

P. MICHAEL STURLA, CHAIRMAN  
414 MAIN CAPITOL BUILDING  
P.O. BOX 202096  
HARRISBURG, PENNSYLVANIA 17120-2096  
PHONE: (717) 787-3555  
FAX: (717) 705-1923



HOUSE DEMOCRATIC POLICY COMMITTEE

[www.pahouse.com/PolicyCommittee](http://www.pahouse.com/PolicyCommittee)  
Policy@pahouse.net  
Twitter: @RepMikeSturla

**House of Representatives**  
COMMONWEALTH OF PENNSYLVANIA  
HARRISBURG

**HOUSE DEMOCRATIC POLICY COMMITTEE HEARING**

**Topic: Food Banks**

**418 Main Capitol Building – Harrisburg, PA**

**April 30, 2018**

**AGENDA**

- 10:00 a.m. Welcome and Opening Remarks
- 10:10 a.m. Panel on Agriculture and the Charitable Food System – Addressing Food Surplus:
- Erin Smith Wachter  
Director of Advocacy and Public Policy, Central Pennsylvania Food Bank
  - Andy Figart  
Sales and Marketing Manager, Hess Brother's Fruit Company
  - Deborah Bentzel  
Associate Director for Community Food Systems, The Food Trust
- 10:50 a.m. Panel on Public-Private Partnerships:
- Eric Saunders  
Executive Director, New Hope Ministries
  - Maria Welch  
Senior Wellness Specialist, Geisinger Fresh Food Farmacy/Geisinger Health Plan
- 11:20 a.m. Closing Remarks



**Testimony to the House Democratic Policy Committee**  
Erin Smith Wachter, Director of Advocacy and Public Policy  
Central Pennsylvania Food Bank  
April 30, 2018

Chairman Sturla and distinguished members of the House Democratic Policy Committee, thank you for the opportunity to provide testimony today on the Pennsylvania Agricultural Surplus System, or PASS. My name is Erin Smith Wachter, Director of Advocacy and Public Policy at the Central Pennsylvania Food Bank. I will begin with a brief overview on our food bank and hunger in Pennsylvania, and then talk about a program called the Pennsylvania Agricultural Surplus System.

Hunger in Pennsylvania

The Central Pennsylvania Food Bank has been dedicated to ending hunger for more than 30 years. We live our mission of *fighting hunger, improving lives, and strengthening communities* every day. We truly believe no one should be hungry and are committed to working hard every day to make that belief a reality. We are also a fine example of public/private partnerships to benefit society, with generally 80 percent of our food and financial resources sourced through private donations.

Serving 27 counties, the Central Pennsylvania Food Bank is the largest non-profit food distribution organization in central Pennsylvania. We distribute more than 48 million pounds of food and grocery products, equivalent to approximately 40 million meals, every year to more than 900 soup kitchens, shelters, and food pantries in our 27-county service territory. These agencies directly feed thousands of hungry families throughout central Pennsylvania. We could not do this without the generosity of food donors and financial supporters from all sectors, including food companies, retailers, farmers, corporate funders and individuals.

Hunger impacts every single county across the Commonwealth of Pennsylvania. Per Feeding America’s “Map the Meal Gap 2017,” more than 1.6 million Pennsylvanians – 1 out of 7 – throughout the Commonwealth are at risk of hunger and may not know where their next meal is coming from. That number includes more than 482,000 children – 1 out of 5.

The need is real, and the need is significant across the country. Research conducted by Feeding America demonstrates that there is a significant meal gap, or difference between the food low-income people need and the resources they have to buy that food. Map the Meal Gap<sup>i</sup> shows that there are over 8 billion meals missing from the tables of low-income Americans per year.

Thousands of Pennsylvanians continue to struggle to get back on their feet and for many, work does not provide protection from poverty and food insecurity. While many people think that poverty impacts only a small number of people who remain impoverished for many years, the reality is something different... many Americans experience food insecurity over the course of their working lives, often due to unforeseen circumstances such as job loss, inadequate hours, divorce or health issues<sup>ii</sup>.

Feeding America’s quadrennial study of the people utilizing charitable food assistance, Hunger in America 2014, reveals that about two-thirds of the people our food banks and their local agencies serve are making impossible trade-offs between paying for food and other necessities like rent, transportation, health care and utilities.

### Pennsylvania Agricultural Surplus System

While Pennsylvania is home to over 1.6 million people who struggle with hunger, we are blessed with more than 57,000 farms and \$7.4 billion in agricultural products sold. 30,000 of those 57,000 farms are within our 27-county service territory. In a region as agriculturally rich as central Pennsylvania, there is no reason that anyone should go to bed hungry. Farmers in our state and across the country produce the safest, most affordable, most abundant supply of food in the world. And we do our part every day at the Central Pennsylvania Food Bank to ensure that we are sourcing and distributing nutritious fruits and vegetables, protein and calcium that are essential to food insecure individuals. In doing so, we’re not only working to meet the

supplemental nutrition needs of low-income people, we are supporting Pennsylvania agriculture and food businesses across the economic spectrum, and their employees.

The Pennsylvania Agricultural Surplus System, or “PASS” program, is critical to this connection between meeting the needs of low-income Pennsylvanians and supporting Pennsylvania agriculture. By way of background, PASS is a statewide program that was enacted into law in 2010, and was funded for the first time ever – at \$1 million – through the 2015-16 state budget and every budget since. The program is funded through the State Food Purchase Program line item within the Pennsylvania Department of Agriculture’s (Department) budget.

PASS is administered by the Department, who in turn contracts with the Central Pennsylvania Food Bank (selected after a rigorous Request for Proposal and scoring process) to implement the program on behalf of the entire state. The \$1 million appropriation is distributed using the State Food Purchase Program formula so that all 67 counties receive a PASS allocation. To make this happen, we contract with Feeding Pennsylvania and Hunger-Free Pennsylvania member organizations that distribute food, whose combined statewide network total more than 3,000 partner food pantries, soup kitchens, and other food assistance sites and reaches all 67 counties.

