

2021

¡Más Fresco! More Fresh Report

NUTRITION INCENTIVE PROGRAMS- OPTIMIZING FINANCIAL INCENTIVES



Summary

This report provides an overview of key learnings from surveys conducted among ¡Más Fresco! More Fresh Nutrition Incentive Program participants regarding the optimal structure of financial incentives toward the purchase and consumption of fresh fruits and vegetables. The purpose of this report is to provide the United States Department of Agriculture (USDA) National Institute of Food and Agriculture (NIFA) and others with information on the optimal financial incentive structure, including financial incentive amount and ratio (i.e., multiplier or dose) to increase the purchase of fruits and vegetables by low-income consumers participating in the Supplemental Nutrition Assistance Program (SNAP), by providing incentives at the point of purchase.

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¡MÁS FRESCO! MORE FRESH REPORT 2021
OPTIMIZING NUTRITION INCENTIVES

Introduction

Studies have shown that subsidizing the purchase of healthy foods can raise the consumption of these items(1).

The 2008 Farm Bill authorized \$20 million for pilot projects to determine if incentives provided to SNAP recipients at the point of sale increase the purchase of fruits, vegetables, or other healthful foods. This effort was referred to as the Healthy Incentives Pilot (HIP). Under HIP, SNAP participants received an incentive of 30 cents for every SNAP dollar spent on targeted fruits and vegetables credited back to their SNAP Electronic Benefit Transfer card. The incentive could then be spent on any SNAP-eligible foods and beverages. Study results show that HIP participants consumed 26% more targeted fruits and vegetables than non-HIP participants—about 0.25 cups more per day—and purchased a greater variety of fruits and vegetable(2) . The Agricultural Act of 2014 authorized USDA to provide grant funds to eligible organizations to design and implement point of purchase incentive projects to increase fruit and vegetable purchases among SNAP participants. USDA NIFA is funding several nutrition incentive programs. Formerly known as Food Insecurity Nutrition Incentive Programs (FINI), the program has been re-named the Gus Schumacher Nutrition Incentive Program (GusNIP) in honor of former USDA Under Secretary, Gus Schumacher.

The Gus Schumacher Nutrition Incentive Program grant program is aligned with Strategic Goal 7 of the USDA Strategic Plan: Provide all Americans access to a safe, nutritious, and secure food supply. The primary goal and objective of the GusNIP program is to fund and evaluate projects intended to increase the purchase of fruits and vegetables by low-income consumers participating in SNAP by providing incentives at the point of purchase. Furthermore, GusNIP aims to test innovative or promising strategies that contribute to a better understanding of how best to increase the purchase of fruits and vegetables by SNAP participants to inform future efforts. For GusNIP grants, USDA NIFA defines “fruits and vegetables” as “any variety of fresh, canned, dried, or frozen whole or cut fruits and vegetables without added sugars, fats, or oils, and salt (i.e., sodium).” At present, GusNIP grant funding priority is given to projects with a project design where most incentives are earned when purchasing fruits or vegetables using SNAP benefits.

¡Más Fresco! More Fresh Nutrition Incentive Program



The ¡Más Fresco! More Fresh Program, also known as the Southern California Nutrition Incentive Program, is a partnership between the United States Department of Agriculture National Institute of Food and Agriculture, University of California, San Diego Center for Community Health, and Northgate González Market. The primary goal of this program is to evaluate the effect of financial incentives on the purchase and consumption of fresh fruits and vegetables among CalFresh recipients. This program provides financial incentives to CalFresh recipients when they purchase qualifying fresh fruits and vegetables with their CalFresh benefits at participating Northgate González Markets. These incentive dollars can then be used to purchase additional qualifying fresh fruits and vegetables, with the goal of increasing their purchasing power and overall consumption of fresh fruits and vegetables. The original ¡Más Fresco! More Fresh Program financial incentive structure randomized program participants to earn a maximum incentive of either \$10, \$20, or \$40 a month with a 1:1 ratio (i.e., multiplier or dose).



