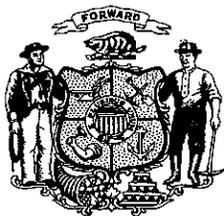


STATE OF WISCONSIN

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JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Alberta Darling
Representative John Nygren

Date: May 1, 2019

Re: DHS Report to JFC

Attached is a report on the FoodShare Healthy Eating Incentive Pilot from the Department of Health Services, pursuant to s. 20.940(3)(b)2, Stats.

This report is being provided for your information only. No action by the Committee is required. Please feel free to contact us if you have any questions.

Attachments

AD:JN;jm



State of Wisconsin
Department of Health Services

Tony Evers, Governor
Andrea Palm, Secretary

April 30, 2019

MAY 01 2019

J.F. Finance

The Honorable Alberta Darling, Senate Co-Chair
Joint Committee on Finance
Room 317 East
State Capitol
P.O. Box 7882
Madison, WI 53707

The Honorable John Nygren, Assembly Co-Chair
Joint Committee on Finance
Room 309 East
State Capitol
P.O. Box 8953
Madison, WI 53708

Dear Senator Darling and Representative Nygren:

Per s. 20.940(3)(b)2., created by 2017 Act 370, I am submitting a monthly waiver approval progress report for the FoodShare Healthy Eating Incentive Pilot, for which a waiver was submitted to U.S. Department of Agriculture Food and Nutrition Service on May 1, 2018.

The progress report is attached. Please contact me if you have any questions about this report.

Sincerely,

A handwritten signature in black ink, appearing to read 'Andrea Palm', with a long horizontal line extending to the right.

Andrea Palm
Secretary-designee

**DHS Monthly Progress Report on
Negotiations between the Department of Health Services (DHS) and the
United States Department of Agriculture Food and Nutrition Service (FNS)
Toward Federal Approval of the Healthy Eating Incentive Pilot Program Waiver**

Per s. 20.940(3)(b)2., this document provides a report of the Wisconsin Department of Health Services' progress toward negotiating approval of a federal waiver for the Healthy Eating Incentive Pilot Program.

Reporting Period: April 1 - April 30, 2019

1. Summary of Proposed Healthy Eating Incentive Pilot Program

Per s. 49.79(7r), DHS is required to implement a 10-month Healthy Eating Incentive Pilot program. This program will serve 2,000 FoodShare-eligible households by providing discounts on fresh produce and other healthy foods at participating retailers. To implement, DHS must release a competitive request for proposals (RFP) and select a vendor to establish a network of participating retailers and manage financial transactions associated with the program. DHS will also contract with an independent research entity to study the pilot project outcomes.

DHS had determined that the program cannot be implemented without a waiver of federal law. Specifically, FNS has notified DHS that the State of Wisconsin will need an equal treatment waiver of provisions at §7 CFR 274.7(e) and 278.2(b) to implement this program. DHS submitted a waiver request to FNS on 5/1/2018, which is currently under review. FNS indicated that certain details regarding program administration were necessary to move forward with consideration of waiver approval. DHS has informed FNS that the requested information may be unavailable until a vendor is selected through the RFP process. DHS has developed an RFP and has been negotiating with FNS to see if the contents of the RFP might meet their information requirements for waiver approval.

2. Status Update on Waiver Negotiations Since Last Reporting Period

During the month of April 2019, DHS engaged with FNS to negotiate approval of the waiver as follows:

- On April 2, 2019, FoodShare program management spoke with FNS regarding the types of foods that would be offered under the pilot program. DHS subsequently updated the types of foods offered under the pilot program to include only fresh, dried, canned, or frozen fruits and vegetables.
- On April 18, 2019, FoodShare program management followed up with FNS regarding the status of the waiver.

3. Federal Notification of Waiver Approval/Disapproval

As of April 30, 2019, FNS is continuing to evaluate the State's request to implement a waiver of federal law necessary to operate the Healthy Eating Incentive Pilot Program. DHS anticipates receiving official communication regarding the waiver in the next several weeks.