

# Food Assistance



## Purpose

Food Assistance (Supplemental Nutrition Assistance Program-SNAP) program is a federally funded program that provides food or benefits to purchase food for low-income Iowans.

## Who Is Helped

### Food Assistance

People eligible for Food Assistance must:

- Be residents of Iowa.
- Be citizens or legally qualified non-citizens (such as refugees).
- Have household incomes not to exceed 160 percent of the federal poverty level. For a family of three, that equals a gross annual income of about \$24,000.

In SFY12:

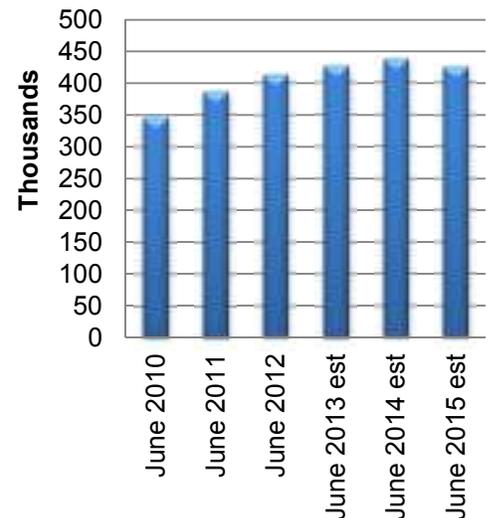
- An average of 402,510 Iowans in 187,483 households received benefits every month, a 10.7 percent increase from SFY11.
- 81 percent of FA recipients also receive Medicaid or Family Investment Program (FIP) benefits.
- The average recipient is a 25-year-old white female.

### Supplemental Food Programs

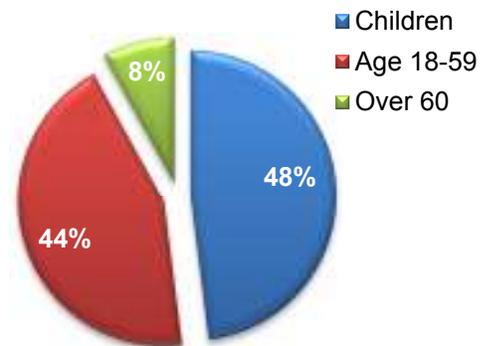
The Commodity Supplemental Foods Program (CSFP) and the Emergency Food Assistance Program (TEFAP) provide food to low-income Iowans.

- An average of 2,991 Iowans were served per month through CSFP and one million pounds of commodities were distributed in SFY12.
- 95 percent of those served by CSFP are elderly.
- TEFAP served an average of 268,000 individuals per month and distributed 4.2 million pounds of food during SFY12.

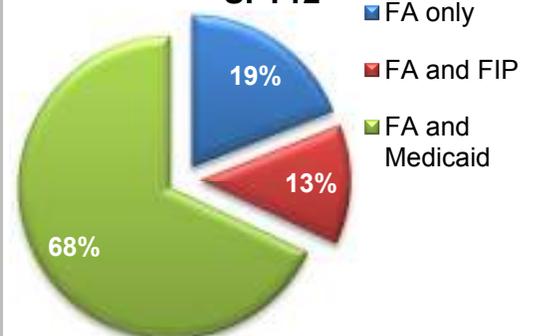
### FA Recipients



### Age of recipients in SFY12



### Recipients by Program in SFY12



- ✓ *Having children is not a requirement to receive Food Assistance benefits.*
- ✓ *People incarcerated more than 30 days are not eligible. Their families may continue to receive benefits if the household still meets eligibility requirements.*
- ✓ *Pending Congressional decisions for the 2012 House Farm Bill may impact broad-based categorical eligibility, resulting in fewer eligible persons.*

## Services

### Food Assistance

- Food Assistance benefits assure low-income lowans have access to food.
- Benefits may only be used to purchase unprepared food and non-alcoholic beverages.
- All Food Assistance transactions occur electronically on Electronic Benefit Transfer (EBT) cards. The card does not have cash benefits and will not work at ATMs.
- EBT cards may be used to buy food at 120 farmer markets providing easy access to the freshest food Iowa has to offer.

