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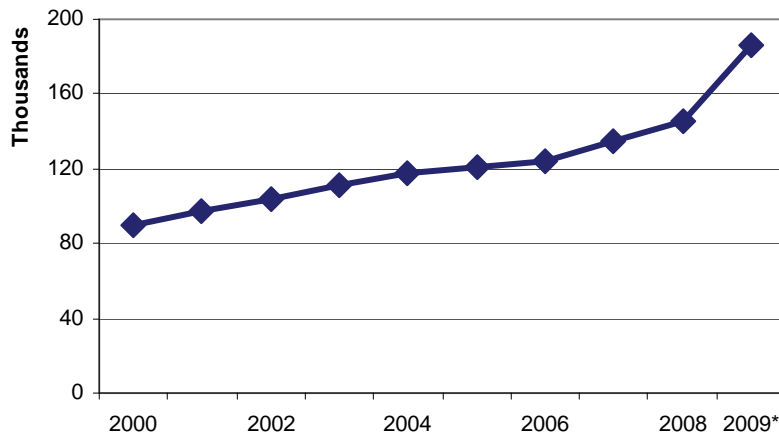
The Growing Food Support Caseload

Minnesota's Food Support¹ caseload has seen explosive growth since January 2009, increasing by more than 40,000 households and 80,000 people since December 2008. This Evaluation Note examines that growth to answer two questions:

- 1) Why did caseload growth accelerate in January 2009?
- 2) Which Minnesota populations are becoming Food Support-eligible?

Minnesota's Food Support caseload has been slowly increasing since the start of this decade. As Figure 1 shows, each year saw a small increase (between 2 and 9 percent over the previous December). The increase in the first three quarters of 2009, however, has already been three times more than any other year.

Figure 1. December Food Support Caseload, 2000 to 2009



* 2009 is the September caseload.

Food Support cases increase during poor economic times and decrease during good economic times. For example, Figure 1 shows a fairly large increase in cases during the recession in 2001 and similar increases during the start of the

¹ Food Support is Minnesota's name for the federal Supplemental Nutrition Assistance Program (SNAP), previously known as Food Stamps. Throughout this report, Food Support includes cases receiving the Minnesota Family Investment Program's (MFIP) Food Portion.

current recession in December 2007.² Figure 2 shows the Food Support caseload by month from June 2008 to October 2009, the most recent data available. Clearly, the recession generally is associated with the increase in Food Support cases, but why the acceleration in January?

Figure 2. Monthly Food Support Caseload, June 2008 to October 2009

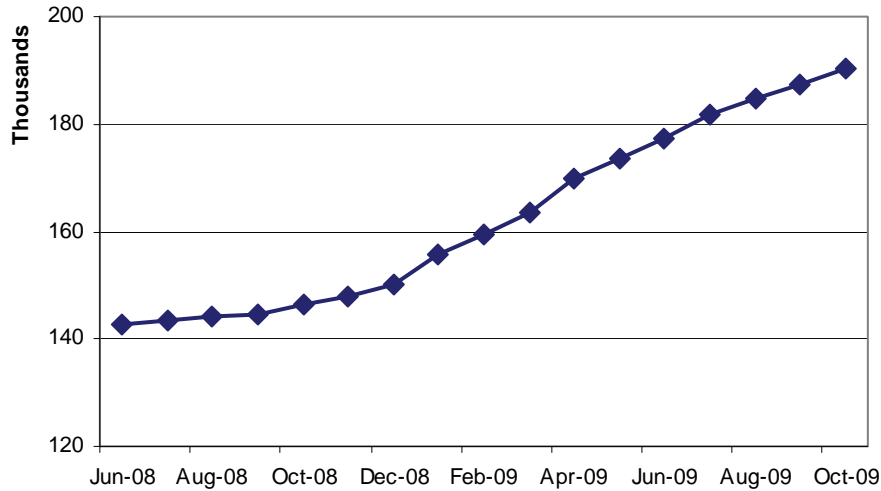
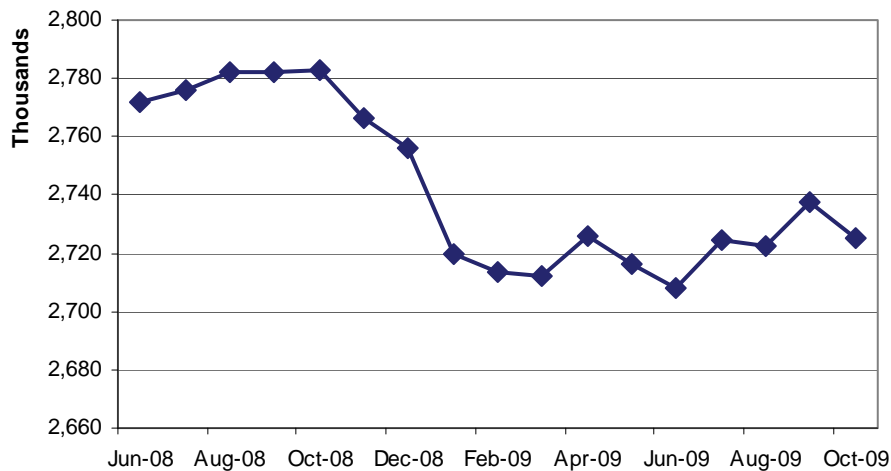


