September 2, 2025

FISCAL AND POLICY NOTE

TO: Colette R. Gresham, Esq.
Interim Council Administrator

Karen Zavakos
Associate Council Administrator

THRU: Josh Hamlin
Director of Budget and Policy Analysis

FROM: David Noto
Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Statement
CB-067-2025

CB-067-2025 (*Proposed by:* Council Member Blegay)

Assigned to the Health, Human Services and Public Safety Committee

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AN ACT CONCERNING PRINCE GEORGE'S COUNTY FOOD AS MEDICINE HEALTH PROGRAM ACT OF 2025, establishing the Prince George's County Food as Medicine Health Program within the County Department of Health; providing for grant awards and partnerships to implement medically supportive food and nutrition interventions to improve health outcomes, reduce chronic disease, and address food insecurity.

Fiscal Summary

Direct Impact

Expenditures: This bill has the potential for an increase in expenditures of between $1.5 million and $7.75 million dollars.

Revenues: No anticipated impact on revenues.

Indirect Impact

Likely favorable.

Legislative Summary:

CB-067-2025[1], introduced by Council Member Blegay, establishes the Food as Medicine Health Program to be administered by the Prince George's County Department of Health. The goals of the program are to reduce chronic disease, improve health outcomes, and address food and nutrition insecurity. Eligible residents would include Medicaid residents and uninsured residents with chronic, diet-related illnesses. Permitted interventions could include medically tailored meals (MTM), produce prescriptions, nutrition counseling, or food delivery services. Funds may support direct services, provider reimbursements, technical assistance, and data collection. The program could include partnerships with Federally Qualified Health Centers (FQHCs), nonprofits, farmers and hospitals. The program requires a three-year program evaluation and ongoing data transparency. Sourcing local, organic, culturally relevant food, where available, is also a priority. Annual guidance and regulatory authority are delegated to the Department of Health. Funding authorization is through County appropriations and the pursuit of federal/state grants.

Current Law/Background:

Federal law:

Under Section 1115 of the Social Security Act, the Secretary of Health and Human Services can waive certain federal Medicaid requirements that are found to be likely to assist in promoting the objectives of Medicaid.[2] 1115 waivers specify ways that the state Medicaid program can operate differently than what is outlined in the Code of Federal Regulations. States typically seek waivers to either provide different kinds of services, provide Medicaid services to new groups, target certain services to new groups, or test new service delivery models, particularly through addressing health-related social needs (HRSC), a concept related to Social Determinants of Health: non-medical factors, such as reliable access to safe, healthy and affordable food, that influence physical well-being. Currently, there are limited supports in traditional healthcare settings for managing HRSC, such as housing, nutrition and climate-related needs. According to the Kaiser Family Foundation, only five (5) states have currently approved nutrition supports as part of the Medicaid 1115 Health-Related Social Needs Services: Massachusetts, New Jersey, New York, Oregon and Washington.[3] The food as medicine (FAM) services that can be provided to eligible Medicaid recipients are as follows:

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[1] Prince George's County Council - Reference No. CB-067-2025

[2] Medicaid Section 1115 Waivers: The Basics | KFF

[3] Section 1115 Medicaid Waiver Watch: A Closer Look at Recent Approvals to Address Health-Related Social Needs (HRSN) | KFF

1. Nutrition counseling and education
2. Home-delivered meals or pantry stocking (up to 3 meals a day, up to 6 months)
3. Nutrition prescriptions (up to 6 months)
4. Grocery provision (up to 6 months).[4]

Under certain Medicaid waivers, providing supports that will improve access to, or the quality of certain HRSC, such as those mentioned above, would be a covered benefit.[5] However, in March of 2025, the current federal administration rescinded the HESC framework and has since implemented new restrictions certain types of Section 1115 demonstrations. [6] Further restrictions may be forthcoming. As such, it appears unlikely that new approvals of Section 1115 demonstrations of FAM services will be approved in the foreseeable future.

