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JUNE 2025



A Blueprint for Employer-Led Food as Health Strategies

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PREFACE

Food Is Medicine (FIM), also known as Food As Medicine (FAM), includes nutrition interventions intended to prevent, treat, and manage diet-related health needs along a continuum of care, with an emphasis on leveraging the health-care ecosystem to integrate food and care. In the last several years, there has been significant growth in FIM in the United States, from building scientific evidence and creating technology systems to enable seamless delivery to establishing the role of the nonprofit and private sectors in delivering interventions. Most of all, FIM has become a movement that values the role and importance of food as a part of the health-care system. **Employers have the opportunity to serve as catalysts and to advocate for solutions linking nutritious food to better health.**

More players are entering the space and recognizing the value of integrating food into the health-care system to address health outcomes and health-care costs while combating the chronic disease epidemic. With their ability to touch millions of lives collectively, employers have a valuable role to play in addressing the health and well-being of their employees. However, employers have made it clear that while they are interested in offering food as health strategies, they need a step-by-step playbook for how to enact them. From employers who have established food as health strategies and are looking to grow them, to employers who are in the early stages of thinking about how a food as health strategy might add value to their organization, this blueprint provides direction for how employers can participate in the food as health space. It walks through the considerations that employers need to take step-by-step, and assesses the larger policy and infrastructure needed to facilitate these strategies further.

The Milken Institute's Feeding Change has focused on FIM and food as health over the past three years. Informed by the FIM Task Force's collective feedback, which has shaped key research priorities, Feeding Change has published a series of reports addressing gaps in the private-sector FIM landscape, from financing and technology in *Financial Innovations Lab: Market Solutions for Scaling Food Is Medicine Prescriptions* to the role of the pharmacist in *Catalyzing Action for Pharmacist-Provided Food Is Medicine Care*. This report is the third in the series, aimed at exploring the role and opportunity of the employer.

This blueprint is a call to action and a roadmap for employers, those working with employers, and advocates to continue spearheading the momentum around food and health.

Sincerely,

Holly Freishtat

Senior Director of Feeding Change, Milken Institute Health

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INTRODUCTION

Food is becoming an integral part of the national conversation around health and well-being, as it influences many aspects of our lives, from health to community engagement. Employers increasingly recognize the role food can play in promoting whole-person health to address physical well-being, resilience, disease prevention, and mental health. Employers are uniquely positioned to shape workplace culture, policies, and programs that advance health equity and improve employee well-being. As chronic, diet-related diseases such as obesity and diabetes continue to rise, leveraging food as health strategies can help address these health issues while enhancing productivity and morale.

Given the growing burden of chronic diseases and food insecurity, employers have both a responsibility and an opportunity to use food as health strategies to improve employee outcomes. Integrating food as health strategies can complement traditional health-care services and improve long-term health. These initiatives not only address specific diseases but also foster overall wellness, providing employees with healthier food options, whether through on-site resources or food-delivery programs. By prioritizing food as health strategies, employers can contribute to better health outcomes, reduced health-care costs, and a more engaged, satisfied workforce, ultimately benefiting society at large.

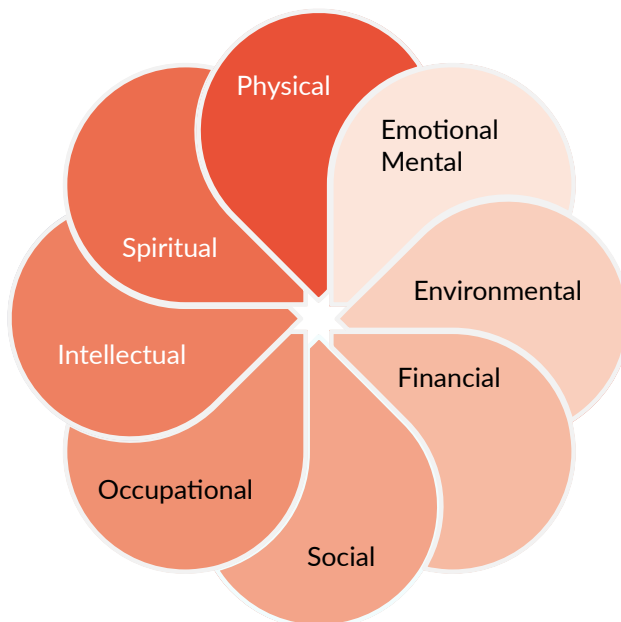
This blueprint outlines how employers can design, activate, and evaluate food as health strategies for employees. Each section provides background information on the stage of the process and outlines key questions for employers to consider as they work through the details of crafting their benefits, leveraging evidence and best practices from the experts interviewed and the literature. Every organization reading this blueprint brings a different set of resources, perspectives, motivations, and readiness to offering food as health strategies, and these recommendations are designed to meet this spectrum of needs while being specific enough to catalyze action.

The report was co-created with the 33 experts who were interviewed for the project, ranging from human resources (HR) experts to benefits platforms to FIM experts to employers who are interested in or already offering food as health strategies. Expert thought leaders spoke about the need for a playbook of best practices that takes a phased approach to support employers who are coming to food as health strategies with different stages of readiness and different needs for their employees. The blueprint outlines every stage of the process to help guide any employer in offering food as health strategies that meet the needs of their employees.

Employer Landscape

Across sectors, geographies, and the political spectrum, food is increasingly part of the narrative around health. Touching many aspects of our lives—health, enjoyment, and community—food plays a central role in shaping cultural traditions, fostering social connections, and driving community engagement. With more than 160 million employees in the US workforce, each of whom spends an average of 90,000 hours at work over their lifetime, employers are increasingly realizing the impact that food can have on whole-person health for their employees.¹ Whole-person health recognizes that health and wellness are not limited to physical health but are fostered through holistic well-being. Approaches involve focusing on the whole person by restoring health, promoting resilience, and preventing diseases across the lifespan instead of treating a specific condition or separate organs or body systems.² As Sabrina Spitaletta, leader of the Milken Institute Employer Action Exchange, recently stated, “Employers have the unique opportunity to proactively shape culture and implement internal programs and policies while modeling behaviors that address health inequities, advance prevention and management of chronic diseases, and destigmatize the prioritization of mental health. The effects of culture, support systems, policies, and programs extend beyond organizations’ employee populations by advancing the health of their families and, by extension, their respective communities.”³ Employers have an incredible amount of power, responsibility, and opportunity to adopt practices that promote whole-person health and contribute to society’s overall well-being by examining the relationship between food and health.

Figure 1. Employer Whole-Person Health Model



Source: Milken Institute (2023)

Making the Case for Food as Health Strategies

- + Around **half of all adults** in the US have one or more preventable, diet-related chronic disease.
- + **Seventy-six percent** of households experiencing food insecurity had adults who were employed full-time or part-time.⁴
- + Employer-Sponsored Health Insurance provides coverage for half of the US population and accounts for **more than \$1 trillion** in health-care spending annually.⁵
- + According to a survey published in January 2025, only **31 percent** of US employees feel engaged in the workplace, the lowest level in a decade.⁶

There is a high demand for integrating food-related strategies into employer benefits. Around half of all adults in the US have one or more preventable, diet-related chronic diseases, including cardiovascular disease, type 2 diabetes, and overweight or obesity.⁷ These rates have risen over the past 25 years and are expected to continue to rise.⁸ In the United States, 42 percent of adults have obesity, which is projected to increase to 58 percent by 2035.⁹ The economic costs of poor nutrition due to related health-care spending and lost productivity are estimated at \$1.1 trillion each year—equaling the economic output of the entire food sector.¹⁰

On top of the burden of chronic disease, the number of people experiencing food insecurity continues to increase, especially in the past few years, as inflation has grown and pandemic-era benefits have been rolled back.¹¹ Research has found that food insecurity is associated with diet-related chronic diseases such as hypertension, obesity, and diabetes, as well as mental health conditions including depression and anxiety.¹² As of 2022, 55 percent of food-insecure households had adults who were employed full-time, with 76 percent employed full-time or part-time.¹³ Prioritizing a healthy and nourished workforce is key to improving productivity, engagement, and morale at the workplace—and a healthy and nourished society.

Rising rates of diet-related chronic diseases and their associated risk factors are simultaneously impacting employers through skyrocketing health-care costs and reduced workplace engagement. Heart disease and stroke alone cause \$168 billion in lost productivity on the job annually.¹⁴

Employer-sponsored health insurance (ESI) is a powerful lever in impacting employee health. ESI is the most common form of health insurance in the United States, providing coverage for roughly half of the US population and accounting for more than \$1 trillion in health-care spending annually.¹⁵ While ESI costs have risen steadily, largely due to costs associated with chronic diseases, health outcomes have failed to improve. With the explosion of interest in anti-obesity medications, including glucagon-like peptide 1 (GLP-1) class drugs to treat people with obesity, employers are continuing to think about how to support their employees' health while managing costs. Milken Institute Health supported

these efforts in a recent how-to guide that outlined opportunities for employers to take action on comprehensive obesity care for employee populations.¹⁶ Food has been a growing factor in these conversations as a way to complement or accelerate treatment with prescription medications.

Employers who have a self-funded ESI model have additional incentives to influence the health and wellness of their employees. As a self-funded/self-insured insurance plan sponsor, the employer assumes financial risk for providing health-care benefits to its employees and pays for medical claims and fees out of revenue instead of paying a predetermined premium to an insurance carrier. With this approach, self-funded employers typically gain more control and freedom over plan design, allowing for creative investments to drive value. A recent Milken Institute Health survey of 72 employers across size, sector, and insurance plan funding types cited expanding preventive care, increasing access to primary care, and focusing on whole-person health as the most important factors that drive decision-making around ESI health benefit offerings.¹⁷ Healthy food strategies can be an important way to help address these priorities.

In addition to health-care cost containment, employers are prioritizing employee experience to support productivity, satisfaction, morale, and retention. Recent findings from Gallup's annual US employee engagement survey demonstrated that engagement fell to its lowest level in a decade in 2024, with only 31 percent of employees engaged in the workplace.¹⁸ Engagement levels affect how employees feel at work every day, their individual productivity, and their well-being, which ultimately affects business. Higher workplace engagement leads to improved performance at work as well as healthier lifestyles overall. Historically, employers have looked toward wellness programs to impact these factors, though tracking the impact of these programs has been inconsistent in frequency and methodology. For example, while many employers have cited improving productivity as one of their top three reasons for investing in health and wellness programs, only 34 percent measure and track productivity.¹⁹ Many meaningful metrics, such as the relationship between job satisfaction, morale, or health risk and business performance or profitability, can be challenging to connect back to health and wellness benefits, and there are not always standardized measurement strategies across employers. Further, wellness programs must be only one component of a cohesive whole-person health approach. Food as health strategies can be a valuable opportunity for employers to boost employee well-being and re-evaluate how they are tracking impact through their benefit design.

Food as health strategies are a powerful tool for employers to address intersectional priorities.

The term “food as health” stemmed from the recent acceleration of FIM. FIM interventions constitute a spectrum of programs and services that respond to the critical link between nutrition access and health within the health-care system, including produce prescriptions (PRx), medically tailored groceries (MTGs), medically tailored meals (MTMs), and nutrition incentives. These interventions are part of a comprehensive solution to address diet-related chronic disease that combines food with medication and support from an interdisciplinary care team. Food as health includes and extends beyond FIM to encompass nourishing food programs irrespective of a diagnosis or disease state. While some definitions of FIM include the broader scope, this blueprint uses the language of food as health to emphasize the impactful role of food beyond traditional FIM interventions that support specific disease states. This language also helps employers think about food-related offerings not just in terms of addressing existing medical concerns, but also to help support their employees more creatively and

holistically through nourishing food, including programs such as produce delivery programs or food allowances.

In this blueprint, the term food as health strategies describes the food-related programs and services that employers can offer to impact employee health. These strategies may include specific programs (such as an MTM program, disease management program, or harvest subscription program) and resources (such as free or discounted grocery delivery, directed food funds, or workplace teaching kitchens) that are offered to employees on top of their normal pay or income.

Most of the food as health strategies discussed in this report fall into the category of employer-sponsored wellness programs. The Affordable Care Act (ACA) defines two broad types of workplace wellness programs: participatory wellness programs and health-contingent wellness programs.²⁰ These programs can be offered through a health plan or as a stand-alone program. Participatory wellness programs are open to any employee who wishes to participate, regardless of health status. The ACA does not set limits on financial incentives offered for participatory wellness programs, leaving it up to the employer to determine. While the Health Insurance Portability and Accountability Act (HIPAA) generally prohibits group health plans from using health factors to discriminate among employees with regard to eligibility, premiums, or contributions, these programs do not need to follow HIPAA nondiscrimination regulations because they are offered to all employees and incentives are not tied to health outcomes. Examples of food as health participatory wellness programs include free or discounted grocery delivery or health coaching.



On the other hand, health-contingent wellness programs reward employees for participating and achieving a specific health goal. Within this category, activity-only wellness programs require individuals to perform or complete an activity related to a health factor to obtain a reward, but do not require them to attain or maintain a specific health outcome. For example, an individual would have to complete nutrition counseling to receive a produce prescription. Outcomes-based wellness programs require individuals to attain or maintain a certain health outcome, such as a person with diabetes maintaining their average blood sugar (hemoglobin A1C) at a specific level, to obtain a reward. Both types of health-contingent wellness programs come with several parameters to ensure that they are compliant with HIPAA nondiscrimination regulations: they must be designed to promote health or prevent disease; employees must have the chance to qualify for the incentive at least once a year; the reward must be capped at 30 percent of the total cost of coverage (for most wellness incentives besides avoiding tobacco); and employees with medical conditions must have alternative ways to qualify for the incentive, which must also be described in all written program materials.²¹

Most food as health strategies fall within employer-sponsored wellness programs. However, some employers and health plans are collaborating to cover food as a qualified medical expense as part of a disease management program. These programs are typically available only to specific, targeted employee populations, such as people with clinically diagnosed A1C above a certain threshold. For example, someone with a qualifying A1C could be referred to the program and would receive nutrition counseling paired with a FIM intervention. In this case, the cost of food could be reimbursed by the health plan.

As employers balance short-term needs, such as rising health-care premiums and falling employee engagement, with longer-term goals, such as improving employee health, food as health strategies present an opportunity to balance these priorities. This blueprint provides a phased, step-by-step guide for employers to implement food as health strategies. It addresses the needs of organizations across the spectrum of readiness, from those that are entirely new to food as health strategies to those that are growing and scaling their offering. The blueprint also highlights the larger policy and evidence needed to enable these strategies. Ultimately, this blueprint is a call to action and a roadmap for employers, those working with employers, and advocates working to realize food as health to improve whole-person health for employees and their broader communities.



METHODOLOGY

Starting in June 2024, the Milken Institute Feeding Change explored how employers can offer food as health strategies for their employees. This research began with a landscape review of peer-reviewed literature, white papers, and case studies to understand the types of food-related programs currently offered, the scope and status of employer-sponsored benefits broadly, and best practices for crafting new wellness programs. The landscape review informed 33 semi-structured interviews with a diverse range of leaders representing employers across sectors who are (or are interested in) offering food as health strategies, as well as human resources experts, health plans and health insurance providers, regulatory experts, benefits platforms, food providers, and food benefit providers (see Acknowledgments). Expert thought leaders included a range of key decision-makers who were either involved directly in crafting food as health strategies or were experts in the field, many of whom were or could be beneficiaries of food as health strategies. Experts represented organizations ranging in size, though most were from very large (5,000+ employees) and extra-large (10,000+ employees) employers. Organizations interviewed also ranged in how their ESI is selected and funded, from self-funded to fully insured employers. Organizations represented a range of sectors across food retail, technology, consulting, health care, and more.

