

Nutrition Services Incentive Program

1. What is the Nutrition Services Incentive Program (NSIP)?

As amended by the *Older Americans Act (OAA) of 2000*, the NSIP is the new name for USDA's cash or commodity program, formerly known as the Nutrition Program for the Elderly (NPE). Public Law (P.L.) 108-7 amends the Older Americans Act to transfer the \$149 million Nutrition Services Incentive Program (NSIP) from the Department of Agriculture to AoA. The new language ensures that funds will continue to be available exclusively for meals and that States will continue to have the option to receive commodities

The Older American's Act Nutrition Programs are administered by the U.S. Department of Health and Human Service's (DHHS) [Administration on Aging](#), but receives commodity foods through USDA Food and Nutrition Service.

2. What is the purpose of NSIP?

The purpose of NSIP is to reward effective performance by States and Indian Tribal Organizations (ITOs) in the efficient delivery of nutritious meals to older individuals through the use of cash or commodities. This financial support, either as cash or commodities, is to support programs approved for funding in whole or in part, under Titles III and VI of the OAA.

3. Who can participate?

Age is the only factor used in determining eligibility. People 60 years of age or older and their spouses, regardless of age, are eligible for NSIP benefits. ITOs may select an age

below 60 for defining an "older" person for their tribes.

In addition, the following individuals may also receive meals through NSIP:

- Disabled people under age 60 who live in elderly housing facilities where congregate meals are served;
- Disabled persons who reside at home and accompany elderly participants to meals; and
- Volunteers who assist in the meal service.

There is no income requirement to receive meals under NSIP. Each recipient may contribute as much as he or she wishes toward the cost of the meal, but cannot be denied services if he or she chooses not to contribute.

4. How is funding determined?

The NSIP is based on a performance incentive model. States and ITOs receive funding based on the number of meals served in the prior year and available appropriation.

According to the 2000 amendments, the NSIP cash or cash and commodity allocation to a State agency on aging, or to a Tribal organization is based on the number of meals actually served in the previous year in relationship to the total number of meals actually served by all States or Tribes in the previous year.

5. Are commodities still a part of NSIP?

Yes, USDA commodities are still an option under the NSIP-- procedures to be determined. A list of foods available for this program is posted on the FD web site at: www.fns.usda.gov/fdd/foods/.

6. How may NSIP cash be used?

Recipients of grants or contracts may use NSIP cash to purchase United States agricultural commodities and other foods of US origin for their nutrition projects. They may not use NSIP funds for administration or other services at any level of the network.

NSIP funds may not be used to supplant funds previously earmarked for services for older adults.

7. Is match required for NSIP funds?

No, a State agency on aging or Tribal agency is not required to match these funds. They may, however, contribute their own funds to the programs.

8. How are payments provided to the State agencies on aging and Tribal organizations?

For fiscal year 2003, allocations to State agencies on aging and ITOs were based on the number of meals served during fiscal year 2002 in comparison to all other States and Tribes. Allocations were based on the number of meals reported by the states and tribes to AoA. DHHS's AoA will determine the specific allocation method.

9. How must State agencies on aging distribute these funds?

The OAA requires that State agencies on aging promptly and equitably disburse any cash they receive to recipients of grants or contracts for nutrition projects under Title III.

10. What policies and procedures must State agencies on aging and Tribal organizations establish for NSIP?

A State agency on aging or Tribal organization must establish policies and procedures to implement the requirements of the OAA for NSIP. These requirements include the following:

- Policies to promptly and equitably disburse any cash they receive to recipients of grants or contracts for nutrition projects; and
- Policies that require recipients of grants or contracts to use NSIP cash to purchase US agricultural commodities or other foods of US origin for their nutrition projects.

State agencies on aging and Tribal organizations may establish criteria for incentives for the receipt of NSIP funds consistent with the requirements of the OAA.

11. Are area agencies on aging allowed to establish criteria for incentives for the receipt of NSIP funds by recipients of grants or contracts?

Area agencies on aging may establish criteria for incentives consistent with State policies and procedures and the requirements of the amendments to the OAA.

12. What is the basis for the fund allocation for fiscal year 2003?

The basis for the fund allocation for fiscal year 2003 is the number of meals annually reported to the AoA under the State Program Report for State Agencies on Aging and under the Program Performance Report for Tribal organizations.

13. How many meals are served and at what cost?

For FY2001, Congress appropriated \$150 million. USDA provided reimbursement for an average of 21 million meals a month in FY 2001.

14. How many seniors participate in the program?

Under Title III, in FY 2000, 1,743,292 adults participated in the congregate nutrition program and 953,038 participated in the home-delivered nutrition program for a total of 2,696,330 older adults.

Under Title VI, in FY 2001, 50,309 older adults participated in the congregate nutrition program and 32,919 participated in the home-delivered nutrition program for a total of 83,228 older adults.

15. Who should I contact for more information about NSIP?

For more information about NSIP, contact your State Agency on Aging (AoA). A list of these agencies is posted on the AoA web site at: <http://www.aoa.dhhs.gov/aoa/pages/state.html>

Also, for more information about the other Food Distribution Programs administered by the Food and Nutrition Service, please visit us at: <http://www.fns.usda.gov/fdd>.

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