NACCHO
National Association of County & City Health Officials
The National Connection for Local Public Health

[REPORT]
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Summary of Retail Food Inspection Scoring, Grading, and Placarding Systems

Introduction

As more Americans eat out and the number of retail food establishments increases, the concern for food safety also increases. To help prevent foodborne disease, retail food regulatory programs license and inspect retail food establishments. Some retail food regulatory programs have incorporated a scoring, grading, or placarding system as part of their regulatory approach. These systems vary between states and may even vary among localities within the same state.

The National Association of County and City Health Officials (NACCHO), with support from the Food and Drug Administration (FDA), conducted research to learn more about scoring, grading, and placarding systems used by retail food regulatory programs in the United States.

In 2012, NACCHO surveyed local retail food regulatory programs to learn more about the implementation of scoring, grading, and placarding systems. NACCHO found that 38% of the respondents indicated that their jurisdiction provided retail food establishments with an overall grade, score, or placard after an inspection. Among the respondents that indicated they had a system, 75% used a numerical score; 16% used a letter grade; 10% used a color or other graphic to describe the inspection result; and 11% used another, unspecified type of system. (Percentages do not total 100 because respondents may have selected more than one choice.)

In addition, participants were asked to share their perception of the impact of their system. Among those respondents with a system, the survey found the following:

- 67% perceived that the system had no impact on how operators shared information during an inspection;
- 66% either agreed (52%) or strongly agreed (14%) that an assigned score or grade was correlated with an establishment's control of risk factors;
- 59% perceived that a scoring and grading system impacted how much attention operators paid to food safety; and
- 58% perceived that the system improved food safety.[1]

NACCHO found that 38% of the respondents indicated that their jurisdiction provided retail food establishments with an overall grade, score, or placard after an inspection.

NACCHO conducted four case studies from 2013 to 2015 to explore key questions about the implementation of scoring, grading, and placarding systems. NACCHO identified the retail food regulatory programs from the survey respondents. Information about the four participating retail food regulatory programs can be found in Table 1.

Through the case studies, NACCHO sought to explore the following questions:

- Why do retail food regulatory programs implement scoring, grading, or placarding systems? In other words, what purpose does a scoring, grading, or placarding system serve?
- How are stakeholders involved in the development and revision of scoring, grading, or placarding systems?
- How do jurisdictions derive point values and thresholds associated with scoring, grading, or placarding systems?
- How does the implementation of a scoring, grading, or placarding system impact a retail food regulatory program's resources?
- How does the implementation of a scoring, grading, or placarding system impact behavior for consumers, regulators, and establishment operators?
- Have jurisdictions collected data on the impact of their scoring, grading, or placarding system? If so, does the data suggest that a particular approach has more, or less, of an impact on food safety?

TABLE 1: CHARACTERISTICS OF SELECTED SITES

Site	Geographic Characteristics	Other Characteristics
Positive Perceptions of Impact		
Southern Nevada Health District, Nevada	PHS Region 9 Population 2.1 million FDA Pacific Region	Very comprehensive system with letter and number reported on premises; received media coverage Grading system was implemented in 2010 or earlier
Kern County Public Health Department, California	PHS Region 9 Population 874,589 FDA Pacific Region	Grading system was implemented in 2010 or earlier Uses a score and grade posted on premises
Mixed/Non-Positive Perceptions of the Impact		
Monmouth County Health Department, New Jersey	PHS Region 2 Jurisdiction, Population 352,000 FDA Central Region	State-based food safety placard system
Louisville Metro Department of Public Health and Wellness, Kentucky	PHS Region 4 City, Population 1.3 million FDA Central Region	Uses a score and grade posted on premises

Methods

NACCHO identified and selected potential case study participants from its 2012 survey. To obtain a broad perspective on scoring, grading, and placarding, survey respondents were grouped into three categories:

1. Jurisdictions where the respondent reported positively on all questions about the perceived impact on (1) overall impact on food safety (highly agree); (2) operational control over risk factors associated with operator behaviors (highly agree); and (3) all three operator behaviors (attention to food safety, communication with inspectors, and how inspections were conducted).
2. Jurisdictions where the respondent reported mixed perceptions on the above questions.
3. Jurisdictions with characteristics that would bring further insight into scoring and grading systems such as a local jurisdiction implementing a state-mandated program.

