

TRANSFORMING FOOD FOR A HEALTHIER FUTURE

Holly Freishtat 00:00

Welcome to our session on Transforming Food for a Healthier Future. I'm Holly Freishtat. I'm Senior Director for Feeding Change at the Milken Institute. I lead the food system portfolio for Milken Health. In Feeding Change, we use social and financial capital to activate a more nutritious, sustainable, resilient food system. So today we're going to be talking about what does the future look like, and how is food absolutely essential to the future and our health. And I would love to take a moment to introduce our esteemed panelists. Dr. Alice Chen is the executive vice president and chief health officer of Centene Corporation; Ashley Tyrner-Dolce is the founder and CEO of FarmboxRx; Sarah Mastrorocco is the vice president and general manager of Instacart Health; and Aaron Weiss is the president of Hy-Vee. Welcome. So the conference theme is 'towards a flourishing future. So when I think about this theme, I think about—this session is really about—transforming the connection between food and health to realize that future: how we integrate food and nutrition as a tool to prevent, manage, and treat disease, and it will impact health care and health outcomes. Around half of the adults in the US have one or more preventable, diet-related, chronic disease, including cardiovascular disease, type 2 diabetes, and obesity. And the estimated cost of chronic disease is expected to reach over USD47 trillion worldwide by 2030. Therefore, food needs to be included in this continuum of care. So what's interesting is, in the last several years, we have seen this really, like, strong, vibrant Food as Medicine movement. It started as a series of pilots all over this country, very much here, there, maybe somewhere else. And now we're starting to see much more of a sea, and this movement has been growing, and it's really talking about this integration between health-care delivery, and we're building the evidence. It's not at scale, and we know that, but it's way larger than it was, and now we have the data—the numbers and the evidence. That's what we really want to share with you in the beginning of this conversation, what we know now, and then we'll talk about what we need to know and where we need to go for the future. And so this administration has been prioritizing the role of food in managing, treating, and preventing disease. The session will really look at food as prevention. There was a while where we needed food to be a part of treatment, and it still needs to be, and it took a while to get to that place, but now we need to make sure that prevention did not get lost. I feel like we kept our eyes on the ball of getting to treatment, and food is part of treatment, and while we were looking one way, we needed to keep our eyes on the ball of prevention. So we're really going to be talking about that today. And so our panelists represent different viewpoints from industry perspectives, health care, retail, and technology. They have seen firsthand the impacts of integrating food into health care, and each one here and the companies they represent are building the evidence that we're going to talk about now. So Alice, I'm going to turn to you first, and I'm turning to you from the health-care perspective. Explain to us the distinction

between health and health care, and share with me how food needs to be on this spectrum of care and how it impacts chronic disease management and prevention.

Alice Hm Chen 03:33

Sure. Thanks, Holly. Thanks for hosting us. Hopefully, this will be a fun conversation. I'm going to start by asking how many people here consider themselves to be in health care. Raise your hand. Okay, so not the majority of people. And so maybe you guys won't be surprised to learn that when you think about health, health care is a tiny portion of health care. When you look at its impact on longevity, on premature mortality, it's about 10 to 20 percent; 30 percent is genetics, and the rest is behavior, environment, food, what other people call—we call in health care, "drivers of health"—and other people call "life," right? Because if you think about it, you are born, what? Eight pounds, six pounds, seven pounds, and we grow to whatever we are purely by dint of what we put in our mouth over the course of our life. So food is who we are as Centene. So Centene—anybody heard of Centene here? Largest Medicaid payer in the country, and so Medicaid is for primarily low-income people. Federal Poverty Level this year is \$15,560 for a single person, so pretty poor. Among households that are below the federal poverty level, 38 percent are food insecure. And why does that matter? Because food insecurity has been consistently linked to that chronic disease that Holly was talking about—diabetes, hypertension, chronic kidney disease, congestive heart failure. It's actually more than 50; 60 percent of adults have some kind of chronic disease in the United States, and about 85 percent of our health-care spending is tied to some kind of nutrition-related disease. But going back to food insecurity, again, think about it. Diet is so critical to our health, but for people with food insecurity, they tend to spend up to 45 percent more in health-care costs. So think about low-income Americans, 38 percent food insecure—those households, 45 percent more in cost. So when we talk about Medicaid, which is in the news a lot, and how do we actually make it better? How do we improve value? Food is a huge potential lever here. I'll just add one last thing, just very, very concretely, because we talked about that—you want to talk about the evidence and the stats. If you look—so, I'm going to start on the treatment side, we'll talk about prevention—but if you look at complex patients, people with HIV, congestive heart failure, severe diabetes, and you actually give them medically tailored meals, studies have shown you can reduce emergency department (ED) visits by 49 percent, long-term care, 72 percent, even accounting for the cost of the program reducing total health-care costs. So again, when we think about Medicaid reform, we think about: How do we improve health outcomes while reducing costs and improving affordability? Food is a huge lever.

Holly Freishtat 06:32

Well, Alice, you brought up a good point I just learned this week. I had no idea that people are more food insecure now than they were during lockdown, during COVID-19. I mean, that is extraordinary to me. We have 3 percent more people—4.2 million more people—are food insecure right now than during lockdown. So that is just kind of putting it into perspective. And so now we're going to move from the health-care perspective to the retail perspective. And I have to say, just that sentence alone is so great—health care, retail combined, because they both are essential to the future of health outcomes. So Aaron, I want to hear from you, from both an employer and also consumer perspectives. I mean, retailers know what consumers buy. You guys know us better than we know us, right? And so I really want to hear about—how have you successfully integrated health care into food retail? Can you speak to the innovation of care integration? You know, how you've been creating the environment for

collaboration with pharmacists and dietitians, and also the pilots that you're doing related to your own employees' health.

Alice Hm Chen 07:39

Yes.

