

Flexible Funding to Support Public Health Innovation

Introduction

The [Preventive Health and Health Services \(PHHS\) Block Grant](#) provides federal funding for 61 recipients: the public health departments in all 50 states, Washington D.C., two American Indian tribes, five United States territories, and three freely associated states. These flexible funds allow recipients to identify and fund initiatives that address vital public health needs within their jurisdiction. As with all [block grant funding](#), the PHHS Block Grant enables recipients to address broader goals to meet their community needs in a way that categorical funding may not be equipped to support.

CDC's Center for State, Tribal, Local, and Territorial Support (CSTLTS), which administers the PHHS Block Grant, is conducting a national evaluation to assess the value of the grant, describe and measure select outputs and outcomes, and strengthen outcome accountability. The evaluation will assess how the PHHS Block Grant helps recipients address their priority public health needs and how it contributes toward organizational, systems, and health-related outcomes.

One key area of interest is if and how the PHHS Block Grant, as a flexible funding source, supports innovation and improving health outcomes in unique ways. National organizations such as the Robert Wood Johnson Foundation and The Public Health National Center for Innovations [assist](#) health agencies in improving health through innovative initiatives. Within that context, the PHHS Block Grant is a unique mechanism through which recipients can creatively allocate fiscal resources to support communities. It allows recipients to try intentional, innovative ideas, all while remaining good stewards of federal funds. Because of the opportunity the PHHS Block Grant provides recipients, ASTHO—in collaboration with CSTLTS—wanted to better understand innovation within the context of the PHHS Block Grant.

To gain a better understanding of how the PHHS Block Grant is being used to assist jurisdictions with the flexibility to address their public health needs, ASTHO, with support from CSTLTS, conducted an evaluation study to understand:

1. What innovation means in the context of the PHHS Block Grant.
2. How the PHHS Block Grant supports innovative approaches to address prioritized public health needs.

This report details how PHHS Block Grant recipients have used funding to support innovative approaches for addressing their public health needs.

Methods

The evaluation team conducted an environmental scan to develop a definition and measurement criteria for innovation within the context of the PHS Block Grant. The team scanned CDC programs, ASTHO activities and programs, and other public health sector resources to explore definitions and characteristics of innovation. The team also conducted a focus group with PHS Block Grant Coordinators who were involved (or expressed interest) in innovative work to explore how innovation is defined within the context of their health agencies.

A review panel, representing both CSTLTS staff and former state health officials, periodically reviewed findings throughout the assessment with an eye toward practical applications and informing next steps. The review panel and CDC staff informed the definition of innovation that shaped this case study and helped interpret emerging themes.

Defining Innovation in the context of the PHS Block Grant

The following is the working definition of innovation in the PHS Block Grant context, adapted from the [Public Health National Center for Innovations'](#) definition of public health innovation with additional input from the environmental scan. By and large, health departments value a broad definition to allow for flexibility in interpreting how innovation looks in their jurisdiction. It was also important to highlight the value of learning, both from successes and failures, when innovating.

The creation and implementation of a novel process, policy, product, program, or system leading to improvements that impact health and equity. It is a new or adapted solution that may be creative, untested, and based on context.

A successful innovation results in improved effectiveness, efficiency, or quality. The process of innovating, through successes and failures, will produce new learning and understanding for informed decision-making and program improvement.

Furthermore, the environmental scan helped identify seven key characteristics that can help health agencies describe innovative practices or initiatives. While not all seven characteristics need to be used to describe a single innovation, most innovations are described using a combination of the characteristics.

- **Collaboration:** To work with other entities or sectors, including nontraditional partners, to produce or create something.
- **Geography/Context:** Considers regional and contextual differences during implementation.
- **Health Equity:** Promotes optimal health for all, particularly related to social or demographic factors such as race, gender, income, or geographic region.
- **Impact:** Intends to generate population health effects by addressing root causes or systems.
- **Improvement:** Changes something established or adds value by improved efficiency or quality.
- **New:** Introduces a novel concept, solution, or change in the way work is done. This includes creative, imaginative, or original ideas.
- **Untested:** Work that has little or no evidence to date, often in the form of a pilot project.

