

NACCHO's Local Public Health Finance Community of Practice: March 2025 Summary

In March 2025, NACCHO held a quarterly meeting with members of the Local Public Health Finance Community of Practice. The topic was local health departments' funding experiences and their impact, building on findings from a white paper released by NACCHO earlier this year ([LHD Funding Experience](#)). In breakout groups, participants discussed their funding challenges, infrastructure needs and administrative burdens affecting their work.

The breakout room discussions were summarized using the collaborative note-taking platform, [Mural](#).

Below is a summary of the meeting and what participants shared in their breakout rooms.

Meeting Summary

This meeting included:

- Summary and recommendations from NACCHO's Local Health Department Funding Experience White Paper which highlights key funding challenges faced by local health departments, including underfunding and administrative burdens. It offers recommendations to improve funding processes and strengthen public health systems. Developed for NACCHO by the Center for Public Health Systems at the University of Minnesota School of Public Health.
- Breakout session and Mural activity exploring participants' funding challenges, infrastructure needs and administrative burdens affecting their work.

Breakout and Mural Discussion

In breakout groups, participants discussed the White Paper findings, their funding challenges, infrastructure needs, and the administrative burdens that affect their ability to deliver public health services effectively. The following sections summarize the key themes that emerged from each discussion prompt, as recorded on the [Mural board](#).

What is resonating with you?

Participants strongly connected with the report's findings on financial instability, administrative burdens, and infrastructure funding gaps limiting LHD effectiveness. Many expressed frustrations over short-term, restrictive funding that prevents long-term planning and sustainability. Excessive reporting requirements were highlighted as a major barrier, diverting time from public health services. There was broad agreement on the need for more flexible, sustained funding and reduced administrative complexity. Some participants shared successful strategies for navigating these challenges, including partnerships and diversified funding sources. Overall, the discussion reinforced shared struggles and the urgent need for systemic funding reforms.

What are the greatest funding challenges your LHD has experienced?

Participants expressed that they face short-term and unstable funding, making sustainability difficult. Critical services like disease surveillance and epidemiology remain underfunded, while new mandates lack financial support. Rising costs, inflation, and stagnant funding further strain resources. State and federal funding uncertainty creates instability, and categorical funding restrictions limit flexibility. Local support varies, with smaller LHDs often struggling for access. Additionally, administrative burdens from grant applications and compliance requirements consume significant time and effort.

Below are the major themes that emerged from this question:

- Short-term and unstable funding
- Lack of funding for critical services
- New mandates without funding
- Cost increase without funding adjustments
- State and federal uncertainty
- Categorical funding limitations
- Limited access to funding opportunities for smaller LHDs
- Administrative burden

What has been the impact of those challenges on your ability to meet community needs or build infrastructure?

Participants discussed that funding challenges have led to workforce shortages, service gaps, and reduced program capacity, making it difficult to meet community needs. Inconsistent funding delays or cancels initiatives, forcing LHDs to operate reactively rather than proactively. Limited infrastructure support hinders long-term planning, while categorical funding restrictions reduce efficiency and prevent resource reallocation. The administrative burden of compliance diverts staff time from critical public health services, further straining already limited resources.

The following themes emerged from this question:

- Workforce challenges in both retention and hiring
- Service gaps
- Delayed or cancelled programs and initiatives due to uncertain funding
- Reactive rather than proactive approach
- Infrastructure limitations

What strategies have you used to work through these challenges?

Participants expressed the use of strategic budgeting and grant stacking to cover service gaps and contingency planning to prepare for funding cuts. Cross-training staff and redeploying resources help maintain operations despite financial instability. Advocacy efforts focus on engaging local boards and legislators for increased support. Some LHDs leverage temporary funding, explore new grant opportunities, and build community partnerships to sustain services. Streamlining administrative processes and prioritizing essential programs also helps manage limited resources more effectively.

The following approaches were identified as commonly used or promising:

- Strategic budgeting and grant stacking
- Contingency planning for potential budget cuts by shifting funds or role
- Advocacy and communication
- Leveraging temporary COVID fund
- Exploring new grant opportunities
- Prioritization of service based on need and funding available
- Leveraging community partners