Current County Law:

The County currently offers a limited food delivery program to certain elderly residents through the Department of Family Services Aging and Disability Services Division, which receives funding from the U.S. Department of Health and Human Services, through the Older Americans Act of 1965, under Title III-C2, to provide for the home-delivered portion of the Senior Nutrition Program.[7] This program meets the nutritional needs of elderly persons by delivering a box of frozen meals weekly to eligible seniors, 60 years and older, who cannot be participate in the congregate meal program, located at five (5) of the Senior Activity Centers, due to poor health.[8] In addition to meals, clients receive nutrition and screenings for other needs or issues. [9] Meals are typically provided by one of three (3) door-to-door food vendors:

1) Meals on Wheels of Central Maryland
2) Dutch Mill catering
3) Mom's Meals[10]

Eligibility is determined via a survey, developed by the University of Maryland's College of Agriculture and Natural Resources, ranked from level "A", being the most vulnerable, through "E", meaning the Senior Nutrition Program is not technically a FAM program, in that it does not require a prescription from a doctor to be part of the program.[11] The average cost of a meal is about $8.[12] The Department of Family Services also receives funding from state sources, but the state funding is based on a formula that does not consider the number of clients the program serves, rather looking at the County's total population over the age of 60, the minority population

[4] Ibid
[5] Section 1115 Demonstration Budget Neutrality
[6] Section 1115 Waiver Watch: Early Signs Point to New Directions Under Trump Administration | KFF
[7] Department of Family Services.pdf
[8] Ibid
[9] Ibid
[10] Cathy Stasny & Jamese Goodwin, Nutrition Managers, Dept. of Family Services, interviewed by author, Microsoft Teams, 7/31/2025
[11] Expanded Food Security Screener | Nutrition and Food Science
[12] Cathy Stasny, Jamese Goodwin, interviewed by author, Microsoft Teams, 7/31/2025

over 60 and the average income level of the over 60 population.[13] In FY 2024, the program served 733 individuals.[14]

Relevant legislation from Other Jurisdictions:

Montgomery County's Office of Food Systems Resilience launched a Food as Medicine Grant Program in FY24 as one of several initiatives recommended in the County's Strategic Plan to End Childhood Hunger.[15] In 2025, Montgomery County awarded between $50,000 and $200,000 to six partners, for a total of $750,000, to increase access to medically relevant, food for Montgomery County families with children.[16] These grants are expected to serve 700 households at 12 pediatric health care sites over the course of one year long grant period.[17] According to the Office of Food Systems Resilience website, the Food as Medicine Grant Program, "funds innovative initiatives that screen pediatric patients for food insecurity and provide nutritious food and food education services. It addresses critical gaps in nutrition security and diet-related health challenges while increasing access to culturally diverse, medically relevant, nutritious, and locally produced food for children and families in underserved communities."[18]

DC Greens, a health equity nonprofit that works to end food insecurity, pioneered D.C.'s produce prescription model in 2012. Their produce prescription program, Produce Rx, allows health care providers to prescribe fresh fruits and vegetables to Medicaid-enrolled DC residents who are experiencing a chronic diet-related illness, such as cardiovascular disease or diabetes.[19] Participants receive debit-style cards, loaded monthly with between $80 and $120, for use at participating grocery stores. A mid-year check-in at one of DC's federally qualified health centers enables providers to assess improvement in disease management through analysis of A1C levels, BMI, and blood pressure readings. In FY 2024, the Produce Rx had around 850 clients. About 40% of the program's funding, or about $500 thousand, comes from the DC government, with another 40% coming from private donations and the remaining 20% coming from the federal government.[20]

FreshFarm is another food security-oriented nonprofit in DC, which administers Produce Plus, a DC Health program that distributes $40 every month to around 11,000 residents from June through November for use exclusively at farmer's markets and farm stands throughout the District, and runs in tandem with the WIC and Senior Farmers' Market Nutrition Programs, which provides an additional $30 to $50 per year to program participants to buy produce at farm stands and farmer's markets.[21] The program is does not yet require a doctor's prescription. However, DC Health is looking to have healthcare providers that assist patients in their Diabetes Prevention Program and

[13] Ibid
[14] FY 2024 Operating/ Programmatic Responses
[15] Montgomery County Gives $750,000 to Help Six Partnerships That Use Food to Improve Health
[16] Ibid
[17] Ibid
[18] Food as Medicine Grant Program - Montgomery County, MD
[19] Produce Rx - DC Greens
[20] Eric Angel, DC Greens Executive Director, interviewed by author, Microsoft Teams, 7/24/2025
[21] How D.C. Is Rethinking Food Access as Health Policy - The Fulcrum

