

Project Grants for Health Services

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HEALTH services project grants administered by the Public Health Service have increased dramatically in recent years. These "project grants" assist State and local public and nonprofit agencies to provide health services and carry out related planning, training, studies, and demonstrations. They usually are awarded without requiring matching funds and in most programs upon the recommendation of expert consultants not employed by the Federal Government. Project grants supplement the "formula grants" for health service programs. Formula grants are awarded to official State agencies after administrative approval of a State plan (1).

In fiscal year 1965 health services project grants awarded by the Public Health Service exceeded \$55 million, for the first time surpassing the amount allocated to official State agencies as formula grants (table 1). Just 5 years earlier, formula grants were more than 10 times greater than project grants for these purposes; in fiscal year 1963, the ratio was about 3.5 to 1 (2-4).

This trend is likely to have an important effect both on the financing of public health programs in the United States and on the relationships between Federal, State, and local government agencies. It also may be viewed in broader perspective as part of the changing role of the National Government in many aspects of public activity.

The Advisory Commission on Intergovernmental Relations recently noted that new Federal grant-in-aid legislation is marked by "an increasing emphasis on project grants, under which funds go directly to the aided State or local projects, rather than allocation among the

States on a formula basis" (5). Public health is sharing in, as well as contributing to, this facet of "the new Federalism."

This paper seeks to describe the principal characteristics of this development, to make available additional information in the consideration of these issues, and to provide a baseline for evaluating future actions.

History

It was not until the end of the first decade of continuing Public Health Service financial support of State and local public health services that the first project grants were made. Formula grants for general health services were authorized in 1935 by title VI of the Social Security Act.

In fiscal year 1947 project grants for venereal disease control were begun. This program, which amounted to about \$5 million, replaced funds previously appropriated to the Federal Works Agency (6). Between 1947 and 1959 the project grant for venereal disease control remained unique. By 1959 this grant had decreased to \$2.4 million. At this time, Public Health Service formula grants totaled approximately \$30 million.

The first half of the 1960's have been marked by a flood of new project grant programs. Grants for community cancer demonstration projects began the trend in fiscal year 1960. Two years later, project grants for community health services, tuberculosis, and water pollu-

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tion control appeared. In fiscal year 1963 three more similar programs started—for vaccination assistance, neurological and sensory disease services, and migrant health. The next fiscal year was marked by the start of project grants for mental retardation planning. In fiscal year 1965, grants were initiated to assist in planning of hospitals and other medical facilities and in conducting air pollution surveys, demonstrations, and control programs. Thus, by the end of the 5-year period, the Public Health Service was administering 11 health services project grant programs (table 2).

While projects grants awards more than tripled between 1963 and 1965, the total formula grants to State health departments decreased by about 15 percent. Each of the 11 project grant programs increased in this period. Only two of nine formula grant programs were expanded; four were curtailed (table 3).

Distribution Among Grantees

About half of the awards made by the Public Health Service in fiscal year 1965 for health services project grants went to State or local health departments (table 4). These official agencies received approximately 70 percent of the funds granted for these purposes (table 5). State departments received about two-thirds and local departments about one-third of the sums awarded to official health agencies.

Table 1. Amount¹ and percent of Public Health Service grant funds awarded for health services

| Fiscal year | Total | Project grants | | Formula grants | |
|-------------|-----------|----------------|----------|----------------|----------|
| | | Amount | Per-cent | Amount | Per-cent |
| 1963---- | \$76, 316 | \$17, 116 | 22. 4 | \$59, 200 | 77. 6 |
| 1964---- | 90, 758 | 32, 408 | 35. 7 | 58, 350 | 64. 3 |
| 1965---- | 105, 276 | 55, 256 | 52. 5 | 50, 020 | 47. 5 |

¹ In thousands of dollars.

The overall distribution is seriously biased, however, by the programs that allocated nearly all funds to health departments. Almost all project grants for tuberculosis control, vaccination assistance, and venereal disease programs were assigned to official health agencies.

