# WYOMING SNAPGAP TECHNICAL REPORT | 2024

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#### ABOUT THIS REPORT

This publication was produced for the Wyoming Community Foundation and is a methodology supplement to the original report.

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# Background

The Wyoming Community Foundation (WYCF) contracted with the Wyoming Survey and Analysis Center (WYSAC) to research and report on the Supplemental Nutrition Assistance Program (SNAP) Gap in Wyoming. The SNAP Gap is the percentage of eligible adults, families, and households eligible for SNAP that are not receiving SNAP benefits. This gap exists for several reasons, including the fact that Wyoming has some of the most restrictive eligibility requirements in the nation; disqualifying people and households who earn slightly above the limit. Additionally, some individuals may believe they do not qualify for this program, or they have a negative perception of receiving government assistance.

# Methods

### Data Sources

**U.S. Census Bureau, American Community Survey:** The American Community Survey (ACS) is a nationwide continuous survey that collects demographic, housing, social, and economic data. The U.S. Census Bureau randomly selects a sample of addresses to receive the survey in the mail. The ACS provides 1-year and 5-year estimates (data collected over 12 months and 60 months, respectively). The Census Bureau advises that although 5-year estimates are the least current, they are the most accurate. Annual (1-year) estimates are only provided for geographic areas with populations of 65,000 or greater.

**U.S. Census Bureau, IPUMS USA Data:** IPUMS USA, formerly known as the "Integrated Public Use Microdata Series," is an online platform and database offering access to more than sixty comprehensive, finely detailed samples of the American populace. These samples are sourced from sixteen federal censuses, the American Community Surveys spanning from 2000 to the present, and the Puerto Rican Community Surveys from 2005 to the present. While some of these samples have been in existence for a significant duration, others were curated specifically for the IPUMS USA database. Together, these samples represent the most abundant repository of quantitative data documenting the enduring shifts within the American population over time.

### SNAP Eligibility Requirements

SNAP provides financial support to low-income households so they can receive nutritious foods, become more food secure, and have better overall health. There are extensive eligibility

requirements that applicants must meet to be eligible for SNAP, including proof of monthly gross income, citizenship and residency, utility and medical expenses, copies of identification (birth certificates, social security card, driver's license, etc.), and more. For Wyoming specific requirements please refer to the Wyoming Department of Family Services' SNAP and POWER Policy Manual found <u>here</u>.

Many states, Wyoming not included, have expanded their SNAP eligibility requirements through a policy called Broad Based Categorical Eligibility (BBCE), defined below. This policy is meant to allow low-income and high expense individuals and families to qualify for SNAP where they wouldn't under traditional eligibility requirements.

#### IMPORTANT DEFINITIONS

- Assistance Unit (AU)<sup>1</sup> an individual living alone or any group of individuals living together who customarily purchase and prepare food together.
- Categorical Eligibility<sup>2</sup> automatic SNAP eligibility given to AUs when all members inside the AU are receiving POWER, Tribal TANF and/or Supplemental Security Income (SSI).
- Elderly and/or Disabled AUs<sup>3</sup> Assistance units include one or more individuals who are elderly (60 years of age or older) or disabled (someone receiving one or more of the following: SSI or Security disability payments, disability retirements benefits, Veteran's Administration disability benefits, or disability-related Medicaid).
- Federal Poverty Levels (FPLs)<sup>4</sup> Each year, the federal government puts out guidelines that detail how much income a family needs for housing, transportation, meals, etc. These guidelines are referred to as federal poverty levels (FPLs) and vary based on the size of a household. Many states, Wyoming included, use FPLs to set eligibility thresholds for public assistance programs.
- Gross income<sup>5</sup> the total amount of money a person receives before any applicable deductions.
- Net income<sup>6</sup> gross income minus allowable SNAP income deductions.
- Broad Based Categorical Eligibility (BBCE)<sup>7</sup> a policy that allows states to increase SNAP income thresholds up to 200% FPL or adjust the asset threshold so families and individuals who have high expenses are potentially eligible to receive SNAP.

