

Meeting the Health-Related Social Needs of Low-Income Persons: Funding Sources Available to States



Name	State Agency or Entity	Population served	What it pays for	What it cannot pay for	Strings attached	Accountability ¹	Magnitude
HOUSING							
National Housing Trust Fund (HTF) (U. S. Department of Housing and Urban Development [HUD])	State housing departments or housing finance agencies	Very low and extremely low-income households, including homeless families	Primarily buying and developing affordable rental housing; some relocation costs, such as moving expenses. 10% can be used to promote homeownership .	Transitional housing; counseling services (except for housing counseling paid for as an administrative cost); some costs for projects already underway when the HTF is implemented; (See p. 5208 of the Federal Register, Section 92.730 of the Preamble to the Interim Rule)	Cannot require tenant to accept supportive services. All HTF-assisted units will be required to have a minimum affordability period of 30 years. (See Section 93.304 of the interim rule) Aligned with the HOME Investment Partnerships program regulations No state match is required, although the state allocation plan must consider the availability of non-federal funding as a priority factor for determining allocations. (See Section 92.220 of the interim rule)	States prepare an annual allocation plan (See Section 91.220 of the interim rule) Annual audits	HUD expects to award funds by summer 2016 . HUD is required to grant each state and DC a minimum allocation .
HOME Investment Partnerships	Localities or State Housing and/or	Very-low and low-income people	Tenant-based rental assistance, including rent	Modernizing public housing, providing tenant-based rental assistance	Most HOME grantees must match 25% of their grant with non-federal funds	To be awarded funds, a Consolidated Plan	\$1 billion appropriated nationwide in

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Program Block Grants (U. S. Department of Housing and Urban Development)	Community Development Authorities	90% of occupants of HOME-supported rental units generally must have incomes at or below 60% of area median income. (Section 92.216 of final rule)	and security deposits; Grants, loans or loan guarantees for construction or rehabilitation of rental housing, rehabilitation of owner-occupied housing, and assisting homebuyers and tenants. 60% to localities; 40% to states. (Section 92.205-92.212)	under the Section 8 program, supporting ongoing operational costs of rental housing, paying back taxes or fees on properties that are or will be assisted with HOME funds, and providing non-federal matching funds for any other federal program. (Section 92.214)	(Section 92.218 of Final Rule) Participating jurisdictions must reserve part of their HOME funding for Community Development Housing Organizations. (Section 92.300 of Final Rule)	is required covering a 3- to 5-year period. It must describe housing needs and how HOME funds would be used to meet those needs and attract non-federal funds for affordable housing. An annual performance report is required describing the year’s activities, progress to date, and use of funds.	FY2014, according to the Congressional Research Services (CRS) . According to HUD , “HOME is the largest Federal block grant to state and local governments designed exclusively to create affordable housing for low-income households.”
Emergency Solutions Grants (U. S. Department of Housing and Urban Development)	State housing and/or community development authorities; localities	The homeless and those at risk of homelessness (The definition of “homeless” for different purposes is codified in	Emergency shelter, including costs associated with maintaining and operating an emergency shelter; Services associated with emergency shelter,	Services unrelated to street outreach emergency shelter, homelessness prevention, rapid re-housing assistance, HMIS, and administrative activities. (See Section	States are required to match grant funds awards above a certain threshold	Grant recipients submit a Consolidated Plan and annual performance reports	\$250 million nationwide appropriated for FY2014, according to CRS

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		statute.)	including physical and mental health, employment, substance abuse and other services; Homelessness prevention and rapid re-housing, including rental assistance and utility and security deposits; Street outreach; Homeless Management Information Systems (HMIS)	576.100 of Interim Rule)			
Continuum of Care Program (U. S. Department of Housing and Urban Development)	Applicants generally apply collectively by geographic area ; state participants include State Housing and Finance Agencies. State and local governments and nonprofit organizations	Homeless individuals and families	Permanent housing, transitional housing, permanent supportive housing, rapid rehousing, supportive services, outreach, homelessness prevention, and Homeless Management Information Systems. Covers property acquisition, rehabilitation, construction, leasing costs, and rental assistance (42	Services not meeting the required criteria for reducing homelessness	Grantees must match 25% of funds, except for leasing funds. Housing units acquired, built, or rehabilitated must be operated for the specified purpose for 15 years	Annual Report to Congress	Total allocation for 2014 nationwide: \$1.8 billion

