

# Food Stamp and WIC Use in Hamilton County

---

An Ochs Center for Metropolitan Studies Brief on Food Deserts

Lori Quillen

August 2009



the **Ochs Center**  
for metropolitan studies

## Summary of Key Findings

---

- In 2007, eight percent of all households nationally received Supplemental Nutrition Assistance Program (SNAP, formerly known as the Food Stamp Program) benefits on a monthly basis. By comparison, 11.1% of households in Hamilton County and 16.7 % of households within the City of Chattanooga received SNAP benefits. In parts of Hamilton County, SNAP participation is greater than 40%.
- SNAP participants in the five subregions of Hamilton County with the highest participation rates account for 45% of all participants countywide.
- In Hamilton County, 156 out of the 220 SNAP retailers (70.9%) – including 60 gas stations -- were “fringe food” retailers who generally do not provide fresh produce or unprocessed foods; nearly 22% of the SNAP retailers are supermarkets, 4% are small or medium groceries, and 2.7% are farm stands.
- In five subregions of Hamilton County with the highest rates of SNAP participation, nearly 90% of SNAP retailers are fringe food retailers. Three of these five subregions – Bushtown/Highland Park, Downtown, and East Chattanooga – lacked a single supermarket. Countywide, one other subregion with a high SNAP participation rate – Bakewell – also lacked a supermarket.
- By comparison, 43 of the 63 Women Infants and Children (WIC) retailers in Hamilton County are supermarkets or small/medium groceries. Of the twelve WIC retailers in the five subregion focus area, eight were fringe food retailers including seven convenience stores and one pharmacy; two were supermarkets and two were small or medium groceries.
- Of the \$3,536,082 in benefits redeemed countywide by SNAP participants in June, over 86% of these benefits were redeemed at supermarkets, while 6.8% and 6.3% of benefits were redeemed at small/medium grocers and fringe food outlets, respectively.
- Redemptions at retailers in the five subregion focus area represented 17% of the countywide total, even though participants in those areas represented approximately 45% of the countywide total. This strongly suggests that many SNAP participants in these subregions are forced to travel outside of their neighborhoods to have greater choice. Among the retailers in the five subregion focus area, just 49% of benefits were redeemed at supermarkets, 31% at small or medium grocery stores, and 19.4% at fringe food outlets.
- In Hamilton County, 37 retailers (17% of all SNAP retailers), including 23 fringe food outlets, received 15% or more of their sales through SNAP. In the focus area, 17 retailers (35%), including 14 fringe food stores, received 15% or more of their sales through SNAP.

## Introduction

---

Access to grocery stores and to healthy food is critical to quality of life in the Chattanooga region. It is a health issue because lack of access to healthy food contributes to high rates of obesity and overweight residents, which in turn contribute to other health issues. It can be an economic issue if lack of access and competition imposes higher costs on the residents of particular parts of the region. And it can be an economic development issue when neighborhoods lack basic retail services.

Place matters when it comes to food in the Chattanooga region. Several neighborhoods in and near Chattanooga's urban core have identified lack of access to grocery stores and healthy food as an issue. These neighborhoods include some areas that have among the highest concentrations of poverty in the region. They also have some of the highest rates of obesity and overweight residents – in many cases double the countywide rate.

## Government Food Assistance Programs: SNAP and WIC

---

Currently, the Federal Government funds a series of programs aimed at providing assistance to low-income families to purchase food. The two most widely available programs are the Supplemental Nutrition Assistance Program (SNAP) and the Women, Infants, and Children (WIC) program, both of which are administered by the United States Department of Agriculture.

SNAP, which was formerly known as the Food Stamp Program, provides monthly stipends for the purchase of food to individuals and families up to 130% of the Federal Poverty Line. The average household received \$227 in SNAP

In 2008, the Ochs Center for Metropolitan Studies and the Chattanooga Hamilton County Regional Planning Agency convened the first-ever Food Desert Summit to begin to explore the issue of lack of access to quality, affordable food in parts of the region. Last November, with Crabtree Farms and funding by the Benwood Foundation, the Ochs Center conducted the first ever report on food consumption and production in the Chattanooga foodshed.

