



Connecting Health & Local Food Systems: The Pivotal Role of Procurement in Food is Medicine

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Agenda

- What is Food is Medicine (FIM)?
- Expansion of Access to and Interest in FIM
- Why Food Sourcing Matters?
- Procurement Basics
- Prioritizing Local Food Systems and Community-Based Organizations
- Evolving National Landscape
- What Can You Do?

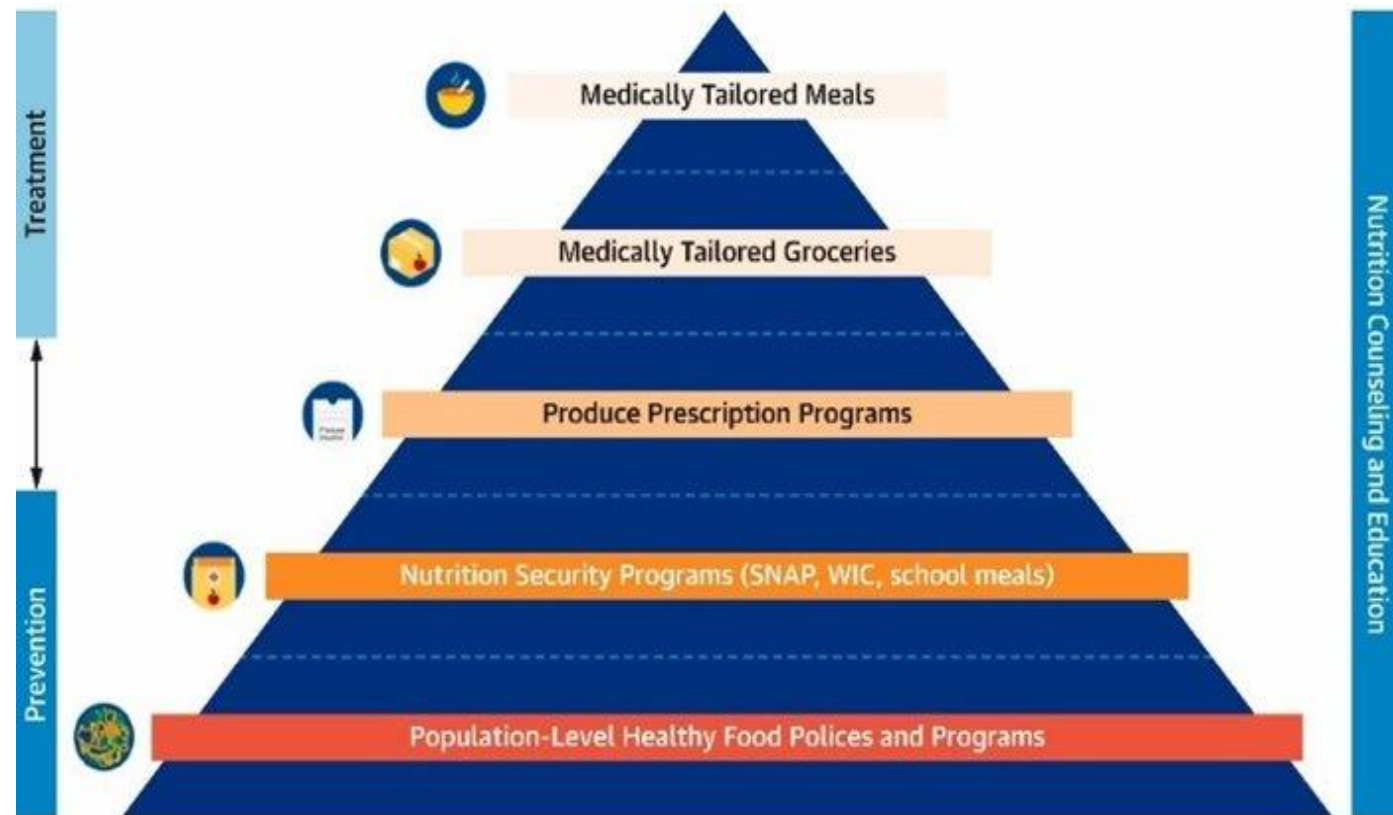
What is Food is Medicine?

Nutrition supports, such as food, that are provided in connection with healthcare.

Food is Medicine (FIM) interventions are a range of services tailored to respond to the connection between food and health by helping to prevent, treat, and manage diet-related disease.