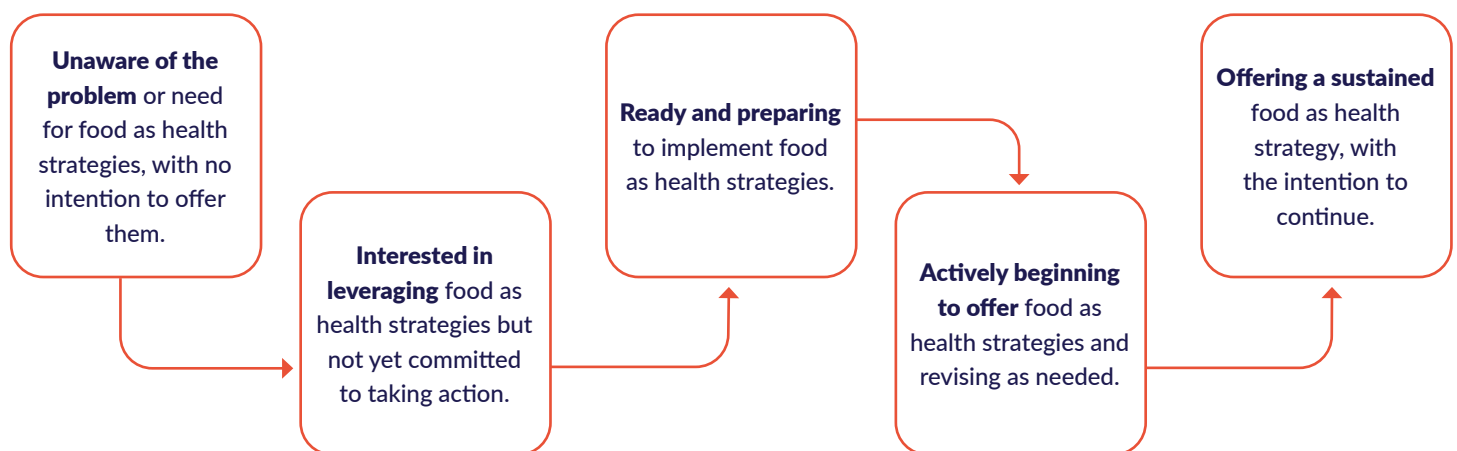
Feeding Change used qualitative thematic coding analysis throughout the 33 interviews to identify key themes for the blueprint, which were discussed, vetted, and refined during a 30-person roundtable discussion in Washington, DC, with experts representing employers, food providers, regulatory experts, health plans, health insurance providers, and technology infrastructure. This roundtable solidified the final recommendations, with peer review from a health plan, an employer considering offering food as health strategies, regulatory experts, and a food retailer actively offering food as health strategies. The findings in this blueprint reflect the challenges and opportunity areas that emerged from the literature review, interviews, and roundtable discussion, and fill an important gap in the landscape around offering food as health strategies to employees.

This blueprint builds from the Milken Institute's Public Health robust body of work on Employers and Public Health Priorities, including leveraging the network of employers engaged in Reimagining the Future of Employer-Sponsored Health Care to Drive Value. It continues Feeding Change's ongoing research on how to leverage the private sector to advance and accelerate a more nutritious and equitable food system, expanding on themes developed in Financial Innovations Lab: Market Solutions for Scaling Food Is Medicine Prescriptions and Catalyzing Action for Pharmacist-Provided Food Is Medicine Care.

Employer Stages of Readiness

Among employers interviewed for this project, there was a wide range of readiness to offer food as health strategies (see Figure 2). Many employers were in the early stages of interest and were still figuring out the best actions for their organizations. Others had determined that they were ready to implement food as health strategies and were preparing to launch programs, while a few were actively piloting programs to learn best practices and even fewer were offering programs at scale. Many of the organizations that were further along in offering food as health strategies to employees had already been offering some type of food-related strategy to customers. For example, some food retailers work with their on-site dietitians and pharmacists to provide FIM to patients shopping in their stores, and some health insurance companies are connected to a wide network of community-based organizations (CBOs) and providers to offer FIM through 1115 waivers. Not only do these organizations have the infrastructure and processes for food as health strategies already established, but they also make up some of the largest employers in the country, with the ability to make an immense impact. At every stage of readiness, there are meaningful actions that employers can take to support whole-person health for employees. This blueprint takes some of the perceived barriers that expert thought leaders shared and outlines how employers at all stages of readiness can navigate them to successfully drive forward their food as health strategies.

Figure 2. Stages of Readiness to Offer Food as Health Strategies



Source: Milken Institute (2025)



IMPLEMENTATION GUIDE

The blueprint is organized in three phases: design, activate, and evaluate. The **Design** section helps employers identify the motivating factors behind offering food as health strategies and guides them in envisioning what a food as health strategy might look like. The **Activate** section takes these goals and helps employers develop an infrastructure to offer them, including identifying key partners, payment mechanisms, and engagement approaches. The final section, **Evaluate**, explores best practices to ensure that food as health strategies are effective and can be scaled to make a greater impact if desired.

The following graphic (Figure 3) outlines the key considerations within each phase, from identifying priorities to creating partnerships to measuring impact. The blueprint follows the structure outlined in this graphic, with each section returning to its corresponding section in the graphic to ground readers in where they are in the roadmap. Some readers will want to skip ahead to a phase further along in the process if they have already decided on the types of solutions they want to implement, while others who are newer to food as health strategies will prefer to start at the beginning.

The primary audience for this blueprint is employers and those working with employers who are supporting the development of food as health strategies. The term “employers” in this blueprint refers to the leaders within an organization who are spearheading the design and implementation of health and wellness benefits. This can be human resources teams, health teams, or other employees who have taken on the responsibility to offer these strategies. While the guiding questions are directed toward employers, they can also be helpful for stakeholders who are framing and presenting food as health strategies to employers. In addition, stakeholders beyond those working directly on food as health strategies can learn about the value and scope that employer-sponsored benefits can bring to the food and health movement, from FIM leaders and policymakers to digital health platforms and more.

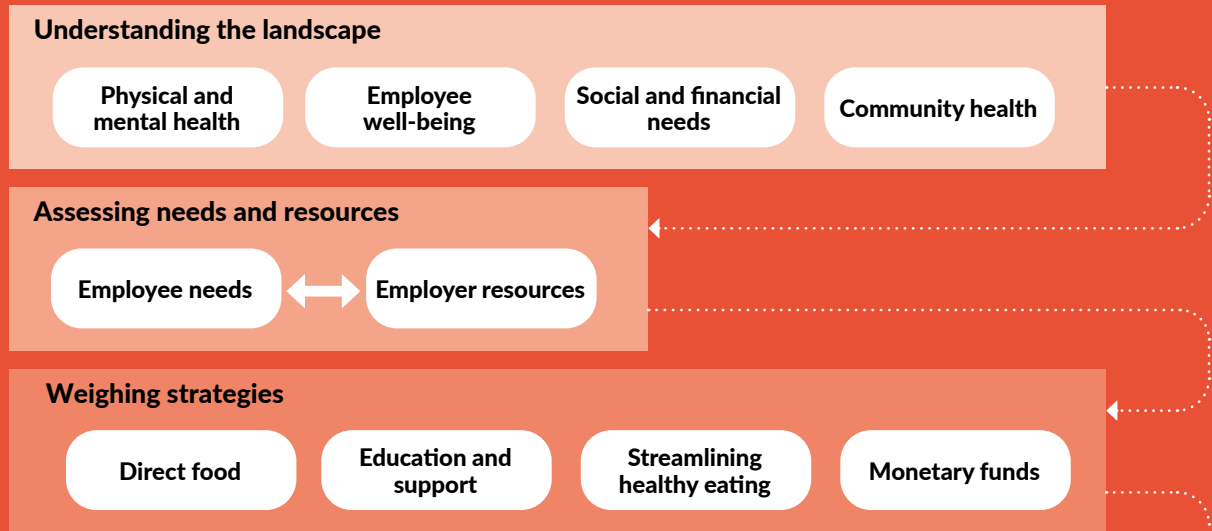
This blueprint does not identify why one food as health strategy is better than another. Rather, it guides experts through key considerations to help them identify and craft food as health strategies that meet their specific organization’s priorities and their employees’ needs. The blueprint builds on existing resources for creating effective and highly utilized benefits to pinpoint how food can, and should, play a key role in supporting employee health. The blueprint also incorporates considerations

around trust, geography, time, accessibility, and budget. Understanding these elements at every stage of crafting food as health strategies can help ensure they meet specific employee needs and preferences while staying within the scope of employer resources.

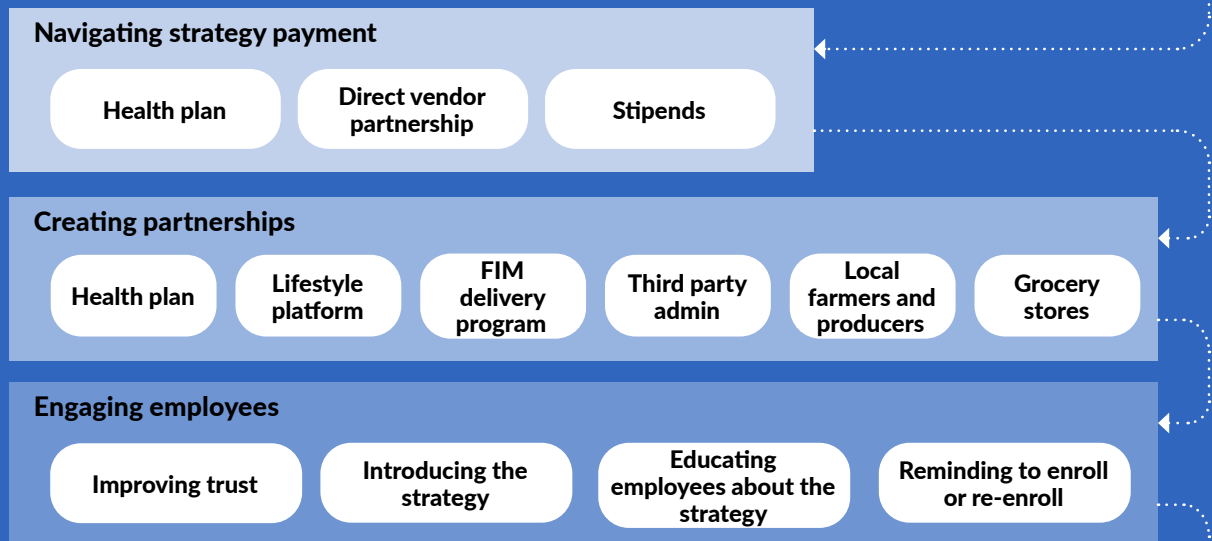


Figure 3. Food as Health Strategies Employer Roadmap

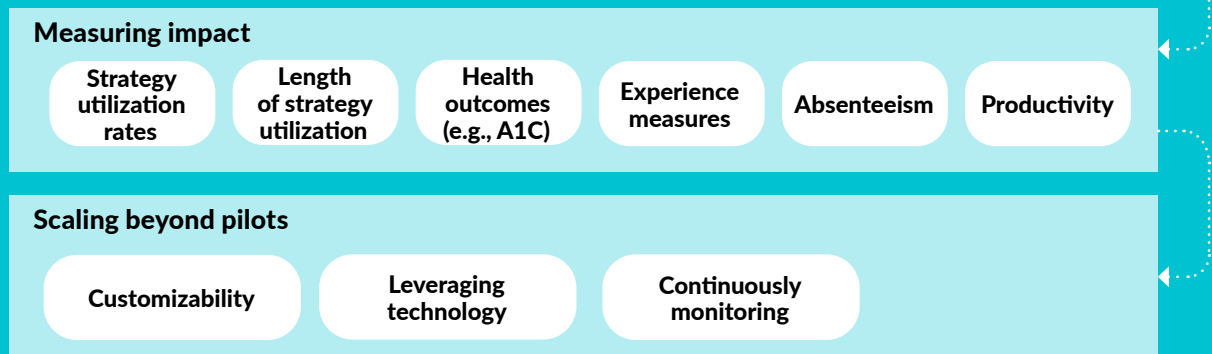
DESIGN



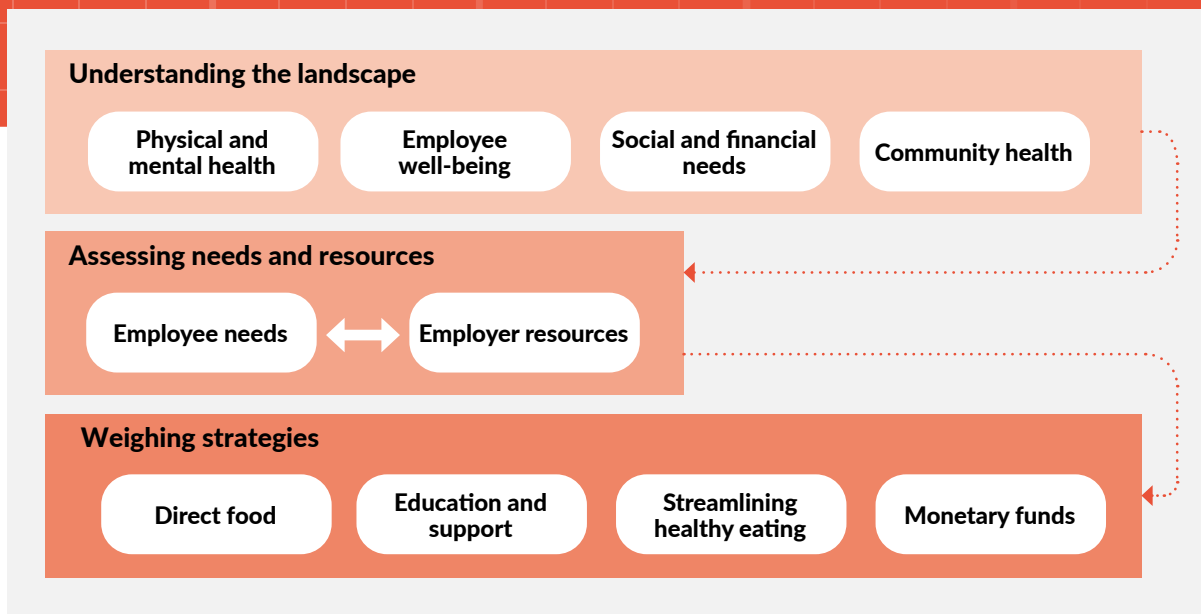
ACTIVATE



EVALUATE



1. DESIGN



The “Design” section supports employers who are beginning to explore how to leverage food as health strategies for their employees. Expert thought leaders emphasized the need for guidance for employers at every stage of food as health strategy readiness, from those who were only just beginning to think about strategies to employers who were actively offering them and looking to refine their programs. This section frames up important questions for employers who may be unfamiliar with how food as health strategies can support their employees and be operationalized. Employers are encouraged to consider questions about their priorities as they relate to food to set them up for success in the later stages of deciding on strategy structures or choosing partners.

“There’s not a consistent, true source of data that we feel like we’ve been able to leverage and comb through. We have to understand where the best place for us to start is. I think we get paralyzed by the size and the scope, and therefore we haven’t done anything, versus dipping our toe in and trying and failing fast, and if that doesn’t work, then we’ll try something different. We’re open to it, we just haven’t gotten there yet.”

—Benefits leader at an extra-large employer not yet offering food as health strategies

1a. Understanding the Landscape

Physical and
mental health

Employee
well-being

Social and
financial needs

Community
health

Key Employer Priorities That Food Can Address

The most common employer priorities that came up during interviews and research pertained to physical and mental health, employee well-being, social and financial needs, and community health. Though these priorities were often established independent of their connection to food, all may be addressed through food. In addition, expert thought leaders continued to return to the overlapping nature of these priorities. A person who is experiencing nutrition and/or food insecurity, for example, is more likely to be experiencing multiple chronic conditions as well as mental health diagnoses. Someone living with a chronic disease may have to miss work frequently for doctor's appointments or other care, which can impact absenteeism and stress at work. Recognizing these points of intersection will be key to crafting solutions that can address multiple employer priorities.

Value on Investment

While return on investment (ROI) focuses on cost savings, value on investment (VOI) encompasses additional metrics such as productivity, morale, and satisfaction—all of which impact an employer's bottom line. Several expert thought leaders emphasized that VOI was top of mind for employers, who are increasingly considering company culture and how they can implement strategies that promote their values to address employee satisfaction and retention.