To continue to address the issue of food access, the Ochs Center will produce a series of research briefs that examine access issues and the economic and health implications. This first brief focuses on use of government food assistance programs and their role in increasing access to healthy food for low-income families.

benefits per month in 2007.<sup>1</sup> SNAP benefits are deposited electronically into individual accounts. SNAP participants redeem their benefits by using an Electronic Benefit Transfer (EBT) card, which is similar to a credit card.

Initially, the Food Stamp program was started in the 1960's as a means to combat food insecurity and hunger for low-income families. Recently, the program has increased its' focus on nutrition and greater access to healthy food for families.

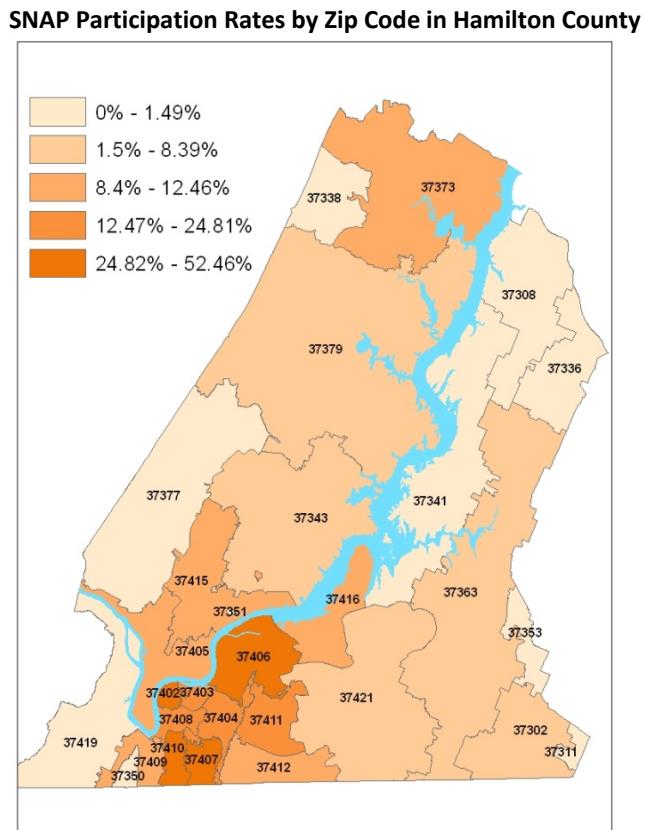
---

<sup>1</sup> USDA Food and Nutrition Service.  
[www.fns.usda.gov](http://www.fns.usda.gov)

SNAP benefits can be used to purchase any unprepared foods (food that is not hot and will not be eaten in the store). Food retailers apply to accept SNAP benefits, and are reimbursed by the Federal Government on a monthly basis.

The WIC program is intended to provide nutrition assistance to pregnant and nursing women, infants and children up to the age of five. WIC's income eligibility requirements and benefits are similar to the SNAP program. However, because the program is specifically targeted toward improving nutrition for mothers and children, the foods that can be purchased with WIC benefits are limited to a list of approved healthy items, including bread, milk, cheese, eggs, beans, and fresh produce. Retailers that accept WIC benefits must meet more stringent guidelines than those accepting just SNAP, and must provide a substantial amount of the WIC eligible food items.

In 2007, eight percent of all households nationally received SNAP benefits on a monthly basis. By comparison, 11% of households in Hamilton County and 16% of households within the City of Chattanooga received SNAP benefits.<sup>2</sup> SNAP participation rates are also available by zip code.<sup>3</sup> In 2008, four zip code areas had household participation rates higher than 40%. The highest rates of SNAP participation were concentrated in five subregions of Hamilton County; the 17,639 SNAP participants in these subregions account for 45% of all participants countywide.



