

## VII. Nutrition and Food Assistance

The core programs include the Food Stamp Program, the child nutrition programs, the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), and commodity distribution programs. Today, these programs serve one in every six Americans at some point during the year. In addition to providing a nutrition safety net, the programs promote healthy diets for all Americans.

### Ensuring Access to Nutritious Food

Our Nation's food assistance programs have been a success, but the environment in which they operate is changing. Most of these programs were started in response to documented problems of underconsumption and undernutrition among the low-income population in the United States in the 1960s and early 1970s. Since then, the gap between the diets of low-income and other families has narrowed. Today, in both higher and lower income groups, median nutrient intakes are well above the Recommended Dietary Allowances (RDAs) for most vitamins and minerals. Moreover, available informa-

**F**ood and agriculture policy has long sought to ensure that all Americans have access to a healthy and nutritious food supply, regardless of income. This policy has encompassed, and USDA has administered, an array of food assistance and nutrition programs that operate with humanitarian, investment, and agricultural support goals. More specifically, the goals include aid to the needy that helps alleviate short-term hunger and hardship; pragmatic investments in human capital that yield long-term returns in a better educated, stronger, and healthier workforce and families; and support for the agricultural sector.

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tion indicates that food stamp recipients have a better nutrient profile than nonrecipients with comparable incomes.

While some nutrient deficiencies remain, the most pressing dietary problem today is overconsumption of fat, sodium, refined carbohydrates, and calories. Important new challenges are emerging related to diet quality—the proper variety and quantities of foods and nutrients in an individual’s diet to promote their health and well-being. In their current form, each of the core food assistance programs contains a direct link to nutrition and health. Food stamp benefits are tied to the cost of a modestly priced nutritious diet sufficient to sustain an active, healthy life. The key components of WIC include food packages tailored to specific nutrition requirements, nutrition education, and health care referrals. The child nutrition programs are based on standards that ensure school meals served to children meet certain nutritional requirements.

Food and nutrition assistance programs have contributed to significant improvements in the nutritional status of low-income and vulnerable groups, as measured by growth, low birthweight, and hema-

tological status (anemia). In perhaps the most striking example, nutrition surveillance data for 1974-76 indicated that 22.8 percent of preschool-aged children were stunted (having low height for their age); by 1992, the prevalence of stunting in low-income children had dropped to 8 percent.

Changes in the program environment, nutrition issues, and caseload composition make this an opportune time to modernize the food and nutrition assistance programs. Of particular urgency are ensuring dependable funding for WIC, modernizing the national nutrition safety net, and improving support for agricultural producers.



### Ensuring Funding for WIC

WIC helps safeguard the health of low-income women, infants, and children (up to age 5) who are at nutritional risk. WIC achieves this by providing nutritious foods to supplement diets, information on healthy eating, and referrals to health care. WIC provides early intervention during critical times of growth and development that can help prevent future medical and developmental problems.

Established in 1972 as a pilot program, WIC has grown rapidly and matured into a core component of the Nation's nutrition safety net (figure 25). In fiscal year (FY) 2000, WIC served an average of 7.2 million participants per month. Almost half of all infants and about one-quarter of all children age 1-4 participate. Federal program costs totaled almost \$4 billion in FY 2000, making WIC the country's third largest food assistance program, behind the Food Stamp Program (\$17.0 billion) and the National School Lunch Program (\$6.1 billion).

Over a decade ago, when decisions were made categorizing programs into mandatory and discretionary spending categories, WIC was a much smaller program. At that time, WIC became discre-