#### ASSET LIMITS

Each assistance unit (AU) must meet the asset eligibility requirement. This requirement means that a household's assets must be below a certain threshold to qualify for SNAP benefits, as outlined below:

- Categorically eligible AUs exempt from the asset eligibility requirement
- All AU members under the age of 60 no more than \$2,750 in combined assets

- One or more members are over the age of 60 no more than \$4,250 in combined assets
- One or more members are disabled no more than \$4,250 in combined assets

Countable assets include things like cash, money in a checking or savings account, lottery or gambling winnings, and any money withdrawn from a retirement or Roth IRA account. Applicants' primary residence and vehicle are not considered when determining eligibility.

#### GROSS AND NET INCOME TESTS

Each AU that applies for SNAP must meet income eligibility requirements for both gross and net income. Table 1 shows the income limits for each AU size. Categorically Eligible AUs are exempt from both the gross and net income tests. Elderly and/or disabled AUs have a gross income threshold of 165% FPL, while AUs without an elderly or disabled member have a gross income threshold of 130% FPL. The net income limit is set at 100% FPL, regardless of whether the AU includes an elderly or disabled member.

#### DEDUCTIONS

Deductions are applied after the gross income test and are used to calculate net income. Available deductions include:

- Standard deduction \$198 for AU sizes of 1-3, \$208 for AU size of 4, \$244 for AU size of 5, and \$279 for AU sizes of 6 and above
- Standard medical deduction (for elderly households only) \$175 (for deductions in excess of \$35)
- Excess shelter cost for nonelderly/nondisabled AUs \$672
- Excess shelter cost for elderly/disabled AUs any amount that exceeds 50% of the AUs monthly income after all other deductions
- Utilities only standard deduction \$317 (two utilities; not heating or cooling)
- Wyoming Standard Utility Allowance (SUA) \$478
- Telephone only allowance \$56
- Earned income deduction 20% of gross income deducted
- Homeless Shelter Deduction \$179.66

### Data File

WYSAC used SPSS 29 to analyze 5-year (2018-2022) IPUMS data to determine what the SNAP Gap looks like in Wyoming. The initial data file contained 180 variables that were of potential interest. After determining what data points were needed to analyze Wyoming's SNAP Gap, the pre-analysis data file contained 29 variables shown in Table 2.

WYSAC cleaned the data and adjusted the following variables prior to analysis:

- FOODSTMP recoded into a dichotomous variable where 0 = Not Receiving Food Stamps and 1 = Receiving Food Stamps
- INCSUPP and INCWELFR set 99999 as a missing value
- INCINVST set 999999 as a missing value

In addition to the 29 IPUMS variables, WYSAC created 42 variables to calculate household eligibility (Table 3) shows a complete list of these variables.

#### LIMITATIONS

The removal of multi-family households and the exclusion of the asset limit requirement may limit the comprehensiveness of this analysis. Therefore, the results should be interpreted within this context.

#### Determining the Number of AUs in Multi-family Households

WYSAC was unable to verify eligibility for individuals living in group quarters (such as college dormitories, military housing, and senior living institutions) or for households with more than one family, including those with one or more foster children. IPUMS USA defines *family* as "a household head and one or more persons who are related to the household head by birth, marriage, or adoption and who are living together in the same household."<sup>8</sup> WYSAC removed group quarters households and multifamily households from the analysis (see Figure 1).

#### **Applying the Asset Test**

IPUMS USA data does not provide sufficient information on items considered assets for determining SNAP eligibility. For this reason, in our analysis, we assume that each household that meets the gross and net income tests will also meet the asset test. Countable assets include things like cash, money in a checking or savings account, lottery or gambling winnings, and any money withdrawn from a retirement or Roth IRA account.

Although these data are not available in IPUMS USA, other sources provide useful insights into the types of assets people tend to have. The Federal Reserve's Survey of Consumer Finances (SCF) reports the median value of various financial assets, including transaction accounts (checking accounts, savings accounts, money market accounts, call accounts, and prepaid debit cards), certificates of deposit, savings bonds, other bonds, stocks, pooled investment funds, retirement accounts, cash value life insurance, and other managed assets held by families.<sup>9</sup>

In 2022, the median asset balance for households earning less than \$21,600 per year was \$1,400, which is well below the lowest asset threshold of \$2,750.<sup>10</sup> While some individuals included in our analysis may not pass the asset test, we assume the majority would.

