Report to the Legislature

Fruit and Vegetable Incentives Program Progress Report

July 2021 (2019) SHB 1587

Prepared by Division of Prevention and Community Health



WASHINGTON STATE DEPARTMENT OF HEALTH Fruit and Vegetable Incentives Program Progress Report For more information or additional copies of this report:

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Executive Summary

Substitute House Bill 1587, was passed in 2019. It created the Fruit and Vegetable Incentives Program (FVIP) and requires the Department of Health (Department) to produce a progress report describing the results of FVIP and recommending any legislative and programmatic changes to improve the effectiveness of program delivery.

Program Administration: FVIP is administered by the Department in partnership with organizations across the state. It is made up of three subprograms that help families with limited incomes increase their purchasing power for fruits and vegetables. The three subprograms are:

- (1) Farmers Market Basic Food Incentives, also known as <u>SNAP Market Match</u>. Shoppers who use their Basic Food (SNAP) benefits at participating farmers markets get extra money to buy more fruits and vegetables.
- (2) Grocery Store Basic Food (SNAP) Incentives. Shoppers who use their Basic Food benefits at participating grocery stores get extra money to buy more fruits and vegetables.
- (3) Fruit and Vegetable Vouchers, also known as <u>Fruit and Vegetable Prescriptions</u>. Participating health care providers distribute fruit and vegetable vouchers to patients experiencing food insecurity and who have, or are at-risk for developing, a chronic condition like diabetes.

Program Results: During the COVID-19 pandemic, FVIP helped individuals and families afford healthy food. FVIP provided \$3,058,761 of incentives to Washingtonians from July 2019 – December 2020 and contributed an estimated \$5,499,195 to Washington's economy¹.

Key Legislative Recommendation: *Provide on-going funding for the Fruit and Vegetable Incentives Program.* Program success hinges on ongoing funding to plan for the future and improve the Department's competitiveness for future grant funding and public-private partnerships. The current budget of \$3.8 million for the 2019-2021 biennium is appropriate for maintaining the scope and size of the program at this time.²

Key Partnership and Programmatic Recommendations:

- (1) Integrate Fruit and Vegetable Prescriptions into the health care payment system.
- (2) Work with the Department of Social and Health Services to find funds to integrate Basic Food Incentives into the Basic Food account and the ongoing maintenance costs.
- (3) Increase the number of retail outlets offering Basic Food Incentives in traditionally underserved communities.
- (4) Work with retail partners and the Community Advisory Network to identify and address barriers.³
- (5) Identify and implement innovative promotion strategies to reach underserved communities.
- (6) Improve data collection systems for FVIP.

¹ Page 13 of the report provides details about the economic impact of FVIP.

² This funding was provided in the 2021-2023 operating budget.

³ Page 8 of the report provides details about the Community Advisory Network and other partner organizations.

Fruit and Vegetable Incentives Program

Background

Access to affordable, healthy foods is often challenging for people living with limited incomes, racial and ethnic minorities, and older adults. Food insecurity negatively affects health outcomes in children and adults and is a factor in increasing health disparities.ⁱ In 2018, 10.7 percent of Washington residents met the United States Department of Agriculture's (USDA) definition of food insecurity; 14.7 percent of children in Washington live in households experiencing food insecurity.ⁱⁱ

Food insecurity has reached unprecedented levels in Washington due to the economic impacts of COVID-19. A <u>2020 survey</u> conducted by the University of Washington and Washington State University researchers found that 30 percent of households surveyed were experiencing food insecurity; 59 percent of respondents had children in their households. Respondents of color were more than 1.5 times more likely to be food insecure compared to white respondents.ⁱⁱⁱ

Research shows food insecurity is associated with poor dietary quality and chronic diseases like diabetes and hypertension.^{iv, v, vi} Consuming fruit and vegetables less than once daily is an indicator of poor nutrition. In Washington, 19 percent of adults report consuming vegetables less than one time daily and 36 percent report consuming fruit less than one time daily.

Disparities exist by education level, a proxy for socioeconomic status. Compared with college graduates, people with less than a high school education were nearly 2.2 times more likely to have poor fruit intake and 1.3 times more likely to have poor vegetable intake.

Nutrition assistance programs, including the Supplemental Nutrition Assistance Program (SNAP)—known as Basic Food in Washington; the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); and the Emergency Food Assistance Program (TEFAP), are critical supports for food-insecure families. To build on these nutrition assistance programs and help low-income families afford healthy foods in Washington, the State legislature passed Substitute House Bill (SHB) 1587 during the 2019 Legislative Session, creating the Fruit and Vegetable Incentives Program.