Aaron Wiese 07:40

Thanks, Holly. Yes, so, at Hy-Vee, we operate in nine states in the Midwest, about 80,000 employees. So, we have a couple different lenses that we look at this—we're the largest employer in the state of Iowa, and so health care is a big part of their expense structure as a business, but as a retailer, we also serve a lot of patients. Our mission is making lives easier, healthier, and happier. We've been doing that for 55 years since we started offering pharmacy services to our customers, and we recognized fairly early on, almost 20 years ago, that food was integral to the health of our consumers. And so we started adding registered dietitians to our retail stores over 20 years ago. Really with the advent of technology and the enablement of some additional tools, we're able to really integrate that into our offerings—both from an e-commerce perspective, but also partnering with payers, both at the commercial level as well as state Medicaid plans—to really help identify the outcomes that have been improved by these interventions with our dietitians. I'll share just a couple examples. Wapello County, in Iowa, has about 35,000 people. The average life expectancy is below the national average, the rate of smoking is higher than national average, the median household income is lower than the national average, and the state of Iowa has deemed it a shortage of primary care physicians. So there's a lot of opportunity in that county. We have two grocery stores in Wapello County, and we're able to partner with payers on a diabetes program that can increase the education of what a healthy diet should be for somebody who has a diabetes diagnosis. And the intervention with our dietitian has been able to show, you know, clinically to improve their—not only their understanding of what they should prepare for themselves and their family, but also help reduce their A1C. And so the feedback that we're getting from participants that are working with our dietitians, they basically say, I've been through a lot of diabetes programs. Being able to go one-on-one with a dietitian in a grocery store setting, being able to understand how to read a nutrition label, where should I go to buy this—so that it's a repeatable behavior. That's been really impactful for consumers.

Holly Freishtat 09:48

Thank you. And can you tell us a little bit more about the work you've been doing with your employees as well?

Aaron Wiese 09:53

Yeah, so again, I said health-care costs, [is] one of our fastest growing expenses, and so we're really looking at ways: How do we reduce that expense and make our employees healthier and more productive? And so we started offering a food incentive for healthy food to our employees as a pilot program specifically oriented around a

couple of disease states, heart disease and diabetes: identified those through screening and then offered them healthy food options, basically additional supplemental dollars, as well as interventions with our dietitians for more education. And the results have been very, very promising so far. So it's a program we look to scale even further. So excited about the growth there.

Holly Freishtat 10:31

Great, thank you, Aaron, and now Ashley, I'm going to bring you into this conversation. So you also work very closely with health plans to facilitate the connection between food and health. Talk to me about how FarmboxRx uses food as engagement, as a way to close the care gap. What impact have you seen?

Ashley Tyrner-Dolce 10:48

Yeah, so FarmboxRx, we use food to engage health-plan members really around their quality care gaps. When we started off in health care—and it still is a problem—we sat down and talked with a payer. There's really no true food budget for food as medicine and health care. So we said: How can we work with a payer and work within the confines of government dollars that they have today to spend? And so things like getting people in to get their mammogram, their diabetic eye exam—we're talking about a maternity population, postnatal discharge appointment. These are all very important preventative measures to the health plans and member engagement has long been a huge problem for health plans—and, I think, always probably will be. But you know, when you look at engaging populations, that's everything to a health plan, because nobody wakes up and says, "I want to have type 2 diabetes, I want to be sick, I want to have cancer." They—individuals do not know how to access care. They don't know how to access healthy food. They don't have accessibility and they can't afford it. And if you solve all of those things for individuals, they will take a self-efficacy journey. And so in every single box of food that goes out to any of our health-plan members, there's health literacy in every single box, and it's completely customized to that health plan in that market and what that community's needs are. I like to give a really great example—we worked with the health plan in New Mexico where a big piece of their population is Navajo tribe members. They're very rural, and the health plan really wanted these individuals to engage in services from the Navajo tribe, like that would help them learn computer skills, job placement. And so we narrow down that health literacy of, "yes, we're trying to get that member in for their colonoscopy, maybe," but we're also teaching them about transportation benefits that are available to them, mail-order pharmacy. And so when you look to engage populations, people have to understand all of the benefits that are available to them. So we really look at ourselves as a member-engagement company at the end of the day.

Holly Freishtat 13:07

Well, thank you. And Sarah, I'm going to bring you in here now. You represent a tech perspective, and what we have learned in this process of the last few years, especially: tech is essential to facilitating many of these connections that we've discussed so far. So how is Instacart working with partners to develop the evidence base for food as health?