Physical and Mental Health

Chronic Diseases and Conditions

Impacting chronic diseases sits at the top of many employer priorities, with expert thought leaders identifying hypertension, heart disease, obesity, mental health, and cancer as some of their primary health-care cost drivers. Notably, food can be used as part of treatment for all of these conditions. FIM interventions, for example, are often targeted to individuals living with diabetes, hypertension, or cardiovascular disease, and are associated with lower A1C levels, increased fruit and vegetable intake, and lower rates of cardiovascular events.²² Obesity rates also continue to rise, along with associated increases in health-care costs and lost productivity, with a recent study demonstrating that obesity and overweight among employees in the nonfarm, civilian workforce cost \$146.5 billion in higher medical costs to employers (\$89.8 billion) and employees (\$56.7 billion), as well as \$242.6 billion in costs associated with absenteeism and presenteeism.²³ Alongside this rise in

obesity, employers are increasingly grappling with the GLP-1 landscape and how food as health strategies can complement medications. Pairing GLP-1s with holistic nutrition programming like a FIM intervention could improve the course of treatment for patients and reduce the burden on patients, employers, and the health-care system.

Health-Care Utilization

Health-care utilization drives medical expenses for employers. People with chronic conditions are the most frequent users of health care in the US, accounting for 81 percent of hospital admissions and 76 percent of all physician visits.²⁴ In addition, adults experiencing food insecurity are more likely to be hospitalized.²⁵ A 2023 study found that a national FIM intervention for individuals with diet-related conditions could prevent around 1.6 million hospitalizations annually and collectively save Medicare, Medicaid, and private payers \$13.6 billion each year.²⁶ Supporting chronic disease management through nutritious food can help reduce both inpatient and outpatient visits, whether associated with food insecurity or chronic disease. Many expert thought leaders emphasized that employers need to think about how food can serve as a health-care investment, rather than a cost, that can impact health downstream and save employers money in the long term.

Considering the Intersection Between Food and Prescription Medications to Treat Obesity

With the recent surge in interest in and demand for GLP-1s, employers are beginning to think through how food and nutrition intersect with prescription medications to treat obesity. In 2024, an employer survey from the International Foundation of Employee Benefit Plans found that a third of companies offer GLP-1 drug coverage for both diabetes management and weight loss, up 8 percent from the previous fall.²⁷ Many of these employers rely on utilization management—such as prior authorization, body mass index, and comorbidity requirements—to manage costs, with only 18 percent using step therapy and 16 percent using eligibility requirements.

As interest—as well as associated costs—continues to rise, employers can continue to evaluate how food can play a role in improving health and managing costs associated with GLP-1s and other prescription medications to treat obesity. The Food and Drug Administration–approved label of GLP-1s states that these medications should be taken alongside nutritional and lifestyle interventions in order to improve outcomes.²⁸ Combining food as health strategies with GLP-1s is a natural opportunity for employers to maximize health outcomes for their employees. Early research is investigating how combining GLP-1s with holistic nutrition programming, such as a FIM intervention, could help patients maintain their weight, reduce muscle loss, and prevent malnutrition even after discontinuing the use of GLP-1s.²⁹ This strategy could help optimize the benefits of GLP-1 drugs while reducing their associated costs, risks, and challenges to patients, employers, and the health-care system. Employers can collaborate with their health plan to cocreate offerings that leverage food as health strategies in combination with GLP-1s to improve outcomes. In addition to piloting these individually, employers and health plans should publish and share their findings so that other employers can learn from their model.

Mental Health

Many employers prioritize addressing employee mental health and are increasingly thinking about the connection between food and mood. Studies have also found that participating in FIM programs has resulted in decreases in self-reported mental health symptoms, including depression and anxiety, over as short a period as four months.³⁰ Food insecurity also has an impact on mental health: adults experiencing food insecurity are more likely to use mental health services³¹ and have higher rates of depression.³² Ensuring that employees have adequate access to healthy food can support their mental health, reduce their stress, and improve their overall well-being.

Employee Well-Being

Absenteeism

Employers that have invested in workplace nutrition programs have seen significant improvements in absenteeism.³³ Studies have found that individuals with higher-quality, more nutritious diets—with or without a diet-related chronic disease—often have reduced rates of absenteeism compared to their counterparts.³⁴ Given robust evidence demonstrating that FIM interventions can prevent hospitalizations, employees with access to these types of food as health strategies are less likely to have to take off work for medical emergencies.

Productivity

Having a nutritious diet can be critical to employee productivity, with essential nutrients playing a key role in memory retention, focus, and decision-making abilities.³⁵ Illness-related lost productivity cost employers \$575 billion in 2020. Studies where employees improved their health, at least in part through improved diet, increased their productivity by 10 percent.³⁶

Morale

Employee morale can be influenced by a number of factors, including recognition, work-life balance, rewards, and a sense of purpose. With a Society for Human Resource Management (SHRM) survey showing that 60 percent of employees rated benefits as a very important contributor to job satisfaction, one way for employers to boost employee morale is by offering competitive benefits packages.³⁷ Expert thought leaders noted that many employers are thinking about creative ways to increase employee morale that impact employee retention, productivity, and the related costs. Offering a food as health strategy, for example, is one way an employer can set their benefits package apart from other employers and improve overall employee morale.

Social and Financial Needs

Food and Nutrition Security

Food security is consistent access to sufficient, nutritious, and safe food for an active, healthy life, without relying on emergency measures. Nutrition security expands on this by ensuring access to affordable, nutritious foods that promote well-being and prevent and treat disease. Research has found that food insecurity and a lack of access to affordable, nutritious foods are linked to an increased risk for multiple chronic health conditions, as well as mental health diagnoses.³⁸ Beyond a formal diagnosis, supporting employees experiencing food insecurity in their ability to access healthy

foods can help relieve them of a significant burden in their day-to-day lives, which can improve overall mental health. This can be especially impactful for employees living in low-income, low-access food areas, which have limited access to healthy food retailers.³⁹

Caregiving Responsibilities

Supporting healthy eating for individuals and families with caregiving responsibilities can take some of the burden off the caregiver. Whether in the form of free/discounted food delivery or funds directed toward healthy food, these types of food as health strategies can support busy individuals and the family members they provide for.

Financial Security

Food as health strategies can take a significant burden off families and individuals who are struggling with financial security and may be making choices between healthy food and other necessities. Whether in the form of discounted food or additional flexible funds for employees to spend as they wish, food as health strategies can support employee health while alleviating financial burdens.

Community Health

Resilience

Many organizations are committed to addressing environmental resilience, including corporate social and community impact goals. Additionally, an organization's commitment and actions around climate impacts worker morale and retention. A survey of 10,000 young people across 10 countries demonstrated that 55 percent of Gen Z respondents research an organization's environmental impact and policies before accepting a job offer, and around 17 percent have changed their job or sector due to climate concerns.⁴⁰ Additionally, a 2023 survey showed that 43 percent of employees across all age groups are feeling anxiety about climate and the environment, which can impact work motivation and focus.⁴¹ Given that the food system contributes to a third of greenhouse gas emissions worldwide, employers can keep in mind how procurement for their food as health strategies impacts the environment as one way to improve employee morale, productivity, and engagement.

Local Farms and Food Businesses

Certain food as health strategies, such as harvest subscriptions, can benefit the local food system through partnerships with local farms and food businesses. Expert thought leaders also shared examples of employers and digital health platforms partnering with local organizations to offer produce prescriptions or medically tailored meals, including delivery. Many employers have goals around strengthening their local communities; investing in the local food economy is one way to meet those social impact goals.

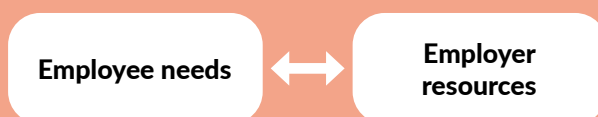
A Sense of Community

Food is rooted in personal preferences, cultural histories, and social gatherings. In the workplace, gathering around food can foster a sense of community as well as spark conversation that can strengthen relationships and boost morale. One expert thought leader shared an example of a workplace harvest subscription, where employees signed up to receive monthly produce boxes from

a local farm, paired with cooking classes using the ingredients in the produce box. Employees got to know each other outside of their typical work tasks during the cooking class and felt more connected to their local food ecosystem because they were supporting local farmers.

Evidently, food can impact both targeted and intersecting employer priorities to address physical health, employee well-being, social needs, and community health. With an understanding of this landscape, employers can use the following section to apply these examples to their specific organizations and employee needs to begin envisioning what their food as health strategies might look like.

1b. Assessing Needs and Resources



After understanding how food intersects with common employer priorities, this section allows employers to reflect on where there might already be alignment to offer food as health solutions within their organization. Many employers have already conducted general needs assessments among employees and done asset mapping exercises to understand what resources and strengths they bring to the table. However, many have not done so, and among those who have, they may not have thought about the role food can play. Expert thought leaders who work closely with employers around benefits offerings emphasized that many employers are interested in the concept of food as health strategies but are paralyzed by the scope of what it could look like. They mentioned that helping employers understand their existing scope of impact and building from there could be an accessible way to introduce these types of strategies.

This section provides guidance on how employers can begin to think about their food-related assets and employees' food-related needs, which will help frame the more technical details later in the process of establishing benefits. **Assessing employee needs and employer resources is critical to this process because findings will inform which food as health strategy makes sense for their specific organization.**

“How do we leverage the existing resources that we have to drive greater impact? A lot of employers are just thinking about food as health strategies or are not sure where to start. It can be helpful for them to think about what our employees currently have access to. Then how do we approach it in crawl-walk-run phases?”

—Leader at a technology/food-delivery company working with employers and offering their own food as health strategies

Understanding Employee Needs

Before delving into the specifics of food as health strategies, it is important to understand the employees' needs. Employee benefits are increasingly meaningful to employees and job candidates; a Glassdoor survey found that nearly four in five employees would prefer new or additional benefits to a pay increase, and more than half consider a company's benefits and perks as a major factor when deciding whether to accept a job offer.⁴² For employers who are only just beginning to think about a food as health strategy, they must first understand employee needs that can be affected by food, even tangentially. One way to do so is to leverage a comprehensive well-being assessment process. Employers should look at existing internal data on their employees' needs and supplement this information with surveys and/or focus groups on the topics below to better understand their employees' needs as they relate to food.

BEST PRACTICE

One expert thought leader highlighted Harvard's "Flourish" measure to assess wellness across a number of different domains, including physical and mental health, meaning and purpose, and life satisfaction. This survey involves 10 questions that assess various aspects of flourishing in the workplace so that employers can better understand how to help their employees thrive.⁴³ In addition to having employees answer questions about various aspects of flourishing, this organization conducts additional work-group qualitative interviews to gain deeper insights into findings about employee needs. The interviewer prompts employees on various themes until "theme exhaustion," where the interviewer runs out of new themes to probe. The thematic interviews are then combined with flourishing measure results to arrive at a qualitative and quantitative understanding of employee needs and preferences.

Demographics

- + Where are employees geographically located?
 - For example, how does a food as health strategy get deployed? Would a particular partner or vendor solution exclude certain employees?
- + What are the age demographics of employees?

Health

- + What are the most prevalent health conditions employees are facing?
 - For example, examine available data and insights, such as claims and other markers of health-care utilization, that may be impacted by diet.
- + What health concerns do employees want support to address?

Social needs and responsibilities

- + What are employee caregiving roles?
 - For example, would a food as health strategy extend to their family?
- + What does food access look like among employees?
 - For example, does a food as health strategy need to target nutrition and/or food insecurity?

Building from previous successes

- + Which types of benefits and workplace wellness programs have employees engaged with in the past?
- + What feedback has been gathered from employee satisfaction surveys for any previous benefits?
 - For example, what type of benefits model do employees find easy to use? Are they interested in in-person or virtual opportunities? What types of platforms or communication are effective?

The results of this type of needs assessment on topics that can be influenced or impacted by food will be crucial to designing a successful strategy. Engaging employees in this step can also be a way for employers to demonstrate that they are listening to their employees and are dedicated to their health and well-being.

Assessing Employer Resources

Equipped with an understanding of what employees need from a food as health strategy, employers can reflect on their available assets, information, and budgets. This can involve looking at hard numbers, such as assessing where there is room in which budget, and reflecting on how the organization's mission and values might align with a food as health strategy. Triangulating employee needs with employer resources can provide insights into where developing a program could have the greatest impact. In addition to conducting formal asset-mapping, employers can reflect on the following questions to guide the process:

Mission alignment

- + In what ways are health and wellness incorporated within the organization's mission?
- + Is food central to the organization? For example, selling food, manufacturing food, working with food vendors, and so on?
 - For example, what existing resources and connections could be used for a food as health strategy?
- + Is food central to the organization's philanthropic or social impact goals? For example, volunteering with emergency food organizations?
 - For example, how can you model social impact in the community within your own organization?

Organizational values

- + Who are key organizational decision-makers, and what data or information will they need to understand the value of food as health strategies?
- + How does the organization want to differentiate itself from other employers?

Budget

- + What is the allocated budget for employee health and wellness?
 - For example, is there more flexibility in wellness or health-care funds? Where is flexibility to shift or reallocate funds to a food as health strategy?
- + How do the budgets and priorities of these strategies correspond to the organization's primary cost drivers?
- + What are primary VOI considerations, such as culture, benchmarking against other competitive employers, and providing strategies that promote their values?

Existing infrastructure

- + What is the onsite food environment like?
- + What kinds of vendor partnerships already exist that could be leveraged for other types of programs?

Defining Key Priorities

Understanding both employee needs and employer priorities can help employers pinpoint where they have the potential to make the greatest impact. The answers to these guiding questions, as well as any accompanying formal assessments of employee needs and employer assets, can help employers prioritize and frame the impact they hope to make through food as health strategies.

As employers refine their approach to food as health strategies, this section helps reflect on areas of greatest impact—particularly given the intersecting nature of many priorities—and who the strategy is designed for. The following questions help employers assess the potential impact such strategies can have on their employees:

Identifying high-impact areas

- + Reflecting on the assets and resources identified in the previous section, which of these priority areas have the potential for the greatest impact?
- + What are the primary cost drivers, and what priorities are central to the organization's mission?
 - For example, what priorities should come front and center when approaching food as health strategies?
- + Where do organizational priorities overlap and intersect?
 - For example, triangulating areas of overlap can help identify particularly important key issues to address.

Who is the strategy for?

- + Given employee needs and employer resources, does it make more sense to offer broad food as health strategies to as many employees as possible, or offer a more personalized food as health strategy to a targeted population?
 - For example, a broad, less comprehensive food as health strategy could boost morale and productivity across the organization, whereas offering a more personalized food as health strategy to a targeted population, such as employees with uncontrolled diabetes, could direct resources toward a small population with the potential to make a great impact on health outcomes and health-care utilization.
- + If an employee population that may have high turnover—such as hourly or seasonal employees—is in the greatest need, how might changing employee benefits improve retention?

Positioning Priorities

Framing food as health strategies to resonate with the larger organizational mission is also critical to achieving leadership buy-in. Expert thought leaders, especially those at large, multinational corporations, shared that even within their organizations, the silos separating departments often made it challenging to get a coordinated food as health strategy off the ground. Some organizations saw them driven by their HR teams, while others had the health teams taking the lead. For others, it was a team member outside of HR or health who was simply passionate about the work. The final decision-maker—the person who ultimately approves the food as health strategy—can vary as well. For some organizations, it's the chief financial officer (CFO), for others, the chief human resources officer or the chief medical officer. For each of these leaders, a different type of data may resonate strongly when making the case to prioritize food as health strategies.