Zip Code	Participation Rate	Zip Code	Participation Rate
37302	5.46%	37403	23.17%
37308	7.94%	37404	24.81%
37311	0.03%	37405	10.43%
37336	3.02%	37406	42.19%
37338	0.12%	37407	41.77%
37341	7.14%	37408	21.13%
37343	7.74%	37409	11.43%
37350	0.44%	37410	52.46%
37351	24.8%	37411	19.01%
37353	0.41%	37412	12.04%
37363	5.89%	37415	9.34%
37373	9.19%	37416	12.46%
37377	1.69%	37419	9.93%
37379	9.21%	37421	6.59%
37402	41.98%		

<sup>2</sup> United States Census, American Community Survey, 2007

<sup>3</sup> State of Tennessee Department of Health, May 2008.

## SNAP and WIC Retailers in Hamilton County

While 220 food retailers accept SNAP benefits in Hamilton County, more than 70% are classified as “fringe food”<sup>4</sup> outlets that are less likely to provide fresh produce and other healthy food. Moreover, access to supermarkets varies greatly by subregion within Hamilton County.

The Ochs Center, using classifications by the State Health Department and store by store verifications, categorized each of the 220 SNAP retailers in one of six categories:

- **Supermarket:** Large mainstream grocery stores that offer a full array of foods and fresh produce. Supermarkets included Bi-Lo, Food Lion, Save-A-Lot, Wal-Mart, and Publix.
- **Small or Medium Grocery:** Smaller, independently owned grocery stores that are focused on selling foods and fresh produce. These stores included Buehler's Market, Rogers Supermarket, and Greenlife Grocery.
- **Farm Stand:** Smaller produce stands that sell only farm products and fresh produce.
- **Convenience Store:** Small stores that have little or no selection of healthy or unprocessed foods and little or no fresh produce. These stores are typically more focused on selling alcoholic beverages, tobacco products, and snack foods. They

do not provide enough variety of foods that could support a healthy diet on a regular basis.