Diabetes Self-Management Education and Support program enroll some of their patients in the Produce Plus program, so they can compare the impact of the Produce Plus program on a patient's weight, A1C blood levels, and other health metrics over time.[22] The program is reliant on the D.C. Council's budget and in 2024, over 35% of those eligible were placed on a waitlist.[23]

Resource Personnel:

- Kathy Canning, Legislative Attorney
- Ayana Crawford, Chief of Staff

Discussion/Policy Analysis:

Poor diets are the leading cause of death in the United States, according to a 2021 report from the Rockefeller Foundation.[24] Diet-related conditions claim 1.7 million American lives every year and are the leading driver behind the $4.9 trillion spent on health care each year.[25][26] Treatment for chronic diet-related conditions cost Medicare, Medicaid and other government healthcare programs nearly $384 billion annually.[27] However, despite this being the case, food is rarely considered as a medical treatment in the same way that surgery or pharmaceutical treatments are. Less than 10% of American adults meet national fruit and vegetable recommendations to consume 5 to 6 cups per day, with a mean national intake of 2.3 cups per day.[28]

Evidence supports positive effects of FAM on food insecurity, diet quality, glucose control, hypertension, body weight, disease management, and cost effectiveness.[29][30] New national and local programs and policies are rapidly accelerating FAM within health care.[31] Successful incorporation of FAM into the current healthcare system will require a broad spectrum of partnerships to evaluate, optimize, and scale up these treatments, in order to improve healthcare and health equity.

According to the Food is Medicine Coalition, FAM interventions are defined as "a spectrum of programs and services that respond to the critical link between nutrition and health".[32] FAM interventions are integrated into healthcare for patients with specific conditions, predominantly

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[22] Nick Stavely, FreshFarm Director of Incentive Programs, interviewed by author, Google Meet, 8/22/2025

[23] Ibid

[24] True Cost of Food: Measuring What Matters to Transform the U.S. Food System | RF

[25] An Empirical Study of Chronic Diseases in the United States: A Visual Analytics Approach to Public Health - PMC

[26] NHE Fact Sheet | CMS

[27] GAO-21-593, CHRONIC HEALTH CONDITIONS: Federal Strategy Needed to Coordinate Diet-Related Efforts

[28] Impact of Produce Prescriptions on Diet, Food Security, and Cardiometabolic Health Outcomes: A Multisite Evaluation of 9 Produce Prescription Programs in the United States

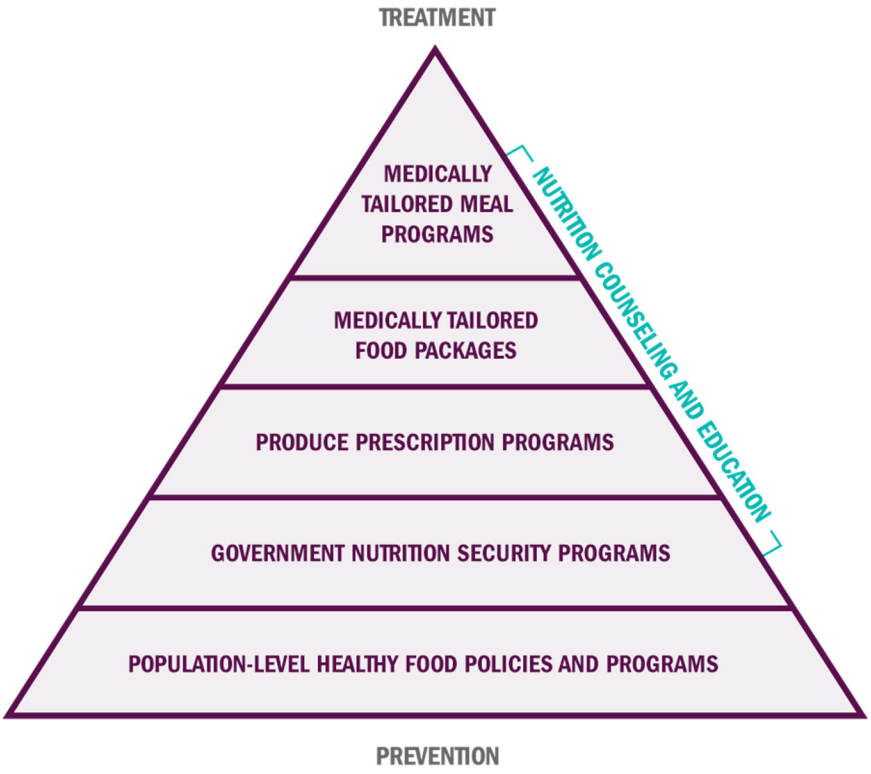
[29] Food as medicine? Exploring the impact of providing healthy foods on adherence and clinical and economic outcomes