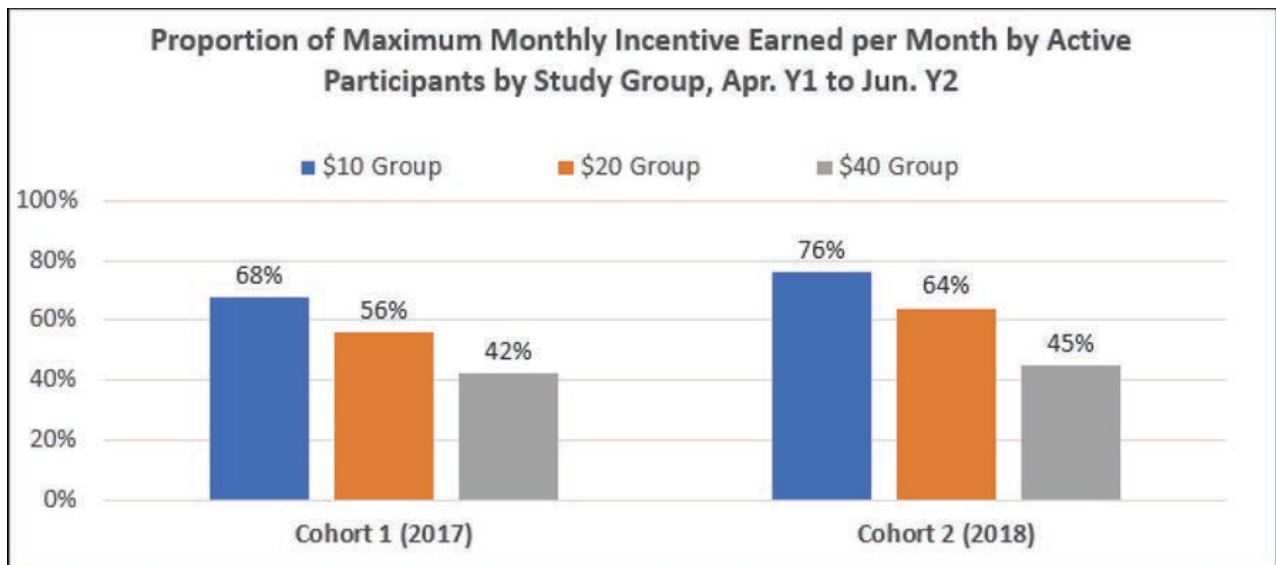
UC San Diego | Center for
SCHOOL OF MEDICINE | Community Health



Key Issue

On average, Más Fresco! Program participants that were eligible to receive up to \$40 a month in financial incentives only utilized 42-45% out of the full \$40 available to them (approximately \$17-18 per month) (Figure 1). In contrast, those who could receive up to \$10 per month earned 68%-76% of that amount on average (approximately \$7 per month).

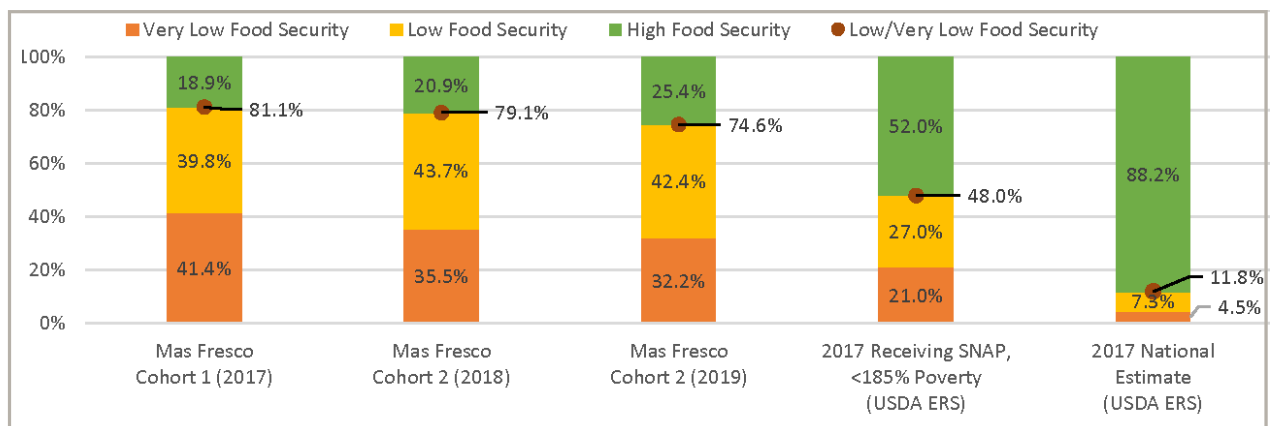
Figure 1. Proportion of Maximum Monthly Incentive Earned per Month by Active ¡Más Fresco! More Fresh Program Cohort 1 (2017) and Cohort 2 (2018) Participants by Study Group, Apr. Y1 to Jun. Y2



¡Más Fresco! More Fresh Member Food Security Levels

It is important to note that approximately 80% of ¡Más Fresco! More Fresh Program participants self-identify as suffering from either very low food security or low food security (see Figure 2).