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	can apply.		USC 11383).				
Low Income Home Energy Assistance Program (LIHEAP) Block Grant (U. S. Department of Health and Human Services Administration for Children and Families)	State housing, health and human services, community and economic development agencies	Low-income households, including renters	Home heating and cooling Weatherization: replacing or repairing furnaces or air conditioners; installing insulation; fixing leaks in doors and windows Energy needs resulting from a natural disaster or emergency (See the Low-Income Home Energy Assistance Act)	Water bills (unless used for air conditioning) or energy for other uses such as lighting Purchase of real estate		Grantees report annually	\$3.4 billion appropriated for the block grant nationwide in FY2014; \$3.36 billion for FY2015
Low Income Housing Tax Credit (U. S. Department of Housing and Urban Development)	State housing finance agencies	Low-income households	Construction and rehabilitation of affordable rental housing that has a certain percentage of affordable units.		Credits are allocated to states, who allocate them to developers, who sell them to investors, who finance low-income housing developments	Tax credit documents are filed with the IRS	It gives the equivalent of \$8 billion in tax credits annually. According to HUD , “The Low-Income Housing Tax Credit (LIHTC) is the most important resource for creating affordable

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							housing in the United States today.”
Mortgage Revenue Bonds (Issued by states and localities, subject to Internal Revenue Service requirements)	State housing finance agencies	Lower-income first-time homebuyers	Low-cost mortgages for first-time homebuyers The federal government authorizes state or local governments, or their housing finance agencies, to sell Mortgage Revenue Bonds to investors. The proceeds of the sale finances mortgages to eligible homebuyers	Mortgages for those who are not first-time home buyers , or who earn more than the area median income (with an adjustment for large families)	There is an annual cap on the amount of bonds a state can issue	Subject to IRS requirements	The National Council of State Housing Agencies estimates that Mortgage Revenue Bonds make first-time homeownership possible for approximately 100,000 families each year
HEALTH							
Medicaid (U. S. Centers for Medicare & Medicaid Services)	Medicaid agencies	Lower income individuals	For most beneficiaries, states must cover medically necessary services, including hospital, lab, physician, non-emergency medical transportation , and other services. Services must generally be offered statewide, and adequate in amount, duration, and scope.	Expenditures not allowable under federal rules. Waivers and state plan amendments can provide states with some flexibility.	States pay for a portion of their Medicaid expenses. The state share varies from state to state based on per capita income and other factors.	States report budget and expenditure data	The federal government’s share of Medicaid expenditures totaled \$299 billion in FY2014, according to CRS.

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Title V Maternal and Child Health Services Block Grant (U. S. Department of Health and Human Services Maternal & Child Health Bureau)	State health departments	Women and children, especially those with low income	A wide range of health care and related activities, including preventive and primary health care services for children, some child care services, and assistance applying for services.	Cash payments to beneficiaries; purchase of medical equipment or real estate; most inpatient services (See 42 USC 704)	States must match every \$4 of Title V funding with at least \$3 in non-federal funds	Annual reporting on outcome and performance measures, and narrative of program impact.	\$630 million appropriated nationwide in FY2014, according to CRS
Community Mental Health Services Block Grant (U. S. Substance Abuse and Mental Health Services Administration)	State health departments	Adults with serious mental illness and children with serious emotional disturbances	Comprehensive community mental health services , including screening, outpatient, and emergency services	Financial assistance to private for-profit entities	Grantee states must have a mental health planning council State maintenance of effort requirement	Annual reporting; federal monitoring visits to some states	FY2014 appropriation was \$480 million nationwide, per CRS
Substance Abuse Prevention and Treatment Block Grant (U. S. Substance Abuse and Mental Health Services Administration)	State health departments	Pregnant women, women with dependent children, IV drug users, those in need of TB and HIV services	A range of activities to prevent and treat substance abuse, including primary prevention services for those at high risk for substance abuse	Financial assistance to private for-profit entities	State maintenance of effort requirement Specified percentages of grant funds must be used for primary prevention; early HIV intervention; administration; and a SAMHSA “set-aside” for	Annual reporting , including reporting on national outcome measures	FY2014 appropriation was \$1.8 billion , per CRS. SAMHSA writes that this block grant accounts for roughly 29% of public funds spent

