



Episode 2: What is the newest change to the Thrifty Food Plan?

Audio Transcript

Sarah Kuhns 00:00:26 Hi, everyone. Welcome back to Just a Bite. We're here today to discuss some exciting news that the US Department of Agriculture or what we call USDA announced at the end of August after months of re-evaluating the Thrifty Food Plan, USDA modernized this plan to account for the current cost of food and the realities of living a busy lifestyle. This reevaluation will make it a little bit easier for families enrolled in SNAP, which is the Supplemental Nutrition Assistance Program to afford the foods that meet their dietary needs and their lifestyle we'll discuss what the Thrifty Food Plan is, what it determines and how this change may affect you.

Sarah K. 00:01:24 So we will go into the details about the Supplemental Nutrition Assistance Program in a future episode, but because the Thrifty Food Plan and SNAP are linked, we thought we should provide some background information on the program. Before we get into the specifics of what the Thrifty Food Plan is, and the change that just recently occurred for this discussion, I think that it's important to note that the Supplemental Nutrition Assistance Program benefit levels are based on the Thrifty Food Plan. SNAP is the most impactful nutrition program for families. When an individual is enrolled in SNAP, they are provided monthly benefits on an EBT card. This benefit amount is based on a household income and assets, as well as how many individuals are in the household, among other considerations. We are huge advocates of the program as foodbanks, because we know that SNAP can provide nine meals to individuals enrolled in the program to every one meal we are able to provide.

Sarah K. 00:02:36 We believe that food banks are supposed to fill gaps. If food budgets are tight or support individuals who may make a little too much each month to qualify for SNAP. However, SNAP is what many families rely on each month to supplement their food budgets for many families because they make so little SNAP is a for them. And the only money they use to purchase food at each month, some families also run out of benefits before the end of the month is only with both SNAP benefits and the support from our food banks that these low income Ohioans can ensure that food is on the table and in the fridge for their families. So Joree, um, what can, and can you not purchase on SNAP?

Joree Novotny 00:03:30 Yeah. SNAP is, uh, designed as a nutrition program. So it has pretty significant restrictions on what you can and can't purchase with your benefits. You can purchase most of the foods that you see in your grocery store, however you can't purchase ready to eat and consume foods. So I sometimes like to run into my grocery store and buy one of the rotisserie chickens from the deli section. If I'm short on time, I wouldn't be able to use SNAP benefits to purchase that, ready to eat chicken, but I could go over to the poultry section and buy my raw chicken and take it home and cook it. You know, I'm not allowed to buy things like alcohol, tobacco, hygiene, and household cleaning products and paper products, diapers, um, you know, a lot of the other basic necessities that you often shop for at the grocery store. Interestingly enough, and what I think is pretty neat. And a lot of people don't know you can purchase seeds, um, to use, to plant, to

grow your own food with your SNAP benefits. And of course you can buy staples like seasonings and spices and other, um, cooking supplies that you use to prepare your foods. But it's really designed to give you benefits on your EBT card, electronic benefits transfer card to swipe at the grocery store, just like you would a debit card to buy some of those staple food items. Yeah.

Sarah K. 00:04:56 And from what I understand too, you cannot use these benefits at a restaurant or, um, like a drive-thru right?

Joree N. 00:05:05 That's right. You know, there are some pilot programs that are testing, um, limited options for populations, you know, like homeless folks that don't have a way to prepare foods, to allow them to use their SNAP benefits at authorized retailers like restaurants. So there's some pilot programs very, very minimal and implementation to test things like that. But generally you have to go into, uh, an authorized retailer who has, um, been set up as a SNAP retailer by USDA. And most of those are grocers and retailers, big box stores, superstores, supermarkets, as well as farmer's markets. A lot of, um, we always encourage folks to get out to their local, you know, farm stand as well, often there's programs like Produce Perks that let you double up on, um, you know, what you're using with your SNAP benefits at your local farmer's market. Um, there have been also some movements during the pandemic to try to give more access for SNAP customers, to things like online ordering, um, and retail pickup or delivery. So because you're using your EBT card and not a credit card or cash to pay, sometimes there's limitations on what SNAP can and can't pay for, for example, if there's a fee to have your groceries delivered or to pick them up, um, sometimes that, you know, prohibit some SNAP customers from being able to shop in every way in which folks shopping with other forms of payment can, but we've been excited about some of the movement that's taken place over the pandemic to try to modernize some of that.

