

Health Care's Commitment to Sustainable Meat Procurement

Four Case Studies

Introduction

Since 2005, 391 hospitals across the country have signed HCWH's [*Healthy Food in Health Care Pledge*](#), which states that healthy food in health care settings must come from a food system that is economically-viable, ecologically-sustainable, and socially-just. Many of these hospitals have made commitments to reduce the amount of meat they procure and serve, and/or substitute conventionally-raised meat with meat that has been raised without the routine use of antibiotics. Over fifty hospitals have also signed HCWH's *Balanced Menus Challenge*, which requires that participants reduce their meat procurement by 20 percent over three years.

Hospitals have become concerned about antibiotics-use in animal agriculture as a result of the growth of antibiotics-resistant infections found in humans, many of which are increasingly and scientifically being linked to the overuse and misuse of antibiotics in conventional meat production. In light of the growing evidence linking antibiotics-use in animal agriculture and antibiotics-resistance in humans, the Food and Drug Administration has even released recommended principles regarding the "judicious use" of antibiotics in animal production.¹

The health care industry's existing commitments to protect public health and foster environmental sustainability provide an important platform to educate the public about the serious projected health impacts of antibiotics overuse in our food system.

Furthermore, health care institutions are heavyweights in the food system, spending \$12 billion annually on food

and beverages,² providing them with leverage to impact priorities in food and agriculture.

The public and private hospitals featured in this report, which represent a wide geographic area, all have annual food budgets in the millions of dollars.

They have each demonstrated a preference for meat raised without the routine use of antibiotics, or have reduced the availability of meat-based options in their food service for environmental and health reasons, creating the potential for large-scale influence on the country's food system.

Case Study #1 Oregon Health and Science University Portland, Oregon

Oregon Health & Science University (OHSU) in Portland, Oregon, is a teaching hospital with a self-operated Food and Nutrition Department.

Oregon Health & Science University

Number of beds.....	575
Annual operating budget...	\$2.3 billion
Number of employees.....	14,000
Patients per year.....	235,000
Cafeteria meals served/day.....	8,500
Patient meals served/day.....	1,168

In 2010, leaders in the Food and Nutrition Department created a sustainability policy that outlined strategies for moving towards sustainable meat and poultry purchases, primarily out of concern for

Heath Care Without Harm (HCWH) is an international coalition of organizations working to transform the health care sector, without compromising patient safety or care, so that it is ecologically sustainable and no longer a source of harm to public health and the environment. HCWH's Healthy Food in Health Care (HFHC) Program works with hospitals across the country to build a healthier, more sustainable food system, providing education and resources to make the connection between the food they serve and the health of their patients, staff and community.

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the large amount of antibiotics being utilized in animal agriculture. “Antibiotics are the major concern for us,” says Eecole Copen, Sustainable Food Programs Coordinator at OHSU, of its growing commitment to meat produced without the routine use of antibiotics, “It’s the right thing to do, and we can also support local farmers and our health.”

Forty percent of OHSU’s total beef purchases has been produced without the use of antibiotics, and comes from Carman Ranch, a local beef producer. About 2.5 percent of its entire poultry purchases – the equivalent of \$10,000 per year – is produced without the use of antibiotics, from nearby Draper Valley Farms. Two and a half percent of OHSU’s pork purchases are produced without the routine use of antibiotics, from a local farmer. OHSU is currently working with other local farmers in Oregon to increase these percentages.

Additionally, OHSU has reduced the percentage of meat served in retail by decreasing portion sizes and offering more vegetarian options for patient and cafeteria meals. These changes were also made for health reasons.

Bringing sustainably-raised beef into Fulton Provision Company (SYSCO)’s distribution

Obtaining meat produced without the routine use of antibiotics required strategic thinking and relationship-building outside of OHSU’s regular procurement channels. OHSU had identified Carman Ranch, a fourth-generation and locally-owned producer that is Food Alliance Certified, as a source of beef produced without antibiotics. However, OHSU then had to find an appropriate processor and distribution channel to procure Carman Ranch beef.

As a result of the footwork done by the buyer at OHSU and Carman

Ranch owner, Cory Carman, Fulton Provision Company (a subsidiary of SYSCO), agreed to supply Carman Ranch beef to OHSU. In 2010, OHSU purchased 27 percent of its beef (worth \$65,611) from Carman Ranch, and has since increased its procurement to 40 percent of its total beef purchases. OHSU also buys animal bones from Carman Ranch, to make its own beef broth. OHSU then composts all the bones through a City of Portland composting program.

