United States

Amplify Impact: Patient Organisation Sustainability & Health Equity

05

United States country audit

Audit parameters

Field	United States audit specification
Jurisdiction	United States
Primary unit	Federal government support framework
Subnational treatment	Targeted scan of material state mechanisms, particularly Medicaid commissioning, charity registration and state/local tax treatment
Organisations in scope	Section 501(c)(3) health charities, nonprofit health providers, community-based organisations, federally qualified health centres, public-health organisations, patient organisations, faith-based organisations and tribal organisations
Evidence standard	Publicly accessible and independently verifiable sources
Scoring basis	Desk evidence only; scores assess the documented framework rather than every organisation's experience
Federalism note	States administer major health programs, regulate charitable solicitation and determine many state tax concessions, producing substantial variation

Overall finding

The United States has an exceptionally large, diverse and financially significant nonprofit health-support system, but it is also highly decentralised and administratively demanding.

Government support reaches health charities and nonprofit providers through:

- federal project and program grants;
- formula and block grants channelled through states;
- large-scale Medicare and Medicaid purchasing;
- grants and operational funding for nonprofit community health centres;
- public-health, mental-health, substance-use, ageing, disability and HIV programs;
- federal research grants;
- emergency and disaster assistance;
- federal income-tax exemption;
- tax deductibility of charitable contributions;
- federal cost-recovery rules, including indirect costs;
- central grant, procurement and spending databases; and
- technical-assistance and community-integration initiatives.

The US framework is especially strong in the scale and diversity of available instruments**.** Grants.gov publishes federal organisational funding opportunities, while SAM.gov supports federal registration, assistance listings and contracting. USAspending.gov provides searchable data on federal grants, contracts and loans.

The framework's main weaknesses are:

- multiple federal registration systems and compliance stages;
- complex program-specific applications;
- substantial reporting and audit obligations;
- major variation between states;
- competitive and highly restricted funding;
- limited general organisational core funding;
- fragmented contracting and referral arrangements;
- inconsistent applicability of federal prompt-payment protections to grants, subawards and state-funded services; and
- inequitable access for small or low-capacity community organisations.

The United States therefore offers substantial support, but ability to access it often depends heavily on institutional capacity, specialist grant knowledge, established financial systems and state location**.**

Instrument matrix

Direct financial support

Code	Instrument	Level	Description and health-sector relevance	Evidence assessment
DF-US-01	Federal discretionary health grants	Federal	Federal agencies publish competitive grants for public health, community health, mental health, substance use, maternal and child health, disability, ageing, prevention, advocacy-related education and service delivery. Nonprofit organisations are a recognised applicant category on Grants.gov.	Strong, broad primary evidence.
DF-US-02	HHS grant programs	Federal	The Department of Health and Human Services and its operating divisions award grants and cooperative agreements to public and nonprofit entities. Relevant agencies include CDC, HRSA, SAMHSA, NIH, ACF and the Administration for Community Living.	Strong evidence; eligibility varies by program.
DF-US-03	HRSA Health Center Program operational funding	Federal	Public or private nonprofit, community-based organisations can receive operational funding to provide comprehensive primary care to medically underserved populations.	Strong example of continuing operational support rather than a small project grant.
DF-US-04	Federally Qualified Health Center payments	Federal and state	Eligible nonprofit community health centres can receive HRSA support and reimbursement through Medicare, Medicaid and other public programs. CMS maintains dedicated payment and policy infrastructure for FQHCs.	Strong, embedded financing mechanism.
DF-US-05	Ryan White HIV/AIDS Program	Federal/local	Federal grants support states, metropolitan areas, community organisations and nonprofit providers delivering HIV treatment and support services. Eligibility varies by program component.	Strong health-specific support; administratively segmented.
DF-US-06	CDC grants and cooperative agreements	Federal	CDC funds state, local, tribal, academic and nonprofit partners for public-health programs, surveillance, prevention, workforce and emergency preparedness. CDC's grants and procurement office undertakes a large volume of assistance and acquisition actions annually.	Strong evidence of substantial public-health grant infrastructure.