Sarah K. 00:06:47 Not only with the COVID pandemic has the mindset of USDA, um, and even Congress has, has shifted, but, um, also what this Thrifty Food Plan update. So can you sort of explain what the Thrifty Food Plan is and what it determines for SNAP?

Joree N. 00:07:09 Yeah, I would love to, you know, it's pretty policy wonky and it's kind of fun to do a deep dive on it today with all of you listeners. So the USDA actually has four plans that reflect the cost of food each month based on what would make a balanced diet. But those plans represent different levels of, um, variety of foods, types of foods, the convenience of foods and the very lowest cost. One is the Thrifty Food Plan. Then there's the Low Cost Plan, the Moderate Plan and the Liberal Plan and there's differences kind of progressive up the chain of those four food plans. So SNAP, the SNAP benefits have always been based on the Thrifty Food Plan, which is designed to represent the cost of purchase groceries for a family of four, uh, based on a family with two adult household in between ages 20 to 50 and two children, one six to eight and one nine to 11. So this is just sort of like a traditional family unit that is used to determine, um, the standard Thrifty Food Plan. And this was actually determined by law when the plans were established decades and decades ago. Um, so from the Thrifty Food Plan USDA, then set SNAP benefit levels and adjust those based on household income, the number of members of household has and things like that.

Sarah K. 00:08:37 So Joree, what are the details of this new change to the Thrifty Food Plan? What led USDA to update this plan?

Joree N. 00:08:47 Yeah, interestingly enough, the change to the Thrifty Food Plan was included in the bipartisan 2018 Farm Bill. So in the Farm Bill Congress instructed USDA to reevaluate the Thrifty Food Plan. It is adjusted every year based just on inflation. But aside from that, it hasn't been updated since the 1970s. So this was a very long overdue update on how the Thrifty Food Plan, as

well as the other spending plans are evaluated. And this current evaluation reflects the current cost of food in a well-balanced diet. It also incorporates the newest dietary guidelines. You know, what we know now, um, in the 2020s is a lot different than what we were taught to consume and cook in the 1970s. And it will go into effect October 1 with the new federal fiscal year, USDA released a really extensive report on this change toward the end of August. It was determined by nutritionists, researchers, policy experts, as well as with external input from SNAP recipients and other stakeholders. And this update has increased SNAP benefit amounts by about 21% - that raises the average benefit from about \$4.25 per person per day, to about \$5.45 per person per day. So it's modest, but it will make it a little bit more financially feasible for families to meet their dietary needs, make their benefits last a little longer over the month.

Sarah K. 00:10:34 Yeah, definitely. This was definitely sort of a science-based change to the plan. It was not influenced by Congress or, um, any external factors that are, you know, political in nature. Um, but rather real scientists making these changes. So what are some of the examples that you could now purchase with your SNAP benefits?

Joree N. 00:11:02 Yeah, I mean, really what this has done is reassessed, what it costs for a family to be able to afford the very basic foods that they need to meet the minute minimum dietary guidelines and calories that their family requires to, you know, garner a healthy life. And it made some changes to what we generally, as a society now tend to purchase, cook and prepare and consume at home versus what we were consuming in the seventies and how we were operating just as a society as a whole. So some examples, I think that are helpful to think about, you know, the Thrifty Food Plan does rely, um, pretty significantly on beans, for example, as a source of protein, which I can tell you, I've tried to introduce my three-year-old to many and he is not a fan of beans, but I mean, you know, the Thrifty Food Plan over the past several decades was factoring in, um, preparing dry beans from scratch, which can take a couple hours to do, um, as a primary source of protein.