Exploring Innovation within the context of the PHHS Block Grant

The innovation definition and characteristics established as a result of the environmental scan were used as the frame for studying how agencies use the PHHS Block Grant to innovate. Under the guidance of the review panel, the study team explored how:

- State and territorial health agencies (S/THAs) use the PHHS Block Grant to support opportunities to develop and implement innovative approaches.
- Recipients determine the effectiveness of these innovative approaches and whether recipients are sharing successful interventions with other CDC programs or STLTS.

Using a multiple case study approach, the team identified four jurisdictions and five innovations to illustrate how the PHHS Block Grant supports innovative approaches to address prioritized public health needs. The four jurisdictions include: Colorado, Michigan, North Dakota, and Rhode Island.



State Health Agency Cases

Colorado's Innovation Incubator

Through department-wide strategic planning efforts in 2015, the Colorado Department of Public Health and Environment (CDPHE) recognized the need for a formal mechanism to fund public health innovation. Due to its inherent flexibility, CDPHE identified the PHHS Block Grant as a viable funding source for programmatic innovations that otherwise do not have traditional funding sources or may be considered less certain investments. CDPHE developed a structured innovation mini-grant program and launched the pilot program in 2018.

Through a "Shark Tank"-style competitive process, CDPHE staff are invited to submit innovative program proposals for review, and staff pitch their programs and compete to receive funding that would otherwise not be available. Each competing entry must align with a Healthy People objective, and the health department uses the Public Health National Center for Innovation (PHNCI) definition of innovation when selecting programs to fund. The panel, more familiarly known as the "Shark Tank," later decides which innovative projects to fund based on specific criteria including level of innovation, impact to the department, inclusiveness and equity, project feasibility, and overall strength of proposal.

One of the most important successes of Colorado's Innovation Incubator is how it engages and encourages staff to become innovation champions. *"There are some really strong champions of innovation at CDPHE, and when they get together it can help create that culture."* This "championing" of innovation helps reinforce the infrastructure necessary for innovation.

PROJECT INNOVATION: The Innovation Incubator has enhanced flexibility in programming to adequately respond to emerging population health priorities. This internal competition is a novel mechanism, as it is the first to utilize PHHS Block Grant dollars to explicitly fund a structured program designed to foster public health innovation within the state. This use of funds allows adapting untested practices so that evidence can be collected regarding their effectiveness, increasing likelihood of finding future funding to expand or replicate a successful innovative program. Colorado's innovation mini-grant program has funded 27 innovation projects since its inception and is held in high regard by public health leaders and staff alike.

The Health eMoms survey, first implemented in 2018, received funding through Colorado’s Innovation Incubator using PHHS Block Grant funds. Health eMoms is a longitudinal survey that enrolls postpartum people who have given birth within the past three to four months and surveys them at four intervals over their first three years postpartum. The survey measures breastfeeding, vaccine adherence and hesitancy, maternal mood disorders, family-friendly business practices, child development, and many other variables based on the Healthy People measures. The data Health eMoms collects is used to drive and evaluate the programmatic efforts of the Title V Maternal and Child Health program in Colorado as well as many other programs within CDPHE and across other state agencies.

Health eMoms was born out of an innovation workgroup that aspired to collect long-term, flexible, longitudinal data for Colorado’s birthing population. The group identified that they could expand on existing PRAMS data collection protocols and survey infrastructure to creatively accomplish their goal. *“I would say we are based and founded in best practices and experiences of other programs such as PRAMS. But then upon that we extrapolated to create a system that would allow us to collect data through a new mode for the state, using the technology that we had available.”*

PROJECT INNOVATION: Health eMoms is a novel type of long-term longitudinal data collection in Colorado, aiming to generate a population health impact by addressing root causes in communities. The survey has seen cascading innovation throughout its implementation. What started as an ongoing survey of postpartum people across Colorado has been adapted in recent years to address emerging priorities. The survey was quickly adapted to collect data regarding COVID-19 vaccination, childcare delays, and the economic impact of the pandemic on families. Following the use of PHHS Block Grant to support the project, Health eMoms received expanded funding through HB 22-1289. With this new funding, in addition to incorporating over samples of Black/African American and American Indian/Alaska Native populations, the project team hopes to incorporate more community engagement in the survey development process, the interpretation of results, and dissemination, a key practice to improve health equity.



