



ProducePERKS

Interested Party Testimony- Senate HHS Subcommittee Substitute House Bill 166- State Operating Budget May 15, 2019

Chair Hackett, Vice Chair Huffman, and Ranking Member Thomas – thank you for the opportunity to provide testimony on Substitute House Bill 166, the State Operating Budget, in support of Produce Perks Midwest’s funding request which would appropriate \$500,000 in each fiscal year within the Department of Job and Family Service’s TANF Block Grant for Produce Perks to expand services.

My name is Tevis Foreman and I serve as the Executive Director of Produce Perks Midwest, the lead agency administering the Produce Perks program for Ohio. Through innovative nutrition incentive programming and local farmer economic growth initiatives, we are improving the health of the communities we serve and strengthening Ohio’s food system – this includes putting over \$800,000 back into our local farming economies in 2018 after reaching just 1% of our target population. There is high demand for our programming and significant business growth opportunities, and with your help we can reach far more communities across the state.

Produce Perks is Ohio’s nutrition incentive program, an evidence-based model that empowers SNAP households to purchase fresh, healthy fruits and vegetables from Ohio farmers, farmers’ markets and grocery-retailers across the state. It enables 1.5 million Ohioans receiving SNAP benefits to access to healthy foods they otherwise would lack. Best of all, it improves health while saving the state money. Produce Perks programming increases the consumption of healthy produce among target populations, resulting in lower Medicaid expenditures tied to costly chronic conditions – such as diabetes, obesity and heart disease, among others. The beneficiaries of this program are 100% TANF recipients. Additional program beneficiaries are the farmers and small businesses that work so hard to thrive in our state, who love this program so much they offer seasonal recipes for cooking on a budget, nutrition education and cooking demonstrations on-site to ensure their customers know how to cook and eat healthy produce.

In 2018 alone, Produce Perks generated over \$800,000 in healthy food purchases that benefited over 500 Ohio farmers. It is operational at over 100 locations statewide but is only reaching 1% of those who could participate in this program.

One small business farmer named Bryn Bird of Bird’s Haven Farm in Licking County shared, “At the Canal Market District in Newark, OH, Produce Perks accounted for close to 40% of our annual market sales. This gave us an entirely new market to sell to, increased our overall profits for the year and helped us bring local produce to a community that had been without local produce for decades. We have countless stories of customers who had never tried ground cherries but only because of Produce Perks they were able to buy

them, found their kids loved them, and began making special trips each week for their child to enjoy a favorite healthy snack.”

Our work creates efficiencies in local food systems, improves farm net income, and sustains family farms across Ohio. We were successful in obtaining a federal grant from the USDA due to the Farm Bill that created the Food Insecurity Nutrition Incentive (FINI) program. With state funding, we can leverage and enhance these dollars, reaching more communities, reversing our increasing rates of diabetes, heart disease and BMI, and ultimately, lowering our state’s costly Medicaid expenditures.

Ohio spends \$50 million annually to address chronic, diet-related disease. The Produce Perks program addresses this by providing a \$1-for-\$1 match for fruits and vegetables, doubling the purchasing power of low-income Ohioans to buy fresh, healthy produce because our dollars can only be used on healthy produce. And it spurs economic growth. The USDA estimates that every \$1 in SNAP spending creates \$1.80 in economic activity, and this impact is magnified when purchasing locally-grown food. Based on these estimates, **Produce Perks generated over \$1.44 million in economic activity within Ohio’s food system in 2018**. These are dollars going directly into Ohio communities, purchasing healthy foods from Ohio farmers. Our work redirects federal SNAP dollars to create positive impacts on health and economy — it is the highest and best use of federal SNAP dollars.

Ohio is a leading agricultural state with over 73,000 farms (7th highest nationally), yet we rank 45th for food insecurity. Consequently, we experience some of the nation’s worst health outcomes tied to chronic disease and disparity, resulting in unsustainable health expenditures. As a proud agricultural state, we can do better.

*Health Policy Institute of Ohio’s (HPIO) 2019 Dashboard ranks Ohio in the bottom quartile of states on health value (46th), meaning Ohioans are less healthy and spend more on health care. HPIO notes, a primary reason for such poor ranking is “**missed upstream opportunities to invest in prevention...and most spending is on costly downstream care to treat health problems.**”*

Both the *Ohio Department of Health (ODH)* and *HPIO* recommend nutrition incentive programming (Produce Perks) as the top-rated, evidence-based strategy relevant to state policy to address food insecurity and improve health outcomes. Produce Perks is recognized as a key strategy within ODH’s State Health Improvement Plan.

There is an inherent link between health and food. According to the American Diabetes Association (ADA), those experiencing food insecurity have an approximately twofold risk of diabetes compared to those who are food secure. With food insecurity, individuals may rely more heavily on less nutritious, inexpensive, calorie-dense food alternatives, contributing to higher diabetes rates among this population. In Ohio, 1.3 million people are living with diabetes and the average medical expenditures per person with diabetes per year is \$13,700 in 2012 dollars.

To rein in this profligacy, the American Heart Association recommends creating a healthier, more sustainable food system through innovative, system-level approaches that improve individual behavior long-term, strengthen private sector and community, and align policies with evidence-based recommendations. This is exactly what Produce Perks does.

For example, following implementation of a 6-month Produce Perks pilot project in two Cincinnati Public Schools with soaring BMI and childhood obesity rates, BMI rates remained stable or decreased for 78% of participants, A1C numbers measuring blood sugar levels used to diagnose diabetes and pre-diabetes dropped for 47% of participants, and the majority of the children participating decreased their Triglycerides.

Produce Perks is a nationally recognized program. Our work advances years of investment and the collective work of partners from across our state. We've experienced annual growth in every facet of our program, with a 166% increase in healthy food purchases from 2017-18. That is why the American Diabetes Association supports this budget request along with the Ohio Grocers Association and dozens of other health organizations and businesses across the state.

Produce Perks is currently funded through a public-private partnership. In 2018, the USDA awarded Produce Perks Midwest the FINI grant to expand programming. Produce Perks was the top-rated proposal in the nation and Ohio is among a small contingent of states leading nutrition incentive programming to the scope and scale in which we are. Ohio is emerging as a national leader addressing costly health expenditures while simultaneously revitalizing urban and rural food systems of small business farmers across the state.

With \$1 million from the state, Produce Perks could expand programming to reach 1000+ Ohio farmers, and over 300 farmers markets and retailers in communities throughout Ohio's highest-need counties. Furthermore, these dollars would leverage a renewal of our FINI award in 2021.

I implore you to support our amendment of \$500,000 in each fiscal year within the Department of Job and Family Service's TANF Block Grant for Produce Perks to expand services to benefit Ohio farmers, small business owners, and countless communities across Ohio – and to improve the health and wellness of our great state.

This work truly creates more efficient and effective systems, with immediate impacts and compounding returns on investment.

I can answer any questions at this time.

Thank you.

Sincerely,



Tevis Foreman
Executive Director
Produce Perks Midwest, Inc.