Joree N. 00:12:10 So for example, this reassessment increased the cost to afford that source of protein in the form of canned beans, which take less time to prepare and are still very nutritious and healthy. Um, some other things we consume more fish now than we did in the seventies. So, um, there were some adjustments made to, um, support the ability to afford fish as a protein source. Some of, um, the way we consume fruits and vegetables. Now there's more emphasis in the dietary guidelines around red and orange vegetables. Like I know those little baby carrots that my toddler loves, you know, some of the convenience size portions around that. So there's just been some scientific changes to how we assess what it costs to purchase those foods. And also the time it takes to prepare those foods in the lifestyle, we're all living in now, there's many more working moms and two-parent working households now than there were in the seventies. Also, our workforce has changed a lot. So folks are working multiple part-time jobs, contingent, temporary jobs, gig work, different shifts, where, you know, they need to be able to prepare some food on the go to meet the needs of their family, um, who are living a busy lifestyle to make ends meet. So it took all of those things into consideration to just reassess what, what it really costs to feed your family.

Sarah K. 00:13:41 This change seems like it has come at the perfect time, like you said, with our lifestyles changing, but also as we're starting to come out of this pandemic, hopefully, and really as, as millions of Ohioans are losing the modest boost to their benefits during the pandemic, do we know the impact of this update?

Joree N. 00:14:05 Yeah. You know, it has been kind of a whirlwind, I would say. And, um, helpful changes, temporary changes to SNAP over the past year and a half or so. Um, throughout the

pandemic, one of the very first actions that Congress took at the beginning of the pandemic in March of 2020 was to provide SNAP emergency allotments in the Families First Coronavirus Response Act, uh, later on in the Consolidated Appropriations Act in December 2020 Congress approved a 15% temporary boost to SNAP benefits, um, to the maximum household benefit. So families have since then been seeing that modest increase to their benefits, which has helped cushion some of the extraordinary increases in food prices and food costs, um, driven partially by the pandemic and then in the American Rescue Plan Act of this year, that 15% boost was extended through September. So here we are, September 2021, I don't think any of us imagined we would still be in this place as it relates to the pandemic when all those changes had first been introduced in 2020 around SNAP.

Joree N. 00:15:25 Um, but as that 15% boost is set to expire. The Thrifty Food Plan change will go into effect October 1st with the new federal fiscal year. And so here's what a SNAP family, a family who relies on SNAP to help meet their, um, dietary needs is going to see in their benefit levels. All households have been receiving the maximum SNAP household benefit for their household size through the emergency allotments, and they will continue to do so likely through the end of 2021, at least here in the state of Ohio. And that is different from state to state. They will basically see the 15% boost go away, but then be replaced with about a 21% boost based on the Thrifty Food Plan. So all in all, they'll see about \$8 more per person per month until those emergency allotments run out and they'll, that will bring them back to the traditional benefit levels.

Joree N. 00:16:29 So there will still be a significant benefit cliff when those emergency allotments go away. Again, likely at the beginning of 2022 is what we're preparing for in our, in our emergency hunger relief network. So families will experience a little bit of a boost and then we'll need to help cushion that benefit cliff, definitely, um, in our network when 2022 comes into place, but without this boost to the Thrifty Food Plan, you know, we would have seen an earlier and more significant drop off just as we're experiencing continued high food prices and pressure, um, you know, on household budgets,

Sarah K. 00:17:11 We were anticipating at this point that, you know, most folks would be vaccinated and that we would sort of be getting back to normal. But now it sort of seems, especially in Ohio that, you know, COVID numbers are just skyrocketing at this point. So I don't see much of that changing October one, but hopefully that will sort of cushion families a little bit more and hopefully early 20, 22, well, you know, look a little bit differently, but we will definitely see. So what does our network sort of think of this? I'm sure that they're anticipating at least during 2021 that the need will sort of decrease hopefully, but you know, what do we think of this historic change right now? Um, in 2021?

