

Wealth Creation

Building Healthier Rural Communities:

Economic Development Districts
Address Social Determinants of Health



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- **Health:** 80% of rural America is medically underserved, with only 10% of U.S. physicians serving rural areas and 8% of rural counties lacking any doctors. One in six rural Americans aged 19–64 lacks health insurance coverage. Over 50% of rural counties lack access to hospital obstetric services, contributing to higher maternal and infant mortality rates.
- **Economic Stability:** Rural communities often face higher poverty rates and fewer employment opportunities that offer living wages and health benefits, leading to 36% of rural adults skipping needed healthcare due to cost. In 2021, the median rural household income was approximately \$17,000 lower than that of urban households.
- **Housing and Infrastructure:** Many rural areas lack adequate housing and infrastructure, impacting residents' ability to access clean water, nutritious food, and safe living conditions.
- **Transportation:** Limited transportation options, including public transportation, in rural areas hinder access to healthcare services, with some residents needing to travel long distances for medical appointments or missing medical appointments and delaying care, adversely affecting health outcomes.
- **Broadband Access:** A significant portion of rural America lacks reliable broadband internet, limiting access to telehealth services and health information.
- **Food Insecurity:** Approximately 15% of rural households experience food insecurity, with rural counties facing high food insecurity rates twice as often as urban counties. Rural areas often have fewer grocery stores, leading to limited access to affordable and nutritious food.

These statistics underscore the significant disparities in health outcomes and access to care between rural and urban populations. Addressing social determinants such as healthcare access, economic stability, education, food security, transportation, and mental health support is crucial for improving health outcomes in rural communities.

This report will explore the social determinants of health and provide examples of how Economic Development Districts (EDDs) are addressing these factors. It also includes a short case study of how the Land of Sky Regional Council, an EDD serving Western North Carolina, supports individuals seeking to improve their health outcomes.

What are the Social Determinants of Health?

While it's difficult to pinpoint exactly who coined the term "social determinants of health," the World Health Organization's (WHO) Commission on Social Determinants of Health (CSDH) is widely credited with bringing the concept to international attention and providing a framework for understanding its impact. The CSDH published several influential reports in the early 2000s that defined and popularized the term. The WHO defines social determinants of health (SDOH) as "the circumstances in which people are born, grow, live, work, and age, and the wider set of forces and systems shaping the conditions of daily life," impacting health and well-being.

Social determinants of health are the non-medical factors that influence health outcomes. They affect a wide range of health risks and outcomes, often playing a greater role in determining health than medical care or individual behaviors. SDOH account for 50-60% of health outcomes, making them more influential than genetic predispositions or healthcare access alone. For example:



Low income is linked to higher rates of chronic disease, such as diabetes and heart disease.



Unstable housing increases the risk of poor mental health and reduces access to consistent healthcare.



Educational attainment is strongly associated with longer life expectancy and lower health disparities.



A neighborhood without access to healthy, affordable food (known as a food desert) may put residents at a higher risk for obesity and diabetes.



Lack of reliable transportation might prevent someone from attending doctor's appointments, leading to worsening health conditions.



Exposure to environmental hazards, like polluted water or air, can cause respiratory issues and chronic diseases in affected communities.

Key Categories of Social Determinants of Health

What are the social determinants of health? They include the following:

ECONOMIC STABILITY	EDUCATION	SOCIAL AND COMMUNITY CONTEXT	HEALTH AND HEALTHCARE	NEIGHBORHOOD AND BUILT ENVIRONMENT
Access to employment	Early childhood education/development	Social integration/community support	Access to healthcare services	Housing quality and safety
Income/financial security	High school graduation rates	Discrimination and system inequities	Health literacy	Access to transportation
Poverty levels	Access to higher education	Incarceration/criminal justice involvement	Preventative health services/screenings	Availability of healthy foods
Food security	Literacy levels	Civic participation/social cohesion	Availability of culturally competent care	Environmental conditions
Housing stability	Skill-building/job training opportunities			Neighborhood safety and crime rates

The key point behind social determinants of health is that health care is not the sole factor impacting health outcomes. A 2020 study indicates that medical care only accounts for around 20 percent of the variation in health outcomes for a population, whereas 80 percent can be traced back to the social determinants of health. An example of how this plays out in reality: about 2.7 million Americans live in counties where broadband deserts overlap with shortages in primary care providers and behavior health specialists. Analysis confirms that internet and care gaps are “hitting areas of extreme poverty and high social vulnerability.”

