Corporate Drive Complex
Frankfort, KY 40601

KENTUCKY
DEPARTMENT OF
AGRICULTURE

Jonathan Shell, Commissioner

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October 7, 2025

Senator Funke Frommeyer
Co-Chair, Make America Healthy Again Kentucky Task Force
702 Capital Ave
Annex Room 290
Frankfort, KY 40601

Representative Matt Lockett
Co-Chair, Make America Healthy Again Kentucky Task Force
702 Capital Ave
Annex Room 329D
Frankfort, KY 40601

Dear Senator Funke Frommeyer, Representative Lockett and Task Force members,

The Kentucky Department of Agriculture (KDA) and the Kentucky Hospital Association (KHA) joined to develop a Food is Medicine (FIM) initiative focusing on advancing better nutrition, a stronger local food infrastructure, and ultimately better health outcomes for Kentuckians.

Kentucky takes the FIM approach a step further by not only recognizing the influence of a healthy eating pattern on overall health but also emphasizing the broader—and local—food system that supports it.

FIM in Kentucky considers both the ability to access healthy and affordable food and the awareness, knowledge, and skills needed to prepare wholesome, nutrient-dense meals. What sets Kentucky apart is its focus on supporting local farmers and producers, creating a direct impact on the agricultural community while improving health outcomes statewide.

At the healthcare level, Kentucky's approach is shaped by collaboration among KDA, KHA, and all hospitals across the state. These hospitals recognize the value of integrating FIM into care delivery, but face barriers including limited funding, lack of reimbursement codes, compliance restrictions, and program scalability challenges.

FIM interventions include, but are not limited to, medically tailored meals, medically tailored groceries, produce prescriptions, nutrition incentive programs, and medical nutrition therapy. By integrating local sourcing into these programs, Kentucky strengthens both individual health outcomes and the economic stability of farm communities.

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Accomplishments

Unified Statewide Partnership

KDA and KHA have united under a shared mission to advance FIM across the Commonwealth. In the past six months alone, 16 hospitals have joined during the past six months to the previously onboarded facilities, bringing the total to 41 committed hospitals, with 7 additional hospitals preparing for onboarding in the coming quarter. This growth reflects strong statewide readiness and alignment with Kentucky's agricultural and health priorities.

Broad Hospital Engagement and Data Insights

Conducted in November 2024, more than 50 hospitals participated in statewide assessments of procurement and FIM readiness. Key survey findings include:

- 92% want to increase local food purchasing from Kentucky farmers.
- 76% are interested in launching or expanding FIM programs such as produce prescriptions or medically tailored meals.
- 68% identified funding and reimbursement barriers as their top challenge.

This last figure is expected to rise given HR 1's Rural Health Transformation provisions, which may reduce reimbursable community benefit services and limit hospitals' ability to implement programs not yet supported by payers.

Pilot Programs Demonstrating Impact

The Russell County Hospital is currently testing medically tailored meals containing locally sourced proteins and produce to monitor impacts on Type 2 diabetes management and patient adherence. Russell County Hospital is committed to engaging and strengthening farm partnerships, laying the groundwork for regional scaling, and yielding improved patient outcomes.

Appalachian Regional Health System (ARH) is fully committed to FIM integration at the employee, patient, and community level. Currently, ARH is leading the way by providing voucher and produce access to seniors, children, and patients with diabetes so they may have access to fresh produce. They also host pop-up farmers markets on site, which yields to higher outpatient volume visits on pop-up days.

Additionally, ARH has led the way in their hospital cafeteria reform including healthier selections for staff and patients. Most impressively, due to ARH's commitment to the totality of FIM efforts, it was awarded the 2025 SOAR Healthy

Communities Award recognizing ARH's commitment to supporting agriculture and improving patient outcomes.

Institutional Commitment and Strategic Integration

Of the 41 hospitals onboarded, three systems, CHI Saint Joseph Health, Taylor Regional Hospital, and UK King's Daughters Medical Center, have formally embedded FIM into their Community Health Needs Assessments (CHNAs) and Board-adopted strategic plans. This marks a shift from community outreach to core population health strategy within hospital governance.

Public Engagement and Visibility

At the 2025 Kentucky State Fair, KDA, KHA, and USDA, jointly showcased FIM on the Farm to Fair Cooking Stage. Hundreds of visitors experienced live demonstrations connecting Kentucky-grown ingredients with disease prevention and hospital innovation.

National Recognition

Kentucky's model has been nationally acknowledged through the Make America Healthy Again Kentucky Task Force and federal FIM frameworks as a leading state example of agricultural-healthcare integration. The Commonwealth has significant hospital buy-in to make measurable progress against Kentucky's chronic disease burden, but additional agricultural infrastructure support will be needed to scale successful outcomes.

Barriers and Complexities

Fragmented and Unsustainable Funding

Current programs rely heavily on short-term grants and philanthropy without sustainable reimbursement. The lack of permanent funding mechanisms limits scale and continuity, particularly in rural areas. And, with HR 1's anticipated service eliminations, hospitals face even greater difficulty sustaining non-reimbursable initiatives like FIM. Yet, we know through proven research that healthy food leads to healthy outcomes, driving down medical costs and rates of illness and chronic disease.

Regulatory and Compliance Barriers

Federal patient inducement and anti-kickback laws create uncertainty for hospitals wishing to offer food-based interventions. Procurement and contracting rules—especially with current food distributors—further complicate local purchasing from small farms that cannot meet systemwide insurance or volume requirements.