Code	Instrument	Level	Description and health-sector relevance	Evidence assessment
DF-US-07	HRSA community and workforce grants	Federal	Public, private and nonprofit organisations, including community and faith-based groups, can apply for many HRSA opportunities covering health workforce, rural health, maternal and child health and community services.	Strong evidence; eligibility remains opportunity-specific.
DF-US-08	NIH and federal health-research grants	Federal	Nonprofit research institutes, health foundations, universities and eligible patient-linked organisations may participate in federally funded health and medical research.	Strong but predominantly research-focused rather than operating support for general patient organisations.
DF-US-09	Medicaid service purchasing	Federal/state	Medicaid is jointly funded by federal and state governments and administered by states. Nonprofit providers and community organisations can receive payment directly or through managed-care arrangements for covered health and community-based services.	Very substantial but highly state-dependent.
DF-US-10	Medicaid home- and community-based services	Federal/state	States fund home- and community-based services for people with disability, ageing-related needs and functional limitations. Nonprofit organisations frequently deliver these services under state contracts or provider agreements.	Strong operational and financial pathway; state rules differ.
DF-US-11	Medicaid health-related social-needs initiatives	Federal/state	CMS permits and encourages state Medicaid approaches addressing housing instability, food insecurity and other health-related social needs, potentially creating funding opportunities for community-based organisations.	Strong policy potential; implementation varies greatly by state.
DF-US-12	Medicare and value-based purchasing	Federal	Nonprofit hospitals, community health centres and other eligible health providers may receive Medicare payments and participate in value-based arrangements.	Major financing mechanism, but most ordinary patient charities are not eligible clinical providers.
DF-US-13	Accountable-care community partnerships	Federal/private-plan implementation	CMS models have encouraged clinical-community linkages and referrals to social-service organisations to address health-related social needs.	Strong demonstration and integration mechanism, but not a universal NGO funding entitlement.
DF-US-14	Community Services Block Grant	Federal/state/local	Federal block-grant funding passes through states to local community-action agencies and other eligible entities addressing poverty and associated health and social needs.	Strong indirect route to community organisations; not specifically a health-charity program.
DF-US-15	Social Services Block Grant	Federal/state	States and territories use capped federal funds to provide services for children, older adults, people with	Material but state-directed and not

Code	Instrument	Level	Description and health-sector relevance	Evidence assessment
			disability and low-income populations, often through nonprofit providers.	exclusively health-related.
DF-US-16	State and local health grants	State/local	State health departments, Medicaid agencies, counties and cities award grants and contracts for public health, behavioural health, disability, ageing, prevention and community care.	Material but too fragmented for a single national description.
DF-US-17	Tribal health and tribal-organisation funding	Federal/tribal	Tribal governments and tribal organisations are eligible for numerous health and community-service grants. Many federal health opportunities explicitly recognise tribes and tribal organisations.	Strong equity-oriented funding pathway.
DF-US-18	Rural health funding	Federal/state	HRSA and other agencies provide dedicated rural-health grants, technical assistance and service-delivery funding, including opioid-response and workforce initiatives.	Strong targeted support; usually competitive and restricted.
DF-US-19	Infrastructure and capital grants	Federal/state	Selected programs fund health-centre construction, renovation, equipment, emergency preparedness or digital infrastructure.	Verified, but generally limited to eligible provider classes or existing award recipients.
DF-US-20	FEMA Public Assistance for eligible nonprofits	Federal/state	Following qualifying disasters, FEMA can provide supplemental grants to certain private nonprofit organisations for emergency work and restoration of eligible facilities.	Strong standing emergency-support mechanism, subject to disaster declarations and eligibility rules.
DF-US-21	Other FEMA nonprofit grants	Federal/state	FEMA administers programs under which eligible nonprofits can receive preparedness, security or disaster-related funding.	Strong but specialised.
DF-US-22	Emergency continuity and public-health response funding	Federal/state	Federal emergency appropriations may support nonprofit health providers, community health centres, behavioural-health services and emergency response.	Demonstrated capacity, although mechanisms depend on legislation and emergency conditions.
DF-US-23	Cooperative agreements	Federal	Federal agencies use cooperative agreements when substantial government involvement is expected, including technical assistance, shared implementation and monitoring.	Important funding form for national and community health organisations.
DF-US-24	Formula funding passed through states	Federal/state	Federal health and social-service funds are frequently awarded first to states, which then operate procurements, subgrants or provider-payment systems.	Major route of support but adds another administrative layer.

Direct financial support assessment

The United States offers one of the broadest ranges of direct government funding instruments in the comparison.

Particularly significant are:

- federal health grants;
- nonprofit community health-centre operational support;
- Medicaid and Medicare purchasing;
- state and local service contracts;
- block-grant pass-through funding;
- tribal and rural-health programs; and
- standing disaster assistance for eligible nonprofits.

Unlike systems where NGOs are primarily funded through one health ministry, the US distributes support through many federal departments, agencies, states, managed-care organisations and local governments.

This diversity creates opportunities, but it also creates fragmentation. Eligibility may be limited to:

- established healthcare providers;
- entities serving specified geographic areas;
- current grant recipients;
- particular professional or organisational types;
- organisations with formal 501(c)(3) status;
- organisations registered in SAM.gov;
- entities with clinical billing capability; or
- state-approved Medicaid providers.

