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Restaurant Grading

Considerations for Local Policymakers



ACKNOWLEDGMENTS

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The views expressed in this report do not necessarily reflect those of the peer reviewers.

CityHealth, an initiative of the de Beaumont Foundation and Kaiser Permanente, provides leaders with a package of evidence-based policy solutions that will help millions of people live longer, better lives in vibrant, prosperous communities. CityHealth will regularly evaluate cities on the number and strength of their policies. <http://www.cityhealth.org/>

Restaurant grading—where a restaurant is required to publicly post a “grade” based on the results of a food safety inspection—empowers consumers and can reduce foodborne illness rates. The goal of a grading program is two-fold. First, a grading program provides a powerful incentive for restaurants to perform well on inspections which, in turn, improves food safety. Second, a grading program helps consumers make informed decisions about where they want to eat, allowing food safety to be a part of their decisions. By improving food safety practices and helping people make informed decisions, restaurant grading programs help promote public health.¹

Posted grades summarize inspection results in an easy-to-understand way. Although inspection data is often available online, posting this information in a restaurant’s front window makes it more accessible and helps the public better understand a restaurant’s food safety record before they walk through the door. Grading indicators vary—from letter grades, to emojis, to colors—but the goal of increased transparency is the same.

Food safety inspection is a core function of most local health departments. Many health officials have added grading to their inspection programs, and these programs have led to fewer foodborne illnesses. For example, the grading program in Los Angeles County resulted in a reduction in hospitalizations due to foodborne illnesses, and the program in New York City resulted in improved sanitary conditions.² In Los Angeles County, the restaurant hygiene grading system was associated with a 13.1 percent decrease in the number of foodborne-disease hospitalizations.³

Beyond the public health impact, restaurant grading programs have strong public support, increase the visibility of the health department, and underscore the health department’s role in consumer protection, public health, and food safety. One study of New York City’s restaurant grading program showed that 91 percent of surveyed adults supported the program after 18 months, and 81 percent had seen a grade in a restaurant window.⁴ Of those who had seen a grade, 88 percent considered the grade in their dining decision, and 76 percent felt more confident in a restaurant’s food safety when an “A” grade was posted.

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About this Brief

CityHealth, an initiative of the de Beaumont Foundation and Kaiser Permanente, provides leaders with a package of nine evidence-based policy solutions that have the potential to help millions of people live longer, better lives in vibrant, prosperous communities. One of these policy solutions is restaurant grading, which contributes to empowering consumers, reducing foodborne illness rates, and reducing health care costs.

CityHealth awards medals to the nation’s 40 largest cities in each of its nine policy areas, based on the quantity and quality of the city’s policies and programs. A silver medal in restaurant grading signals that a city has

“Consumers are generally for this —it gives them an easy way to understand what they feel are complex issues and it gives me a clue of where to eat or not.”

— Restaurant industry representative



a mandatory restaurant grading system that includes public disclosure of inspection results and public posting of grades at the facility. A gold medal signals that grades are posted outside the restaurant before a potential customer enters the restaurant. In its most recent assessment, CityHealth awarded 12 gold and 3 silver medals to cities in restaurant grading. No medal was awarded to 25 cities.

This issue brief discusses key considerations for local policymakers interested in restaurant grading programs. The analysis is based on interviews with 17 local, state, and national stakeholders, with an emphasis on Boston, Columbus, New York City, and Seattle. Each of these four cities has earned a gold medal from CityHealth for its restaurant grading program.

The purpose of this brief is to inform policymakers seeking to create or improve a restaurant grading system in their own locality using lessons learned from peers who have recently implemented a strong policy. Interviews were conducted with city leaders who currently have a restaurant grading program in place, to find out how and why they created the system they did for their city. Every locality is unique, and not all of the strategies used by these four cities are applicable for all policymakers. Nevertheless, CityHealth is sharing the lessons learned from these interviews to identify and elevate best practices, for the benefit and consideration of policymakers seeking to advance food safety in their cities.