The list of selected jurisdictions (see Table 1) includes a variety of Health and Human Services regions and a mixture of urban and rural sites. From 2013 to 2015, NACCHO conducted telephone interviews with key informants from each selected retail food regulatory program. Key informants included health department staff, board of health representatives, food establishment operators and owners, and food safety consultants.

Results

Why do retail food regulatory programs implement scoring, grading, or placarding systems?

Case study responses suggest that there are three primary reasons for implementing a scoring, grading, or placarding system. A single reason, or combination of reasons, may influence a jurisdiction's decision to implement a scoring, grading, or placarding system. Retail food regulatory programs implement these systems for the following reasons:

1. They want to communicate a "snapshot" of information about the inspection results to the consumer.
2. They want to use information derived from the scheme to adjust inspection frequency or serve as a threshold for taking additional enforcement actions.
3. They want to incentivize retail food establishment operators to more rapidly correct problems and take a more proactive approach to preventing problems by publicly displaying scores, grades, or placards.

Overview of Participants' Grading, Scoring, or Placarding Systems

The case study participants employ different scoring, grading, or placarding systems. Table 2 provides an overview of the scoring, grading, or placarding system.

TABLE 2: OVERVIEW OF TYPES OF FOOD INSPECTION SCORING AND GRADING SYSTEMS USED

Jurisdiction	What results are displayed after an inspection?	How are the overall inspection results determined?	How many points are assigned to each violation?	How did the jurisdiction determine how many points to assign to each violation?
Louisville Metro Public Health and Wellness, KY	Letter grades and placard color convey inspection results.	"A" grade (Green card): 85–100% and no critical violations were cited. "B" grade (Blue card): Failed two consecutive inspections prior to passing the most recent follow-up; failed a follow-up inspection; or was recently closed due to imminent public health violations, then re-inspected and opened after passing a follow-up inspection. "C" grade (Red card): Failed to meet minimum requirements of The Kentucky State Food Code upon the most recent inspection. This includes an inspection where one or more critical violations are observed.	• 3–5 points for critical violations • 1–2 points for non-critical violations	The state's inspection form assigns point values for each violation. These point values are assigned to each violation when determining the numerical score.
Monmouth County Health Department, NJ	Inspection results are summarized by assigned categories.	"Satisfactory": The establishment is found to be operating in substantial compliance with this chapter and food service personnel have demonstrated that they are aware of and are practicing sanitation and food safety principles as outlined in this chapter. "Conditionally satisfactory": At the time of the inspection, the establishment was found to be out of compliance with one or more critical violations that were not corrected while the inspector is onsite; food service personnel were found to be improperly handling food; or an establishment committed a repeat violation. "Unsatisfactory": Whenever a retail food establishment is operating in violation of this chapter, with one or more violations that constitute gross insanitary or unsafe conditions, which pose an imminent health hazard, the health authority shall immediately request the person in charge to voluntarily cease operation until it is shown on re-inspection that conditions which warrant an unsatisfactory evaluation no longer exists.	Not available	State inspection forms assign point values for each violation.

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TABLE 2: OVERVIEW OF TYPES OF FOOD INSPECTION SCORING AND GRADING SYSTEMS USED

(CONTINUED FROM PAGE 3)

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Kern County Public Health Services Department, CA	Letter grades and placard color convey inspection results.	"A" score and blue placard: 90 to 100 points "B" score and green placard: 80 to <90 points "C" score and yellow placard: 75 to <80 points Notice of Closure and red placard: 0 to <75 points	• 5 points for major risk factors • 3 points for minor risk factors • 3 points for other risk factors • 0.5 point for non-critical violations	Borrowed and customized the policies of Los Angeles County and San Bernardino County to determine point values for each violation.
Southern Nevada Health District, NV	Letter grades and placard color convey inspection results.	"A" grade (Blue card): 0 to10 demerits on their last inspection. "B" grade (Green card): 11 to 20 demerits or identical consecutive critical or major violations. "C" grade (Red card): 21 to 40 demerits, has identical consecutive critical or major violations, or more than 10 demerits on a "B" grade re-inspection. Notice of Closure (Pink card): 41 or more demerits, an imminent health hazard requiring closure was cited, or failed a "C" grade re-inspection.	• 5 points for critical violations • 3 points for major violation • 0 points for good food management practice violations	Point values were initially assigned by the health department. Point values have evolved over time to increase the focus directly on risk and contributing factors of foodborne illnesses.