The Health Center Program is a notable example of comparatively high-quality operational funding. It supports nonprofit, community-based and patient-directed organisations providing comprehensive primary healthcare in underserved areas. Bureau of Primary Health Care

However, general patient organisations and advocacy charities do not have equivalent automatic access to continuing operating support.

Indirect financial support

Code	Instrument	Level	Description and relevance	Evidence assessment
IF-US-01	Federal income-tax exemption under section 501(c)(3)	Federal	Eligible organisations organised and operated for recognised charitable purposes are exempt from federal income tax, subject to restrictions on private benefit, political campaigning and substantial lobbying.	Strong evidence.
IF-US-02	Federal charitable-contribution deduction	Federal	Qualifying donations to eligible charitable organisations may be deductible by individual and corporate donors, subject to tax rules and limits.	Strong evidence.
IF-US-03	Public charity classification	Federal	Qualifying 501(c)(3) organisations may be classified as public charities rather than private foundations where they meet statutory criteria, affecting fundraising, tax treatment and compliance.	Strong but legally complex.
IF-US-04	Tax-exempt organisation search and donor verification	Federal	The IRS maintains a searchable tool showing tax-exempt status, filings and eligibility to receive tax-deductible contributions.	Strong transparency and donor-enablement instrument.
IF-US-05	State corporate	State	Many states provide income or franchise-tax exemptions for qualifying	Material but not nationally uniform.

Code	Instrument	Level	Description and relevance	Evidence assessment
	income-tax exemption		charities, but recognition may require separate applications or documentation.	
IF-US-06	State sales and use-tax exemptions	State/local	Eligible charitable organisations may receive exemptions from sales or use taxes in some states, often subject to purpose and transaction restrictions.	Highly variable by state.
IF-US-07	State and local property-tax exemptions	State/local	Property used for charitable or health purposes may qualify for local property-tax relief, subject to state constitutions, statutes and local assessment rules.	Potentially valuable but fragmented and contested in some jurisdictions.
IF-US-08	Postal concessions	Federal	Eligible nonprofit organisations may qualify for reduced nonprofit postal rates for approved mailings.	Established indirect operating concession, but not specific to health charities.
IF-US-09	Federal indirect-cost recovery	Federal	Federal award recipients may recover allowable indirect costs through a negotiated rate or elect a de minimis rate of up to 15% of modified total direct costs if they do not have a negotiated rate.	Important full-cost funding instrument.
IF-US-10	Protection of negotiated indirect-cost rates	Federal/pass-through	Federal agencies and pass-through entities generally may not require a recipient or subrecipient to accept a lower indirect-cost rate than its approved rate or elected de minimis rate unless authorised by law or regulation.	Strong formal protection, though implementation may remain complex.
IF-US-11	Multi-year indirect-rate extension	Federal	A recipient with an approved negotiated indirect-cost rate may apply for a one-time extension of up to four years.	Helpful administrative stability mechanism.
IF-US-12	Federal grant and registration fees	Federal	Grants.gov and SAM.gov registration and opportunity searching are free.	Strong direct fee-access feature.
IF-US-13	Government-backed loans	Federal/state	Federal assistance listings include loans and loan guarantees, and nonprofit health facilities may be eligible under some capital or rural-development programs. No universal health-charity finance facility was identified.	Partial, program-specific evidence.
IF-US-14	Fee waivers	Federal/state	Individual agencies and states may waive filing, licensing or service fees for charities, but no comprehensive national health-charity fee-waiver framework was identified.	Fragmented.
IF-US-15	Import and customs concessions	Federal	No broad standing customs exemption for ordinary domestic health charities was identified. Special rules may apply to donated goods, humanitarian relief or specific imports.	Limited/systematic evidence not identified.

Indirect financial support assessment

The United States has a powerful indirect-support framework built around section 501(c)(3).

Qualifying organisations benefit from:

- federal income-tax exemption;
- tax-deductible donations;
- access to public-charity status;
- searchable IRS recognition;
- state and local tax concessions in many jurisdictions; and
- nonprofit postal rates.

The federal charitable deduction is particularly significant because it supports a large private-philanthropy market alongside direct government funding. However, its practical value depends on donor tax circumstances and the organisation's recognised status.

The federal indirect-cost framework is also a major strength. Recipients without a negotiated rate may elect a de minimis rate of up to 15% of modified total direct costs. Pass-through entities are generally required to recognise an appropriate indirect-cost rate rather than simply refusing overhead recovery.

This provides stronger formal protection for overhead recovery than was clearly identified in the Australian and New Zealand audits.

