Cash vs Food? How Does Food Stamp Eligibility Affect the Family Security of SSI Recipients?

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The Supplemental Security Income (SSI) has provided means-tested cash assistance for the elderly, the blind, and for individuals with disabilities since its inception in 1974. At the time the program was created, states were given the choice to either make recipients eligible for Food Stamps (now known as the Supplemental Nutrition Assistance Program, or SNAP) or to "cash out" those Food Stamp benefits in the form of an additional cash supplement to the Federal SSI benefit. Five states initially adopted the cash out option, but all of the states except California had transitioned to automatic Food Stamp eligibility for their SSI recipients by 1992. In 2019, California changed its policy to allow SSI recipients to receive SNAP benefits. In addition, California created two temporary additional food assistance programs to hold families harmless, the Supplemental Nutrition Benefit (SNB) Program and Transitional Nutrition Benefit (TNB) Program. Within California, SNAP is administered at the county level, and different counties adopted different approaches to implement this transition.

We propose to study the effects Food Stamp eligibility has on the economic security of families of SSI recipients. We will analyze the historic changes prior to 1992, using a difference-in-differences approach that exploits variation across states and over time in Food Stamp eligibility for SSI recipients, using survey data such as the March Current Population Survey and the Food Stamp Quality Control Data combined with administrative counts of SSI recipients. We will also examine the more recent change in California, taking advantage of Co-Investigator Seligman's approved proposal to use California Administrative Data on SNAP, TNP/SNB, and SSI take-up. Her team has obtained approval to link CalFresh administrative data to CMS data on Medicaid enrollment which contains indicators for SSI recipients under section 1634. We will be able to use these data to study how county choices about outreach to SSI recipients affect SNAP take-up and well-being.

This research is relevant to Social Security Focal Area #8: Economic Security of SSA Beneficiaries. Rates of food security have been growing at a faster rate among seniors than the overall population, and despite evidence on the protective benefits of SNAP participation, take-up of SNAP among seniors is relatively low. The Food Research and Action Center reports that nationwide, 42% of income-eligible seniors (60+) participate in SNAP. In California, home to more senior citizens than any other state, SNAP participation among income-eligible seniors is 19%, less than half the national rate and the lowest among all states, in part due to the policy decisions made when SSI was created over 40 years ago. Examining the implications of these changes will provide useful evidence for informing public policy.