The six other project grant programs for community health services made about 30 percent of their awards to health departments, 25 percent to educational institutions, 25 percent to professional societies and voluntary agencies, and 15 percent to hospitals or other local health facilities. Distribution of funds in these programs was generally along the same lines.

Universities and other schools were the most frequent recipients of project grants for cancer control and neurological and sensory diseases.

Table 2. Number and amount¹ of Public Health Service project grants for health services

| Program | Fiscal year 1963 | | Fiscal year 1964 | | Fiscal year 1965 | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| | Number of awards | Amount of grants | Number of awards | Amount of grants | Number of awards | Amount of grants |
| Air pollution----- | | | | | 108 | \$4, 945. 0 |
| Cancer demonstration----- | 69 | \$2, 559. 6 | 83 | \$2, 618. 5 | 118 | 3, 459. 0 |
| Community health services----- | 106 | 5, 628. 1 | 50 | 1, 541. 4 | 145 | 7, 446. 8 |
| Hospital and medical facility planning----- | | | | | 32 | 1, 879. 4 |
| Mental retardation planning----- | | | 136 | 7, 066. 0 | 46 | 1, 831. 5 |
| Migrant health----- | 30 | 750. 0 | 35 | 1, 050. 0 | 65 | 2, 808. 9 |
| Neurological and sensory disease services----- | 43 | 1, 464. 2 | 58 | 1, 703. 1 | 85 | 2, 503. 1 |
| Tuberculosis control----- | 37 | 1, 369. 9 | 41 | 1, 791. 2 | 72 | 5, 106. 6 |
| Vaccination assistance----- | 1 | 243. 6 | 93 | 9, 570. 7 | 124 | 16, 859. 6 |
| Venereal disease control----- | 96 | 4, 578. 8 | 76 | 6, 421. 0 | 71 | 7, 240. 2 |
| Water pollution control----- | 14 | 521. 5 | 22 | 645. 8 | 31 | 1, 175. 6 |
| Total----- | 396 | 17, 115. 7 | 594 | 32, 407. 8 | 897 | 55, 255. 7 |

¹ In thousands of dollars.

Table 4. Public Health Service project grant awards for health services, fiscal year 1965

| Program | All projects | State health departments | | Local health departments | | Universities and other schools | | Professional and voluntary agencies | | Hospitals and health facilities | | Other | |
|--|--------------|--------------------------|-------------|--------------------------|-------------|--------------------------------|-------------|-------------------------------------|-------------|---------------------------------|------------|------------|------------|
| | | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Communicable disease..... | 267 | 172 | 64.4 | 93 | 34.8 | ----- | ----- | 1 | 0.4 | ----- | ----- | 1 | 0.4 |
| Tuberculosis control..... | 72 | 39 | 54.2 | 32 | 44.4 | ----- | ----- | 1 | 1.4 | ----- | ----- | ----- | ----- |
| Vaccination assistance..... | 124 | 78 | 62.9 | 45 | 36.3 | ----- | ----- | ----- | ----- | ----- | ----- | 1 | .8 |
| Venereal disease control..... | 71 | 55 | 77.5 | 16 | 22.5 | ----- | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| Community health..... | 491 | 96 | 19.6 | 48 | 9.8 | 123 | 25.0 | 121 | 24.6 | 77 | 15.7 | 26 | 5.3 |
| Cancer demonstration..... | 118 | 19 | 16.1 | 5 | 4.2 | 46 | 39.0 | 23 | 19.5 | 25 | 21.2 | ----- | ----- |
| Community health services..... | 145 | 14 | 9.7 | 17 | 11.7 | 26 | 17.9 | 55 | 37.9 | 32 | 22.1 | 1 | .7 |
| Hospital and medical facility planning..... | 32 | 2 | 6.3 | ----- | ----- | ----- | ----- | 30 | 93.7 | ----- | ----- | ----- | ----- |
| Mental retardation planning..... | 46 | 21 | 45.6 | ----- | ----- | 1 | 2.2 | ----- | ----- | ----- | ----- | 24 | 52.2 |
| Migrant health..... | 65 | 27 | 41.5 | 24 | 36.9 | 4 | 6.2 | 9 | 13.9 | 1 | 1.5 | ----- | ----- |
| Neurological and sensory disease services..... | 85 | 13 | 15.3 | 2 | 2.4 | 46 | 54.1 | 4 | 4.7 | 19 | 22.3 | 1 | 1.2 |
| Environmental health..... | 139 | 22 | 15.8 | 54 | 38.9 | 12 | 8.6 | 3 | 2.2 | ----- | ----- | 48 | 34.5 |
| Air pollution control..... | 108 | 18 | 16.7 | 53 | 49.1 | ----- | ----- | 1 | .9 | ----- | ----- | 36 | 33.3 |
| Water pollution control..... | 31 | 4 | 12.9 | 1 | 3.2 | 12 | 38.7 | 2 | 6.5 | ----- | ----- | 12 | 38.7 |
| Total..... | 897 | 290 | 32.3 | 195 | 21.7 | 135 | 15.1 | 125 | 13.9 | 77 | 8.6 | 175 | 8.4 |