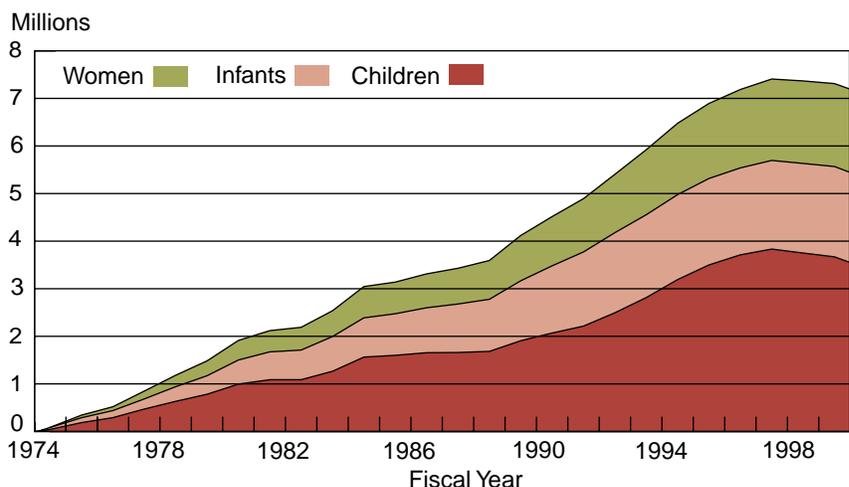
tionary. Now a large and popular program, it is a core component of the national nutrition safety net. However, since WIC has remained classified as discretionary, adequate year-to-year funding to support this popular program is not guaranteed. Although WIC has received ample funding to serve all eligible applicants for the last several years, now is the time to rethink the funding approach used to sustain this vital program.

### Modernizing the National Nutrition Safety Net

The Food Stamp Program (FSP) has been the foundation of the Nation's food assistance safety net, providing benefits to qualifying families while supporting the markets for agricultural products. Using normal retail marketing channels, the FSP empowers needy households with increased food purchasing power to acquire affordable and nutritious foods. The FSP has been a pioneer in the innovative delivery of benefits to clients through the use of Electronic Benefit Transfer (EBT). This system not only increases program efficiency, but reduces client stigma in grocery store checkout lines and better enables program



Figure 25  
Average Number of WIC Participants per Month, FY 1974-2000





administrators to detect and deter waste, fraud, and abuse.

Although the current FSP provides a strong foundation upon which to build, much has changed since Congress last reauthorized this vital program. Welfare reform transformed social policy for low-income families, replacing an entitlement to cash assistance with a system that requires work in exchange for time-limited assistance. Since welfare reform was enacted in 1996, welfare rolls—and the proportion of food stamp households on welfare—have fallen sharply, while the percentage of food stamp households with earnings has grown. Today, more working families than welfare families use food stamps. Now, more than ever, the Food Stamp Program plays a critical role in facilitating the transition from welfare to work.

The national eligibility and benefit rules of the Food Stamp Program form a minimum public safety net across all States. As States continue to explore innovative welfare policies, food stamps have provided a steady base that serves the basic nutrition needs of low-income households wherever they live. Yet, there are opportunities to better support work, simplify program rules,

increase emphasis on outcome-based performance measures, serve currently unmet needs, bolster public confidence in the program's integrity, and improve support for agriculture.

- **Enhancing Work Support and Simplifying Program Rules.** Food stamps can be a bridge from government dependence to work and self-sufficiency. But working families often have circumstances that make complying with the program's procedural requirements more difficult. Concerns have grown that the program's administrative burden and complexity are hampering its performance in the post-welfare reform environment. The complexity of program requirements—often the result of desires to target benefits more precisely—may cause errors and deter participation among those eligible. These burdens are particularly significant for the working families that comprise an increasing portion of the food stamp caseload.

We should pursue opportunities to improve the program for working families, facilitating their access to benefits while minimizing burdens for State agencies. These may include revisiting the treatment of assets, income, and deductions in

determining benefits for working families and others.

- **Emphasizing Outcome-Based Performance Measures.** Because food stamp benefits are entirely federally funded (unlike the other major State-administered assistance programs for low-income families), the FSP has maintained a rigorous payment accuracy measurement system. The system determines fiscal sanctions and enhanced funding based on error rates computed from annual samples of quality control (QC) case-record reviews. State and local administrators believe that the QC error rate is a poor measure of overall program performance. When used as such, administrators are tempted to impose more burdensome reporting and verification requirements for working households whose fluctuating earnings have historically made them more error-prone. This is counterproductive to the FSP's new need to support work and personal responsibility. We need to examine how the food stamp program recognizes and rewards performance that serves its multiple goals.