FVIP is administered by the Department and made up of three subprograms that help families with limited incomes buy more fruits and vegetables. These subprograms are:

- Farmers Market Basic Food Incentives, also known as <u>SNAP Market Match</u>. Shoppers receive extra money to buy fresh fruits and vegetables when they use their Basic Food benefits at participating farmers markets.
- **Grocery Store Basic Food Incentives**. Shoppers receive extra money to buy fruits and vegetables when they use their Basic Food benefits at participating grocery stores.

• Fruit and Vegetable Vouchers, also known as <u>Fruit and Vegetable Prescriptions</u>. Participating healthcare providers distribute fruit and vegetable vouchers to patients experiencing food insecurity and who have, or are at-risk for developing, a chronic condition like diabetes.

Each of these subprograms was piloted through a Food Insecurity Nutrition Incentives (FINI) grant from the USDA. FVIP used lessons learned from that grant to refine the subprograms.

Section 2(6) of SHB 1587 requires the Department to produce a progress report describing the results of the FVIP and recommending any legislative and programmatic changes to improve the effectiveness of program delivery. Information covered in this report spans July 1, 2019 – December 31, 2020.

Program Administration

This section provides information about funding used to administer the FVIP, the partners and stakeholders who make FVIP possible, and future plans for the program.

Funding

State funding appropriated to FVIP was \$3.8 million for the 2019 – 2021 biennium. Table 1 shows how state appropriations for FVIP were used to administer the program.

Table 1: State Funding for the Fruit and Vegetable Incentives Program

	State Fiscal Year 2020	State Fiscal Year 2021*	Total State Biennium
State Funds Appropriated to FVIP	\$2 million	\$1.8 million	\$3.8 million
State Expenditures on Incentives (Client Benefits)	\$1,539,005	\$1,458,648	\$2,997,653
State Expenditures on Program Administration (Department staff time, contractors, program materials)	\$363,130	\$341,352	\$704,482
State Expenditures on Incentives + Program Administration	\$1,902,135**	\$1,800,000	\$3,702,135

*Includes actual expenditures for July – December 2020 and projected expenditures for January – July 2021.

**SFY 2020 underspent. Some farmers markets did not open as early as anticipated in 2020 due to COVID-19, therefore funding in their contracts expired for SFY 2020.

The Department used a mix of state, federal, and private funds to operate the subprograms from July 2019 – December 2020. Because FVIP provides direct benefits to families, the program requires funding for 'incentives' (i.e., client benefits), as well as funding for program administration.

The Department began coordinating fruit and vegetable incentives programs in farmers markets, grocery stores, and healthcare systems with support from dozens of local and state partners. Initial funding came from a \$5.8 million USDA FINI grant. Although the grant began in April 2015 and ran through March 2020, most of the grant funds were exhausted by the end of December 2019 due to high demand by program participants.

The Department also secured a \$1 million private foundation grant to support the Grocery Store Basic Food Incentives program from December 2018 – September 2019.

To continue the subprograms piloted under the FINI grant, the State of Washington established the FVIP during the 2019 legislative session and appropriated \$2.5 million in one-time funds for the 2019 – 2021 biennium, \$2 million in fiscal year 2020 and \$500,000 in fiscal year 2021.

In spring 2019, the Department unsuccessfully applied for a USDA Gus Schumacher Nutrition Incentive Program (GusNIP) grant (previously called FINI) to support Farmers Market and Grocery Store Basic Food Incentives. Fruit and Vegetable Prescriptions are no longer covered under the GusNIP grant. Without additional funding, FVIP would have been forced to dramatically reduce its scope for state fiscal year 2021 by only supporting Farmers Market Basic Food Incentives. However, during the 2020 legislative session the Washington State Legislature appropriated \$1.3 million in supplemental state funds for the 2021 state fiscal year, bringing state appropriations for the 2019 – 2021 biennium to \$3.8 million. With this supplemental state funding, the Grocery Store Basic Food Incentives and Fruit and Vegetable Prescriptions were able to operate during the 2021 state fiscal year.

