SUBJECT: Medi-Cal: medically supportive food and nutrition services.

SUMMARY: Adds medically supportive food and nutrition interventions as a covered Medi-Cal benefit. Specifically, this bill:

1) Adds medically supportive food and nutrition interventions as a covered Medi-Cal benefit when medically necessary, as ordered by a health care provider or by a Medi-Cal managed care plan directly.

2) Requires an enrollee to be offered at least three of six medically supportive food and nutrition interventions for a minimum of 12 weeks and longer as deemed medically necessary.

3) Conditions implementation on the issuance of final guidance by the Department of Health Care Services (DHCS) in conjunction with the Medically Supportive Food and Nutrition Benefit Committee, as specified.

4) Defines the following terms:

   a) “Medically supportive food and nutrition intervention” means the seven interventions specified in 4)b) through h) below, that provide nutrient-rich whole food, including any fruit, vegetable, legume, nut, seed, whole grain, low-mercury and high-omega-3 fatty acid seafood, and lean animal protein, used for the prevention, reversal, or treatment of certain health conditions.

   b) “Medically tailored meals (MTM)” means meals that are tailored to a recipient’s health conditions by a registered dietitian nutritionist (RDN) and reflect standards informed by available dietary recommendations for specific health conditions or dietary therapies based on evidence-based nutritional practice guidelines and are typically home-delivered.

   c) “Medically supportive meals” means meals that follow the federal Dietary Guidelines for Americans, meet general health recommendations, and are home delivered, picked up, or consumed on site.

   d) “Food pharmacy” means medically supportive food paired with additional nutrition supports, typically in a health care setting.

   e) “Medically tailored groceries” means boxes or packages that are tailored to a recipient’s health conditions by a RDN and reflect standards informed by available dietary recommendations for specific health conditions or dietary therapies based on evidence-based nutritional practice guidelines. Medically tailored groceries are either home delivered or picked up.
f) “Medically supportive groceries” means food boxes or packages that follow the federal Dietary Guidelines for Americans and meet general health recommendations and are typically home delivered or picked up, but may be procured in retail settings via a financial mechanism, such as vouchers or a restricted spending card.

g) “Produce prescription” means fruits and vegetables, typically procured in retail settings, such as grocery stores and farmer’s markets, via a financial mechanism, such as vouchers or a restricted spending card, but may also be produce boxes or packages that are home delivered or picked up.

h) “Nutrition supports” includes nutrition coaching or counseling, group medical visits, cooking education and tools, and behavioral supports based on a recipient’s medical conditions, when paired with the interventions described in 4) b) through g) above.

5) Specifies medical conditions that would benefit from medically supportive food and nutrition interventions include, but are not limited to, the following:

a) Metabolic conditions such as prediabetes, Type 1 and Type 2 diabetes, obesity, metabolic syndrome, polycystic ovary syndrome, and fatty liver disease;

b) Cardiovascular conditions such as hypertension, congestive heart failure, cardiomyopathy, stroke, coronary artery disease, arrhythmia, and lipid abnormalities;

c) Mental and behavioral health conditions such as depression, anxiety, and eating disorder;

d) High-risk perinatal conditions such as gestational diabetes, preeclampsia, and gestational hypertension;

e) Pulmonary conditions such as asthma, chronic obstructive pulmonary disease, and emphysema;

f) Gastrointestinal conditions such as inflammatory bowel disease;

g) Neurodegenerative conditions such as mild cognitive impairment;

h) Renal conditions such as chronic kidney disease;

i) Oncologic conditions such as gastrointestinal, breast, gynecological, and head and neck cancers; and,

j) Infectious conditions such as human immunodeficiency virus (HIV).

6) Requires a health care provider, to the extent possible, to match the acuity of a patient’s condition to the intensity and duration of the medically supportive food and nutrition intervention and include culturally appropriate foods whenever possible.

7) Specifies nutrition supports, as defined in 4) h) above, are encouraged to be included with the interventions offered to the patient, but do not count toward the minimum intervention requirements. Limits the provision of nutrition supports, as defined, to be covered only when paired with the provision of food through one of the six specified interventions.

8) Requires, on or before July 1, 2025, DHCS to establish the Medically Supportive Food and Nutrition Benefit Committee to assist in developing official guidance related to eligible populations, the duration and dosage of medically supportive food and nutrition interventions, the rate-setting process, the determination of permitted providers, and continuing education for health care providers and other medically supportive food and nutrition providers. Requires the committee to include at least one knowledgeable stakeholder to represent each of the seven medically supportive food and nutrition interventions described in 4) b) through h) above, and also include stakeholders from Medi-
Cal consumer advocacy organizations. Requires the committee to meet quarterly or more often as necessary.

