Contents

3-3 Overview
3-4 Why invest in improving institutional foods?
3-4 Institutional procurement
3-5 Legal considerations
3-6 Policy considerations
3-8 Institutional food service & sales
3-8 Legal considerations
3-8 Policy considerations
3-10 Key resources
3-10 Procurement
3-10 Farm-to-institution food sourcing
3-11 Food service & sales
3-12 Wellness policies
3-13 References

This publication is the third part of Legal & Policy Strategies for Health Care & Food System Partners, a guide for health systems, local governments, and community organizations working at the intersection of health equity, health care, and food systems. Please see the first part of the guide for introductory material, including partnership roles and key terms in addition to background on the values of a just food system and the fundamental drivers of health inequity. See the second and fourth parts for guidance on other food system interventions.

Acknowledgments

Support for this guide was provided by the Robert Wood Johnson Foundation. The views expressed here do not necessarily reflect the views of the Foundation.

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Overview

Improving purchasing and sales practices can change the ways that stakeholders with purchasing power interact with local food businesses; their own staff; and the patients, clients, or other community members who purchase and consume food on site. Community-based organizations, health care providers, and local governments can partner to influence purchasing and sales practices through (1) values-driven institutional procurement policies and (2) healthy food service and sales practices. *Modeling Healthy Institutional Purchasing & Sales* discusses these two types of just food system interventions and provides links to examples, resources, and relevant research.

For each type of intervention, we include two lists of considerations for partners to discuss and address: legal considerations and policy considerations. *Legal considerations* are concrete legal questions or challenges that can arise when partners work to implement a particular intervention. Legal considerations may be related to federal, state, or local laws and regulations that require certain actions. *Policy considerations*, on the other hand, are legislative or organizational policy changes that partners can advocate for in order to support community uptake of an intervention; promote a healthier, more sustainable food system; and improve health outcomes. These considerations come into play when the success rate for a specific intervention could be improved (or its challenges could be reduced) by a systemic policy change. The policy considerations are organized by level of impact (individual, institutional, and community). Finally, we highlight policy considerations that address equitable outcomes and mitigate unintended negative consequences of food system interventions.

We have compiled additional resources pertaining to each food system intervention in the *Key resources* section.
Why invest in improving institutional foods?

Purchasing and offering healthier foods on and near a purchasing institution’s campus can make healthier choices easier, improving the physical and mental health of employees, clients, patients, visitors, and nearby residents. Healthier food options, thus, can lower health care costs improving finances for communities, employers, care institutions and insurers, and individuals.

Furthermore, institutions can use procurement dollars to support local economies by investing in just food systems, creating stronger businesses; promoting higher rates of employment and worker satisfaction; and helping to keep wealth and investment dollars nearby. Institutions can invest in businesses that contribute to social health in their communities – for example, those that produce culturally relevant foods that nurture food sovereignty for local groups who have been disenfranchised by the existing food system, such as Black, Indigenous, and communities of color.

Procurement policies can also support businesses that prioritize environmental sustainability, helping to maintain healthy local air, water, and land.

Institutional procurement

Values-driven procurement policies and practices enable stakeholders with purchasing power – for example, institutions like hospitals – to contribute to community health in various ways, from the quality of the products they purchase to the places they buy from – for example, businesses that foster local economic or workforce development, social or environmental health, or health equity. Institutions may work with food service management companies or group purchasing organizations,* distributors, cooperatives, food hubs,** community-supported agriculture, or directly with producers, and in each case may prioritize partnerships and contracts that set health as a cornerstone of their business model. Institutions may favor specific partners in order to provide healthier food and beverage options; support local businesses and hiring practices; foster the community and cultural significance of the local food scene; prioritize business enterprises owned by people of color, people with disabilities, or women; or reduce their impact on nearby natural resources (e.g., by supporting businesses that focus on local goods with fewer transit requirements).

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* Group purchasing organizations (GPOs) are typically groups of member hospitals that leverage their group purchasing power to get lower prices and eliminate duplicative transaction costs when purchasing medical equipment, bulk supplies, and food. (Klein K. Values-based food procurement in hospitals: the role of health care group purchasing organizations. Agric Hum Values. 2015;32:635–648. link.springer.com/article/10.1007/s10460-015-9586-y.)