In spring 2020, the Department again applied for a GusNIP grant to support and expand Farmers Market and Grocery Store Basic Food Incentives. This time they were successful and received a three-year GusNIP grant for \$4.8 million from September 2020 – August 2023. GusNIP grants require a 100 percent cost share with the federal government. For every dollar provided by USDA, the Department must use a dollar in state, local, or private funds toward the GusNIP grant. The Department is meeting the GusNIP cost share requirement with a portion of state funds appropriated to FVIP for the 2019 – 2021 biennium, \$1.6 million of Washington Coronavirus Relief Funds provided to the Department by the Washington State Department of Agriculture, and in-kind and cash donations by local partners.

In summary, funding for FVIP requires management of state and federal resources. See Figure 1 in the appendix for a summary timeline of funding supports.

Partners and Stakeholders

FVIP is made possible by dozens of statewide and local partners and stakeholders. For each subprogram, the Department partners with multiple organizations to ensure program fidelity. Partners are listed below under the subprogram with which they are most closely aligned.

Along with subprogram partners, the Department gathers and communicates with an Advisory Network made up of representatives from statewide organizations with an interest in healthy food access, food security, and agriculture. In fall 2020, the Department contracted with Northwest Harvest to plan, convene, and coordinate a Community Advisory Network. Made up of people who use FVIP subprograms, this network provides input and feedback into programming, outreach, evaluation, and sustainability efforts. The Community Advisory Network began meeting in January 2021.

Advisory Network

- American Heart Association
- Anti-Hunger and Nutrition Coalition
- Childhood Obesity Prevention Coalition
- Northwest Harvest
- Washington State Department of Agriculture
- Washington State Department of Social and Health Services

Farmers Market Basic Food Incentives

- Birdsign Consulting
- Catholic Charities of Eastern Washington
- City of Seattle Office of Sustainability and Environment
- Public Health Seattle King County
- University of Washington Center for Public Health Nutrition
- Washington State Farmers Market
 Association
- Washington State University Extension Clark County
- Washington State University Extension Kitsap County
- <u>100+ Farmers Markets and Farm Stands</u>*

Grocery Store Basic Food Incentives

- Albertsons Companies/Safeway*
- Sophiya Grocery*
- Tabarak Mini Market*
- Washington Food Industry Association

Fruit and Vegetable Prescriptions

- Community Health Center of Snohomish County*
- Harborview Medical Center*
- MultiCare Health System Center for Health Equity and Wellness*
- Nisqually Tribal Health Department*
- Odessa Brown Children's Clinic*
- Puget Sound Kidney Centers*
- Sea Mar Community Health Centers*
- Spokane Regional Health District*
- Verdant Health Commission*
- Yakima Neighborhood Health Services*
- Yakima Valley Farm Workers Clinics*
- Yakima Valley Memorial Hospital*

* Indicates the organization or business provides incentives to shoppers or patients/clients.

Future Plans

Future plans rely on stable state funding. Currently, federal GusNIP funding (\$4.7 million) supports Farmers Market and Grocery Store Basic Food Incentives. The federal funding ends August 2023, or earlier if incentive use is high among program participants. State funds provide necessary cost share for the GusNIP grant while also supporting Farmers Market and Grocery Store Basic Food Incentives, as well as Fruit and Vegetable Prescriptions, which is not supported by any federal grant funding.

The state funding level for the 2019-2021 biennium of \$3.8 million is an appropriate baseline to support the three sub-programs in future biennia.

Future plans are detailed for each of the subprograms below.

Farmers Market Basic Food Incentives

Through August 2023, the Department will use GusNIP funding to:

- Continue to manage Basic Food Incentives in collaboration with 100 farmers markets and farm stands.⁴
- Engage 10 additional farmers markets and farm stands to provide Basic Food Incentives to their shoppers. The Department will prioritize communities with high food insecurity, no or few participating locations, and in rural settings.
- Work with state and local partners to promote Basic Food Incentives to clients through the Department of Social and Health Services (DSHS) Basic Food Outreach, Community Services Offices, local SNAP-Ed providers, WIC offices, and food banks and pantries.

If additional, sustained state funding is appropriated, the Department will:

- Recruit 15 farmers markets and farm stands, in addition to those funded via GusNIP, into the program, prioritizing communities with high food insecurity, no or few currently participating locations, and in rural settings.
- Work with farmers markets and DSHS to improve incentives benefit redemption as outlined in Recommendation 2 of this report.