9) Requires DHCS to provide a 30 day-public comment period on any proposed guidance put forth by the Medically Supportive Food and Nutrition Benefit Committee and an additional 30 days for public comment, prior to finalizing its official guidance.

10) Requires DHCS to issue final guidance on or before July 1, 2026, and requires, upon issuance of the final guidance, medically supportive food and nutrition interventions to be a covered benefit consistent with the definitions above.

EXISTING LAW:

1) Establishes the Medi-Cal Program, administered by DHCS, to provide comprehensive health benefits to low-income individuals who meet specified eligibility criteria. [Welfare and Institutions Code (WIC) § 14000 et seq.]

2) Establishes a schedule of benefits under the Medi-Cal program, which includes federally required and optional Medicaid benefits, subject to utilization controls. [WIC §14132]

3) Establishes the California Advancing and Innovating Medi-Cal (CalAIM) Act, and requires the implementation of CalAIM to support the following goals:
   a) Identify and manage the risk and needs of Medi-Cal beneficiaries through whole-person-care approaches and addressing social determinants of health;
   b) Transition and transform the Medi-Cal program to a more consistent and seamless system by reducing complexity and increasing flexibility; and,
   c) Improve quality outcomes, reduce health disparities, and drive delivery system transformation and innovation through value-based initiatives, modernization of systems, and payment reform. [WIC §14184.100]

4) Establishes a CalAIM term of January 1, 2022, to December 31, 2026, inclusive, and any extensions. [WIC §14184.101]

5) Requires DHCS to seek federal approval for specific CalAIM components, including those related to Medi-Cal managed care, specialty mental health, behavioral health payment reform, Drug Medi-Cal, pre-release services for justice-involved individuals, county administration of Medi-Cal, the Providing Access and Transforming Health program to build CalAIM implementation capacity, and other components. [WIC §14184.102]

6) Authorizes medically supportive food and nutrition services, including MTMs, under CalAIM as “Community Supports” that a Medi-Cal managed care plan may elect to cover. Specifies Community Supports are provided “in lieu of” typical Medi-Cal covered services, in accordance with the federally approved CalAIM Terms and Conditions. [WIC §14184.206]

FISCAL EFFECT: Unknown. This bill has not yet been analyzed by a fiscal committee.

COMMENTS:
1) **PURPOSE OF THIS BILL.** This bill is sponsored by the Food as Medicine Collaborative and SPUR, a nonprofit public policy organization in the San Francisco Bay area, to expand access to medically supportive food and nutrition interventions. According to the author, too many Californians, particularly Californians of color, are living with largely preventable chronic conditions. The author asserts adequate food and nutrition are a fundamental part of preventing and treating chronic conditions, and can significantly improve a patient’s quality of life and health status while also reducing healthcare costs. Across California, the author indicates, numerous organizations have piloted these interventions, also commonly known as “food as medicine” programs. The author notes evaluations from those programs, and others nationally, show that they improve health and reduce avoidable healthcare spending. Accordingly, the author concludes, this bill expands medically supportive food and nutrition interventions as a covered benefit to all eligible Medi-Cal recipients and will improve the lives of beneficiaries.

2) **BACKGROUND.**

   a) **CalAIM.** CalAIM is a collection of major initiatives spearheaded by the DHCS that align with the Administration’s program improvement goals, including addressing social drivers of health, reducing program complexity and increasing flexibility, and modernizing payment structures to promote better outcomes. The majority of CalAIM proposals were put forward in 2021 through two comprehensive applications to the federal government for a “Section 1115 demonstration” and “Section 1915(b) waiver”—both named for the sections of the Social Security Act that authorize state and federal flexibility with Medicaid program rules to implement specific initiatives. DHCS received federal approval on December 29, 2021, for both the demonstration and waiver, effective through December 31, 2026, subject to Special Terms and Conditions (STC) that govern the state’s implementation of the initiatives.

   b) **Community Supports.** One component of CalAIM that addresses social drivers of health is called Community Supports. Community Supports are services that can be provided by Medi-Cal managed care plans as cost-effective alternatives to traditional medical services or settings. DHCS has a pre-approved list of 14 Community Supports, based on experience in prior demonstration programs to address health-related social needs. These supports are designed to provide flexibility to address specific needs of complex populations. For instance, home modifications, adaptations, and remediation can support individuals in maintaining or improving their health and reduce emergency department visits and inpatient stays. Similarly, medically supportive food or tailored meals can potentially provide similar health improvements and avoidance of expensive, high-intensity health care services.