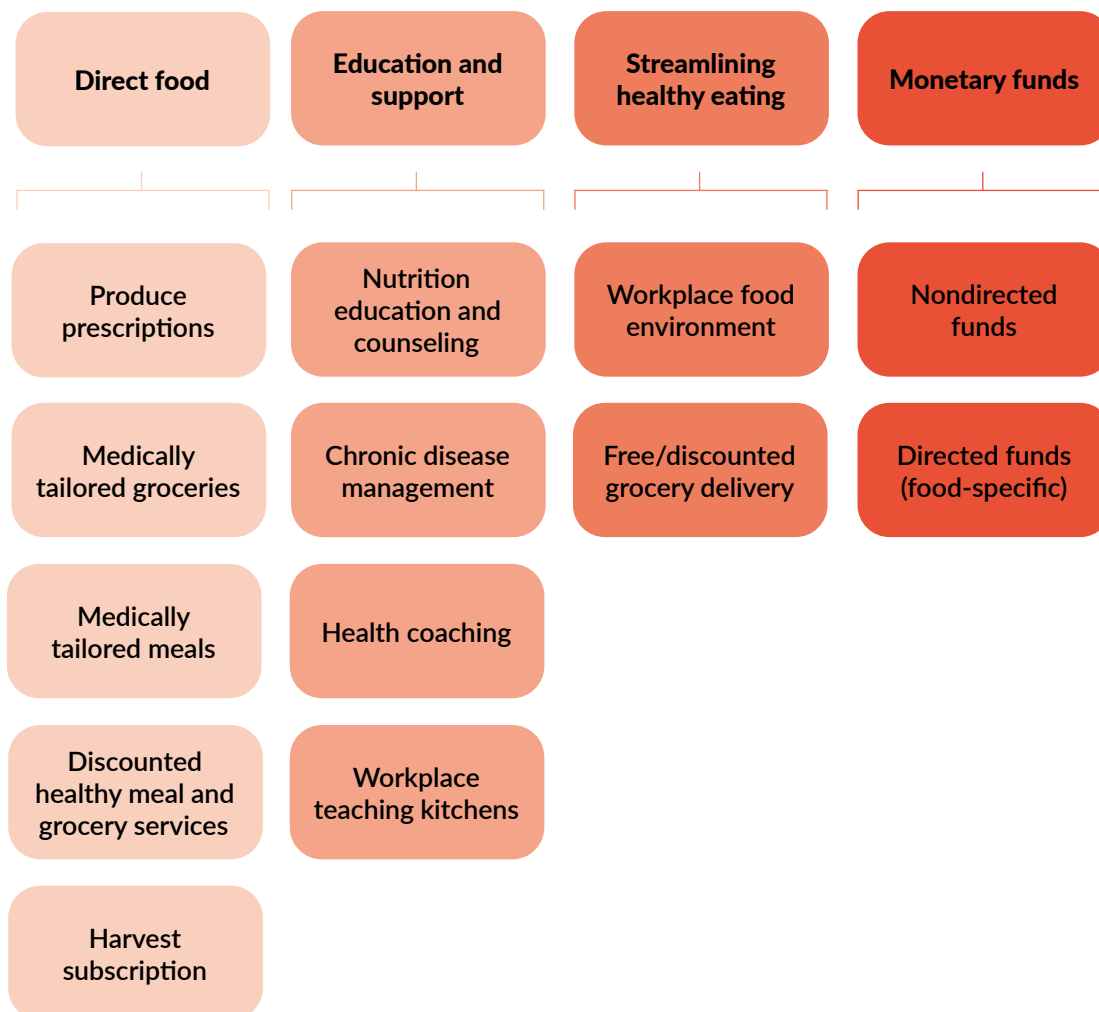
“CFOs are getting much more involved in benefits than ever before because of all the fiduciary responsibilities that are put on clients to know what’s happening with their group health plans. [There is sometimes an education gap], and you have to be able to give good examples of how a food as health strategy would play out, even though they love the facts about ROI and health-care cost savings. You have to work both sides.”

—Insurance broker

Expert thought leaders with experience navigating leadership buy-in emphasized the need to highlight the benefits of a healthier workforce, while translating into a language that leadership understands. Understanding the framing and data that resonate with those participating in the approval process can help build a robust case for food as health strategies. This may involve reflecting on the following questions:

- + What type of data does the decision-maker need to make an informed decision: statistics on ROI or health outcomes, stories, a combination of both?
- + What additional information or education around food as health strategies will be necessary to make the case?
- + How can food as health strategies be framed to address both an employer’s short-term priorities—such as the cost of rising health premiums—and impactful solutions that address health outcomes in the longer term?
- + Does leadership respond better to launching programs that start small before adding complexity or those that begin fully formed?

1c. Weighing Strategies



The Scope of Options

Once employers identify the priorities to address through food, the next phase is mapping the types of food as health solutions to the priorities. Just as many employer priorities overlap and are interrelated, many food as health strategies target multiple priorities. For example, a produce prescription program may be designed to address chronic disease but also leverage local produce that supports community health and improves an employee's mental health, productivity, and morale because they are well-nourished at work and feel that their employer is invested in them as an employee and a person. The following chart describes 13 primary solutions and the primary area of impact, based on priorities outlined in Section 1.a ("Understanding the landscape").

Table 1. Types of Food as Health Strategies

Type of strategy	Description	Primary areas of impact (see Section 1a)
Direct food provides employees with food itself, rather than the means to purchase or procure food.		
FIM interventions	FIM interventions can include medically tailored meals, medically tailored groceries, and produce prescriptions that combine food with education and support. Typically, these are “prescribed” by an individual’s health-care provider or plan to address specific health conditions. Employers would collaborate with their health plan to meet specific requirements and regulations that allow food to be integrated as part of a disease treatment plan (more details in “Navigating strategy payment”). FIM interventions are often food distributed directly to beneficiaries; however, these strategies may be offered through other models (see below). • MTMs are ready-to-eat meals designed by a registered dietitian to address the medical needs of patients, particularly those with severe or complex diet-related illnesses that prevent them from being able to shop for or prepare food themselves. They are often used on a short-term basis to support post-hospitalization outpatients or for people experiencing high-risk pregnancies. Recent studies have demonstrated that implementing MTMs nationally for people with diet-related conditions and activity limitations could prevent around 1.6 million hospitalizations annually, and collectively save Medicare, Medicaid, and private payers \$13.6 billion each year.⁴⁴ • MTGs are fresh or shelf-stable foods typically selected by a registered dietitian or physician for patients with a specific disease. These types of programs can be tailored more than PRx, but are typically less expensive than prepared meals (below). While the evidence base for MTGs is still emerging, these programs are most frequently used to support people who have diabetes and prediabetes.⁴⁵ • PRx are “prescribed” to patients experiencing food insecurity and diet-related health risks or conditions to procure fresh, canned, or frozen produce (i.e., fruits and vegetables). PRx can improve food and vegetable intake, food security, and health outcomes—most significantly for individuals with hypertension, diabetes, and obesity—and have been associated with meaningful reductions in blood pressure, blood glucose levels, and weight.⁴⁶	Chronic disease, health-care utilization, food and nutrition security

Harvest subscriptions	Also known as community-supported agriculture (CSA), harvest subscriptions are a direct partnership between consumers (employers and their employees) and producers where employers buy shares of a farm's harvest in advance and the farm, in turn, delivers fresh produce on a regular basis to employees. Some models deliver produce boxes to the workplace, others deliver to employees' homes. Some employers cover the full cost of the harvest subscription, but most subsidize a portion of the share and deduct that cost from payroll for employees who opt in.	Local farms and businesses, environment, sense of community
Discounted healthy meal and grocery services	Discounted healthy meal and grocery services may include recipes and ingredients or prepared meals. Employees can also use a discount code from their employer to subsidize the cost. These services are not typically prescribed by a health-care provider but may cater to individuals' specific dietary needs and preferences, such as ketogenic or vegan. Most healthy meal service providers design their offerings in partnership with dietitians. In addition to meals and meal kits, employers can also provide discounts for subscriptions to vendors that rescue produce and grocery items that might otherwise go to waste.	Morale, environment
Education and support include any training or counseling to equip employees with the knowledge they need to choose and prepare more nourishing food.		
Disease management programs	Disease management programs provide individualized, structured treatment plans for people living with chronic diseases, which typically include a multidisciplinary care team to support the wraparound care and support an individual needs to improve their condition. For example, a diabetes management program typically involves a combination of education, medication adherence strategies, and lifestyle modifications, such as healthy eating and exercise, alongside regular checkpoints to monitor biomarkers and lifestyle changes. They can also be a component of a FIM intervention. Employers may offer these in partnership with their health plan or through partner organizations that specifically offer diabetes management programs.	Chronic disease, absenteeism, health-care utilization
Nutrition education and counseling	Nutrition education and counseling involve personalized education and support to improve an individual's health through dietary and behavioral changes. Sessions with a trained professional, usually a registered dietitian, can be geared toward preventing or managing a specific medical condition or generally improving an individual's health. Employers may offer nutrition education and counseling as part of a larger diabetes management program, as a benefit within their health plan offering, or as a stand-alone service.	Chronic disease, morale, health-care utilization
Health coaching	Health coaching helps individuals engage in health behavior change through evidence-based clinical interventions such as motivational interviewing, goal setting, and prevention. While health coaches are not licensed to prescribe diets, they can help guide individuals in making healthier nutrition choices to achieve their health and wellness goals. Many employers offer health coaching as a standalone benefit or through their Employee Assistance Programs.	Morale, health-care utilization

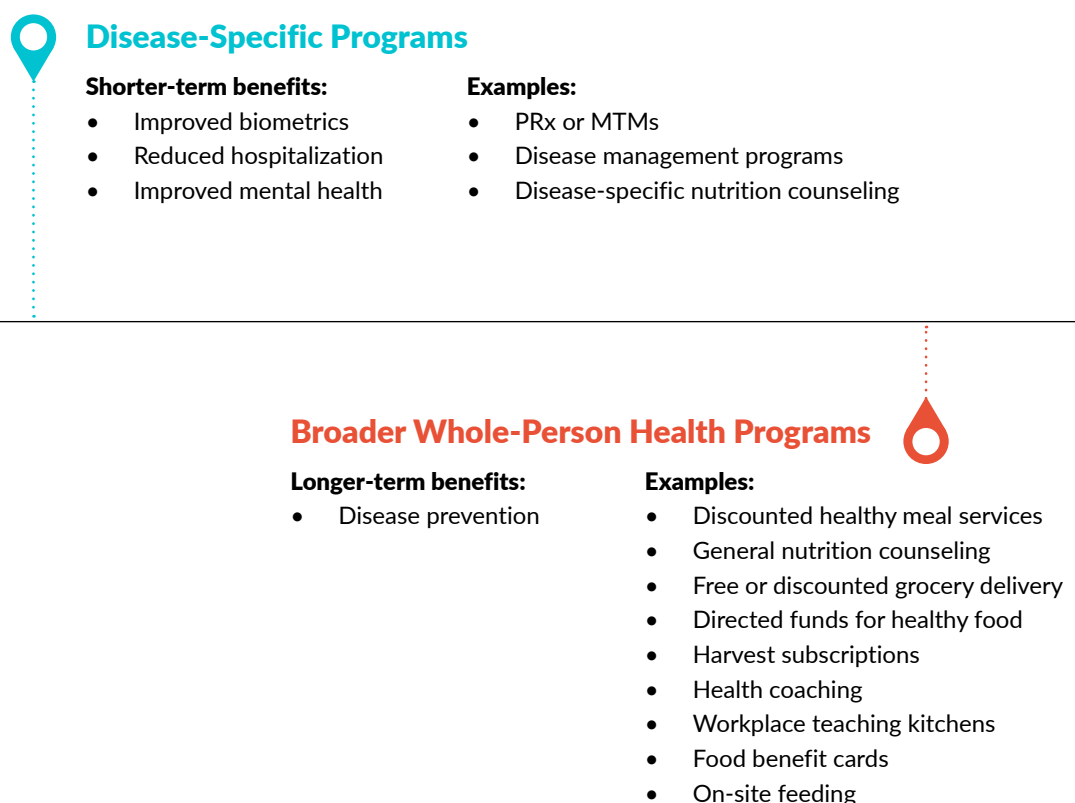
Workplace teaching kitchens	Workplace teaching kitchens offer employees cooking classes that blend nutrition education with hands-on experience. Some employers offer classes on site in their physical offices, while others provide access to virtual webinars and cooking resources. Expert thought leaders shared that teaching kitchens were a way to improve health literacy and cooking skills while also building community among attendees.	Sense of community, morale
Streamlining healthy eating provides employees with resources to make healthy eating easier, from supports for procuring groceries to accessing healthy food in the workplace.		
Free or discounted grocery delivery	Free or discounted grocery delivery supports employees in accessing their groceries by subsidizing or waiving the cost of grocery delivery. This can be in partnership with third-party food-delivery platforms or directly through a grocery store or supermarket's in-house delivery platform.	Caregiver supports, food and nutrition security
On-site feeding	On-site feeding refers to the food provided at the workplace, whether as snacks or meals. In-person or hybrid employees may spend a substantial amount of time at the workplace, and having healthy food options on site may influence them to make healthy choices. Some employers are also thinking about ways to offer healthy takeaway food and meals at the workplace for consumption at home. In addition, many employers with large remote workforces offer food allowances to employees to improve work-life balance and employee satisfaction. On-site feeding and healthy workplace food environments came up in interviews as an important way employers can impact health. However, on-site nutrition has a <u>robust implementation literature base</u> and therefore is not the primary focus of this blueprint. ⁴⁷	Morale, productivity
Monetary funds refer to financial support for employees to purchase food.		
Directed funds	Directed funds involve a bucket of funds specifically directed toward food. Employers may define whether they designate these funds toward all food, healthy food only (with a specific, approved product list), or produce only. This can range from a monthly snack stipend to a meal allowance that can be used on specific types of products, to an unrestricted daily allowance for food. These often take the form of food benefit cards or a specific bucket within a broader employee benefit card. Some FIM interventions leverage directed fund models to provide PRx and MTGs.	Financial security, food and nutrition security, morale, chronic disease
Nondirected funds	Nondirected funds may be used more broadly for employees' purchases toward items and activities that can improve their lifestyle. Expenditure may cover healthy food, but also expenses such as gym memberships, exercise equipment, educational resources, and more. Employers can define the parameters of how employees may use nondirected funds.	Financial security, food and nutrition security, morale

Source: Milken Institute (2025)

Short-Term Versus Long-Term Impact

Each strategy addresses different employee needs, and both employers and employees may see the benefits of a given strategy in the short as well as the long terms. The benefits of disease-specific programs, such as PRx, MTG, MTM, as well as nutrition counseling for specific conditions, may become clear more quickly than broader, whole-person health programs like free grocery delivery or discounted healthy meal services. Improvement in biomarkers such as A1C, for example, can happen over a period of three to six months, while disease prevention or organizational culture shifts are less measurable and may take longer to become apparent. However, both lifestyle- and disease-specific programs have demonstrated significant benefits that can trickle down from the workplace to employees' families and communities.

Figure 4. Impacts of Disease-Specific Programs Versus Broader Whole-Person Health Programs



Source: Milken Institute (2025)

CASE STUDY

Regional Food Retailer

Overview

A regional food retailer, with self-funded ESI, conducted a pilot to offer nutrition counseling paired with healthy food for employees with diabetes, hypertension, and/or heart disease.

Approach

This employer designed the pilot to address the most prevalent conditions among its employees: diabetes, hypertension, and heart disease. As part of the pilot, this employer provided 75 percent of participating employees with a healthy food incentive on a smart card with \$50 per week for healthy food from their own grocery store. The other 25 percent received six weeks of MTMs, followed by six weeks of the healthy-food incentive. The pilot assessed biometrics, such as A1C, body fat, and cholesterol pre- and post-intervention, as well as feedback on the overall program design. This retailer leveraged its on-site pharmacists, dietitians, and food to conduct this pilot.

Lessons Learned

- + **Importance of data:** While the results of this pilot are at an early stage, they provide important data points for how employers can move the needle on their employees who are at higher risk for poor heart health and diabetes.
- + **Maximizing engagement:** This employer emphasized the value of improving employee engagement in the pilot in order to improve the overall health of their employee base and save the company on their health-care costs.
- + **Streamlining the program:** This intervention works well because the food retailer is piloting with employees who work, shop at, and receive their health insurance from their own company. This process may become more complicated when employees are coordinating between multiple clinicians and food retailers.

