Healthy Incentives Pilot (HIP)

A Pilot of the MA Department of Transitional Assistance

EBT: The Next Generation 2012

November 4 – 7, 2012

Frank Martinez Nocito, DTA
Edie Osterman, Xerox
Jeffrey Cole, Mass Farmers Markets
Kathy Ottobre, FNS

Organizations Represented

What is HIP?

- HIP households receive an incentive of additional SNAP dollars (30 cents on the dollar on eligible purchases) when they use their SNAP benefit to buy HIP target fruits and vegetables
  - Shop at participating HIP food retailers
  - Substantial cash register system changes to calculate, apply and display incentive
  - Incentive benefit available immediately for any future SNAP purchase
  - Incentive cap of $60 per month per household

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Timeline

August 17, 2010
Award announced

September 2010 – October 2011
Planning, testing and training of pilot systems

November 2011 – December 2012
Operation phase of pilot (14 months)
(Each household receives incentive for a 12 month period)

January 2013 – June 2013
HIP operations close out, final evaluation, reporting

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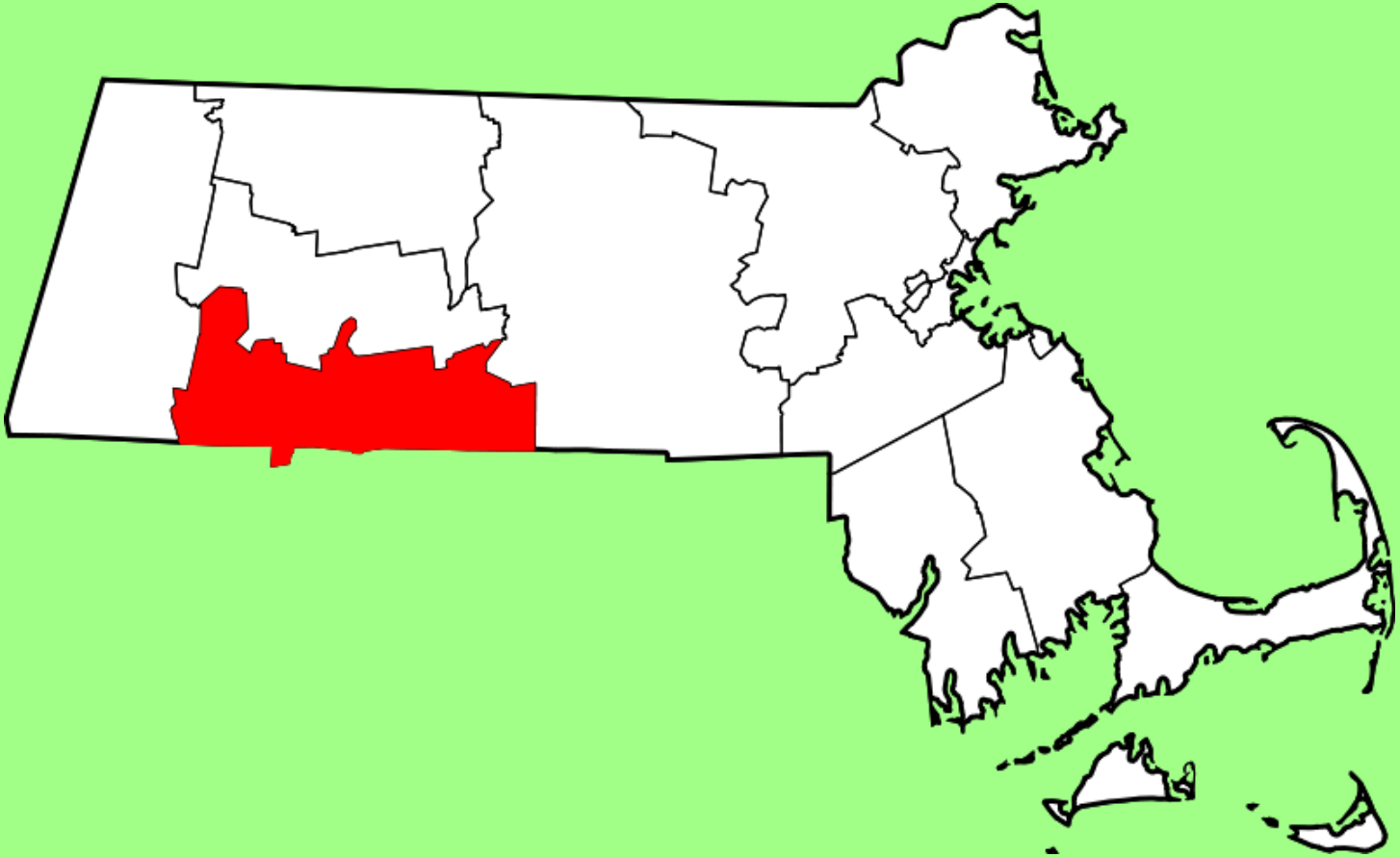
Hampden County: HIP Pilot Site