Michigan’s Southeast Perinatal Quality Improvement Coalition

Michigan Department of Health and Human Services (MDHHS) supports expansion of the Southeast Michigan Perinatal Quality Improvement Coalition, or SEMPQIC project, which engages metro Detroit regional-based health systems, hospitals, health plans, community-based organizations to serve women, children, and families in southeast Michigan. The mission of SEMPQIC is to narrow the disparity gap between Black and White birth outcomes, including adverse maternal, perinatal, and infant outcomes and the reduction of systemic inequities.

SEMPQIC officially kicked off in 2015, and the coalition later leveraged PHHS Block Grant funds to broaden their scope to include care adjacent necessities, such as screening programs. In 2019, after reviewing community-level outcomes to find *“not just the alarming data related to infant mortality but also maternal mortality and severe maternal morbidity [in their region],”* SEMPQIC secured resources to address these issues.

The coalition aims to improve reporting measures regarding maternal morbidity and mortality alongside infant mortality data. One SEMPQIC focus is to improve participation by the region’s birthing hospitals in Michigan’s AIM initiative. Other investments have supported the work of SEMPQIC to institute a Detroit maternal vitality review committee and to train perinatal healthcare providers on bias and

respectful care to promote equity. In addition to efforts to engage health plans and health systems, SEMPQIC leveraged PHHS Block Grant funds further to engage the community and address broader systemic issues through the hire of an employee that specializes in community engagement and systemic issues affecting Michigan communities. With this additional resource SEMPQIC hopes to make a culture shift, saying, *“five years from now, things are in a much different place when it comes to the voices of families being heard, and when it comes to really dismantling racism at multiple, different points that impact the outcomes of families.”*

PROJECT INNOVATION: Michigan was able to use PHHS Block Grant funds to take an innovative approach to address maternal morbidity and mortality in a data-driven and community-engaged manner. This innovation emphasizes the importance of working upstream, focusing on the social determinants of health and the root causes of health inequity. They have piloted untested approaches such as modifying meeting agendas to introduce equity issues at the start of each maternal mortality review with the Detroit Health Department, implemented a maternal vitality review committee, and improved communication between existing data systems in Detroit and the metropolitan region.



North Dakota’s Blue Zones

The North Dakota Department of Health (NDDH)’s Blue Zones project is an adaptation of the wider-reaching Blue Zones framework. Blue Zones describes their work as being *“informed by the world’s longest-lived cultures to help you live longer and better.”* In North Dakota, their Blue Zones approach is, *“community driven by local stakeholder groups that represent public and private sector leaders and those that would be impacted by policy, system, and environmental changes.”*

Many of NDDH’s strategies involve improving engagement, reach, or utilization of community resources; improving the quality of life and experience; and reducing duplicative ineffective efforts by leveraging partnership for collective impact. Beginning with PHHS Block Grant-funded outreach to private partners, NDDH’s Blue Zones model engages community businesses and other stakeholders to fund and participate in initiatives that directly support improvements in community health outcomes. This public-private partnership is the first of its kind for North Dakota.

NDDH was able to gain private partnership in these endeavors by approaching companies in North Dakota and highlighting their vested interest, as employers, in the health of their communities. By underscoring their interest, the case for funding was simple. *“Employers have a vested interest in the mental and physical wellbeing of their staff. And so I find that when you meet with them, the best piece for collaboration with those private sector individuals is to come in with the ‘what’s in it for you’ discussion prepared. What would they see and what would be their benefits of participation? Again, it’s not always a hard sell when you’re talking about healthier or happier people.”*

PROJECT INNOVATION: This project emphasizes the importance of partnerships to start innovative work. By relying on partnerships, NDDH was able to make the case to bring private investment into the public health landscape and move the needle forward on health outcomes. Additional collaborations allowed them to secure funding from private sector partners. The Blues Zones work in North Dakota maximizes the impact of financial investments by implementing place-based, community-driven activities to address root causes and social determinants of health in their communities.



Rhode Island's Health Equity Zones

Born out of the need to build and sustain community-led infrastructure that will achieve broad, systemic changes that address root causes of health inequities, the Rhode Island Department of Health (RIDOH) created Health Equity Zones (HEZ). HEZs are contiguous geographically defined communities of at least 5,000 people with demonstrated social, economic, or environmental disparities or inequities in health outcomes. Rhode Island seeks to demonstrate that sustained, adequate investment in community empowerment and capacity is needed to address the root causes of health inequities and reduce disparities.