How do jurisdictions derive point values or thresholds associated with scoring, grading, or placarding systems?

Participants derived point values or thresholds with the systems using various methods. Kern County used the California Retail Food Code and a report from the Centers for Disease Control and Prevention (CDC) to help associate risk factors to violations (e.g., major, minor, non-critical).[2] To determine point values for violations, Kern borrowed and modified from other local jurisdictions in California. Southern Nevada Health District created their own demerit and point value system that has evolved over time to focus directly on risk and contributing factors of foodborne illnesses. Louisville's point values are based on the state inspection form, which assigns point values for each violation. The state inspection form uses the 2005 Food Code to determine which violations are critical or non-critical.[3] Monmouth County uses the New Jersey state system. New Jersey's inspection form is based on a form developed by the Conference for Food Protection.

How does the implementation of a scoring, grading, or placarding system impact a retail food regulatory program resources?

All participants stated that implementation of a scoring, grading, or placarding system requires extra resources and time. For example, health departments had to educate the food industry about the system. Participants indicated that their health departments expended resources to conduct training sessions, produce and disseminate fact sheets, mail information, and create online resources. Participants also provided information and trainings to the industry when revisions were made to their systems and regulations. For example, Southern Nevada conducted 25 informational sessions and trained over 8,000 industry members on an updated regulation in 2010. Local health departments also expended resources to educate their staff. Participants indicated that they incorporated the scoring, grading, or placarding policies into their inspector training program. All participants require their inspectors to be formally trained, take continuous education courses annually, and participate in ethics

trainings. Kern, Louisville, and Southern Nevada stated that they utilized media outlets to inform and educate the public about the system.

Compliance and enforcement policies were incorporated into scoring, grading, or placarding systems. All the participating health departments required facilities to close or asked them to close voluntarily if they had imminent health hazard violations. As part of the scoring, grading, or placarding system, each jurisdiction also required establishments to close when they scored under a minimum score or grade. Re-inspection fees were a notable difference between the case study participants. Kern, Southern Nevada, and Monmouth charge a fee for re-inspection. Louisville charges annual permit fees that cover routine annual inspections but does not charge additional fees for re-inspections due to low scores, grades, or placards.

Appeals processes were also incorporated into scoring, grading, and placarding systems. Each case study participant provided a mechanism for facility operators to contest scores, grades, or ratings. Kern's and Louisville's appeals processes required operators to submit written requests to the health department. On the other hand, Monmouth and Southern Nevada Health District employed an informal process in which the establishment operator calls the department's supervisor. Each case study participant indicated that appeals for scores, grades, or placards were infrequently requested. For example, Kern and Louisville stated that they received less than one appeal per month due to low scores, grades, or placards.

How are inspection results, including grades, communicated to the public?

All participants required the retail food establishment to post the grade, score, or rating placards in a conspicuous location in their facility. In addition to the conspicuous posting of the score, grade, or placard, all participating health departments required facilities to provide the inspection summary reports to the consumer upon request. Each local health department also provided either full or partial inspection results on their website. In addition to the methods described above, other communication methods included posting Quick Response (QR) codes on their placards, mobile applications, and through local media outlets such as television shows, websites, and newspapers. In Louisville, the health department partnered with Yelp, a social media company, as one method to communicate inspections results to the public.

All participants stated that the local media regularly list the retail food establishments that receive low scores, grades, and ratings. Representatives from Southern Nevada and Kern have heard anecdotes or perceive that media coverage on scores and grades may impact consumer behavior, at least in the short term. None of the participants have data available to show the impact of the media coverage on the system and consumer behavior.

How are stakeholders involved in the development and implementation of scoring, grading, or placarding systems?

All systems, except for Kern's, were formed and implemented prior to when the interviewees began working at the health department. Kern's system was the result of an initiative by their Board of Supervisors to proactively create a food inspection scoring and grading system for Kern County. Although NACCHO was able to gather information about the formation and implementation of only Kern's policy, each health department involved members of the retail food industry in some way when revising their policies. In addition, Kern and New Jersey examined and borrowed elements from other jurisdictions' policies and systems when forming their systems.