Feeding Pennsylvania and Hunger-Free Pennsylvania member organizations that participate in the program view PASS as meeting two important goals: supporting Pennsylvania agriculture, food businesses and their employees, and meeting the supplemental nutrition needs of low-income Pennsylvanians.

PASS provides funds for the state’s food banks and other emergency food providers to purchase a variety of surplus agricultural products produced in Pennsylvania. PASS provides an alternative market for many farmers in the commonwealth who currently have no outlet for safe, but somewhat inferior, quality product. At the same time, PASS provides an additional opportunity for the state’s charitable feeding organizations to purchase locally-grown and produced agricultural products. This is especially important because many low-income individuals and families do not have the same level of access to healthy food as do higher income groups.

Moreover, producers, packers, and processors are reimbursed for costs involved in harvesting, processing and/or packaging donated product. Many benefits accrue to those members of Pennsylvania's agriculture industry participating in PASS, including: offsetting costs related to harvesting, packaging and/or processing; eliminating disposal/landfill costs; keeping farm workers more consistently employed; reducing overall overhead costs; offering potential tax benefits of the difference between current market value and production costs; and reducing food waste.

Since its first year of funding in 2015, PASS has supported the distribution of more than 6.8 million pounds of fresh Pennsylvania-produced food to more than 850,000 households in all 67 counties. PASS has proved effective to the state and regional agriculture economies by providing 105 farmers, growers and processors and their regional food banks a method to connect excess wholesome food with communities in need. This food is distributed efficiently, at a cost well below retail.

Just one of many PASS success stories involves the dairy industry. Pennsylvania's dairy industry is unfortunately facing an extremely tough economic situation in which the milk market is depressed, prices are low, and the industry is producing much more milk than can be consumed, leading to a surplus of milk. Unfortunately, many dairy farmers across Pennsylvania have lost access to their market and are faced with deciding whether to exit the dairy business. That said, PASS has provided an opportunity to divert surplus milk through the food bank chain – milk that otherwise does not have a home and may have gone to waste.

Last summer for example, organizations such as Land O'Lakes made good use of its surplus Pennsylvania milk by shipping four truckloads of milk to Penn Cheese in Winfield, Union County. The four truckloads of milk were processed into over 25,000 pounds of cheddar cheese and distributed to three regional food banks in the state: the Central Pennsylvania Food Bank, the Second Harvest Food Bank of Northwest Pennsylvania and the Greater Pittsburgh Community Food Bank. The cheese processing and packaging was funded through PASS.

In the 2016 calendar year, a total of 472,170 quart equivalents of fresh, local milk were purchased from Pennsylvania dairies using the PASS program. This means that approximately 1.89 million servings of milk were distributed across Pennsylvania to families in need.

*It is our goal to significantly expand the number of farms that participate in the PASS program, working in close partnership with our friends in agriculture to do so. However, to do so will require an increased allocation in the state budget. While we are thankful for the current \$1 million allocation in the state budget for PASS, it only covers a portion of the nutritious bounty that could be brought into the charitable food system. For this reason, we urge your support for increasing the allocation for PASS to \$3 million in the Fiscal Year 2018-19 state budget. This would allow the sourcing and distribution of 5 to 10 million pounds of nutritious food and generate large economic benefits for the state's agricultural economies. What great potential for such a small yet important investment.*

The PASS partnership between the Pennsylvania Department of Agriculture, our food bank and the entire statewide charitable food network, and Pennsylvania farmers truly is a game-changer that ensures hungry Pennsylvanians have access to nutritious food while supporting our commonwealth's agricultural and food industries and reducing food waste. A win, win, win.

Thank you for the opportunity to testify today. I look forward to answering any questions.

### **York Benevolent Food Pantry, York, PA**

- The PASS grant has made a tremendous difference for our clients! This past year was the first time in over six years that we could provide our clients with milk and eggs. And the fabulous assortment of produce, fruits and vegetables were a huge benefit to so many of our clients as they provide the essential nutritional requirements.”
- “I didn't know the food was coming from right around here and helping farmers, too. That is great. This helps me afford more at the grocery store and eat more healthy food.”  
–*Sam*

### **New Love Center, Jersey Shore, PA**

- We consider this so important that we have committed to include milk and eggs in every distribution. The PASS grant so helped us to defray that cost however we will continue to provide that for our clients. Bless all of you that made this possible! Our clients are grateful and so are we!

### **Faith Community Outreach, Waynesboro, PA**

- Our families at Faith Community Outreach Ministries in Waynesboro have welcomed the milk, butter, eggs, hot dogs and fresh produce they have received thanks to our food pantry receiving the PASS grant. We could offer extra items to every household this summer because of the additional funding. Thanks for making this possible for our food pantry and the folks we serve. It was a win-win experience and we certainly encourage the PA Department of Agriculture to continue the PASS grant program!

### **American Rescue Workers, Hollidaysburg, PA**

- Tim (Roaring Springs): After my wife died, I couldn't make it without the ARW. I have 5 children and I work full time. Things like milk and butter and cereal go a long way in stretching my food dollars.

### **Project Share, Carlisle, PA**

- Sally (Carlisle, PA) from Project SHARE Food Pantry exclaimed how much she appreciated the fresh produce, especially greens and the milk. “My doctor just told me I am malnourished. I am not getting enough calcium and vitamin D. This makes all the difference in my diet.”

### **Our Lady of Hope Fresh Express, Shamokin, PA**

- We love receiving the fresh fruit and veggies, especially the fruit as we don't normally get to purchase that at the store.

### **Caring Cupboard, Palmyra, PA**

- Vicki F., Palmyra: "Getting milk every week is a great help. My kids drink it like there's no tomorrow and getting it at The Caring Cupboard saves me from having to buy 2 gallons a week."