** Food hubs “are an important subset of food value chains. Many farmers and ranchers, especially smaller and mid-sized operations, often lack the capacity to access retail, institutional, and commercial foodservice markets on their own, and consequently miss out on the fastest growing segment of the local food market. By offering a combination of aggregation, distribution, and marketing services at an affordable price, food hubs make it possible for many producers to enter larger-volume markets that boost their income and provide opportunities for scaling up production.” (Local food research and publications. Agricultural Marketing Service, US Department of Agriculture website: ams.usda.gov/services/local-regional/research-publications. Accessed May 4, 2021.)
Partnerships can also build the capacity of nearby local entities. In some cases, healthier procurement opportunities are not available to smaller institutions and businesses because they cannot meet volume requirements on their own. Cooperative purchasing allows partners to use their collective buying power to expand their options and their bargaining power in order to enter contracts that promote community health. Another way to build local capacity through procurement is to help smaller entities partner with larger institutions by helping them understand and comply with any additional requirements that come with working at a new scale or in a new industry. These different requirements might include, for example, assuming new liability risks, carrying more insurance, or obtaining certifications to provide medically tailored or allergy-sensitive meals (e.g., by implementing specialized processing and separation procedures).

For more information, see Procurement and Farm-to-institution food sourcing in the Key resources section.

Legal considerations

- **Contracting.** Partners may want to forge new business relationships or tweak existing ones to embed certain values in their standard operations. To do so, partners solicit or draft contracts with provisions that support healthy community and food system goals, such as nutritional standards for products or prioritization of healthy, equitable, and sustainable business practices. Often, a large institution will have resources and experience that can be used to support smaller businesses as they work to understand and comply with new requirements and also during the contracting process itself. Furthermore, the risk/liability allocations that are intrinsic to contracting provide another opportunity for larger institutions to shoulder some of the potential costs of entering into business with new partners.

- **Medicaid, Medicare, and Anti-Kickback** compliance. As partners consider changes to purchasing contracts and practices to better support just food systems, they should be mindful of how those agreements influence reporting and compliance requirements for institutions that work with Medicaid and Medicare programs. The reimbursement process for Medicaid and Medicare services includes reporting requirements related to discounts or other special contracting or pricing relationships with food service management companies or group purchasing organizations. Partnerships can be structured to ensure that these contractual relationships comply with the Anti-Kickback Statute or fall within the safe harbors of the law. The federal Anti-Kickback Statute “prohibits paying or receiving any remuneration (directly or indirectly, overtly or covertly) for referring, purchasing, or ordering goods, facilities, items or services paid for by Medicare or Medicaid. The Statute is not limited to physicians and health care entities, but includes any person in a position to recommend or refer federally reimbursed items and services.”

  The statute does, however, include a safe harbor provision that excludes “certain payment and business arrangements between parties in a position to refer or generate business for each other that would otherwise constitute illegal remuneration under the statute.” Legal counsel should be consulted to determine whether a payment or business arrangement satisfies the requirements of the safe harbor provision.

"Food safety is the most-cited impediment to getting food from a farm into a cafeteria. We've found no specific regulation that says that you can’t do that; it’s more a misunderstanding or expectation that there will be a roadblock."

EMMA SIROIS
NATIONAL DIRECTOR,
HEALTHY FOOD
IN HEALTH CARE
PROGRAM, HEALTH CARE WITHOUT HARM
- **Food safety and liability protections.** When entering into purchasing contracts with new suppliers, institutions need to be mindful of compliance needs related to growing, handling, processing, storage, or distribution requirements and certifications (e.g., guidelines pertaining to soil quality or soil contamination or regimes such as Good Agricultural Practices[^39]), in part to avoid liability for any risks of harm to consumers. Additional requirements may apply when serving people with allergies or those who require medically tailored meals. Large institutions can play an important role in helping smaller businesses understand and comply with these requirements in order to expand access to healthy foods at institutional and community levels.