Grocery Store Basic Food Incentives

Using GusNIP funding, the Department will continue to support Basic Food Incentives in 170 Safeway stores through August 2023 by:

- Expanding Basic Food Incentives to an additional 52 grocery stores in Washington. The grocery stores were identified in partnership with the Washington Food Industry Association in preparation for the 2020 GusNIP grant application.
- Working with state and local-level partners to promote Basic Food Incentives to clients through DSHS Basic Food Outreach, Community Services Offices, local SNAP-Ed providers, WIC offices, and food banks and pantries.
- Continuing to support of Basic Food Incentives in two smaller grocery stores in King County using private funds.

⁴ Participating farmers markets and farm stands can be found at <u>www.doh.wa.gov/SNAPMarketMatch</u>.

If additional, sustained state funding is appropriated, the Department will:

- Recruit more grocery stores into the program, prioritizing communities with high food insecurity, no or few currently participating locations, and rural settings.
- Work with grocery stores and DSHS to improve incentives benefit redemption as outlined in Recommendation 2 of this report.

Fruit and Vegetable Prescriptions

Without additional, sustained state funding, Fruit and Vegetable Prescriptions will not be available. Fruit and Vegetable Prescriptions are not supported through a GusNIP grant and the Department has solely relied on state funds to implement the subprogram since the FINI grant ended in March 2020. State appropriations to FVIP during the 2019 – 2021 biennium included one-time funds, which makes planning for Fruit and Vegetable Prescriptions past June 2021 difficult.

Unstable funding leaves participating healthcare systems and public health agencies with uncertainty and may negatively impact the program's integrity. This also leaves patients experiencing food insecurity and managing chronic conditions without reliable sources of healthy food. While current program evaluation is still underway, under the FINI grant, many Fruit and Vegetable Prescription participants reported positive impacts as a result of using the prescriptions. These positive impacts include being less likely to run out of food (74 percent), and being better able to manage their health conditions (72 percent).

If additional, sustained state funding is appropriated, the Department will work with additional health care systems to offer Fruit and Vegetable Prescriptions. The Department currently works with 12 health care systems and public health agencies to provide Fruit and Vegetable Prescriptions to approximately 2,000 patients each year.⁵ The subprogram is popular among partnering health care systems and public health agencies. Other health care systems have continually contacted the Department hoping to offer Fruit and Vegetable Prescriptions to their patients experiencing food insecurity.

Program Administration

The Department contracted with Northwest Harvest to develop and coordinate the Community Advisory Network (CAN), a small network of individuals who use Grocery Store and Farmers Market Basic Food Incentives, in the fall of 2020. The CAN is supported through GusNIP funding. CAN members began meeting in January 2021 and will provide guidance and input to the Department on brand development and outreach efforts for Grocery Store Basic Food Incentives, participant-level evaluation efforts, and program expansion. As of the writing of this report, eight individuals participate in CAN. The group meets monthly, with facilitation by Northwest Harvest.

⁵ Participating health care systems and public health agencies can be found on <u>https://www.doh.wa.gov/Portals/1/Documents/Pubs/340-293-FINIFruitandVegetablePrescriptionProgram.pdf</u>

The current GusNIP grant will end on August 31, 2023. The GusNIP grant program at USDA has ongoing federal funding and the Department will apply for another GusNIP grant to support Grocery Store and Farmers Market Basic Food Incentives in spring 2023, or earlier if necessary. However, GusNIP grants are incredibly competitive, and receiving federal funding is not guaranteed. One critical piece of future GusNIP grant applications is the 100 percent cost share requirement. The Department will need to seek state, local, or private funds to meet that requirement. Having the cost share requirement identified before the grant application becomes available will improve the likelihood of the application's success.

Program Results

From July 2019 – December 2020, \$3,058,761 of fruit and vegetable incentives were redeemed across the three FVIP subprograms. As of December 2020, 262 farmers markets and grocery stores offered incentives to Basic Food recipients, and 12 health care and public health agencies offer Fruit and Vegetable Prescriptions to their food-insecure patients and clients (see Appendix Figure 2).

The amount of incentives presented below is different from those presented in Table 1, which shows the state expenditures. The incentives information below includes the state expenditures as well as expenditures for incentives covered under the FINI grant that ended March 2020 and a private foundation grant that ended September 2019.