   Every Medicaid program has a Medicaid State Plan that specifies the benefits and services covered by that program. Community Supports, as defined through CalAIM, are alternative services to those covered under the Medi-Cal State Plan, but are delivered by a different provider or in a different setting than is described in the State Plan. Community Supports can only be covered if the state determines they are medically-appropriate and cost-effective substitutes or settings for a State Plan service.

   c) **“Food as Medicine” concept.** Behaviors related to diet, exercise and smoking are major factors in determining health status and the likelihood of chronic disease. Food as
medicine programs aim to leverage targeted interventions to prevent, manage, treat and, in some instances, reverse disease by improving nutrition to help children and adults get well and stay healthy. These programs exist in the context of other food assistance programs, such as the CalFresh Program and the Women, Infants and Children program; other efforts such as the MTMs pilot program; and other state efforts to improve the provision of preventive and outpatient care, as well as non-medical interventions, to maintain health and prevent inpatient admissions and institutionalization.

d) **Food and Nutrition Interventions.** According to the bill sponsors, the spectrum of medically supportive food and nutrition interventions includes: MTMs, medically supportive meals, food pharmacies, medically tailored groceries, medically supportive groceries, produce prescriptions, and nutrition supports when paired with food provision. The sponsors indicate providing the full spectrum of food-based services allows a medical provider to match the acuity of a patient’s condition to the intensity of the intervention.

The proposed benefit is structured to be flexible by providing a choice of interventions to managed care plans. MTMs and groceries are more targeted at a particular health condition, while medically “supportive” meals and groceries includes food that meets dietary guidelines for general health support, including any fruit, vegetable, legume, nut, seed, whole grain, low-mercury and high-omega-3 fatty acid seafood, and lean animal protein. In addition to these two broad categories, nutrition support can be paired with the food benefit. For instance, a cooking class could be offered to demonstrate how to prepare seasonal vegetables that are offered in a “food pharmacy” set in a community clinic.

e) **Cost Considerations for adding Food Interventions as a Medi-Cal Benefit.** As noted above, Community Supports are currently authorized through a demonstration program and the offer of Community Supports is subject to specific rules. Specifically, because Community Supports must overall be medically appropriate and cost-effective substitutes or settings for the State Plan service, this imposes a cost-benefit calculation on the provision of Community Supports. Making services a benefit, versus a Community Support offered through a temporary demonstration project, will result in broader eligibility for services. This could add to program costs significantly for the provision of the benefit and could result in offsetting health care cost savings or health improvements as a result of broader coverage. Currently, managed care plans have the discretion to define criteria for the level of services determined to be both medically appropriate and cost-effective for members. One provider of MTMs through the current Medi-Cal Community Supports indicates the price range is $7 to $12 a meal. According to the sponsors, over a third of Medi-Cal beneficiaries is expected to have one or more of the medical diagnoses currently included in the bill. However, a medical condition would not automatically translate into meeting the medical necessity criteria for the intervention. DHCS could also establish additional criteria.

f) **Current MTMs/Medically-Supportive Food Community Support.** DHCS’s January 2023 “Medi-Cal Community Supports, or In Lieu of Services (ILOS), Policy Guide” includes the following description of the Community Support:

i) **Description/Overview:** Malnutrition and poor nutrition can lead to devastating health
outcomes, higher utilization, and increased costs, particularly among Members with chronic conditions. Meals help individuals achieve their nutrition goals at critical times to help them regain and maintain their health. Results include improved Member health outcomes, lower hospital readmission rates, a well-maintained nutritional health status, and increased Member satisfaction.

(1) Meals delivered to the home immediately following discharge from a hospital or nursing home when Members are most vulnerable to readmission.
(2) MTMs: meals provided to the Member at home that meet the unique dietary needs of those with chronic diseases.
(3) MTMs are tailored to the medical needs of the Member by a Registered Dietitian or other certified nutrition professional, reflecting appropriate dietary therapies based on evidence-based nutritional practice guidelines to address medical diagnoses, symptoms, allergies, medication management, and/or side effects to ensure the best possible nutrition-related health outcomes.
(4) Medically-supportive food and nutrition services, including medically tailored groceries, healthy food vouchers, and food pharmacies.
(5) Behavioral, cooking, and/or nutrition education is included when paired with direct food assistance as enumerated above.