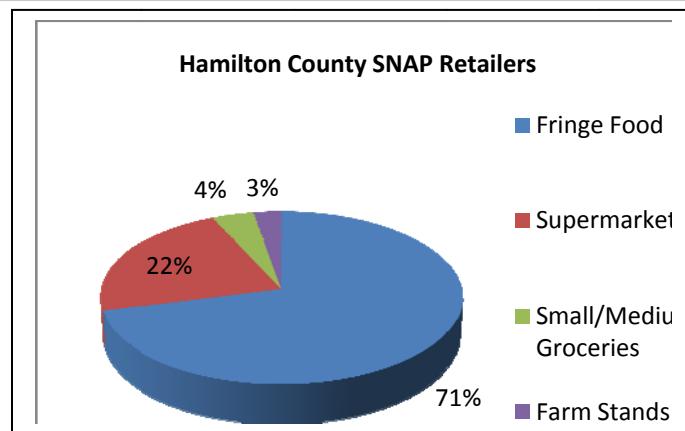
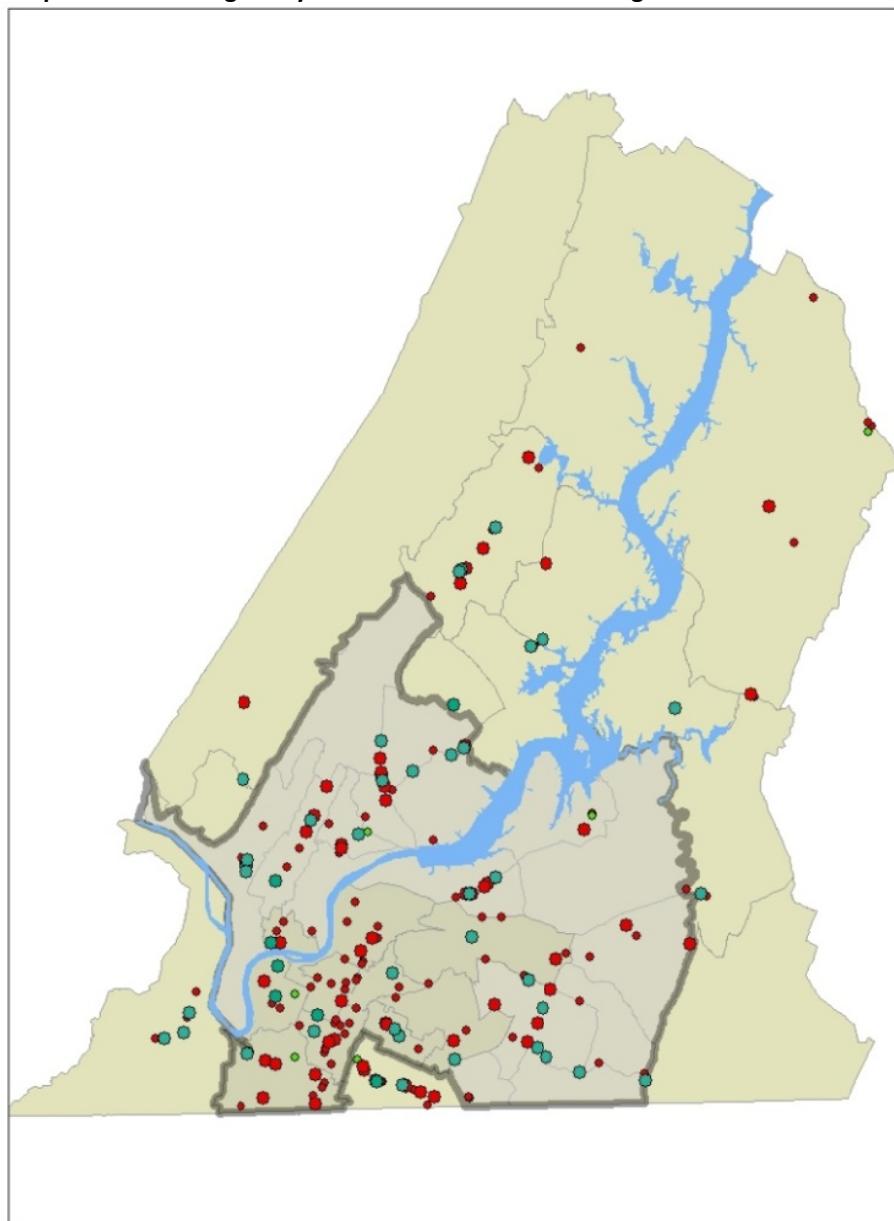
- **Groceries, No Fresh Produce (GNFP):** These are stores that may sell some healthy items, but food sales are not their main priority. In addition these stores do not sell any fresh or frozen produce. These stores include dollar stores, pharmacies, and discount bakeries.
- **Gas Stations:** These small convenience stores are connected to gas stations. They do not sell a variety of food that could support a healthy diet and are focused more on alcohol, beverage, tobacco and snack sales. These stores include Kangaroo Express and Kankus.

The last three categories on the list above – Convenience Stores, GNFP's, and Gas Stations – are “fringe food” stores. Fringe food stores do not provide enough variety of foods to support a healthy diet on a regular basis.

In Hamilton County, 156 out of the 220 SNAP retailers (70.9%) – including 60 gas stations -- were “fringe food” retailers. By comparison, nearly 22% of the SNAP retailers are supermarkets, 4% are small or medium groceries, and 2.7% are farms stands. In other words, countywide, seven out of the ten food shopping choices available to low and moderate income residents participating in SNAP do not provide a wide selection of healthy or unprocessed foods.

<sup>4</sup> This term was coined by Mari Gallagher in her research on food access issues. See “Examining the Impact of Food Deserts on Public Health in Chicago.” Mari Gallagher Research and Consulting Group, 2006. Accessed at: [http://marigallagher.com/site\\_media/dynamic/project\\_files/1\\_ChicagoFoodDesertReport-Full\\_.pdf](http://marigallagher.com/site_media/dynamic/project_files/1_ChicagoFoodDesertReport-Full_.pdf)

