

POLICIES TO SUPPORT LOCAL WELLNESS FUNDS

Policies at the local, state, and national levels can facilitate or inhibit the creation of local wellness funds. Even enabling policies can vary from being permissive or supportive to being catalytic and driving the implementation of local wellness funds.

In a national survey of local wellness fund development, the Georgia Health Policy Center observed that the majority of local wellness funds are occurring in places where funding mechanisms established by the Affordable Care Act (e.g., Delivery System Reform Incentive Payment Program, State Innovation Model, and waiver funds) are supporting the work of backbone organizations and their operations. Similarly, local wellness funds are also associated with Accountable Communities of/for Health and are often seen as a means to sustain their efforts.

Local wellness funds can conduct a landscape scan to find policies that are enabling of their goals. Below is a sampling of existing and potential policies that could advance the development of local wellness funds.

FEDERAL LEVEL

- COVID-19 recovery funding has flexibility that may be used to support local wellness funds.
- Centers for Medicare and Medicaid Services (CMS) could encourage state flexibility in establishing and maintaining local wellness funds as part of state transformation efforts or other CMS Innovation Center initiatives.

STATE LEVEL

- Establishing requirements for health insurance companies or nonprofit hospitals operating in the state to contribute a portion of earnings or community benefit dollars to local wellness funds as a way of contributing to community health and well-being, like the [Massachusetts Community Health & Healthy Aging Funds](#).
- The California Accountable Communities for Health Initiative mandates a local wellness fund as part of its sustainability plan.
- Allowing for flexible use of Medicaid funds, including investment of shared savings, could be a source for local wellness funds.

LOCAL LEVEL

- Revenue from local taxes may be a source for local wellness funds.
- Local uses for COVID-19 recovery funds may be a source for local wellness funds, as well as a policy they can influence.