¹ Includes 35 grants to other State agencies and 38 grants to other local government agencies.

Professional societies and voluntary agencies were the largest class of grantees for community health services projects.

Analysis by Grantee

Every State health department received at least one Public Health Service project grant during fiscal year 1965. About 80 percent of the project grant funds received by State health departments were for the three communicable disease programs.

All project grants in five States were received by the State health departments, and in eight other States more than 80 percent of the project grants were awarded to the State health department. With the exception of New Jersey, these States had relatively small populations. Five State health departments—those of Alaska, California, Colorado, Oregon, and Utah—received more money for health services from the Public Health Service in the form of project grants than on a formula basis.

One hundred nine local health departments received assistance through these project grants. About three-fourths of them serve standard

metropolitan statistical areas, and these urban agencies received 95 percent of the funds. All project grants to local health departments for venereal disease and tuberculosis control went to metropolitan areas. The largest number of awards to local health departments were made in the new air pollution control program.

Table 3. Amount ¹ of Public Health Service formula grants for health services

| Program | Fiscal year 1963 | Fiscal year 1964 | Fiscal year 1965 |
|-------------------------------|------------------|------------------|------------------|
| Cancer control..... | \$3,500 | \$3,500 | \$3,500 |
| Chronically ill and aged..... | 13,000 | 13,000 | 11,750 |
| Dental health..... | ----- | ----- | 520 |
| General health..... | 15,000 | 14,000 | 10,000 |
| Heart disease control..... | 7,000 | 7,000 | 7,000 |
| Mental health..... | 10,950 | 10,950 | 6,750 |
| Radiological health..... | 1,500 | 2,000 | 2,500 |
| Tuberculosis control..... | 3,250 | 2,900 | 3,000 |
| Water pollution control..... | 5,000 | 5,000 | 5,000 |
| Total..... | 59,200 | 58,350 | 50,020 |

¹ In thousands of dollars.

Table 5. Public Health Service project grant

| Program | Total amount | State health departments | | Local health departments | |
|--|--------------|--------------------------|---------|--------------------------|---------|
| | | Amount | Percent | Amount | Percent |
| Communicable disease..... | \$29,206.4 | \$20,366.5 | 69.7 | \$8,679.4 | 29.7 |
| Tuberculosis control..... | 5,106.6 | 2,810.3 | 55.0 | 2,238.8 | 43.9 |
| Vaccination assistance..... | 16,859.6 | 12,177.3 | 72.2 | 4,579.3 | 27.2 |
| Venereal disease control..... | 7,240.2 | 5,378.9 | 74.3 | 1,861.3 | 25.7 |
| Community health..... | 19,928.7 | 4,510.4 | 22.6 | 1,750.0 | 8.8 |
| Cancer demonstration..... | 3,459.0 | 521.9 | 15.1 | 265.6 | 7.7 |
| Community health services..... | 7,446.8 | 868.6 | 11.7 | 693.7 | 9.3 |
| Hospital and medical facility planning..... | 1,879.4 | 110.0 | 5.9 | ----- | ----- |
| Mental retardation planning..... | 1,831.5 | 777.3 | 42.5 | ----- | ----- |
| Migrant health..... | 2,808.9 | 1,745.3 | 62.1 | 699.4 | 24.9 |
| Neurological and sensory disease services..... | 2,503.1 | 487.3 | 19.5 | 91.3 | 3.6 |
| Environmental health..... | 6,120.6 | 1,149.8 | 18.8 | 1,836.4 | 30.0 |
| Air pollution..... | 4,945.0 | 1,014.7 | 20.5 | 1,777.3 | 36.0 |
| Water pollution..... | 1,175.6 | 135.1 | 11.5 | 59.1 | 5.0 |
| Total..... | 55,255.7 | 26,026.7 | 47.1 | 12,265.8 | 22.2 |