One Size Does Not Fit All

Across these solutions, there is no single “right answer” for which food as health strategy an employer should choose. But for most employers, a one-size-fits-all approach does not align with the needs of their employee populations; a single employee in their 30s, for example, has a different set

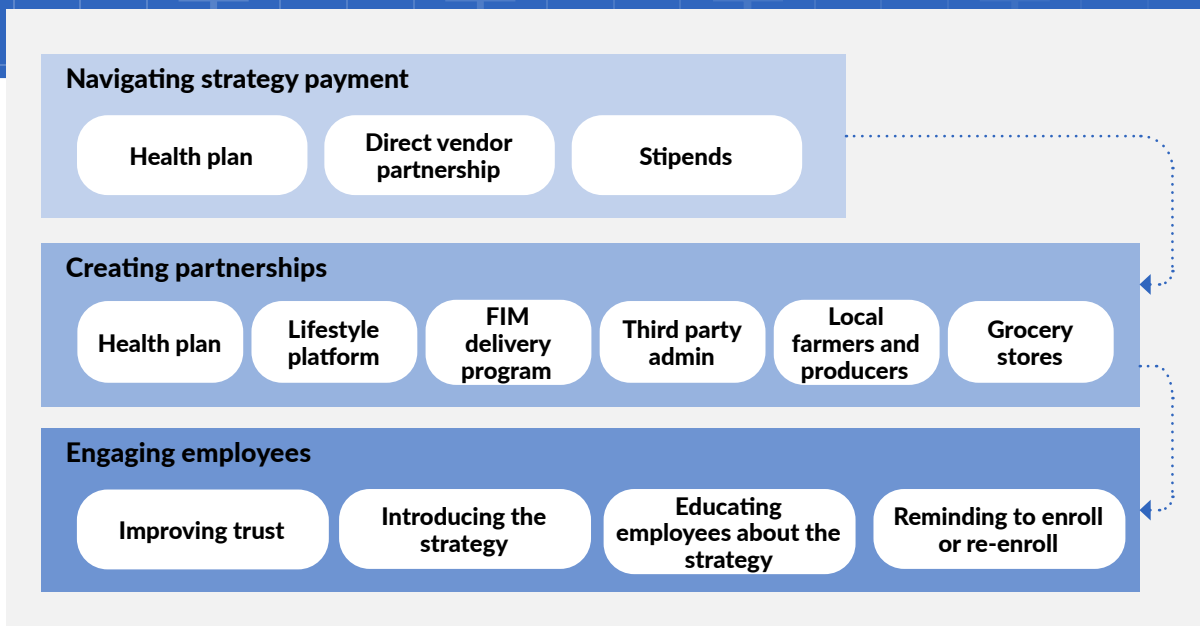
of needs from an employee with teenage children who is also caring for their parents. Both interviews and the literature highlighted that flexible and customizable programs were appealing to both employers and employees. Many expert thought leaders referred to bundling solutions, for example, where an employer could offer a PRx with nutrition counseling for employees with specific chronic diseases, or offer harvest subscriptions as well as a workplace teaching kitchen that uses the produce made available by the subscription. Expert thought leaders particularly emphasized the value of pairing “Education and Support” types of interventions with “Direct Food” interventions to improve efficacy. One leader of a lifestyle platform found a three-point reduction in A1C over three to six months for patients who received both direct food and nutrition education: “There is a 1+1=3 effect here. It does appear that the dietitian services and the food have multiplicative effects, not additive.”

In addition to improving health outcomes, bundling can help customize solutions to employees’ specific and intersectional needs, which ultimately can improve employee experience and uptake. Technology solutions, such as smart cards, have accelerated employers’ abilities to offer more personalized and bundled benefits, generate useful analytics they can use to maximize their offerings (such as highly utilized spending categories), and make it easier for employees to understand the types of products and services for which they are eligible. For example, some employers offer smart cards that cover both food benefits and other types of benefits, such as a flexible spending account (FSA), or utilities and rent assistance. New technology can help streamline the bundling process that allows employers to define eligibility criteria for multiple types of benefits through a single platform, as well as streamline the experience for employees when selecting items in-store or at checkout. On the other hand, expert thought leaders mentioned that these technologies could be cost-prohibitive for some large employers to scale. There are additional barriers, with these technologies not being broadly supported by all vendors where employees might prefer to shop, as well as challenges with training on-site food retail staff, such as cashiers, to know how to troubleshoot the cards. However, as the technologies continue to improve, employers have opportunities to leverage them and create personalized offerings for their employees.

The best strategy for an employer depends on their unique short- and long-term priorities, resources, and employee needs. As shown in Table 1, many strategies address both disease-specific needs and organizational culture. Further, many employers who are already offering food as health strategies are actively pairing different solutions that complement one another and collectively impact health and wellness in the short and long terms. Given the assessment of their key priorities in “Assessing Needs and Resources” (Section 1.b), the questions below help employers think about the solutions that can make the greatest impact, and why one strategy could be a better fit than another for the organization’s individual priorities:

- + Reflecting on the high-impact areas and target populations defined in Section 1.b, which strategies, or bundles of strategies, can address multiple organization priorities?
- + How can these strategies help balance short-term impact goals with long-term benefits to employees and the organization?
- + Which solutions address the topmost priorities in the most cost-effective way?

2. ACTIVATE



This section builds on the goals of “Design” to help employers develop the infrastructure needed to transform goals into strategies that work well for the employee and the employer. Many expert thought leaders struggled in the “Activate” phase, whether wading through the sheer number of potential vendor partners or the challenge of engaging employees in using solutions. This section discusses how employers can identify the key partnerships they need, which payment mechanisms may work best for them, and how they can approach engaging employees for improved uptake.

2a. Navigating Strategy Payment



Understanding how to pay for their food as health strategy was top of mind for expert thought leaders as they worked through the types of strategies to offer. All the food as health solutions fell within three primary payment structures: through the health plan, contracted directly through a vendor, or as a stipend offered to employees. Some types of wellness programs will be subject to the Employee Retirement Income Security Act of 1974 (ERISA), a federal law that provides guidance to insurance

companies and private employers on how to administer their retirement and health plans. This section walks through some of the important considerations that employers may weigh in relation to administrative burden and the scope of their offering.

Three primary payment structures emerged as ways employers can fund food as health strategies: (1) the employer pays the health plan that provides the item or service; (2) the employer pays a vendor who provides the item or service; and (3) the employer pays a stipend to the employee, who purchases the item or service.

Health Plan

Employers can partner with their health plan for two broad categories of food as health strategies: as part of a disease management program or as part of a health and wellness program.

As part of a disease management program, the payment mechanisms look different depending on the structure of the program, though it typically comes at no cost-share for the employee. Some plans work closely with specific employers to develop customized programs where they collaborate to define eligibility criteria, outcomes to be measured, and the structure of the offering. Other plans offer employers a set menu of buy-up options that employers can minimally adjust to meet the needs of their populations.

If food is to be covered by a health plan and offered on a pre-tax basis, it must be deemed a qualified medical expense under section 213 of the Internal Revenue Code, which states that costs are primarily for the purpose of alleviating or treating specific diseases. This guidance does not allow for food to be used as prevention. In 2023, the Internal Revenue Service (IRS) clarified that the following conditions are required for the food to be considered a medical expense:

- 1) The food or beverage does not satisfy normal nutritional needs.
- 2) The food or beverage alleviates or treats an illness.
- 3) The need for the food or beverage is substantiated by a physician.⁴⁸

Levels of confidence varied among those interviewed as to whether or not food was considered a qualified medical expense. Some expert thought leaders cited the lack of guidance around “normal nutritional needs” as a key sticking point that can be interpreted in a variety of ways since one person’s “normal nutritional needs” are not necessarily the same as another’s. Policymakers, including the IRS or Congress, need to provide clarification on whether certain situations meet the threshold of a qualified medical expense.

If the plan doesn’t cover food as health strategies and the employee pays out of pocket, employees may be able to claim the food they receive as part of the food as health strategy for tax purposes if the food meets the criteria for a qualified medical expense. The same applies if a dietitian visit was involved. Finally, medical expenses can be deducted only up to 7.5 percent of an individual’s adjusted gross income, unless the food is reimbursed by insurance.⁴⁹

A participatory wellness program is generally available regardless of health status. For example, the plan could offer a webinar on healthy eating, a diagnostic for diet-related diseases, or discounts for nutritious meal services.

A health-contingent wellness program is typically offered to employees with a specific condition and requires them to satisfy a standard related to a health factor to obtain a reward. This can look like the plan offering disease-specific nutrition counseling where the employee must maintain a certain A1C level.

Collaborating with the health plan to offer these programs can be an attractive model for employers because, in many cases, the plan will already comply with ERISA's fiduciary rules, claims procedures, and plan document requirements, such as the requirement to provide participants with a summary plan description and possibly file a Form 5500 annual return. Employees may also feel more comfortable receiving care through their plan, versus a third-party vendor an employer contracts with, because they are already familiar with their providers and their network. However, employers with multiple health plans may prefer to offer the program through one vendor instead, so that the food as health strategy can be available to all employees. The following section explores those vendor relationships.



CASE STUDY

Health Plan and Digital Lifestyle Platform

Overview

A health plan partnered with a digital lifestyle platform to offer a disease management program for employees that includes nutrition counseling and a FIM intervention.

Approach

One health plan designed a food as health strategy that they first piloted with their own employees, intending to scale it as a buy-up for employers. They designed the program for participants living with uncontrolled type 2 diabetes who had a clinical A1C at or above a certain threshold. In addition to A1C, the individual's provider screened them for depression and nutrition insecurity, which often go hand in hand with chronic diseases. The plan partnered with a digital lifestyle platform that matched participants with registered dietitians and culturally relevant FIM interventions that sourced food from local community-based organizations.

Lessons Learned

- + **Narrowing in on a target population:** This health plan found success in narrowing its target population to employees with a clinical A1C at or above a certain threshold. The strategy allowed them to collect accurate, measurable data provided by their clinician (rather than self-reported) and helped them navigate regulatory challenges around providing food as part of a disease-management program.
- + **Partnering with both national and local stakeholders:** In this model, the plan partnered with a digital health-care platform as well as local CBOs to connect individuals to care and food. The digital lifestyle platform provided virtual dietitian services that helped uncover barriers to individuals' healthy eating habits and contracted with CBOs, local to the plan's population, to provide part of the food for the FIM intervention.
- + **Building trust:** Initially, enrollment in the pilot was slow. The first strategy involved email campaigns and phone calls to enroll employees. However, enrollment increased significantly after a representative from the digital lifestyle platform attended an in-person event and engaged directly with employees, addressing their questions and building trust. In addition, one employee whose health improved significantly from participating in the program volunteered to share her experiences publicly on the company's intranet, which played a pivotal role in generating interest and buy-in from other employees.

Direct Vendor Partnerships

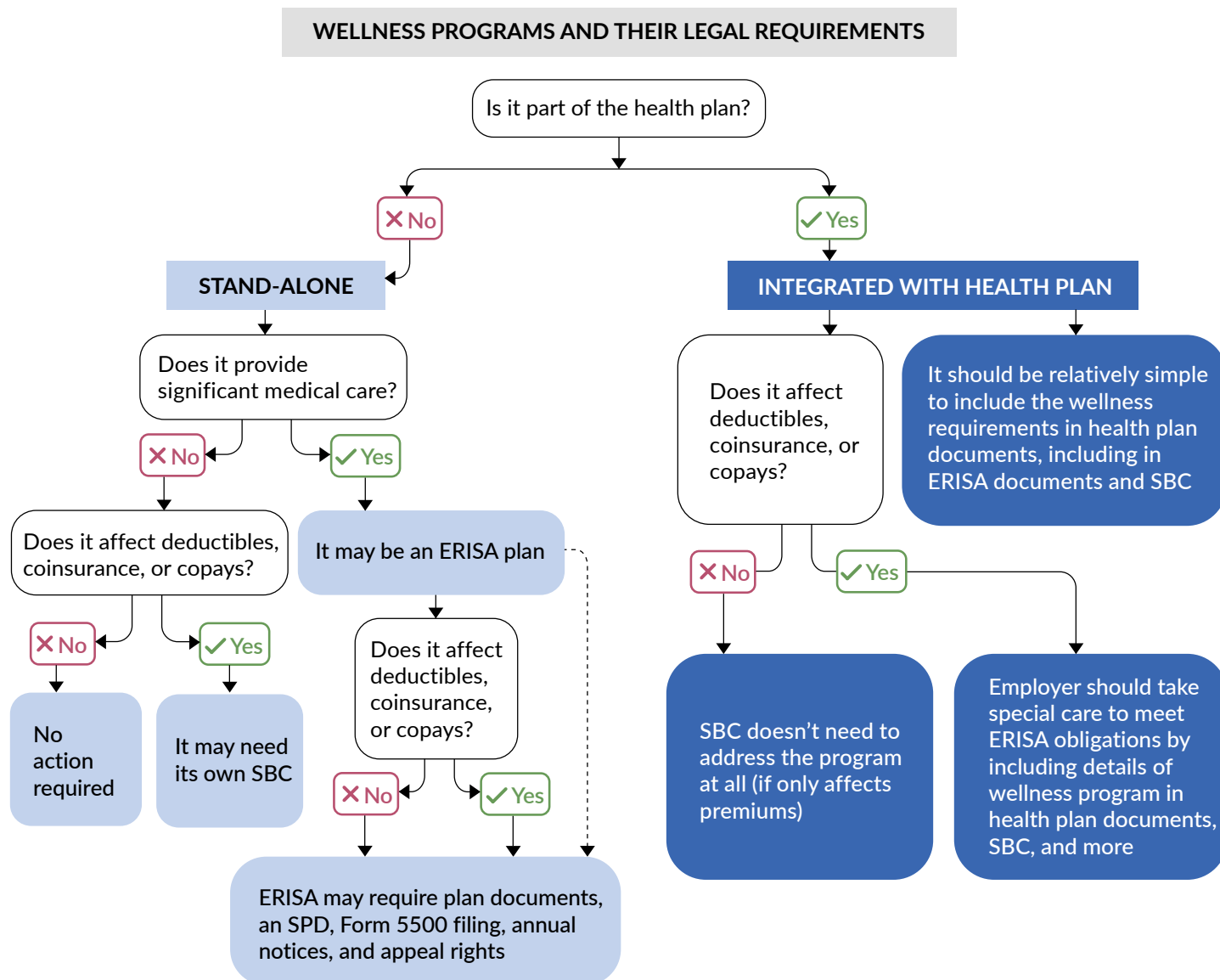
Employers may contract directly with vendors, separately from their health plan, to offer their food as health strategies. For example, this could include nutrition counseling, a harvest subscription, or discounted grocery delivery. To offer these services, the employer would partner directly with a nutrition counseling service, a farm, a CBO, or a grocery store/delivery platform. With some vendor partnerships, such as discounted grocery delivery, the employer would partner with the vendor and provide employees with a discount code to receive their service at a reduced price. However, for others, such as a lifestyle platform where the employer is covering the cost of nutrition counseling services for the employee, the vendor is often in charge of processing claims and taking care of paperwork on behalf of the employer and employee. This allows the employee to have a seamless experience and makes payment simple on the part of the employer.

Employee assistance programs (EAPs) are another example of direct vendor partnerships. EAPs give confidential counseling and support services to employees with personal or work-related challenges, such as stress, depression, substance use disorder, financial challenges, or relationship problems. Employers can opt for the specific programs and services available to their employees and then partner with an EAP provider to connect employees to the services.

With this type of relationship, where the health plan is not involved, employers must be aware of the various considerations and paperwork the food as health strategy may require. Under ERISA, an “employee welfare benefit plan” is a program “established or maintained by an employer or by an employee organization (such as a union), or both, that provides medical care for participants or their dependents directly or through insurance, reimbursement, or otherwise.”⁵⁰ “Medical care” can include counseling services from trained professionals (such as dietitians), physical exams, biometric screenings (such as A1C or cholesterol), or flu shots and immunizations. These programs are subject to ERISA’s fiduciary rules, claims procedures, and plan document requirements, including the requirement to provide participants with a summary plan description (SPD) and possibly file a Form 5500 annual return. Since these wellness programs are separate from the employer’s health plan, the employer must comply with requirements and often leverage third-party administrators to manage the administrative burden.

