Community Benefits Under Health Reform: Focus on Community Needs and Engagement

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2010 National Conference of

State Flex Programs

Bloomington, MN

July 14, 2010

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What does PPACA have to do with community benefit and engagement?

- Reductions in uncompensated care costs through expansion of insurance coverage
- Changes to IRS tax code for not-for-profits
  - Community health needs assessments every 3 years
  - Financial assistance policies
  - Charges
  - Billing and collection
- Organizations with multiple hospitals must meet the four requirements separately for each hospital

Community Health Needs Assessment

- Effective beginning two years after enactment of the PPACA
- Community health needs assessment (CHNA) must:
  - Be conducted not less than every three years
  - Adopt strategy to address needs identified through CHNA
  - Incorporate input from persons representing the broad interests of the community, including those with interest/expertise in public health
  - Be made widely available to the public
- Hospital must include in their IRS Form 990, a description of:
  - How hospital is meeting identified needs through CHNA
  - Any such needs that are not being addressed and explain why the needs are not being met

Additional Reporting Requirements

- Secretary of the Treasury shall:
  - Review the community benefit activities of reporting hospitals at least once every 3 years
  - Report to Congress on the levels of charity care; bad debt; and unreimbursed costs for services provided with respect to means tested and as non-means tested government programs for private tax-exempt, taxable, and government-owned hospitals; and information on the community benefit activities of private tax-exempt hospitals
  - Report to Congress on the trends in the above not later than 5 years after the enactment of this act

Penalties for Failure to Comply

- For failure to comply with provisions related to community health needs assessments - IRS will impose a $50,000 excise tax for any taxable year that a hospital fails to comply with these provisions
- Excise tax – shall apply to failures occurring after effective date of the relevant provisions of the Act
- Potential challenges to tax exempt status

Shifting from Counting Activities to Addressing Community Needs

- Many community benefit programs focus on counting activities and dollars rather than on the impact of activities and the extent to which they address community needs
- Coming “full circle” to reconnect to the communities served by hospitals and re-emphasize the charitable mission
- Goal: move focus away from random activities to:
  - Community engagement
  - Collaboration between providers
  - Accountability to identified local needs
  - Focus on accessibility of services and prevention
  - Focus on population health issues

Issues Related to Community Engagement

- Structural interests in health care tend to limit community input and community role in decision making
- Programs/services designed solely by "experts" will be skewed
  - Engaging citizens, community interest groups, and consumers is important to ensure broader values and perspectives are included
- No one model of community engagement is right for all communities
  - There are good principles that can be used
  - Different ideological approaches may be needed for populations and stakeholders

Principles of Good Community Engagement Practice

- Process should:
  - Be legitimate and linked to service development and decision making
  - Well managed, facilitated, and resourced with time allowed for meaningful involvement
  - Use a variety of methods to engage participants with different preferences for participating
  - Be deliberative, clearly defined, and identify “communities” involved
    - Participants can discuss information provided, ask questions, put forward their own views, listen to others, and be part of decision making
  - Give participants feedback on findings and how their participation influenced process
  - Be monitored and critiqued for effectiveness

Activities to Build Integrated and Sustainable Delivery Systems

- Reach out to and enroll individuals into eligible programs
- Provide culturally competent medical homes
- Assure access to prevention and wellness services
- Address population health issues
- Provide access to affordable prescription drugs
- Assure access to specialty and hospital care
- Manage chronic care
- Coordinate comprehensive care
- Develop strategies to cover low-wage workers

Best Practices for Community Engagement

- Community engagement is:
  - An inclusive and ongoing process, involving a board range of community stakeholders
  - Based on partnerships with community organizations, business, and local government including formal and informal leaders
- Engagement of local community champions is key to success
- Communication must be ongoing an active
- Project management must be flexible and responsive to changing local needs and interests

HRET's Description of a Community Responsive Hospital

- Community responsive hospitals look beyond delivery of medical care to role of hospital leadership in the following:
  - Community issues (e.g., substance abuse, domestic violence, etc.)
  - Critical health issues (e.g., oral health, mental health, obesity, etc.)
  - Health care equity (e.g., barriers to access or health status disparities among vulnerable populations)
  - System barriers (e.g., limited public health infrastructure, limited integration of providers and services, etc.)
  - Community's role in process (e.g., involve residents in addressing above issues, reducing risky behaviors, partnering with schools, etc.)

From: *Where Do We Go from Here? The Hospital Leader's Role in Community Engagement* (2007) by the Health Research and Educational Trust.

Potential Partners in Key Issue Areas

- Critical Community Issues: Schools, businesses/employers, elected officials, organizational trustees, faith community, media
- Critical health issues: Physicians, dentists, nurses, pharmacists, mental health specialists, community providers/agencies, insurers
- Equity in health care: Community-based groups, activists, safety net providers, faith community, public health leaders
- System barriers: Health care and public health leaders, physicians, insurers
- Community's role: Patients/consumers, schools, service organizations, neighborhood associations, organizational trustees

Assessing Community Needs

- Two approaches (both are needed):
  - Identify and monitor community health problems through data driven needs assessments and performance management (“deficiency model”)
  - Directly involve local community members in making decisions about community health (“asset model”)
- Benefits of community engagement
  - Demonstrates hospital commitment to community
  - Increases community “ownership” of programs
  - May identify issues not revealed by a data driven assessment
  - Identifies areas for collaboration
  - Increases likelihood that initiatives will be successful

After the CHNA: Next Steps

- Choose evidence-based strategies:
  - CDC, Catholic Health Association, Public Health Institute, and St. Louis University School of Public Health are sources of potential evidence-based strategies to improve community health
  - Critically evaluate existing “legacy” activities
- Develop ways to measure and communicate progress
  - Develop performance indicators tied to community priorities
  - Look for and use proven tactics to address priorities
  - Share information with community using reports cards, community meetings, newsletters, reports, web sites, etc. – Sharing information is a crucial step in building trust

Examples of Rural Initiatives

- Northeast Oregon Network (NEON)
  - Rural/frontier collaboration led by public health/human service organizations
  - Focused on the coordination/efficiency of needed services
- Rural Health Network of South Central New York
  - Region-wide collaboration to offer programs to assist families in enrolling in health insurance programs for which they are eligible, pharmacy assistance, and wellness and school-based education
- Montana's Community Health Services Development Process
  - Identify and address community health needs, measure perception of local quality of care, involve health professionals in the community, engage community members in the future of their health systems

Examples of CAH Initiatives

- Regional Medical Center
  - Development of a continuum of mental health services in three rural Iowa counties - currently re-organizing to provide behavioral health services through provider-based RHCs
- Weiser Memorial Hospital's WACHAT Program
  - Washington/Adams County Health Action Team provides primary care for uninsured individuals
  - A collaboration of 18 community organizations, social service agencies, and providers in Weiser, Council, and Cambridge.

Examples of CAH Initiatives

- Nor-Lea General Hospital
  - Created the Heritage Program for Senior Adults in 2003 to provide outpatient mental health services to seniors
  - Staffed by a psychiatrist, therapists, a registered nurse, and mental technicians
- Teton Medical Center' Wellness Program
  - Collaboration with the high school, Teton Community Development Cooperative, County Extension Office, Great Falls Clinic, and others
  - Services include exercise programs, nutrition, health education, diabetes, stroke, and heart rehabilitation
  - Serves general community and has a special focus on health and fitness for high school students, firefighters, and persons with chronic illness

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