Joree N. 00:18:12 Yeah, I think it's helpful to put this in context of the greater, um, federal nutrition landscape, as well as our hunger relief response. In normal times, we estimate based on, um, recent surveys that about half of the people that come to our hunger relief network for help, aren't eligible for SNAP at all, because their incomes are slightly too high or they're eligible for, you know, a small amount of SNAP. So the average SNAP benefits, um, that often make the biggest impact for families with kids, workers, earning low wages are a little bit more significant, but for, for example, households, with people living with disabilities and seniors, those with fixed incomes, sometimes those, those gross incomes put them just slightly over eligibility for SNAP, or they're not eligible, um, through their net incomes, which have to be at 100% of the federal poverty or below. So we have a lot of different households that we serve that may or may not get any SNAP benefits or get very little in normal times.

Joree N. 00:19:31 One thing I think that we're really worried about is the loss of those emergency allotments on older adults and seniors. So the Thrifty Food Plan will have, uh, the effect of a 21% boost on minimum SNAP benefits as well. But here's the context for that? The minimum SNAP benefit used to be \$16 and now it will be \$20. So we have a lot of seniors who receive, you know, a modest Social Security benefit that they find really difficult to stretch for the full month to meet their needs, especially if they have, um, prescription drug costs. If they have high utility costs to keep their house cool or warm in the other living expenses that they have day to day, they're going to see a significant drop-off in their SNAP benefits when those emergency allotments go away. So that's something that we're prepared for. We might see a change in who's coming to us for more help across different seasons as we see these federal programs, um, fall off, or hopefully some of those investments that are still under consideration at the federal level for permanent funding go into place. So there's been a lot of attention paid, rightly so to stabilize and workers and families with kids, some of the older adults and seniors and people living with disabilities maybe left out of some of that. So it's not only that we might see kind of a cresting waves and valleys in need and different population groups, depending on whatever pressure they're experiencing, but we'll, we're also gonna see likely some demographic shifts, which we always see. We see those hills and valleys. Normally we usually see, unfortunately, an increase in need during the summer from families of children because children are out of school. They don't have access to those traditional school meals in the school building. We know that some of the temporary COVID-19 related changes to the way we operate our summer nutrition programs have been great to support those families.

Joree N. 00:21:40 And we hope some of them will be made permanent, but, um, that's an example of a situation where we have to be able and ready to respond. And to your point, Sarah, about kind of the continued unknowns with the pandemic and just trying to keep people safe as well as fed. Um, you know, I know there's been some major school districts already starting out this school year in the state who have had to partially or completely closed because of, you know, outbreaks of COVID-19 among staff, bus drivers and students. And so this still involves us working in rapid response with our local school districts to make sure that those kids and families have access to the food, they need to fill those gaps. Um, so, you know, we've been, we're used to as emergency providers being responsive and adaptive and no more so over, you know, over this pandemic. So hang onto your hats, we're ready and we're here and we're here to help.

Sarah K. 00:22:42 Yeah, definitely. It seems like everything is so interconnected. Um, but yes, we are always organizations that people can fall back on. So we'll make sure to link on our podcast page, our get help page, which outlines all of our regional food banks, as well as, um, how to apply for SNAP. You know, like we set at the top of this episode, uh, the Thrifty Food Plan update is not just the only thing moving at the federal level. So make sure to stay tuned and continue to contact your legislators at the federal level about the federal recovery package that is making its way through Congress.

Joree N. 00:23:40 Yeah. We thought we would start closing each of our episodes with a recent quote from a report or some news coverage that we found interesting. So our first one today that I saw in a recent political article about some of the pandemic driven responses to hunger and poverty in the us, some of which we touched on today was from Elaine Waxman, who is an economist at the Urban Institute. And she said, "Oh, lo and behold, if you give people money, they are less poor." So we spent this whole episode talking, you know, in the weeds about some of this and really the macro reality is yeah, if you give people the resources they need to afford, afford their needs, they can afford their needs.

Sarah K. 00:24:28 It's that simple. So, yeah, this was such a great episode. I'm glad to again, talk with Joree about, um, all these fun topics that I hope you well also enjoy, make sure to follow us, to get our podcast in your feed every month and share this podcast on social media for us. So thank you.

Joree N. 00:24:54 Talk to you soon.