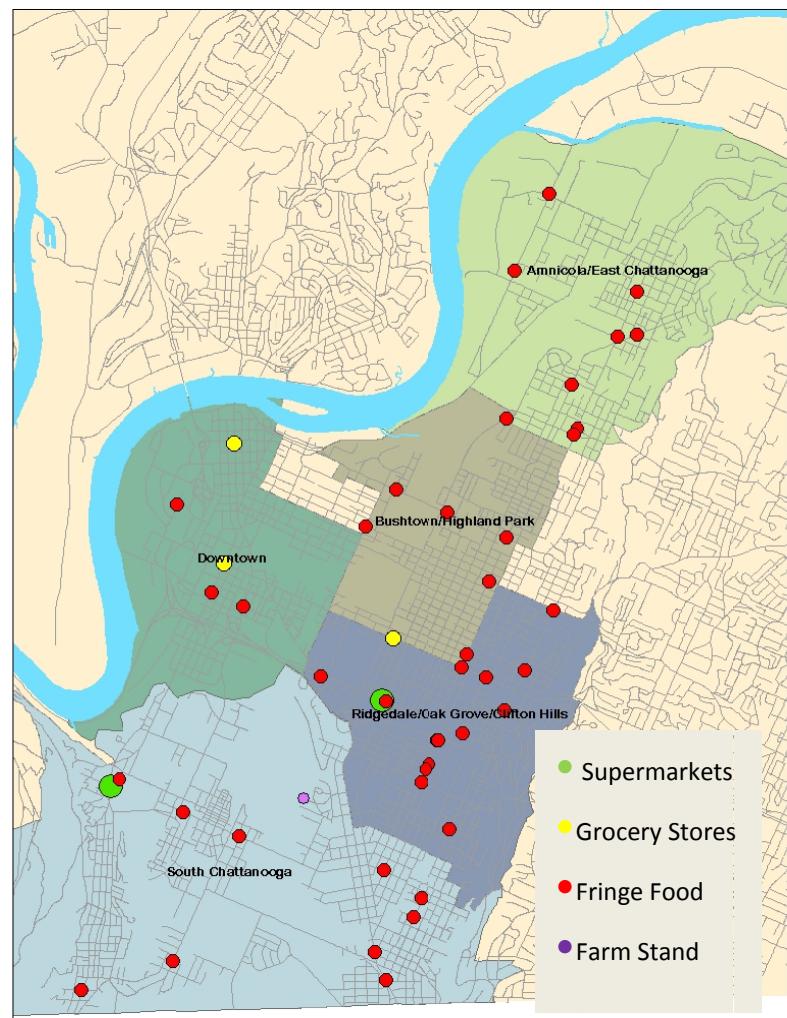
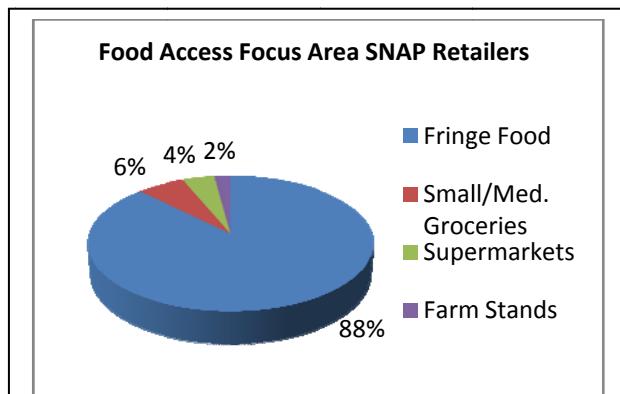
**Locations of SNAP Retailers in Hamilton County. Green dots indicate supermarkets and grocery stores. Red dots indicate fringe food establishments**



For the purposes of analyzing conditions within Hamilton County, the Ochs Center has divided the county into thirty-six subregions. Five of those subregions – Amnicola/East Chattanooga, Bushtown/Highland Park, Downtown, Ridgedale/Oak Grove/Clifton Hills and South Chattanooga – most closely coincide with the boundaries of the zip code areas with the highest rates of SNAP participation.

The lack of choice is even more pronounced in the five subregions of Hamilton County where SNAP participation rates are the

highest. Combined, in these areas, fringe food retailers account for 87% of all SNAP retail outlets. Out of 49 SNAP retailers, 43 are fringe food, three are small grocery stores, two are supermarkets and one is a farm stand.