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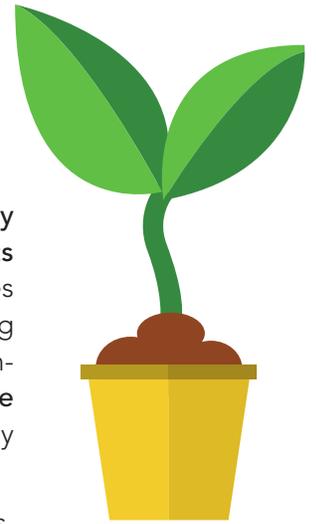
<sup>i</sup> Map the Meal Gap looks at food insecurity by county across America and the amount of meals missing from food insecure American households.

<sup>ii</sup> Rank, Mark Robert, Hirschl, Thomas A. and Foster, Kirk A. Chasing the American Dream: Understanding What Shapes our Fortunes. Oxford University Press, 2016.

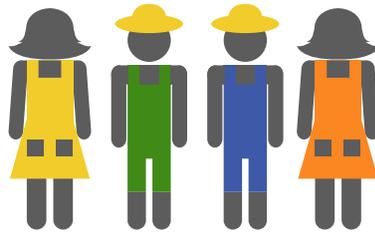
# PASS PENNSYLVANIA AGRICULTURAL SURPLUS SYSTEM

The Pennsylvania Agricultural Surplus System (PASS) is an innovative program for accessing healthy and nutritious surplus food produced by Pennsylvania farmers in an effort to share these products with Pennsylvania families in need. Through PASS, the PA Department of Agriculture provides funding to cover the costs associated with harvesting, processing, packaging, and transporting surplus products including fruits, vegetables, eggs, dairy, poultry, pork, beef, and grains (much-needed items at food banks and their agencies) in order to donate those items to the charitable food system. Significant portions of the product obtained through PASS is food that is perfectly nutritious and edible but might otherwise become waste.

In its first year of funding, PASS had a positive impact for Pennsylvania agricultural producers, local food sourcing, and Pennsylvanians in need.



Pennsylvania Department of Agriculture allocates funding for PASS.



Pennsylvania producers use the money to harvest surplus product.



Pennsylvania families in need get access to fresh food!

## HOW IS PASS DISTRIBUTED?

Using the State Food Purchase Program formula, all 67 counties receive a PASS allocation. Since 2015, PASS funds have helped in the distribution of 5 million lbs of fresh Pennsylvania-produced food to 67 counties and more than 850,000 households.

## WHAT DOES PASS FUNDING COVER?

- Cost for farmers to harvest surplus product from the field
- Cost to package product
- Cost for value added product (ie: processing milk into cheese)
- Transportation to get the product to the food bank

## POTENTIAL FOR MORE IMPACT

The current \$1 million appropriation only covers a portion of the nutritious bounty that could be brought into the charitable food system through PASS to help nourish the 1.7 million Pennsylvanians who struggle to put food on the table. For this reason, we are advocating for an increase to \$3 million for this vital initiative.



"We now have a mechanism for our farm to recover a portion of the fixed costs associated with packaging and distribution of our donated potatoes. Thus, providing a benefit to our farming operation, while at the same time benefiting the charitable food system and those that it serves. It has truly been a win-win."

- Dave Masser, President, Stermann Masser, Inc.





Dear Partner in Agriculture,

There are 1.7 million Pennsylvanians struggling with hunger every day, nearly 500,000 of whom are children. Vitamins and minerals from fruits and vegetables, protein from meat and eggs, and calcium from dairy are all essential to living a healthy lifestyle that fosters learning and growth, and Pennsylvania produces this food in abundance. In a commonwealth that boasts more than 57,000 farms and \$7.4 billion in agricultural products sold, we believe no one should be denied access to the healthy, nutritious food that we produce, especially children.

For this reason, *we are writing to urge your support for increasing the allocation for the Pennsylvania Agricultural Surplus System (PASS) to \$3 million.* While we are thankful for the current \$1 million allocation, it only covers a portion of the nutritious bounty that could be brought into the charitable food system through PASS to help nourish our neighbors in Pennsylvania struggling to put food on the table. These dollars are distributed using the State Food Purchase Program formula so that all 67 counties can receive a PASS allocation. With more dollars, the PASS program will support Pennsylvania agriculture while getting this nutritious food to Pennsylvania families in need.

PASS is an innovative program for accessing healthy and nutritious surplus food produced by Pennsylvania farmers to share these products with Pennsylvania families in need. Through PASS, the Department of Agriculture provides funding to cover the costs associated with harvesting, processing, packaging, and transporting surplus products including fruits, vegetables, eggs, dairy, meat and grains in order to donate those items to the charitable food system. Significant portions of the product obtained through PASS is food that is perfectly edible but might otherwise become waste. Our agricultural community views this as an important step in improved stewardship of our resources. Since its first year of funding in 2015, PASS has supported the distribution of 6 million pounds of fresh Pennsylvania-produced food – by 98 farmers and processors - to more than 850,000 households in all 67 counties.