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HIP Stakeholders

- DTA
- FNS
- Xerox
- Novo Dia Group
- Abt Associates
- Third Party Providers
- Software Providers
- Retailers
- Farmers Markets
- Community Partners
- Vendors

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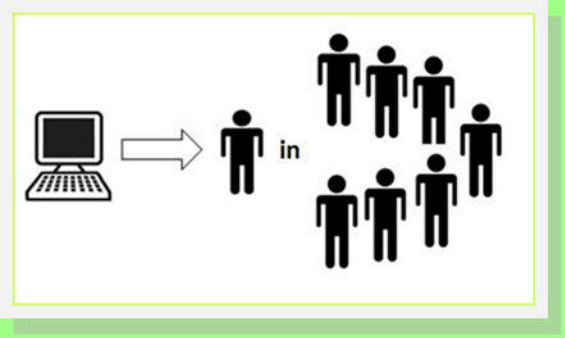
HIP Participant Selection



- 7,500 SNAP households from Hampden County were randomly selected
  - Of these, 1,500 selected to serve as the experimental group to study the impact of the incentive
  - An additional 1,500 households not participating in HIP selected to serve as the control group to study the impact of not receiving the incentive
- Staggered start with 2,500 each month:
  - November 2011
  - December 2011
  - January 2012
- Once HIP, always HIP

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How does HIP work?

$40 spent on food with your SNAP EBT card

includes

$10 spent on HIP target fruits and vegetables

HIP benefit

$3 credit to your EBT card for future SNAP purchases

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HIP Target Foods

- HIP eligible foods are healthy fruits and vegetables
- Consistent with nationally federal regulations for the WIC Fruit and Vegetable Voucher
- Can be fresh, canned, dried or frozen
- With no added sugars, salt, fats or oils, with some exceptions

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HIP Community Partners

Involvement of 75 HIP Community Partners

- Provided referrals— information about HIP and partner retailers to selected participants
- Identified, recruited and sustained retailers
- Hosted information sessions for HIP participants and partners
- Reviewed HIP training materials and inserts
- Provided interpreter and translation support
- Served on HIP Steering Committee
- Participated in focus groups
- Informed SNAP policy and practice

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HIP Food Retailers

- All SNAP retailers in Hampden County were invited to participate
- DTA promotes participating retailers to HIP clients and community partners
- Significant support provided by DTA and Xerox: regular calls, in-person training for staff, site visits, HIP call-line
- MOUs between DTA, Xerox and each IECR retailer
- HIP grant pays for the costs of system changes

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HIP Food Retailers

- DTA worked with Xerox (state EBT vendor), TPPs, and retailers to make all necessary modifications to existing EBT and POS systems and processes
  - IECR systems that include scanners and point-of-sale (POS) interfaces were reprogrammed to identify HIP target foods, calculate and transmit the value and print resulting incentive values on receipts.
  - Stand-alone (side-by-side) POS terminals and voucher systems were created to manually enter a separate subtotal of HIP target foods— based on visual HIP identification.
  - Incentive amount and accumulated monthly value of incentives is displayed on the cash register receipts.
  - Incentive benefit available to participant immediately for future SNAP purchases.

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HIP Retailers: Final Count

- Total of 118 HIP retailers in/out Hampden County
  - 102 retailers
  - 12 farmers markets
  - 3 farm stands
  - 1 mobile market

HIP Retailers	*# HIP stores- Inside Hampden County*	*# HIP stores- Outside Hampden County*
EBT-onlys	37	-
Cumberland Farms	17	-
Geissler's	1	6
PriceRite	4	1
Stop & Shop	10	6
Walmart	3	13
New IECRs	4	-
Farmers Markets	12	-
Farm Stands	2	1
Mobile Markets	1	
TOTAL	91	27

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HIP Retailer Partners

- Hampden County authorized SNAP retailers = 505
  - $15.5m in SNAP benefits redeemed monthly
  - Top four redeemers are chain retailers
    - 3 of these chains are participating in HIP
- Participating HIP retailers = 118
  - Account for 23% of the total Hampden County SNAP retailers and 62% of the total SNAP redemption
  - 9 HIP IECRs (chain retailers) represent
    - 56% of the total HC SNAP redemption
    - 95% of the total HIP retailer's SNAP redemption
  - 6 of the top 10 Hampden County SNAP redeemers participating in HIP

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HIP Retailer Signage

- Developed with retailer partners
- Increase HIP visibility at retailer locations
- Raise awareness for HIP clients
- Six styles of retailer signs
  - Door decals: 4” x 5”
  - Freezer decal: 4” x 5”
  - Shelf strip: 1 ¼” x 2”
  - Adhesive sign: 3” x 4”
  - Standee: 22” x 66”; logo area—15.8" x 15.8
  - Produce stickers: ¾” round
- Posted until December 31, 2012

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HIP Retailers Signage: Examples

