Incentives for Collaboration:

- 2009 IRS regulations require hospital to list community benefits (list is publicly available)
- Affordable Care Act requirement for hospitals to conduct a community health needs assessment every 3 years beginning in 2012
- NC accreditation reqm't for PH agencies to conduct community health assessments
- PHAB national voluntary PH agency accreditation program launched in 2011

Background of Community Benefit:

- 1969 IRS required non-profit hospitals to provide benefits to the community
- “community benefit” still remained relatively ambiguous, with wide differences in reporting
- 2005-2008 GAO & Congress expressed growing bi-partisan concern, leading to reform
- 2008 IRS introduced new Schedule H to standardize community benefit reporting by nonprofit hospitals – report is publically available

Affordable Care Act – CHNA Requirements:

- 2010 non-profit hospitals required to conduct CHNA (community health needs assessment) every 3 years [CHNA = CHA]
- must also have an implementation strategy for meeting the needs identified in the CHNA
- ACA statutory provisions are effective beginning in the first tax year beginning after March 23, 2012
July 2011 IRS Guidance: Announcement 2011-52
- CHNA must take into account input from state or local health agencies with current data relevant to the health needs of the community served by the hospital facility
- may develop implementation strategies in collaboration with other organizations
- Senior IRS official quoted by BNA on 3/15/12 that collaboration would be acceptable as long as each hospital facility had a report that clearly applied to that facility

Penalties are not the issue:
- $50,000 penalty per year per facility
- potential jeopardy to non-profit tax status
To hospitals, it's about their community brand
NCHA & DPH partnership on CHNAs since 2010
NCHA encourages all hospitals to do CHNA as a good business practice
[Hospital organizations do not think the court or political challenges to ACA will abolish the CHNA requirement]

Paul Stange’s Three Challenges to CHNA
1. Identify the community ownership structure
   Who owns the process?
   Where is the organizational backbone?
2. Alignment of overlapping jurisdictions of multiple hospitals and health departments
3. State health departments must coordinate with the local health departments to facilitate CHNAs

Community Health Needs Assessment Trains Are Leaving the Station

STARTING March 23, 2012

MOST APPLICABLE LATEST TAX DATE December 31, 2013

(Hospitals will be reaching out...)
Who will engage them?

www.networkforphl.org