Figure 3 shows the number of employed people in Minnesota according to the U.S. Bureau of Labor Statistics (BLS). The figure shows a steep decline in employment from October 2008 to January 2009, which coincides with increases in Food Support in January. Major employers including 3M, Hutchinson Technology, Cirrus, Lawson Software, and North Memorial Hospital, reported lay-offs in the hundreds between October and December 2008.

Figure 3. Number of Employed Minnesotans (in thousands)



² According to the National Bureau of Economic Research (NBER). <http://www.nber.org/dec2008.html>

On January 1, 2009, Minnesota changed Food Support eligibility rules for Able Bodied Adults without Dependents (ABAWDs). Previously, unemployed ABAWDs were only eligible for 3 months of Food Support in any 36 month period and were required to attend Food Support Employment and Training (FSET) services. Prior to January 2009, 30 counties and 5 American Indian tribes were exempt from the ABAWD time-limit and work requirements based upon their two-year unemployment rate. Under this policy change, unemployed ABAWDs statewide can continue to receive Food Support so long as they meet eligibility criteria and FSET participation is now voluntary. For more information on this policy change, see DHS Bulletin #09-01-02.

Much of the increase in the Food Support caseload can be attributed to the change in ABAWD policy. Figure 4 shows monthly Food Support cases by case type. The Other Adults category includes ABAWDs, as well as people eligible for General Assistance (GA) or Refugee Cash Assistance (RCA) and employed single adults.³ Reports in the *Characteristics of Minnesota Food Support Program: Cases and Persons*⁴ series show that in previous years, Other Adult cases grew at a rate similar to other Food Support case types. Since December 2008, the month before the ABAWD policy change, Other Adult cases increased by 102 percent. Food Support Family Cases increased by 34 percent, while other case types increased between 4 and 13 percent.