The weakness is complexity. Federal tax exemption does not automatically resolve:

- state charity registration;
- state fundraising registration;
- state income-tax treatment;
- sales-tax exemption;
- property-tax exemption;
- local licensing; or
- eligibility for particular federal grants.

Operational support

Code	Instrument	Level	Description and relevance	Evidence assessment
OS-US-01	IRS tax-exempt recognition system	Federal	Provides formal recognition of federal tax-exempt charitable status and associated guidance.	Strong national infrastructure, although legally demanding.
OS-US-02	IRS Tax Exempt Organization Search	Federal	Public database verifies tax-exempt status, contribution eligibility and filings.	Strong transparency tool.
OS-US-03	Grants.gov	Federal	Central portal for federal grant opportunities directed to organisations and other eligible entities.	Strong opportunity-discovery infrastructure.
OS-US-04	SAM.gov entity registration	Federal	Organisations register for a Unique Entity ID to apply for federal financial assistance or bid for contracts.	Essential federal access mechanism, but adds administrative requirements.
OS-US-05	SAM.gov assistance listings	Federal	Authoritative catalogue of federal assistance programs, including grants, loans, insurance and other assistance.	Strong program-transparency infrastructure.

Code	Instrument	Level	Description and relevance	Evidence assessment
OS-US-06	USAspending.gov	Federal	Official open-data source for federal contracts, grants, loans and recipient profiles.	Very strong expenditure-transparency mechanism.
OS-US-07	Uniform Guidance under 2 CFR Part 200	Federal/pass-through	Provides government-wide administrative, cost and audit rules for federal awards and subawards.	Strong standardisation mechanism, but extensive and complex.
OS-US-08	Risk-based subrecipient monitoring	Federal/pass-through	Pass-through entities must evaluate subrecipient risk and tailor monitoring to factors such as experience, audit findings, systems and prior performance.	Formal proportionality instrument.
OS-US-09	Single Audit threshold	Federal	Entities expending at least US$1 million in federal awards in a fiscal year must undergo a Single Audit or program-specific audit where applicable. Those below the threshold are exempt from that federal audit requirement, although records remain reviewable.	Strong threshold-based accountability mechanism.
OS-US-10	Federal Prompt Payment Act	Federal contracting	Federal agencies must generally pay valid vendor invoices on time and pay interest when covered payments are late.	Strong contractor protection, but does not uniformly protect grant reimbursement or downstream subcontracts.
OS-US-11	Invoice Processing Platform	Federal	Centralised, no-cost invoicing platform used by participating federal agencies and vendors for invoice submission and payment notification.	Strong transactional infrastructure.
OS-US-12	HRSA technical assistance	Federal	HRSA provides application guidance, compliance manuals, program support and technical assistance to health-centre and health-workforce applicants and recipients.	Strong health-specific operational support.
OS-US-13	Health Center Program governance requirements	Federal	Funded health centres must be community-based and patient-directed and comply with detailed governance, service and accountability standards.	Strong community-governance model, although compliance burden is substantial.
OS-US-14	Clinical-community referral integration	Federal/state/local	CMS models support screening for health-related social needs and referrals between clinical providers and community organisations.	Strong demonstration framework; not universally implemented.
OS-US-15	Accountable-care integration	Federal/provider systems	Accountable-care models allow health providers to coordinate care and connect patients to social services.	Material operational pathway but primarily provider-led.

Code	Instrument	Level	Description and relevance	Evidence assessment
OS-US-16	Medicaid community integration	Federal/state	States may integrate community-based and social-service organisations into Medicaid managed-care, home-care and health-related social-needs arrangements.	Potentially substantial, but state variation is extreme.
OS-US-17	Community health-centre designation	Federal	Nonprofit entities can apply for Health Center Program funding or “look-alike” designation, which confers selected program benefits without the operational grant.	Strong structured entry route for qualified providers.
OS-US-18	Federal grant learning resources	Federal	Grants.gov provides applicant guides, eligibility information and step-by-step application instructions.	Strong public capacity-building resource.
OS-US-19	State charity regulators	State	State attorneys-general, secretaries of state and charity offices regulate incorporation, solicitation and reporting.	Necessary public oversight but highly fragmented.
OS-US-20	State Medicaid provider-registration systems	State	Nonprofit providers must often enrol separately as Medicaid providers or contract with managed-care organisations.	Major operational gateway and burden.
OS-US-21	State and local referral and data systems	State/local	Health information exchanges, 211 systems, managed-care referral platforms and local care networks may include nonprofit organisations.	Potentially valuable but inconsistent and often not universally accessible.
OS-US-22	Small and community organisation participation	Federal	Many funding opportunities expressly permit community-based, faith-based and nonprofit organisations to apply.	Strong formal eligibility, but eligibility does not ensure practical accessibility.
OS-US-23	Tribal organisation participation	Federal	Federal health opportunities routinely recognise tribes and tribal organisations as eligible applicants or partners.	Strong formal inclusion mechanism.
OS-US-24	Disaster grant portal and process	Federal/state	FEMA provides a formal application and delivery process for eligible nonprofit disaster assistance.	Strong standing emergency infrastructure.
OS-US-25	Public award and recipient data	Federal	Grant and contract award amounts, recipients and program information can be reviewed through USAspending and agency databases.	Exceptional formal transparency, although data interpretation can be difficult.
OS-US-26	Shared government infrastructure	Mixed	No general entitlement gives health charities access to government buildings, clinical facilities, equipment or back-office services. Access usually arises through contracts or local partnerships.	Limited system-wide support.