Figure 2. Baseline Survey Self-Reported Food Security Level (USDA 6-item screener) among ¡Más Fresco! More Fresh Program Cohort 1 (2017), Cohort 2 (2018) and Cohort 3 (2019) Participants compared to National Estimates



¡Más Fresco! More Fresh Program Member Survey

A key objective of the ¡Más Fresco! More Fresh Program is to inform USDA NIFA and others on the optimal financial incentive structure, including financial incentive amount and ratio (i.e., multiplier or dose). To better understand why participants would not earn the full amount of incentives available to them each month, the ¡Más Fresco! Program invited 320 “super user” program participants to complete a brief survey. Super users were identified as participants that used the program more than twice per month since enrollment on average, and were in the \$40 per month group, but had rarely if ever achieved the full benefit of the program by actually earning and redeeming their full \$40 each month. Participants were asked to respond to a series of statements regarding their ability to earn the full \$40 monthly incentive provided by the ¡Más Fresco! program using a Likert scale to indicate how much they agreed/disagreed with each statement. A total of 148 participants completed the online survey via email or text message invitation.



Key Survey Findings

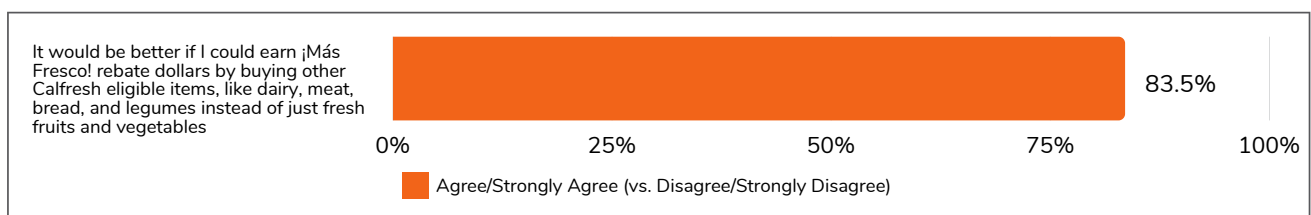
The key findings of this survey among ¡Más Fresco! Program participants are as follows:

Preferences for How to Earn Incentives

Better to earn financial incentives on other CalFresh eligible items instead of just fresh fruits and vegetables.

The majority (84%) of survey respondents strongly agree or agree that it would be better if they could earn ¡Más Fresco! rebate dollars by buying other CalFresh eligible items, like dairy, meat, bread, and legumes instead of just fresh fruits and vegetables (Figure 3).

Figure 3. Earning ¡Más Fresco! More Fresh rebate dollars by buying other Calfresh eligible items



Reasons for Not Earning the Full \$40 of Incentives Available Each Month (see Figure 4)



Competing CalFresh-eligible purchase items

Over two-thirds (68%) of survey respondents strongly agreed or agreed that they rarely earn the full \$40 in ¡Más Fresco! rebate dollars each month because they have too many other items they need to buy with their CalFresh benefits.



Insufficient CalFresh monthly benefit amount

Approximately half (54%) of survey respondents strongly agreed or agreed that they rarely earn the full \$40 in ¡Más Fresco! rebate dollars each month because they do not receive enough CalFresh benefits per month.



Cannot afford to spend \$40 of CalFresh benefits on fresh fruits and vegetables to earn \$40 of financial incentives

Approximately half (53%) of survey respondents strongly agreed or agreed that they rarely earn the full \$40 in ¡Más Fresco! rebate dollars each month because they can't afford to spend \$40 of their CalFresh benefits on fresh fruits and vegetables to earn \$40 of financial incentives.