### Policy considerations

- **Institutional-level policies.** An institutional policy can also support healthy purchasing beyond its walls. Cooperative food purchasing agreements can provide more market or purchasing power, enabling stakeholders to mutually support each other in selecting partners that further their goals for a just food system. These agreements can help organizations meet volume minimums in order to work with larger distributors (which may have more flexibility on healthy food offerings), to create cost savings, or to provide farmers with a guaranteed purchase amount (i.e., a stable income). These cooperatives can include nearby community partners such as health care providers, schools, child and adult care facilities, and detention facilities. Healthcare Without Harm leads an initiative called [ProCureWorks](#) that leverages the purchasing power of school districts, health care systems, and hospitals to facilitate provision of local and sustainable foods.

- **Community-level policies.** Through their own procurement policies and practices, governments often have the power to influence a number of community stakeholders. Many governments are responsible for funding and operating health care, child care, and adult care facilities; schools; and detention centers. They also fulfill the food service needs of government staff. Local governments’ community-wide healthy procurement policies therefore have a potentially wide reach and can be a model for other stakeholders and partnerships. [New York City’s Good Food Purchasing Program](#) is a good example of this approach.

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**FARM-TO-INSTITUTION FOOD SOURCING**

Sourcing food directly from farms can be a valuable component of an institution’s procurement policies and practices to support just food systems. The COVID-19 pandemic caused severe strains in the entire US food system. Food supply chains were disrupted; some agricultural producers were forced to destroy their products; prices at grocery stores rose; demand at food banks spiked; and hunger increased dramatically.[^40] The benefits of farm-to-institution food sourcing – for example, local economic development, wealth reinvestment, and distribution efficiencies – overlap with those of healthy procurement and those of supporting local agriculture to increase access to healthy foods. (See the Local gardens & agriculture section in [Supporting Local Food Production & Retail](#), the fourth part of this guide, for more information on those benefits.) Partnerships that enable farm-to-institution strategies can redirect resources to support a stressed food system, keeping food products local and replacing lost income of producers.
COMMUNITY EXAMPLES & CREATIVE SOLUTIONS

Partners gather sample policies to kick-start local healthy food purchasing. In 2017, a team of multi-sectoral partners in Central Louisiana wanted to further their conversations with local private employers about institutionalizing local healthy food purchasing through policies, contracts, and requests for proposals. With research assistance from ChangeLab Solutions, they collected sample policy language from a range of publicly available resources, including health system and private examples from West Virginia, Ohio, and Illinois. The team also connected with communities and staff from the Good Food Purchasing Program (GFPP) at the Center for Good Food Purchasing. The GFPP is a leading food procurement model that encourages large institutions to leverage their buying power to promote five core values: local economies, environmental sustainability, valued workforce, animal welfare, and nutrition.

For more details on this research, see Moving Health Care Upstream's 2017 Policy Learning Lab Compendium, pp. 183–191.

Anchor institutions unite to build local wealth. Since 2009, Case Western Reserve University, University Hospitals Cleveland Medical Center, and Cleveland Clinic have partnered to build local wealth and stabilize nearby neighborhoods through their investments to create local, sustainable, equity-focused, worker-owned cooperative enterprises. One of those health-promoting businesses, Green City Growers, is an urban hydroponic greenhouse that supplies anchor institutions and other customers with locally grown leafy greens and creates jobs and professional training for its staff.

For more information, see ChangeLab Solutions’ webinar Building Healthy, Equitable Communities Through a Just Food System.
Institutional food service & sales

Food service and sales at institutions (such as hospitals, correctional facilities, and schools or universities) provide another opportunity to promote community health. Healthier food and beverage options in cafeterias, on-site retail outlets, vending machines, and patient meals can help establish an institutional environment that supports healthy choices. These settings can provide a model for healthy living in the broader community and can reinforce clinical and medical recommendations. Furthermore, in some retail settings, healthy offerings have proven more profitable than their unhealthy counterparts.41

For more information, see Food service & sales in the Key resources section.