Code	Instrument	Level	Description and relevance	Evidence assessment
OS-US-27	Import facilitation	Federal	No general expedited import pathway for domestic health charities was identified.	Evidence gap.

Instrument coverage summary

Taxonomy group	Coverage	Overall assessment
Direct grants	Very broad	Numerous federal and state opportunities across almost every health domain
Core or operational funding	Moderate	Strong for designated provider classes such as health centres, but limited for ordinary patient and advocacy charities
Commissioning and contracts	Very broad	Medicare, Medicaid, public-health and social-service purchasing create substantial opportunities
State and local support	Very broad but fragmented	Material programs exist, but access and requirements vary significantly
Emergency support	Strong	FEMA provides a standing framework for eligible nonprofits
Indirect tax support	Very strong	Federal exemption and donation deductibility, supplemented by state and local concessions
Full-cost recovery rules	Strong federally	Negotiated and 15% de minimis indirect-cost mechanisms are formally protected
Registration facilitation	Moderate	Strong digital infrastructure, but multiple registrations and renewals are required
Procurement access	Strong	SAM.gov and federal procurement infrastructure are comprehensive
Capacity building	Moderate–strong	Extensive guidance and technical assistance, especially for established program applicants
Data and referral integration	Moderate	Advanced models exist, but access is inconsistent and locally dependent
Government-backed finance	Limited–moderate	Program-specific finance exists, but no general health-charity facility
Infrastructure access	Limited	Generally tied to provider or capital programs
Import facilitation	Limited/not identified	No broad health-charity mechanism found

United States scorecard

Scoring table

Dimension	Score	Summary
1. Transparency	**3 – Comprehensive**	Extensive national grant, contract, expenditure and tax-exempt databases
2. Accessibility/admin burden	**1 – Limited/fragmented**	Opportunities are extensive, but access requires complex federal and state registrations and substantial technical capacity
3. Funding quality	**2 – Established but uneven**	Strong program funding and indirect-cost rules, but ordinary charities face restricted and competitive funding
4. Timeliness and reliability	**2 – Established but uneven**	Federal contractor protections are strong, but grant, state and downstream payment reliability is less consistent
5. Equity and inclusion	**2 – Established but uneven**	Extensive targeted programs exist for underserved populations, tribes and rural communities, but practical access remains unequal
6. Proportional accountability	**2 – Established but uneven**	Risk-based monitoring and audit thresholds exist, but cumulative compliance is substantial
7. Operational enablement	**2 – Established but uneven**	Strong digital, contracting and technical-assistance infrastructure, but fragmented health-system integration

Dimension	Score	Summary
Total	**14/21**	**A high-resource but administratively complex and fragmented framework**
Mean	**2.00/3**	—

1. Transparency — Score: 3/3

The United States has an exceptionally developed federal transparency infrastructure.

Grants.gov provides a central portal for organisational funding opportunities. SAM.gov provides federal entity registration, assistance listings, contract opportunities and award-related information. USAspending.gov is the official open-data source for federal grants, contracts and loans and provides recipient-level profiles and award histories.

The IRS Tax Exempt Organization Search tool allows users and donors to verify:

- tax-exempt status;
- eligibility to receive deductible contributions; and
- available organisation filings.

The principal limitation is not lack of information but information overload and fragmentation. A user may need to consult:

- Grants.gov;
- SAM.gov;
- USAspending.gov;
- an agency-specific portal;
- an agency grants-management system;
- IRS databases;
- state charity systems;
- state Medicaid portals; and
- local procurement sites.

Nevertheless, the underlying federal evidence is sufficiently comprehensive and publicly accessible to warrant the highest score.

Score rationale: Federal opportunities, awards, recipients and charity status are extensively documented through central public databases.