Do not eat \$40 of fresh fruits and vegetables each month:

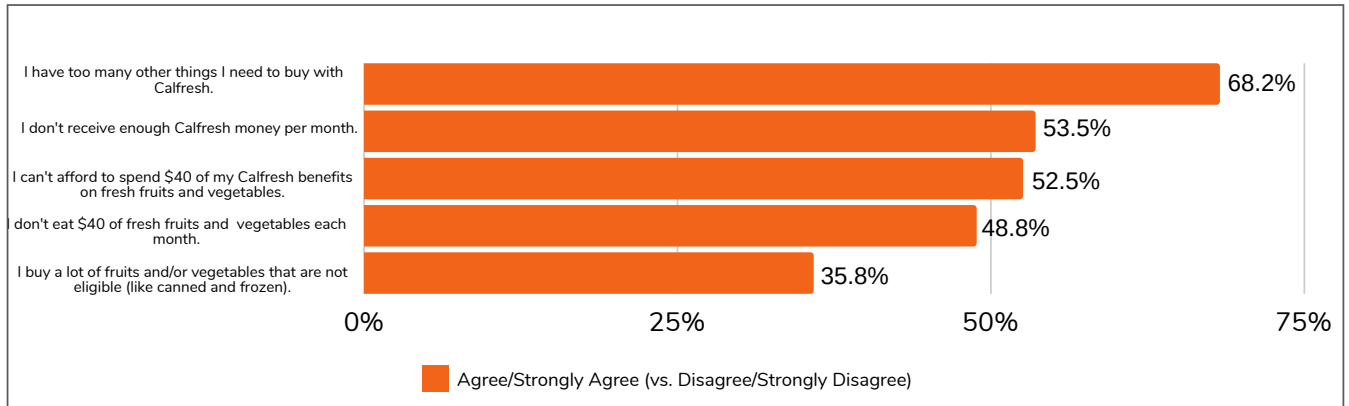
Approximately half (49%) of survey respondents strongly agreed or agreed that they rarely earn the full \$40 in ¡Más Fresco! rebate dollar each month because they don't eat \$40 of fresh fruits and vegetables each month.



Buy fruits and/or vegetables that are not eligible (like canned and frozen) to earn ¡Más Fresco! rebate dollars:

Only one-third (35.8%) of survey respondents strongly agreed or agreed that they rarely earn the full \$40 in ¡Más Fresco! rebate dollar each month because they buy a lot of fruits and/or vegetables that are not eligible (like canned and frozen).

Figure 4. I rarely earn the full \$40 in ¡Más Fresco! rebate dollar each month because...





Key Findings, Recommendations and Conclusion

While the GusNIP Program allows participants to earn incentives when they purchase qualifying fruits and vegetables or a SNAP eligible food, GusNIP funding priority is given to projects with a project design where the majority of incentives are earned when purchasing qualifying fruits or vegetables using SNAP benefits. As such, we designed the ¡Más Fresco! More Fresh Program to provide financial incentives to program participants upon the purchase of qualifying fresh fruits and vegetables using their SNAP benefits. A key objective of the ¡Más Fresco! More Fresh Program is to increase the purchase and consumption of fruits and vegetables among CalFresh recipients, while simultaneously addressing critical food security needs of low-income community members (particularly during the pandemic). Key program evaluation findings among ¡Más Fresco! More Fresh Program participants in terms of achieving these key goals and objectives suggest the following:

- **Expanding the List of Items Eligible to Earn Nutrition Incentive Dollars:** Food security is an issue for many community members; approximately 80% of ¡Más Fresco! Program participants suffer from either very low or low food security. Therefore, the structure for earning and redeeming nutrition incentives should be considered and addressed in ways that allow participants to optimize their utilization of nutrition incentives. More than 8 out of 10 survey participants suggested that it would be better for them to be able to earn financial incentives when purchasing other SNAP eligible foods like dairy, meat, bread, beans, and legumes, instead of only qualifying fruits and vegetables. Furthermore, approximately one-third of survey participants indicated that they were unable to earn their full incentive amount because they usually purchase canned, frozen or dried fruits and vegetables which currently do not qualify for the ¡Más Fresco! More Fresh financial incentive. In terms of programmatic changes that could be made to the incentive structure to optimize utilization, these results suggest that participants could be better served by the ability to earn incentives not just when purchasing fresh fruits and vegetables with their SNAP benefits, but also when they purchase any canned, dried, or frozen whole or cut fruits and vegetables without added sugars, fats, or oils, and salt (i.e., sodium). These incentive dollars earned would then be used to purchase any qualifying fruits and vegetables. At the state and national level, policymakers who are planning to implement nutrition incentive programs may consider that participants would prefer that nutrition incentive programs allow financial incentives to be earned when purchasing a wider range of SNAP eligible foods, and not be limited to qualifying fruits and vegetables.