¹ In thousands of dollars.

Four programs—cancer, neurological and sensory diseases, community health, and water pollution control—account for essentially all the grants to universities and other schools. On the basis of the published information (3, 4) an effort was made to analyze the purposes for which grants were made to these institutions (table 6). Although the available information is incomplete and many service projects include study and training elements, more than \$2 million were used to support health services in this way. Altogether, 76 educational institutions received project grants under these programs during fiscal year 1965, an increase from 50 the previous year. The Universities of Alabama, Michigan, and Washington received the largest sums.

A variety of professional societies and voluntary agencies also received grants. Awards for community health projects were made to such groups as community councils, visiting nurse associations, and home care agencies. Most of the cancer grants in this group were awarded to national professional associations, such as the American College of Surgeons and the National Committee for Careers in Medical Technology. Newly established agencies received most of the support for the areawide planning of hospital and medical facilities and many of the grants to improve the

health of migrants. More than 80 percent of the grants and 90 percent of the funds in this category were given to agencies in urban metropolitan areas.

More than \$3.4 million in project grants went to hospitals and other health facilities, largely for casefinding, diagnostic, and treatment programs. Included were such activities as cervical and oral cancer control programs; detecting and treating hearing, speech, and dental problems; and multiphasic screening. All except nine of these grants and more than 92 percent of these funds went to facilities in standard metropolitan statistical areas.

State and local governmental agencies other than health departments account for most of the

Table 6. Purpose, amount,¹ and percent of project grants to educational institutions

| Purpose | Fiscal year 1964 | | Fiscal year 1965 | |
|---------------|------------------|---------|------------------|---------|
| | Amount | Percent | Amount | Percent |
| Training..... | \$490.7 | 15.4 | \$820.9 | 17.7 |
| Studies..... | 980.9 | 30.8 | 1,049.2 | 22.7 |
| Services..... | 1,711.0 | 53.8 | 2,761.6 | 59.6 |
| Total..... | 3,182.6 | 100.0 | 4,631.7 | 100.0 |

¹ In thousands of dollars.

funds¹ for health services, fiscal year 1965

| Universities and other schools | | Professional and voluntary agencies | | Hospitals and health facilities | | Other | |
|--------------------------------|---------|-------------------------------------|---------|---------------------------------|---------|---------|---------|
| Amount | Percent | Amount | Percent | Amount | Percent | Amount | Percent |
| | | \$57.5 | 0.2 | | | \$103.0 | 0.4 |
| | | 57.5 | 1.1 | | | 103.0 | .6 |
| | | | | | | | |
| \$4,115.0 | 20.7 | 5,005.3 | 25.1 | \$3,412.4 | 17.1 | 1,135.6 | 5.7 |
| 1,369.8 | 39.6 | 550.5 | 15.9 | 751.2 | 21.7 | | |
| 1,541.0 | 20.7 | 2,535.9 | 34.0 | 1,756.9 | 23.6 | 50.7 | .7 |
| | | 1,769.4 | 94.1 | | | | |
| | | | | | | 1,018.7 | 55.6 |
| 35.5 | 1.9 | | | | | | |
| 122.6 | 4.4 | 101.9 | 3.6 | 139.7 | 5.0 | | |
| 1,046.1 | 41.8 | 47.6 | 1.9 | 764.6 | 30.6 | 66.2 | 2.6 |
| | | | | | | | |
| 516.7 | 8.4 | 192.0 | 3.1 | | | 2,425.7 | 39.7 |
| | | 100.0 | 2.0 | | | 2,053.0 | 41.5 |
| 516.7 | 44.0 | 92.0 | 7.8 | | | 372.7 | 31.7 |
| | | | | | | | |
| 4,631.7 | 8.4 | 5,254.8 | 9.5 | 3,412.4 | 6.2 | 3,664.3 | 6.6 |