Fulton was the first distributor to take on Carman Ranch, which enabled the ranch to distribute its products more widely throughout the region. In 2010, Carman Ranch went from \$27,000 in wholesale to \$238,000. “They were able to distribute their beef throughout the area as a result of our [original] commitment. This is an example of how we’re helping local producers and the local economy,” commented Copen. Carman Ranch continues to expand its business.

The relationship Carman Ranch and OHSU have cultivated serves as an example of how institutional procurement from the health care sector can have a direct impact on increasing sustainable food production. Fulton’s ability to adapt its distribution model in such a way that OHSU could purchase products that met its sustainability preferences on its existing contract greatly facilitated this process.

OHSU’s strategies for increasing sustainable meat procurement

In order to meet the increased cost for beef produced without the routine use of antibiotics, OHSU switched out typically-expensive conventional cuts, such as top sirloin, for less expensive cuts, like chuck roll, on its menus. For example, OHSU replaced conventional New York strip steak with a chuck roll from Carman Ranch as pot roast. Although cook-

ing and cutting these pieces require more labor, these meat substitutions have made OHSU’s commitment to sustainable beef budget-neutral.

Challenges in procuring sustainable meat

While OHSU would like to increase the percentage of meat that it buys that has been raised without the routine use of antibiotics, it has encountered a few challenges that make such increases difficult. Copen would like to see more poultry raised without the routine use of antibiotics being served, for example. However, “the cost is just too high for us to be buying it exclusively,” she admits. “The beef on the other hand, we have been able to make budget neutral.”

Additionally, Copen is worried that cuts not marketed extensively will just sit in the warehouse, not ideal for Carman Ranch who is producing high quality beef. “The more that everyone from producer to end user is committed and understands the value of grass-fed and finished beef like Carman Ranch is producing, the easier it will be for local farms like Carman Ranch to create the necessary infrastructure to continue growing,” states Copen.

Case Study #2 Morrison Healthcare Food Services Nation-Wide

Morrison Healthcare Food Services is a member of the Compass Group, one of the largest food service contractors in the world. Morrison serves the health care sector in the U.S., with 585 health care clients in 41 states. Morrison serves nearly one million meals per day.

As early as 1999, Morrison had been discussing the use of antibiotics in animal agriculture with large envi-

ronmental organizations and fast food chains. Morrison signed Health Care Without Harm's *Healthy Food in Health Care Pledge* in 2010, and has been developing a "wellness platform" centered around the pledge.

According to Andrea Seidl, senior vice president in Health Care Support Services at Compass Group, Morrison's activities around healthy and sustainable food seem natural, given its relationship with health care. "We're a company that's in a sector that is supposed to be promoting wellness – shouldn't we be doing that in the same way?" explained Seidl.

Morrison's initiatives to increase purchases of sustainable beef – Roseda Beef

In the mid-Atlantic region, Morrison is buying beef for several of its hospital clients directly from the local producer, Roseda Beef, of Monkton, Maryland, where animals are raised without the routine use of antibiotics (antibiotics are administered only when medically-necessary).

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- Andrea Seidl, Senior Vice President
Health Care Support Services at Compass Group

One of these hospital clients is a 330-bed community hospital with an annual food budget of \$1.1 to 1.2 million, serving 22-23,000 patient meals and 34,000 retail and other meals per month. For 2011, this hospital procured approximately \$7,400 (more than 1,800 pounds) of hamburger meat from Roseda Beef. "One accomplishment we are most proud of is that we have switched all our hamburger patties to a fresh, local, sustainably-raised hamburger produced without the routine use of antibiotics for six hospitals," comments Chris

DeRocco, a Morrison employee who is a food service director at a Maryland hospital.

Several of these hospitals have also "made a very conscious choice to reduce meat," notes DeRocco. DeRocco has been a part of reducing breakfast meat in patient meals and on hospital menus, and increasing the amount of meatless options available to patients and visitors. One hospital reduced its meat offerings by 15 to 20 percent in patient meals.

Challenges to finding and supplying sustainable meat

Although Morrison and several of its clients are committed to supplying and buying meat produced without the routine use of antibiotics, Morrison has encountered a few challenges. The price has been too high for many hospitals – in some cases, almost double the price. According to Marc Zammit, vice president of sustainability initiatives for Compass Group, "if you're paying \$2.25 per pound for conventional chicken,

sustainably-produced chicken is closer to \$5.50." This cost differential reflects the fact that producers of sustainable meat often incur higher production, marketing and distribution costs related to sustainable practices, do not have access to traditional supply chains, and generate lower volumes.