Another example of the limits of medical care is the fact that “although spending on medical care in the U.S. is far higher than in any other nation, the U.S. has consistently ranked at or near the bottom among affluent nations on key measures of health, such as life expectancy and infant mortality.” Many studies have identified correlations between socioeconomic status and poor health.

Addressing SDOH therefore requires a holistic, cross-sector approach involving healthcare, education, housing, and economic development agencies.

Economic Development Districts (EDDs) Address Social Determinants of Health

EDDs are increasingly recognizing the importance of addressing social determinants of health--the conditions in which people live, work, learn, and play—as a critical factor in fostering economic growth and community well-being. Many EDDs are incorporating fair access to healthcare and SDOH considerations into their strategies to create resilient and thriving communities. The following pages share how EDDs are working in this area.

1. Incorporating SDOH into Comprehensive Economic Development Strategies (CEDS)

EDDs are aligning their planning processes with health improvement for all by recognizing that access to healthcare, education, and housing significantly impacts workforce productivity and economic growth. Many EDDs are working with public health departments, healthcare providers, and nonprofits to integrate SDOH goals, such as affordable housing, access to nutritious food, and transportation, into their regional development strategies.

See below for examples of how EDDs are integrating social determinants strategies into their Comprehensive Economic Development Strategies (CEDS), a process and plan for regional economic development in partnership with the U.S. Economic Development Administration (EDA).

SDOH Goals in the CEDS:



- Southeast Kansas Regional Planning Commission: In an effort to identify, recruit, and retain qualified employees to fill vacancies in southeast Kansas businesses, Southeast Kansas Regional Planning Commission is encouraging the development of cyclical rural healthcare services, promoting cooperation & development of new services and programs.



- South Central Alabama Development Commission: South Central is also focusing its efforts on workforce development, participating in regional and rural workforce development councils and alternative public-private training programs, including business sector academies.



- Northwest Regional Development Commission (MN): Northwest Regional Development Commission is collaborating with area agencies to provide informational housing summits to bring housing challenges to the forefront and exploring best practices in rural housing development, rehabilitation, and financing options.



- Greater Portland Council of Governments (ME): Greater Portland COG is focused on reducing poverty through efforts across education, public health, and affordable housing. With over 200 regional partners, Greater Portland is focused on the following outcomes: in the next ten years third grade reading proficiency will increase 10%; the percentage of people in the region paying more than 30% of their income for housing will fall by 10%; and the number of lives lost to premature, preventable deaths will fall by 10%.



- Hawaii Island Economic Development Board: To assure a quality labor force, Hawaii is focused on developing and facilitating stronger family-school-community relationships to address barriers such as language, poverty, technology-gap, transportation, and housing.

2. Workforce Development and Job Creation

EDDs are focusing on creating high-quality jobs with living wages, benefits, and safe working conditions, which are key components of SDOH. EDDs collaborate with workforce boards, educational institutions, and local employers to provide training for in-demand jobs, helping residents achieve economic mobility. Some EDDs are prioritizing healthcare workforce development to address shortages in rural and underserved areas, improving both employment opportunities and health outcomes.



Examples:

- Central Pines Regional Council (NC) is expanding adult education, reskilling, and upskilling programs to improve access to the labor market and amplify opportunities for labor mobility and economic mobility.
- Region VI Planning and Development Council (WV) is supporting adult education, reskilling, and upskilling programs to improve access to the labor market and amplify opportunities for economic mobility. Its workforce goal is to develop workforce capacity for regional clusters through education, mentoring, and internship programs.