Common examples include:

- Medically tailored meals
- Medically tailored groceries
- Produce prescriptions



Payment Pathways

GRANTS AND PILOTS

Philanthropic organizations, health care entities, and governments provide funding for programs that aim to address food access and nutrition

FEDERAL PROGRAMS

Health insurance and systems administered by the federal government

MEDICAID

Federal/state health insurance program for low-income individuals and families

FEDERAL PILOTS

GusNIP, Indian Health Service, and Veterans Administration

MEDICARE ADVANTAGE

Adults over the age of 65, those with disabilities, and end-stage renal disease

WAIVERS

1115 Demonstration, Home and Community Based Services Authorities

MANAGED CARE

ILOS, Value-Added Services, Contracting

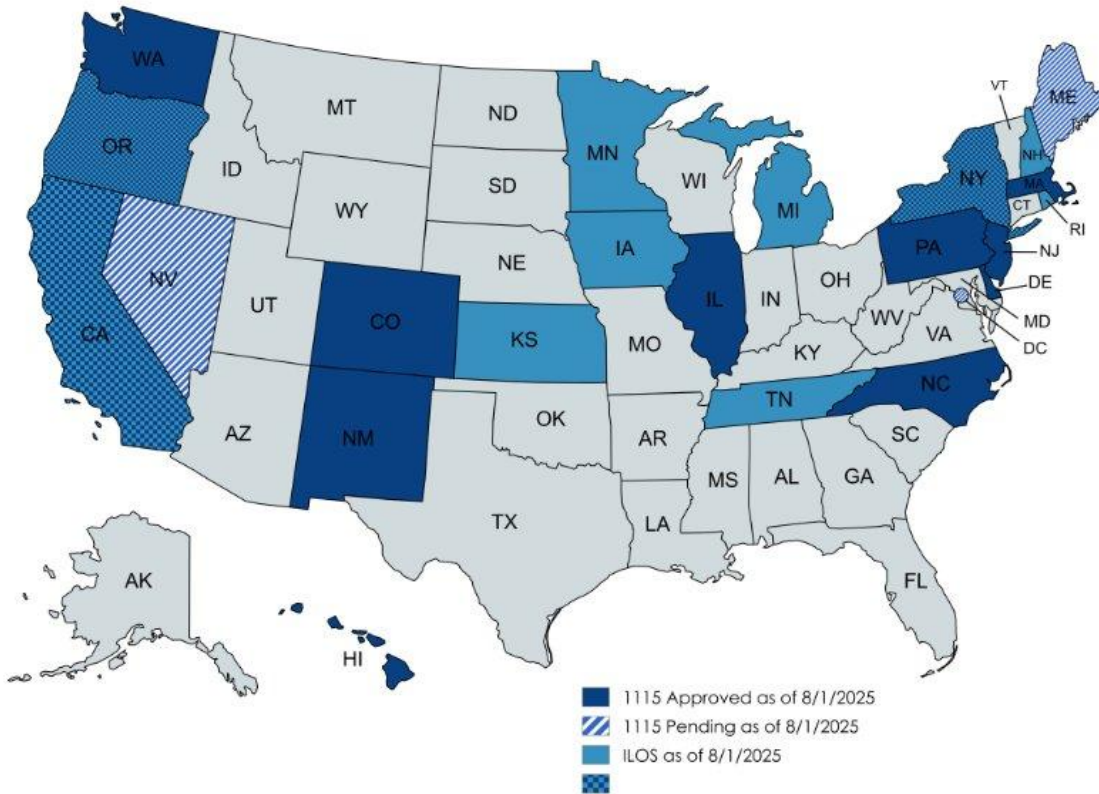
CHIP Health Services Initiatives

Children under age 19

Source

[Pathways to Enable Food is Medicine Interventions Through Select Federal Health Policies](#) (July 2024)

State Medicaid Policies



1115 Demonstration Waivers with coverage for the direct provision of food:

- 13 approved: CA, CO, DE, HI, IL, MA, NC, NJ, NM, NY, OR, PA, WA
- 3 pending: DC, ME, NV

In Lieu of Services (ILOS) that offer nutrition supports:

- 10 states: CA, IA, KS, MI, MN, NH, NY, OR, RI, TN

Evidence Base

Research shows that Food is Medicine interventions can reduce healthcare costs and improve health outcomes

Offering medically tailored meals to adults with diet-related conditions and physical limitations could **prevent 2.6M hospitalizations** and **save \$23.7B** in U.S. healthcare costs **each year**

Providing produce prescriptions to food insecure patients with diabetes could **prevent 292,000 cardiovascular events** and **save \$36.9B** in healthcare costs **annually**

Evaluation of MA's FIM program found a **23% reduction in hospitalizations** among participants and a reduction in health care costs resulting in new **cost savings (\$210 per adult)**

Sources:

Shuyue Deng et al., [Estimated Impact of Medically Tailored Meals on Health Care Use and Expenditures In 50 US States](#), 44 Health Affairs 4, 433-442 (2025).