### Analysis

The first goal of WYSAC's analysis was to identify the SNAP gap in Wyoming under the existing eligibility requirements. The second goal was to recommend practices to reduce this gap.

To achieve the first goal, WYSAC used WDFS's SNAP and POWER Policy manual to construct the variables listed in Table 3. This process was carried out in three phases:

- 1. Identify Separate Households: Distinguished households by SERIAL.
- 2. **Determine Eligibility Types**: Classified households into different eligibility categories (Categorically Eligible, Elderly and/or Disabled, and Everyone Else).
- 3. **Compute Relevant Metrics**: Calculated monthly gross household incomes, household poverty levels, SNAP deductions, and assessed whether the households met various eligibility requirements.

For all households except those categorized as eligible, WYSAC referred to example instructions from the USDA's Food and Nutrition Service website on computing gross and net incomes. These instructions are detailed in Table 4 and Table 5.

4. **Cross-Tabulate Data**: Analyzed eligible coded households with the variable FOODSTMP to determine the SNAP gap as a percentage (e.g., among elderly and/or disabled households deemed eligible for SNAP, what percentage are currently receiving SNAP benefits?).

To achieve the second goal, WYSAC used BBCE's highest FPL threshold for gross income (200%) to estimate how many additional households could benefit from SNAP if Wyoming adopted BBCE. This was done by identifying households with gross incomes between 131% and 200% of the FPL. These households were then categorized separately and analyzed similarly to the other three categories: Categorically Eligible, Elderly and/or Disabled, and Everyone Else.

WYSAC also analyzed the SNAP gap by household type (e.g., married couple, single mother, single father) and by the presence of children under 18 and under 5, cross-tabulating these factors with FOODSTMP.

All results are weighted.

# **Tables & Figures**

#### Table 1: Monthly Income Limits by AU Size

AU Size	For Elderly or Disabled AUs – Maximum Gross Monthly Income 165% FPL	Maximum Gross Monthly Income 130% FPL	Maximum Net Monthly Income 100% FPL
1	\$2,005	\$1,580	\$1,215
2	\$2,712	\$2,137	\$1,644
3	\$3,419	\$2,694	\$2,072
4	\$4,125	\$3,250	\$2,500
Each additional member	+\$707	+\$557	+\$219

Source: Wyoming Department of Family Services (n.d.) *Table I: SNAP Income Limits*. <u>https://dfs.wyo.gov/about/policy-manuals/snap-and-power-policy-manual/table-i-snap-income-limits/</u>

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Variable Name	Description
YEAR	Census year
MULTYEAR	Actual year of survey, multi-year ACS/PRCS
SAMPLE	IPUMS sample identifier
SERIAL	Household serial number
HHWT	Household weight
ННТҮРЕ	Household Type
GQ	Group quarters status
GQTYPE	Group quarters type [general version]
GQTYPED	Group quarters type [detailed version]
OWNERSHP	Ownership of dwelling (tenure) [general version]
OWNERSHPD	Ownership of dwelling (tenure) [detailed version]
MORTAMT1	First mortgage monthly payment
MORTAMT2	Second mortgage monthly payment
RENT	Monthly contract rent
COSTELEC	Annual electricity cost
COSTGAS	Annual gas cost
COSTWATR	Annual water cost
COSTFUEL	Annual home heating fuel cost
FOODSTMP	Food stamp recipiency
PHONE	Telephone availability
FUELHEAT	Home heating fuel
NFAMS	Number of families in household
AGE	Age
INCTOT	Total personal income
INCWELFR	Welfare (public assistance) income
INCINVST	Interest, dividend, and rental income
INCSUPP	Supplementary Security Income
INCEARN	Total personal earned income
POVERTY	Poverty status

**Table 2: IPUMS Variables and Descriptions** 

Source: IPUMS USA 5-year Microdata. <u>https://usa.ipums.org/usa-action/variables/group</u> WYOMING SURVEY & ANALYSIS CENTER

