



B.C. Food Expenditures in Health Care 2020/2021



Contents

Feed BC _____	3
Foodservice in Health Care _____	3
2020/21 Results _____	5
Conclusion _____	12

Feed BC

Feed BC is a provincial government initiative led by the Ministry of Agriculture and Food in partnership with other ministries to increase B.C. food and beverages in hospitals, long-term care homes, public post-secondary institutions, and other government-supported facilities. Through Feed BC, the Ministry works collaboratively across government and with public sector, industry, and agriculture sector partners. In 2019, Feed BC set an aspirational target of 30% of foodservice expenditures in healthcare being spent on B.C. food and beverages.

Feed BC:

- supports jobs and businesses for farmers, fishers, ranchers, food and beverage processors and their communities;
- brings more local food to patients, residents, students, and clients;
- stimulates economic development and economic recovery; and
- grows the provincial food supply and provincial food system resilience.

Foodservices in Health Care

In B.C., five regional health authorities (Vancouver Coastal Health/Providence Health Care, Fraser Health, Island Health, Interior Health and Northern Health) and the Provincial Health Services Authority are responsible for foodservices in 170 hospital and long-term care homes. Health authorities purchase both B.C. and non-B.C. food and beverages for the millions of meals they provide each year. While procuring B.C. food is a priority for health authorities, protecting the health and safety of vulnerable patients and residents in their care is paramount. All food, including B.C. produced and processed food, must comply with the highest standards for nutrition, allergens and traceability.

Only in a few instances do health authorities procure food directly from local producers or processors. For foodservices operated by health authorities, food is

B.C. Food Definition

For Feed BC, B.C. food is defined as a final food (or beverage) product produced and/or processed within the borders of B.C.

B.C. produced foods are raw food products that are grown, caught, harvested or raised within the borders of B.C.

B.C. processed food includes a food that has undergone a value-added activity (physical alteration, extension of shelf-life or combining ingredients to make a new product) in a commercial food and/or beverage manufacturing facility.

The product origin should be tracked, and not the supplier origin.

typically procured through their group purchasing organizations and broadline distributors. For contracted foodservices, food is procured through their foodservice management companies.

Health authorities have been working for several years to increase B.C. foods in hospitals and long-term care homes. To aid their efforts, the Ministry of Health directed health authorities to report their total and B.C. food expenditures annually beginning in 2018/19. As well, the Ministry of Health directed them to seek opportunities with their group purchasing organizations, broadline distributors and foodservice management companies to procure more B.C. produced and processed food. The Ministries of Health and Agriculture and Food are working closely together to support health authorities with this initiative.

Impact of the COVID-19 pandemic on B.C. food in healthcare facilities

This is the third annual report on B.C. food expenditures in healthcare. It covers the period from April 1, 2020 to March 31, 2021.

Despite the impact of the COVID-19 pandemic on health authority foodservices during the reporting period, health authorities were generally able to maintain the levels of B.C. food spending that they had over the previous two years:

- In 2020/21, the provincial B.C. food expenditures were 28.8% of total food expenditures, as compared to 30.8% in 2019/20 and 27.3% in 2018/19. This represents a \$1.9M decrease (from \$20.3M in 2019/20 to \$18.4M in 2020/21).
- Three health authorities maintained approximately the same level of B.C. food spending as they reported in 2019/20, while others saw a slight decline.
- The decline is attributed to multiple impacts of the COVID-19 pandemic, including a shift to more single-use and pre-prepared products, lower numbers of patients in health facilities, less staff time for local food sourcing, supply chain disruptions, and higher food prices.

The impact of the 2021 heat dome, wildfires and flooding, and the continuing pandemic will be captured in the 2021/22 reporting year.

Despite health authorities' continued strong commitment to increasing their use of local food, the pandemic slowed health authorities' progress in sourcing B.C. food compared with previous periods. While some health authorities procured a few new B.C. products, their overall ability to investigate potential B.C. produced or processed foods was constrained by several challenges:

- To comply with enhanced infection control measures, health authorities used more individually portioned and packaged offerings not currently available from B.C..
- To address staffing challenges, health authorities used more prepared foods, many sourced from out-of-province.
- Patient counts were down during the initial onset of the pandemic, so health authorities spent less on B.C. food and food overall compared to the previous year.
- Foodservice staff were heavily involved in managing many operational challenges throughout the year, which greatly reduced time available for sourcing potential B.C. produced and processed foods.
- Product shortages and substitutions meant fewer and different products were available to health authorities; the focus was on quickly obtaining any food that met health and safety requirements, regardless of whether it was B.C. food.
- Higher food costs overall meant some health authorities had less flexibility in their budgets, and sometimes needed to choose lower cost, imported items to replace B.C. products.

Beyond the challenges of the COVID-19 pandemic, price and availability of B.C. products suitable for healthcare foodservices continue to be the greatest barriers to health authorities increasing their B.C. food expenditures. However, health authorities remain committed to supporting Feed BC in healthcare and bringing more B.C. food to their patients and residents.

