



Heal California's Communities Most Deeply Impacted by COVID-19: Invest in a California Health Equity Fund

The COVID-19 pandemic has starkly exposed health inequities in California, from contracting and dying from COVID-19 to bearing the brunt of social impacts from the pandemic. Today's suffering will further increase the risk of preventable hardship, illness and premature death in years to come. We must step in now to stop the cycle.

Sponsors are requesting \$60 million per year over three years as a one-time appropriation of \$180 million to launch a California Health Equity Fund. The Fund will engage communities most severely impacted by the pandemic in selecting and implementing policy, systems and environmental change strategies to mitigate the health and social impacts of COVID-19, including increasing risks for adverse childhood experiences (ACEs) resulting from the negative social and educational impacts of the pandemic.

The California Health Equity Fund will support nonprofit organizations, clinics, tribal organizations, and local health departments that serve disproportionately impacted communities to take action in any of the following allowable uses for funding: 1) housing security, 2) food security & healthy food systems, 3) economic stability, 4) schools and childcare, 5) community violence & hate crimes, and 6) health promoting built environments & environmental justice. Stakeholder engagement and community leadership will ensure that strategies meet local needs. In addition to addressing today's most urgent challenges, investments in these areas will build community resilience to weather the storms of future disasters.

Making the Case for Investing in a California Health Equity Fund

- Latinx, Black, Native Hawaiian, Pacific Islander, Asian American, American Indian, LGBTQ and low-income communities are bearing the brunt of health and social impacts of COVID-19 including a higher risk of contracting and dying from COVID-19, high rates of job and income loss, insecure housing, and food insecurity.
- Major contributing risk factors include a legacy of structural racism which has resulted in: a burden of largely preventable pre-existing health conditions such as hypertension, heart disease, and diabetes; crowded or insufficient housing; unstable employment, such as agricultural and gig work; and roles as essential workers, often in undervalued professions such as caregiving.
- Children in many of these communities are already at higher risk for adverse experiences. Prolonged school closures, limited access to supportive resources and family stress may have lasting negative impacts on their health and educational achievement.

The Health Equity Fund will invest \$10/capita/year, less than 1/1000 of annual health care spending in California, to right these injustices and reduce inequities caused by COVID-19 now and in the future.

Now is the time to act.

How a California Health Equity Fund Could Operate

- The California Health Equity Fund will provide resources to nonprofit organizations, clinics, tribal organizations, and local health departments in urban and rural areas hardest hit by COVID-19 across the state.
- Recipients of funds in each area will use local needs assessments and indices of health inequities and social determinants of health to identify and implement strategies tailored to local needs from the list of allowable uses.
- The California Department of Public Health will administer the funds, ideally using a nonprofit awards administrator to fast-track contracting, and will convene an oversight committee within two months with diverse members appointed by the governor and state legislature.
- The oversight committee will select areas based on rates of COVID-19 and indices of social determinants of health, advise on use of funds, monitor outcomes, and report to the legislature. Within two years of implementation, the committee will also provide a proposal for how to create a sustained funding system for prevention and health equity in California communities.
- Rigorous evaluation and accountability will measure changes in risks associated with housing and food security, economic stability, schools and childcare, healthy community environments, community violence and hate crimes along with the number and nature of local policies and action to address health equity as well as explore disaggregation of data on race/ethnicity to better understand variation in health risks and outcomes.