Sincerely,

Chris Herr, Executive Director  
PennAg Industries

Joel Rotz, Manager,  
Government Affairs and Communications  
Pennsylvania Farm Bureau



David Smith, Executive Director  
Pennsylvania Dairymen's Association



Alan Novak, Executive Director  
Professional Dairy Managers of Pennsylvania



Hannah Smith-Brubaker, Executive Director  
Pennsylvania Association for Sustainable  
Agriculture



Heidi Secord, Executive Director  
Pennsylvania Farmers Union



Nolan Masser, President  
PA Cooperative Potato Growers



William Troxell, Executive Director  
PA Vegetable Growers Association



Wayne D. Campbell, President  
Pennsylvania State Grange



Vince Phillips, Association Manager  
PA State Council of Farm Organizations

## **Testimony to the House Democratic Policy Committee Pennsylvania Agricultural Surplus System**

Andy Figart, Sales and Marketing Manager  
Hess Brother's Fruit Company

April 30, 2018

Good morning, and thank you for the opportunity to testify today. I'm Andy Figart, Sales and Marketing Manager at Hess Brother's Fruit Company. Hess Bros. Fruit Company is a family owned and operated business in Lancaster County. Currently, Hess Bros. is operated by the second and third generations. The second generation is my uncle Fred Hess and the third generation is myself, Ryan Hess and Zach King all nephews to Fred. The business has grown over the last 50 years into a 60-employee operation that distributes over 20 varieties and 2.0 million bushels of local eastern apples a year. We specialize in sourcing, packaging and wholesale of a large variety of premium apples which are purchased through a network of hand-picked orchards. The apples are then distributed to a wide-range of markets. You can find Hess Bros. apples in retailers such as Costco, Weis Markets, Giant Food Stores, Safeway, Aldi, and Whole Foods among others.

Most of the orchards that provide apples to Hess Bros. are located in the Mid-Atlantic region within a 300 – 400-mile radius of the facility. Growers are hand-selected and a field consultant from Hess Bros. works closely (in some cases weekly) with each one to ensure that they grow the best fruit possible. After being cleaned, food-grade wax is applied to all apples to maintain freshness and give them a better visual appeal. Apples are then packaged for distribution. Hess Bros. strives to meet the needs of our customers and offers a variety of package options which vary per their request.

However, it is inevitable that not every apple arrives in perfect shape and able to meet the specifications of the marketplace. That is where the Pennsylvania Agricultural Surplus System, or "PASS" comes in. PASS helps to reduce food waste by focusing efforts on obtaining wholesome surplus agricultural products that may not be fit for retail sales due to natural imperfections in size, shape, and color or due to disrupted markets. High quality and nutritious

apples that aren't quite up to marketplace standards are often left without a market and otherwise may go to waste. Farmers want to see the product of their hard work go to feed others, but too often, it simply is not economically feasible to harvest and pack the food that is perfectly fine and nutritious, but not necessarily the best appearance-wise.

PASS is an innovative program that puts Pennsylvania-grown food into the charitable food system. It provides a way for farmers and processors to donate, sell or otherwise provide food products to the charitable food organizations. Farmers can be reimbursed for costs involved in harvesting, processing, packaging, or transporting agricultural products.

Through the PASS program, our company has been able to work directly with the Central Pennsylvania Food Bank and the Greater Pittsburgh Community Food Bank to distribute surplus apples to low-income households across much of Pennsylvania. To date, these two regional food banks have purchased more than 258,000 pounds of apples at a cost of approximately \$48,000 using PASS funds. Those apples are distributed mainly in 5-pound bags. The local food pantries that receive food from Central Pennsylvania Food Bank and Greater Pittsburgh typically handout one bag of apples per household. Under that scenario, it's safe to say that about 51,600 households have received apples from Hess Bros Fruit Company, thanks to the PASS program.

We are proud to partner with food banks through the PASS program. In doing so, we are ensuring that hungry Pennsylvanians in our local community have access to nutritious food while also supporting our apple growers and the agriculture industry while reducing food waste. We strongly support the letter that is included in your packet, signed by 10 statewide agriculture organizations such as the Pennsylvania Farm Bureau, the Pennsylvania Association for Sustainable Agriculture, and the Pennsylvania Vegetable Growers. All 10 statewide organizations support increasing the allocation for the PASS program from \$1 million to \$3 million in the state budget. We stand in support of the PASS program, and hope for continued – and increased - funding in the Department of Agriculture's budget year after year.

Thank you for the opportunity to testify today.

# The Food Trust

EST. 1992

ENSURING THAT EVERYONE HAS ACCESS TO AFFORDABLE, NUTRITIOUS  
FOOD AND INFORMATION TO MAKE HEALTHY DECISIONS

Pennsylvania House Democratic Policy Committee  
Food Bank Hearing  
April 30, 2018

Good morning. My name is Deb Bentzel, and I am the Associate Director of Community Food Systems with The Food Trust, a Philadelphia-based nonprofit organization working locally, regionally and nationally to ensure equitable access to nutritious food and information to make healthy decisions.

From the time of our founding in 1992, The Food Trust has worked to bridge the urban-rural divide in order to address the needs of food-insecure families and to support the commonwealth's vibrant farming communities. In Pennsylvania, 97% of farms are family-owned and generate \$67 billion for the commonwealth. Of that revenue, \$439 million can be attributed to edible foods, with the top foods including dairy, poultry and eggs, meats, fruits and vegetables. The commonwealth's agricultural diversity and abundance of edible foods, specialty crops in particular, have bolstered the local food movement, playing a key role in the farm to school movement, and have provided a foundation for healthy food access initiatives across the commonwealth. And yet, Pennsylvania farmers are subject to national market trends and policy decisions that do not always work in favor of our producers.

In Pennsylvania, 2 million people have limited access to grocery stores. And in urban centers, food insecurity is even more pronounced, with 1 in 4 residents-- many of whom are children-- at risk of going to bed hungry. The Food Trust, in partnership with state agencies and dozens of partners from across Pennsylvania, have worked to expand access to fresh, Pennsylvania-grown foods through an array of initiatives. From supporting the development of farmers market networks that accept federal nutrition benefits and offer healthy food incentives to shoppers with lower-income status, to creating a national model for public-private partnerships to bring healthy food retail to low-access communities through the Fresh Food Financing Initiative, to supporting value chains to link urban and small-town school districts to their local farming communities, the connections between rural agricultural producers and city-dwelling consumers have been growing.

SNAP, formerly known as food stamps, plays a critical role in reducing hunger and poverty, supports child and adult health, and drives our local economy. A disproportionate number of Philadelphians experience food insecurity; suffer from a host of diet-related diseases; and lack consistent access to healthy foods in their neighborhoods. SNAP is our first line of defense against hunger, and it helps families purchase the groceries they need, supporting sound nutrition for child development and education, and quality of life and health for adults.



