; GAO, 1988).

We know much less about the importance of attitudes toward welfare and welfare reform and emotional status on continued take-up of food stamps. A recent study of food stamp leavers in Iowa indicates that less than 3 percent of those who leave the food stamp program chose to quit (Jensen et al., 2002). When asked for their reasons for leaving the FSP, 11 percent of leavers in Illinois cite administrative reasons, while 6 percent indicate that they chose not to reapply (Rangarajan and Gleason, 2001). In the 1980s, stigma associated with the food stamp program was cited by a sizeable proportion of households who, while they believed themselves to be eligible for the program, choose not to participate (Coe, 1983; GAO, 1988). The role of stigma appears to be declining over time. Using both survey and focus group evidence, McConnell and Ponza (1999) dispel the myth that stigma plays an important role in nonparticipation; fewer than one-quarter of eligible, low-income, working and elderly respondents said that stigma was a reason they did not use food stamps, while fewer than 5 percent said it was the most important reason. Similarly, Ponza et al. (1999), using the National Food Stamp Program Survey, found that only about 7 percent of respondents mentioned a psychological or stigma-related reason for not applying for food stamps even though they were eligible. The minor role of stigma is again confirmed by Bartlett and Burstein (2004) who report that over half of nonparticipants indicated that they perceived no social stigma associated with participation in the FSP. Stigma was, however, reported as one factor by 44 percent of those who reportedly would not apply for food stamps even if they were eligible.

An overlooked, but potentially important, factor in the decision to participate is the distance a person must travel from his or her home to the office that administers the program. Hollenbeck and Ohls (1984), in a study of elderly food stamp families, found that eligible food stamp recipients were more likely to live closer to a food stamp office than eligible nonparticipants. Travel to and from food stamp offices imposes costs. Ponza et al. (1999) found that food stamp clients do incur significant cost, most of which is spent on transportation. They estimate the average food stamp application requires five hours to complete, including approximately 2.3 trips to a food stamp office, for an average cost to the applicant of \$10.31 per application. Recertification (required of working families in most cases every 90 days) takes on average 2.8 hours and at least one trip, for an estimated cost of \$4.84 per recertification. Other costs include those associated with childcare and lost time at work.

Rank and Hirschl (1993) used the PSID to study the link between population density and food stamp participation. They found that “the more accurate an individual’s information regarding food stamp eligibility, and the less unfavorable attitudes one holds toward the program, the more likely he or she is to participate.” These variables accounted for their finding of a direct effect of population density on food stamp participation. They suggest that this is due to individuals in densely population areas being more likely to “encounter others in circumstances similar to their own,” thereby having more accurate information about whether they are eligible for food stamps and feeling less stigmatized about receiving them.

We also know little about how the characteristics and behavior of an individual’s community affect food stamp take-up, yet local area macroeconomic and demographic factors, such as level of neighborhood poverty or unemployment, may influence the participation decision. In areas of high poverty, the stigma often associated with participation in means-tested programs may be lower, making individual household participation more likely. We did not find any surveys that ask about the participation of neighbors in means-tested programs and the influence of that information on an individual’s decision to participate, although we believe that neighbors share information and informal support for such decisions.