3. Investing in Infrastructure

EDDs promote projects that improve public transportation, ensuring access to healthcare facilities, schools, and jobs, particularly for low-income populations.



Additionally, EDDs support affordable housing projects by securing grants, promoting public-private partnerships, and prioritizing housing in the planning process. Furthermore, access to reliable internet is increasingly seen as a determinant of health. EDDs are working on broadband initiatives to improve access to telehealth, online education, and job opportunities.

Examples:

- Southwest Colorado Council of Governments is investing in broadband expansion to enable telehealth and online education for rural residents.
- Mid-Columbia Economic Development District (WA/OR) has prioritized broadband infrastructure improvements to support a variety of sectors, including telemedicine. Recognizing that increased speeds and reduced latency are essential for effective telehealth services, MCEEDD collaborates with regional partners to enhance connectivity in the Columbia River Gorge area of Oregon and Washington.

4. Addressing Food Security

EDDs are supporting regional food systems to increase access to fresh, locally grown food. This includes funding food hubs, farmers' markets, and community gardens. Some EDDs are partnering with local nonprofits and businesses to address food deserts by encouraging grocery stores or mobile food markets in areas without easy access to fresh and healthy food.



Example:

- Pioneer Valley Planning Commission (MA), through its Food Security Plan, addresses both food insecurity and development of a sustainable food system through long-standing, successful efforts by groups with a regional vision.

5. Improving Health and Prosperity for All

EDDs are working to ensure all people have a voice in development planning, addressing disparities in access to housing, transportation, and economic opportunities. Some EDDs offer programs specifically designed to improve economic prosperity, such as business support initiatives, microloans, and grants for entrepreneurs.

Examples:

- Crater Planning District Commission in Virginia is focused on supporting the availability of microloans to small businesses in the District through cooperating with the Crater Small Business Development Center of Longwood University.
- Superior California Economic Development offers microloans ranging from \$5,000 to \$30,000 specifically for outdoor recreation businesses. These funds can be used for growth, equipment purchases, or covering essential operating expenses.



6. Disaster Resilience and Public Health Preparedness

EDDs are incorporating public health into disaster resilience and recovery planning, ensuring communities can respond to and recover from natural disasters or health crises like pandemics. Projects addressing risks, such as extreme heat or flooding, also reduce health risks tied to environmental determinants.

Examples:

- Houston-Galveston Area Council (TX) has multiple programs integrating flood mitigation, emergency response coordination, and public health resilience into economic planning post-Harvey.
- Southern Mississippi Planning and Development District focuses on disaster recovery and long-term resilience from hurricanes and includes healthcare workforce development and elder care access as economic priorities.



7. Leveraging Federal and State Funding

EDDs are increasingly partnering with federal and state agencies that fund health-related initiatives, such as the Department of Health and Human Services (HHS) or USDA's Rural Development programs. Many EDDs have incorporated SDOH considerations into grant applications for federal programs like the Economic Development Administration's (EDA) Build Back Better Regional Challenge or the Department of Housing and Urban Development's (HUD's) Community Development Block Grants (CDBG).

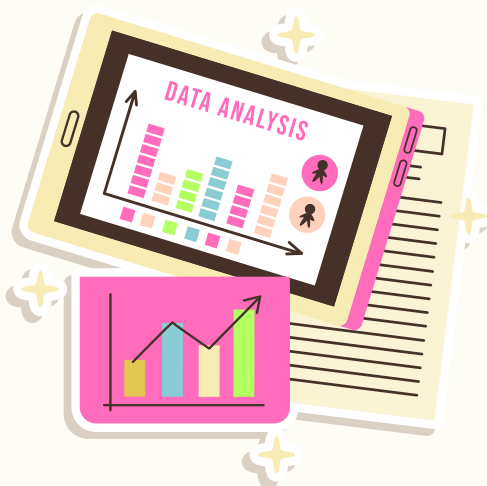


8. Data-Driven Decision-Making

EDDs are including health indicators, such as life expectancy, chronic disease rates, and access to care, in their regional assessments and planning. Geographic data on SDOH (e.g., areas with high poverty, limited transportation, or healthcare access) is guiding project prioritization to address systemic barriers.