2020/21 Results

Health Authority	Number of Facilities 2020/21	2020/21	2019/20	2018/19
Vancouver Coastal Health/Providence Health Care	32	30.0%	33.1%	26.2%
Fraser Health	22	29.0%	29.0%	27.7%
Interior Health	55	29.1%	35.5%	30.9%
Island Health	28	30.4%	29.9%	27.2%
Northern Health	27	22.1%	22.4%	23.1%
Provincial Health Services Authority	6	29.4%	32.7%	26.1%
Total Number of Facilities/Provincial %	170	28.8%	30.8%	27.3%

Vancouver Coastal Health/ Providence Health Care (VCH/PHC)

% B.C. of Total Food Spend	2020/21	2019/20	2018/19
	30.0%	33.1%	26.2%

CATEGORY ⁱ	% B.C.: WITHIN CATEGORY	% B.C.: OF TOTAL SPEND
Baked Goods	67.8%	3.3%
Beverages	13.1%	1.6%
Dairy	79.3%	11.0%
Produce	35.3%	5.5%
Grocery	2.2%	0.5%
Protein	27.4%	8.1%
TOTAL		30.0%

VCH/PHC Successes & Challenges in 2020/21

Again in 2020/21, VCH/PHC met Feed BC's aspirational target of 30% B.C. food purchasing, although their B.C. food expenditures were down from 33.1% in 2019/20. This decrease was a result of a change to a non-B.C. processor of liquid eggs. Otherwise, purchasing from B.C. producers and processors remained relatively consistent over the past two years. Given the ongoing food supply and staffing challenges presented by the COVID-19 pandemic, ensuring the continuity of operations will continue to be VCH/PHC's top priority in 2021/22.

Fraser Health (FH)

% B.C. of Total Food Spend	2020/21	2019/20	2018/19
	29.0%	29.0%	27.7%

CATEGORY¹	% B.C.: WITHIN CATEGORY	% B.C.: OF TOTAL SPEND
Baked Goods	68.7%	4.6%
Beverages	20.7%	1.8%
Dairy	75.8%	10.2%
Produce	29.5%	4.4%
Grocery	5.5%	1.7%
Protein	24.6%	6.3%
TOTAL		29.0%

FH Successes & Challenges in 2020/21

Due to the COVID-19 pandemic, 2020/21 was a difficult year for FH's in-house foodservices. However, through flexible food procurement strategies, they managed to keep their B.C. food spend at 29.0% B.C. food expenditures for the past two years. FH holds contracts with local vendors of bread, baked goods, dairy products and meats either directly or through FH's broadline distributor, within the allowances of their group purchasing organization. In 2021/22, FH plans to review their menu with a view to incorporating more plant-based proteins.

Interior Health (IH)

% B.C. of Total Food Spend	2020/21	2019/20	2018/19
	29.1%	35.5%	30.9%

CATEGORY ¹	% B.C.: WITHIN CATEGORY	% B.C.: OF TOTAL SPEND
Baked Goods	44.7%	3.3%
Beverages	31.2%	2.8%
Dairy	62.8%	5.8%
Produce	27.1%	3.6%
Grocery	5.6%	1.3%
Protein	32.9%	12.3%
TOTAL		29.1%

IH Successes & Challenges in 2020/21

In 2020/21, IH's B.C. food spend was 29.1% (down from 35.5% in 2019/20). The COVID-19 pandemic greatly limited IH's ability to procure B.C. food. Short-term closures of B.C. processing facilities that supply IH's production kitchens meant that they had to source some proteins from outside B.C. IH also lost a major supplier of bakery products when the company relocated out of B.C.

Their region-wide menu continued to feature entrees produced in their own production kitchens using local ingredients as much as possible. In 2020/21, IH switched to a B.C. processor for some frozen vegetables. In the future, IH would be interested in offering more traditional foods from B.C., including game meat, for their Indigenous patients and residents.

Island Health

% B.C. of Total Food Spend	2020/21	2019/20	2018/19
	30.4%	29.9%	27.2%

CATEGORY ⁱ	% B.C.: WITHIN CATEGORY	% B.C.: OF TOTAL SPEND
Baked Goods	45.6%	2.2%
Beverages	15.5%	1.7%
Dairy	40.6%	6.8%
Produce	35.3%	6.6%
Grocery	3.8%	0.7%
Protein	43.0%	12.4%
TOTAL		30.4%

Island Health Successes & Challenges in 2020/21

In 2020/21, Island Health, with their combined in-house and contracted foodservices, met the aspirational target of 30% B.C. food purchasing for the first time. They were able to make a few switches to B.C. vendors to optimize their B.C. food spend. They continued to source Island-grown vegetables for some of their long-term care homes. However, the COVID-19 pandemic kept them from implementing many of the planned changes to increase their B.C. food buys.