**SNAP and WIC Retailers by Category in Focus Area**

Subregion	Fringe Food		Supermarket		Grocery	
	SNAP	WIC	SNAP	WIC	SNAP	WIC
Downtown	3	0	0	0	2	1
Bushtown/Highland Park	9	0	0	0	1	1
Ridgedale/Oak Grove/Clifton Hills	12	1	1	1	1	1
East Chattanooga	9	3	0	0	0	0
South Chattanooga	10	4	1	1	0	0

In the remainder of the county, a majority of SNAP retailers are fringe food – but just 69% compared to the 87% in the five subregion area. Still, five other subregions lack a supermarket

that accepts SNAP. One, Bakewell, covers most of the one zip code area outside of the five subregions where SNAP participation exceeds 20%.

SNAP and WIC Retailers by Category in Hamilton County Subregions						
	Fringe		Supermarket		Grocery	
	SNAP	WIC	SNAP	WIC	SNAP	WIC
Bakewell	1	0	0	0	0	0
Big Ridge/Northgate	1	0	2	2	0	0
Birchwood	5	0	0	0	1	0
Bonny Oaks/Hwy 58	3	1	1	1	1	0
Brainerd	5	1	2	2	0	0
Collegedale	6	0	1	0	0	0
Dallas Bay/Lakesite	1	0	1	1	0	0
Dupont/Murray Hills	7	1	1	2	0	0
East Brainerd	4	3	3	3	0	0
East Ridge	15	2	4	2	0	0
Fallingwater/Brownstown	2	1	1	1	0	0
Glenwood/Eastdale	5	0	1	1	0	0
Hamilton Place/Hickory Valley	7	1	4	4	0	0
Harrison	2	0	1	1	0	0
Hixson	3	1	4	4	0	0
Lookout Valley/Lookout Mtn	6	0	3	3	0	0
Lupton City/Norcross	5	0	1	1	0	0
Middle Valley	3	0	1	1	0	0
Mountain Creek	3	0	3	2	0	0
North Chattanooga/Hill City	3	1	0	0	1	0
Ooltewah	3	0	2	1	0	0
Red Bank	6	0	2	1	0	0
Riverview/Stuart Heights	2	0	1	1	0	0
Signal Mtn	1	0	1	1	0	0
Soddy Daisy	6	1	3	2	1	0
Tyner/Greenwood	4	0	0	1	0	0
Walden/Mowbray Mtn	1	0	1	1	1	0
Westview/Mountain Shadows	1	0	0	0	0	0
Woodmore/Dalewood	1	0	1	1	1	0

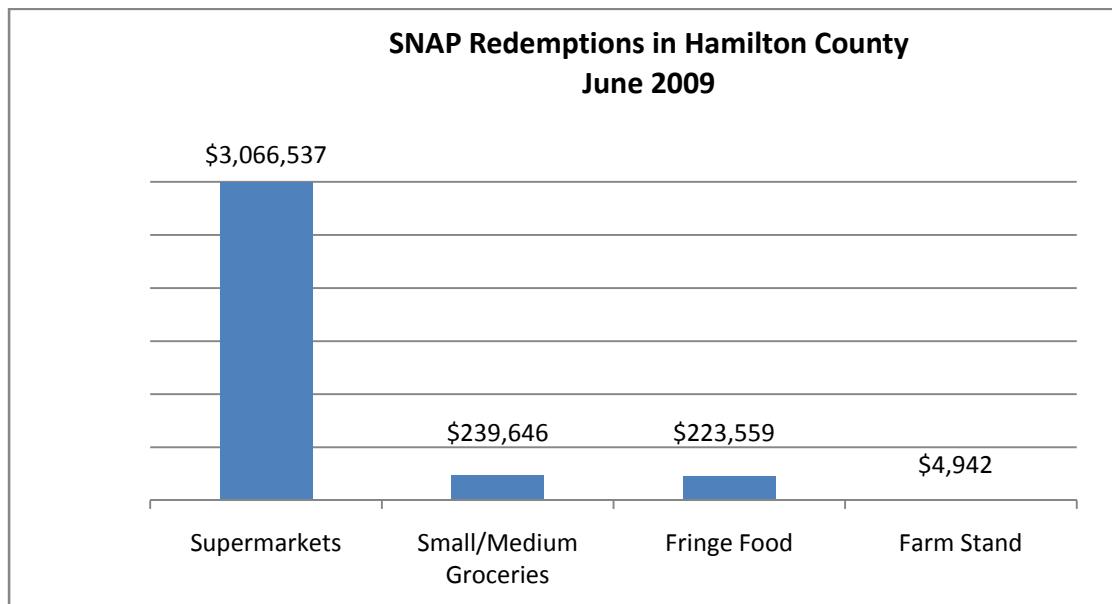
Because of the stricter standards for participation in the WIC program, there are just 63 WIC retailers in Hamilton County. Over 68% of the 63 WIC retailers in Hamilton County are supermarkets or small/medium groceries. Still, 31% of WIC retailers (or 20 stores) were classified as fringe food, including