Currently, there is no adequate system in place to monitor and assess the nutrition performance of the food stamp and child nutrition programs. With increased emphasis on outcome-based performance measures, there is a need to consider implementing annual monitoring on a national scale. An expanded collection system for program management not only would improve assessment of program performance, but also would provide agricultural producers and food processors with timely information on food choices, food prices, and dietary practices of Americans.

- **Serving Unmet Needs.** Despite the general effectiveness of the program's current national standards, significant needs remain. The number of citizen children born in the

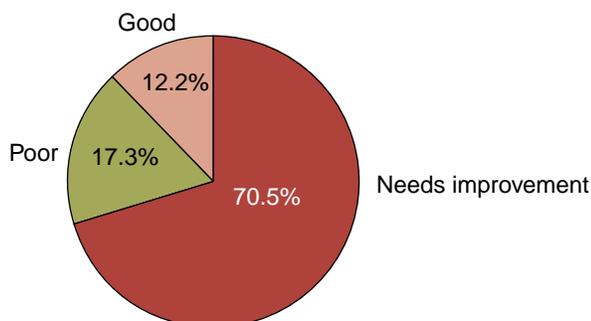
United States to immigrants who are participating in the program has dropped dramatically in recent years. Fewer than half of eligible elderly persons participate in the program. Program changes and simplifications could help ensure that all those at risk of hunger have better access to the benefits they need.

- **Improving Accountability.** Waste, fraud, and abuse divert resources from their intended use and undermine public confidence and support for programs. Food stamps are intended for food. When individuals sell their benefits for cash, it violates the spirit and intent of the Food Stamp Program as well as the law. FNS estimates food stamp trafficking—the exchange of benefits for cash by authorized retailers—at about \$660 million per year. The expansion of Electronic Benefit Transfer (EBT)—which is now in place in 41 States, Washington, DC, and Puerto Rico—makes certain forms of trafficking harder to conduct and large-scale trafficking easier to detect.

Some States with low coupon issuance costs have delayed implementing an EBT system due to a cap on Federal support for expenses above the cost of coupon issuance. The current cap is based on obsolete estimates of these costs. Facilitating prompt and full implementation of EBT and expanding support for increased use of EBT systems to detect fraud would improve FSP administration.

- **Improving Support for Agriculture.** The commodity distribution programs traditionally support agriculture by distributing products that are in ample supply. The Department will continue to ensure the safety and wholesomeness of the donated products. In general, these programs would benefit from changes to improve their effectiveness.

Figure 26  
**Healthy Eating Index (HEI)\*, U.S. Population (1996)**



*\*The HEI is a dietary assessment tool that measures adherence to 10 components of the U.S. Dietary Guidelines. An HEI score greater than 80 (out of 100 maximum) implies a "good" diet; an HEI score between 51 and 80 implies a diet that "needs improvement"; and an HEI score of less than 51 implies a "poor" diet.*

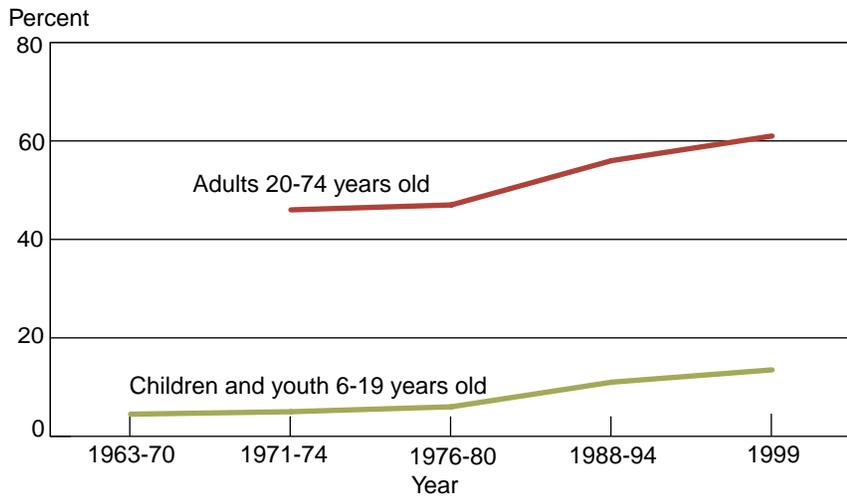
The emergency food assistance system (EFAS) is a relatively small, but vital component of the food assistance safety net, as well as an important outlet for surplus commodities. Comprised largely of private, nonprofit food banks, pantries, emergency kitchens, and food rescue organizations, EFAS helps ensure adequate nutrition for low-income people who may not be eligible for, or who may find it difficult to participate in, other food assistance programs. While only about one-eighth the size of USDA's programs, EFAS's community-based structure and flexibility allow it to efficiently fill critical gaps in the food assistance safety net. Policy options should seek to improve the administration and effectiveness of USDA support for the EFAS.