Managed care plans have the discretion to define criteria for the level of services determined to be both medically appropriate and cost-effective for Members (e.g., MTMs, groceries, food vouchers, etc.).

ii) Eligibility:
(1) Individuals with chronic conditions, such as but not limited to diabetes, cardiovascular disorders, congestive heart failure, stroke, chronic lung disorders, HIV, cancer, gestational diabetes, or other high risk perinatal conditions, and chronic or disabling mental/behavioral health disorders;
(2) Individuals being discharged from the hospital or a skilled nursing facility or at high risk of hospitalization or nursing facility placement; or,
(3) Individuals with extensive care coordination needs.

iii) Restrictions/Limitations
(1) Up to two (2) meals per day and/or medically-supportive food and nutrition services for up to 12 weeks, or longer if medically necessary;
(2) Meals that are eligible for or reimbursed by alternate programs are not eligible; and,
(3) Meals are not covered to respond solely to food insecurities.

Community supports shall supplement and not supplant services received by the Medi-Cal beneficiary through other State, local, or federally funded programs, in accordance with the CalAIM STCs and federal and DHCS guidance.

iv) Licensing/Allowable Providers. Providers must have experience and expertise with providing these unique services. This list is provided as an example of the types of providers Medi-Cal managed care plans may choose to contract with, but it is not an exhaustive list of providers who may offer the services:
(1) Home delivered meal Providers;
(2) Area Agencies on Aging;
(3) Nutritional Education Services to help sustain healthy cooking and eating habits;
(4) Meals on Wheels Providers; and,
(5) Medically-Supportive Food & Nutrition Providers.

g) **MTMs Pilot Program.** SB 97 (Committee on Budget and Fiscal Review), Chapter 52, Statutes of 2017, authorized the MTM Pilot Program, which launched on April 1, 2018, in eight counties. DHCS oversees the program and contracted with Project Open Hand for the Provision of services. The pilot was planned to run for four years with a total budget of $6 million, and an evaluation is being conducted to determine the impact of the MTM program on hospital, emergency department, and skilled nursing facility admissions. The program has served three MTMs per day for 12 weeks to 1,413 eligible beneficiaries with congestive heart failure during the four-year period.

h) **Evidence of Effectiveness.** DHCS has presented findings that MTMs are effective in improving health. According to DHCS, one study found a 17% reduction in patients with poorly controlled diabetes when patients were providing diabetes appropriate MTMs. Other research on MTM delivery among older adults found that 79% of individuals who fallen in the past did not fall again during the study period compared to 46% in the control group, showing a 33% increase in fall prevention. Finally, a 2014 study on MTMs recipients with diabetes, HIV, and comorbid conditions found a 50% increase in medication adherence among recipients. Studies have also found double-digit percentage point decreases in emergency department visits, inpatient admissions, and 30-day hospital readmissions among MTM recipients.

3) **SUPPORT.** Numerous community-based organizations, including food and chronic disease advocacy organizations, consumer advocates, and food banks, support this bill. Food for People, the Food Bank for Humboldt County, states in support that California should seize the opportunity to build on the historic progress made through CalAIM to permanently address social drivers of health through food-based interventions. The Food As Medicine Collaborative, a cosponsor of the bill, asserts along with a large coalition of supporters that transitioning medically supportive food and nutrition interventions from optional services under a time-limited waiver in healthcare to covered Medi-Cal benefits will improve health outcomes, advance health equity across California, reduce avoidable healthcare costs and support the prevention, not just the treatment, of chronic conditions.

4) **RELATED LEGISLATION.** AB 1085 (Maienschein) requires DHCS to seek federal approval to add housing support services, which are currently Community Supports, as a Medi-Cal benefit. AB 1085 is pending in the Assembly Appropriations Committee.

5) **PREVIOUS LEGISLATION.**

a) AB 133 (Committee on Budget), Chapter 143, Statutes of 2021, established statutory authority for various aspects of the CalAIM initiative, including authority to provide “ILOS”, which was later renamed as “Community Supports.”

b) SB 97 authorized the MTM Pilot Program.
c) AB 3118 (Rob Bonta) of 2020 would have created a Medi-Cal pilot program in Alameda County to provide a “medically supportive food assistance” benefit for a Medi-Cal beneficiary who has a chronic health condition, as specified, for a three-year period, and requires the department to evaluate the pilot and make recommendations for its expansion or continuation. AB 3118 was held on the Suspense File of the Assembly Appropriations Committee.