SNAP is important to urban and rural communities alike. Grocery stores, especially those located in lower-income neighborhoods, depend on SNAP dollars to keep their doors open, and, in turn, these stores provide access to nutritious food. The economic impact of SNAP to the commonwealth is undeniable—in Pennsylvania in 2016, \$2.5 billion in SNAP benefits were spent in grocery stores, at farmers markets, and other food retailers. In just February of this year, \$63 million in benefits were directed to Philadelphia’s most vulnerable residents. The opportunity to increase the market share of the Pennsylvania-grown foods for SNAP shoppers is clear.

In order to stimulate sales of locally grown foods, communities across the commonwealth, and the nation, have implemented coupon programs designed to incentivize SNAP shoppers to purchase more Pennsylvania-grown fruits and vegetables. The Food Trust Food Buck Network’s model provides a \$2 fruit and vegetable voucher for every \$5 spent at a farmers market with SNAP benefits. These types of matching programs help stretch the food budgets of shoppers with lower incomes, and help drive direct sales for growers at farmers markets, thereby supporting a stronger farming economy, while boosting the nutrition profile of Pennsylvanians by making locally grown fruits and vegetables within reach. Since the inception of incentive programs, farmers have reported an increase in sales by 48%, and SNAP sales in Pennsylvania have gone up by 300% since food buck programs became established in 2010. **Investment by the commonwealth in a statewide food buck network could broaden sales channels for even more Pennsylvania farmers through SNAP sales and food buck redemptions.**

Beyond targeting household SNAP shoppers and other heads of household that purchase food to feed their families, the opportunity to strengthen farm to school and farm to early childhood programming in Pennsylvania is vast and timely. “Farm to school” is defined as a group of activities and strategies that include the use of locally and regionally grown foods in meals, snacks and taste tests, as well as gardening opportunities and nutrition and agriculture education. These activities are designed to enhance the quality of the educational experience while supporting local and regional food producers and the local economy. In partnership with the Pennsylvania Departments of Education, Health, and Agriculture, the Pennsylvania Farm to School Network was launched in early 2018 to fortify a movement that has been growing for many years. Designed as a resource hub for farmers, schools and communities at large, the network will aim to strengthen links between child nutrition programs like the National School Lunch Program and Pennsylvania farmers. According to the most recent USDA Farm to School Census, farm to school activities have contributed over \$18 million to the Pennsylvania agricultural economy through local food procurement for school meals. Eighteen million dollars is commendable—however, the state as a whole spends nearly \$700 million on school meal and early childhood meal programs—that’s about 2.5% on Pennsylvania-grown food. Child nutrition programs are primed to procure more Pennsylvania-produced foods of all kinds.

While 44% of Pennsylvania school districts report engaging in farm to school activities, only 12% of early childhood programs report the same. The opportunity to connect children ages 0-5, and their families, to Pennsylvania-grown food is great, and as the commonwealth seeks solutions to support successful implementation of the Child and Adult Care Food Program in more childcare settings, farm to early care and education (farm to ECE) is poised to support this very goal. **The commonwealth can support farm to ECE and farm to school by:**

- Bolstering local food procurement through the USDA Child Nutrition Program like the Child and Adult Care Food Program and School Meals Programs by providing local food purchasing incentives.
- Integrating farm to ECE concepts into early learning standards and quality rating systems for early care and education programs.
- Reinvesting in the Healthy Farms, Healthy Schools Act and expanding access to this grant program to licensed early care and education providers.

The Pennsylvania Fresh Food Financing Initiative (PA FFFI) was established in 2004. The nation's first healthy food financing program, PA FFFI was a public-private partnership that provided one-time grants and loans to grocery operators and other healthy food retailers. In the years since, this model has expanded to states across the country including Ohio, New Jersey, Massachusetts and Michigan. The federal Healthy Food Financing Initiative (HFFI) was launched in 2011 and is jointly administered by the USDA Departments of Agriculture, Treasury and Health and Human Services. Designed to address the "grocery gap," by providing low-risk funds to grocery operators, HFFI has gone well beyond supporting traditional brick-and-mortar stores – financing funds directly support rural communities and Pennsylvania farmers, as funds may be utilized for the establishment of farmers markets and food hubs, and other supply chain players.

PA FFFI catalyzed the creation and preservation of 5,000 jobs, and improved healthy food access for over 400,000 residents in Pennsylvania. The initial \$10 million investment each year for 3 years attracted \$145 million in additional investment to nearly 90 food retail projects across the state, in both urban and rural settings. Connecting Pennsylvania farmers to retail opportunities in the commonwealth is one of the many goals of the Fresh Food Financing Initiative. Food Forward PA is a coalition that unites individuals, organizations, grocers, farmers, financing institutions, agriculture and health advocates and community partners to raise awareness about the importance of access to fresh and locally grown foods for Pennsylvanians. The recently introduced Senate Bill 1100 proposes recapitalization of the PA FFFI at \$5 million. Special measures to give preference to financing projects that support local farmers and Pennsylvania-grown food sales have been recommended. PA FFFI has the potential to create wins, once again, for urban, rural and small-town communities as increased access to healthy food connects farmers to consumers and supports positive economic and health outcomes for residents across the commonwealth.

As the committee considers what types of programming and policies can help support increased market opportunities for Pennsylvania farmers, and the opportunity to drive demand for Pennsylvania-grown foods among children and adults, The Food Trust and its partners will continue to work closely with our state agencies, business community, consumers, and the farmers who feed us. We are all in this together, and we can create strong food systems and reduce food insecurity, together.

Thank you for your time.