Sarah Mastrorocco 13:29

Yeah, and thank you for having me. It's exciting to be here on this panel. I appreciate it. I will definitely talk about that, and I think just to baseline everyone, sometimes people are surprised to see Instacart in the room. We're a technology- enablement company, a retail-enablement company. I was talking to Aaron—Hy-Vee is a partner of ours. But why is Instacart at the table in health care to begin with, is we are 100,000 local stores delivered to you across 1800 retailers. We can reach 98 percent of people in the US today with fresh, full-service grocery delivery, and that includes 95 percent of food deserts, people, households living in food deserts. So in 2022, we realized that we had this amazing tool—we had realized before—that people were using for health reasons, and we wanted to formalize that, and so Instacart Health is based on getting people access to food. Three pillars: that's the first one. The second one is, once you have access, how do you make healthy choices easier? The third one's combining those, really, into food-as-medicine and nutrition programs. And so, Holly, that's where your question comes in. Okay, great, we have these great tools. How do we work and partner to develop an evidence base? We are a program sponsor with The Rockefeller Foundation and the American Heart Association, and have several—we're the infrastructure for several—research projects. And when we come to the table with health-care partners—with research partners—we say, let's understand what you want to do, and we will come as a technology expert in the room—as a consumer expert in the room—because, really, what we bring to the table is, we engage with millions of consumers every week, and we want to offer them access—financial and physical access—to their groceries, informed choices, so we work with them. And we have so many exciting research projects in the works. Can't talk about exactly those, some of those that are the results on the table. But we do have some really strong results thus far that I'd love to talk about. Last year, Foodsmart, which is a medical nutrition-therapy platform, has been using us, actually, for years, and they were able to release a white paper, in partnership with us, looking at 17,000 people that have used our platform, comparing people that had medical nutrition therapy alone to medical nutrition therapy with Instacart and our Fresh Funds technology, which is a credit-based stipend that allows you to buy nutritious foods on Instacart. And looking at those populations, we found that people were—significantly lowered A1Cs by 43 percent for the medical nutrition therapy alone, and 53 percent for people that had Instacart. Same true with sustainably losing weight loss—50 percent more likely to have 5 percent weight loss and sustain it if you had the food with the medical nutrition therapy. So we love partners that can take Instacart and just really compare it. We know medical nutrition therapy is really important, but I think what Ashley talks about—food's engaging, right? So you can use that as both a therapy and an engagement tool. It really is effective. And then the other one that we're—that I think is a great example to talk about, is we work with Wellness West, which is a conglomerate of a lot of federally qualified housing centers in Chicago. And they approached us because they wanted to build a food benefit for their community, largely in the west side of Chicago. And they created a \$79 stipend—using Instacart Fresh Funds—per year, engaged people in the program; really, just a grocery stipend, so not part of a medical nutrition therapy. A year in, they saw that 60 percent of people lowered A1Cs, and—50 percent of people lowered A1Cs, and 60 percent of people lowered their hypertension. They've renewed for another year, so we're really excited about these results. We continue to engage with health, the health-care industry, with payers and providers, because our goal is to be the tech infrastructure that makes scalable choices easier for people. And what we also like is that we're a consumer tech platform that they can continue to use. They can add their SNAP dollars—at the same transaction as their Fresh Funds, and we found that—I'll end with our early work before Instacart Health was Instacart Health—our work with No Kid Hungry showed that if you gave people just delivery subsidy with a little bit education, that people grew their fruits and vegetable purchases by over \$6 per week and kept their budget the same. So we're just really excited about combining all those tools together.

Alice Hm Chen 17:43

Hey Holly, can I just underscore— —for the fact that—I love the fact that you are measuring this and doing rigorous evaluation, because I think you're going to hear in the conversation again, with the focus on Medicaid, the need to really streamline services and put every dollar to its best use, which we all agree with, right? Every single public dollar should be at its best and highest use, but I am afraid that sometimes—not sometimes, we may end up throwing some babies out with the bathwater because I do think there is—there are food programs that are not evidence-based and may not actually have an outcome. But we have lots of data that show both on the prevention side—which we'll get to—and on the intervention side, concrete outcomes, improvement, and concrete savings.

Holly Freishtat 17:44

Yes, please.

Aaron Wiese 18:27

Can I add to that, Dr. Chen, because I would agree with you—on the public dollar, but also on the commercial dollars—as business, we invest a lot of dollars in wellness programs and all kinds of money that we spend on to ensure our—and make sure our employees are well taken care of. We are dying for a solution that the money is well spent. And I think we finally found something that is incredibly powerful. And when you take nutrition, and you can be proactive and improve the health and wellness of your employee, it is a game changer.

Holly Freishtat 18:56

While you're talking, Aaron, I want to hear more about the work that you're doing in partnership with Soda Health on the Smart Benefits Program. We're moving this conversation now to—we built the evidence, we'll talk—we talked about the evidence. Now we're talking about technology and AI, and what are we seeing on the ground right now?

Aaron Wiese 19:13

Yeah, so, you know, obviously a grocery store, you've got 110,000 SKUs that you offer every day to consumers. You deal with a lot of data, a lot of information, you have a lot of point of sale data available to you. Obviously, the pharmacy has a lot of data available as well. What we were missing—everything was siloed, and we didn't have the way to go to a payer and say, "Let's bring you a program that you can measure, you can have very finite guardrails around." And so we needed a partner. Obviously, we are called some mid-major grocery retailer. We don't have the scale nationally, like some of the largest retailers in the world. So we found a great partner in Soda Health (it's an acronym: not carbonated soft drinks, but "social determinants of health; I didn't pick the name). They have been a phenomenal, phenomenal partner for us, that really enables us, down to the SKU level, to be able to unlock a benefit for either a commercial payer or a Medicaid or a Medicare Advantage plan, to say, "These are the products

that I want to make available to our plan beneficiaries. They're better for you." And then we integrate our clinicians, our dietitians, and our pharmacists in that to do check ins and to measure outcomes with those patients. So that's been a real game changer for us to have that unlocked, to be able to have a card. Again, you talk about, you know, dignity. Being able to go to the cash register and be able to, you know, swipe through with what looks like a Visa debit card, but it's a method of payment that they can [use to] buy the healthy products that can really make their life better for themselves and their family. So that's been really beneficial. I had one other piece of technology that we've added recently here, and that is food scoring. It's something we're just launching here next month. The ability to really transparently score all the food that we provide in the grocery store on, basically, a red, yellow, green scale, zero to 100—nutrient-dense, less processed, fresh food gets a high score of 100; more processed, less nutrient-dense foods move down towards the zero end of that scale—and just be able to make it really transparent to our customers. What are we buying? Is it healthy for you? Is it not? And everything in moderation is, you know, is not necessarily a bad theme, but you can also then—we can measure their carts over time as well, so we can see interventions with their dietitians, looking at their total basket, and see how are we doing to help them move the scale if their average basket was a 46 and now they're a 64. And then tie that to clinical outcomes such as their BMI, their A1C if they're diabetic. I think it's a really powerful tool as a retailer working in partnership with payers and other clinicians. So, excited about the future, and from the technology standpoint.

Alice Hm Chen 21:49

Can I say a quick word? Because I know we do some partnerships with you, and I think from what I've heard, the program is not only well designed, but we've engaged the members, and they actually know in advance which things they can actually purchase. And I just want to underscore that, because the dignity piece is really important. And you'll hear about the conversation in SNAP—I don't think anybody wants SNAP dollars to go to soda or candy or whatever, but the problem is that if the recipient doesn't know that in advance and shows up at the cash register and gets turned away, that's the dignity thing, and that's the stigma thing. And so using technology to be able to empower people up front to know what they can actually purchase and not, and actually guide them with nutritionists and have a whole package. I think we could learn—SNAP could learn—from that.