## Healthy Food Choices

USDA food and nutrition assistance programs have made great strides in reducing nutritional deficiencies among the low-income population. However, nutritional deficiencies have been supplanted by poor diets of a different hue and with different implications: excessive and unbalanced consumption patterns that result in obesity and increased risk of major chronic health problems such as cardiovascular disease and diabetes. Poor diets are widespread. According to USDA's Healthy Eating Index (HEI), nearly seven out of every eight Americans (all but about 12 percent) have poor diets or are in need of improving the nutritional quality of their diet (figure 26).

As a direct consequence of poor diets and physical inactivity, the number of overweight individuals continues to increase. The implications are tremendous for future health, health care costs, and quality

Figure 27  
**Proportion of Overweight Population Has Risen**



of life of Americans (figure 27). There is also concern that as more children and adolescents become overweight, the chronic diseases that have typically been associated with people in their fifties may begin to appear earlier.

Although these problems affect individuals at all income levels, they are more prevalent among low-income groups. And, specific population subgroups continue to face specific nutrition problems. For example, iron and calcium intakes of children and women continue to need improvement. Also, breastfeeding initiation and duration rates continue to fall far short of national objectives; meeting these objectives can result in savings of \$3.6 billion in direct and indirect costs associated with three childhood conditions—otitis media, gastroenteritis, and necrotizing enterocolitis.

The challenge is how to motivate consumers to change their dietary

patterns and physical activity levels so as to improve the chance for a healthier life. People choose the foods they eat to meet a variety of needs, and nutrition is just one factor. Income and time constraints, cultural habits, and individual tastes and preferences play an important role. Improving the healthfulness of diets requires changing attitudes, behavior, and eating practices—as well as a long-term commitment to those changes. This is increasingly difficult to accomplish, as consumers are bombarded by sophisticated food advertising that often emphasizes other food characteristics that appeal to them. In 1997, food manufacturers spent over \$7 billion in advertising. In contrast, USDA spent over \$300 million on nutrition education, evaluation, and demonstrations—mostly through WIC and FSP.

The need for healthier eating patterns will require a concentrated research effort to develop new approaches, tools, and technologies to motivate consumers. Potential research advances include effective nutrition education messages and materials, dissemination models to effectively and efficiently reach target audiences, and standardized, cost-effective methods for evaluating nutrition information outcomes. One institutional approach that has proven successful for conducting human nutrition research is to provide support for a university-based nutrition information research center that would focus on these issues. Such a center could provide a critical mass of resources to conduct research for use by programs, States, and local agencies. Likewise, efficiencies could be gained from pooling some nutrition education funds and activities across program lines.



## Principles for Nutrition and Food Assistance

- **Continue commitment to a national nutrition safety net.** A well-nourished population is healthier, more productive, and better able to learn. No child or needy family should be left behind for want of food.
- **Guarantee stable funding of the nutrition safety net.** The national nutrition safety net, including WIC, should be supported and targeted to those most in need.
- **Simplify program rules.** Program rules must strike a balance between targeting, client access, supporting work, and administrative burden.
- **Support modern technologies.** Electronic Benefit Transfer (EBT) and other technologies are crucial to the improved delivery of benefits, client access, administrative efficiency, and program integrity.
- **Ensure a commitment to outcome-based performance measures.** Outcome-based performance measures will be crucial to deciding the future direction of the nutrition assistance programs.
- **Encourage healthy and nutritious diets.** American consumers must be made aware of the link between diets, health, and physical activity, and motivated to make appropriate changes.