In 2021/22, contracted foodservices in eight Victoria sites will be brought back in-house to Island Health. These eight sites will transition to the menus currently used by the in-house foodservices. As a part of this transition, Island Health plans to look for more opportunities to embed local food into their menu.

Northern Health

% B.C. of Total Food Spend	2020/21	2019/20	2018/19
	22.1%	22.4%	23.1%

CATEGORY ⁱ	% B.C.: WITHIN CATEGORY	% B.C.: OF TOTAL SPEND
Baked Goods	54.1%	4.3%
Beverages	21.0%	1.7%
Dairy	30.9%	3.2%
Produce	28.5%	6.3%
Grocery	2.2%	0.5%
Protein	20.2%	6.1%
TOTAL		22.1%

NH Successes & Challenges in 2020/21

Due to the COVID-19 pandemic, procuring B.C. food in 2020/21 was challenging for NH. Nevertheless, NH maintained a similar level of B.C. food expenditure in 2020/21 as they had in 2019/20 and 2018/19. Their 2020/21 B.C. food spend (22.1%) is lower than other health authorities' B.C. food spends, in part because facilities in northeastern B.C. use an Edmonton-based broadline distributor due to geographical and transportation restrictions. This results in fewer choices for B.C. products in those northeast sites.

In early 2020, NH began purchasing some frozen entrees from IH rather than sourcing them from a non-B.C. company. This collaboration had a positive impact on NH's B.C. food spend in 2020/21. NH also switched to a B.C. processor for some frozen vegetables.

NH is interested in procuring more food that is local to their region. In 2020/21, they worked closely with their broadline distributor to arrange for whole eggs to come from a farm in Terrace instead of the Fraser Valley¹. While this change does not have an impact on their B.C. food spend, as both companies are within the province, it is important to NH to support local businesses.

¹ This change took effect in the summer of 2021.

Provincial Health Services Authority (PHSA)

% B.C. of Total Food Spend	2020/21	2019/20	2018/19
	29.4%	32.7%	26.1%

CATEGORY ¹	% B.C.: WITHIN CATEGORY	% B.C.: OF TOTAL SPEND
Baked Goods	56.1%	4.0%
Beverages	11.2%	1.0%
Dairy	66.7%	9.9%
Produce	29.9%	4.8%
Grocery*	10.8%	3.2%
Protein	28.3%	6.5%
TOTAL		29.4%

PHSA Successes & Challenges in 2020/21

In 2020/21, B.C. food expenditures at PHSA was 29.4% (down from 32.7% in 2019/20). PHSA oversees provision of foodservices by contracted foodservices in five sites that provide province-wide specialized health services. Their menus offer B.C. produced and processed foods as much as availability and price permit.

The sixth PHSA facility is the 200 bed Forensic Psychiatric Hospital, which unlike hospitals in other health authorities, operated at full capacity during the COVID-19 pandemic in 2020/21. Through direct contracts for many items, such as local fresh produce and frozen B.C. salmon, the Forensic Psychiatric Hospital in-house foodservices was able to achieve a high B.C. food spend despite the challenges of the pandemic. In 2021/22, they plan to search out a local farm for fresh blueberries and an Indigenous vendor of game meat products. They also intend to use more plant-based proteins.

Conclusion

In 2020/21, Feed BC in healthcare continued to support a shift to more B.C. foods and beverages in hospitals and long-term care homes. However, the COVID-19 pandemic affected the health authorities' ability to procure B.C. food and beverages². For the most part, health authorities continued to order the same B.C. products in 2020/21 that they had ordered the previous year as much as product price, quality and availability, staffing shortages, and infection control measures would allow.

While there are slight decreases in the use of B.C. foods in 2020/21, compared to 2019/20, health authorities' foodservices managed under difficult circumstances to maintain, for the most part, levels of B.C. spending similar to previous years.

Health authorities continue to show a strong interest and commitment to procuring food that is produced or processed within their regions. They are working to bring more locally sourced food to their patients and residents and to support agriculture in their communities.

Health authorities are committed to continuing to look for B.C. foods and beverages that meet their foodservice requirements. The Ministry of Agriculture and Foods continuing to work across the food supply chain to increase the availability of products suitable for healthcare institutions. Feed BC in healthcare is helping to create jobs and business opportunities across the province, to stimulate economic development and economic recovery post-pandemic, and to build a resilient provincial food system.

¹ Food categories are as follows: Baked Goods (e.g., bread, muffins, baked goods); Beverages (e.g., juice, pop, coffee, tea, thickened fluids, water); Dairy (e.g., fluid and cultured, yogurt, ice cream); Produce (e.g., fruit and vegetables (fresh and frozen); Grocery (e.g., shelf-stable puddings, jams, sauces, condiments, soup, dry goods, misc. items); Protein (e.g., meat, chicken, fish, seafood, eggs, tofu, cheese, textures, entrees).

² The impact of events subsequent to March 31, 2021 (the heat dome, wildfires and flooding, and the continuing pandemic) will be captured in the 2021/22 report.