Farmers Market Basic Food Incentives – The Department launched SNAP Market Match, the statewide farmers market subprogram, in April 2020. Prior to its launch, farmers market incentive programs for Basic Food recipients varied by county or region. During the 2020 season, 90 farmers markets and farm stands offered SNAP Market Match to Basic Food recipients. In 2021, 104 farmers markets and farm stands plan to offer SNAP Market Match.

<u> July 2019 – December 2020</u>

- Statewide amount of Basic Food Incentives redeemed in farmers markets: \$762,192
- Statewide redemption rate of Basic Food Incentives in farmers markets: 82%
- Number of program participants: 17,919

Grocery Store Basic Food Incentives – The Department partnered with 170 Safeway stores to offer Basic Food Incentives. Two smaller grocery stores, Tabarak Mini Market and Sophiya Grocery in King County, also offered Basic Food Incentives to shoppers. These two stores operated under FINI and continued to operate with FVIP funding in 2020.

July 2019 – December 2020

• Statewide amount of Basic Food Incentives redeemed in all participating grocery stores: \$1,740,632

- Statewide redemption rate for Basic Food Incentives in Safeway grocery stores: 27%⁶
- Number of program participants: 74,929; 420 in smaller grocery stores

Fruit and Vegetable Prescriptions – In 2019, Fruit an Vegetable Prescriptions were distributed to only SNAP/Basic Food participants because FINI funding limited who could receive the benefit. This subprogram changed significantly in January 2020, when the Department changed the subprogram to align with (2019) SHB 1587 so that patients who experience food insecurity, but may not receive Basic Food benefits, are eligible to receive Fruit and Vegetable Prescriptions. Additionally, beginning in January 2020, the benefit amount became standardized to \$250 over a six-month period for program participants. Therefore, the July – December 2019 and January – December 2020 data are presented separately.

<u> July – December 2019</u>

- Statewide amount of Fruit and Vegetable Prescriptions redeemed: \$220,548
- Statewide redemption rate of Fruit and Vegetable Prescriptions: 92%
- Number of program participants: 3,519

January – December 2020

- Statewide amount of Fruit and Vegetable Prescriptions redeemed: \$333,006
- Statewide redemption rate of Fruit and Vegetable Prescriptions: 71%
- Number of program participants: 2,000 (estimate)

Figure 2 in the appendix is a map of the Washington counties with FVIP subprograms.

Table 2 in the appendix shows how many incentives were redeemed by participants by county for each subprogram and total across the three FVIP subprograms.

Participant Outcomes

Farmers Market Basic Food Incentives Participants – Due to the COVID-19 pandemic, the participant survey to collect fruit and vegetable consumption and food insecurity data has been rescheduled for Summer 2021. Results will be included in the final report to the Legislature.

Grocery Store Basic Food Incentives – The Department plans to implement a participant survey to collect fruit and vegetable consumption and food insecurity data in 2022. Results from the survey will be included in the final report to the Legislature.

Fruit and Vegetable Prescriptions – The Department launched Enrollment and Exit Questionnaires for Fruit and Vegetable Prescriptions participants in January 2021. The

⁶ Prior to administering Grocery Store Basic Food Incentives, the Department and Safeway predicted the redemption rate would be under 10 percent based on similar promotions. While the redemption rate for Grocery Store Basic Food Incentives is significantly lower than the redemption rate for Farmers Market Basic Food Incentives and Fruit and Vegetable Prescriptions, this difference is due to program operations. Grocery Store Basic Food Incentives are distributed after a participant makes a qualifying purchase, whereas Farmers Market Basic Food Incentives and Fruit and Vegetable Prescriptions are distributed before a participants makes a qualifying purchase.

questionnaires collect fruit and vegetable consumption, food insecurity, and demographic data from program participants. Results from the questionnaires will be included in the final report to the Legislature.

The Department is also working with four of the Fruit and Vegetable Prescriptions partner organizations that are Federally Qualified Health Centers to collect and analyze de-identified patient clinical health indicators (e.g., blood pressure, hemoglobin A1c, body mass index) to measure changes over time. Results from this analysis will be included in the final report to the Legislature in December 2023.

Economic Impact

From 2019 – 2021, the Department was one of 12 organizations involved in a national study led by economic researchers from Colorado State University (CSU) to estimate the economic contribution of fruit and vegetable incentives. The study was part of a project led by the Fair Food Network, a nonprofit organization based in Michigan, and SPUR, a nonprofit organization in California. Based on 2018 data, the estimated economic contributions of incentive programs in Washington was:^{vii}

- \$3.8 million in economic output
- 24.7 jobs supported
- \$1.2 million in labor income generated

CSU researchers also determined the economic multiplier for incentives to be 1.5 for grocery incentives and 2.7 for farm direct incentives. For example, for every \$1.00 spent on incentives in grocery stores \$2.70 is contributed to Washington's economy.