Figure 4. Food Support Caseload by Case Type

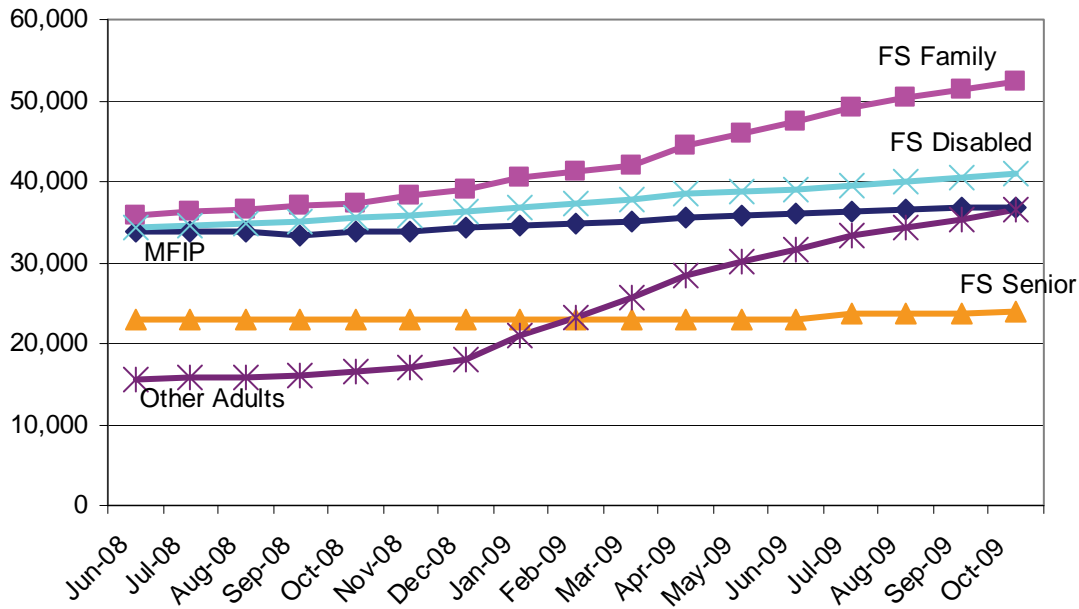


Figure 5 isolates ABAWDs from people in the Other Adult category that were receiving GA, RCA, or were employed. It shows the number of Food Support eligible adults that were coded as an ABAWD in the state’s administrative database and were subject to the time-limit and FSET requirements and adults that would have been ABAWDs but received benefits in

³ Refer to the Notes section of this report for a full discussion of Food Support case types, which are the same as the ones found in the *Characteristics of Minnesota Food Support Program: Cases and Persons* series.

⁴ Available at http://www.dhs.state.mn.us/id_004113.

a county with a waiver. When the ABAWD time limit was lifted, county financial workers were instructed to code all ABAWDs as if they were in a waived county.⁵ As new cases applied and became eligible and existing cases that would have exited after 3 months remained eligible, ABAWD cases skyrocketed. ABAWDs increased by 186 percent or nearly 23,000 people within a year.