### Supplemental Food Programs

- The Commodity Supplemental Food Program (CFSP) distributes commodities directly to recipients, most of whom are elderly.
- The Emergency Food Assistance Program (TEFAP) distributes food through food banks to low-income lowans.

### Employment and Training Program

A voluntary program through Food Assistance offering job seeking skills, classroom training, and structured employment search in 15 Iowa counties.

### Nutrition Education

Written educational materials are provided to FA recipients to promote healthy food choices.

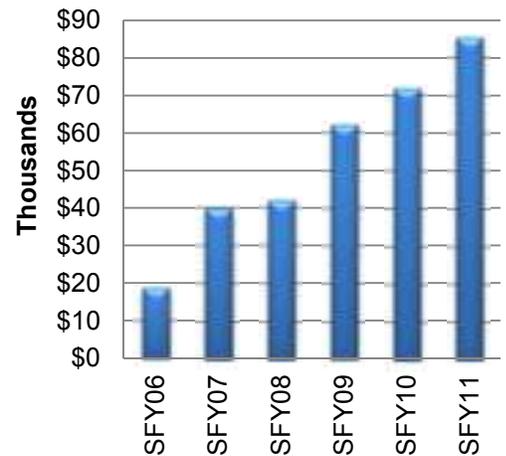


EBT Card Sample

### Average Benefits SFY12:

- \$262.44 per month per household
- \$122.29 per month per individual
- \$4.07 per day per individual
- \$1.35 per meal

### Farmer Markets EBT Sales



- ✓ *Approximately 60 percent of Food Assistance applications are received online.*
- ✓ *While Food Assistance may be used in any state, approximately 95 percent of benefits are used in Iowa or bordering states.*
- ✓ *DHS and the Department of Education partner to identify children who qualify for free school lunches based on the receipt of Food Assistance.*

## Goals & Strategies

Goal: Improve efficiency and accuracy.

Strategies:

- Continue monitoring and training on key causes of errors.
- Implement new benefit eligibility and payment system.

Goal: Assure benefits are issued timely.

Strategy:

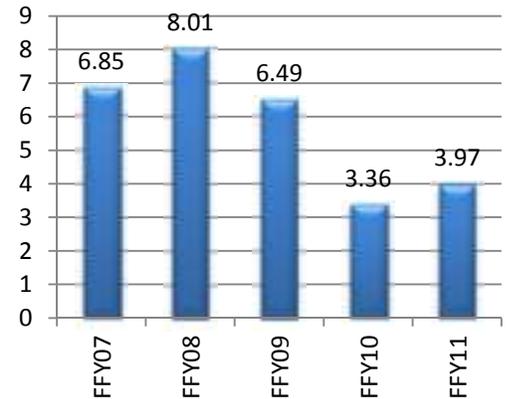
- Monitor performance.

Goal: Prevent fraud and abuse.

Strategies:

- Implement new methods to identify potential misuse of EBT cards.
- Identify and cancel benefits for ineligible individuals who are incarcerated.

**Percentage of Error Calculating Benefits**



In SFY12, DHS procured a new eligibility system to perform Medicaid, FA and Family Investment Program eligibility functions. This system will also generate FA and FIP benefits.

- IABC, the current mainframe system, has been in operation since the 1970s. It is outdated and requires significant duplicate entries and work-arounds by income maintenance staff as well as significant time to update system coding staff when laws or regulations change.
- The new system will utilize current technology architecture to enable more accurate and timely eligibility determinations; more effective ways to identify potential fraud and abuse; and opportunities to link with online service applications.
- The new system be implemented in a two-phase approach with Medical Assistance implementation in October 2013 and FA and FIP in May 2014.

## Cost of Services

The average annual FA benefit per recipient is \$1,467.

