Drivers of change:

• A growing focus on social determinants of health
• Health care reform
• Expanding and refining the community obligations of tax-exempt hospitals
ACA

• Community Health Needs Assessments (CHNA)
• Implementation Strategy

What’s Missing?

• Three key factors inform the conversation and collaboration:
  • CHNA
  • Implementation Strategy
  • Knowledge of how community benefit dollars are allocated
I. Barrier to Progress – Or at least a Gap

- 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 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

• But 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
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.

Search Hospitals: Select criteria to begin exploring community benefit data

Tax-exempt hospital  Tax-exempt hospital system  State  County

Search

Help visitors understand the linkages between community benefit expenditures and community health needs, and inform conversations and partnerships between tax-exempt hospitals and other stakeholders.

Present critical information about how U.S. tax-exempt hospitals commit community benefit expenditures to fulfill the hospital mission and meet tax-exempt regulatory requirements.

Provide direct access to the community benefit spending information from tax-exempt hospitals throughout the United States.

* exempt under section 501(c)(3) of the Internal Revenue Code

Head to the Center to Advance Community Health & Equity (CACHE) for technical assistance to interpret community benefit data alongside other important sources, and to learn how community stakeholders can work together to meet shared health goals.
II. Barrier to Progress

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
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