Holly Freishtat 22:45

Great, so Sarah, we're bringing you right back into this. So I want to hear more—as we've seen online grocery, you know, continue to evolve and this grow at the same time as an omni-channel experience. So we've seen both. At first, everyone was worried that online groceries would put all the brick and mortar stores out of business. And what we've actually seen is not that at all, like that there is a real niche and importance and value to online, but it doesn't exclude the, you know, the brick and mortar. And so I really want to hear of how Instacart is leveraging technology to help people make the healthy choice, the easy choice. And I—there was something you said, I absolutely love, and I wrote it down: "You build the tools and technology to empower healthy living." I want you to talk a little bit more about the role of AI and, sort of, where you're seeing this technology and trends moving.

Sarah Mastrorocco 23:34

Yeah, great. And I think just piggybacking off what Aaron says, love all he's doing with informed choice and making sure that members can come and get the right information. And we'll get into AI—I would say, also from a Fresh Funds technology, which is also a directed-spend platform that works on Instacart, we agree that tagging is important. People should know what their dollar works. We have SNAP tagging as well. Alice, I love what you said about the dignity of choice, and what we've learned from customers is there's no stigma on an online checkout because there's no one there. You can put things back from your cart, and no one does that at the regular grocery store, right? It's like, "Ooh, I spent \$65. I don't have that, right? Let me take a few things out, or let me, like, price compare." People shopping online isn't a luxury anymore. It's really for everyone, and people shop very differently. So we're excited about being able to empower people, not just with informed choice, but with budgeting. But then back to informed choice—and I'm glad you brought that up—just a few weeks ago, we launched our Smart Shop platform, which is a way for you to go onto Instacart and to set your preferences in advance. Like, tell us more about you. Tell us if your family is gluten free, tell us if you're low sodium or low sugar, so that we can begin to personalize the store for you. In a physical store, we can't really move the end caps and personalize them, but online (end cap is like the display on the end of the shelf) but online you can, right? You can give the, "Here's gluten-free snacks for your family" or "Here's some low-sugar snacks for you, or dinner ideas." So we're really excited about leaning into that technology. In addition to that, we have invested in health tags. So we have 30 different tags on products across 500,000 items on our platform, and we're continuing to invest in that. And we love the work that Hy-Vee is doing, everybody across the industry, because it really is, and that's—we're using AI there. I think AI is so powerful in making sure that we have all the ingredients and can tag the right way, and make sure that we're continuing to evolve how many products are out there. Instacart makes billions of updates nightly; every grocer in America telling us what's on the shelf, if there's a new product, right? So we're continuing to invest in technology to make sure not just what's on the shelf, but is it good for you? Is there an additive that might be on it that you want to know about and can search quickly, not just the macro nutrients of the product? So really excited about that and continuing to lean in there.

Holly Freishtat 25:51

Great. So we're talking about innovation here, and we talked about technology and a little bit of AI. We'll get more to that. But Ashley, we were talking last night, and you said something that, when I woke up this morning, was the first thing I thought about, which is data. All right, that says something about me, right? But data is the frontier of health care, and that's not something you really hear in the food space. So talk to me a little bit more about data. Like, why is this the future? Where are you seeing data as innovation? What is making data really important right now, in closing this gap between food and health?

Ashley Tyrner-Dolce 26:26

So, it's really funny. Everybody always thinks that my competitors are like Instacart or Hy-Vee, right? They're not. We're really a member engagement company, right? To what Alice was talking about—they're proving out the model of what I like to say is the ridiculously obvious idea that if you eat healthier, you're going to be healthier, and we're still trying to prove that, right?—after all this time. So our ROI is not "we'll reverse your type 2 diabetes." Our ROI is "give us your population that needs six care-gaps closed, and we will go chase those individuals down through our box of food, and we will get them in for those preventative quality measures that the health plan desperately needs them to engage in." So that's why we look at ourselves as "food as engagement." But what

we've uncovered in that is we have incredibly rich data on all of these members, which we feed back to our payer partners. We really take a consultative approach to every single plan that we work with, and every market is different. So even if, you know, I've got 93 health plans today, all of the top five, but I'm in different markets with them, right? So just because you're with a national payer, they're in many states that you've got to go, and every state is different. And what we'll do is we'll say, "Okay, this is where you guys are sucking wind in these areas, and we believe that we can help your HEDIS measures or your stars rating if we attack these different measures." And what's been shocking to me is we actually, a lot of times, have better data on the members than some plans that we work with, and so we look at ourselves as an extension of their quality improvement teams. And you know that data at the end of the day—if you ask me, where are we going to be in five years? FarmboxRx becomes a data company, and to us, what we really want to uncover is the population that is not engaging in their health plan, that's not going to get their mammogram or their colonoscopy, because those are typically the most expensive members to care for, and those are the members that the plan desperately needs to engage.

Holly Freishtat 28:41

Great. Thank you, Ashley. So I'm going to move. We've been talking about the current landscape, its impact, its innovations. And now I really want to talk about the policy environment, right? And I have to say, I never thought that we would be where we are right this moment. I never thought that food would be central to so many conversations. And it's quite extraordinary, like when we're thinking about Make America Healthy Again, food is central to this conversation, right? I feel like food so often—it's like we eat it every day, but it's a "stepchild," right? It never seems to be the first priority. And right now we're really seeing this—you know—this sandbox, this moment to say, well, let's put food first here. Let's put it in health care. Let's make America healthy again through food. What is that role, right? And so, Alice, I want you to talk to me a little bit about, really, how food is a nonpartisan issue, right? Like, if we're seeing it playing out in your deepest-red states, in your deepest-blue states, you are seeing food as part of Centene through the whole country. So I want to hear a little bit about what that's looking like. Where are you seeing some of these impacts as we're seeing this changing landscape of food in this policy environment?

