



FINI Trust: Additional Partner Matching Funds

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.

FINI: Healthy Incentives Program

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.

Evaluation

DTA and its partners will adhere to all evaluation requirements and will work closely with the federal evaluation contractor. As a large-scale project, this initiative requires that DTA implement a rigorous self-evaluation to assess its process and outcomes. The process assessment will document the process, challenges, and successes of the implementation and ongoing operations. The outcome assessment will document the project's effectiveness toward FINI goals. Data collection activities will include client, stakeholder and administrative data, information from utilization surveys, focus groups, observations, SNAP case file data, and EBT data and time reports.

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

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.

FINI Trust

The FINI-HIP Trust will enable DTA to engage statewide community partners and private funders to accept financial contributions to support the HIP implementation, i.e., an additional total state match goal of **\$2.2 million** (**\$1 million** project costs + **\$1.2 million** in incentive funds). Currently, many of the HIP agricultural points of sale receive private funding to support individual SNAP matching programs statewide. Hospitals, health centers, insurance companies, and private funders and foundations have a great interest in healthy incentives. The established FINI Trust will provide DTA with the ability to accept additional funds during the Program implementation, in the event there is a high uptake of the benefit and additional incentive funds are needed.

Statewide Funding Opportunities

FINI Trust Goal: Total matching funds required: **\$2.2 million**

Fundable Project Costs (5-year grant cycle) and Timeframe:

- Client Incentives: \$1.2 million (January 2017 – April 2019)
- EBT Systems Enhancements: \$1 million (October 2016)
- State Evaluation: \$300,000 (August 2016)
- Marketing & Retailer Signage: \$135,000 (August 2016)

FINI Funder Engagement Strategy

The primary statewide partner supporting the coordination of the private sector engagement effort is the [Massachusetts Convergence Partnership](#). Private foundations operate on different funding cycles, most on either a quarterly or biannual basis, some aligned with the state fiscal year. DTA and its partners will employ the following engagement strategies with a goal to secure all necessary formal funding commitments before January 1, 2017.

1. FINI Regional Partner Match Discussion, Public-Private sources: August 2015
2. Regional HIP Community Meetings (5) and Funders Information Sessions: September 2015
3. One-on-one targeted private funder meetings: September 2015–December 2016
4. HIP Regional Partners/community partners funder engagement: September 2015–December 2016
5. “Plug-in” to scheduled annual meetings, conferences and events: October 2015–December 2016
6. Public sector engagement— State Agencies: October 2015–December 2016
7. FINI Funder Webinars (3): November 2015–April 2016
8. Intersection of FINI Trust with the MA Food System Plan Implementation funding: December 2015–December 2016

For more information, please contact:

Frank Martinez Nocito, Project Director
Massachusetts Department of Transitional Assistance
frank.martineznocito@state.ma.us
617-308-5826

