

## Case Study: Margaret Mary Health

By Megan Kennedy, Greater Cincinnati  
Regional Food Policy Council Research  
Assistant

### Institution Profile:

Name: Margaret Mary Health  
Foodservice Type: Self-operated  
Primary Distributor: US Foods  
Location: Batesville, Indiana



- Interview with Eva Dean (Food Service Supervisor), Beth Meyers (Food Service Manager) and Kathy Cooley (Registered Dietitian and Certified Diabetes Educator)
- Kathy Cooley has played an integral role in the local food purchasing program at Margaret Mary Health and she serves on the Greater Cincinnati Regional Food Policy Council

### Overview:

Margaret Mary Health is a not-for-profit hospital located in Batesville, Indiana, serving more than 65,000 residents in the area. The hospital has become one of the more progressive hospitals in the tristate area through its initiatives to procure locally-grown fruits and vegetables to serve in its cafeteria. This case study reveals the challenges encountered, lessons learned, and opportunities discovered during this process.

In 2012 the Food and Growers Association (FGA), which Margaret Mary staff and other leaders in the Batesville Community are a part of, developed a strategic plan that identified a priority of establishing a more consistent market for locally-produced food. This goal was determined by a perceived disconnect between local farmers and larger institutions that have a focus on nutritious and healthy foods. In 2013, Purdue Extension selected the FGA as a pilot organization for their “Rebuilding Your Local Food System” project. The goal of the project was to increase marketing of locally-grown crops and make them more readily available to consumers. FGA members took field trips to other institutions sourcing local food and to a food hub to see how it could be possible. This program identified next steps and provided valuable resources for the FGA.

As a result of this program, Margaret Mary staff arranged a meeting with a food safety consultant from the Indiana State Department of Health to learn more about food safety requirements and suggestions for buying local fruits and vegetables. The specialist advised the hospital to not buy salad greens because of a higher risk of contamination. Another suggestion was that the hospital require farms to either deliver their produce in new and clean containers or that the hospital should use its own clean containers to give to the farmer. Eventually, Margaret Mary staff decided that they would provide a farm with containers that are cleaned at the hospital.

After understanding food safety requirements, Margaret Mary staff, Eva Dean and Kathy Cooley, visited farms in the Batesville area to make connections and evaluate food handling practices. Michaela Farm was the

only farm in area that met the hospital's food safety requirements and needs. The hospital informally set up a buying relationship with Michaela Farm without signing a contract or making any buying commitments. The buying relationship has been successful thus far and Michaela farm continues to sell to Margaret Mary today. The farm generally emails or calls Eva Dean, the Food Service Supervisor, and communicates how much produce they have and Eva confirms if the hospital wants the product or not.

In 2015, Interact for Health awarded Margaret Mary with a SIFTI (Southeastern Indiana Farmer Training Initiative) Planning Grant. The goal of the grant was to find ways to incentivize farmers to market their products to bigger institutions. One outcome of this grant was that low tunnel hoop houses were given to Michaela farm and another local farm, Walhill Farm, to help extend their growing season. Also, a Farmer Education Training Program was identified as a next step.

### **Challenges:**

Margaret Mary has encountered many challenges in its effort to source locally-grown food. First, food safety certifications are hard to obtain for small farmers. In Indiana, farmers who sell wholesale (to institutions) have to be registered with the State and have GAP (Good Agricultural Practices) training. Also, food safety plans which are required by most big institutions are not readily developed by small farmers. The hospital identified only one farm in the area that has a food safety plan, Michaela Farm. Plans can be time-consuming to create and maintain and farmers have a lack of motivation to put in this extra work. Margaret Mary staff also noticed a lack of farmer interest in selling to the hospital. Most farmers have a means to sell their produce with less effort, like at farmers markets or pick-your-own operations. The added paperwork and time required for food safety plans, food safety certifications, and packaging and processing requirements is too much for smaller farms.

Like many institutions that are equipped with kitchens set up to handle processed food, Margaret Mary also has physical constraints in its kitchen, including lack of space for storing produce during the winter months. This points to the need of a food hub, and/or a food truck that could be used by the hospital especially during these months. In addition, processing vegetables is added work for the kitchen staff and usually the time required for these duties is not readily available. To deal with this issue, the food service staff at Margaret Mary came up with a system to indicate which produce items out of the available products from Michaela farm would be acceptable raw and those that required too much labor to process. Lastly, Margaret Mary, like most institutions, have budgetary constraints that limit the amount of local produce that they can buy each year. Currently, Margaret Mary only has the financial capacity to source local at a small scale.

### **Lessons learned:**

Margaret Mary's staff has learned many valuable lessons through their attempts to source locally-grown food at their hospital. One valuable lesson is that when the local products were advertised in the hospital cafeteria, customers valued those items and continuously requested them. The local produce was always consumed and essentially no local food was wasted. Another lesson is that the Community Benefits Program, which is a tax incentive for non-profit institutions, is a valuable tool that can be used for sourcing local food. The allowances covered under Community Benefits have changed over the years and now includes public health, which would apply to local food procurement programs. Using community benefit is being "explored" by Margaret Mary as a way to recuperate some of the extra costs associated with buying locally.



Margaret Mary also realized the importance of having all players be supportive and enthusiastic about farm-to-institution programming. These key players include hospital staff, local farmers, partner organizations, and local government. It is important that kitchen staff is interested in local food and are willing to be especially creative with these products. Margaret Mary staff noted that it is important to identify which foods they want grown and develop recipes to make them taste good. Another lesson Margaret Mary learned is that collaboration with other organizations is key for sourcing local. The hospital partnered and built relationships with several entities, including Interact for Health, Purdue Extension, the Food & Growers Association, and Michaela Farm.

Margaret Mary staff also learned that going slow and starting small is wise because you can learn lessons as you go and tailor your program as it seems fit. Ultimately, each institution is different and will have unique challenges and opportunities related to its local food procurement program. Lastly, Margaret Mary points out that an institution must be dedicated to sourcing local food and be willing to pay a little extra. There are many financial strategies that can help institutions with their budget when trying to source local food, such as raising prices in the cafeteria or buying less processed foods or meat.



#### **Next Steps and Opportunities at Margaret Mary:**

Margaret Mary staff plans to continue to grow their local food purchasing program and to source local food whenever possible. FGA has identified a next step of implementing a Farmer Education Training Program to give local farmers a way to be able to sell to bigger institutions. This training would teach participants how to follow food safety requirements and how to write up food safety plans. Ideally, the training would be offered for free for the first years, so that farmers will be incentivized to take the training and eventually sell their products to schools and hospitals. Margaret Mary Health has a close relationship with FGA and other organizations in the community working towards a more sustainable food system and will move forward with the valuable lessons learned through its local procurement program.

#### **Resources:**

- Food and Growers Association- <http://www.foodandgrowers.org/>
- Food Day in Indiana. On one day every year in October, institutions will buy a local vegetable that was chosen for the year. In 2015, the local vegetable was kale. [www.foodday.org](http://www.foodday.org)
- Michaela Farm- <http://www.oldenburgfranciscans.org/farm.asp>
- Novation buying group- <https://www.novationco.com/>

- Thrive Market- <http://www.areadevelopment.com/newsitems/9-28-2015/thrive-market-fulfillment-center-batesville-indiana548923.shtml>
- US Foods commitment to sustainability- <http://www.usfoods.com/food/taste-what-we-re-testing/helping-customers-achieve-sustainability-goals.html>