Walmart HIP standee

Freezer decal

Adhesive sign

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HIP at the Farmers Markets

- Partnership between with MA Dept. of Agricultural Resources, Community Involved in Sustaining Agriculture, Mass Farmers Markets
- 3 models will test HIP and SNAP
  - ***HIP tokens***
  - ***eHIP***
  - ***Mobile Market+***
- Launched on June 1st
  - ***12 Farmers Markets***
  - ***3 Farm Stands***
  - ***1 Mobile Market***
- Market staff training and support
- Wireless verses EBT only POS terminals
- Evaluation

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HIP at the Farmers Markets

HIP tokens

- Builds on existing token system at markets
- SNAP/HIP transactions processed through the EBT-only POS machine to Xerox
- SNAP clients purchase tokens with EBT card at centralized cashier/Market Manager
- HIP and SNAP tokens distributed in prescribed denominations ($1.00 or $2.50) according to client's request
- Farmers paid via manual receipt

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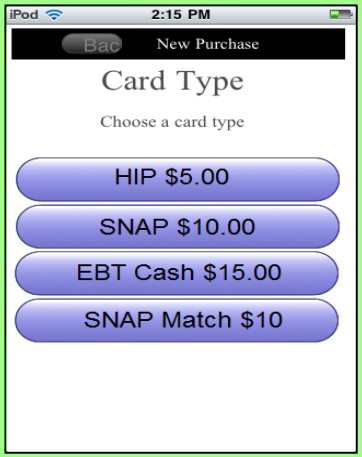
HIP at the Farmers Markets

e-HIP

- Transactions (SNAP/HIP) are processed to Xerox through EBT only POS machine
- SNAP clients purchase electronic credits with their EBT card at centralized cashier /market manger
- e-HIP manager loads credits onto local web service (via a laptop). Info accessible to all SNAP vendors, each with a WiFi enabled iPod
- Clients make purchases at any SNAP/HIP vendor. EBT card swiped as an identifier
- Client lets vendor know from what funding stream (SNAP, HIP, cash EBT). Product type & purchase amount is entered, approved or denied, and transaction is completed
- Farmers paid by manger from electronic record

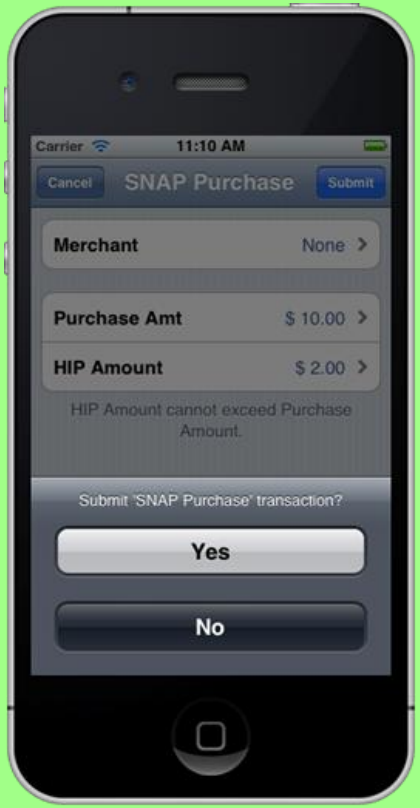


MASS FARMERS MARKETS

HIP at the Farmers Markets

Mobile Market+

- SNAP/HIP Transactions are processed directly to Xerox through a wireless iPod device, acting as POS
- Client approaches vendor to make a purchase
- Client identifies type of transaction.
- Vendor swipes EBT card and makes a transaction like a POS machine
- Farmers paid by manager via electronic record



NDG
NOVO DIA GROUP

HIP Participation Strategies

- HIP Clients- Notifications
  - Notice #5: HIP brochure #2, Farmers Market insert, Retailer list
  - Notice #6: Customized mailing, Community Partner insert, Recipe cards
  - Notice #7: Updated Retailer list and Farmers Market insert
- Retailers- store signage
  - Options
  - August 31, 2012 installation
- Community Partners- insert

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Successes & Lessons Learned

- Diversity of partnerships
- Retailer recruitment
- Communications with clients
- Pilot vs. permanent
- Time required and timing
- Systems changes for EBT vendor, retailer complex
- Changing environment

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HIP: Summary

- Demonstration pilot to test the effects of financial incentive on SNAP recipients' purchase and consumption of fruits and vegetables
- Outcomes
  - Access to and consumption of healthy foods
  - Healthier communities through collaboration and partnerships
  - Integration of best practices
  - Inform national policy

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For More Information

Frank Martinez Nocito, DTA
frank.martineznocito@state.ma.us
(413) 858-1380

Edie Osterman, Xerox
edie.osterman@xerox.com
(518) 915-1265

Jeffrey Cole, Mass Farmers Markets
jeff@massfarmersmarkets.org
(781) 893-8222

Kathy Ottobre, FNS
kathy.ottobre@fns.usda.gov
(617) 565-5200

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