Legal considerations

- **Contracting.** Partners may want to forge new business relationships or tweak existing ones to embed certain values into their standard meal service planning and operations, from cafeteria meals to vending machines. To do so, partners solicit or draft contracts with provisions that support healthy community and food system goals, such as nutritional standards for products; pricing and labeling changes to highlight healthy options; or prioritization of healthy, equitable, and sustainable business practices. Often, a large institution will have resources and experience that can support smaller businesses as they work to understand and comply with new requirements and also during the contracting process itself. Furthermore, the intrinsic risk/liability allocations of contracting provide another opportunity for larger institutions to shoulder some potential costs of doing business with new partners.

- **Marketing.** In retail environments on site, local institutions may also engage in environmental changes, such as changes to on-site advertising to restrict the promotion of unhealthy food and drinks. Many policy choices can address marketing, and the viability of each option depends on legal, political, and practical considerations. Primary legal considerations include whether the federal or state government already regulates a particular marketing channel – as is the case for television, print, and digital media – and whether a policy will regulate speech protected by the First Amendment.42

Policy considerations

- **Institutional- and community-level policies.** In retail environments on site and nearby, local institutions can promote just food systems through improved nutrition standards that increase access to healthy foods; menu labeling and pricing policies that facilitate healthier consumer purchases; and environmental changes (such as displays, signs or posters, table tents, and on-site advertising) that provide information and foster a culture of healthy eating.
COMMUNITY EXAMPLES & CREATIVE SOLUTIONS

Using federal funds to support food service transparency and health. Partners from national health system Kaiser Permanente’s Nutrition Services Procurement & Supply and Community Benefit departments used SNAP-Ed funding to provide staff, patients, and visitors with more nutritional information about their cafeteria options in order to shift purchasing to lower-calorie and healthier options. The policy was implemented across cafeterias in Oregon, California, and Hawai‘i, resulting in significant increases in purchases of low-calorie side dishes and snacks in cafeterias with poster and point-of-purchase calorie labeling, compared with cafeterias that lacked calorie labeling. The project also included evaluation planning and tools.

For more information and access to the project’s evaluation tools, see the project page on the SNAP-Ed website. Also check out the SNAP-Ed Toolkit for additional resources and many more success stories.

EMPLOYEE WELLNESS PROGRAMS

In some communities, employee wellness programs have been implemented to encourage healthy behaviors and save money for employers. When implemented to ensure equitable outcomes, employee wellness programs can be an effective option for shifting the culture and environment in institutional settings to promote health.

Some wellness policies, however, may have negative consequences. For example, incentive and disincentive programs may ultimately save money not by improving the health of targeted employees but by shifting costs to employees with health risks, placing additional burden on those whose medical costs may already be higher. Furthermore, targeting individual behaviors associated with obesity and other chronic disease can be stigmatizing, and stigma has been shown to contribute to health risks. Although the body of research evaluating the effectiveness of workplace wellness programs is still young, employers are increasingly offering workers a range of wellness program options aimed at addressing workers’ individual needs. This approach, which allows individual employees to engage with wellness programs that best meet their needs, could help to avoid the unintended negative consequences mentioned earlier.

For more information, see Wellness policies in the Key resources section.
Key resources

These resources are organized by topic in the order they appear in the preceding sections.

Procurement

- Setting the Table for Success: A Toolkit for Increasing Local Food Purchasing by Institutional Food Service Management (from Farm to Institution New England) provides information on institutional purchasing basics, details on food services personnel by sector, research findings, and recommendations on processes related to requests for proposals (RFPs) and contracting.

- The infographic Institutions Buying Food for Health & Equity and companion fact sheet Establishing Healthier Food Service Guidelines for Government Facilities (from ChangeLab Solutions and the Center for Good Food Purchasing) provide “a framework for how institutional food purchasing can contribute to a more just food system by supporting good nutrition, the local economy, fair labor practices, sustainability, animal welfare, and diverse businesses” and information about the “different types of tools – policy, contracts, and permits – that state and local governments can use to adopt food service guidelines and ensure that healthier foods are provided at their facilities.”

