



FINI: Massachusetts Healthy Incentives Program (HIP)

On April 1, 2015, the United States Department of Agriculture (USDA) National Institute of Food and Agriculture (NIFA) awarded the Department of Transitional Assistance (DTA) a grant through the Food Insecurity Nutrition Incentive (FINI) Grant Program. The \$3.4 million federal grant will provide DTA the opportunity to expand its Healthy Incentives Pilot into a Healthy Incentives Program (HIP) that will serve participants of the Supplemental Nutrition Assistance Program (SNAP) statewide. HIP will serve the needs of low-income individuals and families in Massachusetts as well as support the local economy. Under the leadership of a Massachusetts interdepartmental effort – which includes the Departments of Transitional Assistance (DTA), Agricultural Resources (DAR) and Public Health (DPH) – the Commonwealth has garnered the support of a broad diverse coalition of statewide, community partners. The shared goals of this partnership are to create a sustainable statewide incentive program and to assess the impact of the new incentive program on SNAP clients' purchase of locally-grown fruits and vegetables.

Healthy Incentives Pilot

Implemented in Hampden County, Massachusetts in 2011, the Healthy Incentives Pilot or HIP (Pilot) tested a method of making fruits and vegetables more affordable for SNAP participants. Under the Pilot, SNAP participants received a financial incentive for purchasing targeted fruits and vegetables. For every dollar of SNAP benefits spent on targeted fruits and vegetables at participating retailers, SNAP households received a 30-cent incentive directly on their SNAP EBT card. The incentive could be spent on any future SNAP-eligible food purchases. The pilot results showed that the new HIP benefit increased fruit and vegetable consumption among pilot participants. HIP participants ate 26% more targeted fruits and vegetables (about ¼ cup more per day) than non-HIP participants. This increase in consumption over non-HIP participants is both statistically significant and large enough to be nutritionally relevant, with clear health benefits for participating families. See <http://www.fns.usda.gov/hip/healthy-incentives-pilot> for more details.

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Building upon this success, the new *Healthy Incentives Program* or HIP (Program) will provide a 100 percent incentive – a dollar-for-dollar match – for each SNAP dollar spent on targeted fruits and vegetables purchased at farmers' markets, farm stands, mobile markets, and Community Supported Agriculture (CSA) programs statewide. These incentives will be calculated and instantly applied to the SNAP recipient's EBT card, and information on the incentive earned and SNAP account balance will be provided on the accompanying receipt. The maximum incentive that can be earned each month will be based on household size. Households with 1-2 members will be capped at \$40, households with 3-5 members will be capped at \$60, and households with 6 or more members will be capped at \$80. These monthly cap amounts will allow for substantial increases in the amount of fruit and vegetable purchases by the household yet remain low enough to limit the State's potential exposure to errors or fraud (current reporting and fraud mechanisms will also apply to HIP).

Overall goals of the HIP project include to:

- reduce barriers to participation in the benefit for both SNAP clients and retailers;
- increase the availability of locally grown fruits and vegetables for SNAP clients; and
- assess the impact of the new incentive program on participants' purchase of fruits and vegetables to inform future expansion.

Intended outcomes of the HIP project include:

- increased purchase of fruits and vegetables by SNAP clients;
- increased usage of SNAP benefits for purchasing locally grown fruits and vegetables at the four points of sale; and
- demonstrated model for a sustainable statewide matching/incentive program.

HIP: Project Phases & Timeframes

- Planning and Start Up: April 1, 2015 – April 30, 2016
- Systems Design, Development and Testing: January 1, 2016 – December 31, 2016
- Implementation: April 1, 2017 – March 31, 2020 (HIP benefit availability period)
- Operations and Evaluation: September 1, 2016 – March 31, 2020
- Closeout: April 1, 2020 – June 29, 2020

HIP Coalition and Partnerships

The HIP partnership is unique and based upon a history of collaborative work given the synergies in missions (crossing agriculture, public health and healthy food access) which brings complementary expertise and provides a foundation to support the work of the HIP coalition. A regional approach will guide the implementation of the new HIP project, and partnership leads will represent each area of the state: Southeast, Eastern, Northeast, Central and Western. The regional partner leads will coordinate the activities of the extended network of community partners in providing guidance on the development of outreach, marketing and education materials, training, and on-the-ground-support. This approach will address the primary needs of clients (participation) and retailers (processing) in accessing the new HIP benefit. It will also take into account the cultural and operational differences of each region and best utilize the existing network of community partners to serve as the primary point of contact for SNAP clients and retailers.

Sustainability

The Program is designed to be a model for a sustainable statewide incentives program that would positively impact low-income families and local communities. Incentive programs help to encourage the use of SNAP benefits at farmers' markets and other agricultural points of sale, further stretching SNAP dollars. It will promote local farms, healthy diets, and incentives for low-income families, increasing availability of healthy foods to SNAP participants as well as supporting local agriculture and increasing customer base at these points of sale. The Program will provide positive benefits to SNAP clients for a 3-year period during the five-year grant cycle. An intended outcome of the project is that this project will lay the foundation for a future program and that if funding is available, these benefits will continue after the completion of the grant period. Specifically, the aspects of this project that will continue beyond the five-year project period include the HIP systems infrastructure, the regional support framework for the two Program stakeholder groups (i.e., clients and retailers), increased client awareness, and an increased number of SNAP farmers' markets, farm stands, and CSAs. Based on the successful implementation of the Pilot, its significant findings, and the statewide interest in supporting healthy incentives for SNAP clients at the proposed points of sale, the Massachusetts Public Health Association along with other stakeholders and organizations have secured a legislative sponsor to file legislation that would authorize, subject to appropriation, an ongoing healthy incentives program. The Commonwealth's interdepartmental team commits to leverage support to this endeavor through the work of the FINI grant and its broad coalition of partners.

The FINI grant will support the Commonwealth's efforts to build capacity and improve the infrastructure for providing an incentive benefit to SNAP clients, and will facilitate the development of a diverse, regional coalition simultaneously achieving goals that will both increase food access to SNAP clients and expand market demand in the agricultural sector, resulting in strengthened local economies. Additional funding will be required to enable SNAP clients to earn the HIP benefit in the future, beyond the 5-year grant period.

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