The Daily Dish

Food as Medicine in Medicaid

DOUGLAS HOLTZ-EAKIN | FEBRUARY 14, 2023

The Biden Administration's Centers for Medicare and Medicaid Services (CMS) has begun to approve state applications to use Medicaid funding to cover the cost of food. *The Wall Street Journal* reports: "In November, the U.S. Centers for Medicare and Medicaid Services approved a test program allowing Arkansas to spend up to $85 million in federal and state funds on health-related social needs, which include nutrition counseling and healthy-meal preparation. The agency approved similar demonstrations for Oregon and Massachusetts earlier last year."

How should one think about this "food as medicine" initiative?

My initial reaction was essentially: "No way!" I like my federal programs neat and orderly. Food is food, health insurance is health insurance, defense is defense, and so forth. There is already a Supplemental Nutrition Assistance Program, complete with a SNAPpy acronym. If there is a problem with "food insecurity," shouldn't we just make whatever changes are necessary to SNAP?

But upon reflection, this was inconsistent with my support for Medicare Advantage plans cover the costs of transportation and other non-health expenses for their beneficiaries. Indeed, as a concept, programs should strive to pay for outcomes and let participants find the inputs – medicines, procedures, food, transportation, air conditioning, you name it – that achieve those outcomes at least cost. Paying for food makes perfect sense in this setting.

Unfortunately, Medicaid does not pay for outcomes and this raises the possibility that some of the purchased food might not serve a health purpose – Diet Coke and Twizzlers in addition to P.F. Chang's! One way to navigate this tricky territory is to pay for complete, medical condition-specific meals. The medically tailored meal industry provides patients with pre-made meals that hit customized caloric and nutrition profiles. As my colleague Jackson Hammond points out, Medicaid also has the advantage of being able to catch people

before they acquire a lifetime of chronic conditions related to obesity and poor diet. At the very least, states deciding they want Medicaid to pay for medically tailored meals is one experiment worth taking a look at.