Both participatory and health-contingent wellness benefits can be subject to ERISA, so long as they provide “medical care” through ERISA’s definitions. Often, employers have to navigate these lines when selecting their EAP offerings. If the EAP includes counseling by trained individuals, such as dietitians, then it may be covered by ERISA. However, if it provides referrals to external professionals, it is likely to be exempt from these requirements. In addition, programs that are focused on nutrition education services or merely encouraging healthy eating habits, such as culinary education or discounted grocery delivery, would not be covered by ERISA.⁵¹

Figure 5. Decision Tree to Determine if a Program Is Subject to ERISA Requirements and Documentation



KEY TERMS

Significant medical care: can include counseling services from trained professionals (such as dietitians), physical exams, biometric screenings (such as A1C or cholesterol), or flu shots and immunizations

Employee Retirement Income Security Act of 1974 (ERISA): federal law that sets minimum standards for most retirement and health plans in private insurance

Summary of benefits of coverage (SBC): communication required by the federal government that contains information about a health plan benefit's coverage and limitations

Summary plan descriptions (SPD): outlines benefit's details and requirements that tells participants what the plan provides and how it operates

Form 5500 filing: report detailing a company's employee benefits that businesses must file with the IRS and US Department of Labor

Source: Adapted from Acadia Benefits (2023)

Stipends

Interest has been growing among employers in providing funds directly to employees to put toward their health and well-being, including through food. In a survey of more than 700 organizations, 13 percent of employers reported having a **lifestyle spending account (LSA)** in place in 2024.⁵² Some employers use a third-party administrator to administer their stipends, typically in the form of a smart card or a curated marketplace platform loaded with the allocated stipend amount, while others reimburse employees through receipts submitted via their payroll platform for the full amount or a certain portion of qualified expenses that they determine internally. Stipends are the most customizable type of strategy, given that employers can define broad categories of what the strategy can be used for. Recent technology innovations allow them to measure the success of these types of benefits in more detail, from how much of their budget employees actually use and which benefits categories are the most successful, to tracking how employees in different parts of the country are using their benefits.

An LSA is one common type of employee wellness stipend. LSAs are employer-funded benefits that allow employees to pay for lifestyle and wellness-related products and services. They are typically less restricted than other types of benefits and give employees the flexibility to choose how they use their funds to support their physical, mental, emotional, and financial well-being. They are also tools to address point-solution overload. Employers can define the eligible types of products or services, as well as the contribution amount and rollover policies. Depending on their specific priorities, employers can define parameters around the types of food that qualify: all food, healthy food only, or produce only.

BEST PRACTICE

Expert thought leaders shared that recurring amounts spread throughout the year (often quarterly or monthly), with the option to roll over unused funds, were more popular among employers and better utilized among employees than one-time annual stipends. Not only do recurring amounts remind the employee to use their benefits on a regular basis, but this strategy also keeps the employer and the benefits they provide top of mind.

Employers may also offer stipends for people on caregiver leave to cover specific expenses such as healthy food, diapers, and baby formula. This is separate from partial wage replacement, where employers may offer stipends to partially cover the loss of income during leave.

Bundling Payment Methods

While payment through health plans, direct vendor partnerships, and stipends are the most common pairings of solutions to payment, they are by no means the only way to fund food as health strategies. The ability to bundle payment methods came up numerous times between the interviews and the roundtable, not only because it allows employers to be able to personalize their offerings to meet the specific needs of their employees, but also because this can help alleviate the sole burden from any single pool of funding. For example, several employers offer disease-specific, medically tailored meals

through their health plan, while also contracting directly with vendor partners to offer a discounted meal service to their broad employee base. This type of bundling allows employers to address multiple priorities, customize solutions for their employees, and offer programs that complement one another. One HR expert also suggested tapping into budgets that are adjacent to benefits, such as occupational health, workers' compensation, recruiting, or retention. They suggested that broadening the conversation beyond health and wellness to include recruiting and retention might unlock funding from other sources and boost the value of food as health strategies beyond health and wellness to overall organizational culture.

CASE STUDY

Technology Platform

Overview

A technology platform that supports grocery deliveries bundles several types of food as health strategies to support employee health.

Approach

One large employer that operates as a technology platform offered all their employees free grocery delivery—one of the services they provide to customers—and a stipend of \$100 per month as part of an LSA to put toward products and services that support their health and wellness. They also offer caregivers who are on leave a stipend of \$500 to spend on food. They were able to navigate the administrative burdens of offering employees substantial wellness benefits by using a third-party administrator to operate their LSA and track employee engagement.

Lessons Learned

- + **Leveraging third-party administrators:** Rather than attempting to administer all benefits in house, this employer collaborated with a third-party administrator to administer their various stipends to employees. This allowed them to customize benefits to employee needs—such as adding a caregiver stipend—while also relieving them of administrative burdens that come with offering these types of benefits.
- + **Offering internal resources to employees:** This employer made sure to reflect the organizational priorities in the benefits they offer their own employees. In addition, they provide employees with core services they offer to customers—such as grocery delivery and directed funds—to their employees, using infrastructure that they already have in place to deliver these benefits.

- + **Bundling multiple strategies:** To meet a wide variety of employee needs, this employer bundles several food as health strategies to support employee needs. Not only do they support employees with free food delivery, but they also offer the most flexible and customizable of all food as health strategies—a stipend—to help meet individual employee needs.

When selecting a payment structure to offer their food as health strategy, employers can reflect on the following considerations:

- + Based on the organization's needs assessment in "Assessing needs and resources" (Section 1.b), is there more room to offer food as health strategies through the health plan or through direct vendor partnerships? How could these two buckets work together?
- + How much capacity does the organization have for associated administrative tasks?
- + How customizable a strategy is preferred?
- + What kinds of programs and benefits are already offered through these payment structures? How could food complement or add on to existing benefits?
- + Revisit who the food as health strategy is for. Does the payment structure align with the primary beneficiary needs?

2b. Creating Partnerships

Health plan

Lifestyle platform

FIM delivery program

Third party admin

Local farmers and producers

Grocery stores

What Types of Partners Are Needed?

Once employers know what priorities to address and the type of payment structure to leverage, they must think about the partners needed to activate their strategies. Key partners may span across health care, data infrastructure, healthy food provision, and healthy food delivery. Table 2 describes the key partners employers consider and some examples of the types of strategies this partnership can champion.

Table 2. Key Partners to Activate Food as Health Strategies

Type of partner	Partnership purpose	Example use case
Health plan	Employers can partner with their health plan to offer food as health strategies as part of a health and wellness program offered to all employees or as part of a treatment plan, such as diabetes management. The employee may be connected to the necessary providers and additional care through the health plan, such as a primary care physician or dietitian, to prescribe a FIM intervention. In addition, the health plan may partner directly with lifestyle platforms or FIM delivery programs to supplement or enhance the services that they are able to offer.	Disease management program Nutrition education and counseling (often in partnership with a lifestyle platform) FIM interventions such as PRx, MTMs, and MTGs (in partnership with a lifestyle platform)
Lifestyle platform	Lifestyle platforms may contract directly with the employer (for standalone programs) or the health plan (for programs integrated into the health plan) to offer wraparound services to employees, such as virtual nutrition counseling paired with a FIM intervention. These platforms can look like website platforms or smartphone apps.	Virtual nutrition counseling paired with customizable PRx boxes Health coaches
FIM delivery program	FIM delivery programs may contract directly with the employer (for standalone programs) or the health plan (for programs integrated into the health plan) to deliver MTMs, PRx, and/or MTGs to patients. These types of programs are often led by CBOs with close ties to community needs and preferences. FIM delivery programs may make sense over lifestyle platforms if the employer or health plan prefers to use in-house nutrition counseling services.	FIM interventions such as PRx, MTMs, and MTGs
Third-party administrator (TPA)	Employers can contract with a TPA to administer their stipends. TPAs typically navigate the operational services, such as employee claims, vendor relationships, and compliance factors, on behalf of the employer.	Directed or non-directed funds, such as LSAs or stipends for people on caregiver leave
Local farmers and producers	Employers can connect directly with local producers to coordinate local farm shares. Typically, the employer will pay the farm a fixed amount up front, and the farm will deliver produce boxes weekly, biweekly, or monthly to the employer's workplace (or employee homes, for an extra cost).	Harvest subscriptions
Grocery stores	Employers can partner with grocery stores to offer their employees discounts, such as on grocery delivery. Some grocery stores also offer FIM programs, leveraging the food from the grocery store alongside in-store or virtual dietitians	Free/discounted grocery delivery FIM interventions, such as MTMs, MTGs, or PRx

Source: Milken Institute (2025)

Some employers who work closely with food in their day-to-day operations, such as a food retailer or food-delivery company, may be able to leverage their existing partnerships to operationalize a food as health strategy. A food retailer, for example, could collaborate with their health plan to identify the population of interest, such as individuals with uncontrolled diabetes. In this scenario, the health plan could cover the cost of the food, and the employer would be able to supply the food itself to deidentified employees. Because of the close partnership between the food retailer and the health plan, the employer would not interfere with patient privacy regulations and would not need to know which patients were getting food. If the food retailer chose to go down the wellness benefits route and offer all employees free food delivery from their locations, they could leverage their existing infrastructure to streamline operations and reduce costs.

For other employers, forging new partnerships is essential to successfully implementing food as health strategies. Some employers may not have the internal resources, such as food at a food retailer, to connect all the pieces of a food as health strategy and may need to partner with another organization, such as a meal service delivery company or a digital health platform, to connect patients to food. In addition, some employers have a more complicated structure when it comes to deidentifying patient information, such as a health system that wants to offer food as health strategies to its employees who are on its health plan. In this case, partnering with other organizations may be essential to ensuring that patient and employee data are protected.

“From an employer’s perspective, let’s say I want to provide my diabetic population with a food as health strategy. There are issues with saying, ‘We know you have diabetes; therefore, I’m going to give you some food.’ Patient privacy laws and related regulations get in the way of employers identifying populations. You really have to offload that to a third party and then consider how you communicate it in such a way that it doesn’t single people out.”

—Health system leader

If a food as health strategy targets specific disease states and is offered through the medical benefit, it will be necessary to partner closely with the health plan to establish eligibility, payment, and delivery infrastructure. For strategies that incorporate a lifestyle element, such as nutrition counseling alongside food delivery, employers may opt to collaborate with a digital health platform, such as a lifestyle platform or FIM delivery company that facilitates the connection between food and employees. Benefits such as lifestyle spending accounts and directed funds may come with additional administrative burdens that a third-party administrator can help navigate, making the process more seamless for the employer. Finally, some employers will want to partner more directly with a food provider or producer, such as a grocery store or even a local farm, to connect employees to food via a directed spending card or harvest subscription.

“Food as medicine, it’s horizontal, meaning that it crosscuts across almost every condition that employers are trying to manage. As you mentioned, there’s a prevention angle, and benefits managers are used to thinking about things vertically, like, ‘Where is my diabetes solution? Where is my heart disease solution?’”

—FIM technology platform leader

CASE STUDY

Food Retailer and FIM Delivery Company

Overview

A national food retailer offers in-house nutrition counseling and partners with an external FIM delivery program to provide MTMs

Approach

This food retailer offered employees a few food as health strategies. All employees were eligible for free, virtual nutrition counseling conducted by the dietitians who were employed by that food retailer. These were offered to employees regardless of disease state as a preventive service. All employees were also eligible for free food delivery from the food retailer’s locations. In addition, this food retailer also piloted an MTM program for its employees with diabetes, where employees received nutrition counseling and MTMs from a third-party vendor. The food retailer leveraged its pharmacy team to identify employees who might be eligible for the pilot and connected with them through patient support specialists. Employees who enrolled in the program received two meals a day for 12 weeks, alongside monthly dietitian appointments. The pilot assessed A1C at multiple checkpoints throughout the study, as well as engagement and patient satisfaction.

Lessons Learned

- + **Adjusting engagement approaches:** The greatest challenge this employer faced was engaging employees for the pilot. While it shared impressive outcomes for several individuals who participated in the program, it struggled to meet its enrollment goals for the pilot. Despite adjusting its communication and messaging strategies, obtaining buy-in from employees was challenging. This food retailer is continuing to consider how to personalize messaging to make FIM interventions resonate with employees who may not be familiar with what these programs entail and how they could benefit them.

- + **Considering how partnerships can facilitate scale:** Because this food retailer does not yet supply its own MTMs, it partnered with a third-party vendor to distribute meals. However, because the vendor's geographic footprint did not perfectly overlap the food retailer's footprint, distributing meals to employees was ultimately a barrier to scaling the program to all employees.
- + **Maintaining successful, easy-to-implement strategies:** While this employer was iterating the pilot portion of its food as health strategy, it continued to support its employees with free, virtual nutrition counseling and free grocery delivery. These strategies leveraged the food retailer's existing infrastructure to continue supporting employees to improve their health.

Selecting Partners

While the proliferation of food as health companies is an incredible asset to the movement, many employers can be overwhelmed by the volume of potential partners in the marketplace. Point solutions have become an increasingly popular method for employers to address specific areas of need among their employees. These tools and services, which are often digital health technologies such as apps, help employers support their employees through affordable, targeted solutions that can show measurable outcomes. However, the proliferation of apps and digital health solutions to address specific disease states has led to point solution fatigue, with SHRM's Employee Benefits Survey reporting a 23 percent increase to 216 available benefits from 2023 to 2024.⁵³ Not only may this cause confusion among employees, but it can also lead to greater administrative burdens for employers and health plans when they offer multiple platforms. Research has also found that 60 percent of employers feel overwhelmed with managing increasingly complex benefits programs that can involve complicated vendor communications, negotiation, education, and relationship management.⁵⁴ Expert thought leaders validated these statistics; a leader at a FIM tech platform that works with many employers noted that "The big challenge with employers is just that they have vendor fatigue. There are so many solutions knocking on their doors all the time, and so it's really about how you differentiate."

Nourishing food is a unique type of solution that can address multiple health conditions. As opposed to a point solution that targets a specific disease state, most food as health strategies crosscut several elements of whole-person health, from physical and mental health to emotional well-being to social needs. When choosing partners to support their food as health programs, employers should reflect on the following questions:

Vendor alignment

- + How is the vendor's intervention specific to the target employee population, whether a subset of the population or whole employee base? How is this strategy tailored to the target employee population's needs and goals?
- + What kind of data is needed for reporting and outcomes tracking? Does this partner provide those metrics?
 - In addition, what types of metrics are needed for leadership buy-in in the first place?
- + In what ways does the vendor align with or promote the organization's values and work experience?
 - For example, if an organization has a tech-savvy employee base and is focused on environmental sustainability, do the vendor and the vendor's service or product align with these values?
- + Reflecting on organizational capacity, does this partner help fill any gaps in the ability to offer a food as health strategy?
 - For example, providing administrative support, claims processing, alignment on a payment cycle

Employee experience

- + What is the employee experience with this partner's offering?
- + What is the geographic reach of the employee base? What is the geographic reach of the partner?
 - For example, when considering a FIM delivery company, does it make more sense to collaborate with local or regional partners who may have close ties to the community, choose a national partner with a wider reach, or find one who can source both locally and nationally?

Growing existing partnerships

- + What types of relationships are already in place, or in place with close partners?
 - For example, is the organization's health plan already working with a lifestyle platform?

2c. Engaging Employees

Improving trust

Introducing the strategy

Educating employees about the strategy

Reminding to enroll or re-enroll

Once the food as health strategy has been designed and activated, employers can communicate the strategy to their employees. While communication strategies will differ between organizations based on size, they may follow a similar course of launching the strategy, sharing additional information with the opportunity to ask questions, and periodically following up with employees to remind them to use the strategy. Most organizations will want to leverage multiple channels and media to reach a wider audience, from digital messaging to face-to-face (in-person or virtual) events.

