



Introduction to McKinsey & Co. Hunger Projections 6.22.20

In April and May of 2020, McKinsey & Company conducted pro-bono research on behalf of Second Harvest Heartland to estimate the effect of COVID-19 on our supply and demand through 2020. These projections account for what we currently know about the impact of the economic recession, the availability of food from various private and government sources, and access to safety net programs such as SNAP and unemployment insurance. This information has informed Second Harvest Heartland's planning and response to the coming need, including budgeting, fundraising, and sourcing.

Second Harvest Heartland Service Area Projections

Quick Facts

1. Beginning in July 2020, Second Harvest Heartland is expecting to see an additional surge in demand for food resources, with the need peaking in September and declining very slightly through the rest of 2020.
2. In our Likely scenario, the total demand from July to December 2020 would require us to distribute **75 million lbs**, a **70% increase** from our 2019 distribution during this same time frame.
3. To meet the expected **26 million lb gap** between our current supply estimates and the projected demand, SHH will spend an additional **\$10 million** on sourcing 10 million lbs of produce and 11 million lbs of purchased dry goods.
4. Overall incremental cost to meet the increased demand in our service area will be **\$17.3 million** from July to December 2020.

Feeding America Projections

- + Pre-pandemic, in Second Harvest Heartland's service area, an estimated **362,060 people**, including **134,380 children**, did not have adequate access to enough nutritious food to live a healthy life. However, in 2020 this number is likely to grow by **232,930**, including **96,110 children**. That means approximately **594,990 people** may experience food insecurity in 2020, including **230,490 children**.
 - + This assumes the local unemployment rate increases by 6.9 percentage points and the poverty rate increases by 4.8 percentage points over pre-COVID levels.

State Projections

Quick Facts

1. Beginning in July 2020, Minnesota is expecting to see a surge in demand for food resources, with the need peaking in September and declining slightly through the rest of 2020.
2. In our Likely scenario, the total demand from July to December 2020 would require food banks to distribute **86 million lbs**, a **65% increase** from 2019's distribution during this same time frame.
3. To meet the expected **34 million lb** gap between current operational levels and the projected demand, MN's food banks would have to spend an additional **\$21.2 million**.

Feeding America Projections

- + Pre-pandemic, in Minnesota, an estimated **461,200 people**, including **161,880 children**, did not have adequate access to enough nutritious food to live a healthy life. However, in 2020 this number is likely to grow by **275,560**, including **111,920 children**. That means approximately **736,760 people** may experience food insecurity in 2020, including **273,800 children**.
 - + This assumes the local unemployment rate increases by 7.0 percentage points and the poverty rate increases by 4.8 percentage points over pre-COVID levels.
- + Minnesota is projected to have the **second highest percentage increase** in food insecurity in the nation, with a **60% increase** from 2018 (8.2% FI rate) to 2020 (13.1% FI rate).