[30] A Systematic Review of "Food Is Medicine" Randomized Controlled Trials for Noncommunicable Disease in the United States: A Scientific Statement From the American Heart Association | Circulation

[31] True Cost of Food: Measuring What Matters to Transform the U.S. Food System | RF

[32] Our Model | Food is Medicine Coalition

chronic diet-based conditions like cardiovascular disease, diabetes and obesity.[33] FAM interventions generally come in three forms: MTM, medically tailored groceries or food packages, and produce prescriptions. All three interventions are most effective when they coincide with nutrition and culinary education by a registered dietitian.[34] The Food is Medicine Coalition uses a pyramid model to visualize FAM interventions, arranged from preventative measures at the base of the pyramid to more intensive and expensive treatment options at the top. The pyramid also represents the size of the population being treated or served at each level.[35] An image of the pyramid may be found below:



Delivering MTM is typically the most involved level of FAM programs. Individuals receiving MTM generally get this level of service for around nine (9) months, before transitioning to medically tailored groceries, which most frequently takes the form of fruit and vegetable prescriptions or healthy food box deliveries. Individuals typically stop receiving MTM when they are no longer in a period of medical crisis. Transition from MTM to a produce prescription is also dependent upon providing program participants with in-depth nutrition and cooking education, to ensure that they are capable of adequately making use of the fruits and vegetables they would receive as part of a produce prescription. Program participants will typically receive a produce prescription for about a year, before assistance is offered to put participants in contact with other community-based food resources, such as application support for SNAP and WIC.

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[33] Food Is Medicine: The Road To Universal Coverage | Health Affairs

[34] Ibid

[35] Our Model | Food is Medicine Coalition

Fiscal Impact:

- *Direct Impact*

It is difficult to accurately determine the direct fiscal impact CB-067-2025 will have on the County, as the size and scope of the program have yet to be determined. It would be dependent on the number of participants in the program, how long a client is part of the program, and the level of care participants would receive. Food as Medicine programs tend to be highly targeted programs with a small clientele, typically with not more than one (1) or two (2) thousand people at a time, with participants typically being part of the program for between one (1) and two (2) years. Additionally, it is necessary to account for the FAM programs that are already operating within the County. Besides the Senior Nutrition Program, operated by the Dept. of Family Services, that was mentioned above, Food and Friends, arguably the largest and most successful FAM program in the greater DC area, provided 1,267 County residents with MTM in FY 2024.[36]

A 2022 study from Tufts University's Friedman School of Nutrition Science and Policy, estimated potential changes in annual hospitalizations, healthcare expenditures and policy cost-effectiveness associated with national MTM coverage.[37] The study found that there were 6.3 million eligible American adults, with at least one (1) diet- sensitive condition and with some form of health insurance.[38] The study's intervention was ten MTM per week, (lunch and dinner for five (5) days per week) for an average of eight (8) months per year.[39] The total cost per meal was $9.20.[40] Using these metrics, it is possible to estimate a potential cost for such a program, although this would represent a high end cost of a FAM program. If the program in the proposed legislation were to provide MTMs to 2,000 eligible County residents (equivalent to the number of residents currently covered by both Food and Friends and the Senior Nutrition Program), the cost over the course of a year would be $6,256,000.

Cost per meal	Meals per week	Weeks in 8 months	Program participants	Total
$9.20	10	34	2,000	$6,256,000.00

However, as was previously stated, the MTM model is the most intensive and costly model of FAM programs and produce prescription (R_x) models are a popular and cheaper alternative. The USDA estimates that an individual would need to spend $63 to $78 per month to meet the recommended daily fruit and vegetable intake, and produce prescriptions provide sufficient financial support to reasonably increase fruit and vegetable intake, according to a 2023 study.[41]

[36] Annual Reports & Financials | Food & Friends
[37] hager_2022_oi_221048_1668446022.19737.pdf
[38] Ibid
[39] Ibid
[40] Ibid
[41] Impact of Produce Prescriptions on Diet, Food Security, and Cardiometabolic Health Outcomes: A Multisite Evaluation of 9 Produce Prescription Programs in the United States