By this measure, from July 2019 – December 2020, the \$3,058,761 of incentives redeemed contributed an estimated \$5,499,195 to Washington's economy.

- Farmers Market Basic Food Incentives: \$2,057,916
- Grocery Store Basic Food Incentives: \$2,610,948
- Fruit and Vegetable Prescriptions: \$830,331

The CSU report estimated \$15—\$31 million in total incentives would be spent in the state each year if Basic Food Incentives were scaled statewide.^{vii} If incentives were used statewide in Washington, the estimated annual economic contribution to the state's economy would be between \$23—\$83 million, 167 - 352 jobs would be supported, and \$8—\$17 million of labor income would be supported in the state. The range for these numbers indicate a lower and upper bound, dependent on how many people are using Basic Food and how many outlets participate in Basic Food Incentives programs. See the Appendix Figure 2 for an infographic demonstrating the potential impact of statewide Basic Food Incentives.

Recommendations

The Department recommends the Fruit and Vegetable Incentives Program continue, but needs additional resources to achieve program efficiency. Specific programmatic and legislative recommendations follow below.

Key Legislative Recommendation: Provide ongoing funding for the Fruit and Vegetable Incentives Program.

Reliable, ongoing state funding would allow the Department and partners to plan more effectively for program improvement, expansion, and efficiencies. As described in the Program Administration section of this report, funding for FVIP is based on federal and state funds, neither of which are guaranteed. This results in partners becoming unsure of whether to invest in program administration. For example, grocery stores that may need to make changes to their point-of-sale system won't do so if funding for incentives is for only a short period of time. Ongoing state funding would also improve the Department's competitiveness for future GusNIP grant applications.

Additionally, investing funds into this program has positive ripple effects throughout the state's economy, putting \$1.50 back into circulation for every incentive dollar spent in grocery stores and \$2.70 back into the economy for every incentive dollar spent in farmers markets.

The funding level for the 2019-2021 biennium of \$3.8 million is an appropriate baseline to support the three sub-programs.

Key Partnership and Programmatic Recommendations:

1) Integrate Fruit and Vegetable Prescriptions into the health care payment system. The Department should engage with health insurers to explore offering Fruit and Vegetable Prescriptions to food insecure patients. Fruit and Vegetable Prescriptions could be leveraged to improve food security and diet-related chronic disease outcomes, both of which impact health care costs, while also meeting traditional and cultural food preferences.

Some states are investing in "food is medicine" interventions to address health disparities and rising health care costs among Medicaid beneficiaries. For example, Massachusetts is paying for health-related nutrition supports. including prescriptions for produce, through their 1115 Medicaid Demonstration Waiver (42 U.S.C. 1315 §115). California has dedicated \$6 million in state funds to pilot the provision of medically-tailored meals in its Medicaid program. Because a state-administered Fruit and Vegetable Prescription program already exists in Washington, there is an opportunity to use California's program as a blueprint to demonstrate improved patient outcomes and health care costs savings for the state.

2) Work with the DSHS to find funds to integrate Basic Food Incentives onto the Basic Food account, including ongoing maintenance costs. Currently, paper currency and coupons are used for Farmers Market and Grocery Store Basic Food Incentives. However, using coupons is stigmatizing and inefficient. Coupons can be easily lost, damaged, or expire without the participant receiving the full benefits of the program. Because both the Farmers Market and Grocery Store Basic Food Incentives are only for families who use Basic Food, there is an opportunity to increase program efficiency by integrating a fruit and vegetable incentive account onto the Basic Food EBT card.

Massachusetts, the first state to implement fruit and vegetable incentives statewide, is currently doing this through their <u>Healthy Incentives Program</u> at farmers markets, farm stands, mobile markets, and through community supported agriculture (CSA) programs. California is piloting incentive integration on EBT cards with grocery stores and farmers markets. The recommendation directly aligns with the <u>Food Policy Forum</u> recommendation #3A as submitted to the state Legislature in June 2019.

