The Role of Media Outreach and Program Modernization in the Growth of the SNAP Caseload

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Poster prepared for presentation at the Agricultural & Applied Economics Association's 2011 AAEA & NAREA Joint Annual Meeting, Pittsburgh, Pennsylvania, July 24-26, 2011 • This study examines the effect of a multi-year advertising campaign and modernization policies on the caseload of the Supplemental Nutrition Assistance Program (SNAP, formerly the Food Stamp Program).

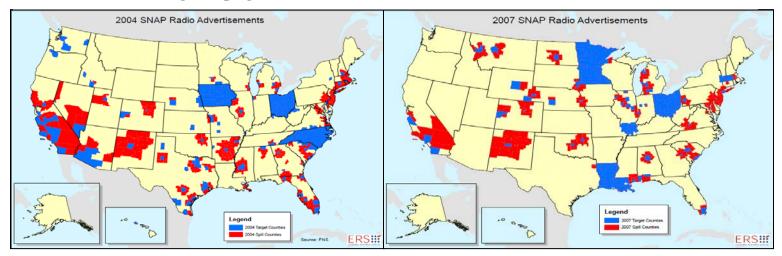
• Background and Motivation

- SNAP is one of the primary transfer programs for low-income families in the United States.
 - Over 40 million Americans received SNAP in 2010.
 - Many eligible households do not receive SNAP benefits.
 - USDA estimates that 67 percent of eligible individuals participated in the program in 2008.
 - Participation rates among eligible individuals vary dramatically over time and across states.
- The U.S. Department of Agriculture has created new initiatives aimed at increasing awareness of SNAP eligibility and modernizing program operations.
- Important to understand the effect of these new initiatives
 - Is an advertising campaign an effective tool to increase SNAP participation?
 - Are the modernization efforts having the intended effect?

• SNAP Advertising Campaign

- o USDA-funded campaign started in 2004 to increase awareness of SNAP
 - Emphasize the potential eligibility of working households
 - Focus on the ability to purchase healthy food
 - Some ads targeted to the elderly, some aired in Spanish
 - Introduce the new program name

SNAP Radio Advertising Campaigns, 2004 and 2007



• SNAP Modernization Efforts

- Online applications
 - Downloaded and sent to SNAP office
 - Fully completed online, with digital signature
- Call Centers allow clients to interview for SNAP eligibility and recertification over the phone rather than in person.

• Previous Literature

- o Estimated effects of outreach on SNAP take-up are mixed.
- Our work is most closely related to:
 - Aizer (2003, 2007): Medicaid outreach ads are associated with a 4 percent increase in enrollment in the following month
 - Heflin and Meuser (2009): modernization efforts are associated with reductions in the Florida SNAP caseload.

• Methodology

• We estimate the following equation explaining the county-level monthly SNAP caseload from January 2000 to January 2010:

$$SNAP_{ct} = \alpha + \sum_{l=1}^{6} \beta_l Ad _Radio_{c(t-l)} + \sum_{l=1}^{6} \lambda_l Ad _STV_{c(t-l)} + MOD_{ct}\eta + FSP_{ct}\theta + \sum_{l=1}^{12} \phi_l Econ_{c(t-l)} + \varphi Demo_c * t + \sigma_c + \delta_m + \mu_s * t + \varepsilon_{ct}$$

- where $SNAP_{ct}$ is the natural log of the per capita SNAP caseload in county c (c = 1 to 2855) at time t (t = 1 to 121),
- Ad_Radio_{ct} (Ad_STV_{ct}) indicates that county c received a radio (Spanishlanguage TV) advertisement in time t,
- *MOD_{ct}* is a matrix of policies related to the modernization of the SNAP application process (online applications, acceptance of e-signatures, and use of call centers),
- *FSP_{ct}* is a matrix of controls for other SNAP policies,
- *Econ_{ct}* controls for the unemployment rate in county *c* at time *t*,
 - *Demo_c* are year 2000 county demographic characteristics, interacted with the time trend *t*; σ_c are county fixed effects; δ_m (*m* = 2 to 12) are month-of-year dummy variables; and $\mu_s * t$ represents state-specific linear time trends (an alternative specification includes state-year fixed effects rather than linear time trends).

| • | Regression | Results: | Primary | Specification |
|---|------------|-----------------|---------|---------------|
|---|------------|-----------------|---------|---------------|

| Coefficient estimates | (1) | (2) | | |
|---|--------------------------|--------------------------|--|--|
| Radio advertisements | 0.026** | 0.001** | | |
| Spanish TV advertisements | -0.075** | -0.087** | | |
| Online applications | -0.030** | -0.031** | | |
| Electronic signature | 0.002 | 0.031** | | |
| Call Centers | -0.001 | 0.003** | | |
| Unemployment | 0.051 | 0.034 | | |
| Controls for time-varying state characteristics | State-linear time trends | State-year fixed effects | | |
| ** Significant at 1%, *Significant at 5% | | | | |

• Endogeneity Issues

- The choice of counties in which to place advertisements could bias estimates
- o Our attempts to control for possible endogeneity
 - Control for pre-treatment county characteristics
 - Include leads of advertisting variables
 - Use more closely matched comparison group of border counties
- Findings suggest an upward bias in the estimated effect of radio advertisting and an downward bias in the estimated effect of television advertising.

• Summary of Findings

- o Small, positive effects of radio ads
- Large, negative effects of Spanish-language TV ads, which may be a result of the endogeneity of ad placement.
- Online applications are negatively associated with the SNAP caseload, consistent with earlier research on the SNAP caseload in Florida
- Little to no effect of call centers

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