

Food Price and the Role of SNAP in Improving Food Security and Diet Quality

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Despite the increase in federal food assistance programs such as SNAP, millions of Americans are challenged with food insecurity and their nutritional status has shown very little improvement. Whereas high food prices are expected to diminish purchasing power, and affect food insecurity and nutrient intake among SNAP participants, consumers' behavioral strategies to manage resources and make most out of their dollars may mitigate the adverse impact of high food price.

This study uses the USDA's National Household Food Acquisition and Purchase Survey (FoodAPS) to explore how local food price is associated with food insecurity and diet quality among SNAP participants, and whether the effects of high food price on either food insecurity or diet quality are improved by SNAP participants' resource management behaviors. Endogenous switching regression models were used with state-level policy variables as instruments.

Findings indicate that food price has a significant negative association with food security among the non-SNAP participants but not among SNAP participants. Self-reported diet quality was also negatively associated with food price among the non-SNAP participants but not among SNAP participants. Resource management behaviors moderate the effect of price on food insecurity and diet quality, especially among nonparticipants. These findings provide partial explanations to the paradox of mixed effect of SNAP, but do not fully support the claim that SNAP benefits need to be indexed to local food prices.

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