DeRocco echoes Zammit's comments with regard to his hospital: "We're just being crushed with cost increases. It has been a difficult environment to maintain costs. It would be

easier for me to go back to a conventionally-produced burger, which I could sell at a higher margin. I don't make as much money now on a cheeseburger as I did before." However, DeRocco is pleased with the Roseda Beef he has been buying. "It's a good product, our customers like the taste, and we want to do the right thing," he says.

Roseda Beef encountered obstacles on its end as well. It initially had difficulty finding USDA-inspected processors in the Maryland area. The lack of USDA-inspected slaughter facilities in rural areas throughout the U.S. that can process sustainably-raised cattle makes it difficult for small- and medium-scale producers of sustainable products to package and sell their meats locally. After a few years, Roseda Beef finally invested in a new plant with George G. Ruppertsberger and Sons Processing, forming a new company, Old Line Custom Meats, which provides the additional processing for Roseda Beef, as well as other farmers in the Mid-Atlantic region. Given that other regional producers and buyers now benefit from this added processing infrastructure, this hospital buyer and sustainable producer relationship demonstrates the larger food system impact that institutional buyers can make.

Paying Roseda Beef was not an easy task for Morrison at first, either. "We wanted to buy direct from Roseda Beef – but that was another challenge since our accounting and payment system was not set up to pay farmers directly," describes DeRocco. Morrison now pays for Roseda's beef via credit card for its Maryland clients. "It's a little more paperwork," admits DeRocco, although as a health care provider, finding meat produced without routine antibiotic use is a priority for him. "Working at a hospital, we have an obligation at some level. It's about providing choice," he says.

Case Study #3

San Francisco Bay Area Hospitals

California

Several hospitals in the San Francisco Bay Area, including John Muir Medical Center, University of California – San Francisco (UCSF), and San Francisco General Hospital (SFGH) have made commitments to reducing meat procurement and sourcing sustainable meat as a result of environmental and health concerns.

San Francisco General Hospital

SFGH is an urban hospital owned by the City and County of San Francisco and operated by the Department of Public Health's Community Health Network. As an acute-care center, it is the only trauma hospital in the city of San Francisco.

San Francisco General Hospital

Annual budget.....\$639 million
Cafeteria meals per day.....1,000
Patient meals served/day.....900

SFGH successfully reduced the amount of meat offered to its patients by 50 percent. "We started with breakfast and we got rid of bacon and sausage. We substituted typically with a fresh fruit cup," describes Karen Kupinski, Clinical Nutrition Manager at SFGH. SFGH also decreased the portion sizes of meat on menus. For example, says Kupinski, "instead of meat being the main component of the lunch menu, we're serving more carbohydrate-based meals and offering more vegetarian entrées."

SFGH made these changes to provide healthier meals to its patients, and as a result of environmental concerns,

including climate change mitigation. "The hospital in general – the administration, and our leadership – are very cognizant of the environment. That was one of main reasons the hospital supported the changes we made to the menu. It's also about being socially-responsible," according to Kupinski.

While Kupinski would like to see meat that is raised without the routine use of antibiotics on SFGH's menus, she admits the cost is prohibitive. Although SFGH has reduced the amount of meat it serves for patients, the cost for meals has remained consistent or even increased slightly. Kupinski explains why: "Some of the most expensive items on the menu are our vegetarian meals. For example, one of our most expensive entrées is quinoa and roasted vegetables, because the vegetables are fresh. Produce is not cheap."

University of California – San Francisco

UCSF has been ranked as one of the top ten hospitals in the U.S. for ten years in a row in the U.S. News & World Report.

Univ. of Cali. – San Francisco

Number of beds.....722
Annual budget.....\$3.6 billion
Outpatients per year.....763, 000
Patient meals served/day...1,500

UCSF's food budget for July 2011 to June 2012 was close to \$7 million, and about \$840,000 was spent on fish, meat, and poultry. In its 2010-2011 fiscal year, its café generated \$5 million in sales, while its catering department generated \$2 million in sales. The sales figures for its café continue to increase each year, and are projected to be around \$5.5 million in its 2012 fiscal year.