RIDOH used the PHHS Block Grant's flexibility to address two funding challenges at the community level. First, RIDOH recognized that there are simply not enough resources devoted to community infrastructure needed to conduct genuine prevention activities. They also identified that when these resources are made available, funds are not administered or typically applied to produce sustainable gains in health equity and are traditionally misaligned with the change trajectory of the social, environmental, economic factors that drive inequities.

To maximize the opportunity to produce sustainable gains on health equity, RIDOH used their PHHS Block Grant funds to implement prevention activities. RIDOH elevates community and partner engagement to the forefront of their HEZ work. As one quote from their interview shows: *"But what HEZ really allows us to do is, one, really genuinely give the community the opportunity, resources, and the position to determine what's important to them and strategically how to approach addressing those things. And then the other is we're investing intentionally not just in outcomes for particular conditions but in the infrastructure at the community level."*

PROJECT INNOVATION: To address roots causes and promote health equity, RIDOH has engaged residents as leaders, through both training and compensation, to participate fully in HEZ decision making. They have used a collaborative, community-led process to assess both assets and needs and implement data-driven action plans to address unique social, economic, or environmental disparities or inequities and poor health outcomes. This work also demonstrates how innovation can happen by prioritizing regional and contextual differences during program implementation.

Key Themes

The team identified four key themes in how health agencies are utilizing the PHHS Block Grant to develop and implement innovative approaches to aid in meeting their health priorities.

Culture of Innovation. Health agencies highlighted the importance of having a high level of support for innovation from innovation champions within their agency, including leadership. This typically resulted in a culture of innovation at the health agency and made staff feel comfortable taking risks and bringing forth unproven or untested ideas. Cultivating and nurturing a culture of innovation was vital for many recipients, as it encourages staff to be creative and to become “innovation champions.” These champions of innovation within a health department were able to reinforce the infrastructure for innovation to progress at the department level.

As health departments desire to be nimble and responsive to community needs, agencies found value in the flexibility of the PHHS Block Grant compared to categorical funding. The flexibility allowed them to prioritize outcomes identified in their community and respond to high-priority needs. To successfully leverage the PHHS Block Grant funding, innovation champions had to work on changing organizational mindset and culture around funding. *“And changing that culture is incredibly hard because it’s very ingrained into how we receive funding and the way that we’re treated as recipients of funding from multiple sources. And it requires a very different mindset.”* - Rhode Island, health agency staff.

Community Partnership. Partnerships were used to amplify innovative projects, and successful PHHS Block Grant innovations had an intentional strategy to include populations the health agency serves. Many health departments’ strategies involved improving engagement, reach, or utilization of community resources; improving quality of life and experience; and reducing duplicative or ineffective efforts by leveraging partnership for collective impact. PHHS Block Grant funding provided recipients with the flexibility to work with and empower their communities to implement projects that will lead to better health outcomes. These relationships also allow recipients to see their role as a convenor for unique opportunities and encourage communities to take ownership of initiatives that support health for all.

Health agencies appreciated the PHHS Block Grant’s support of community needs. *“[F]rom the perspective of the PHHS Block Grant, it’s just really important to reflect the needs of the community... I think that it’s important to support [community driven] projects and give [community driven] projects room to expand and really reflect what [health departments] are hearing from the community and what the needs are.”* - Michigan, health agency staff.

Leveraging PHHS Block Grant funding. Successful innovations typically relied on PHHS Block Grant funds to begin a project or leveraged the funds toward other funding mechanisms to continue or expand the project. Some recipients utilized the latter approach to support under-resourced priorities or to secure additional funding from partners who engaged directly in other community projects. Recipients creatively leveraged activities funded by the PHHS Block Grant to secure additional funding from other partners. *“[We are] using...the [PHHS] Block Grant as a way of demonstrating the need and the capacity in our state and opportunities where that spending would be an investment in community development.”* - North Dakota, health agency staff.