The Prince George's Food Equity Council (PGFEC) released a study in September of 2023 detailing the results of a two (2) year pilot of a R_x program, dubbed PG Fresh.[42] According to the study, individuals were referred to PG Fresh through five (5) partner clinics in the County, if they met the criteria of being food insecure and experiencing a diet-related disease. Participants received $80 each month in vouchers to spend at Giant on fresh or frozen produce for approximately six (6) months.[43] This is in line with what DC Greens provides to participants in their R_x program as well, although DC Greens program participants are part of their R_x program for a full year. Assuming an equivalent number of program participants as the MTM model laid out above, the cost over the course of a year for a R_x program would be $1,920,000.00. The numbers cited by the USDA as sufficient financial support to increase fruit and vegetable intake are also included for comparison.

Voucher amount per month	Program participants	Total
$80	2,000	$1,920,000
$78	2,000	$1,872,000
$63	2,000	$1,512,000

Neither of the models detailed above have money specifically set aside for the administration of a FAM program, although interviews with FreshFarm's Director of Incentive Programs and the Division Chief of DC Health's Nutrition and Physical Fitness Bureau revealed that administration of their Produce Plus program cost about $700,000 annually, out of a budget of $2.1 million.[44] At the time of this report, information from the Health Department to determine the exact amount of any County expenditures to cover the administration of the program was not provided to Council staff.

- *Indirect Impact*

A case study by the same team of researchers from Tufts University found that, based on national data, 6.5 million U.S. adults met the criteria for a modeled national R_x program intervention, although eligibility was slightly different that for the MTM program.[45] Based on a pooled analysis of 20 R_x intervention studies, the modeled intervention proposed an average of $42 per month (in 2021 dollars) to be loaded onto a monthly electronic voucher (e.g., debit card) to purchase fruits and vegetables from major retail locations. The study found that client tended to redeem an average of $32 per month.[46] A table is included below for comparison purposes with the proposed amounts details above.

Voucher amount per month	Program participants	Total
$42	2,000	$1,008,000
$32	2,000	$768,000

[42] Prince George's Fresh FIM Evaluation Report.pdf - Google Drive
[43] Ibid
[44] Nick Stavely, FreshFarm & Jo-Ann Jolly, DC Health, interviewed by author, Google Meet, 8/22/2025
[45] Health and economic impacts of implementing produce prescription programs for diabetes in the US: a microsimulation study
[46] Ibid

These studies found that both MTM and R_x interventions are highly cost effective from a healthcare perspective, would save billions of dollars and significantly reduce the number of cardiovascular events and hospitalizations nationwide. Those without health insurance were likely to see the most positive impact. It is therefore reasonable to assume that County residents would also see reductions in the overall number of hospitalizations and in healthcare costs due to implementation of CB-067-2025. Using the same 2,000 hypothetical eligible residents in the previous example, this could translate into over 300 fewer hospitalizations and over $12 million in healthcare savings for County residents in the first year if a MTM model was adopted, while a R_x program would translate into smaller, but still significant savings of about a half a million dollars in savings per year for County residents.

- *Appropriated in the Current Fiscal Year Budget*

No.

Items for Committee Consideration:

- As part of the current administration's recent budget reconciliation bill, Supplementary Nutrition Assistant Program Education (SNAP-Ed) is set to shut down by October 1st, 2025, due to loss of federal funding. However, this might be a blessing in disguise for the proposed FAM program, as the former SNAP-Ed coordinators could be a valuable resource to help develop a nutrition education curriculum for the program.
- A possible source of initial funding for the program could be the Community Reinvestment and Repair Fund, which was established under the Cannabis Reform Act of 2023. The Fund allocates a portion of adult-use cannabis tax revenue to local jurisdictions to support community-based initiatives that benefit low-income communities.[47]
- There is concern among some FAM advocates that companies are taking advantage of lax oversight on the part of the government to "health-wash" their meal offerings and overcharge the government relative to what the meals are worth, which will have harmful consequences for the patients in need of good quality meals.[48]

Effective Date of Proposed Legislation:

The proposed legislation shall be effective 45 days after its adoption.

If you require additional information, or have questions about this fiscal impact statement, please reach out to me via phone or email.

[47] 2024 Community Reinvestment and Repair Fund Results Report

[48] Beware of "Health-Washing" - Tufts Health & Nutrition Letter