Alice Hm Chen 30:00

Yeah, no, I appreciate that question. Centene is in 30 states, as you mentioned, the deepest red and the deepest blue. And what's interesting actually, not just on food, but on a lot of things when you get past the rhetoric, I'll just give you an example. In California, we can't have a conversation if you don't use the term "health equity." In Florida, you can't have a conversation if you use the term "health equity," right? But when you get beyond it, they're talking about the same things. They're talking about the same priorities in terms of food insecurity, maternal-child health, behavioral health, rural health. So I think there is a lot of nonpartisan focus. But what I would say is in all 30 states, there is interest from the Medicaid agencies around using food as a lever to improve population health. And then I just want to share a little study that some colleagues of mine did, the Health Initiative. They worked with pollsters on both the right and the left, and they did a series of focus groups in North Carolina, Texas, Ohio, and Washington, so quite different states, right? And they did every permutation: Republicans—well, actually, not every permutation—Republicans and Democrats, Blacks and whites, urban vs rural, SES, you know, education. And they gave them the data that I started off with. They framed it saying, "Did you know that health care accounts for 10 to 20 percent, 30 percent genetics, behavior? If you had \$100 to spend to

improve the health of your community, how would you spend it?" And they gave them eight choices. And remarkably, across all these different groups, a minority picked health care, like hospitals, clinics, physician groups, like 25 to 30 percent max. The majority—across all of these different groups, Republican men in Texas, African American Democrats in North Carolina—said, you know, 40+ percent should go to food and housing, because, again, it's life, like to live a healthy life. So that was really interesting to me in terms of when you get beyond the rhetoric. I do want to make this point, though, which is, there's been a lot of interest in Make America Healthy Again, and I think there are some really great through-lines. We can't forget that there are evidence-based policies that are established that do work. SNAP and WIC have been shown over many decades to both improve health outcomes and reduce costs. So again, I think if we can get past the partisan nature of things and look at the data, we'll know where to invest.

Holly Freishtat 32:31

All right, so that brings me to the retailers over here. Let's talk about SNAP a little bit. So, the definition of healthy, right? We're seeing this definition of healthy—so in SNAP right now, we're seeing state-by-state waivers on what—you know, whether soda and candy, how they will be in SNAP, and we're seeing waivers to test whether they should be in SNAP. And these definitions of healthy in SNAP, we're seeing this definition of healthy in Medicare Advantage right now, and the fact that healthy foods are now being—saying, to be prioritized. But what we also know is there's no definition of healthy across each of these platforms, right? And when we—and even if we have the definition, it needs to go all the way down from the retailer side of things to that SKU number, so that when you go check out, it's there, right? And so, Aaron, I want to start here in this—I mean, it's very fast right now. We're seeing things move at a rapid rate. Talk to us about this perspective as a retailer, how do you start to see these shifts? How are you looking at these definitions of healthy across SNAP and across other platforms?

Aaron Wiese 33:36

There's a lot of challenges with this. You know, we've had some really frank conversations with our Medicaid directors in the states that we operate in. And it comes back to the consumer. I mean, if the consumer doesn't understand the rules of the road, it becomes a nightmare for a retailer, especially at the point of sale. What's included? What's excluded? You know, some of them are using taxable, nontaxable. Some are defining, you know, soda, but you know, sparkling this or that, it counts. It becomes incredibly messy for the 16-year-old kid at the cashier that's going to have to try to navigate and decipher, because we can't tell you when you scanned everything, what's included and what's not easily. And so for us, it's really about the implementation of this, being really clear in what's being included, what's being excluded, and why. And then being able to disseminate that information to the beneficiaries. So having a runway and a really clear communication plan, I mean, there's going to be significant investments from a retail perspective, from our infrastructure at the point of sale. So there's costs as a business to be able to implement this. So being thoughtful about the process, and then not having a patchwork all over the place. You know, we have probably said nine states, no, not all 50. But it's really difficult, from an IT perspective, to navigate a lot of complexity on that front. The flipside of this is our number SKU on SNAP is Diet Mountain Dew. So, I mean, there is a real thing here where we can—can we invest those dollars in something more healthy? So it's just how it's implemented. I think doing it in a thoughtful manner is really important.

Holly Freishtat 35:05

Great, thank you, Aaron. So, Sarah, I know that Instacart has been working and supporting the work around the 'healthy' label. Talk to us a little bit about—from the federal level—how is 'healthy' being defined through FDA. We just talked about healthy and SNAP (the Supplemental Nutrition Assistance Program.) But then there is the FDA label. That's what goes on your food, usually packaged foods. And this is quite unique, because this 'healthy' label talks a lot about all the food that is not packaged, the fruits and vegetables. But tell me more about what you're seeing in this landscape of 'definition of healthy' with the FDA label.

Sarah Mastrorocco 35:38

Yeah, and I might even start with SNAP too. I think I alluded to it before, but I'll say it again: Instacart was a retail enablement platform first. We are 1,800 retailers in a technology platform, so we really look closely to our retailers to give us advice too, on what is the best way for your customers, for your members, to scale information. And that goes back to informed choice, too. When you're on Instacart, there's a SNAP label. If you load a SNAP card to Instacart, automatically items say, 'SNAP', tagged. Our health tags today are 'low sodium'. That can be in the future, the 'healthy' tag, and we've worked with HHS. We announced our partnership a year ago, and that really is about informed choice and making sure that we can help consumers understand what HHS has defined as healthy. And I think there's obviously a lot of work going on with that, and we are really positioning ourselves as the technology platform to make informed choices. And you're right, there's a lot of things moving very quickly, so we're excited to be able to help streamline that information when it is ready to come out. And to your point, I think—and Aaron mentioned too—packaged goods are confusing, right? You're developing a food score, or you're working on tags. It's like—I think technology can play a huge role in helping people make those choices, make better choices for their family, and not every choice is going to be the same.