Key Findings, Recommendations and Conclusion (continued)

- **Further Increasing Purchasing Power to Overcome High Cost of Fresh Fruits and Vegetables beyond a \$1 to \$1 Match:** Over 50% of survey participants report that they rarely earn the full \$40 in ¡Más Fresco! rebate dollar each month because they can't afford to spend \$40 of their CalFresh benefits on fresh fruits and vegetables. To address this issue, the ¡Más Fresco! Program has revised its financial incentive earn and redeem structure. Instead of earning \$1 of financial incentive for every \$1 of CalFresh benefits spent on eligible fresh fruits and vegetables, up to \$40 a month, ¡Más Fresco! Program participants are now randomized to earn either \$2 of financial incentives or \$4 of financial incentives for every \$1 of CalFresh benefits spent on eligible fresh fruits and vegetables, up to \$100 a month.
- **Ensuring the Adequacy of SNAP Benefit Amounts and Eligibility Criteria:** Beyond the financial incentive earn and redeem structure, over 50% of the survey participants report that they rarely obtain the full \$40 in ¡Más Fresco! rebate dollars each month because they do not receive sufficient CalFresh benefits per month. While this is beyond the scope of the nutrition incentive program, this is valuable information for USDA and others to consider and address in terms of both food security and the consumption of healthy foods among SNAP participants.

Contact

¡Más Fresco! More Fresh

www.masfresco.org 

morefresh@ucsd.edu 

@UCSDMasFresco 

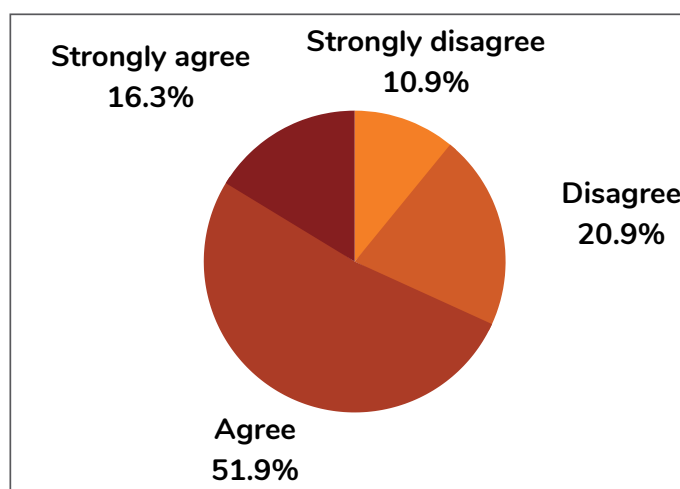
Appendix

The full survey item statements and the ¡Más Fresco! Member responses to these statements are included in this appendix. We have also added the distribution of food security levels among participants who agreed or strongly agreed with each statement. Reported food security levels were derived from past ¡Más Fresco! surveys taken by participants, including baseline and/or COVID-response surveys. However, it should be noted that there was no statistically significant relationship between food security level and agreeing with these reasons for not earning the full \$40 in rebate dollars or being able to earn incentives on other items besides fresh fruits and vegetables. Statistical significance was assessed using Chi-squared or Fisher's Exact tests. Some percentages may not add up to 100% due to rounding.

I rarely earn the full \$40 in ¡Más Fresco! rebate dollar each month because I have too many other things I need to buy with CalFresh. Approximately two-thirds (68.2%) of survey respondents “strongly agree” or “agree” with this statement (see Figure 5). In relation to reported food security levels of our survey respondents, of those who strongly agree/agree with this statement:

- 23.1% report very low food security
- 44.6% report low food security
- 32.3% report high or medium food security