2. Accessibility and administrative burden — Score: 1/3

Federal systems provide detailed guidance and are generally free to use. Nonprofit organisations are expressly eligible for many opportunities, and Grants.gov provides application and eligibility guides.

However, accessing federal support may require organisations to:

1. incorporate under state law;
2. obtain an Employer Identification Number;
3. apply for federal tax-exempt recognition;
4. comply with state charity or fundraising registration;
5. obtain a Unique Entity ID;
6. register and renew in SAM.gov;
7. create Grants.gov accounts and roles;
8. use an agency-specific grant-management portal;
9. maintain federal financial-management systems;
10. comply with 2 CFR Part 200;
11. satisfy program-specific eligibility and evidence requirements; and

12. meet state or local provider-enrolment rules.

Federal service grants may also require sophisticated budgets, needs assessments, outcome measures, evaluation plans, clinical compliance, data systems and sustainability strategies.

SAM.gov registration enables organisations to apply for federal assistance and contracts, but its existence illustrates that charity registration alone is not sufficient for government funding access.

The federal-state structure adds substantial burden. An organisation working in several states may face different:

- charitable-solicitation rules;
- Medicaid contracts;
- licensing systems;
- tax exemptions;
- reporting requirements; and
- procurement procedures.

Score rationale: Formal access is broad, but the level of legal, financial and technical capacity required creates substantial barriers for smaller organisations.

3. Funding quality — Score: 2/3

The United States provides substantial and sometimes durable funding.

Examples include:

- continuing Health Center Program operational awards;
- Medicare and Medicaid reimbursements;
- multi-year cooperative agreements;
- community-service contracts;
- infrastructure grants; and
- formula funding passed through states.

The Health Center Program is particularly significant because it supports nonprofit, community-based and patient-directed organisations to provide continuing comprehensive care in underserved communities.

Federal cost rules also support funding quality. Recipients without a negotiated indirect-cost rate may elect a de minimis rate of up to 15% of modified total direct costs. Recipients with negotiated rates have stronger cost-recovery protection.

These rules are a major comparative strength.

However, funding quality is uneven because many programs are:

- restricted;
- competitive;
- appropriation-dependent;
- time-limited;
- reimbursement-based;
- subject to annual continuation decisions;
- contingent on measurable outputs; or
- available only to established provider classes.

Ordinary health charities, support groups and advocacy organisations have no general entitlement to core funding. Medicaid and Medicare payments are also payment for eligible services, not general subsidy for the organisation’s broader mission.

Score rationale: Durable program funding and formal indirect-cost recovery exist, but support remains highly restricted and unevenly accessible.

4. Timeliness and reliability — Score: 2/3

The federal Prompt Payment Act requires covered federal vendor invoices to be paid on time and generally requires interest when payment is late. Payment is generally due within 30 days of a proper invoice unless another rule or accelerated arrangement applies.

The federal Invoice Processing Platform provides participating agencies and vendors with a central mechanism for invoice submission, status tracking and payment notification.

These are significant reliability protections for direct federal contractors.

However, the protections do not translate uniformly across all forms of support:

- grant drawdowns may follow different rules;
- state and local payment standards vary;
- Medicaid managed-care payment practices vary;
- nonprofit subrecipients may depend on state or prime-recipient processing;
- the Prompt Payment Act does not generally require prime contractors to pay ordinary subcontractors interest;
- reimbursement models may require organisations to carry costs before payment; and
- federal shutdowns, continuing resolutions or delayed appropriations can affect award administration.

The federal government no longer has a general annual Prompt Payment reporting requirement, limiting desk-verifiable performance assessment.

Score rationale: Strong federal contractor rules exist, but system-wide timeliness cannot be demonstrated across grants, states and subcontracting chains.

5. Equity and inclusion — Score: 2/3

The US framework contains many targeted mechanisms for underserved populations.

Examples include:

- Health Center Program support for medically underserved areas and populations;
- rural-health grants;
- migrant health centres;
- healthcare for people experiencing homelessness;
- public-housing health centres;
- tribal and tribal-organisation eligibility;
- Medicaid coverage and home- and community-based services;
- HIV programs;
- maternal and child health programs; and
- health-related social-needs initiatives. HRSA

Federal health-grant notices frequently recognise:

- community-based organisations;
- faith-based organisations;
- tribes;
- tribal organisations;
- minority-serving institutions; and
- nonprofit providers. HRSA

However, targeted eligibility does not ensure equitable access. Smaller, rural, tribal, culturally specific or lived-experience-led organisations may lack:

- grant-writing staff;
- cash reserves;
- audit capability;
- clinical billing systems;
- evaluation capacity;
- required partnerships; or
- prior federal-award experience.