Lu Wang et al., [Health and Economic Impacts of Implementing Produce Prescription Programs for Diabetes in the United States: A Microsimulation Study](#), 12 J. Am. Heart. Ass'n. 15, 5-6 (2023).

Kurt Hager et al., [Medicaid Nutrition Supports Associated With Reductions In Hospitalizations And ED Visits In Massachusetts, 2020–23](#), 44 Health Affairs 4, 413-421 (2025).

Public Perception

The public has a strong interest in Food Is Medicine and supports coverage of Food Is Medicine interventions.



80% of those surveyed agree that health is tied to diet and diet-related conditions are a top health priority



86% think that healthy eating should be prioritized in treating diet-related health conditions



Less than ½ reported that their primary care provider gave clear food/nutrition advice



More than ½ interested in participating in FIM. Nearly 60% interested in getting nutrition or cooking education

Who will provide Food is Medicine? And what will they provide?

HEALTH

Medicaid is paying millions for salty, fat-laden 'medically tailored' cheeseburgers and sandwiches



By Nicholas Florko · July 11, 2024

DIVE BRIEF

Instacart ramps up food-as-medicine efforts

The grocery technology company recently started working with the U.S. Department of Health and Human Services and partnered with several higher-ed institutions.

Published Feb. 1, 2024



Catherine Douglas Moran
Editor



PAYERS



Insurers push 'food is medicine' interventions but rarely weigh in on ultra-processed food

By Noah Tong · Aug 19, 2024 5:00am

nutrition Chronic Conditions Medicaid Waivers

More Grocers Embrace Food-as-Medicine Programs

New FMI report shows that food companies are leaning in on health-and-wellness strategies



Lynn Petrak

2/15/2024

Local Foods & CBO Prioritization



- Focus on local food
- Nuts and bolts of procurement
- State FIM examples that:
 - Prioritize local food
 - Prioritize local/community providers
- Read the [Report](#) and [Executive Summary](#)

What do we mean by “procurement policies”?

Procurement policies are guidelines to establish a standardized process for buying goods (or services)

What are the goals?

- ✓ obtain the **best value**
- ✓ create transparency
- ✓ foster competition

Government Procurement Basics

Private Funding

Flexibility to
set policies

Public Funding

Must follow specific
requirements

Depends on funding source

Policies set through laws,
regulations, executive orders, etc.