“other” entries in tables 4 and 5. Twenty-four project grants for planning services to mentally retarded persons were awarded to a number of different State agencies, such as departments of mental health or hospitals. Twenty-nine air pollution grants were given to a variety of local public agencies and seven were made to State agencies.

Size of Grants

The increase in funds available for these project grants has been accompanied by an increase in the amount of the average grant. In fiscal year 1965, the average award of these funds was about \$60,000, about 40 percent more than 2 years earlier. However, the average size varies markedly by program (table 7). The overall figure is strongly influenced by grants for the three communicable disease programs. When these programs are omitted from consideration, the average grant for the other nine programs is slightly more than \$41,000.

Geographic Distribution

As these project grants have expanded, there has been a commensurate widening in the geographic distribution of awards. By fiscal year 1964, every State received at least one project grant. In fiscal year 1965, every State received at least two such grants and only four States—Delaware, Nevada, South Dakota, and Wyo-

ming—received fewer than five. On the other hand, five States—California, Colorado, Illinois, New York, and Pennsylvania—obtained

Table 7. Average amount of Public Health Service project grants for health services

| Program | Fiscal year 1963 | Fiscal year 1964 | Fiscal year 1965 |
|---|------------------|------------------|------------------|
| Communicable disease: | | | |
| Tuberculosis control | \$37,025 | \$43,688 | \$70,925 |
| Vaccination assistance | (¹) | 102,911 | 135,964 |
| Venereal disease control | 47,696 | 84,487 | 101,974 |
| Community health: | | | |
| Cancer demonstration | 37,076 | 31,549 | 29,313 |
| Community health services | 53,095 | 51,956 | 51,357 |
| Hospital and medical facility planning | | | 58,729 |
| Mental retardation planning | | 30,000 | 39,815 |
| Migrant health | 25,000 | 30,829 | 43,214 |
| Neurological and sensory disease services | 34,051 | 29,363 | 29,448 |
| Environmental health: | | | |
| Air pollution | | | 45,787 |
| Water pollution | 37,250 | 29,355 | 37,924 |
| Average of all project grants | 43,221 | 54,558 | 61,601 |

¹ One grant.

at least one grant in each of the 11 program areas.

Table 8 shows the recent expansion and current scope of State coverage of the individual project grant programs. By fiscal year 1965, 8 of the 11 programs had awarded grants to agencies in more than 35 States; 2 years earlier only the long-term venereal disease grant had such a scope.

There are noteworthy differences in the regional distribution of these project grants. These variations are weighted along the same general lines as those of other Public Health Service and Federal project grant programs (7). Agencies in the Northeastern section of the country and the Pacific Coast States have received a relatively large share of health services project grants; those in the Midwest have received a relatively small share (table 9).

Individual grant programs have distinctive patterns of regional distribution (table 10). However, in 8 of the 11 programs, Region V received a smaller portion of the grant awards than is its share of the national population; Region VI had similar discrepancy in 7 programs. Region IX, though, exceeded its population ratio in all except two programs.

Comparison of the regional distribution of the project grants for cancer and tuberculosis control with the formula grants for the same disease programs indicates the result of the dif-