For the past two years, UCSF has been reducing the amount of meat on patient menus and in fall 2011, introduced Meatless Mondays in the café, offering mostly vegetarian entrees. As a result, although UCSF's food budget has been increasing, the proportion of its meat purchasing is not, as UCSF substitutes more vegetarian protein for meat protein.

One driver for this change has been the University of California's sustainability initiative, which requires UCSF to procure 20 percent sustainable food by 2020. As a result of this initiative and budget savings from cutting meat on its menus, UCSF has started to purchase cage-free eggs from Wilcox Farms, local and organic yogurt, local and/or organic fruits, some organic coffee, mostly organic salads, and some local and organic breads and grains. In July 2011, it will start serving organic, low-fat milk for patients.

However, UCSF is not currently procuring meat that is produced without the routine use of antibiotics, although it investigated the option. "We can't afford it," says Jack Henderson, Associate Director of Nutrition and Food Services at UCSF. "We looked into such meat with the hospital leaders and with Health Care Without Harm, but it was too expensive. It was roughly 2.5 times the price."

John Muir Medical Center

John Muir Medical Center

Number of beds.....958
2010 F&B Budget.....\$713,000
Cafeteria meals per day.....1,213
Patient meals served/day...1,617

John Muir has been decreasing the amount of meat on its menus. "We've removed red meat as the default on the patient menu every day,"

comments Alison Negrin, Executive Chef for the John Muir Concord campus. Now, of 28 items on the patient menu, only five have red meat. Seven new items are entirely vegetarian. The portion sizes of all meat items have been reduced as well.

Twenty-five percent of John Muir's meat purchases are also raised without the routine use of antibiotics. Almost all of John Muir's chicken, purchased from the nearby Petaluma Farms, are raised without antibiotics. "Not all cuts are antibiotics-free, because we can't get certain cuts that we want and need," admits Alison. "We only get giant chicken breasts and whole chickens, and we usually don't have time to cut meat in the hospital. However, we came up with ways for cooks to slice and use the chicken."

John Muir is currently researching increasing the amount of sustainable meat it procures, but has found that working with many different sustainable meat vendors is time-consuming, difficult, and expensive. According to Negrin, who offers insight into John Muir's purchasing priorities: "we're wanting to reduce the use of meat that contains hormones and antibiotics for environmental reasons and health reasons. This is basically something that the food service directors feel strongly about. We have a policy that our healthy food committee created that says whatever is financially possible, we will do in this arena. Because we can't afford to purchase these sustainable meats, we will reduce meat to save costs, with the hopes that we will have the budget to increase the procurement of sustainable meats. Of course, that doesn't work that easily, especially because the price of food is constantly going up."

Case Study #4 Fletcher Allen Health Care Burlington, Vermont

Fletcher Allen Health Care in Burlington, Vermont, has 562 licensed beds (excluding its nursery). In 2011, it served over two million meals to patients and in its five retail areas. Its 2012 food budget was just over \$3.8 million. About \$560,000 was budgeted for meat, fish, and poultry, not including dairy.

In 2010, 35 percent of Fletcher Allen's meat and poultry purchases were raised without the routine use of antibiotics. Diane Imrie, Director of Nutrition Services at Fletcher Allen speculates that this number is over 50 percent now, since Fletcher Allen has added a line of pork and chicken that is raised without the routine use of antibiotics since 2010.

Fletcher Allen's plan to source sustainable meat

Five years ago, Fletcher Allen created a long-term antibiotics reduction plan, which included finding organic sources of meat produced without the routine use of antibiotics. According to Diane Imrie, "that was at a point where there was a lot of public awareness of MRSA [a methicillin-resistant *Staphylococcus aureus* bacteria], and we were seeing it at the hospital, and it just didn't make sense." Imrie estimates that her budget rose by \$75,000 when Fletcher Allen switched to chicken raised without the routine use of antibiotics. Imrie also points out, however, that the cost of treating a MRSA infection in a human patient is not far off.⁴

The increased cost of beef produced without the routine use of antibiotics, while higher compared to conventional beef, is not as marked, according to Imrie, who has cultivated a relationship with local beef producers to negotiate competitive prices. "There's a variance of maybe 10 to 20 percent with our cost." Additionally, Fletcher Allen has been creative with its beef purchases, to reduce costs. "We use flank, top round, and we use ground beef. We offer a Caribbean Jerk dish that's marinated flank steak or a top round with a nice salsa on the side with rice. That's not what you would normally see on a hospital menu, but it's tasty and delicious," shares Imrie.

