Improving Community Health

Drivers of change:

• A growing focus on social determinants of health
• Health care reform
• Expanding and refining the community obligations of tax-exempt hospitals
--Improving the health of communities is a central aim of public health, and improving community health is a central tenet of the Affordable Care Act (P.L. 111-148)

--Section 9007 of the Affordable Care Act calls for strengthening and clarifying the obligations of nonprofit hospitals to invest in addressing their communities’ health needs as a condition of their tax exempt status

--Focus on transparency & accountability.
ACA

• Community Health Needs Assessments (CHNA)
• Implementation Strategy

BUT

• Three key factors inform the conversation and collaboration:
  • CHNA
  • Implementation Strategy
  • Knowledge of how community benefit dollars are allocated
Challenges

• No easy access to information about how community benefit dollars are allocated among allowable categories.

• What % is going outside the hospital in community health improvement and community building?
The Numbers

• The official estimate developed for Congress in 2002 by the Joint Committee on Taxation places the federal value of the tax exemption at $12.6 billion.

• The value of the nonprofit hospital tax exemption rose from $12.6 billion in 2002 to $24.6 billion in 2011*.

• IRS Reports that in 2011 Community Benefit spending surpassed $62 billion.

Community Health Improvement
Community Building

• Historically, very little $ was allocated to Community Health Improvement and Community Building

• There have always been leaders

• It’s changing for some

• Need strategies for encouraging others
Community Benefit Web Resource

- Thanks to the generous support of the Robert Wood Johnson Foundation, a team at The George Washington University (GWU) Milken Institute School of Public Health developed a prototype for a user-friendly community benefit web resource.

- And now that web resource exists at [www.communitybenefitinsight.org](http://www.communitybenefitinsight.org)
Community Benefit Insight

Center to Advance Community Health and Equity (CACHE)
Promoting Transparency to Inspire Action
Learn how U.S. tax-exempt hospitals commit community benefit expenditures to fulfill their mission and meet requirements.
Other Challenges

IRS Policies and Requirements
Policy Barriers

- Distinction Between Community Health Improvement (Part I of Schedule H) and Community Building (Part II of Schedule H)
- No required reporting of community benefit spending linked to CHNA
- IRS is not a public health agency and could benefit from public health guidance and expertise
Policy Report

Thanks to the generous support of the Kresge Foundation and RWJF

Policy Opportunities

• Broaden the definition of Community Health Improvement

• Report on community benefit spending that is linked to CHNA activities

• Establish community – wide health improvement guidance