The majority of the interviewees could not provide information about the barriers and facilitators to the systems' initial implementations. However, Kern identified their initial barrier as forming a policy that would satisfy economic growth and business development while promoting food safety. A Kern representative noted that a few industry members were wary of the motives behind the system. The Louisville representative stated that staff buy-in to the system is a constant battle and they address the issue by involving the staff when revising the system. The Southern Nevada representative stated that heavy staff workload is a constant barrier to their system and inspection program, while the representative from the State of New Jersey Department of Health believed that there are no barriers specific to its system because it has been in place for many years.

Controversy was reported for some of the scoring, grading, or placarding systems. In Southern Nevada, the industry representative stated that some industry members were concerned that the grade misrepresented their facilities' operations because inspections only represent a "snapshot" of their overall operations. In Kern, industry representatives were initially concerned with the fairness of the system for poor-performing operators compared to strong-performing operators. The poor performers would be required to make more adjustments than the strong performers to be successful within the new system; thus, poor performers were more likely to be negatively impacted by consequences of the policy such as loss of customers after receiving a low grade.

The majority of the participants believe that having a system has increased consumer awareness of retail food inspections and inspection results.

How does the implementation of a scoring, grading, or placarding system impact behavior for consumers, regulators, and establishment operators?

The systems impacted the nature of the inspections and relationship between inspectors and operators in different ways among the participating jurisdictions. For example, the Southern Nevada Health District's representative believed that their system provides incentives for retail food facility operators to fix violations quickly. In Louisville, a representative noted that a small number of inspectors found the system stressful because it was their responsibility to post the grades in highly visible areas of the facilities. Representatives from both Monmouth and Kern did not think their systems impacted the way inspections are conducted. However, the representative from Monmouth believed that switching from a placard system to a scoring or grading system would negatively impact their inspections. For example, if an establishment received a low score (i.e., less than 70), the owners/operators may feel more threatened than they would if they received the "Conditional Rating" because common public perception associates a score less than 70 as failing. Owners/operators who feel threatened are often more adversarial, limiting inspectors' opportunity to explain correct food safety practices and effect meaningful behavioral and procedural changes.

The majority of participants believe that having a system has increased consumer awareness of retail food inspections and inspection results. Representatives from Kern and Southern Nevada stated that their systems increase consumer awareness because grades are more relatable to the public than jargon or terms that are often found in inspection reports. In addition, Kern's industry representatives stated that they believe that

the grades impact consumers' dining decisions. In Louisville, the opportunity to increase consumer awareness of retail food inspection results grew when the health department went from having no communication of inspection results to the public to having inspection results communicated through placards, its website, a mobile app, and Yelp.

Have jurisdictions collected data on the impact of their scoring, grading, or placarding system? If so, does the data suggest that a particular approach is more effective?

Case study participants reported that they have not analyzed data to assess their system's impact on retail food establishment practices or foodborne illness in the community. Southern Nevada Health District has not analyzed data because of the difficulty in measuring the prevention of foodborne illness. Kern and Louisville plan to collect and analyze data in the future. Anecdotally, the Kern representative has heard from retail food establishment operators, employees, and inspectors that their system has a positive impact on retail food establishment practices. In addition, Louisville's representative believes that there is at least a perception that their system positively impacts food safety because their system incentivizes operators to eliminate foodborne illness risk factors by rewarding them with an "A" grade.

The majority of the participants have revised their system since it was first implemented. Only New Jersey has not and does not plan to revise their placard system. However, New Jersey worked with the industry to explore other systems such as letter grades. Industry objected to the proposed change because the system may be negatively influenced by inconsistent practices among inspectors. All other participants included industry members as part of their advisory groups when revising their systems. Louisville and Southern Nevada stated that they have revised their system throughout the years to focus more on foodborne illness risk factors.

Recommendations on Forming and Implementing Scoring, Grading, or Placarding System

All participants recommended that health departments base their retail food inspection programs on foodborne illness risk factors. For health departments interested in scoring, grading, or placarding systems, participants recommended the following:

- Provide a formal and transparent process for stakeholders (i.e., industry members and health department staff) to provide input when developing, reviewing, and updating policy and processes;
- Incorporate a formal process for the food industry to appeal scores, grades, or placards; and
- Provide education and training to all inspectors and supervisors on the system.

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