



December 1, 2020

Modernizing SNAP Access for All

Innovation for Equitable SNAP Delivery



Rayanne Hawkins



Agenda

- Introduction
- Project Descriptions
- Methods
- Key Findings & Recommendations
- Products

Introduction

OUR MISSION IS TO OPEN MINDS,
SHAPE DECISIONS, AND OFFER
SOLUTIONS THROUGH ECONOMIC
AND SOCIAL POLICY RESEARCH.



Rayanne Hawkins
Policy Program Manager



Accelerating Innovation for Inclusion Initiative

GOALS The primary objectives of this initiative were to:

- understand what practitioners and policymakers need to know about how the digital transformation is affecting equity in cities;
- build tools to fill knowledge gaps and help local changemakers make evidence-based decisions; and
- develop and share recommendations based on the state of the field and research findings.



Modernizing SNAP Benefits Delivery

This study addressed the following research questions:

- What is **the current state of SNAP benefit delivery**, and how does the current landscape impact various stakeholders?
- What are the features of cost-effective benefit delivery systems that ensure **equitable and inclusive access to benefits**?
- How **can future benefit delivery technologies** be implemented equitably and inclusively?

*The overarching **equity principle** is that SNAP beneficiaries should have access to the **same customer experience** as consumers using other forms of payment, and the overarching **inclusion principle** is that all SNAP beneficiaries should be able to **access food without stigma** regardless of where they live.*

– Hahn, Hawkins, Carther, and Stern

Innovations considered

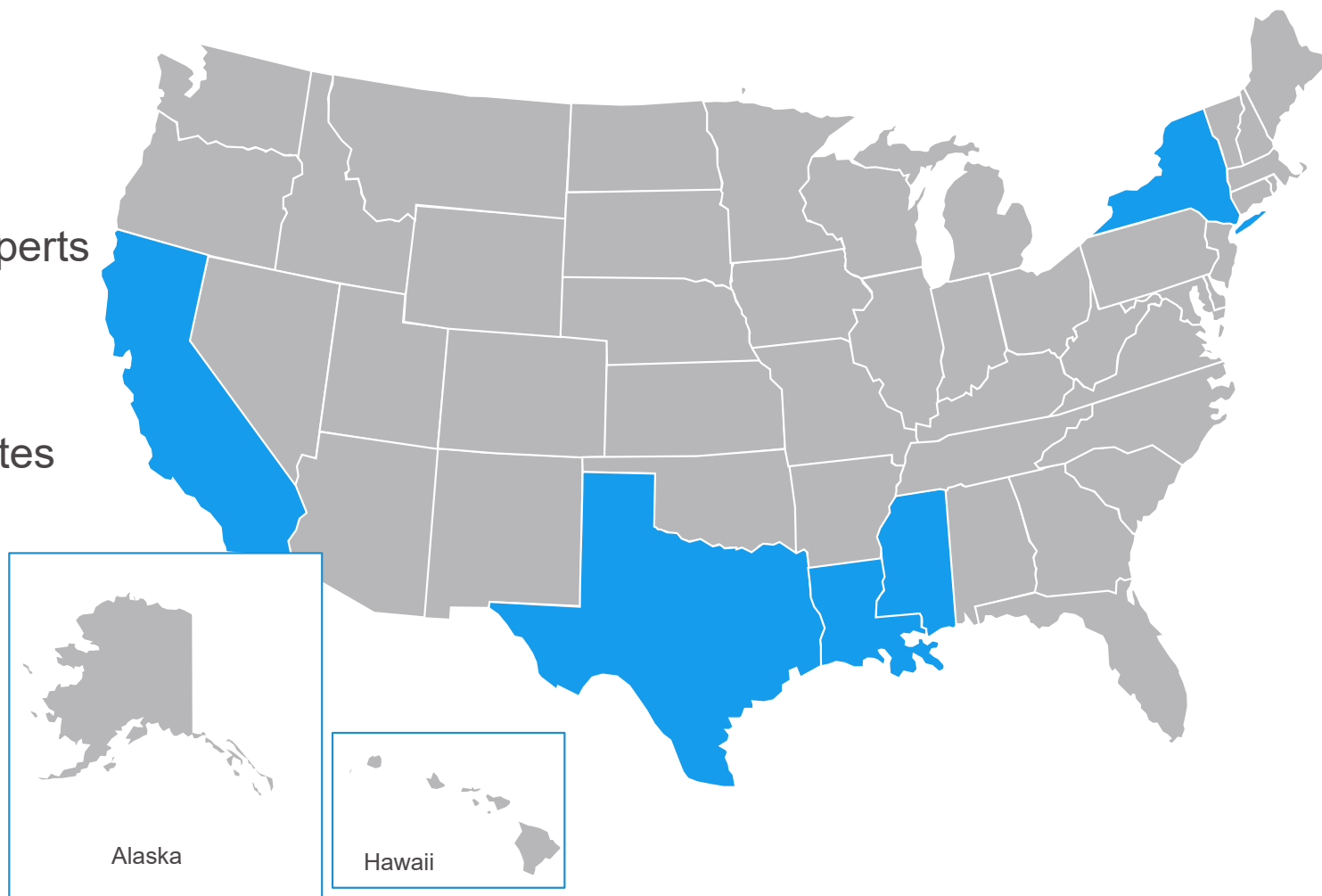
- Online payments
- Mobile payments
- EMV cards
- Multiple benefits on a single card