The Role of Local Health Departments

Restaurant grading programs present a unique opportunity for local health officials to leverage their inspection authority to increase transparency and promote public health. Restaurant grading also offers health departments a way to increase the visibility of the work they do each day to protect the community. Before adopting a restaurant grading program, health departments should ensure that they have a robust inspection program in place already, have the inspector capacity necessary to implement a grading program, can conduct broad stakeholder engagement, can analyze data, and have the support of elected officials.

KEY CONSIDERATIONS FOR HEALTH OFFICIALS

AUTHORITY. Does a specific city department have the authority to adopt a grading program? Or will a grading program require city council or county approval?

CAPACITY. Does the department have staff capacity to allow for reinspections, data analysis, and enforcement of posted grades?

STAKEHOLDER ENGAGEMENT. Can the department convene diverse stakeholders, including those from the restaurant industry and members of the public, to solicit input on a grading program?

INSPECTOR STANDARDIZATION. Has the department already moved toward inspector standardization?

POLITICAL SUPPORT. Does the department have champions for the grading program on the city council or in the mayor's office?

Diverse cities and states, both large and small, have adopted restaurant grading programs. Large cities tend to have bigger budgets and more inspection staff, but they also have many more restaurants, so inspector capacity may be stretched thin. Smaller cities have fewer inspectors but also fewer restaurants, so inspectors can cultivate closer relationships with restaurants. Inspector standardization may also be easier in smaller cities.

In each of the four study cities, the local health department had existing authority to establish a restaurant grading program under its general food safety inspection authority. The health department made a recommendation to the Board of Health, which then adopted the grading program through new regulations or standards. In Boston, the city council held a vote, but it was limited to the issue of enforcement and penalties, rather than the entire policy. In some cases, the city council weighed in later: after the health department adopted a grading program in 2010, the New York City Council adopted a series of reforms to the program in 2013 that were supported by the restaurant industry.⁵

Data Analysis is Critical

Three of the four study cities analyzed their historical inspection data before adopting a grading program to understand the potential impact of such a program. One city found that most restaurants would have received a grade of “B,” which caught some city officials by surprise. As one official put it, “we really thought restaurants could do better.” The fact that restaurants were not performing where officials thought they should be then became part of the justification for moving ahead with the restaurant grading program.

Others worked directly with researchers and academic institutions to improve their existing inspection programs through data analysis, prior to implementing the grading program. King County, for instance, developed a randomized controlled trial to test inspector consistency.⁶ The study included a peer review process with side-by-side inspections among staff, each conducting independent inspection evaluations for comparison. The results, published in the *Stanford Law Review*, showed that inspectors disagreed about 60 percent of the time, but that peer review decreased inspector variability and improved inspection consistency. The study was so impactful that King County opted to conduct ongoing peer review as part of their quality assurance process. Moving towards inspector standardization, in

“We’ve seen how facilities will start out on one side saying ‘no, we don’t want this and what if we get a bad grade and it’ll affect our livelihood.’ But when you switch that to ‘why wouldn’t you get a green placard or an A in your window?’, they start to see the benefits of that.”

— National expert

conjunction with a restaurant grading program, helps blunt one of the main criticisms of restaurant grading programs: that inspectors are inconsistent in their grading and that grades are imprecise.

Although King County officials emphasized the value of this study for the department, they did not think it was necessary for every locality to do the same and acknowledged that it resulted in a delay in rolling out the grading program. Stakeholders also noted the need to have a strong data system in place to track inspection results and incorporate grades.

All four of the study cities make data available to the public on an ongoing basis. New York City, for instance, partnered with Baruch College on polling that confirmed that most New Yorkers—91 percent—approved

Most New Yorkers—**91%**—
approved of the grading program.

of the grading program, and released a series of analyses that found that the rate of *Salmonella* infections fell by 24 percent between 2010 and 2014.⁷ Cities identified ongoing data analysis as a critical need to ensure that the restaurant grading program is effective and working as designed.