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					data collection, evaluation, and TA		on substance abuse services.
Preventive Health and Health Services Block Grant (U. S. Centers for Disease Control and Prevention) ¹	State health departments	Varies by state	A range of public health topics, including social determinants of health. The grant has funded walking trails, bicycle helmets, and water fluoridation , among other activities. The grant supports the priorities of Healthy People 2020	Prohibited uses include inpatient care, cash payments to beneficiaries, real estate or construction, as a source of non-federal matching funds, and financial assistance to a private for-profit entity.	Maintenance of effort requirement	Annual reporting requirements	\$160 million appropriated for FY2014
State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease, and Stroke (U. S. Centers for Disease Control and Prevention)	State and local health departments award	Population-wide	Chronic disease prevention programs, focused in four areas : Epidemiology and surveillance; environmental strategies to promote healthy behaviors; health systems interventions, and community and clinical linkages.	Prohibited uses include gun control promotion, needle exchange programs, dealings with corporations with felonies or tax debts,	States sub-award half of the funds to 4-8 local communities	Annual reporting , including the Prevention and Public Health Fund reporting requirements	\$33 million in new funds for 2014. Financed by the Affordable Care Act's Prevention and Public Health Fund
Ryan White HIV/AIDS	State Departments	Those testing positive for HIV;	Medication to treat HIV/AIDS; medical and	Prohibited uses include real estate, construction,	Some state must provide non-federal matching	Annual reporting requirements	Funded at \$2.32 billion as of

¹ Note: Other CDC support is available to states and localities, often targeted at specific conditions. Such support includes [state-based tobacco control programs](#), the [National Asthma Control Program](#), and a number of [HIV-related demonstrations](#).

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Program (Part B) (U. S. Health Resources and Services Administration)	of Health	generally lower-income or uninsured people. Some states establish additional criteria.	support services and services to support HIV/AIDS treatment	or cash payments to recipients of services	funds		October 2014
COMMUNITY AND ECONOMIC DEVELOPMENT							
Community Development Block Grant (CDBG) (U. S. Department of Housing and Urban Development)	State community and economic development agencies generally administer grants for smaller cities and counties which do not receive funds directly from HUD	Low- and moderate-income people 70% of funds go to cities and communities; 30% to states for use in smaller communities	A variety of activities related to economic development, neighborhood revitalization, housing rehabilitation and blight prevention. At least 70% of funds must benefit low- and moderate-income people.	Ineligible activities generally include construction of new housing (with exceptions), some income payments, political activities, buildings to house “the general conduct of government”	States generally may not use the funds to directly undertake community development activities. States are pass-through agents that distribute funds to communities.	Uses the HUD consolidated planning process. Annual action plan and a performance evaluation report detailing its progress toward the goals identified in the action plan. The evaluation report must include information on the racial, ethnic, and income status of people benefiting from the funds.	According to CRS, over \$3 billion was allocated nationwide in FY 2013. In that year, the CDBG was the largest source of federal funding for community development, and the 20 th largest source of federal assistance to state and local governments.