seven convenience stores and thirteen dollar stores or pharmacies. Of the twelve WIC retailers in the five subregion focus area, eight were fringe food retailers including seven convenience stores and one pharmacy; two were supermarkets and two are small or medium groceries.

## EBT Spending in Hamilton County

Lack of access to supermarkets limits – but does not dictate – choices exercised by SNAP participants. Snapshot data was obtained from the State of Tennessee Department of Health on SNAP redemptions, by retail outlet for June 2009. During this period, the majority of SNAP benefits in Hamilton County were spent in supermarkets.

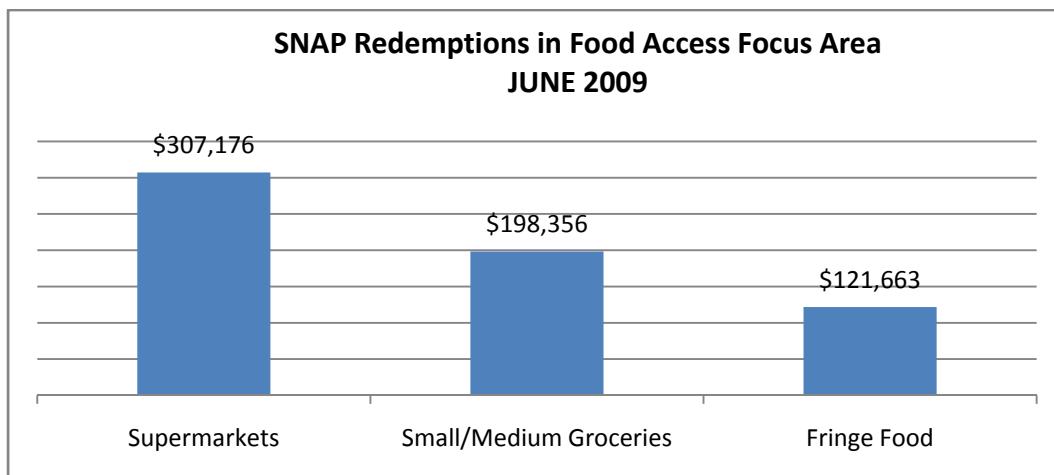
Of the \$3,536,082.00 in benefits redeemed by SNAP participants, over 86% of these benefits were redeemed at supermarkets, while 6.8% and 6.3% of benefits were redeemed at small/medium grocers and fringe food outlets, respectively. Redemptions of SNAP benefits at farm stands accounted for much less than 1% of total sales (\$4,942.00).



Within the five subregions with the highest rates of SNAP participation, supermarket redemptions were significantly lower. Retailers within these areas accounted for over 17% of all redeemed SNAP benefits. Nearly half (48.9%) of SNAP benefits were redeemed at the two Bi-Lo Supermarkets in the region; 31% of SNAP benefits were redeemed at small and medium grocery stores, though it should be noted that Buehler's Market, which is classified as a medium grocery store, accounted for nearly all of these redemptions (\$192,616.00 or 30.7%); SNAP redemptions at fringe food stores in the focus area accounted for just less than 20% of

redemptions (\$121,663.00). In other words, the rate of redemption at small/medium grocers in the focus area was more than four times the countywide rate and the rate of redemption at fringe food retailers was more than triple the countywide rate.

