IRP-RIDGE 2011–2012 Research Project Summary

Food Stamps, Food Sufficiency, and Diet-Related Disease among the Elderly

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BACKGROUND AND METHODOLOGY:

Over 8 percent of households with an elderly member were food insecure and even more were likely to experience at least some difficulty obtaining adequate resources for food. Despite this, in FY2008, only 35 percent of eligible elderly participated in the Supplemental Nutrition Assistance Program (SNAP), the largest nutritional assistance program aimed at reducing the prevalence of food insecurity. This contrasts with the 67 percent participation rate among all eligible households. The low take-up rate of the elderly is surprising and concerning given the fixed incomes, worse health, and medical needs of the elderly poor and near poor. Higher rates of participation among the elderly could potentially improve the food distress, well-being, and health outcomes of the elderly.

As the national name change alludes to, SNAP has undergone dramatic change since the 2002 Farm Bill. States utilized new flexibility over program eligibility and rules, introduced more technology in administering the program, and adopted state-specific names for the program. With these changes came an emphasis on outreach to eligible nonparticipants, culminating in federal grants to local nonprofits, a national advertising campaign that encouraged eligible nonparticipants to apply for benefits, and data sharing across agencies to reach those participating in other means-tested programs. Of particular interest to policymakers was increasing participation rates for two groups with historically low take-up rates: the elderly and Hispanic households.

Understanding the relationship between SNAP, food sufficiency, health, and health care use among the elderly is important for several reasons. First, with high health care spending among this group, society needs a better understanding of how their use (or non-use) of food assistance programs affect health outcomes, especially diet-related disease. Second, in the aftermath of the Great Recession, food assistance programs may become more important for the elderly. This population was disproportionately affected by the Great Recession as they have few or no working years to replenish their retirement assets. Third, given the rapid growth of the elderly population, understanding if SNAP reduces the incidence of food insecurity and accompanying health problems associated with poor nutrition is of substantial policy importance. Finally, quantifying these relationships assists in measuring the spillovers associated with SNAP participation, as well as the forecasting state and federal health care budgets.

Despite this importance, the literature examining the effects of SNAP on food security and diet-related disease among the elderly is relatively thin. Participation in SNAP is endogenous to both observable and unobservable household characteristics. This study overcomes the endogeneity of SNAP participation and makes a number of contributions to the larger literature on the effects of SNAP participation on health-related outcomes, as well as the literature specifically examining this relationship among the elderly.
There are two main emphases in this study. First, it identifies state policies and targeted outreach that were successful in increasing SNAP participation (first stage estimates). Second, with an instrumental variable approach, this study identifies the causal effects of SNAP participation on food distress and diet-related health outcomes of the elderly. Both parts of the study use data from the Health and Retirement Study (HRS), which contains a wealth of information on elderly health and food distress. Restricted access data is also used for its detailed geographic information in regards to each respondents’ state and county of residence, which allows for the exploitation of variation in state SNAP policies and geographically targeted outreach, including county radio and television advertisements aimed to increase SNAP participation.

**FINDINGS:**

Endogenous regressions showed that elderly SNAP participants were more likely to report food insufficiency, incidence of skipped meals, more likely to report at least one member of the household as being underweight, and more likely to report high blood pressure. Summarizing, they had higher levels of food distress, which is contradictory to the aims of the SNAP program. However, these estimates are biased by the endogeneity of SNAP receipt. Using instruments for outreach and streamlined application procedures, the study can find the causal effect of SNAP participation on food distress and health outcomes, rather than the correlation between them as found in the endogenous regressions. First stage estimates quantify the effectiveness of targeted outreach and simplified application procedures on the SNAP participation decision. The study revealed that radio advertisements and Combined Application Projects (CAP) increase SNAP participation, while Spanish language television advertisements have little measurable effect on elderly Hispanics. The current results suggest that SNAP participation improves reported health status and indicators of preventative health care use but SNAP participation does not have a significant effect on either the specific diet-related health that the study considers or food insufficiency. Many of the IV estimates were imprecise and therefore were not sufficient to provide definitive evidence on several elderly outcomes. Future research will seek to augment the current study with 2010 and 2012 data to arrive at more precise estimates. This future work includes additional data and variation in state policies, including changes to the program name, which may have been particularly confusing for the elderly.

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