However, expert thought leaders said that it was challenging to spread the word about food as health strategies, a less common and less obvious type of strategy compared to a gym membership or meditation app subscription. Even when employers are offering food as health strategies, uptake is often limited, particularly when it's offered as a medical benefit. For example, several employers shared that their pilot food as health strategy programs had low enrollment. They attributed this to a range of reasons, including time pressures, communication challenges, and discomfort or misunderstanding about how employers might or might not be using their health information. Surveys of employers and employees have found that barriers to participation in health and wellness programs include lack of time, limited interest in offerings, and lack of awareness or access to programs—and participation tends to be particularly low among weight loss and nutrition programs.⁵⁵ Expert thought leaders shared that they were increasingly leaning on employee testimonials and opportunities to present at employee resource groups in addition to their email marketing and text message campaigns.

Building Trust

Expert thought leaders highlighted that a key piece of engaging employees in using food as health strategies is building trust. According to Gallup, in 2024, only 39 percent of employees felt strongly that someone at their workplace cared about them, compared to 47 percent in March 2020.⁵⁶ This corresponded to an overall decline in employee engagement—the involvement and enthusiasm employees feel toward their workplace—which fell to its lowest level in 10 years in 2024 and may have implications for employee productivity and employee well-being. Approaches such as fostering employees' connection to the organization's mission and purpose, including aligning the employee experience with the organization's values, can improve employee engagement and increase work quality, retention, and productivity.⁵⁷ A food as health strategy, for example, demonstrates to employees that their health as humans outside the workplace matters to their employer; but organizational culture may need to shift for employees to feel comfortable leveraging this strategy. One way to do so is for leadership to model the importance of food as health through their own use and vocal championship of the strategies. This includes both executive leadership and people managers who have more frequent interactions with employees.

From chronic conditions to food insecurity, employees may hesitate to engage with benefits that could reveal a “vulnerable” status to their employer and impact their employer’s perception of them, regardless of whether the employer actually has access to this information:

“Part of what we’re learning, too, with our own employee group, is that they don’t want their employer to know that they’re diagnosed with type 2 diabetes or that they’re a high-risk individual with type 2 diabetes. If I’m trying to get a promotion, and if my employer finds out, that might prevent me from moving on in my career, and that’s a perception that may or may not be reality.”

—Leader at a health insurance plan that offers food as health strategies

In this situation, making use of a third-party administrator may help employees feel more confident that their personal health status is separate from their work status, and could improve utilization. Being transparent with employees about who has access to the information associated with food as health strategies can address these concerns and improve engagement with benefits across the board. For example, when introducing a new program through the health insurance carrier or a third-party vendor, remind employees in any promotional emails or presentations that the employer does not have access to any of their identifiable health-related information. Early communication and setting of expectations also give employees the space to ask questions and prepare for how they can best utilize these strategies.

Fostering community in smaller settings, such as between employees with shared identities, can be another way to build trust and communicate about matters such as food as health strategies in a safe and destigmatizing way. Resource groups, known in some companies as employee resource groups, associate resource groups, or business resource groups, are an increasingly popular means of fostering employer-employee trust, creating a sense of purpose among employees, and strengthening organizational culture.⁵⁸ These can be settings to introduce new benefits and strategies in a space where employees feel comfortable asking questions, or present employee testimonials where employees can connect on a more personal level. Expert thought leaders noted that they have been successful in leveraging resource groups to exchange information about engagement in benefits.

“[Resource groups] can bring people together outside of your typical hierarchy where your boss may not even be present and you’re making connections outside of your immediate group. I think those can be places where you might be able to engage people in these types of education and share some learnings and

engagement. So it's just these third spaces within an employer where there is a little bit more trust."

—Leader at a large food retailer

Another element of building trust is having sensitivity around the language used in employee engagement materials. At the same time that food can be a key component of preventing, managing, and treating health conditions, food is also deeply personal. This is both a strength and a challenge of food as health strategies; everybody eats, and everybody has a personal connection to food, making it a highly desirable type of benefit. At the same time, talking about food in a way that is sensitive to a range of relationships with food and avoids placing individual responsibility on someone for their health, weight, or disease state is critical to ensuring that a food as health strategy is beneficial to all parties. Expert thought leaders doubled down on the importance of using intentionally destigmatizing language:

"The whole GLP-1, obesity, and FIM worlds are going to collide soon. ... I think there's a lot here, especially around language and sensitivity, and then how personalized the food experience is: nostalgia, the connection to food, and just being sensitive to how we speak about it. Because if not, we're going to see more eating disorders or disordered eating get out of hand, like things that you're going to see and it's actually going to make things worse. ... We have got to be incredibly sensitive about that."

—Health-care provider representing a health plan

For example, focusing messaging on "rugged individualism," or the idea that an individual is solely responsible for their health and must solve their own problems, overlooks the systemic and generational challenges that shape many people's health outcomes. Employers must ensure that the language they use around food as health strategies does not oversimplify or overemphasize the role of lifestyle and food choices and acknowledges that challenges related to chronic disease and food can be rooted in complex genetic, sociocultural, economic, and environmental factors. For example, when promoting a program for people with obesity, use people-first language ("person with obesity"), emphasize that obesity is a complex disease with multiple contributing factors, and focus on improving health and quality of life—rather than weight management alone.

Selecting Engagement Approaches

Table 3 outlines different approaches for engaging employees in their food as health strategies, noting the most impactful ways that each type of engagement can be used. Some approaches will be best suited for providing key information to employees about the strategy—such as introducing them to the

strategy for the first time, educating them about the strategy, or reminding them to re-enroll—while others will be better suited for building trust that supports employee broad utilization of benefits. The table also walks through various advantages and challenges for each type of strategy that employers can keep in mind as they choose how to engage employees. While expert thought leaders shared that they were continuing to learn best practices, they emphasized that a combined approach was most effective for improving employee uptake.

While reviewing this table, employers can reflect on the following considerations:

- + What are the best ways to communicate with employees in general: Email? Digital workspaces? Conveying information for managers to share with their teams?
- + What types of benefits offerings have succeeded in the past? What was the engagement strategy for those benefits?
- + What types of settings—whether virtual or in-person, large- or small-format—can foster an open dialogue and allow employees an opportunity to ask questions?

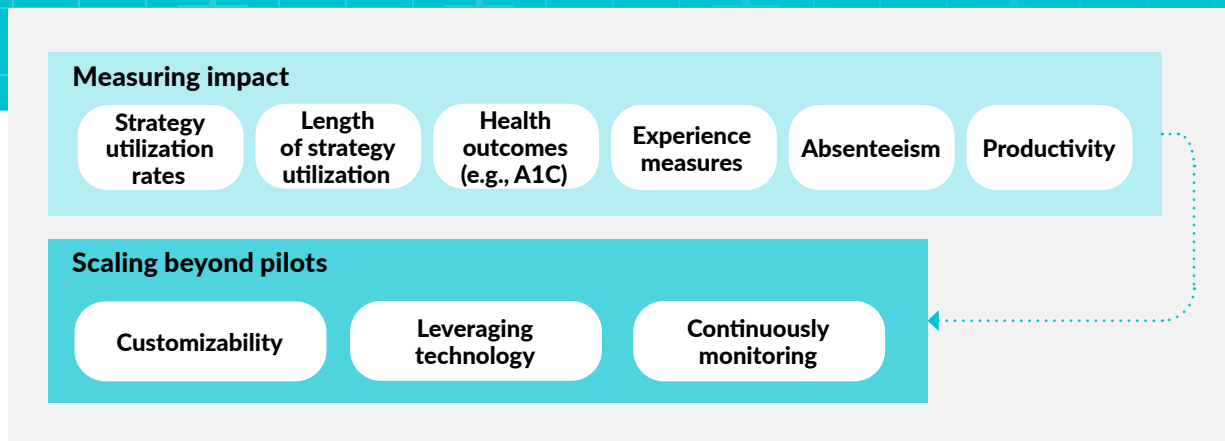
Table 3. Strategies and Considerations for Engaging Employees Around Food as Health Strategies

Type of engagement	Primary purpose of engagement	Advantages	Challenges
Email marketing campaigns	Introducing the strategy Educating employees about the strategy Reminding to enroll or re-enroll	Email marketing campaigns can reach a vast network of employees with minimal financial investment and can be either broad-based or personalized, depending on the need. For example, an employer might send out an initial message about a food as health strategy with more generic language, and if an employee does not engage, tailor to their more specific demographics.	Many people get hundreds of emails a day, and email information about food as health strategies can easily get lost.
On-site presentations about benefits	Educating employees about the strategy Improving trust	From benefits fairs to team-specific presentations, learning about benefits from experts can be a great way to gain trust and dispel misinformation about employee benefits. Whether the presenter is the organization's HR team or a direct representative from a food as health vendor, having the opportunity to meet with someone in person and ask questions can spark employees' interest in a program and address questions they may have.	Opportunities to present may take place only once or twice a year and may not be accessible to all employees.
Employee testimonials	Improving trust Educating employees about the strategy	Expert thought leaders shared that employee testimonials were a powerful way to spread the word about food as health programs and emphasize their value through personal stories. These could be disseminated on a company-wide intranet or through presentations.	Even employees who have positive experiences with food as health programs may not wish to share their experiences with their fellow employees. In addition, depending on the type of organization, disseminating these testimonials to a wide network of people may be challenging.
Resource groups	Improving trust Educating employees about the strategy	Educating employees about food as health strategies in safe spaces, such as employee resource groups where employees are among colleagues with shared interests or identities, can be a powerful way to communicate about food as health strategies.	Not all organizations have these types of affinity groups available to employees.

Managers	Improving trust	Similar to employee testimonials and resource groups, learning more about benefits from colleagues can be a powerful way to improve uptake and discuss benefits in a trusted environment.	Some managers may have too many employees to be able to have personal conversations about benefits offerings with all of their direct reports. In addition, not all employees have the kind of trusted relationship with their managers that would support engagement and uptake of their benefits.
Text messages	Introducing the strategy Educating employees about the strategy	Texting is one of the best ways to use technology to get in touch with people. Communicating snippets of information with employees to get them interested in learning more about food as health strategies can be an effective way to engage employees and improve uptake.	Employees may prefer not to receive text messages from their employer on their personal devices.
Flyers	Introducing the strategy Educating employees about the strategy	Posting flyers in common workspaces can notify employees about food as health strategies and share additional information and links/QR codes to learn more. This approach can help spread the word about food as health strategies to a large employee population and may help spark additional conversation.	Not all organizations have in-person office spaces. In addition, it can be hard to track engagement rates compared to digital communications.

Source: Milken Institute (2025)

3. EVALUATE



As employers build and implement food as health strategies, they need to consider how and by what metrics to track impact. The larger employer wellness literature base has a fraught history with impact evaluation. For example, while employers believe that workplace wellness programs can reduce medical costs, absenteeism, and health-related productivity losses, only half actually evaluate these programs, and only 2 percent reported cost savings.⁵⁹ High-profile evaluations have pointed to varying levels of ROI heavily dependent on program design and employee population. In one heart-health intervention, 57 percent of employees classified as high risk when the study started were converted to low-risk status by the end of the six-month program, with a medical claim cost reduction of \$1,421 per participant. Every dollar invested in the intervention yielded \$6 in health-care savings.⁶⁰ A Rand Corp. analysis of 10 years' data from a Fortune 100 employer demonstrated a combined \$1.50 return for every dollar invested in their workplace wellness program. However, after disaggregating the evaluation between the disease management program and the broader lifestyle-management programs, there was a \$3.80 ROI for disease management and only \$0.50 for lifestyle management for every dollar invested.

Programs focused on specific health outcomes have a clearer direct ROI on health-care costs compared to benefits that seek to impact prevention and more holistic health. However, there is ample evidence that holistic wellness benefits still produce value for employees and employers alike. For this reason, many employers are looking at measuring value on investment, which “incorporates many other metrics to estimate program impact. Examples include employee morale, reduced turnover, business profitability, health risk reduction, reduced sick or disability days, higher productivity at work, and increased quality of life.”⁶¹ In order to build the literature base effectively, those implementing food as health strategies should publicly share their learnings and impact evaluations. Expert thought leaders repeatedly mentioned the need for high-quality, relatable evidence. Those working with third-party evaluators, especially, could not only prove their internal ROI and VOI in unbiased ways but also support other employers in having high-quality evidence to scale. Ultimately, employers implementing food as health strategies need to have a clear evaluation plan to measure impact and scale promising solutions.

3a. Measuring Impact

Strategy
utilization
rates

Length
of strategy
utilization

Health
outcomes
(e.g., A1C)

Experience
measures

Absenteeism

Productivity

Measuring the impact of food as health strategies is inherently complicated, especially when employers leverage multiple types of benefits at once, because these benefits are designed to impact multidimensional areas of health and well-being. How might employers pinpoint which of the many benefits someone is utilizing impacts specific health outcomes and cost savings? In efforts to answer these questions and effectively measure impact, employers must anchor evaluation in the original design phase. Reflecting on the areas their food as health strategies were intended to affect (physical and mental health, employee satisfaction, social needs, and community health) helps determine the best evaluation measures.

Expert thought leaders emphasized the need to capture both process and outcome evaluation measures to build a comprehensive story of impact. One leader working at a health plan that offers a disease management FIM program described their evaluation questions as “How many people we helped, how many people utilized FIM program, and the length of time. How do you define engagement? What period of time that is and then that impact on health outcomes. Looking at patient-reported health outcomes, using validated screening tools and assessments is critical, especially with new NCQA measures and how that will translate. We’re now incorporating clinical measures, looking at A1C... Whole experience measure: What was their experience in the program, feedback on components of the program? What’s their experience with us as the payer, employer group, what is their intent to renew with us, and what are they looking at, did they actually renew their plan.”

This mixture of evaluation measures shows the emphasis on both program utilization and satisfaction measures with health outcome metrics.

Partnering with a health plan, smart benefit platform, or third-party administrator often allows for integration across benefits and better tracking of health outcomes. Health plans have access to more direct health outcome data like medication adherence metrics, screening data, and health-care utilization information. Some health plans are even connecting wearable health technologies, like continuous glucose monitors, to better connect health outcome measures to utilization. This integration requires additional careful privacy and trust consideration. Expert thought leaders discussed the challenges of connecting food as health strategies to health outcome metrics when there isn’t a consistent approach to coding for the food as health strategy: “How you do that is through coding/billing. There is a micro-movement to make codes for food, but it’s difficult to do because these are billing codes that are produced by CMS. But this isn’t likely to be a concrete benefit, so to get CMS to say we want this in the commercial/employer market, it’s a difficult thing to do.” This lack of coding

infrastructure creates barriers for cross-comparison across geographies and difficulty measuring dose-response effectiveness.

Another expert thought leader from a large employer emphasized the need to incorporate employee engagement metrics, such as absenteeism, productivity, and employee engagement, to translate strategy impact to CFOs and other business leaders. For example, the Integrated Benefits Institute and the Business Group on Health both offer tools to aid in modeling absence, disability, presenteeism, and opportunity costs of illnesses with internal data. In addition to using internal data, employers should measure employee experience quantitatively and qualitatively through regular anonymous surveys, focus groups, or key informant interviews. Building and maintaining employee trust throughout this process is critical. Some expert thought leaders recommended using third-party evaluators to ensure feedback is anonymous and unbiased. Another leader shared, “What would really speak to an employer if you could take the productivity piece and integrate it into the total worker health model, which NIOSH used, which translates quite nicely to CFO.” The National Institute for Occupational Safety and Health (NIOSH), in partnership with Rand Corp., created [The NIOSH WellBQ](#) questionnaire, an integrated assessment of worker well-being across multiple spheres, including individuals’ quality of working life, circumstances outside of work, and physical and mental health status. This assessment is a powerful evaluation tool to set benchmarks and examine changes over time to assess the impact of interventions and benefits. Further, a comprehensive measurement tool like NIOSH WellBQ can be used to compare results between populations.