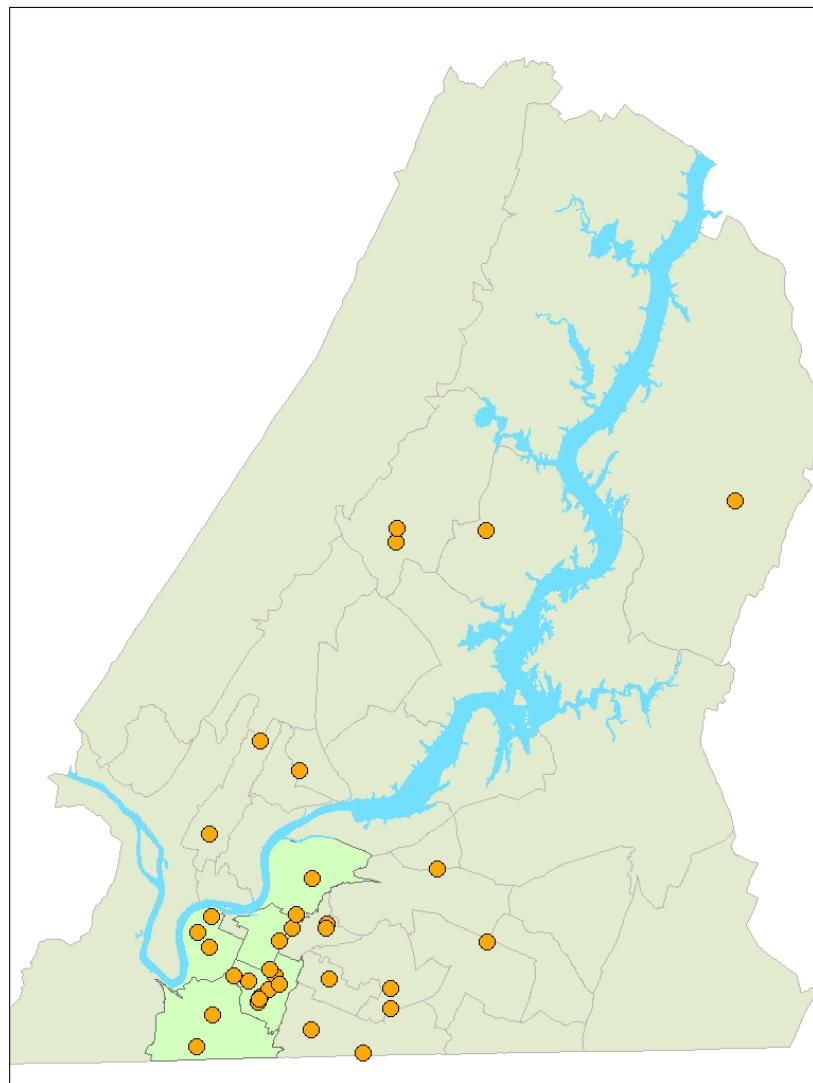
While retailers in these areas accounted for just 17% of redemptions, households in these areas account for approximately 45% of SNAP participants. This strongly suggests that in the face of limited local choice, a large number of SNAP participants in the five subregion area shop outside of their neighborhood.



Retail Stores with Greatest Redemption Amounts in Food Access Focus Area			
Store Name	Address	Redemption Amount	Percent of Total Sales
Bi-Lo 305	1600 E 23 <sup>rd</sup> Street	\$197,642	28%
Buehler's Market	429 Market Street	\$ 192,616	91%
Bi-Lo 714	3801 Tennessee Ave	\$ 109,534	11%
Dollar General 1393	1221 Grove Street	\$ 17,229	73%
Nine Brothers	101 38 <sup>th</sup> Street	\$ 7,068	57%

Several SNAP retailers in the focus area and throughout Hamilton County received over 15% of their total sales through SNAP benefits. In Hamilton County, 37 retailers (17%), including 23 fringe food outlets, received 15%

or more of their sales through SNAP. In the focus area, 17 retailers (35%), including 14 fringe food stores, received 15% or more of their sales through SNAP.



**Locations of SNAP Retailers with 15% or more of sales from SNAP Benefits.**