


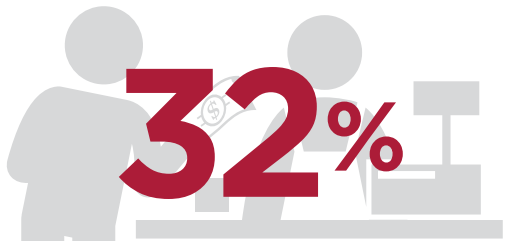
# IMPROVE HEALTH OUTCOMES BY INCREASING ACCESS TO HEALTHY FOOD

## BACKGROUND

Research indicates that nonclinical factors, such as where a person lives, works, and plays, contribute to as much as 80 percent of a person's health outcomes. Food insecurity is one of those key drivers of health, and as a result, a driver of higher health care costs. The Center for Disease Control suggests that food insecurity adds about \$53 billion annually to health care costs in the U.S and up to \$2 billion in Texas. **Access to healthy and nutritious foods can help prevent health issues, chronic diseases, and the associated health costs.**



**4.3**  
million Texans  
are enrolled in Medicaid  
and the Children's Health  
Insurance Program (CHIP)



**32%**  
of Medicaid beneficiaries  
report purchasing cheaper,  
less-healthy food options  
because of lack of money

More than 4 million Texans receive healthcare through the Medicaid program. Nearly all are enrolled in a managed care organization (MCO). MCOs have the flexibility to provide services, such as Food Is Medicine (FIM) interventions, that are not formal Medicaid benefits, and many have experimented with pilot programs to provide these services as a cost-effective way of improving health outcomes. However, MCOs do not get credit for these activities when rates are set, which discourages the scaling of these services. Texas can address this gap by categorizing FIM interventions as “in lieu of services,” which would allow states to consider the cost and utilization of these services when setting rates for MCOs.

## SOLUTION

Health and food are fundamentally linked. Creating a healthy Texas requires a healthcare system that takes a holistic approach to treating patients and addresses health-related needs beyond just medicine.

Texas should authorize the Texas Health and Human Services Commission (HHSC) to pursue Medicaid financing for medically appropriate, cost effective, and evidence-based solutions to address non-medical drivers of health. This could be accomplished via “in-lieu of services” (ILOS). ILOS is a provision that can be added to Medicaid contracts that allow MCOs to substitute Health-Related Social Needs (HRSNs) for traditional medical care.

A streamlined Medicaid reimbursement model that integrates food bank services into our healthcare system would enable doctors to prescribe healthy food and improve health outcomes for Texans. This would increase access to healthy foods for patients, scale existing infrastructure, and significantly lower healthcare costs over time.