Example:

- Lowcountry Council of Governments (SC), in partnership with the Community Foundation of the Lowcountry, developed an online community indicators portal featuring over 140 indicators across various domains, including Health, Housing, Environment, and Poverty. This centralized resource supports informed decision-making across the region.



9. Fostering Public-Private Partnerships

EDDs are working with hospitals and clinics to fund projects like community health centers or mobile clinics in areas with limited resources. Some EDDs encourage businesses to invest in local SDOH improvements, such as childcare facilities for workers or subsidized transit programs.

Example:

- Region 9 Economic Development District (CO) emphasizes the importance of quality childcare in its CEDS, recognizing it as vital for workforce development and economic growth. It supports initiatives that enhance access to affordable childcare, thereby improving economic opportunities for families.



Case Study: Impact Health and Land of Sky Regional Council – Healthy Opportunities Pilot Program

In 2017–2018, North Carolina launched the Healthy Opportunities Pilot (HOP) Program as part of its Medicaid transformation efforts, aiming to improve health outcomes by addressing social determinants of health such as housing, food, transportation, and interpersonal safety. Three organizations were selected to lead this effort, including Dogwood Health Trust in Western North Carolina, which created Impact Health to manage the pilot across 18 counties. Impact Health serves as a central hub, coordinating with health plans, nonprofits, and government agencies to deliver non-medical services to eligible Medicaid members.

Through HOP, Impact Health partners with over 60 agencies to provide 28 services, with Land of Sky Regional Council (LOSRC)—an Economic Development District based in Asheville—playing a lead role in transportation and some housing support. The program operates on a reimbursement model, and LOSRC has supported service delivery by sharing its credit line to help cover upfront costs. To date, the program has served over 11,000 households and distributed nearly \$300,000 in assistance in just two years.



This innovative model not only improves healthcare outcomes—evidenced by reduced ER visits and increased primary care use—but also boosts local economies by supporting jobs in sectors like farming, plumbing, and transportation. The success of the pilot has led to plans for statewide expansion and the creation of a unified membership network for participating providers. Early evaluations show promising results, including \$85 in healthcare savings per person per month, reinforcing the value of investing in the social foundations of health.

The Bottom Line

By addressing social determinants of health, EDDs not only contribute to the improvement of health outcomes but also strengthen local economies by fostering a healthier, more productive workforce and creating livable, resilient communities. These efforts align economic development with broader goals of health and well-being.



For more information about wealth creation, visit nado.org/eddcop or contact Melissa Levy, Regional Development Researcher/Wealth Creation Specialist at mlevy@nado.org.

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Hospitals as anchor institutions

Hospitals and medical centers serve as vital anchor institutions in rural areas, playing a key role in economic stability, healthcare access, and community well-being. The functions they offer to rural communities include:

1. **Healthcare Access & Public Health** – They provide essential medical services, emergency care, and preventive health programs, reducing the need for residents to travel long distances for treatment.
2. **Economic Impact & Job Creation** – As major employers, they generate jobs directly in healthcare and indirectly through local businesses that support hospital operations. They also attract medical professionals to the area.
3. **Community Stability & Development** – Hospitals enhance the quality of life, making rural areas more attractive for residents and businesses. Their presence supports local housing markets, schools, and infrastructure investment.
4. **Education & Workforce Training** – Many hospitals partner with schools and universities to provide training programs, helping to build a skilled local workforce and pipeline for healthcare professionals.
5. **Innovation & Telemedicine** – They serve as hubs for technological advancements, including telehealth, which expands healthcare access and improves patient outcomes in remote areas.

By serving these critical functions, rural hospitals and medical centers help sustain and strengthen their communities beyond just healthcare delivery.