As a result of Fletcher Allen's plan, 93 percent of the beef it procures is produced without the routine use of antibiotics. By the end of 2012, Fletcher Allen is also aiming to have 100 percent of its poultry procurement meet its standards, which includes meat that is raised without the routine use of antibiotics. Additionally, Fletcher Allen has developed a relationship with a new pork producer, so Imrie anticipates that Fletcher Allen will increase its offering of pork produced without the routine use of antibiotics.

Fletcher Allen has engaged in significant public relations activities around its sustainable meat procurement, including speaking to its local legislators. And, while several years ago, Fletcher Allen's staff had to search out and find local farmers and meat producers at farmers' markets, "by now, most new producers in the state know about us, so someone will usually put us in touch" comments Imrie. Fletcher Allen's staff routinely discusses its meat preferences and values for meat raised without the routine use antibiotics with its distributors.

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Challenges to sourcing sustainable meat

Fletcher Allen's Nutrition services is self-operated and works with three main distributors (including U.S. Food Service, Rhinehart, and the local Black River Produce). Fletcher Allen also has direct relationships with dozens of local farmers and producers. Fletcher Allen's local meat now comes via Rhinehart or Black River Produce.

Imrie finds working with local partners to be easier. "For our local partners, we know what they're doing, but verifying the claims of other producers has been agonizing. It has been a whole investigation for us," says Imrie, who is committed to making sure claims about antibiotics-use are true. Yet, Imrie also wishes she had more sustainable meat options, including meat that is 100 percent raised without antibiotics. For example, it has been difficult for Fletcher Allen to source chicken that is certified organic (which ensures it is raised without antibiotics), and affordable. Imrie is skeptical that Fletcher Allen will meet its 100% sustainable poultry goal by the end of the year, due to current supply.

"We can express what we want, so it shouldn't be this hard," according to Imrie, who is frustrated that finding meat produced without the routine use of antibiotics has been such a

challenge for the Food and Nutrition Department.

Conclusion

The health care institutions featured in this report are concerned about the usage of antibiotics in animal agriculture, in light of environmental and health concerns. They are all acting on this concern by altering their purchasing practices to give preference to meat and poultry that has been raised without the routine use of antibiotics, and/or reducing their overall meat purchases. These institutions all have made the connection between the food they serve and the health of their patients, staff, and communities. As each of the hospitals featured in this report demonstrate, the availability of meat raised without the routine use of antibiotics for institutional-level procurement is increasing, in part due to the greater attention these facilities are paying to the issue of sustainable meat.

Individuals in the health care field continue to prioritize foods that are produced, processed, and transported in ways that are protective of public and environmental health – however, there is still work to be done. Each institution expressed interest in expanding the amount of meat without the routine use of antibiotics available in the marketplace, and commented on the current expense of

sustainable meat, especially given the rising cost of all foodstuffs. Additionally, each also noted the difficulties of buying from sustainable and local farmers, many of whom are not currently a part of existing distribution channels and supply chains, have limited access to USDA inspected processors, and produce product types and cuts not usual to the institutional food setting.

To increase the use of sustainably-produced meat and poultry in health care food service, health care facilities need to continue communicating their preferences for sustainable foods to their supply chain – their distributors and Group Purchasing Organizations (GPOs). Additional and ongoing investigation in several specific areas would also support institutions like hospitals in scaling-up their purchases of meat and poultry raised without the routine use of antibiotics. Such needed information includes: 1) Research on perspectives and challenges faced by distributors, suppliers, and farmers; 2) Comprehensive listings of institution-scale producers and suppliers of sustainably-produced meats and poultry; 3) Data about third party certifications and label claims that ensure adherence to sustainable practices; and 4) Replicable procurement and distribution models for traditional and direct supply chains.

ENDNOTES

1. Food and Drug Administration (2012), *The Judicious Use of Medically Important Antimicrobial Drugs in Food-Producing Animals*, U.S. Department of Health and Human Services, Food and Drug Administration, Center for Veterinary Medicine.
2. Sachs, E. and G. Feenstra (2008), *Emerging Local Food Purchasing Initiatives in Northern California Hospitals*, UC Davis: Agricultural Sustainability Institute.
3. "About UCSF," <http://www.ucsf.edu/about/about-ucsf>, accessed July 6, 2012.
4. Eng, Monica (2010), "Meat with antibiotics off the menu at some hospitals," *Chicago Tribune*, July 20, 2010.



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