Holly Freishtat 36:58

Great. So, Ashley, I'm going to bring you in here. So thinking about, I mean, we now—we have seen in the final roll with Medicare Advantage, you know, this definition of 'healthy', but we also have seen, over the last several years, you know, with that 1115 Medicaid waiver, you know, the role that food has played in improving health outcomes through nutrition supports. We have seen changes in Medicare Advantage, and there's been some ups and downs along the way with value-based care to dual eligibles. And I really want to hear you unpack this kind of jargon I just said to everybody, but really unpacking how this is going to impact—like, what are you seeing on this horizon right now, with this changing political landscape on Medicaid and Medicare? And what are some of the key things you're starting to think about?

Ashley Tyrner-Dolce 37:44

Over the last, like, three weeks to a month, there's been a tremendous amount of change that's come forward, one of them being on supplemental benefits, the Flex OTC card. You know, you can only buy healthy food in 2026. Nobody has defined what 'healthy' is, so we're trying to unpack that, but it's also a big undertaking for the FinTech card companies to SKU block, right? And I'm huge on the dignity of choice. My background is food policy. When

somebody goes to the register and their SNAP card is declined because of something, it is humiliating. These are individuals that have already had to humble themselves and go and sign up for WIC, for SNAP, for EBT. You tack on the supplemental benefit changes that are coming to Medicare—these are elderly individuals that are already, by the way, very, very confused over what their OTC covers, because the OTC card can cover hearing, dental, food, transportation. There's many things on the card, and it's very difficult to get people to understand these different wallets, if you will. You have \$25 for food, you have \$100 for OTC, right? And so they just think that they maybe have \$300 a month that they can just spend how they wish, right at the grocery store. Then they get to the register and they find out this is untrue, then they've got to go put things back in their cart. So I'm very concerned there over how plans are going to rapidly—to implement this by 2026—alert their members of these changes. It is—I have had a tremendous number of calls from my payers of "How should we voice this to our membership?" You also have to submit a tremendous amount of documentation now around things being healthy, the clinical proof that healthy food—what you're offering them—on the 1115 waiver side—I don't like to really use the words "social determinants of health," I like to use the words "social drivers" of health. We launched a product called "Drivers Health," which actually is a care-management intervention, because we realize how well we engage populations through our box of food and all the drivers that go into one's health. Like, if you don't have transportation, you know it's going to be difficult for you to go to the grocery store or go pick up your medication or go to the doctor, right? And so these changes coming to the 1115 waivers—yes, there are, you know, a lot up in the air around, is it going to be food? Is it going to be transportation? Is it going to be housing? What are they going to cut? I don't believe that food is going to be what they're going to cut, because there's an undeniable correlation to food and to overall health. But you know utilities; these are individuals that are making very difficult choices every day. Do I pay for my food, or do I pay for my medication? Do I pay for my medication, or do I pay for my utilities? So my big hope around the 1115 waiver changes is that they are not going to cut social drivers of health.

Holly Freishtat 40:47

Great. Thank you, Ashley. So Alice, we're talking—Ashley's talking—about payers, and I would love to hear your perspective as you're seeing this changing landscape, and [Centene] is one of the largest Medicaid providers in the nation. What are some of your thoughts about moving forward as you're seeing this changing landscape and the role that food has to play here?

Alice Hm Chen 41:06

—Well, we're paying very close attention to both CMS and all 30 Medicaid agencies. And I do think the dual space is really interesting, because the states have a lot of purview in terms of the supplemental benefits there. But I think we're moving. We are not pausing our work in food as medicine. I mean, obviously we're going to have to adapt to whatever changes come down from the policy side. Again, I do want to just flag that health-care dollars need to be spent wisely, and so part of the reason I keep referencing SNAP and WIC is because part of our portfolio is actually connecting members to other services that they're eligible for. But for us, we've developed a framework to really think about, how [ban] we be evidence-based whether we're doing an engagement strategy or a diabetes strategy or, you know, avoidance of inpatient ED strategy—being thoughtful about the partners we choose, many of whom are on this panel, and how we use technology to really accelerate all this. I will just say one other piece. As a national company, we do look for partners who have scale, and yet food is local, and there's also a local economy piece of it. So we also look for partners who can not only scale and use technology to create

efficiencies, but have the ability to create local partnerships in whatever market we're in. And so that's how we're thinking about moving forward.

Holly Freishtat 42:34

That's a perfect segue, because the next part I want to talk about is partnerships. We spend a lot of time at Feeding Change listening to and hearing from all our stakeholders. We have this food as medicine stakeholder map, because what we realized is that there's a lot of research being done, whether it's medically tailored meals or produce prescriptions, but there wasn't really much on the relationships between all the stakeholders. And one thing that we've been learning along the way right now is that during uncertain times, during unpredictable moments, the greatest strength is partnership. It's our relationships to each other and how we can tackle the most difficult issues. And we saw this during COVID-19 and, during crisis, we seemed to really step up and try to figure out, how do these partnerships work? And so we're sitting in this moment where it's not necessarily crisis, but it's very unpredictable. We just don't know what tomorrow holds. And so I really want to hear about these resilient partnerships. What are we seeing and thinking about as we unite in our partnerships? So Sarah, I want to first hear from you. You work with so many different organizations, what makes these partnerships successful and what's needed to grow them moving forward?