Ensuring Inspector Capacity and Standardization

Restaurant grading programs require additional staff capacity. This includes the need for additional training,

“We’re not hearing about other cities doing this in our state. There needs to be a certain level of infrastructure in place to do it.”

— Restaurant industry representative

more frequent reinspections, and increased oversight to ensure that grades are posted. A common theme across all stakeholder types was the need for inspector standardization and consistency. Without sufficient standardization, violations may be cited inconsistently due to inspector variability. A lack of consistency can undermine the grading program if consumers cannot reasonably rely on the objectivity of posted grades. A best practice is to ensure inspector standardization prior to or when implementing a grading program. Stakeholders also identified a need for ongoing training in inspector standardization following adoption of a restaurant grading policy.

Grade Design Matters

Cities and counties vary significantly in the types of grades they use. Examples of grading schemes include letter scores, emojis, colors, and lighthouses. This variation can be used to reflect local needs and allows localities to adopt programs that work for them. Some, like King County, used analysis from student researchers at the University of Washington, a design firm, and an online voting process to design and then collect feedback on its emoji-based grades. King County decided to use emojis in part because their research showed that non-native English speakers did not understand the ABC model, and there was concern that this model would not translate well to Seattle’s large immigrant population.

Some stakeholders thought grades should be based only on inspection violations that impact food safety, rather than building code violations and other “floors, ceilings, and walls” violations. These stakeholders noted that the public expects a grade to be an indicator of food safety, so the score should focus only on food safety. Some cities are expanding the information they place on the



Source: Public Health – Seattle & King County



posted grade to include, for instance, what the violations were and when the facility was last inspected; this information is often available online, but some cities are moving to add it to the grade itself.

The appearance of the grade matters too. In some cases, cities changed their grading scheme after feedback from

the industry. In one city, an industry representative noted that “even the ‘A’ looked like a violation” because it was in red ink. Other restaurants simply do not want to post a grade on their window because they think it does not fit their restaurant’s aesthetic. To address this need, at least two cities used a design firm to help create their grade.

	<p>GREEN SIGN: All standard inspections have been conducted and the business has met the standards of Columbus Public Health.</p>
	<p>YELLOW SIGN: All businesses that are in the enforcement process due to uncorrected critical violations found during follow-up inspections.</p>
	<p>WHITE SIGN: All businesses placed on an increased frequency of inspections.</p>
	<p>RED SIGN: All businesses that the Board of Health or the Health Commissioner has ordered closed.</p>

Source: The City of Columbus

“When we were considering it, there was lots of earned media. As much anxiety as the restaurants had, it was hard to push back because we knew constituents wanted it. It also got elected officials to embrace the program.”

— Local health official

Spotlight on Gold Medal Cities

Boston, Columbus, New York City, and Seattle illustrate the variety of approaches that localities have taken to developing restaurant grading programs. No two localities adopted the same grading schemes: Boston and New York City both use an “ABC system,” but with different point allocations, Seattle uses emojis and words (e.g., “excellent”), and Columbus uses colors. Boston and New York City’s programs are the most similar, but diverge in areas such as reinspection policy. King County’s

program bypasses the reinspection process altogether by using a grade that accounts for the past four routine inspections. The grading program in Columbus is based on enforcement status rather than a numerical inspection grade: a restaurant receives a “green” placard as long as it passed an inspection, or a “yellow” or “white” placard if it has violations that it has failed to correct over time. Other localities, such as Contra Costa County in California, have adopted similar color-coded grading programs based on enforcement status.