Variable Name	Description	
HH_N	Number of people in each household	
Receives_SSI	Individual receives Supplemental Security income	
Receives_Welfare	Individual receives Welfare income	
SSI_Welfare	Individual receives Supplemental Security and/or Welfare income	
NUM_CatEligib	The number of people in the household who meet categorical eligibility requirements	
HH_Cat_Eligible	Entire household meets categorical eligibility requirements	
Elderly_Disabled	Individual is elderly or living with a disability	
HH_Considered_Elderly_Disabled	Household has at least one elderly or disabled member	
NUM_FoodStamps	The number of people in the household who are receiving food stamps	
HH_ReceivingFoodStamps	Household has at least one member currently receiving food stamps	
HH_Poverty_Level	Poverty level of entire household	
Monthly_Gross_Income	Personal monthly gross income	
HH_Gross_Monthly_Income	Gross monthly income for entire household	
HH_Earned_Income	Total earned income for entire household	
HH_Monthly_Earned_Income	Total household earned income by month	
Earned_Income_Deduction	Earned income deduction	
Standard_Deduction	Standard deduction for each AU size	
Medical_Deduction	Standard medical deduction for elderly and disabled households	
Adjusted_Income	Adjusted household monthly income	
SUA	Standard Utility Allowance	
UOA	Utility only allowance	
One_Utility	Household has a utility that isn't heating or cooling	
One_Utility_Water	Monthly cost of water	
One_Utility_Electric	Monthly cost of electricity	
Telephone_Only	Telephone only allowance	
Utility_Deduction	Total utility deduction amount	
HH_Utility_Deduction	Total household utility deduction amount	
Shelter_cost	Total amount of money spent on shelter per month	
Half_Adjusted_Income	Half of the adjusted household monthly income	
Excess_Shelter_Deduction	Excess shelter deduction	
Meets_Gross_Income	Household meets gross income test	
Meets_BBCE_Gross_Income	Household meets gross income test (at 200% FPL)	
HH_Net_Income	Household net income	
Meets_Net_Income	Household meets net income test	
Categorically_Eligible	Households who meet categorical eligibility requirements	
Elderly_Disabled_Eligible	Elderly/Disabled households who meet eligibility requirements (not categorically eligible)	
Everyone_Else_Eligible	Households who meet eligibility requirements (not categorically eligible or elderly/disabled)	

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Variable Name	Description
BBCE_Everyone_Else_Eligible	Households eligible if the gross income threshold was 200% FPL
Additional_SNAP_People	Households eligible with gross income between 130% and 200% FPL
SNAP_People	Household eligibility type (categorical variable)
Under5	Households with at least one child under age 5
Under18	Households with at least one child under age 18

#### Table 3: Variables Created by WYSAC - Continued

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#### **Table 4: Income Test Processes**

Gross Income Calculation	Example
Determine household size	4 people with no elderly or disabled members.
Add gross monthly income	\$1,500 earned income + \$550 social security = \$2,050 gross income
If gross monthly income is less than the limit for household size, determine net income.	\$2,050 is less than the \$3,250 allowed for a 4- person household, so determine net income.
Net Income Calculation	Example
Subtract 20% earned income deduction	\$2,050 gross income \$1,500 earned income x 20% = \$300. \$2,050 - \$300 = \$1,750
Subtract standard deduction	\$1,750 - \$208 standard deduction for a 4-person household = \$1,542
Subtract dependent care deduction	\$1,542 - \$362 dependent care = \$1,180
Subtract child support deduction	\$0
Subtract medical costs over \$35 for elderly and disabled	\$0
Excess shelter deduction	See below
Determine half of adjusted income	\$1,180 adjusted income ÷ 2 = \$590
Determine if shelter costs are more than half of adjusted income	\$700 total shelter - \$590 (half of income) = \$110 excess shelter cost
Subtract excess amount, but not more than the limit, from adjusted income	\$1,180 - \$110 = \$1,070 net monthly income
Apply the net income test	Since \$1,070 is less than the \$2,500 allowed for a 4- person household, this household has met the income test.