**Testimony on Fresh Food Farmacy  
By Maria Welch  
Senior Wellness Specialist**

Good morning, Chairman Sturla and members of the House Democratic Policy Committee. Thank you for inviting me to discuss Geisinger's Fresh Food Farmacy. My name is Maria Welch. I am the Senior Wellness Associate for Geisinger Fresh Food Farmacy.

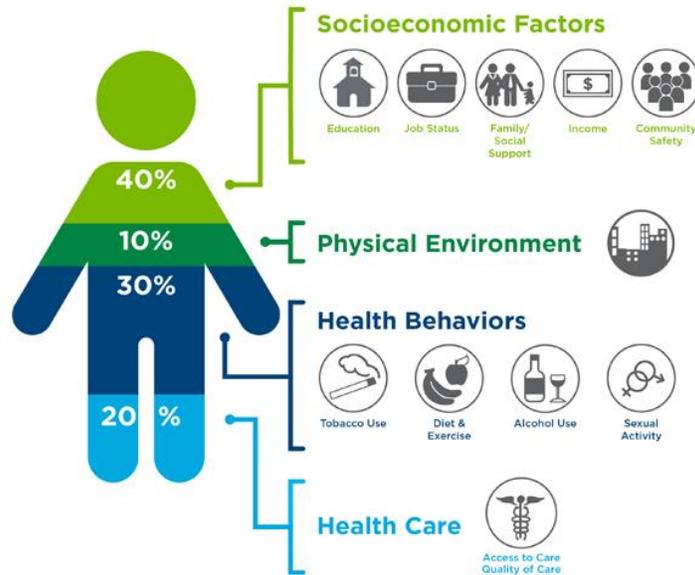
Geisinger is one of the nation's largest integrated health services organizations serving a population of more than 3 million residents throughout central, south-central and northeast Pennsylvania, and in southern New Jersey at AtlantiCare, a member of Geisinger. Our physician-led system includes approximately 32,000 employees, nearly 1,800 employed physicians, 13 hospital campuses, 2 research centers, a school of medicine, and a 580,000-member health plan. Geisinger has repeatedly garnered national accolades for our innovative care delivery models, integration, quality and service.

Rationale

The Geisinger Shamokin Area Community Hospital (a campus of Geisinger Medical Center) Community Health Needs Assessment (2015) in Coal Township, Pennsylvania identified several significant health issues in our community. To help combat diabetes and food insecurity, two prominent concerns identified in the Community Health Needs Assessment, Geisinger launched the Fresh Food Farmacy (FFF) in July 2016. The hospital is located in Northumberland County which is home to an estimated nearly 22,000 adult residents who have pre-diabetes. Of those residents, 90 percent don't know they're pre-diabetic. Additionally, Northumberland County has the second-highest rate of long-term diabetes complications in central Pennsylvania.

The Fresh Food Farmacy aims to improve healthy behaviors of residents in and around the communities in Shamokin, PA. Multiple factors impact patient health: socioeconomic factors (education, job status, family/social support, income, community safety), physical environment, health behaviors (tobacco use, diet and exercise, alcohol use, sexual activity) and health care.

# What Goes Into Your Health?



Source: Institute for Clinical Systems Improvement, Going Beyond Clinical Walls: Solving Complex Problems (October 2014)

The Bridgespan Group

Image 1: What goes into your health<sup>1</sup>

To best help our patients, Geisinger is striving to address these issues and their impact on behavior and health. Specifically, the Fresh Food Farmacy reduces the barrier of food insecurity. Food insecurity is defined as “...the inability to afford nutritionally adequate and safe foods.” Food insecurity is evident when families or individuals: lack access to food, depend on food assistance programs, skip meals, substitute nutritious foods with less expensive alternatives, and seek assistance from soup kitchens and food pantries.<sup>2</sup>

People with limited incomes are often faced with daily choices that lead them to buy inexpensive, nutrition-poor food. These food choices increase the likelihood that a person will have unhealthy behaviors. Seventy percent of households choose between paying for food or paying for medical care and thirty percent report poor health. Together, these behaviors can contribute to the development of diabetes and exacerbate it.

## Background

In the United States, thirty-three percent of households report at least one family member with diabetes, and thirteen percent of households have no health insurance of any kind. Diabetes is the fastest growing chronic condition. Thirty-nine million or 15% of adults will have diabetes by 2020. One in 3 adults will have diabetes by 2050.<sup>3</sup>

<sup>1</sup> [https://www.bridgespan.org/insights/library/public-health/the-community-cure-for-health-care-\(1\)](https://www.bridgespan.org/insights/library/public-health/the-community-cure-for-health-care-(1))

<sup>2</sup> Anderson SA. Core indicators of nutritional state for difficult-to-sample populations. J Nutr. 1990;120 Suppl 11:1559–600

<sup>3</sup> Diabetes Statistics Report, 2014; <sup>2</sup>United Healthcare, United States of Diabetes, 2010

In 2015 it was estimated that 13% (almost 1 in 8) American adults were food insecure<sup>4</sup> and 18% (1 in 6) American children were food insecure<sup>5</sup>. The health complications of food insecurity is staggering.

The food insecurity rate in Northumberland County is higher than the state and national average at 14.2% (PA = 13.8% and National Average = 12.7%). The childhood food insecurity rate is also higher than the state and national average at 22.5% (PA = 19.3% and National Average = 18%). Lastly, the diabetes rate in Northumberland County is 12.1%, which is also higher than the state and national average (PA = 9.6% and National Average 9.3%).

Measure	Northumberland	Lackawanna	Juniata/Mifflin	PA	US
Food Insecurity Rate	12.7%	12.7%	12.2%	13.1%	13.4%
Child Food Insecurity Rate	19.8%	18.9%	20.1%	17.9%	17.9%
Diabetes Rate	10.0%	9.7%	10.1%	8.7%	9.7%

Table 1: Food Insecurity across PA counties<sup>6</sup>

#### Enrollment Criteria

The Fresh Food Farmacy is a prescription food program for food insecure patients in the Shamokin area who have diabetes. In partnership with several community organizations, including the Central Pennsylvania Food Bank (CPFNB), the Weinberg Northeast Regional Food Bank, the Degenstein Foundation, the Luzerne Foundation Logos Fund, Weis Markets, and philanthropy, and grants, this program has been helping patients to better manage their disease and to provide healthy food for their families.