Figure 5. Food Support ABAWD Status and Eligible People by Month

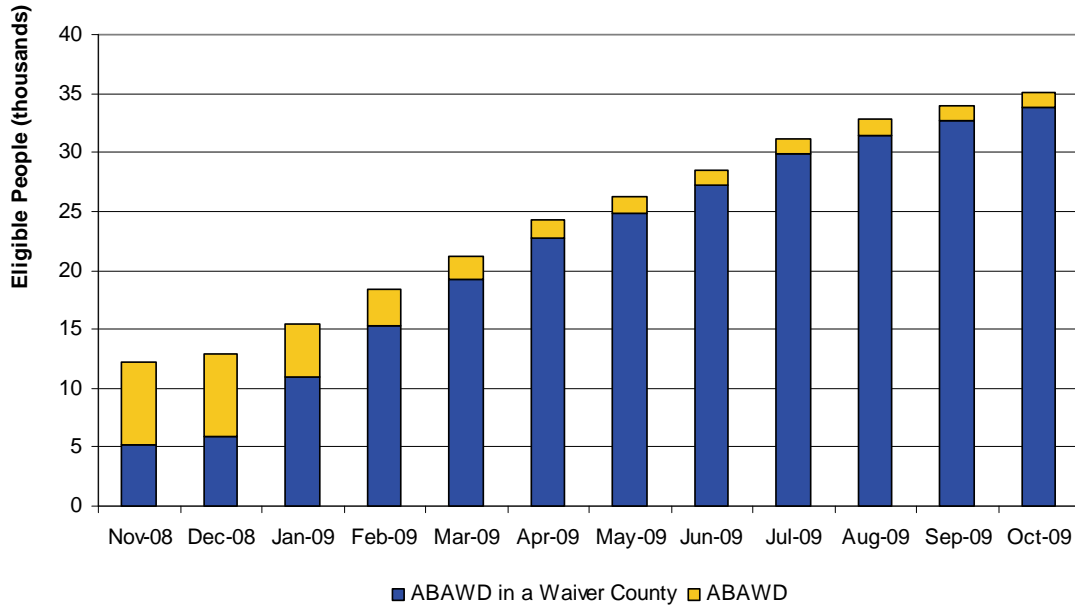


Figure 4 also shows which case types *did not* increase. While Other Adults and Food Support Family cases grew rapidly, Senior, Disabled, and MFIP Cases increased at rates similar to pre-recession rates. Senior and Disabled Cases, many of which rely upon a fixed income from Supplemental Security Income (SSI) and other non-employment sources, are not as sensitive to the economy as households that rely on low-wage employment. Disabled Cases have been increasing faster since the summer of 2009. The proportion of Disabled Cases that have a short-term disability as compared to long-term disability has not changed.

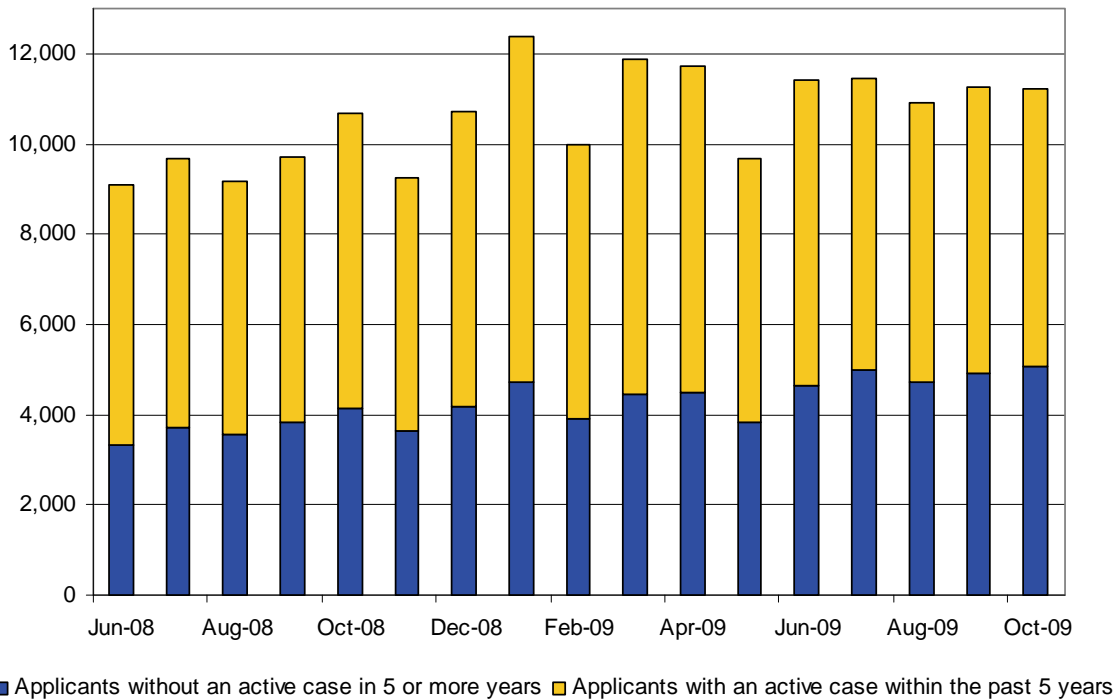
It is unclear why MFIP cases have not increased as much as expected. The only known difference between MFIP-eligible families and Food Support Family cases are the stricter eligibility guidelines of MFIP – both are households with children. In economic recession, it would be expected that more families would lose jobs and need cash assistance. MFIP has increased by 8 percent since June 2008, but not the 35 percent increase in Food Support Family cases. This question merits further study, although it is difficult, if not impossible, to ascertain from the state’s administrative database why households are not applying or potentially eligible.