<p><b>Funding Sources</b></p>	<p>Food Assistance benefits and The Emergency Food Assistance Program (TEFAP) are paid 100 percent by federal dollars. Iowa and the federal government split the administrative costs 50/50.</p> <p>Nutrition education, Commodity Supplemental Food Program (CSFP), and the Employment &amp; Training (E &amp; T) program are paid 100 percent with federal dollars.</p> <p>The SFY 2014 total projected budget is \$639,373,407:</p> <ul style="list-style-type: none"> <li>• \$615,753,143 is federal. <ul style="list-style-type: none"> <li>○ \$592,359,602 in benefits.</li> <li>○ \$23,393,541 in admin costs.</li> </ul> </li> <li>• \$23,620,264 is state general fund.</li> </ul> <p>The SFY 2015 total projected budget is \$623,866,662:</p> <ul style="list-style-type: none"> <li>• \$599,548,949 is federal. <ul style="list-style-type: none"> <li>○ \$575,460,870 in benefits.</li> <li>○ \$24,088,079 in admin costs.</li> </ul> </li> <li>• \$24,317,713 is state general fund.</li> </ul>	<p><b>SFY14 Funding</b></p> <ul style="list-style-type: none"> <li>■ State General Fund</li> <li>■ Federal Benefits</li> <li>■ Federal Admin</li> </ul> <table border="1"> <caption>SFY14 Funding Breakdown</caption> <thead> <tr> <th>Category</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Federal Benefits</td> <td>92%</td> </tr> <tr> <td>State General Fund</td> <td>4%</td> </tr> <tr> <td>Federal Admin</td> <td>4%</td> </tr> </tbody> </table>	Category	Percentage	Federal Benefits	92%	State General Fund	4%	Federal Admin	4%												
Category	Percentage																					
Federal Benefits	92%																					
State General Fund	4%																					
Federal Admin	4%																					
<p><b>SFY 2014 &amp; 2015 Budget Drivers</b></p>	<p>There are several variables that may impact the Food Assistance benefit expenditures.</p> <ul style="list-style-type: none"> <li>• As the economy improves, growth rate will slow with Food Assistance enrollment projected to peak in the fall of 2013 or early 2014. <ul style="list-style-type: none"> <li>○ The SFY14 FA budget is a 3 percent decrease from SFY13. SFY15 is a 2 percent decrease from SFY14.</li> </ul> </li> <li>• The 2012 drought is expected to have some impact on the Iowa economy. Because the actual impact is unclear at this time, no impact on food assistance caseloads has been included in the budget.</li> </ul>	<p><b>Total Budget Funding Mix</b></p> <ul style="list-style-type: none"> <li>■ State General Fund</li> <li>■ Federal Admin</li> <li>■ Federal Benefits</li> </ul> <table border="1"> <caption>Total Budget Funding Mix (Millions)</caption> <thead> <tr> <th>Year</th> <th>Federal Benefits</th> <th>Federal Admin</th> <th>State General Fund</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>SFY13</td> <td>~580</td> <td>~50</td> <td>~50</td> <td>~680</td> </tr> <tr> <td>SFY14 est</td> <td>~570</td> <td>~50</td> <td>~50</td> <td>~670</td> </tr> <tr> <td>SFY15 est</td> <td>~560</td> <td>~50</td> <td>~50</td> <td>~660</td> </tr> </tbody> </table>	Year	Federal Benefits	Federal Admin	State General Fund	Total	SFY13	~580	~50	~50	~680	SFY14 est	~570	~50	~50	~670	SFY15 est	~560	~50	~50	~660
Year	Federal Benefits	Federal Admin	State General Fund	Total																		
SFY13	~580	~50	~50	~680																		
SFY14 est	~570	~50	~50	~670																		
SFY15 est	~560	~50	~50	~660																		
<p><b>Legal Basis</b></p>	<p><b>Federal:</b></p> <ul style="list-style-type: none"> <li>• Code of Federal Regulations: 7 CFR 272.2</li> <li>• The Food, Conservation and Energy Act (Farm Bill) of 2008.</li> <li>• Section 6 of the Food and Nutrition Act of 2008 as amended by P.L. 110-246</li> </ul> <p><b>State:</b></p> <ul style="list-style-type: none"> <li>• Iowa Administrative Code, 441 IAC 65</li> </ul>																					