Patients self-identify as being food insecure by answering two validated USDA food insecurity questions:

1. Within the past 12 months, we worried whether our food would run out before we got money to buy more (Y/N).
2. Within the past 12 months, the food bought just didn't last and we didn't have money to get more (Y/N).

Clinical criteria for the program include: 18 years of age or older, diagnosed with Type II DM (limited Type I DM), HBbA1c 8.0% or greater, and a Geisinger primary or specialty care.

The Fresh Food Farmacy brings a “food-as-medicine” approach to communities to combat high rates of obesity, pre-diabetes and diabetes by providing fresh, healthy food to those most in need. Most importantly, the Fresh Food Farmacy empowers participants to manage their medical conditions through food-related behavior and life style changes. If uncontrolled, diabetes can affect the entire body, and result in severe medical complications and/or death.

<sup>4</sup> <http://www.worldhunger.org/hunger-in-america-2015-united-states-hunger-and-poverty-facts/>

<sup>5</sup> <https://www.childtrends.org/indicators/food-insecurity/>

<sup>6</sup> Data Sources: Food Insecurity – Feeding America, 2015; Diabetes: CDC Diabetes Atlas & BRFSS, 2009-2013

# Major Complications of Diabetes

## Microvascular

## Macrovascular

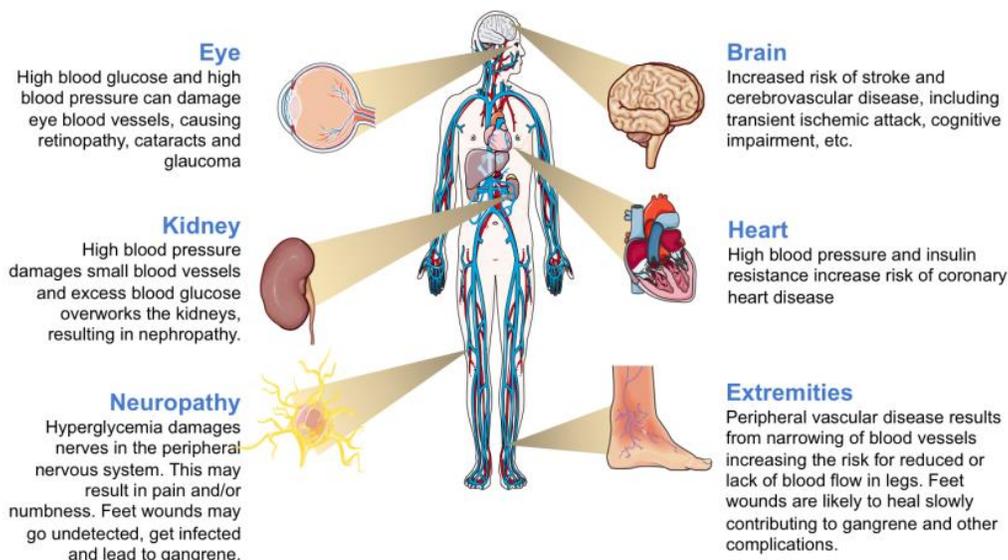


Image 2: Major microvascular and macrovascular complications associated with diabetes mellitus<sup>7</sup>

Lifestyle change is the cornerstone of treatment for diabetes: weight management, nutrition, physical activity, smoking cessation, and reduction in alcohol use. Additionally, healthy behaviors help to improve blood pressure, cholesterol, and blood glucose (blood sugar) and hemoglobin HbA1c, (or HbHbA1c) a blood test that provides information about a person's average levels of blood glucose over the past 3 months.

### How Does the Program Work?

Participants receive a prescription from their primary care physician for fresh food for themselves and their household. This prescription is enough for at least two meals per day, five days a week and includes staples for breakfast. They use that prescription to receive meal planning, grocery shopping and education from dietitians and other experts. In addition to the fresh food, patients received a welcome kit including measuring cups and spoons, recipes and nutrition information to use at home.

By working with their physician, our care team establishes a plan of care for each patient. Care team members include: RN Health Manager, MTM Pharmacist, Registered Dietitian, Pantry Manager/Clerk, Wellness Associate, and Community Health Associate (CHA). Each care plan is individualized to the patient's needs. Biometrics measures (weight, blood pressure, HBHbA1c, etc.) and medication usage are tracked on a regular basis. The team also actively works to address care gaps for each patient (mammograms, flu shots, etc.). This helps to ensure that they are receiving a full continuation of care for all health measures.

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<sup>7</sup> Adapted from Servier Medical Art. Retrieved from <https://pdb101.rcsb.org/global-health/diabetes-mellitus/monitoring/complication>

Participants also receive a comprehensive suite of diabetes management, nutritional education topics and seminars, the *Live Your Best Life with Diabetes* program (DSMP), specific educational sessions that address common patient barriers (diabetic shoe information and fittings, SNAP applications and assistance programs, budgeting programs, etc.), cooking classes, grocery store tours, and outreach services. These services include nutritional consultations and weekly recipes.

The *Live Your Best Life with Diabetes* program is an interactive, group sessions for those individuals with diabetes. Each program lasts six weeks and all participants receive the book "Living a Healthy Life with Chronic Conditions." Friends, family and caregivers are welcome to attend. Both programs are facilitated by two trained individuals and are offered at no-cost throughout the Geisinger service area as well for participants at the Fresh Food Farmacy. The program is evidence-based and formally developed by Stanford University. Geisinger Health Plan (GHP) provides the program in conjunction with the state-wide Pennsylvania Department of Aging (PDA) organization.