More than half of applications each month since June 2008 had received Food Support or MFIP within the past five years, so the majority of cases are households that have been struggling economically even before the current recession. Figure 6 shows the number of

⁵ DHS Bulletin #09-01-02.

applications that resulted in an approved case each month.⁶ New applications are those where the case had not been open on MFIP or Food Support in the last five years. While the proportion of new applications increased from 37 percent to 45 percent of total applications since June 2008, the majority of approved applications are made by households with a recent assistance history.

Figure 6. Approved Food Support Applications: New Applications Compared to Cases Active within the Last Five Years



Food Support cases increased in every geographic area of Minnesota. The largest increases were seen in the South, the Metropolitan Suburbs⁷, and Hennepin County. The Southeast part of the state saw a 42 percent increase in Food Support cases since June 2008; this includes Winona and Olmsted Counties both of which experienced lay-offs at major employers. Figure 7 shows the percent increase in the Food Support caseload over June 2008 by month. Ramsey County saw the smallest increase which was still nearly 25 percent.

Finally, Figure 8 shows the percent change in the Food Support eligible people from June 2008 by race/ethnicity. As part of an ongoing effort to reduce possible racial/ethnic disparities in program access and outcomes, PAID is including racial/ethnic data in all relevant reports. The percentage increases over June 2008 of eligible white and Hispanic people were greater than other groups. Eligible Hispanic people increased by 39 percent and eligible white people increased by 38 percent.

⁶ The month shown is the application month. The first approval month could have been in subsequent months. These data do not include denied or withdrawn applications.

⁷ The Metropolitan Suburban counties do not include suburban Ramsey or Hennepin Counties.