State variation also creates geographic inequity. Medicaid service coverage, provider participation and community-service contracting differ materially between jurisdictions.

Score rationale: Equity is strongly represented in program targeting, but administrative and geographic disparities limit equitable participation in practice.

6. Proportional accountability — Score: 2/3

The federal Uniform Guidance contains several proportionality mechanisms.

Pass-through entities must evaluate subrecipient risk using factors such as:

- prior experience;
- audit results;
- personnel or systems changes; and
- previous federal monitoring.

Monitoring should respond to the assessed risk.

The Single Audit threshold also provides proportionality. A non-federal entity must generally undergo a Single Audit when it expends at least US$1 million in federal awards during its fiscal year. Entities below the threshold are exempt from that specific federal audit requirement, although their records remain subject to review. ecfr.gov

Indirect-cost provisions also prevent pass-through entities from simply imposing lower overhead rates without authority.

Nevertheless, even below the Single Audit threshold, organisations may face:

- detailed financial reporting;
- program outcome reporting;
- procurement standards;
- subrecipient monitoring;
- record-retention requirements;
- civil-rights compliance;
- lobbying and political-activity restrictions;
- state charity reporting;
- state licensing;
- Medicaid audits; and
- multiple funder-specific evaluations.

The framework is therefore formally risk-based but operationally demanding.

Score rationale: Meaningful proportionality rules exist, but cumulative federal and state compliance remains substantial.

7. Operational enablement — Score: 2/3

The United States provides extensive operational infrastructure:

- Grants.gov;
- SAM.gov;
- USAspending.gov;
- IRS registration and verification;
- federal assistance listings;
- Uniform Guidance;
- agency technical assistance;
- health-centre designation;
- FEMA disaster processes;
- invoicing infrastructure; and
- clinical-community integration models.

Grants.gov and SAM.gov provide national entry points into federal assistance and contracting, while USA spending enables award and recipient analysis.

The Health Center Program provides a particularly structured operating environment, including community governance, underserved-population requirements and technical assistance.

CMS models also support referrals between clinical systems and community organisations for health-related social needs.

However, operational enablement is not coherent across the entire nonprofit health sector. There is no universal system for:

- shared health-data access;
- standard NGO referral integration;
- common service agreements;
- shared public infrastructure;
- national nonprofit commissioning;
- state registration harmonisation; or
- centralised Medicaid contracting.

Many organisations must build separate relationships with health systems, managed-care plans, counties and state agencies.

Score rationale: The federal infrastructure is extensive, but health-system integration and state-level operating conditions remain highly fragmented.

Evidence gaps

Evidence gap	Why it matters
Total annual federal and state funding specifically paid to health charities	Federal spending databases do not provide a simple, definitive health-charity total
Share of health nonprofit revenue from government	Needed to assess overall dependency and system importance
Percentage of awards providing true core funding	Distinguishes organisational support from payment for specified activity
Average federal grant decision time	Indicates application burden and planning uncertainty
Average time between award and accessible funding	Important for recruitment and program commencement
Payment performance for grants and cooperative agreements	Prompt Payment evidence primarily covers vendor payments

Evidence gap	Why it matters
State Medicaid payment timeliness	Major source of nonprofit-provider cash-flow risk
Percentage of awards using negotiated or de minimis indirect-cost rates	Needed to assess actual full-cost recovery
Treatment of costs above the 15% de minimis rate	Important for organisations without negotiated rates
Multi-year funding prevalence	Needed to determine continuity across agencies
Grant success rates by organisation size	Would test practical accessibility
Grant success rates for tribal and community-led applicants	Would test equity beyond formal eligibility
Cost of SAM.gov, Grants.gov and agency compliance	Systems are free, but internal staff costs may be substantial
State charity-registration duplication	Important for national organisations fundraising across states
Access to Medicaid and health-system referral platforms	Highly variable and not captured by one national source
Public infrastructure access	No national inventory exists
Government-backed finance for general health charities	No comprehensive federal mechanism was identified
Import concessions	No general health-charity framework was identified

Policy interpretation

The US framework is best characterised as a large-scale, tax-supported and programmatically funded nonprofit health market**,** rather than a unified government–NGO partnership system.

Its principal strengths are:

1. a very large and diverse federal grant environment;
2. extensive nonprofit participation in healthcare delivery;
3. continuing operational funding for community health centres;
4. substantial Medicaid and Medicare purchasing;
5. a strong charitable tax framework;
6. strong federal indirect-cost protections;
7. standing disaster support for eligible nonprofits;
8. highly developed spending and award transparency;
9. targeted rural, tribal and underserved-community programs; and
10. extensive agency-specific technical assistance.