Methods

Interviews with:

- 9 national SNAP experts
- 7 state officials
- 6 retailers
- 3 processors
- 4 consumer advocates



Challenges

- EBT system works well but is **getting old**
- As time goes on **stigma increases** for debit style transactions
- Barriers to entry and **low cost per case limit innovation** & contribute to lack of competition and other service quality challenges
- Need to **minimize costs to maximize participation** for consumers and retailers
- EBT **card replacement can present challenges** to consumers with low mobility, low PTO, or limited access to cell minutes, data, or internet

Principles for equitable & inclusive benefits delivery

- Any new delivery system must **minimize stigma for participants** by mirroring the commercial sector so payments resemble common transactions.
- **Maximizing participation across diverse retailers and payment methods** allows SNAP participants to have the same experience and choices as other consumers.
- For both retailers and consumers, **increasing costs or adding fees could diminish SNAP benefits use**.
- Although staying current with the commercial sector is important, **innovations should balance updating methods with maintaining access** through existing technology.

Recommendations

- States should **revise procurement criteria for EBT processors** to accommodate more competition and develop a nationwide format for requests for proposals
- A **one-size-fits-all approach is no longer viable, and processors should offer several ways** for participants to use their benefits.
- Policymakers should **create guidelines following principles for equity and inclusion** (on previous slide) to maximize access to SNAP benefits.
- Federal and state policymakers should **consider and evaluate new benefit delivery methods and plan pilots with innovative retailers**, similar to the current online purchasing pilot.



Access for All: Innovation for SNAP Delivery

Heather Hahn, Rayanne Hawkins, Alexander Carther, and Alena Stern
June 2020

The Supplemental Nutrition Assistance Program (SNAP), formerly stamps, is the largest federal food assistance program and helps millions of households with low or no income purchase food. Households currently access SNAP using an electronic benefits transfer (EBT) card, which works like a debit card to purchase eligible food in authorized retail food stores. In most states, the EBT card does not provide access to any other major government benefit. As new technologies change the way people shop and eat, and with the growing need for online purchasing options amid the COVID-19 pandemic, SNAP benefit delivery also needs to change.