Sarah Mastrorocco 43:43

I'm a little bit of a broken record here—but like our retail partnerships, and Alice, what you said resonated too—because we have done—we actually did an economic report that showed that Instacart actually builds local economies, so we are creating jobs in grocery stores for people. We also have the largest fleet of shoppers in the US, over 500,000 people in the independent-contractor space. But we are building local economies and relationships too, and we think that is our strength and why we're able to sit at the table in health care, because we're bringing a national platform of local food. But then on the health care front, where we view who we are as infrastructure, as a partner. And I think it's really important when you come to the table, that you know your role, and then the payer as the expert, or the provider as the expert, and come together. And what we ask is always, "What are your goals?" Is it, you know, are you—what are you looking to drive [in] clinical outcomes? How can we help you? What is the population? And I would say, from a partnership standpoint, I think it's been our strength that we've come to the table as a technology expert, again, and then trying to really come to the table with goals of evidence-based [data] at the end of the day, and then continue to evolve. The one thing I haven't said, is like, related, I would say: maternal health has been a big part of what we have—what's been resonating. Maternal is a young population, a very tech-savvy population. Molina Healthcare of Michigan is a partner of ours, and they came to the table and said, you know, we have moms. What a great time to engage these moms with a nutrition program! And they were giving moms \$100 a month for nine months, and then Instacart Plus for 18 months. So a membership to Instacart for 18 months, but \$100 to spend in that third and fourth trimester. And a great example of a partnership that, you know, when they—when we came together, that wasn't clear, but we worked through, "What are the clinical outcomes we see? How do you want to engage these moms?" We're excited to continue that partnership and really focus on it.

Holly Freishtat 45:43

Aaron, I want to hear more from your perspective of some of the partnerships that were kind of unlikely partnerships, or partnerships that you have really needed to rely on right now, whether it's from state partnerships that you didn't think you would be communicating so closely with, or talk to us about some newer partnerships that have been evolving in the world.

Aaron Wiese 46:03

Yeah, I'll give you a few. You know, just Instacart, and it's going to be one that's probably seems obvious, but they/we have our own first-party platform for e-commerce, and we launched that pre-COVID. It was a great asset to have at the explosion of e-commerce and grocery during COVID, but we needed a partner like Instacart to help power our own first-party from a staffing and augmentation of scale so we hit peaks, especially with weather events. So Instacart enables us there. The other piece of that is it gives me really great AB testing, because I see all the data that flows through the marketplace for the shoppers that go to the Instacart and other marketplace platforms as well as my first-party, so I can see—why do the EBT customers like Instacart better than my first-party platform? What are they doing to educate, to communicate better than—how do we make our platform better? So even though it's not a—I mean, there's a formal partnership from a business relationship, they make us better because they help us see the customer in a different lens, and that's super valuable as a retailer. To more broadly answer your question, Holly, we had a lot of relationships that opened up during COVID, especially at the state and federal levels. We looked at our pharmacies being part of the solution for COVID vaccination, and it really strengthened those relationships, specifically at the state level, to understand, as a retailer, we're a resource in the community, we have pharmacies. In a lot of our counties, we're the only health-care provider in the whole county, because we cover a lot of rural geography in South Dakota and Nebraska and Iowa and Missouri. And so an opportunity for us to use those resources when it comes to food as medicine, whether it's our dietitians, whether pharmacists closing gaps in care, and opportunities to really make a difference in those communities. And so those partnerships have been really, really important as we have moved forward down this journey with food is medicine. The payer partnerships have been really critical as well. I applaud Centene for really their forward thinking on this matter. Again, just seeing what the—what's possible when you all come together as a group to solve the problem.

Holly Freishtat 48:07

Great. Alice and Ashley, you both wrote phenomenal Power of Ideas that was published right before Global Conference. And by the way, if you have not read those, Power of Ideas are phenomenal. But one of the things that you both emphasized in your Power of Ideas is the power of partnerships, and so—and working across different sectors. So I want to hear from both of you, and I'll have you go first, Alice, of some examples of successful partnerships and where you're seeing this future of partnerships moving forward.

Alice Hm Chen 48:45

Yeah, we have a great partnership with Farmbox, with Hy-Vee, I think other partnerships with local food banks as well as Medicaid agencies. And I think again, there's the—I forget who said it—but every person needs to know what their levers are. And when we start reaching for other people's levers, it's just inefficient. You start swirling.

So really figuring, like as a payer, you know, are—we pay for services, and we actually are responsible for population health, so finding the right partners, but—and again, making sure the entire ecosystem is there, whether it's around these other supplemental benefits, or also groups that are working to bridge food deserts, food swamps, things like that. Can I pivot for one second?

Holly Freishtat 49:32

Pivot. Go for it.

Alice Hm Chen 49:33

Because I've been thinking about this, as the other partnership we have is with researchers, and thinking about like, again, how do we evaluate things? And one thing that we really want to lean into is early childhood intervention, because, frankly, it's hard to change behavior once you're older. And I'll just share a brief story, which is, I was a PC—primary care—physician at a public hospital. Well, San Francisco General Hospital, anybody? Anyway, San Francisco General Hospital for 18 years, and I had a gentleman who came in. He was 62, diabetes with an A1C—which is the measure of how well you're controlled—of 15. So if you guys don't know about diabetes, that's really, really, really high, like normal is seven or below is where you want it. And I started talking about his diet, and it's like, well, what are you eating? And the gentleman had never had any vegetables in his life, except for tomatoes, lettuce and canned string beans. And basically, he's like, "Are potatoes?" No. "Is corn?" No. I was like, well, what about—and I guess some other canned—I was like, "What about broccoli?" Never had it. "Eggplant?" Never had it. "Asparagus?" Never had it. "Cabbage?" I mean, like, the guy had grown up in a very intense food desert, and basically ate a lot of fast food and had very little access to fruits and vegetables. It's really hard for a 60-year-old to change their palate. And so I think, as we think about prevention—which you had actually tagged at the beginning—really want to think about, how do we take some of these community things that, for example, Hy-Vee is doing at grocery stores with nutritionists, and engage the family? And —the beauty of Farmbox is it comes to your house and it's a whole family that's eating it, right? But if we can get it in front of kids and get them on the path early, like that, will just save a lot down the line.

Holly Freishtat 51:26

So we're moving into this conversation of like 'food is prevention', and so Ashley, I would like to hear a little bit about if there's more you would like to say in the partnership space, or we can start to think about, in these last 10 minutes or so, about how are we going to flourish as a nation when we think about the role of food and improving health outcomes. And where do you see partnerships, and where do you see this opportunity to be had?