Participants learn healthy eating habits, exercise and relaxation techniques, how to set goals for improvement and how to manage the symptoms, including pain and fatigue, of chronic conditions. Participants in the Diabetes Self-Management Program also learn about issues specific to the disease, including how to make healthy changes to lower glucose and HbA1c monitoring blood sugar and medications, as well as skin and foot care.

Our participants often share their success with each other and with the instructors. Tom's powerful story shares the direct impact of the class. "I found this course on chronic conditions very informative...the classes were a great reinforcement tool. You got to share your thoughts and experiences with other with the same condition. Letting you know you are not alone and others are going through similar situations and emotions as you are. At first it felt like a class full of strangers. But as the weeks went on, I got the shared feelings of family..." ~ Tom. He continues to make healthy choices and learned from the program that he can make daily goals to improve his life. He continues to do so more than a year after his participation in the program.

Additionally, the CHA assigned to the Fresh Food Farmacy helps to facilitates adherence to treatment plan by early identification and resolution of care gaps and social determinants to health. She also builds relationships in the community to identify resources that are available to patients. She engages patients by way of screening new enrollees, scheduling and facilitating classes that are specific to address patient's need or barriers, and assisting in the outreach of new patients. She also addresses unmet social needs and connects patients to transportation services, heating assistance, utility services, housing, assist with SNAP benefits applications, etc.

### Outcomes

Participants in the Fresh Food Farmacy are seen weekly for food pickups, classes, and registered dietitian appointments. This provides high touch points which allows the care team to identify issues or barriers as they arise in real time. In addition to clinical care we collect biometrics such as fasting glucose, HbA1c and cholesterol measurements along with blood pressure and weights. We have seen a 20% or 2 full percentage point reduction in HbA1c which are significant. For example, most diabetes medications to become approved are required to have half or a quarter of the improvement we have seen through this lifestyle and educational program. The continual reinforcement of care objectives and the team approach care, is showing exceptional outcomes with their health metrics and is far exceeding

initial expectations. The *Live Your Best Life with Diabetes* program has also demonstrated clinical value in those patients who have completed the program vs. those who have not.

At this time, the Fresh Food Farmacy is still in the early stages of data collection and ROI (return-on-investment) analysis of both clinical and financial outcomes. On average, the program is expected to show a \$8,000-\$12,000 cost savings in care for every 1.0 (10%) drop in HbA1c. We expect to see far greater cost savings due to the overall improvement in multiple health conditions (biometric screenings), not just in diabetes management but in blood pressure, cholesterol and heart disease and stroke prevention. Informally, the program is also showing patient improvements in mood, increased confidence to manage their chronic conditions, improved testing and monitoring of their health metrics and overall closure of health care gaps.

### Participation

Currently, there are 126 patients enrolled in the program (to date 4/17/2018); with 30% of the participants actively enrolled in Medicaid. **The program is payor agnostic, so all individuals, not just Geisinger members or patients are enrolled in the program.** To date, 38% of the individuals enrolled in the program are non-Geisinger members. Geisinger feels it is our social responsibility to care for all patients in our community, regardless of insurance type. We hope that other health care organizations will follow suit and create programs to better the health of the community.

As mentioned above, the program not only provides 5 days a week of food to the patient, but also to the entire household with the average household having three members. In total, the Fresh Food Farmacy is providing, healthy, nutritious foods for over 350 individuals per week. We recognize that household members share both the socioeconomic risks for food insecurity along with genetic risks for diabetes so we hope to improve all these factors to result in better health for our Northumberland community. Many program participants report that their family members-, especially the children, are loving the food and are requesting specific fruits and vegetables. Prior to the program, these children had limited access to these foods. Many patients in the program are caregivers for children, grandchildren and extended family members.

To quote one of our patients:

“The Fresh Food Farmacy has been a godsend in terms of helping with food. I have two small children, one of whom is disabled, and our family is on a tight budget. The Fresh Food Farmacy gives me access to foods that help me make healthier, more-balanced meals for my family. Since starting Fresh Food Farmacy, my family changed our entire style of eating. My husband lost 15 pounds and I lost 10.” ~

Fresh Food Farmacy Participant

### Future

The Fresh Food Pharmacy is scheduled to expand to Mifflin and Juniata Counties in Fall 2018 and Lackawanna County in Winter 2019. These areas have been identified to have a heavy burden of food insecurity and diabetes. The food insecurity rate and childhood food insecurity in Juniata County is slightly lower than the state and national average at 11%, and 12.3% respectively. However, the diabetes rate is higher than the state and national average at 12.3%. There are similar findings of the population in Lackawanna County.

In Lackawanna County, the Fresh Food Farmacy will be part of a large community-wide initiative: Springboard Healthy Scranton. Springboard Healthy Scranton, the first-of-its-kind program designed to improve an entire community's health, places the community's focus on preventive care, behavioral

health and economic growth. The bold goals are to coordinate community resources to eliminate hunger and preventable chronic diseases and change how healthcare is delivered through the power of genomic medicine. Once developed, tested and implemented, projects will be optimized to create the most cost-effective and sustainable solutions to issues affecting a community's health. Once proven, they will be shared both nationally and globally. The populations that this program effects will initially be the residents of the city of Scranton and then other cities across the nation.

By educating the members of our community on the connection between nutrition and wellness, we strive to reduce the burden of Type 2 diabetes and related medical complications, optimizing prescription use, lowering the cost of total care, and ultimately improving the health and happiness of individuals, and their families, with diabetes.

Geisinger is proud to have "proven" that you can reduce cost while improving quality and outcomes, thereby enhancing the overall "value" for patients, employers, and the government.

We look forward to continuing to work with the various state agencies, the state legislature, and the Administration on developing smart healthcare policy that supports improving the experience of healthcare, improving the health of populations, and reducing per capita costs of healthcare.

Thank you.