

The Effects of SNAP Work Requirements and Implications for Medicaid

Erin Brantley, PhD(cand), MPH

Drishti Pillai, MPH

Leighton Ku, PhD, MPH

June 2019

Supported by the Commonwealth Fund



Milken Institute School
of Public Health

THE GEORGE WASHINGTON UNIVERSITY

THE GEORGE
WASHINGTON
UNIVERSITY
WASHINGTON, DC

Growing Reach of Work Requirements

- Work requirements recently introduced in Medicaid (through state Section 1115 projects)
- Trump administration is moving forward with expanding SNAP work requirements through regulatory changes
- Proponents believe work requirements may prevent people who could work from being dependent on programs.
- Prior research: benefit losses greatly outweigh possible employment improvements. (Han, 2018; Harris, 2019, Cochrane rev. 2018)
- Can impacts be limited to the “able-bodied”?
- What do work requirements mean in the context of disparate labor market outcomes for racial/ethnic groups?

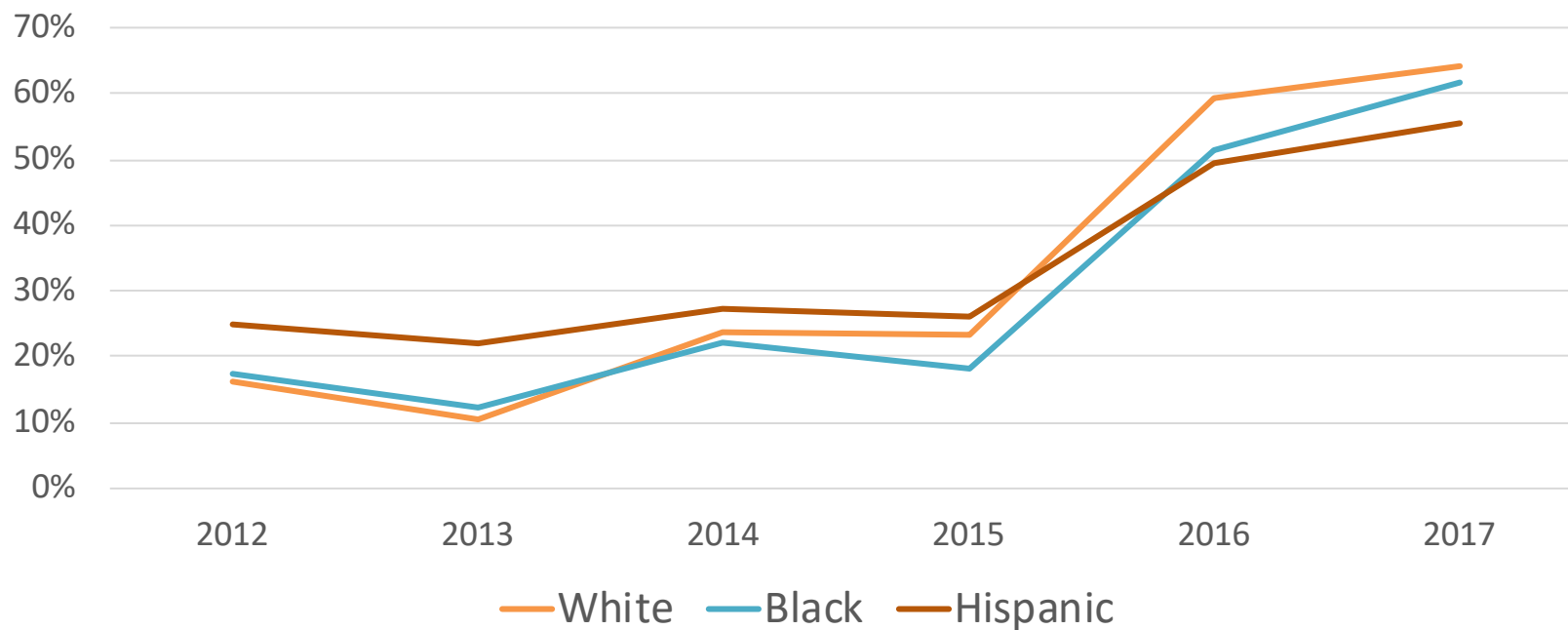
SNAP and work requirements

- SNAP (i.e., food stamps) is the largest federal food assistance program.

	2007	2013	2018
Participants	26.4 million	47.6 million	40.4 million

- Work req for non-disabled, childless adults ages 18-49 (so-called able-bodied adults without dependents, ABAWDs)
 - Exemptions include medically unfit to work.
- ABAWDs who do not meet the requirement can only receive SNAP for 3 of every 36 months
- States can choose to waive the work requirement due to high unemployment

Percentage of low-income adults living in areas with work requirement, 2012-2017



Note: weighted estimates. Sources: American Community Survey; work requirement policies from the Food and Nutrition Service (FNS).