6) AMENDMENTS. Following conversations between the Committee, author, and sponsors, the author has agreed to amend this bill to address several substantive and clarifying issues, as follows:

a) Effective date. The current bill requires DHCS to form a committee on or before July 1, 2025 and issue final guidance by July 1, 2026, and states medically supportive food and nutrition interventions is a covered benefit upon issuance of the final guidance. Amendments will provide clarity that the effective date for the benefit is July 1, 2026.

b) Utilization Controls. To create consistency with other Medi-Cal benefits, amendments will specify the new benefit is covered, subject to utilization controls.

c) Nutrition Supports. Amendments will clarify the definition of “nutrition supports” does not include group medical visits, but provide that nutrition supports may be provided in an individual or group setting; clarify cooking tools includes equipment and materials; and clarify that the definition includes health coaching in addition to behavioral supports based on a recipient’s medical conditions.

d) Offer of Three Interventions. Amendments clarify the author’s intent that instead of a beneficiary being offered at least three of the medically supportive food and nutrition interventions, that fee-for-service Medi-Cal and each Medi-Cal managed care plan must offer at least three of the medically supportive food and nutrition interventions to Medi-Cal beneficiaries.

e) Medical Conditions. Amendments strike the list of medical conditions that would make someone medical eligible for the benefit, and instead require DHCS to define the qualifying medical conditions for benefit, including chronic and other conditions that evidence shows are sensitive to changes in diet, and require DHCS to consult with the stakeholder advisory workgroup in the development of qualifying medical conditions.

f) Stakeholder Committee. This bill also requires the convening of a committee to assist DHCS in developing official guidance on the benefit. Although stakeholders can inform benefit design, determining utilization controls generally is appropriately, and should remain, within the scope of DHCS’s authority. Amendments will reframe the committee as a stakeholder advisory workgroup, clarify stakeholder input is advisory, and clarify requirements for DHCS to accept input from the workgroup prior to issuing guidance.

g) Federal Approval and Authority to Issue Guidance. Consistent with other benefits and to ensure the availability of federal matching funds to fund the benefit, amendments will allow DHCS to issue non-regulatory guidance to implement the benefit and requires implementation only to the extent that any necessary federal approvals are obtained, and federal financial participation is available and not otherwise jeopardized.
REGISTERED SUPPORT / OPPOSITION:

Support

Food As Medicine Collaborative (cosponsor)
SPUR (cosponsor)
18 Reasons
Agricultural Institute of Marin
Alameda County Community Food Bank
Alameda County Deputy Sheriffs' Activities League Dba Dig Deep Farms
Alameda Health Consortium
Alameda Health System
Alchemist CDC
American Heart Association
Asian Pacific Islander Forward Movement
Axis Community Health
Black Women for Wellness
Blue Zones Project Monterey County
Blue Zones Project Tuolumne County
Blue Zones Project Upper Napa Valley
Booker T. Washington Community Service Center
California Academy of Nutrition and Dietetics
California Conference of Local Health Department Nutritionists
California Food and Farming Network
California Fresh Fruit Association
Celiac Disease Foundation
Center for Food Safety
Ceres Community Project
Conard House
Esperanza Community Farms
Everyone's Harvest
Extrafood
Farm Discovery At Live Earth
Farming Hope
Food As Medicine Global
Food Bank of Contra Costa and Solano
Food for People, the Food Bank for Humboldt County
Food Forward
Foodwise
Fresh Approach
Glide
Go for Health! Santa Cruz County
Hayward Wellness Center - Alameda Health System
Health Care Without Harm
Homeless Prenatal Program
Institute for Natural Medicine
La Clinica de La Raza, INC.
Leah's Pantry, INC.
Life Lab Science Program
Los Angeles Food Policy Council
Los Angeles Regional Food Bank
Marin Food Policy Council
Meals on Wheels of West Los Angeles INC
Meals on Wheels Orange County
Merced County Food Bank
National Produce Prescription Collaborative
Native American Health Center
North Coast Growers Association
Nutrition and Fitness Collaborative of the Central Coast
One Community Health
Open Door Community Health Centers
Open Heart Kitchen
Open Source Wellness
Pesticide Action Network
Project Open Hand
Public Health Advocates
Purfoods, LLC A/k/a Mom's Meals
Reach Out
Regeneration Pajaro Valley Climate Action
Roots of Change
Sacramento Food Policy Council
San Francisco Marin Medical Society
San Francisco-Marin Food Bank
Santa Barbara County Food Action Network
Second Harvest Food Bank Santa Cruz County
Shape Up San Francisco Coalition
Slow Food Policy in California
Sonoma-Mendocino Lake Medical Association
Thai Community Development Center
The Praxis Project
Tiburcio Vasquez Health Center, INC.
Western Center on Law & Poverty, INC.
Wholesome Wave

**Opposition**

None on file.

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