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Data Brief

Dual Eligible Beneficiaries' Grocery Supplemental Benefit Use and Healthcare Utilization

October 2025

Overview

Food insecurity is associated with poorer health¹ and reduced access to healthcare.² Over time, this can increase the risk of chronic conditions and lead to more expensive healthcare utilization, which may further strain household budgets and limit the ability to purchase nutritious food.³ These challenges are particularly common among individuals who are dually eligible for both Medicare and Medicaid.⁴

To address health-related social needs (HRSNs) like food insecurity, Medicare Advantage (MA) plans are offering their members new types of supplemental benefits, including grocery benefits. This brief describes an Elevance Health Public Policy Institute analysis of grocery card supplemental benefits, which found an increase in the likelihood and number of office visits among dual eligible members who used the benefit relative to non-users.

Addressing Food Insecurity to Improve Health

MA plans can offer supplemental benefits not included under traditional fee-for-service Medicare. Regulatory and legislative changes in effect in 2019 and 2020 expanded the scope of allowed supplemental benefits to include benefits that address HRSNs, including newly permitted nonmedical services, such as grocery cards, which can help address food insecurity.

Elevance Health's affiliated MA plans began offering grocery cards as a supplemental benefit in 2022. The benefit was primarily offered to and widely used by dual eligible members and/or members with certain chronic conditions. The grocery cards provided members with a set amount per month to use for grocery purchases; more than 99% of the members included in this study received \$50 per month. Grocery dollars could be used starting on the first day of the month.



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Methods

This study included adults who were continuously enrolled from January 1, 2021, to December 31, 2022, in MA dual eligible special needs plans. The study measured changes in the likelihood (percent of members with at least one visit) and number (mean count per member per year) of office visits before (2021) vs. after (2022) the grocery card benefit began. Members with no grocery card use (n=19,655) were compared to members using at least \$1 of the benefit (n=60,697) and separately to members with frequent benefit use (i.e., using at least half of available dollars; n=49,645).

Results

Comparing the years before vs. after implementation of the grocery card benefit, office visits increased among members who used grocery card benefits relative to members who did not. (Figure 1) Grocery card use (any or frequent) was not associated with statistically significant differences in emergency department visits or inpatient admissions.

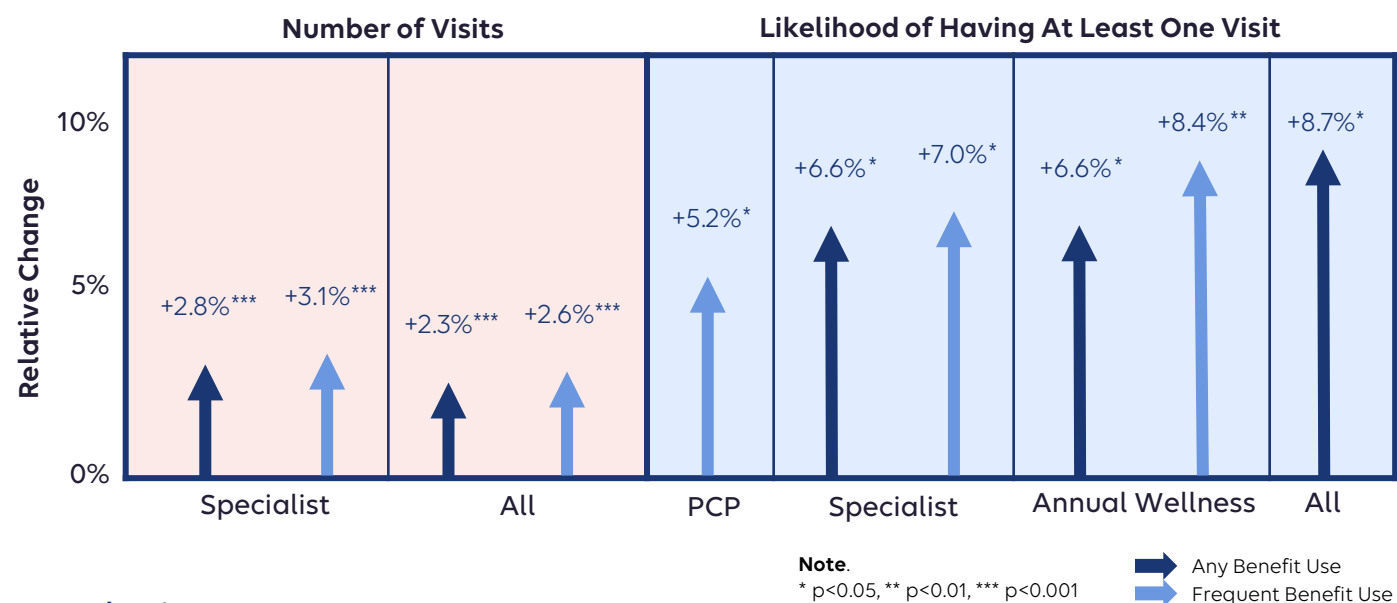
Any Benefit Use

Any amount of grocery card use was associated with an increase in the likelihood of any office visit, an annual wellness, or a specialist visit (8.7%, 6.6%, and 6.6%, respectively) and an increase in the number of office and specialist visits (2.3% and 2.6%, respectively).

Frequent Benefit Use

Frequent grocery card use was associated with an even greater increase in the likelihood of an annual wellness, a specialist, or a primary care (PCP) visit (8.4%, 7.0%, and 5.2%, respectively) and an increase in the number of office and specialist visits (2.6% and 3.1%, respectively).

Figure 1. Relative Changes in Healthcare Utilization Among Medicare Advantage Grocery Card Supplemental Benefit Users vs. Non-Users, 2021-2022



Conclusion

The study results indicate that addressing HRSNs—such as food insecurity and financial stress—using nonmedical services such as grocery cards is associated with increased use of preventive and outpatient care. This may be particularly true for dual eligible members, who typically have greater needs than their non-dual eligible counterparts. Future efforts to increase availability of these types of MA supplemental benefits may lead to better outcomes for even more beneficiaries.