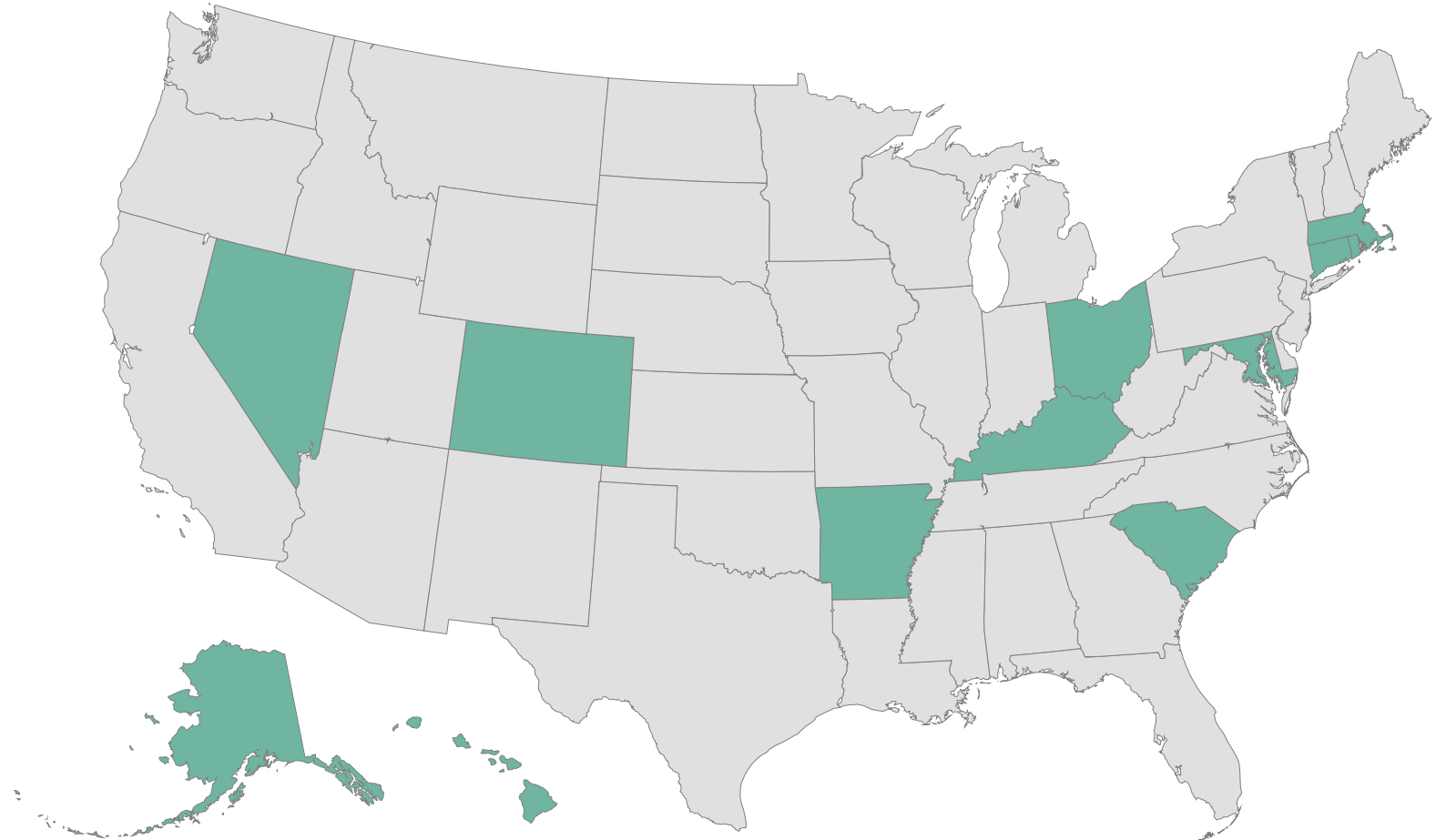
Values-Based Procurement

- ❑ Considers factors beyond cost
- ❑ Goals may include improving outcomes for:
 - ❑ Local economies
 - ❑ Public health
 - ❑ Food businesses & food workers
 - ❑ Consumers
 - ❑ Environment
 - ❑ Animals

*Researchers estimate that locally-produced food purchases have a **multiplier effect** of between \$1.32 and \$1.90. Meaning that there is an **additional \$.32 to \$.90 worth of local economic activity for each dollar spend on local food.***

Local Food Preferences

12 states have mandatory price preference laws that require price preferences for in-state food and agricultural products



State Example:



Policy Lever	Opportunity	Example Language
Medicaid Section 1115 Demonstration Application	Embed local food/provider priorities in the waiver	Hawai'i will encourage the inclusion of local growers , community gardens, and other community-based organizations to support the purchase of locally grown food and strengthen Hawaii's intrinsic food system.

State Example:



Policy Lever	Opportunity	Example Language
Guidance	Require that providers be locally-based and participating in the local food system	Strong preference for ILOS Providers to be locally-based. 2025 contract year: at least 30% of each ILOS type be provided by locally-based ILOS Providers. Locally-based defined as “a community-based organization” that has a physical presence in Michigan: 1) One or more office locations in the state; and 2) Participate in the state’s food economy. Participating in the Michigan food economy includes growing, processing, preparing, retailing, distributing or managing waste from food produced within the state of Michigan.

State Example:



Policy Lever	Opportunity	Example Language
Legislation	Direct how funding must be used within procurement of FIM services to advance local economies or state values	Wherever feasible, the [Oklahoma Health Care] Authority and contracted entities under the state Medicaid program shall prioritize the inclusion of community-based organizations and local growers to support the purchase of locally grown food in nutrition prescriptions.

Prioritization of CBOs

New York

- CBOs primarily responsible for delivering HRSN services
- Intent is that social care network providers be primarily **not-for-profit entities**

California

- Managed care plans “should contract with organizations that have experience” delivering FIM and “an **existing footprint in the communities** they serve”

Massachusetts (2022)

- ACOs encouraged to partner with CBOs
- Should ensure entities delivering FIM have capacity and competency to tailor services, e.g., cultural competency
- “**leverage existing community-based expertise and capacity**”

National Landscape

Federal policy changes will impact the Food is Medicine field, some impacts may not be fully realized for several years.



