



THE THRIFTY FOOD PLAN

About every five years, the U.S. Department of Agriculture (USDA) conducts a comprehensive review of the current cost of groceries, shopping patterns, and the latest nutrition standards to determine the price of a healthy diet for a family of four. Using a mathematical model to create sample food baskets for a family, the USDA estimates the cost of those groceries at four different budget levels: Thrifty, Low Cost, Moderate, and Liberal.

The Thrifty Food Plan (TFP), the lowest budget level, is the USDA's outline for a nutritious diet at a minimal cost. In other words, it's the cheapest way to eat while meeting a family's nutrition needs.

SNAP and the TFP

How are SNAP and the Thrifty Food Plan linked?

SNAP benefit amounts are based on the TFP. The SNAP benefit calculation has many steps, beginning with the assumption that households spend 30% of their net income on food. The difference between 30% of a household's income and the cost of feeding a family of their size (according to the TFP calculation) is what determines their benefit amount. Benefits amounts are also shaped by individual circumstances including special rules for adults living with disabilities and seniors.

SNAP agencies verify the the number of people in the household and their income and then determine the appropriate benefit amount. The average daily benefit is about \$6 per person.

Does the Thrifty Food Plan Change?

Under a mandate from the bipartisan 2018 Farm Bill, the TFP was reviewed in 2021. The results incorporated food prices, food composition, consumption patterns, and current dietary guidance. Based on this data, the benefit levels were raised to better reflect the actual cost of feeding a family. This was the first time in 50 years that the TFP was revised to reflect the actual cost of meals and not solely tied to the consumer price index for inflation.

After the budget reconciliation bill H.R.1 passed in 2025, future evaluations of the science behind the TFP can continue, but any changes must be cost-neutral. Revaluations will be unable to change benefit levels beyond an inflation index, freezing the value of a SNAP dollar. The benefit amounts might still increase a small amount year by year, but the overall value of SNAP benefits will decline, and families lose real purchasing power.

MEET THE MCMILLIANS



Mr. McMillan works at the local paper mill and is a single father with three school-aged kids. They have a net income of \$2,000.

To calculate the amount of benefits the McMillians are eligible for, the formula assumes they spend 30% of their net income or \$600 on groceries. The TFP estimates that it costs \$994 to provide balanced cost-conscious meals for a family of four.

SNAP provides \$394 to make up the difference between their expected household contribution and the TFP.