- Healthy Food Resources (from Health Care Without Harm) – a collection of materials that promote healthy local food purchasing by hospitals – includes reports, fact sheets, policy statements, and purchasing guides for hospitals and group purchasing organizations (GPOs).

- Toolkits from Hospitals Aligned for Healthy Communities (via the Healthcare Anchor Network and The Democracy Collaborative) help hospitals and health systems build local wealth, support diverse and locally owned vendors, and incubate new community enterprises to fill supply chain gaps, “leverage[ing] existing resources to drive local economic growth and build a culture of health in their communities.”

Farm-to-institution food sourcing

- Farm to Institution resources (from the US Department of Agriculture’s Alternative Farming Systems Information Center) include information for farmers and ranchers interested in developing “new markets and sell[ing] to local K–12 schools, hospitals, colleges, cafeterias or government agencies.”

- The Regional Food Hub Resource Guide (from the US Department of Agriculture’s Agricultural Marketing Service) includes information about food hubs and their impacts, as well as resources for food hub development.

- Sector-based and project-based resources (from Farm to Institution New England) detail farm-to-school, farm-to-college, farm-to-health care, and farm-to-corrections projects in food service and processing and also include information about metrics, food hubs, and policy efforts.
The twelve-part Farm to Hospital Toolkit (from Sustainable Agriculture Research and Education) provides “tools that farmers, ranchers and hospitals can use as they work to increase direct hospital purchases from local farmers.”

The National Farm to School Network provides resources, consultation services, and a community in which to engage with other farm-to-institution practitioners. While focused on farm-to-school initiatives, their expertise includes a range of projects and sectors.

The Farm to Prison Project recognizes “the deep and urgent need for better food conditions in correctional facilities” as well as the potential for food to humanize individuals affected by the criminal legal system. The project represents a growing area: using institutional food service to improve lives. See also the webinar Leveraging Juvenile Justice Food Environments to Advance Health Equity (from ChangeLab Solutions and RTI International), which explores how food service and catering, commissaries and canteens, food in visiting areas, and food gardens all have potential for improving health equity.

Food service & sales

Healthy Food in Health Care Toolkit (from the Physicians Committee for Responsible Medicine) includes the American Medical Association’s resolution to encourage healthy food options in hospitals, as well as tips for implementation, meal ideas from major contractors, links to recipes, and other resources.

Using the Healthy Hospital Food, Beverage, and Physical Activity Environment Scans (from the US Centers for Disease Control and Prevention) is a guide that “promotes healthier food, beverage, and physical activity environments in hospitals for employees and visitors by describing a step-by-step process for conducting environmental assessments by using a paper-and-pencil scan.”

Encouraging Healthier Choices in Hospitals (from Health Care Without Harm and the Center for Science in the Public Interest) is full of examples from hospitals that have implemented strategies to reduce the prevalence and consumption of sugary drinks. More case studies of hospitals that have implemented healthy food choices can be found on the Local and Sustainable Purchasing page of Healthier Hospitals: A Practice Greenhealth Program and in the fact sheet Creating Healthy Retail Food Environments in Health Care Facilities.
Wellness policies

- **Workplace Wellness: Walk This Way** (from ChangeLab Solutions) includes a guide outlining state and local policies that support physical activity and wellness in and around the workplace, as well as a companion infographic and a comic.

- The **Workplace Health Model** page (from the US Centers for Disease Control and Prevention) describes workplace wellness programs; the impacts of such programs; and a coordinated, systemic, and comprehensive approach to workplace health promotion for employers.

- **Health and Wellness Programs for Hospital Employees: Results from a 2015 American Hospital Association Survey** (from Hospitals in Pursuit of Excellence via the American Hospital Association and the Health Research & Educational Trust) includes survey findings on wellness program offerings, employee participation rates, measuring return on investment, challenges, and program administration.

TELL US YOUR STORIES!

At ChangeLab Solutions, we are interested in hearing from you as you navigate your partnerships. We'd like to learn how to address questions that have come up in your partnership work and are interested in tracking new ideas, nuances, and stories we haven't addressed in this guide. Please don't hesitate to contact us.
References