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Community Services Block Grant (CSBG) (U. S. Department of Health and Human Services Administration for Children and Families)	State community and economic development agencies	Low-income communities	A range of poverty reduction and community development activities, based on community needs assessments. Examples can include emergency shelter and food programs, employment counseling, transportation programs, and activities for senior citizens and youth.	Real estate or construction; political activities	States must pass at least 90% of CSBG funds to local entities.	Annual state assessments ; monitoring visits to some states	According to CRS, \$709 million was appropriated for FY2014. The FY 2015 White House budget proposed \$350 million for CSBG nationwide
Child Care and Development Block Grant (U. S. Department of Health and Human Services Administration for Children and Families)	State human and social services agencies	Lower-income (income not exceeding 85% of state median) working (or attending school or training) families with children younger than age 13 .	Subsidies for child care; child care program improvements	Prohibited uses include: Administrative costs exceeding 5% of a year's allocation Most real estate purchases or construction Sectarian worship or instruction	Health and safety requirements for providers Most families contribute child care co-payments on a sliding scale.	States must make electronically available the results of monitoring and inspection results for child care providers Quarterly, annual, and biennial reporting requirements	\$2.36 billion discretionary funding appropriation and \$2.9 billion in mandatory appropriation for FY2014, per CRS.
INCOME SUPPORT AND FOOD SECURITY							
Social Services	State	At state's	A wide range of activities	Prohibited uses include:	No matching requirement	States submit an	\$1.57 billion

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Block Grant (SSBG) (U. S. Department of Health and Human Services Administration for Children and Families)	community and economic development agencies, and state human services agencies	discretion. The program aims to promote economic self-sufficiency	in 29 service categories that promote self-sufficiency, prevent child abuse, and support “community-based care for the elderly and disabled (CRS).” Examples : <ul style="list-style-type: none"> Child care, home maintenance, home-delivered meals, health support services, family planning, employment services, adoption and foster care, transportation, services for substance abuse 	Land or capital improvements (may be waived) Room and board (with certain exceptions) Wages Most medical care (with some exceptions for family planning, rehab/detox, and medical care provided as an “integral but subordinate component of a social service”), Social services for people in institutions Educational services available in public schools	for states	annual intended use plan and post-expenditure report	appropriated for FY2014, according to CRS
Temporary Assistance for Needy Families (TANF) Block Grant (U. S.	State departments of health and human services or social	Needy families with children	Cash assistance Work programs Child care & transportation	TANF block grant “assistance” has some limitations, such as a prohibition on payment for medical services in most	States contribute their own funds in a maintenance-of-effort (MOE) requirement Work requirements for	<ul style="list-style-type: none"> States submit three quarterly reports and an annual report 	FY2014 appropriation was \$17.3 billion nationwide, according to CRS

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Department of Health and Human Services Administration for Children and Families)	services		aid for nonworking parents Programs, activities, and services “reasonably calculated” to achieve TANF’s four-fold purpose, per HHS ACF: (1) provide assistance to needy families so children can be cared for in their own homes; (2) Reduce the dependency of needy parents by promoting job preparation, work and marriage; (3) Prevent and reduce the incidence of out-of-wedlock pregnancies; and (4) encourage the formation and maintenance of two-parent families.	cases. However, non-assistance aid can fund a broad range of services related to TANF’s four-fold purpose	some adult recipients 60 month time limit for adults		
Supplemental Nutrition Assistance Program (SNAP) (U. S. Department of Agriculture	State departments of health and human services	Low-income households	Food for home preparation and consumption; seeds and plants to grow food at home	Hot food ready to eat (with some exceptions), alcohol, tobacco	SNAP benefits may only be used at certain retailers Most able-bodied recipients must meet work or training requirements	Included in annual Schedule of Expenditures of Federal Awards (SEFA)	According to CRS, in 2014, more than 46 million individuals participated in SNAP, and the