Table 8. Number of States in which one or more agencies received Public Health Service project grants for health services

| Program | Fiscal year 1963 | Fiscal year 1964 | Fiscal year 1965 |
|--|------------------|------------------|------------------|
| Communicable disease: | | | |
| Tuberculosis control..... | 25 | 28 | 38 |
| Vaccination assistance..... | 1 | 41 | 42 |
| Venereal disease control..... | 44 | 47 | 50 |
| Community health: | | | |
| Cancer demonstration..... | 27 | 30 | 35 |
| Community health services... | 29 | 35 | 36 |
| Hospital and medical facility planning..... | | | 17 |
| Mental retardation planning... | | 34 | 42 |
| Migrant health..... | 19 | 26 | 32 |
| Neurological and sensory disease services..... | 22 | 29 | 36 |
| Environmental health: | | | |
| Air pollution..... | | | 39 |
| Water pollution..... | 10 | 12 | 19 |
| All project grants..... | 49 | 50 | 50 |

ferent methods of allocating grant funds. For tuberculosis, a considerably smaller portion of project grant funds were awarded in fiscal year 1965 to the Midwest and Mountain States (Regions V and VIII); larger shares went to the Middle Atlantic and Pacific States (Regions II and IX). In the cancer program, a larger percentage of project grants went to the Midwest

Table 9. Percent distribution of Public Health Service project and formula grant funds for health services in fiscal year 1965 as compared with percentage distribution of population and personal income, by Department of Health, Education, and Welfare Region

| Region number and inclusive States | Project grants | Formula grants | Estimated population | Personal income |
|--|----------------|----------------|----------------------|-----------------|
| I: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont..... | 5.8 | 6.2 | 5.7 | 6.5 |
| II: Delaware, New Jersey, New York, and Pennsylvania..... | 20.4 | 16.1 | 18.7 | 22.1 |
| III: District of Columbia, Kentucky, Maryland, North Carolina, Puerto Rico, Virgin Islands, Virginia, and West Virginia..... | 13.0 | 12.7 | 10.8 | 8.3 |
| IV: Alabama, Florida, Georgia, Mississippi, South Carolina, and Tennessee..... | 11.4 | 13.5 | 11.4 | 8.4 |
| V: Illinois, Indiana, Michigan, Ohio, and Wisconsin..... | 12.9 | 16.6 | 19.4 | 21.0 |
| VI: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota..... | 6.4 | 8.6 | 8.1 | 7.9 |
| VII: Arkansas, Louisiana, New Mexico, Oklahoma, and Texas..... | 8.3 | 10.4 | 10.0 | 8.1 |
| VIII: Colorado, Idaho, Montana, Utah, and Wyoming..... | 3.4 | 3.8 | 2.4 | 2.3 |
| IX: Alaska, Arizona, California, Guam, Hawaii, Nevada, Oregon, and Washington..... | 18.4 | 12.1 | 13.5 | 15.4 |
| Total..... | 100.0 | 100.0 | 100.0 | 100.0 |

Table 10. Percent distribution of Public Health Service project grant funds for health services, by program and Department of Health, Education, and Welfare Region, fiscal year 1965

| Program | Department of Health, Education, and Welfare Region ¹ | | | | | | | | |
|---|--|-------------|-------------|-------------|-------------|------------|------------|------------|-------------|
| | I | II | III | IV | V | VI | VII | VIII | IX |
| Communicable disease: | | | | | | | | | |
| Tuberculosis control..... | 5.1 | 22.1 | 15.5 | 16.8 | 11.8 | 2.7 | 7.0 | 2.6 | 16.4 |
| Vaccination assistance..... | 5.7 | 16.8 | 12.8 | 11.3 | 9.2 | 8.6 | 11.3 | 3.9 | 20.4 |
| Venereal disease control..... | 1.8 | 26.7 | 10.3 | 16.2 | 12.2 | 4.8 | 10.5 | 1.5 | 16.0 |
| Community health: | | | | | | | | | |
| Cancer demonstration..... | 4.0 | 14.2 | 16.3 | 12.5 | 21.4 | 3.1 | 10.9 | 1.7 | 15.9 |
| Community health services..... | 12.5 | 26.1 | 16.6 | 7.4 | 12.8 | 3.7 | 3.8 | 4.3 | 12.8 |
| Hospital and medical facility planning..... | 1.0 | 44.2 | 3.2 | 2.9 | 23.0 | 3.1 | 1.0 | 1.7 | 19.9 |
| Mental retardation..... | 10.9 | 9.5 | 14.9 | 11.2 | 3.9 | 16.2 | 12.2 | 9.2 | 12.0 |
| Migrant health..... | 1.2 | 8.0 | 6.9 | 14.0 | 12.8 | 6.0 | 12.9 | 3.3 | 34.9 |
| Neurological and sensory diseases services..... | 9.0 | 9.7 | 13.3 | 9.8 | 11.1 | 13.6 | 5.6 | 5.7 | 22.2 |
| Environmental health: | | | | | | | | | |
| Air pollution..... | 5.8 | 24.4 | 14.3 | 8.0 | 21.2 | 5.2 | 3.1 | 2.9 | 15.1 |
| Water pollution..... | 1.7 | 19.6 | 10.1 | 6.0 | 15.7 | 8.6 | 2.8 | 3.2 | 32.3 |
| All project grants..... | 5.8 | 20.4 | 13.0 | 11.4 | 12.9 | 6.4 | 8.3 | 3.4 | 18.4 |