The adaptability of PHHS Block Grant funding proved useful for a variety of other needs. The flexible nature of the funding mechanism brings leadership on board in a meaningful way so that the innovation practices can be supported and sustained. *“I just think [innovation] is essential to serve the populations we’re dedicated to serving. If we’re fixed and unresponsive to the needs of the people or the new modes of communication that are more culturally acceptable, things like that...we are just [being that] inflexible and tone-deaf entity that some in the public perceive us to be. [W]e have to be nimble to be responsive to the needs and the issues affecting populations we serve. [O]therwise we’re...not fulfilling our purpose.”* - Colorado, health agency staff.

Difficulty in evaluating innovation efforts. *“[W]e need a system of sorts to track the various projects that we have awarded over the years as part of the Innovation Mini Grant program. And to truly look at the life cycle of each of those projects in order to determine or evaluate that this is a good use of Block Grant funds.”* - Colorado, health agency staff.

Furthermore, recipients were challenged by the need to balance the varying needs and interests of their stakeholders when measuring success. *“...[D]epending on who you’re talking to, they have very different priorities...The collaborative evaluation required for such community-engaged work scales up rather quickly with the more partners involved, as each partner has a different perspective and benchmark for ‘mission accomplished.’”* - Rhode Island, health agency staff.

While recipients did not have a roadmap to evaluate their innovative initiatives, they were able to demonstrate success to their stakeholders through transparency and partnerships. Recipients worked to ensure that each innovative project not only proved successful to the PHHS Block Grant, but they were able to demonstrate the value of these initiatives to others within the health department and to the communities they serve.

Motivation for Public Health Innovation

ASTHO and CDC set out to define what innovation means in the context of the PHHS Block Grant. The study identified four main motivations for innovation among recipients.

Flexible funding or resources: The PHHS Block Grant motivates agencies to innovate, given it is less prescriptive compared to other categorical funding streams.

Analysis of public health data: Using population health measures and programmatic evaluation and experiences is often a motivating factor to innovate within a specific area. Identifying community needs or filling gaps with new or creative solutions is what generates innovation.

Quality improvement: The desire to improve programs to impact population health is a motivating factor to innovate. Sometimes innovation can drive quality improvement and vice versa. This motivation was described as internal support, such as a culture of continuous quality improvement, and external support through PHAB’s quality improvement standards.

Agency priority: When the agency, including its leadership team, is supportive of innovation, it gives programs “permission” to generate innovations.

Conclusion

Areas for Future Study

This study yielded several rich findings that can be used to support health agencies' work in finding innovative solutions to address community needs. These findings have shed light on new areas to explore for all PHHS Block Grant stakeholders.

While recipients have been successful in initiating and sustaining innovative efforts, partners and the federal government can provide further support. Through the process of defining innovation in the context of the PHHS Block Grant and exploring how S/THAs innovate, ASTHO heard opportunities for federal agencies to increase technical assistance to operationalize innovation through the PHHS Block Grant or other flexible funding mechanisms. Health departments would benefit from tactical knowledge of how to utilize the PHHS Block Grant for these initiatives, including the use of innovative funding mechanisms while remaining accountable to outcomes.

Relatedly, the PHHS Block Grant offers an opportunity to leverage its funding stream to align with other funding or programs. Those who were able to successfully innovate often used innovative funding strategies. Health department capacity-building to support grants management could further opportunities to leverage the PHHS Block Grant for public health innovation.

There is an opportunity to enhance the abilities of health officials, as leaders, to innovate and promote a culture of innovation in their health agencies. PHHS Block Grant Coordinators identified that ASTHO could play a role in working with incoming health officials to understand how innovation can drive health agencies to achieve greater impacts, and more specifically how the PHHS Block Grant can support innovation. However, awareness and skill building should not only be prioritized at the leadership level. PHHS Block Grant Coordinators have a critical role highlighting opportunities where the PHHS Block Grant can be leveraged as a tool for innovation.

Implications

To better understand the value of the PHHS Block Grant, this study sought to explore whether and how S/THAs are employing the grant's flexibility to innovate. We found that, across regions, S/THA teams have successfully used the grant to pursue innovative activities. We expect that this is a replicable function and that these case studies offer implications for recipient agencies. PHHS Block Grant recipients should be aware of the grant's potential to support innovation and should feel able to explore opportunities to best meet the needs of their communities. S/THA leaders, especially, can leverage their influence to facilitate a culture of innovation. The findings also offer context for the larger conversation around flexible funding in public health. The case study examples demonstrate the pathway by which one flexible funding stream spurred innovation and produced sustainable investments.