Workforce cuts

HHS: estimated 13,400
USDA: estimated 21,600



Cuts in research funding

~\$3.8 billion in funding for NIH grants terminated



H.R. 1 (OBBBA) Budget reconciliation bill

Doesn't discuss FIM
Makes significant changes to Medicaid & SNAP

- New or expanded work requirements
- New restrictions on use of certain Medicaid funding streams
- New requirements that states pay for part of SNAP benefits and increased administrative costs
- Defunded SNAP-Ed



MAHA Strategy

“Food for Health” mentioned regarding *studying* the impact of food and lifestyle intervention programs on health outcomes & costs

National Landscape

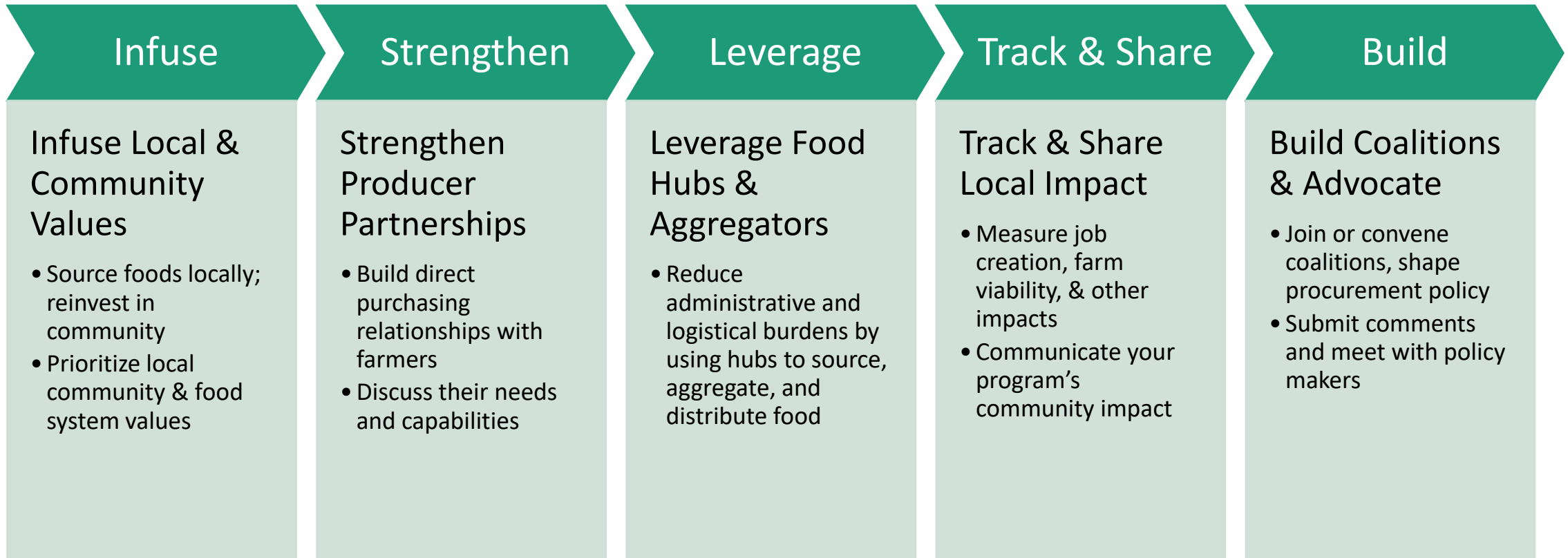
Continued enthusiasm for integrating Food is Medicine into Medicaid at the state level.



- Recent state developments:
 - **Maine** [applied for an 1115 waiver](#) to address health related social needs, including food insecurity. FIM program may include food pharmacy/produce prescriptions, nutrition counseling/education, case management, and medically tailored meals.
 - **Oklahoma** passed [SB 806](#) directing the state's Medicaid agency to seek federal approval to provide coverage for nutrition services (e.g., case management, nutrition counseling, meal or pantry stocking, produce prescriptions).
 - **Texas** passed [HB 26](#) authorizing its state agency to contract with Medicaid managed care organizations to provide “nutrition counseling and instructional services” as in lieu of services for participants and nutrition supports (e.g., medically tailored meals) to pregnant plan participants as in lieu of services.
- Need to **watch pending proposals** to gain insight into CMS's approach

Action Steps for Food is Medicine Providers

Support nutrition and local economies through intentional partnerships.





Questions?

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