Ashley Tyrner-Dolce 51:50

So first and foremost, our partnership begins with our payers, and we do, we have a really beautiful program with Centene and many different verticals of Centene, and we will partner to engage their population with whoever

they want us to, right? So if we—I like to say, and especially as what you were talking about Alice earlier that, you know, the Medicaid spend has to go for many things, and it's got to make sense. The box that's coming to the door—my team knows we never go in front of a payer and say, "We're only just going to close this one care gap." "We're going to just do mammograms." It has to do three or four things for the payer. It's got to really maximize their spend. And so if a payer wants us to connect, you know, a member to a certain transportation company or to their mail order pharmacy, we don't care who that is on a partnership level, because the plan knows their members and what their needs are in their community better than we do. So on partnership side, that's how we really look at partnerships. I guess I would say that, you know, looking forward to your question, I think we're really on the first frontier of food as medicine and health care. It's still trying to be proven out. To what you said earlier, you've got it, you know, you really need to have national scale, but how do you also bring that back to the community? And so I think over the next, you know, if we're looking forward, for us, it, it's really making sure that this does not mess up, and that has been our goal since we entered this market. We knew when CMS changed regulations around food and produce to be offered as a benefit in 2020 we knew that the market was going to have a lot of people come in and we could not fail. Like it was not an option at my company for us to fail or ship bad food. Because if I did this for a plan in Tennessee, and it's a national payer, believe every other market will hear that we cannot do food, we shipped it, and it was a terrible member experience. And so it's proving this out, but not failing, so that we can, you know, prove to CMS that this needs to be covered on a bigger level of true food as medicine.

Holly Freishtat 54:16

I really like, sorry, I like the concept of like failing, right, and flourishing, right? We're going from this—not fear, but like we know we have too much to risk to even fail, right. Food is finally here, and we need to make sure that it doesn't fail, but it can flourish. And so I really want to hear—and Aaron, this is totally not fair what I'm going to do to you right now—but as we're talking about being able to flourish, and I also—we're getting to the end, so I want to make sure everyone's paying attention, so this is my way—let's talk about tariffs. And so when we talk about flourishing, right, and then you use the same sentence, you know, the unpredictable times of—we have a global food system, right, and we have food coming from all over because we need to have a resilient food system. So talk to me about what it will look like to flourish when we're seeing this uncertain time on tariffs and trade in our global food system.

Aaron Wiese 55:09

Yeah, you're absolutely right. We have a global economy where everything's interconnected, whether even if the tariff isn't directly on a product, whether it's energy or packaging, they're all intertwined. So we estimate roughly 75 to 80 percent of our SKUs are either indirectly or directly impacted by tariffs or potential tariffs. So it's something that we're watching incredibly closely. You know, our supply chain, we're fortunate. We source a lot of our products domestically. But, you know, in the Midwest, I can't grow some fruits and vegetables in the middle of winter, and so a lot of that moves down south to Mexico, and a lot of the products we get from South America. And so all of those pieces are important for all of our consumers, because, you know, it's a price-sensitive time in our economy right now. The piece that I think that's most critical, though—and it was a study that the National Association of Chain Drug Stores NACDS—provided for us—is [that] the No. 1 barrier to people choosing healthy food is cost. And so when you compound that by making healthy food cost even more, it's a real concern when you look at the total ecosystem of health care. And so as a retailer, obviously, we're really focused on trying to

keep costs down for our consumers and our suppliers, but looking at the lens from health care, it's important, I think, from a public policy standpoint, [that] we do everything we can to keep that cost down, to make a healthy food affordable.

Holly Freishtat 56:25

And when we're talking about healthy food in this context of tariffs, right, it's fruits and vegetables that we can't grow in this country, right? And they're also what—we're trying to say, please eat more fruits and vegetables. So we're sitting at this moment, we're trying to grapple with, how do we have people continue to eat more fruits and vegetables when they already say they can't afford them. And so that is that piece. But as we're thinking about flourishing, Sarah, I want you to kind of think and share with us like, jump to 2035 like, what would it look like if we have flourished in the next 10 years? From Instacart's view?

Sarah Mastrorocco 56:56

For us, it's all about physical access to nutritious foods, right? And that means mobility issues, transportation challenges, and then financial access. Do you have—so if you already have physical you, can you financially pay for it with whatever wallet you have? Is it EBT or WIC and SNAP? Is it your supplemental benefits, right, or your Fresh Funds or Directed Spend? Can you then spend it at the store of your choice, and then, making those informed choices? We want everyone in America to be able to get access to the information they need, right? I can go on Instacart, because I can help control that narrative, or like that experience, and I can see what vegetables are the lowest cost for my family, or I can decipher on the packaged goods what's going to make the most sense with my pre-diabetes or with my hypertension. So really, we think that whole ecosystem making not just food accessible, but information accessible, is what I envision, hopefully, it becoming in the next 10 years.

Holly Freishtat 57:58

So as I bring us to conclude, there's a few things I want to leave you with. One, food as prevention, right? We need to be thinking of food and the whole continuum of care, and how essential that is. Two, that we have made progress. We're not starting from the beginning right now. We have evidence, we have a track record, and we're going to continue to move forward, and that there is much innovation that we have seen from data and technology. And another area that we have not actually touched that much is the role of research. And I think we've touched on little pieces, but there's been some research that we've been doing here at the Milken Institute through Feeding Change, and with a leadership, you know, with Kroger and Hy-Vee and many retailers and many others, was, what is the role that the employer has to play in providing food as health benefits? What does it look like? We've talked a lot about Medicaid, we've talked a lot about Medicare, but what about commercial plans? So in the beginning of June, the Milken Institute Feeding Change will be releasing our new blueprint on employer-led food-is-health strategies. We want to continue this conversation across all types of plans, because we've been hearing this at the conference around the role of employers, and so we wanted to share that with you. And so to bring us to a moment to conclude, I just really wanted to thank the panelists, I thought you guys did a really good job of having a dinner conversation and being able to have this time with you where we could just have an honest conversation about what we're seeing right now and the ways that we can flourish together. [Applause]

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