Table 4. Measuring Impact, Based on Employer Priorities

What are you trying to address?	Sample metrics and data sources	Measure
Physical and mental health		
• Diet-related chronic disease • Health-care utilization • Mental health	<i>Often data that are more readily available in health medical claims information.</i> Diagnosis codes for chronic illnesses like type 2 diabetes or hypertension Clinical labs for A1C or blood pressure Medical record exchange Emergency room utilization	ROI
Employee well-being		
• Absenteeism • Productivity • Morale	<i>Best collected through anonymous or third-party sources.</i> Employee satisfaction survey Focus groups Sick day utilization	VOI
Social needs		
• Food and nutrition security • Caregiver supports • Financial security	<i>Best collected through anonymous or third-party sources.</i> Employee engagement survey measures Community-level nutrition security information (US Department of Agriculture sources)	VOI

Community health		
• Resilience • Local farms and businesses • A sense of community	Procurement Social Impact	VOI

Source: Milken Institute (2025)

3b. Scaling Beyond Pilots

Customizability

Leveraging
technology

Continuously
monitoring

Out of all 33 interviews, none had reached the scaling stage, but many were already considering how to go about expanding their offerings. For some expert thought leaders, knowing that their strategy had the potential to scale was essential to getting buy-in from leadership, even to start a pilot: “We need to have an eye toward scaling because leaders may hesitate to pilot something that may not be feasible to scale across the global corporation. We need to be mindful and build the business case for scaling early.” For other organizations, the pilot itself will make the case for scaling:

“As a self-funded, employee-owned company, it’s in our interest to prove this out. When making decisions related to our benefit plans, we need to put on our fiduciary hats. We have the opportunity to scale this to all 40,000 employees enrolled in the benefit plan...We make a fairly sizable investment in our benefit plan already, and if wellness programs end up offering a better return on that investment, we might shift some of those dollars to help fund this type of activity. Ultimately, we want to look at the pilot results and see if we can make a meaningful impact for individuals at higher risk for heart health issues and diabetes, so we can make informed decisions based on that data.”

—Leader at an extra-large food retailer (emphasis added)

Other key considerations for employers thinking about scale are ensuring customizability, leveraging technology, and continuing to monitor programs. As an employer offers food as health strategies to more of their employee base, a one-size-fits-all approach is unlikely to meet the diverse needs of their workers across age, cultural backgrounds, health needs, and geographies. Effectively scaling food as health strategies will involve making sure the strategy is customizable to the needs of employees, whether through the vendor partners or the technology they use. Technology will be essential to successfully scaling and incorporating the data analytics tools needed to track program effectiveness and understand opportunities for improvement. Finally, employee needs and preferences will inevitably continue to evolve, and a successful first iteration of a food as health strategy may not remain the most successful a few years down the line. Implementing regular opportunities for feedback—both on the factors identified in the measuring-impact section as well as other mechanisms such as focus groups and surveys will help employers continue to adjust their offerings in a way that aligns with both employee needs and the organization's priorities.

Beyond supporting an organization's individual scalability, employers can also consider how their food as health strategy can contribute to scaling the number of benefits across organizations. Employers who were at earlier stages of offering food as health strategies shared that they didn't have examples of successful food as health strategies from their peers on which to model themselves. As employers begin to scale, they can consider publishing their work and sharing results in the public domain so that employers at earlier stages of readiness can see models for successful food as health strategy.



POLICY AND EVIDENCE ACTION STEPS

This blueprint provided a guide for employers seeking to support employee health and well-being through food as health strategies, leveraging partnerships and existing supportive infrastructure. However, for employer food as health strategies to scale effectively, enabling policies and infrastructure are needed. The following section outlines **four recommendations and 11 action steps** that address specific regulatory issues employers and advocates can consider, as well as areas of opportunity for further research and intersection with other employer priorities. Many of these policy needs are specifically within the ESI space, and therefore, action steps are directed more toward FIM components of food as health strategies.

1. Develop Clear Guidance and Well-Defined Terminology for FIM

Employers are often navigating a complex regulatory landscape that can have implications for which funding mechanisms they choose and who they partner with. From administrative burdens to HIPAA regulations to the Internal Revenue Code, expert thought leaders expressed that the lack of clarity in the regulatory space was a prominent barrier to implementing food as health strategies.

While FIM and food as health strategies continue to grow in popularity in the health-care sector, there are still no clear definitions for either term, which leads to a wide variety of interpretations. There are also ongoing conversations about the types of food that should be included in these programs, to what level processed food should be included, and how supplements play a role.

Action Steps

- Align stakeholders on standardized and evidence-based definitions for FIM.
- Meet with federal health agency leadership and key decision-makers to formalize definitions of FIM, with specific parameters and recommendations.

Key Stakeholders

Federal and state health agencies, health-care organizations, employers and business groups, nutrition and food industry leaders, and research institutions

2. Improve Flexibility and Guidance Around Food as a Qualified Medical Expense

As discussed in Section 2a (Navigating Strategy Payment), without clear guidance around the types of food that can be reimbursed as a qualified medical expense, employers may hesitate to establish a food as health strategy through a health plan. While the IRS provides loose guidance around when food can be considered a medical expense, this can be interpreted widely and does not have the firm guardrails some employers and health plans may prefer in order to feel confident in the benefits they are offering. Stakeholders lacked clarity about where these defined qualified medical expenses were applicable. For example, the FAQ that defined the parameters of food as a medical expense referred to payment and reimbursement by a health savings account, FSA, Archer Medical Savings Account, or health reimbursement arrangement, but did not specify whether these guidelines also apply to covered benefits or workplace wellness programs. In addition, employers and plans expressed confusion about how to interpret the term “normal nutritional needs” when “normal” can vary from person to person.

Action Steps

- Encourage the IRS to clarify the circumstances under which food must be a qualified medical expense in the Internal Revenue Code, as well as expand on the phrase “normal nutritional needs” as it relates to treating chronic conditions.
- Advocate for Congress to broaden the definition of “qualified medical expense” in the Internal Revenue Code to include FIM and food as health when used as part of a disease management program.
- Collaborate with members of Congress to write a letter to the IRS, asking them to reconsider the scope of the Internal Revenue Code to include specific healthy foods.

Key Stakeholders

Federal tax and health agencies, congressional policymakers, employer and business groups, health-care and insurance providers, nutrition and public health organizations, and research institutions

3. Clarify Fraud, Waste, and Abuse Obligations

Several health-care experts who offer plans in both private and public markets raised questions about food as health strategies and inducement. A health system, for example, shared concerns that offering a food as health strategy for a subset of people could be interpreted as inducement because it would be likely to surpass the incentive cap of \$15 per item or \$75 per year, as detailed in the Civil Monetary Penalties Law Prohibition on Beneficiary Inducements. The Anti-Kickback Statute (42 U.S.C. § 1320a-7(b)) and Civil Monetary Penalties Law Prohibition on Beneficiary Inducements (42 U.S.C. §

1320a-7a) prohibit federal health-care programs from offering incentives, such as free or discounted items or services, to beneficiaries in a way that could sway their choices toward choosing a plan (unless incentives are of nominal value). While inducement statutes do not apply to employer-sponsored insurance governed by ERISA that does not receive federal funds, the complexity of varying regulatory frameworks complicates decision-making in the employer-sponsored space. Plans with multiple lines of business may hesitate to offer a food as health strategy with an employer, since offering vastly different types of benefits in different markets can become operationally complicated, as well as causing confusion among providers and patients. This is also a concern when managing a variety of union contracts and needing to ensure parity among all stakeholders.

Action Steps

- Encourage the US Department of Health and Human Services Office of Inspector General (HHS OIG) and CMS to support health-care organizations in navigating compliance concerns related to inducement so that they can alleviate their fears in the employer-sponsored space.⁶²
- Encourage HHS to define FIM as health-care interventions that prevent or manage chronic conditions, distinct from free or discounted food services that could be interpreted as inducement.
- As they develop food as health strategies with employers, health-care organizations can reassess compliance across their various lines of business to ensure compliance with various regulatory conditions.

Key Stakeholders

HHS OIG, CMS, other federal health oversight agencies, employer and business groups, and insurance providers

4. Build a Collaborative Evidence Base Focused on Employer-Led Food as Health Strategies

Employers and those working with employers to offer food as health strategies emphasized that having more data on the impacts of these programs on their commercial populations and organizational cost savings would help with obtaining buy-in from leadership. While there is an immense amount of research available on the efficacy of FIM programs among Medicare and Medicaid beneficiaries, often related to hospitalization and outpatient programs, the literature has focused less on commercial populations who may have different concerns and considerations. Research on ROI has focused on cost savings for the health-care system at large and on specific FIM interventions, rather than the breadth of food as health strategies that employers may be considering. This can make it challenging to compare the cost savings of one type of strategy to another (for example, a produce prescription versus directed food funds).

“The evidence that I’ve seen personally is largely from Medicare, DSNP [dual eligible special needs plans], these areas, and their impacts on nursing-home admissions and whatnot. And that’s fantastic! However, how do we translate that to an employer setting where the average age is around 33 years, where we have different factors that we’re trying to tease through very quickly?”

—HR leader at an extra-large employer considering offering food as health strategies

Action Steps

- Future research can focus on measuring ROI and VOI of food-based wellness programs for employee populations of different sizes, age demographics, and geographic reaches. It can also explore how employers can think about food as a proactive rather than reactive way to address employee health, paired with a demonstration of ROI.
- Publicly document and share best practices from piloting and proving the advantages of offering food as health strategies for employees.
- For further learning, look to multinational or international employers who are offering food as health strategies to their employees.

Key Stakeholders

Research institutions, employer and business groups, health-care and insurance providers, and federal and state health agencies

CONCLUSION

The intersection of food and health is critical for employers, especially given the rise in preventable, diet-related chronic diseases and the impact of food insecurity on both employee well-being and productivity. Employers face the challenge of managing skyrocketing health-care costs while simultaneously improving employee engagement, satisfaction, and retention. Food as health strategies can be a powerful tool to support employees' overall health and prevent chronic diseases, ultimately reducing health-care costs and enhancing workplace morale. While employers may hesitate to implement these programs due to a lack of research or uncertainty about return on investment, the growing body of evidence suggests that food interventions can have significant benefits. Employers have a unique opportunity to influence the health of millions and increasingly recognize the role food can play in improving whole-person health. Despite this, many employers still lack guidance on how to implement food as health strategies, whether starting from scratch or looking to expand existing offerings. This blueprint aims to fill that gap, offering actionable guidance for employers to integrate food as health strategies, while also taking into account broader policy and infrastructure needs.



GLOSSARY

Associate resource groups (ARGs), employee resource groups (ERGs), or business resource groups (BRGs): Internal voluntary, employee-led organizations at a company that focus on creating a more inclusive workspace for employees who share characteristics or life experiences.

Employee Retirement Income Security Act of 1974 (ERISA): Federal law that sets minimum standards for most voluntarily established retirement and health plans in private industry.

Employer-sponsored health insurance (ESI): Health coverage that employers can offer to employees and their dependents as part of their benefits package.

Employer-sponsored wellness program: Health initiative provided by employers as part of the benefits package to promote employees' well-being.

- **Participatory wellness program:** Employer-sponsored wellness program that engages employees in healthy activities or behaviors without requiring them to achieve specific health outcomes; open to any employee regardless of health status.
- **Health-contingent wellness program:** Employer-sponsored wellness program that offers rewards or incentives to employees who meet defined health goals or conditions, such as achieving a specific hemoglobin A1C level or blood pressure.
 - + **Activity-only wellness program:** Health-contingent wellness program that requires individuals to perform or complete an activity related to a health factor to obtain a reward, but do not require them to attain or maintain a specific health outcome.
 - + **Outcomes-based wellness program:** Health-contingent wellness program that requires individuals to attain or maintain a certain health outcome, such as a person with diabetes maintaining average blood sugar levels (hemoglobin A1C) at a specific level, to obtain a reward.

Food security: Everyone has access to enough food for an active, healthy life at all times.⁶³ This includes readily available nutritious and safe foods, and the ability to acquire these foods without resorting to coping strategies such as emergency food supplies.⁶⁴

Food as health (FAH): A range of food-related solutions to improve health and well-being. Food as health includes and extends beyond FIM to encompass nourishing food benefits irrespective of a diagnosis or disease state.

Food Is Medicine (FIM) or Food As Medicine (FAM): A range of nutrition interventions intended to prevent, treat, and manage diet-related health needs along a continuum of care, leveraging the health-care ecosystem to incorporate the power of nourishing food into care plans. Types of FIM interventions include:

- **Medically tailored groceries (MTGs):** Fresh or shelf-stable foods typically selected by a registered dietitian or physician for patients with a specific disease.

- **Medically tailored meals (MTMs):** Ready-to-eat meals designed by a registered dietitian to address the medical needs of patients, particularly those with severe or complex diet-related illnesses that prevent them from being able to shop or prepare food for themselves. Often used on a short-term basis to support post-hospitalization outpatients or for people experiencing high-risk pregnancies.
- **Produce prescriptions (PRx):** Fresh, canned, or frozen produce (i.e., fruits and vegetables) prescribed by a health-care provider to patients experiencing food insecurity and a diet-related health risk or condition to procure.

Fully funded or fully insured: Employer contracts with a health plan that assumes financial responsibility for the costs of enrollees' medical claims.

Health Insurance Portability and Accountability Act (HIPAA): Federal law commonly known for data privacy and security provisions to safeguard an individual's sensitive health information from disclosure without consent. Under HIPAA, individuals cannot be excluded from or denied continued enrollment in a group health plan due to their health conditions. Additionally, they cannot be charged more for coverage than other similarly situated individuals based on their health status.⁶⁵

Lifestyle spending account (LSA): Employer-funded benefits that allow employees to pay for lifestyle and wellness-related products and services.

Nutrition security: Consistent access, availability, and affordability of foods and beverages that promote well-being, prevent disease, and, if needed, treat disease.⁶⁶ Nutrition security is designed to complement, not replace, measures of food security.

Qualified medical expense (QME): Expenses designated by the IRS that are excluded from an individual's taxable income. Medical expenses are the costs of diagnosis, cure, mitigation, treatment, or prevention of disease, and for the purpose of affecting any part or function of the body. Medical care expenses must be primarily to alleviate or prevent a physical or mental disability or illness. They don't include expenses that are merely beneficial to general health. Generally, food benefits qualify as a QME if (1) the food does not satisfy a normal nutritional need, (2) the food alleviates or treats an illness, and (3) the food is substantiated by a physician.⁶⁷

Return on investment (ROI): Metric to understand the profitability of an investment. ROI compares how much was paid for an investment to how much was earned. It divides net profit (or loss) from an investment by its cost to compare the effectiveness or profitability of different investment choices.⁶⁸

Self-funded or self-insured: Employer assumes direct financial responsibility for the costs of enrollees' medical claims. They typically contract with a third-party administrator or insurer for administering services for the self-funded plan.

Third-party administrator (TPA): A company that provides operational services such as claims processing and employee benefits management under contract to another company.

Value on investment (VOI): Broad measure of well-being and its effects on people at an organization. VOI usually focuses on well-being through multiple lenses, including productivity, morale, and engagement.

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ACKNOWLEDGMENTS

The Milken Institute is grateful to The Kroger Co. Zero Hunger | Zero Waste Foundation for its support of the Institute's independent research to create this report.

The entirety of the views included in this report do not represent those of the people and organizations mentioned below. The authors appreciate the time and valuable input from many experts across the health-care, technology, food, and human resources sectors who were consulted to inform this blueprint.

We are especially grateful to representatives from the following organizations:

AHIP	FoodHealth Company
Albertsons Companies, Inc.	Good Measures, LLC
Alliant Insurance Services, Inc.	Guiding Stars Licensing Company, LLC
Amazon	Hy-Vee, Inc.
Baltimore City Public Schools	Instacart
Bipartisan Policy Center	iQPay
Blue Cross and Blue Shield of North Carolina	Kaiser Permanente
Center for Health Law and Policy Innovation	The Kroger Co.
CVS Health	Nourish Movement
DaVita	NourishedRx
Delta Air Lines	Optum
Derby Advisory	Performance Kitchen
Elevance Health	Season Health
Epstein Becker Green	Siena Farms
Ernst & Young	Soda Health
FairShare CSA Coalition	

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