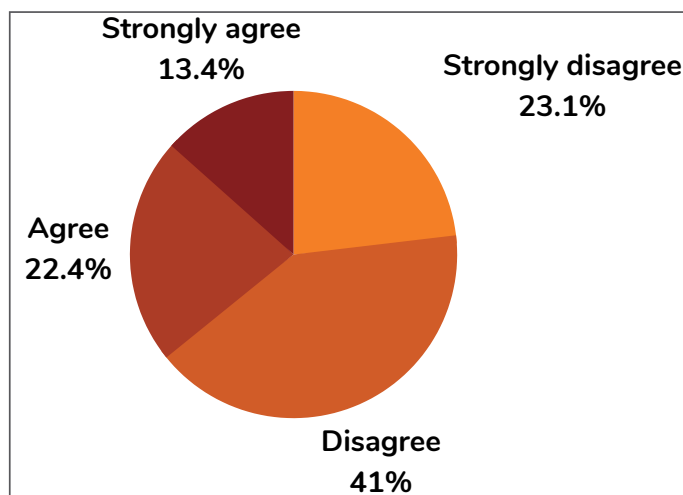
Figure 5. I have too many other things to buy with my Calfresh money



I rarely earn the full \$40 in ¡Más Fresco! rebate dollar each month because I buy a lot of fruits and/or vegetables that are not eligible (like canned and frozen): Approximately one-third (36%) of survey respondents “strongly agree” or “agree” with this statement (see Figure 6). In relation to reported food security levels of our survey respondents, of those who strongly agree/agree with this statement:

- 21.0% report very low food security
- 50.0% report low food security
- 29.0% report high or medium food security

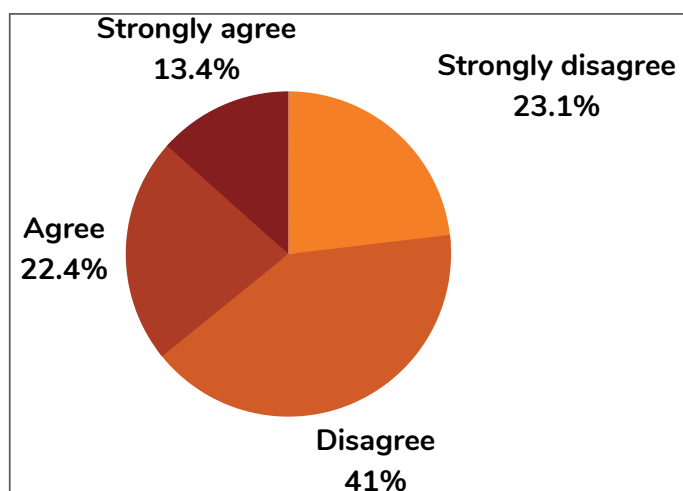
Figure 6. I buy a lot of fruits and/or vegetables that are not eligible (like canned and frozen).



I rarely earn the full \$40 in ¡Más Fresco! rebate dollar each month because I don't receive enough CalFresh money per month: Approximately half (53%) of survey respondents “strongly agree” or “agree” with this statement (see Figure 8). In relation to reported food security levels of our survey respondents, of those who strongly agree/agree with this statement:

- 20.4% report very low food security
- 50.0% report low food security
- 29.6% report high or medium food security

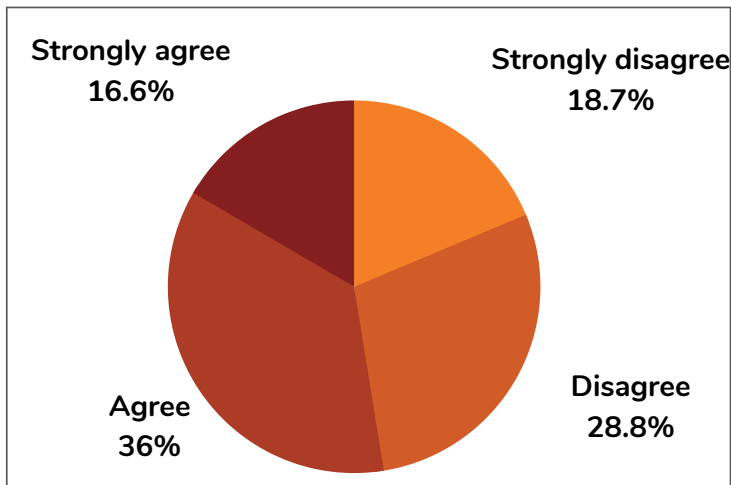
Figure 7. I don't have enough Calfresh money per month.