Methods

- American Community Survey (ACS) data 2012-2017
- Quarterly work req info from Food & Nutrition Service
- Outcome: SNAP participation in the previous 12 months
- Work requirement variable: 2-year average of each Public Use Micro Area (PUMA) subject to a work requirement
- Stratified analyses with two groups of low-income (<200% FPL) adults ages 18 to 49 with no children <18:
 - (1) ABAWDS: non-disabled adults
 - (2) Disabled adults (excluding SSI)
- Estimated interaction of work requirements and race and ethnicity for ABAWDS

Methods (2)

- Linear probability models

$$\gamma_{ipt} = \beta_1 WR_{pt} + \beta_2 X_{it} + \beta_3 Mcaid + \beta_4 UR_{pt} + \beta_5 UR_{p(t-1)} + \beta_6 Pov_{pt} + \alpha_p + \delta_t + \varepsilon_{ipt}$$

- Covariates:
 - Two-way (year and PUMA) fixed effects
 - PUMA-year unemployment rate; lagged unemployment rate
 - PUMA-year poverty rate
 - State-year Medicaid eligibility for childless adults
 - Individual demographic covariates
- Weighted and adjusted for clustering by PUMA

Results: Impact of work reqs on low-income ABAWDs and Disabled adults

	ABAWDs	Disabled
Work requirement	-0.029***	-0.044***
Medicaid eligibility	0.008***	0.036***
Unemployment rate	0.004***	0.003*
Lagged unemployment	0.002***	0.004**
Poverty rate	0.001**	0.002
Observations	416,692	55,430

* p<0.10 **p<0.05 ***p<0.01

Results (2): Magnitude of participation decline

	ABAWDs	Disabled
Work requirement coefficient	-0.029***	-0.044***
Mean SNAP participation	.15	.40
Implied % decline in participation	19%	11%

Results (3): Work requirements and race/ethnicity

	ABAWDs (n=416,692)	Mean SNAP Participation	Implied % decline
Main effect (White)	-0.019***	0.12	16%
<i>Interaction of WR and:</i>			
Black	-0.050***	0.28	25%
Asian	0.013*	0.06	11%
Hispanic	-0.009	0.16	17%
Other race	-0.011	0.19	16%

* p<0.10 **p<0.05 ***p<0.01

Limitations

- ACS data
 - Ambiguous timing of SNAP outcome
 - Under-reporting of food stamps
- Waiver data
 - Approvals for waivers of work requirements may not correspond precisely to implementation (should bias to zero)
- Identification strategy
 - Possible time-varying characteristics within PUMAs not accounted for by our covariates

Related Presentation

- “The Effects of SNAP Work Requirements in Reducing Participation and Benefits” Tuesday 6/4, 12 – 1:30, Rm 152B
- Presents analyses of SNAP administrative data, rather than ACS data.
- More precise estimates of level of participation effects, but less information about characteristics of those affected.
- Indicates that more than a third of ABAWDs lose benefits.

Discussion

- Evidence for harm of work requirements is substantial
- There is little evidence that work requirements improve employment outcomes (Han 2018, Cochrane review 2018)
- Many people with health limitations are likely to lose coverage
 - Individuals may have health problems that make work less likely, but not qualify for an exemption
 - May face paperwork barriers
- Unemployment much higher for black than white workers
 - Discrimination against African Americans in hiring continues (Quillian, et al. 2018)

Thank you!

contact:

ebrantley@gwu.edu

 @erinjbrantley

References

- Gibson, M., Thomson, H., Banas, K., Lutje, V., McKee, M. J., Martin, S. P., ... Bond, L. (2018). Welfare-to-work interventions and their effects on the mental and physical health of lone parents and their children. In *The Cochrane Library*. <https://doi.org/10.1002/14651858.CD009820.pub3>
- Han, J. (2018). *SNAP Expansions and Participation in Government Safety Net Programs* (SSRN Scholarly Paper No. ID 3296547). Retrieved from Social Science Research Network website: <https://papers.ssrn.com/abstract=3296547>
- Harris, T. F. (2019). *Do SNAP Work Requirements Work?* Upjohn Institute. <https://doi.org/10.17848/wp19-297>
- Quillian, L., Pager, D., Hexel, O., & Midtbøen, A. H. (2017). Meta-analysis of field experiments shows no change in racial discrimination in hiring over time. *Proceedings of the National Academy of Sciences*, 114(41), 10870–10875.