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Healthy Incentives Program Report

March 2021



**DEPARTMENT OF TRANSITIONAL ASSISTANCE
HEALTHY INCENTIVES PROGRAM REPORT**

MARCH 2021

OVERVIEW

Line Item 4400-1004 of the FY21 GAA (Chapter 227 of the Acts of 2020) requires the Department of Transitional Assistance (DTA) to submit a report containing a description and usage data of the Healthy Incentives Program (HIP).

DEPARTMENT OF TRANSITIONAL ASSISTANCE MISSION

DTA’s mission is to assist and empower low-income individuals and families to meet their basic needs, improve their quality of life, and achieve long-term economic self-sufficiency. To do this, DTA offers a comprehensive system of programs and supports, including food and nutritional assistance, economic assistance, and employment services and supports. DTA serves one out of every eight residents in the Commonwealth including working families, children, older adults, and people with disabilities.

PROGRAM OVERVIEW

HIP is one tool in the Commonwealth’s efforts to promote food security and economic development. The program provides incentives for Supplemental Nutrition Assistance Program (SNAP) clients to purchase fresh, local fruits and vegetables at participating agriculture retailers, including farmers’ markets, farm stands, mobile markets, and community supported agriculture (CSA) farm share programs. Administered by DTA, in collaboration with the Massachusetts Department of Agricultural Resources (MDAR), HIP has garnered the support of a broad, diverse coalition of statewide community partners, including SNAP clients, the farming community, and public health organizations.

The program provides a dollar-for-dollar match, up to a maximum monthly amount, for each SNAP dollar spent on fruits and vegetables at participating retailers. HIP incentives are calculated and instantly applied to the SNAP recipient’s Electronic Benefit Transfer (EBT) card at the time of purchase and then can be used to purchase any SNAP-eligible food. The maximum HIP incentive that can be earned each month is based on household size (Table 1).

Number of Household Members	HIP Monthly Cap
1 -2 people	\$40
3-5 people	\$60
6+ people	\$80

HIP was originally created through an award from the federal Food Insecurity Nutrition Incentive (FINI) grant program, which was implemented in April 2017. The FINI grant was expected to sustain the program for three years, however participation in the program was

higher than expected and the grant was extended in April 2018. Since then, the program has been funded through a line-item in the state budget.

In the FY21 budget, \$13 million was appropriated for HIP. Additionally, \$1.2 million from the previous fiscal year’s appropriation was carried into FY21. In May 2020, following recommendations from the state’s COVID-19 Command Center’s Food Security Task Force, the Baker-Polito Administration made a \$56 million investment in Massachusetts’ food system, including an addition \$5 million for HIP, aimed at combating immediate food insecurity across the Commonwealth and supporting the state’s food supply system.

In response to disproportionate food insecurity in certain communities and populations, and in alignment with the Food Security Task Force’s priority to amplify equity in response to COVID-19, DTA committed the Administration’s infusion of \$5 million to adding 39 new HIP vendors through a comprehensive qualitative and quantitative review process.

Selected farms proposed innovative, culturally appropriate, and safe ways to provide SNAP clients in communities and populations hit hardest by COVID-19 with healthy produce, including communities of color, people living in food deserts, older adults, and other vulnerable residents. In addition to focusing on equity in food access for clients, the HIP vendor selection process also prioritized farmers who live and work in the communities they serve. These new vendors will lead to 81 new points of access across the Commonwealth, 16 of which are located in Gateway Cities, and 11 new municipalities being served by the program.

HIP has been continually operating since March 2020, with the highest rates of vendor and client participation during the spring through fall agricultural season. From March to December 2020, an average of 3% of the SNAP caseload (approximately 15,700 households per month) used HIP. HIP utilization did expectedly dip as the Commonwealth navigated the public health emergency. However, as HIP vendors created innovative, safe distribution and delivery models to address food access needs for vulnerable SNAP clients, HIP usage has returned to pre-pandemic levels in recent months.

HIP Utilization Data

NUMBER OF HOUSEHOLDS UTILIZING HIP

TABLE 2. Number of households utilizing HIP		
	Dates	Number of Households
All time	April 1, 2017 to February 1, 2021	89,355
FY21	July 1, 2020 to February 1, 2021	41,886

NUMBER OF HIP TRANSACTIONS

TABLE 3. Number of HIP Transactions		
	Dates	Number of Transactions
All time	April 1, 2017 to February 1, 2021	1,333,080
FY20	July 1, 2020 to February 1, 2021	253,328

NUMBER OF VENDORS PROCESSING HIP TRANSACTIONS

TABLE 4. Number of HIP Vendors		
	Dates	Number of Vendors
All time	April 1, 2017 to February 1, 2021	285
FY21	July 1, 2020 to February 1, 2021	213

BREAKDOWN OF NUMBER OF HIP CLIENTS AND VENDORS, BY LOCATION

TABLE 5. Number of HIP Clients and Vendors by Location*			
County	Count of HIP vendors	Count of HIP Households	Count of HIP Clients (Total household members)
BARNSTABLE	4	192	301
BERKSHIRE	14	656	1114
BRISTOL	23	2003	3300
DUKES	2	60	85
ESSEX	13	7697	14440
FRANKLIN	26	1172	1980
HAMPDEN	16	6682	12741
HAMPSHIRE	20	1236	1968
MIDDLESEX	30	5075	8469
NORFOLK	5	2271	3796
PLYMOUTH	9	1134	2063
SUFFOLK	11	8250	14312
WORCESTER	34	5374	9290
Grand Total	213	41,802	73,859

*Data is from July 1, 2020 to February 1, 2021
Some vendors (6), Households (84) and clients (79) had no associated counties and were removed from total.

BREAKDOWN OF HIP SPENDING BY LOCATION

TABLE 6. Number and Value of HIP Transactions by Location*	
County	Sum of HIP Transactions
BARNSTABLE	\$16,859.90
BERKSHIRE	\$76,359.74
BRISTOL	\$250,258.28
DUKES	\$6,245.98
ESSEX	\$910,272.52
FRANKLIN	\$313,442.73
HAMPDEN	\$1,091,568.90
HAMPSHIRE	\$165,949.25
MIDDLESEX	\$650,380.51
NORFOLK	\$319,059.44
PLYMOUTH	\$111,193.21
SUFFOLK	\$1,336,139.34
WORCESTER	\$738,801.46
UNKNOWN	\$60,067.01
Grand Total	\$6,046,598.27
*Data is from March 1, 2020 to December 30, 2020 (the latest availability of geolocated data). Some transactions cannot be geolocated and thus have an "Unknown" county listed	