Comparing City Restaurant Grading Systems

A CLOSER LOOK AT FOUR LOCALITIES

	Boston, MA	Columbus, OH	New York City, NY	King County, WA
Year Adopted	2016	2006	2010, 2017	2017
Decisionmaking Entity	Mayor’s Office, City Council	Board of Health	Board of Health, City Council	Board of Health
Application	Restaurants and food trucks only	All licensed entities (e.g., restaurants, grocery stores, bars, delis, food carts)	Restaurants that serve food to the public; extended to food trucks and push carts in 2018	Brick-and-mortar food facilities
Grade System	ABC	Color-coded placard	ABC	Emojis and words
Grade Delineation	A – 94-100 B – 81-93 C – 80 or lower	Green – passed inspection Yellow – in enforcement White – increased frequency of inspections Red – ordered closed	A – 14 or less B – 14 to 27 C – 27 or higher	Excellent – no/few critical violations Good – some critical violations Okay – many critical violations Needs to improve – closed or needed multiple inspections
Location of Grade	Facing externally on wall or window within five feet of entrance	Front window of establishment within five feet of entrance	Facing externally on wall or window within five feet of entrance	Facing externally on wall or window within five feet of entrance
Reinspection Policy	Up to two reinspections before grade posted (no grade posted in interim); first reinspection is automatic; second reinspection is optional and for a fee	Reinspection for critical violations (no grade posted in interim)—if still noncompliant, receives yellow grade; no fees for reinspection	Reinspection no sooner than 7 days (no new grade posted in interim); if operator challenges reinspection results, must post new grade or grade pending in interim	Grade is based on past four routine inspections —no reinspection considerations specific to grading program
Penalty for Not Posting a Grade	\$300 penalty	First degree misdemeanor (<\$1,000 fine or 180 days in jail)	Treated as any other violation	50% of permit fee (increases for multiple offenses)
Notes	Had a pilot program for first year where grades were posted online, with optional posting by restaurants	Grades are based on enforcement status—i.e., violation won’t lead to different color unless facing enforcement	Inspection schedule changes based on inspection points—i.e., more frequent inspections for poorer-performing facilities	Grades adjusted based on facility complexity and zip code

Engaging Stakeholders Throughout the Process

Health departments in every city engaged stakeholders before, during, and after adoption of their grading programs and had significant lead time between conception and implementation. In Boston, the planning process

New York City and Seattle took about **2&3** years of planning, respectively.

took about 18 months and included a pilot program. New York City and Seattle took about two and three years of planning, respectively.

Most health departments held meetings—such as roundtable sessions—with industry trade associations, individual operators, and other local officials. In one city, the mayor’s office and health department held sessions with 10 operators from different segments of the industry. These meetings provided an opportunity for stakeholders to share feedback about the proposed grading program and voice concerns. Some cities used formal stakeholder advisory entities to solicit feedback, such as the Food Protection Advisory Committee in Columbus, and the Food Safety Technical Advisory Committee in New York City. Some cities continue to convene stakeholders to collect ongoing feedback on the restaurant grading program: in New York City, the committee was transitioned into a standing Food Service Establishment Advisory Board that meets quarterly.

General public engagement, however, was low across all cities. Examples of stakeholder groups that could represent consumer interests include organizations that represent at-risk populations for foodborne illnesses, such as pregnant women, mothers of young children, and caretakers for the elderly.

Cities cited the importance of outreach and education ahead of the rollout of their grading programs. Initial efforts were often targeted to regulated entities, like restaurants, to inform them of the grading program, but stakeholders equally identified the need to educate consumers about how to interpret a restaurant grade.

“At the start of the program, we did an enormous amount of outreach and training. We had training all over the city in different languages and at different times of the day. We’ve continued to do different types of training and put out new education materials, compliance guides, and new training programs.”

— Local health official

Another priority was for cities to conduct education and outreach in different languages to ensure that non-English speaking restaurant owners and staff fully understood the new program. One city had training handouts for restaurant owners in at least English, Spanish, and Chinese, and in other languages available upon request.