I rarely earn the full \$40 in ¡Más Fresco! rebate dollar each month because I can't afford to spend \$40 of my CalFresh benefits on fresh fruits and vegetables: Over half (52.52%) of survey respondents “strongly agree” or “agree” with this statement (see Figure 8). In relation to reported food security levels of our survey respondents, of those who strongly agree/agree with this statement:

- 19.6% report very low food security
- 42.9% report low food security
- 37.5% report high or medium food security

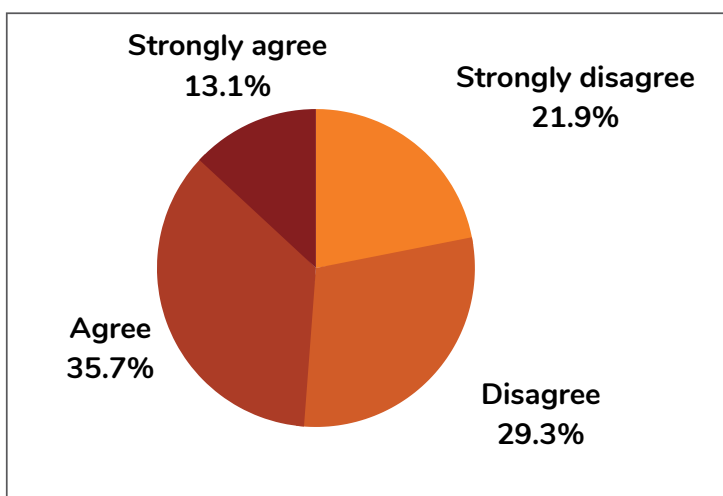
Figure 8. I can't afford to spend \$40 of my Calfresh benefits on fresh fruits and vegetables.



I rarely earn the full \$40 in ¡Más Fresco! rebate dollar each month because I don't eat \$40 of fresh fruits and vegetables each month: Approximately half (49%) of survey respondents “strongly agree” or “agree” with this statement (see Figure 9). In relation to reported food security levels of our survey respondents, of those who strongly agree/agree with this statement:

- 21.3% report very low food security
- 38.3% report low food security
- 40.4% report high or medium food security

Figure 9. I don't eat \$40 a month of fresh fruits and vegetables each month.



In addition to the statements regarding their ability to earn the full \$40 in ¡Más Fresco! More Fresh Program rebate dollars each month, program participants were also prompted about their preference to earn financial incentives on other CalFresh eligible items, instead of just fresh fruits and vegetables.

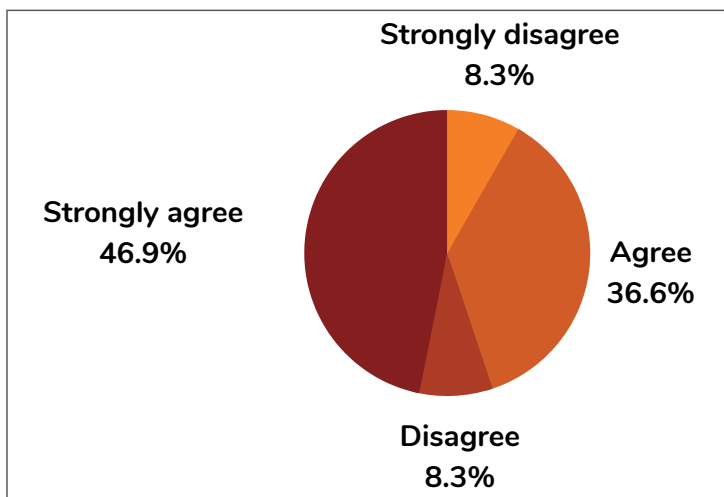
It would be better if I could earn ¡Más Fresco! rebate dollars by buying other CalFresh eligible items, like dairy, meat, bread, beans, and legumes instead of just fresh fruits and vegetables:

Most (84%) survey respondents “strongly agree” or “agree” with this statement (see Figure 10).

In relation to reported food security levels of our survey respondents, of those who strongly agree/agree with this statement:

- 22.5% report very low food security
- 48.3% report low food security
- 29.2% report high or medium food security

Figure 10. It would be better if I could earn ¡Más Fresco! rebate dollars by buying other CalFresh eligible items, like dairy, meat, bread, beans, and legumes instead of just fresh fruits and vegetables



Bibliography

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(2) Klerman JA, Bartlett S, Wilde P, Olsho L. The Short-Run Impact of the Healthy Incentives Pilot Program on Fruit and Vegetable Intake. *Am J Agric Econ*. 2014;96(5):1372–1382.