Its principal vulnerabilities are:

1. high entry and compliance burdens;
2. separate federal and state registration systems;
3. state-by-state variation;
4. limited general core funding;
5. dependence on restricted service or project funding;
6. variable payment reliability outside direct federal contracts;
7. unequal organisational capacity to compete;
8. fragmented data and referral integration;
9. complex auditing and subrecipient oversight; and
10. limited shared infrastructure for ordinary health charities.

Country fiche conclusion

The United States has a vast and sophisticated support environment for health charities and nonprofit providers. Federal and state governments fund these organisations through grants, service contracts, Medicaid and Medicare payments, community-health programs, public-health initiatives, research funding, block grants and disaster assistance.

The strongest components are:

- federal award transparency;
- extensive tax support;
- community health-centre operational funding;
- formal indirect-cost recovery;
- risk-based federal grant rules; and
- targeted support for underserved populations.

Its central weakness is not scarcity of instruments but fragmentation. Organisations must navigate different federal agencies, state charity systems, Medicaid authorities, managed-care organisations and local procurement processes. This particularly disadvantages smaller patient organisations and community groups without specialist grants, finance and compliance staff.

Desk score: 14/21, or 2.00/3. The United States is therefore classified as having a high-resource but administratively complex and fragmented government-support framework**.** Its strongest policy lesson for Australia is the explicit recognition and protection of nonprofit indirect costs; its clearest warning is the access burden created when support mechanisms are spread across too many disconnected systems.

References

Centers for Medicare & Medicaid Services. (n.d.). *Home- and community-based services*. Retrieved from https://www.medicaid.gov/medicaid/home-community-based-services/index.html

Centers for Medicare & Medicaid Services. (n.d.). *Medicaid*. Retrieved from https://www.medicaid.gov/

Centers for Medicare & Medicaid Services. (n.d.). *Medicare Shared Savings Program*. Retrieved from https://www.cms.gov/medicare/payment/fee-for-service-providers/shared-savings-program-ssp-acos

Federal Emergency Management Agency. (n.d.). *Public Assistance program*. Retrieved from https://www.fema.gov/assistance/public

Grants.gov. (n.d.). *Grant eligibility*. Retrieved from https://www.grants.gov/learn-grants/grant-eligibility

Grants.gov. (n.d.). *Grant-making agencies*. Retrieved from https://www.grants.gov/learn-grants/grant-making-agencies/

Grants.gov. (n.d.). *Grant policies*. Retrieved from https://www.grants.gov/learn-grants/grant-policies/

Grants.gov. (n.d.). *Grants 101*. Retrieved from https://www.grants.gov/learn-grants/grants-101/

Grants.gov. (n.d.). *Grants Learning Center*. Retrieved from https://www.grants.gov/learn-grants/

Grants.gov. (n.d.). *How to apply for grants*. Retrieved from https://www.grants.gov/applicants/grant-applications/how-to-apply-for-grants

Health Resources and Services Administration. (n.d.). *Health Center Program*. Retrieved from https://bphc.hrsa.gov/

Health Resources and Services Administration. (n.d.). *Ryan White HIV/AIDS Program*. Retrieved from https://ryanwhite.hrsa.gov/

Internal Revenue Service. (n.d.). *Charitable organizations*. Retrieved from https://www.irs.gov/charities-non-profits/charitable-organizations

Internal Revenue Service. (2026, June 1). *Charities and nonprofits*. https://www.irs.gov/charities-and-nonprofits

Internal Revenue Service. (n.d.). *Search for tax-exempt organizations*. Retrieved from https://www.irs.gov/charities-non-profits/search-for-tax-exempt-organizations

Internal Revenue Service. (n.d.). *Tax Exempt Organization Search*. Retrieved from https://www.irs.gov/charities-non-profits/tax-exempt-organization-search

Office of Management and Budget. (2024). *Uniform administrative requirements, cost principles, and audit requirements for federal awards*. *Code of Federal Regulations, Title 2, Part 200*. https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200

SAM.gov. (n.d.). *Assistance listings*. Retrieved from https://sam.gov/assistance-listings

SAM.gov. (n.d.). *Entity registration and federal assistance*. Retrieved from https://sam.gov/

U.S. Department of Health and Human Services. (n.d.). *Grants and contracts*. Retrieved from https://www.hhs.gov/grants-contracts/index.html

U.S. Department of the Treasury. (n.d.). *Prompt Payment*. Retrieved from https://www.fiscal.treasury.gov/prompt-payment/

USAspending.gov. (n.d.). *Federal award recipient profiles*. Retrieved from https://www.usaspending.gov/recipient

USAspending.gov. (n.d.). *Government spending open data*. Retrieved from https://www.usaspending.gov/