¹ See stub on table 9.

(Region V), and also in line with the general pattern, to the Pacific Coast States (Region IX).

A review of grant awards by State pinpoints the predominant position of California. This State received more than twice as much money

Table 11. Rank order of States receiving largest amounts of Public Health Service project grants for health services compared with rank order of receipt of Public Health Service formula grants and estimated population, fiscal year 1965

| State | Ranking in— | | |
|--------------------|----------------|----------------|----------------------|
| | Project grants | Formula grants | Estimated population |
| California..... | 1 | 2 | 1 |
| New York..... | 2 | 1 | 2 |
| Pennsylvania..... | 3 | 3 | 3 |
| Illinois..... | 4 | 6 | 4 |
| Texas..... | 5 | 4 | 5 |
| Michigan..... | 6 | 7 | 7 |
| Massachusetts..... | 7 | 8 | 10 |
| Florida..... | 8 | 9 | 9 |
| Missouri..... | 9 | 16 | 12 |
| New Jersey..... | 10 | 10 | 8 |

through project grants for health services as through formula grants (table 11). Among the States with large populations, agencies in Ohio and Wisconsin have received relatively fewer project grants.

An analysis of the positions of the larger and wealthier States provides further insights into the distribution of these project grants. The 10 States with largest populations, which contain about half of the nation's population, received in fiscal year 1965 about 55 percent of these project grant funds, as compared to 45 percent of the formula grant funds. The 10 wealthiest States (as measured by per capita income) which include about 35 percent of the nation's population, received about 38 percent of the project grant funds but only 27 percent of formula grant funds. Thus fiscal equalization, which has traditionally been a main factor in the distribution of Federal formula grants-in-aid, has not been an important overall consideration in the allocation of project grants for health services.

Summary

Public Health Service project grants for health services have multiplied in number, amount, and importance in recent years. In

fiscal year 1959, there was only a single program of about \$2 million; in fiscal year 1965, there were 11 programs with awards exceeding \$55 million.

A review of the major characteristics of this development indicates that:

- Most Public Health Service project grants and funds for health services are awarded to State and local health departments.

- The overall distribution, though, is strongly weighted by the fact that essentially all awards in three communicable disease project grant programs—tuberculosis and venereal disease control and vaccination assistance—are made to official health agencies.

- In the newer community health project grant programs, educational institutions, voluntary agencies, professional societies, and hospitals are major grant recipients.

- Almost all local agencies receiving these project grant funds are in urban, metropolitan areas.

- State and local governmental agencies other than health departments are important grantees in the new mental retardation planning and air pollution programs.

- Agencies on the West Coast, particularly in California, have been predominant among those obtaining Public Health Service project grants for health services. As in other program areas, agencies in the Midwest have received considerably less of this type of assistance.

- Generally, the States with larger populations and higher per capita income receive a considerably greater share of the health services grants awarded on project basis.

These observations point out the expanding

scope of and broadening participation in health services grants, particularly in the newer programs and among agencies in metropolitan areas. This trend suggests that these new members of the "partnership of health" are likely to have an increasingly important role in carrying out Federal health services grant programs and in decisions about Federal policy pertaining to health.

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