Figure 7. Percent Change in Food Support Caseload from June 2008 by Region

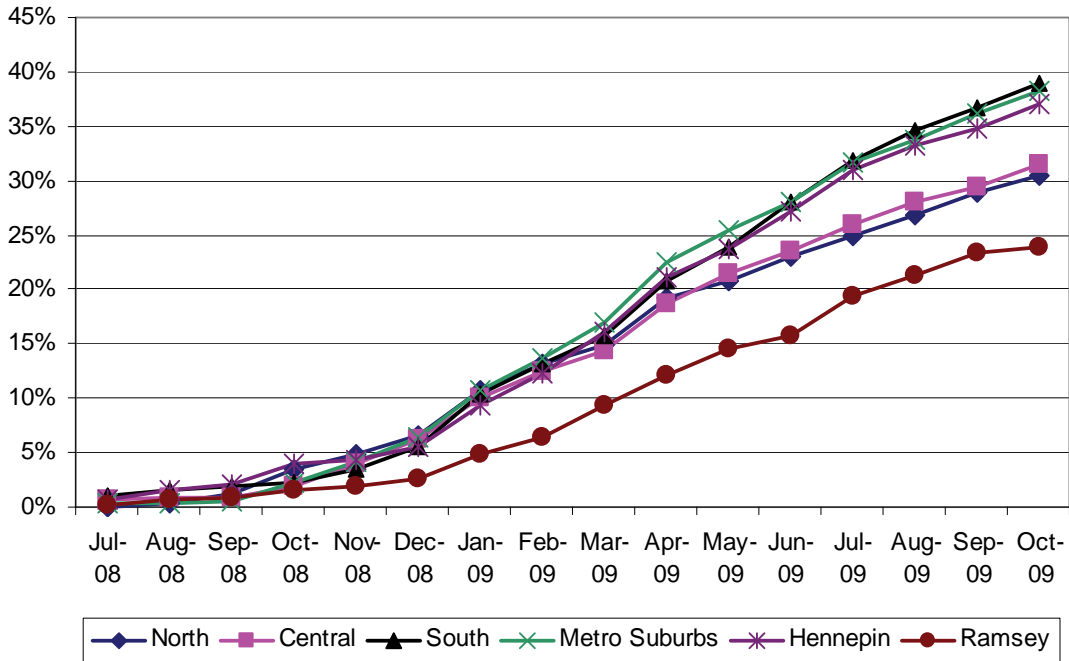
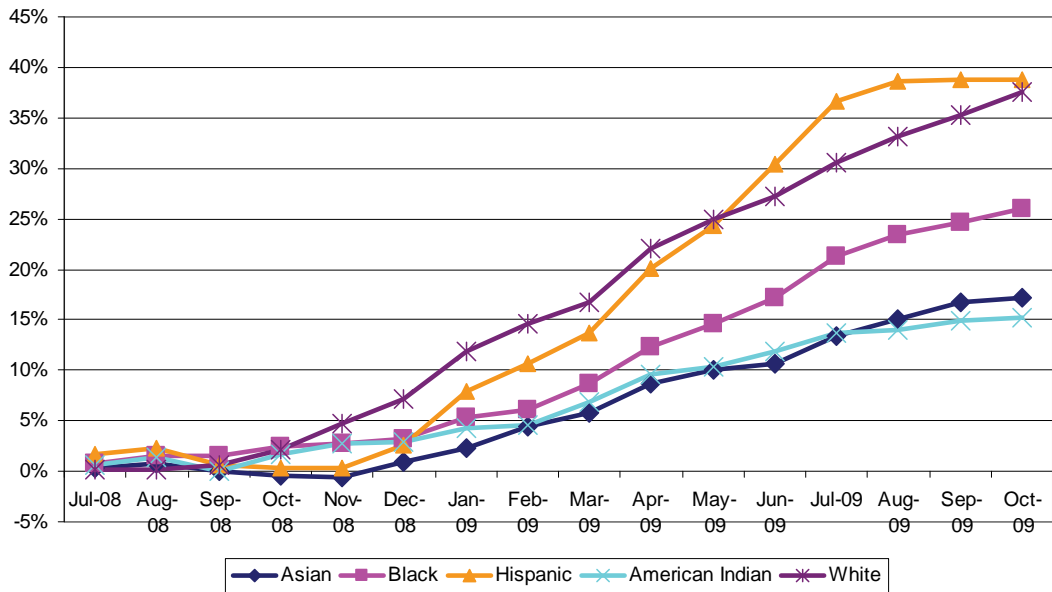


Figure 8. Percent Change in Food Support Eligible People by Race/Ethnicity from June 2008



Notes

All data include stand-alone Food Support and MFIP, unless otherwise stated.

Case types are the same as used in the Food Support Characteristics Report (<http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-5182B-ENG>). Case types are mutually exclusive. **MFIP Cases** are cases where one or more household members were eligible for MFIP, including households with a Food Support-eligible Uncle Harry. **Food Support Family Cases** are cases with one or more minor children, regardless of the children's relationship to adults in the household. These cases are exclusive of MFIP cases. **Senior Cases** are cases with no MFIP-eligible members and no children under age 18 where one or more eligible members were age 60 or older. **Disabled Cases** have no minor children, no adults age 60 or older, and at least one adult with a Food Support disability status recorded in the Minnesota Department of Human Services (DHS) administrative database. This group excludes MFIP, Family, and Senior Cases. **Other Adult Cases** have no minor children and all adults are age 18 to 59 years old with no disability, as defined above. These adults may be recipients of Refugee Cash Assistance (RCA) or General Assistance (GA), working but with an income that is within Food Support eligibility requirements, or an Able Bodied Adult without Dependents (ABAWD) who was unemployed.

New Food Support Applications were cases that had not been eligible for Food Support or MFIP in the 60 months immediately preceding the report month.

Evaluation Notes is an occasional publication of the Program Assessment and Integrity Division, Minnesota Department of Human Services. This report was prepared by Dana DeMaster. For questions on this report, please contact Dana at Dana.Demaster@state.mn.us or 651-431-3963.