Limited Infrastructure for Local Food Procurement

Hospitals face logistical challenges including:

- Inadequate aggregation hubs and distribution networks.
- Limited cold storage and processing capacity for perishable foods.
- Need for consistent food safety and labeling standards that meet hospital specifications.

Data, Evaluation, and Outcome Tracking

There is no unified system linking electronic health records, nutrition data, and procurement information. Without consistent metrics or shared dashboards, hospitals cannot easily measure cost savings, improved outcomes, or return on investment—key to securing payer and legislative support for FIM.

Scaling and Workforce Readiness

Many hospitals lack dedicated personnel to manage cross-sector FIM programs. Food service directors, dietitians, and procurement officers need additional training and technical assistance to integrate local sourcing and nutrition interventions effectively.

Kentucky's barriers are not philosophical—they're structural, regulatory, and financial. Addressing these through coordinated policy, investment, and workforce development will unlock statewide impact.

Future Goals (2025–2027)

1. Establish a Sustainable Food is Medicine Infrastructure Fund

Create a state-supported revolving funding mechanism to invest in:

- Aggregation hubs, cold storage, and processing capacity statewide.
- Technology systems linking hospitals to local and Kentucky Proud producers.
- Regional distribution networks ensuring reliable, safe local sourcing.

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2. Formalize Reimbursement Pathways and Policy Alignment

Collaborate with Medicaid, managed care organizations, and private insurers to create reimbursement codes for medically tailored meals and produce prescriptions. The goal: make FIM a billable, preventive service—not a temporary pilot.

3. Launch Regional Food is Medicine Hubs

Develop three regional demonstration hubs (East, Central, West Kentucky) uniting hospitals, producers, and distributors to:

- Aggregate and supply local food to hospital systems.
- Deliver produce prescriptions and medically tailored meals.
- Collect standardized data to prove impact and ROI.

4. Create a Shared Data and Evaluation Framework with State Benefit Integration

Develop a statewide Food is Medicine dashboard co-led by KDA and KHA, to measure:

- Patient outcomes and cost savings.
- Local procurement volumes and economic impact.

Simultaneously, align state-funded benefits—including SNAP, WIC, and Medicaid—to support and reimburse Food is Medicine interventions. Kentucky will consider waivers and plan amendments to fund food prescriptions and medically tailored meals as covered benefits, while integrating data across agencies to track participation and impact.

5. Expand Workforce Training and Technical Assistance

Through Kentucky Proud, Extension, and hospital partners, create training and collaboration for:

- Hospital procurement and nutrition teams.
- Farmers entering institutional markets.
- Regional “Food is Medicine Champions” to sustain local leadership.

6. Advance Public Awareness and Policy Leadership

Continue statewide storytelling and visibility through FoodIsMedicineKY.com, media engagement, and public events like the Farm to Fair Cooking Stage.

Kentucky will remain a national policy leader under the MAHA framework, influencing federal reimbursement and rural health policy.

Next Steps and Call to Action

1. Establish a Food is Medicine Infrastructure Revolving Loan Fund

Create a Revolving Loan Fund to help hospitals finance local procurement and infrastructure investments through low- or zero-interest loans. The fund would:

- Enable hospitals to purchase from local growers and processors.
- Prioritize rural and critical access hospitals.
- Be replenished through repayments tied to cost savings or local procurement targets.

This revolving structure ensures long-term financial sustainability and continuous capital circulation.

2. Align State and Federal Policy Priorities

- Work with MAHA, CHFS, and federal partners (USDA, CMS, HHS) to:
- Integrate SNAP, WIC, and Medicaid into FIM reimbursement pathways.
- Expand Medicaid waivers to include food prescriptions and medically tailored meals.
- Seek clarity on inducement law compliance for FIM implementation. Kentucky aims to serve as a national pilot state for reimbursement and compliance innovation.

3. Strengthen Public-Private Partnerships

Establish a Kentucky FIM Leadership Council of hospitals, growers, insurers, and philanthropies to:

- Coordinate funding and policy priorities.
- Simplify procurement through shared templates and Kentucky Proud certification.
- Promote cross-sector investment in local food systems.

4. Prepare Legislative Readiness for 2026

Develop a legislative package to:

- Authorize and fund the Infrastructure and Revolving Loan Funds.
- Support CHFS–KDA–KHA coordination.
- Encourage CHNA integration of FIM within all Kentucky hospitals.
- Leverage Medicaid innovation to scale reimbursement.

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5. Strengthen Evaluation and Reporting

Commission a cost-benefit analysis quantifying healthcare savings, farm revenue growth, and ROI to justify future federal and state investment.

6. Continue Public Engagement

Sustain statewide visibility, education, and recognition of hospital and farmer partners through coordinated messaging, public events, and media engagement.

7. Integrate Community Supported Agriculture (CSA) Participation into the Kentucky Employee Health Insurance Plan

Embedding CSA participation within a state-funded health plan, Kentucky would become a national leader in linking agriculture to health outcomes, through private insurance:

- Allowing state employees to opt into Kentucky grown CSA box subscriptions as a part of their annual wellness program.
- Offering incentives or premium reductions for participation.
- Serving as a proof of concept for employer/payer relationships, demonstrating how food-based wellness can reduce chronic disease costs.

When agriculture and healthcare come together, we improve health outcomes, strengthen farm economies, and build a model other states want to follow. Kentucky is ready. We have a unified vision, willing hospitals, and engaged farmers. Now we need the investment and policy clarity to match that commitment. Through infrastructure investment, reimbursement reform, and a revolving loan structure, we can make FIM not just a pilot program, but a permanent pillar of Kentucky's healthcare and agricultural economy.

Sincerely,

Jonathan Shell