The Nutrition Reform and Work Opportunity Act of 2013 - HR 3102

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Food Insecurities in the United States

- 18 Million Americans
- 15% of US households
- Increasing since 2008 recession

Prevalence of Food Insecurities

- 48 Million Americans
- Single women with children and under poverty level
- Diffuse across the country
- 75% receive benefits for less than a year
- 40% of SNAP participants work

Food Insecurities leads to Increased Health Risks

- Obesity
- Increased food insecurities
- Mental health and learning disabilities
- Diabetes and Heart Disease
The Supplemental Nutrition Assistance Program (SNAP)

- Designed to increase access to food during the Great Depression
- Available to household incomes <130% of federal poverty. (about $30,000 for family of four)
- Allotments based on USDA’s Thrifty Food Plan

<table>
<thead>
<tr>
<th>Food Plan</th>
<th>Average Monthly Money Allotments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liberal Food Plan</td>
<td>$1,243</td>
</tr>
<tr>
<td>Moderate Food Plan</td>
<td>$1,024</td>
</tr>
<tr>
<td>Low Food Plan</td>
<td>$822</td>
</tr>
<tr>
<td>Thrifty Food Plan</td>
<td>$627</td>
</tr>
</tbody>
</table>
Impact of SNAP

- Decreases risk of being food insecure by 30%
- Lifted 3.8 million out of poverty in 2009
- Every $1 spent on SNAP benefits generates $1.80 in economic activity
- The *American Recovery and Reinvestment Act of 2009* (ARRA) led to:
  - 2.2% decrease in food insecurities
  - increased spending by $0.50 on the dollar
Fraud and Abuse in SNAP

**Trafficcking**
- ~1% of all money spent for SNAP
- 10.5% of all authorized stores

**Federal money for SNAP**
- 95% goes directly to SNAP benefits
- Overpayment error rate: 3%
- Underpayment error rate: 1%
Cost of SNAP

• $80 billion in 2012
• Paid by federal government
• 50% of administrative cost paid by states

Cuts to SNAP

• $11 billion by expired ARRA
• $9 billion cut by Farm Bill 2014
• HR 3102 projects to cut additional $40 billion
## Impacts of HR 3102 on SNAP Eligibility

<table>
<thead>
<tr>
<th>How Eligibility is Affected</th>
<th>Projected Number of Households Affected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restrictions on automatic eligibility based on other low income assistance programs</td>
<td>14 million over 9 years</td>
</tr>
<tr>
<td>Decreased eligibility to childless adults</td>
<td>7 million over nine years</td>
</tr>
<tr>
<td>Stop automatic benefits to people who receive energy assistance</td>
<td>850,000 households per year</td>
</tr>
</tbody>
</table>
Stakeholders in Support of HR 3102

• “SNAP resources have been stretched because this administration has encouraged states to take liberties in how the program is administered” - Rep. Frank Lucas, (R-OK 3rd District) Chairman of the House Agricultural Committee

• Large farming conglomerations that receive farm and insurance subsidies such as Monsanto and Cargill
Stakeholders Opposed to HR 3102

- The Pew Charitable Trust
- The American Enterprise Institute
- American Academy of Pediatrics
- American Public Health Association
- The National Grocers Association
- National Association for the Advancement of Colored People
- AARP (formerly American Association of Retired People)
- A Coalition of over one hundred organizations opposed to cuts to SNAP specific to Farm Bill
Unintended consequences of HR 3102

- Increased food insecurities in USA
- Projected increase in poverty rate of 0.5%
- Higher rates of obesity, diabetes and heart disease
- Increase cost of health care
- Potential effects on American children who make up 40% of SNAP participants.
- Economic decline due to unhealthy adults and decreased potential of children as they become adults
Recommendations

• Vote Nay on HR 3102

• Vote Yay on HR 2384, the *Food Security Improvement Act of 2013*
  
  – ARRA increased SNAP benefits by about half of what it would cost using the low food cost plan

Congress should be *strengthening* not weakening SNAP
Literature Cited
Thank You