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Food and Nutrition Service)							federal government spent more than \$70 million on benefits nationwide
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) (U. S. Department of Agriculture Food and Nutrition Service)	State health departments	Low-income pregnant and postpartum women, and children up to age 5 at nutritional risk	Food, nutrition education, breastfeeding support, health and social service screening and referrals	Food items that are not WIC-eligible	States participating in the Farmers Market Nutrition Program must pay for at least 30% of the program's administrative costs	Annual reporting and evaluation requirements	\$6.6 billion as of September 2015
Child and Adult Care Food Program (U. S. Department of Agriculture Food and Nutrition Service)	State departments of education or departments of health or human services	Children in day care and adults in adult day care	Meals meeting nutritional guidelines served to participants meeting income requirements for free or reduced-price meals	The program will not approve reimbursement to state agencies for: Food served to someone not enrolled for adult or child care Meals not approved in the agreement or out of compliance with the approved meal pattern		Annual reporting Unannounced site visits at least once every three years	\$3 billion obligated for FY2014, according to CRS

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TRANSPORTATION							
Surface Transportation Program (U. S. Department of Transportation; from the Highway Trust Fund)	State departments of transportation	The general public	Highways, transit infrastructure, bicycle transportation and pedestrian walkways	Some projects on non-federal, local or rural minor roads	States and localities generally pay for the 20% of a project not covered by the federal share. States and localities generally pay 10% of interstate projects Note: states also contribute significantly to transportation funding through gas and vehicle taxes and other sources.		\$10 billion appropriated nationwide in FY2014, according to CRS

FUNDING SOURCES NOT AWARDED DIRECTLY TO STATES

The role of the state in the below programs varies. However, the programs listed below have the potential to align with and support state health goals and initiatives.

Name	State Agency or Entity	Population served	Purpose	Accountability ¹¹
Federal Reserve Banks: Pay for Success Programs and Social Impact Bonds	State community development, housing finance agencies, or other agencies could be involved	Varies by project	Social Impact Bonds address social services or social issues. The specific project and criteria for success are outlined in the contract between parties. Government contracts with an entity to provide services, and pays the entity based on their performance. The entity raises private and philanthropic capital for operations. Investors are paid back with the entity's pay for performance funds, if any.	Based on the terms of the program
Hospital Community	Hospitals must comply with	The communities	Services and activities to support the health or safety of the	Annual reporting to

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Benefit Requirements	both federal and state (if any) community benefit requirements in order to maintain their tax exemptions.	served by the hospital	<p>communities served by the hospitals. “Community building activities” can include child care services; housing rehabilitation; the provision of housing for certain patients after discharge; construction or maintenance of parks and playgrounds; economic development activities; public health emergency readiness activities; environmental improvements, such as addressing pollution and garbage.</p> <p>The ACA also requires tax-exempt hospitals to conduct a community health needs assessment once every three years and plan a strategy to implement it.</p> <p>IRS requirements for tax-exempt hospitals describe the activities and services that satisfy the hospital community benefit requirements.</p> <p>Hospitals can count the uncompensated and charity care as community benefit activities.</p>	IRS on Schedule H of Form 990 to maintain tax-exempt status
Community Development Financial Institutions (CDFIs)	Can include credit unions and non-regulated private-sector financial institutions	Low-income individuals and communities	Mortgage financing, bond funding and commercial loans in low-income communities	
Community Development Financial Institutions Fund (Treasury)	Funds credit unions, CDFIs , and other “ mission-driven financial institutions ,” not states	Primarily low income populations	Financing for affordable housing services, economic development services, consumer credit counseling and financial education	
New Markets Tax Credit Programs (Treasury; Community Development Financial	State NMTC programs are administered by state finance authorities or development agencies	Low-income communities or populations	Permits individual and corporate taxpayers to receive a federal income tax credit for making Qualified Equity Investments (QEIs) in qualified community development entities (CDEs).	Community Development Entities certify their status with Treasury’s CDFI fund

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<p>Institutions [CDFI Fund)*</p> <p>*Federal funds are allocated to investment groups, not states, but many states operate their own NMTC programs.</p>			<p>Cannot pay for things outside the scope of the Treasury program</p> <p>Legislation is pending to indefinitely extend the federal NMTC program.</p> <p>\$3.5 billion in NMTCs allocated for CY2014</p>	<p>NMTC grantees report to IRS</p>
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ⁱStates spending [\\$500,000](#) or more of federal awards per year must file a [single audit](#) reporting on federal programs.

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