- **3)** Increase the number of retail outlets offering Basic Food Incentives in traditionally underserved communities. Increasing the number of retail outlets that offer Basic Food Incentives would require increased funding. The Department should work with the CAN and DSHS's SNAP-Ed program to identify additional retail outlets to prioritize for program expansion, if additional state or federal funds are secured. Prioritization should be for retail outlets that serve communities most impacted by food insecurity or poor dietary quality. With the GusNIP grant, Grocery Store Basic Food Incentives will be offered to shoppers in an additional 52 grocery stores by 2023.
- 4) Work with retail partners and the Community Advisory Network to identify and address barriers. The department should work with state and local partners to make accessing Basic Food Incentives easier. The COVID-19 pandemic made in-person shopping more difficult for all Washingtonians, and especially risky for people with underlying health conditions. Many food retailers pivoted to online ordering, making shopping more convenient for some people. However, online ordering is not easily accessible for those who might benefit the most from using it. For example, people who use SNAP have less access to purchasing groceries online; currently only Amazon and Walmart allow SNAP orders online for grocery delivery.

Collaborating with food retailers, including grocery stores and farm-direct channels like farmers markets, to improve online ordering and delivery systems could improve program use and efficiency and decrease barriers for participants who use any of the three Fruit and Vegetable Incentives subprograms.

5) Identify and implement innovative promotion strategies to reach underserved communities. The Department should leverage existing programs when possible, and

considering texting or phone-based application outreach strategies. Promoting Farmers Market and Grocery Store Basic Food Incentives to Basic Food participants has been conducted through partnerships with state entities like DSHS, WSDA, Northwest Harvest, WIC, and local entities such as SNAP-Ed providers and local health departments. Promotion has typically been through program material distribution however, distributing paper materials during COVID-19 has proven difficult.

6) Improve data collection systems for the Fruit and Vegetable Incentives Program. In line with the department's Data@Health initiative, FVIP will continue to seek ways to update evaluation data collection and reporting systems. The vision for Data@Health involves developing an enterprise-wide approach for more timely and accessible information to proactively inform public health decision-making. Goals include modernizing the Department's systems to leverage 21st century technological solutions for data linkage and quality management. The Department should continue to work across the Agency's information technology programs to assess current evaluation tools to ensure timely and accurate reporting and evaluation for FVIP.

Conclusion

The Fruit and Vegetable Incentives Program provided \$3,058,761 of incentives to Washingtonians from July 2019 – December 2020, contributing an estimated \$5,499,195 to Washington's economy.

FVIP has been effective to-date, but funding for the program is complex and not currently sustainable. Through additional and sustained state investment, all of the subprograms could become more efficient and reach more low-income households to alleviate food insecurity and improve health outcomes.

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^{iv} https://www.ncbi.nlm.nih.gov/pmc/articles/ PMC2806885/

^v https://www.ers.usda.gov/webdocs/ publications/84467/err-235.pdf?v=42942

^{vi} <u>https://doi.org/10.3945/ajcn.114.084525</u>.

vii https://fairfoodnetwork.org/wp-content/uploads/2021/01/Economic Contributions Incentives 2 2 21.pdf

Appendices

Figure 1: Timeline of Funding Support for Fruit and Vegetable Incentives in Washington State

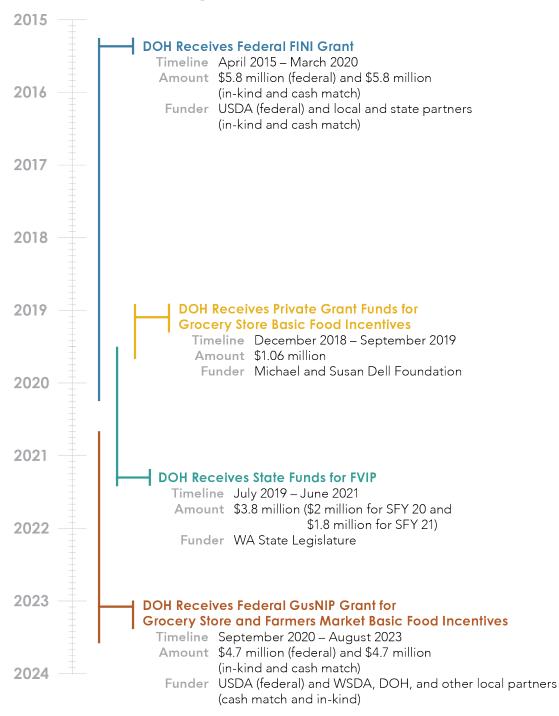


Figure 2: Washington Counties with Fruit and Vegetable Incentives Subprograms, as of December 2020