Source: Food and Nutrition Service. (June 10, 2024). *SNAP Eligibility*. U.S. Department of Agriculture. <u>https://www.fns.usda.gov/snap/recipient/eligibility</u> WYOMING SURVEY & ANALYSIS CENTER

Net Income Calculation	Example
Determine household size	2 people who are elderly or disabled.
Add gross monthly income	\$1,000 Social Security + \$200 pension = \$1,200 gross income.
Subtract 20% earned income deduction	\$0 earned income
Subtract standard deduction	\$1,200 - \$198 standard deduction for a 2-person household = \$1,002
Subtract dependent care deduction	\$0
Subtract child support deduction	\$0
Subtract medical costs over \$35 for elderly and disabled	\$1,002 - \$300 excess medical expenses = \$702
Excess shelter deduction	See below.
Determine half of adjusted income	\$702 adjusted income ÷ 2 = \$351
Determine if shelter costs are more than half of adjusted income	\$600 total shelter - \$351 (half of income) = \$249 excess shelter cost
Subtract excess amount, but not more than the limit, from adjusted income	\$702 - \$249 = \$453 net monthly income
Apply the net income test	Since the net monthly income is less than \$1,644 allowed for 2-person household, the household has met the income test.

#### Table 5: Income Test Processes for Elderly and/or Disabled Households

Source: Food and Nutrition Service. (June 10, 2024). *SNAP Eligibility*. U.S. Department of Agriculture. https://www.fns.usda.gov/snap/recipient/eligibility WYOMING SURVEY & ANALYSIS CENTER

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#### Figure 1: Data flowchart



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- <sup>2</sup> Wyoming Department of Family Services. (2024). *SNAP and POWER Policy Manual, section 502*. <u>https://dfs.wyo.gov/about/policy-manuals/snap-and-power-policy-manual/</u>
- <sup>3</sup> Wyoming Department of Family Services. (2024). *Glossary*. <u>https://dfs.wyo.gov/about/policy-manuals/snap-and-power-policy-manual/glossary/</u>
- <sup>4</sup> HealthCare.gov. (2024). *Federal poverty level (FPL)*. U.S. Department of Health & Human Services. <u>https://www.healthcare.gov/glossary/federal-poverty-level-fpl/</u>
- <sup>5</sup> Wyoming Department of Family Services. (2024). *Glossary*. <u>https://dfs.wyo.gov/about/policy-manuals/snap-and-power-policy-manual/glossary/</u>
- <sup>6</sup> Wyoming Department of Family Services. (2024). *Glossary*. <u>https://dfs.wyo.gov/about/policy-manuals/snap-and-power-policy-manual/glossary/</u>

<sup>7</sup> Rosenbaum, D. (2019, January). SNAP's "Broad-Based Categorical Eligibility" Supports Working Families and Those Saving for the Future. Center on Budget and Policy Priorities. <u>https://www.cbpp.org/research/food-assistance/snapsbroad-based-categorical-eligibility-supports-working-families-and</u>

- <sup>8</sup> IPUMS USA. (n.d.). \*HHTYPE: Household type\*. Retrieved August 29, 2024, from <u>https://usa.ipums.org/usa-action/variables/HHTYPE#description\_section</u>
- <sup>9</sup> Federal Reserve Board. (n.d.). Survey of Consumer Finances (SCF). Retrieved August 30, 2024, from <u>https://www.federalreserve.gov/econres/scfindex.htm</u>
- <sup>10</sup> Federal Reserve Board. (n.d.). Survey of Consumer Finances: Median financial assets by income. Retrieved August 30, 2024, from
- https://www.federalreserve.gov/econres/scf/dataviz/scf/chart/#series:Financial\_Assets;demographic:inccat;population :1;units:median;range:1989,2022

<sup>&</sup>lt;sup>1</sup> MassLegalServices (n.d.) *34. What is a SNAP household or assistance unit?* Massachusetts Legal Assistance Corporation. <u>https://www.masslegalservices.org/content/34-what-snap-household-or-assistance-unit</u>