The SNAP benefit delivery process involves several entities. Administered by the U.S. Department of Agriculture's Food and Nutrition Service (FNS), SNAP benefit delivery involves federal governments, EBT processors, grocery retailers, and SNAP beneficiaries, among others. Recent efforts on SNAP have focused on the benefit delivery process. Instead, most of the literature on SNAP has focused on the benefit delivery process. Instead, most of the literature on SNAP access issues, such as eligibility rules and application processes (e.g., Rowe et al. 2016), the adequacy of the benefit amount (e.g., Gundersen, Waxman, and Crumbaugh 2016), and the application processes (e.g., Hahn, Katz and Isaacs 2017; Isaacs 2016), including efforts to improve these processes (Loprest, Gearing, and Kassabian 2016), rather than the technologies SNAP beneficiaries use to purchase food.



How Policymakers Can Promote Equitable SNAP Access by Modernizing Delivery

Stakeholder Perspectives on Updating Benefit Delivery Technologies

Heather Hahn, Rayanne Hawkins, Alex Carther, and Alena Stern

Principles for Equitable and Inclusive Benefits Delivery

Any new delivery system must minimize stigma for participants by mirroring the commercial sector so payments resemble common transactions.

Maximizing participation across diverse retailers and payment methods allows SNAP participants to have the same experience and choices as other consumers.

For both retailers and consumers, increasing costs or adding fees could deter SNAP benefits use.

Although staying current with the commercial sector is important, innovations should balance updating methods with maintaining access through existing technology.

The Supplemental Nutrition Assistance Program (SNAP), formerly known as food stamps, is the largest federal food assistance program and helps millions of households with low or no incomes purchase food. Although SNAP has undergone recent modernization efforts, those changes have primarily improved application processes rather than how people use SNAP.

With new payment technologies and purchasing options amid the COVID-19 pandemic, SNAP delivery evolves to maintain benefits. We interviewed SNAP experts, state officials, grocery advocates, and representatives from EBT processors and related technology providers to explore how future benefit delivery systems could be more equitable and inclusive.

OPTIONS FOR MODERNIZING DELIVERY

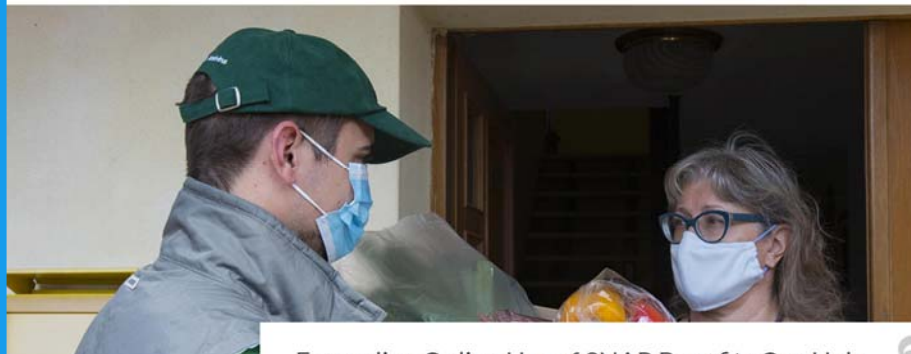
The current EBT system uses a card-based system that requires several people we interviewed, it would be more reliable, secure, and delivers benefits more quickly. "The technology works, it's just not the best," one expert said. With new technologies rapidly becoming outdated, we consider delivery and evaluated their potential for more equitable and inclusive systems.

Online purchases. The Food Marketplaces (Food Markets) that have spread to the US that in five states will regularly purchase packaged groceries. However, not all people have been able to use their EBT cards at online grocery stores. But equity concerns have emerged in rural areas that some retailers deem "non-deliverable." Further, SNAP recipients cannot use their benefits to pay delivery fees or service charges.

Research Products

Urban Wire :: Food and Nutrition

The blog of the Urban Institute



June 18, 2020

Expanding Online Use of SNAP Benefits Can Help People Stay Safe during the COVID-19 Pandemic



Questions about the report?



Email me at RHawkins@Urban.org