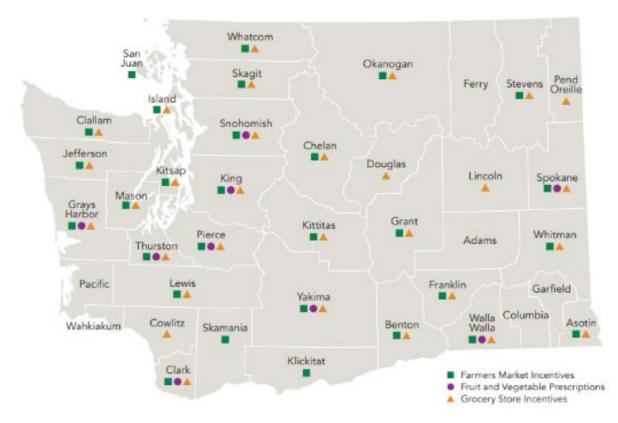


Table 2: Fruit and Vegetable Incentives Redeemed by ProgramParticipants by County, July 2019 – December 2020

	Total Amount Incentives Redeemed	Total Amount of Farmers Market Basic Food Incentives Redeemed	Total amount of Grocery Store Basic Food Incentives Redeemed	Total Amount of Fruit and Vegetable Rx Redeemed
Asotin	\$122	\$22	\$10	\$90
Benton	\$7,290	\$350	\$4,160	\$2,780
Chelan	\$73,509	\$340	\$72,949	\$220
Clallam	\$43,183	\$7,625	\$31,375	\$4,183
Clark	\$72,837	\$30,992	\$41,845	\$0
Cowlitz	\$5,764	\$0	\$5,764	\$0
Douglas	\$6,715	\$0	\$6,705	\$10
Franklin	\$1,598	\$1,548	\$20	\$30
Grant	\$13,025	\$10	\$12,735	\$280
Grays Harbor	\$51,651	\$1,079	\$31,812	\$18,760
Island	\$17,829	\$649	\$16,720	\$460
Jefferson	\$31,903	\$21,058	\$10,705	\$140
King	\$1,085,760	\$270,508	\$658,198	\$157,054
Kitsap	\$46,494	\$9,024	\$36,186	\$1,284
Kittitas	\$12,443	\$928	\$11,235	\$280
Klickitat	\$85	\$85		
Lewis	\$28,815	\$5,205	\$23,440	\$170
Lincoln	\$2,575	\$0	\$2,575	\$0
Mason	\$19,787	\$557	\$17,930	\$1,300
Okanogan	\$4,594	\$584	\$4,010	\$0
Pend Orielle	\$7,185	\$0	\$7,165	\$20
Pierce	\$249,144	\$45,439	\$179,212	\$24,493
Skagit	\$58,750	\$37,060	\$16,850	\$4,840
Skamania	\$5	\$0	\$5	\$0
Snohomish	\$321,912	\$13,376	\$231,191	\$77,345
Spokane	\$163,907	\$4,620	\$113,965	\$45,322
Stevens	\$6,977	\$392	\$6,545	\$40
Thurston	\$190,068	\$48,090	\$117,558	\$24,420
Wahkiakum	\$5	\$0	\$5	\$0
Walla walla	\$8,336	\$476	\$7,860	\$0
Whatcom	\$52,362	\$33,762	\$15,110	\$3,490
Whitman	\$2,362	\$112	\$2,250	\$0
Yakima	\$244,015	\$546	\$56,925	\$186,544
State Total	\$2,831,008	\$534,438	\$1,743,015	\$553,555

Figure 3. Expanding Basic Food Incentives in Washington ⁷

EXPANDING HEALTHY FOOD INCENTIVES ACROSS WASHINGTON

THE RETURN ON INVESTMENT

For more than a decade, healthy food incentive programs have increased the purchasing power of low-income families to buy fruits and vegetables at grocery stores and farmers' markets, thereby helping to reduce hunger, improve nutrition and support Washington's agriculture and retail.

IMAGINE THE ECONOMIC IMPACT OF HEALTHY FOOD INCENTIVES, IF THEY WERE AVAILABLE ACROSS WASHINGTON'



⁷ Policy brief is available at: <u>spur.org/sites/default/files/2021-03/WA Policy Brief 3-8-21.pdf</u>



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