Food is Medicine Interventions Lower Costly Healthcare Utilization in States

Medically Tailored Meals (MTMs) and Medically Tailored Groceries (MTGs) are Food is Medicine interventions which integrate disease-specific, evidence-based, food and nutrition into clinical care for clients living with severe, chronic, or complex illness(es).

Poor diets and food insecurity drive over $1.1 trillion in U.S. healthcare spending and lost productivity each year in the United States[1].

By comparison, nutrition interventions are quite inexpensive:

For the cost of one day in the hospital (~$2,419), a patient can receive nearly six months of MTM at home[2].

Peer-reviewed research has demonstrated that adding MTMs to a treatment plan can lead to **fewer hospitalizations[3,4], decreased healthcare utilization[3,4,5], increased ability for patients to stay at home, and significant healthcare cost savings[3,5,6,7].** A Tufts Friedman School cost-modeling study found that providing MTMs to all eligible patients could **avoid 2.6 million hospitalizations** in one year, for a **net cost savings of $23.7 billion[8].**

Real-world state demonstrations confirm this model. Across North Carolina, Massachusetts, and Maryland, the pattern is consistent: costs may rise at enrollment, but with continued intervention receipt — especially among high-acuity patients — **healthcare costs and utilization decline.**

A Note About Cost Savings and Health Outcomes: While this overview focuses on reduction in health care costs, it is important to note that these savings reflect ***improvements*** in the most important metric: ***patient outcomes.*** As clients become healthier, their health care utilization decreases, resulting in significant savings. **Lower care costs = better health outcomes.**

The Bottom Line: Three independent state-wide demonstrations, spanning over 54,000 enrollees, show that Food is Medicine interventions reduce emergency department visits, inpatient hospitalizations, and healthcare costs. The largest cost-savings are seen among the highest-acuity, highest-cost patients, which Medically Tailored Meal and Medically Tailored Grocery programs are explicitly designed for.

MTMs and MTGs are not just health care interventions – they are fiscally responsible policy.

North Carolina Healthy Opportunities Pilot (HOP)[9]

Program: Medicaid 1115 demonstration waiver
Timeline: March 2022 – December 2024
Participants: 31,597 Medicaid enrollees
Nutrition Services provided: MTM, healthy prepared meal, food box, fruit and vegetable prescription (PRx)

Healthcare utilization across participants (vs. expected utilization without HOP) at 6 months:

HEALTHCARE & ADMINISTRATIVE COSTS (NET)
↓ $164
(net) decrease in Medicaid spending per person each month

EMERGENCY DEPARTMENT VISITS
↓ 14
fewer visits per 1000 person-months (statistically significant)

INPATIENT ADMISSIONS
↓ 7
fewer admissions per 1000 person-months (statistically significant)

OUTPATIENT PROVIDER VISITS
↑ 76
more visits per 1000 person-months (statistically significant)

PRX PROGRAM RECIPIENTS

INPATIENT ADMISSIONS
↓ 32%
fewer admissions

OUTPATIENT VISITS
↓ 7%
fewer visits

PREPARED MEAL PROGRAM RECIPIENTS

INPATIENT ADMISSIONS
↓ 10%
fewer admissions

OUTPATIENT VISITS
↓ 5%
fewer visits

Maryland Medically Tailored Meal Cost Analysis[12]

Program: Maryland clients receiving MTMs from FIMC Accredited MTM Agencies (Food & Friends and Moveable Feast)
Timeline: January 1, 2021 – December 31, 2023
Participants: 2,943 MTM clients who experienced hospital care in Maryland; 66% of visits covered by Medicare and 23% by Medicaid.

High-cost patients (top 25% of hospital charges)

HEALTHCARE COSTS (NET)
↓ $49,542
(64%) decrease in hospital charges (statistically significant)

HOSPITAL VISITS
↓ 1.90
visits (45%) reduction in hospital visits (statistically significant)

POTENTIALLY AVOIDABLE UTILIZATION VISITS (PAU)
↓ 0.52
fewer (47% reduction) in PAU visits (statistically significant)

Massachusetts Flexible Services Program (FSP)[10, 11]

Program: Medicaid 1115 demonstration waiver
Timeline: January 2020 – March 2023 (first three-years of waiver cycle)
Participants: 20,000 Medicaid enrollees
Nutrition Services provided: MTM, home-delivered meals, food boxes or groceries, produce prescriptions, food vouchers, or gift cards, kitchen supplies, connection to community food pantries or federal nutrition program application assistance, and nutrition education

All participants (vs. eligible non-participants)

HEALTHCARE COSTS (TOTAL)
↓ $1,721
decrease per person

HEALTHCARE COSTS (NET)
75%
program cost offset

EMERGENCY DEPARTMENT VISITS
↓ 13%
fewer visits (statistically significant)

HOSPITALIZATIONS
↓ 23%
fewer hospitalizations (statistically significant)

Participants with more than 90 days of enrollment

HEALTHCARE COSTS (TOTAL)
↓ $2,502
decrease per person

HEALTHCARE COSTS (NET)
↓ $210
net decrease per person

Participants receiving MTMs

HEALTHCARE COSTS (TOTAL)
↓ $3,433
lower healthcare costs per patient

HEALTHCARE COSTS (NET)
98%
cost of MTM program offset

EMERGENCY DEPARTMENT VISITS
↓ 20%
fewer emergency department visits

HOSPITALIZATIONS
↓ 31%
fewer hospitalizations

Cost Reduction by high-risk patient subgroups receiving MTMs

CHRONIC KIDNEY DISEASE
↓ $12,312
reduction per patient

CARDIOVASCULAR DISEASE
↓ $10,450
reduction per patient

DIABETES
↓ $4,123
reduction per patient

DEPRESSION AND ANXIETY DISORDERS
↓ $5,597
reduction per patient

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