Varying Approaches: Reinspection Policy

Reinspection was often a point of contention and is an area that cities have addressed differently. The restaurant industry consistently pushed against being graded based solely on the first inspection. In Boston, restaurants can receive three inspections—a routine inspection followed by two reinspections—before a grade is posted. Columbus and New York City each offer one reinspection before a grade is posted; in Columbus, the reinspection is only undertaken for critical violations. In Seattle, there is no need for reinspection with respect to the grade because the grade is based on the restaurant’s past four routine inspections.

Cities differ on whether they charge a fee for reinspection. In Columbus, there is no fee, while Boston



“If you’re going to do it, you should spend the money, time, and effort to make it work. Livelihoods are at stake here.”

— Restaurant industry representative

charges a fee for a second, optional reinspection. Fees for reinspection also factored into decisions in King County, where stakeholders opposed a fee structure due to a commitment to equity. This also contributed to King County’s penalty structure for failure to post the grade: the penalty is based on a percentage of the permit fee to reflect the size and scale of each business. New York City now provides consultative inspections for a nominal fee where inspectors will do a consultation at a restaurant outside of the enforcement context.

Conclusion

Restaurant grading empowers consumers, reduces foodborne illness rates, and increases the visibility of health departments. Cities have significant flexibility in developing restaurant grading programs that meet the needs of their communities, and city leaders should continue to work towards developing and implementing restaurant grading programs.

Methods

This qualitative study reflects findings from 17 interviews with diverse stakeholders such as local and state officials, local and national restaurant industry representatives, and other national experts on food safety and restaurant grading programs. Interviews were conducted with multiple stakeholders in each of the four study cities: Boston, Columbus, New York City, and Seattle (King County). Interviews were structured

around standardized protocols with adjustments made based on type of informant and city, where appropriate. The study also reflects a review of publicly available information as well as third-party research evaluating restaurant grading programs. Interviews were conducted by Katie Keith on behalf of CityHealth from February 2018 to April 2018.

ENDNOTES

1. See, e.g., Fielding, J., "Ten Year Anniversary of Restaurant Grading Program," County of Los Angeles Public Health (Jan. 2008); Choi, J. & Scharff, R.L., "Effect of a Publicly Accessible Disclosure System on Food Safety Inspection Scores in Retail and Food Service Establishments," *J. Food Protection* 2017, 80(7).
2. Fielding, J., *supra* note 1; Jin, G.Z. & Leslie, P., "The Case in Support of Restaurant Hygiene Grade Cards," *Choices* 2005, 20(2); Jin, G.Z. & Leslie, P., "The Effect of Information on Product Quality: Evidence from Restaurant Hygiene Grading Cards," *Quart. J. Econ.* 2003, 2(1); Wong, M.R., *supra* note 1; Kufel, J.S. et al., "The Impact of Local Environmental Health Capacity on Foodborne Illness Morbidity in Maryland," *Am. J. Pub. Health* (Oct. 2011).
3. Simon, P.A. et al., "Impact of Restaurant Hygiene Grade Cards on Foodborne-Disease Hospitalizations in Los Angeles County," *J. Env. Health* 2005, 67(7), 32-36.
4. See, e.g., Wong, M.R. et al., "Impact of a Letter-Grade Program on Restaurant Sanitary Conditions and Diner Behavior in New York City," *Am. J. Pub. Health* 2015, 105(3).
5. Soria, C., "City Council Cooks Up Restaurant Grade Reforms," *Gotham Gazette* (Oct. 2013).
6. Ho, D.E., "Does Peer Review Work? An Experiment of Experimentalism," *Stanford Law Review* (forthcoming).
7. Wong, M.R., *supra* note 1; see also New York City Department of Health and Mental Hygiene, *Restaurant Letter Grading: The First Year* (Jul. 2011); New York City Department of Health and Mental Hygiene, *Restaurant Grading in New York City at 18 Months* (2012); New York City Department of Health and Mental Hygiene, *Restaurant Letter Grading Marks Five-Year Anniversary* (Jun. 2015).



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