



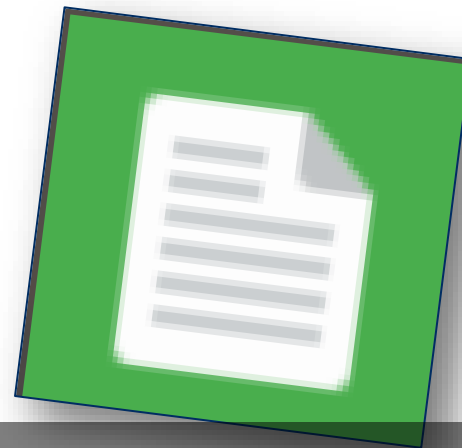
Community Benefit – Current Trends and Future Strategies

June 21, 2018

Smart decisions. Lasting value.™

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- Minimum of 50 minutes on the session
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Community Benefit – Current Trends and Future Strategies

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Smart decisions. Lasting value.™

Today's Speakers



Rachel Spurlock, CPA
Tax Partner, NFP Tax Healthcare Leader
Crowe LLP



Kim Scifres, CPA
NFP Tax Senior Manager
Crowe LLP



Coletta C. Barrett, RN, MHA, FAHA, FACHE
Vice President, Mission
Our Lady of the Lake Regional Medical Center
Chairman of the Board, Mayor's Healthy City Initiative – Baton Rouge, LA



Julie Trocchio
Senior Director of Community Benefit and Continuing Care
Catholic Health Association

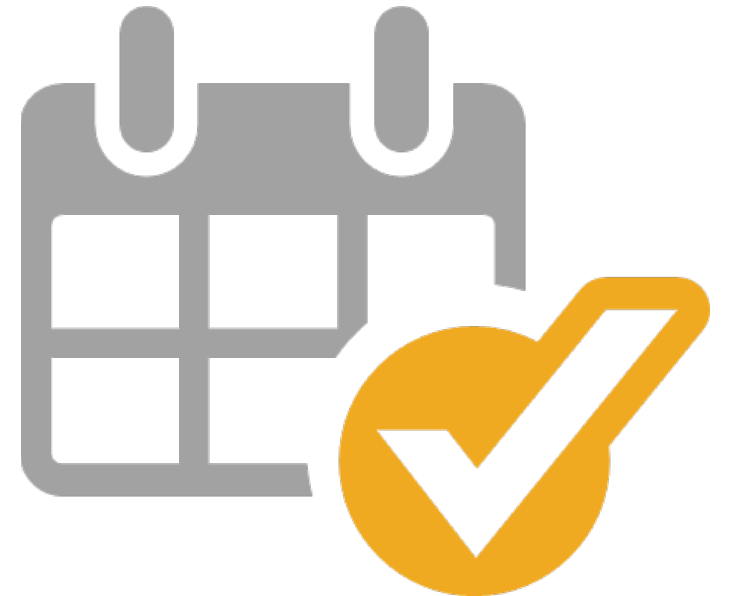


Objectives for this Session.....

- Challenge your organization's current approach to assessing community health needs and how those efforts compare to other healthcare organizations.
- Recognize how data analytics and forecasting can be best utilized to assess community health and set strategic direction for hospitals and health systems.
- Become familiar with the connection between anchor strategies and addressing social determinants of health.
- Develop a systemized framework for assessing community needs and planning, evaluating and reporting on community benefit programs via various channels (i.e. Annual Reports, IRS Form 990, Community Health Needs Assessments, Implementation Strategies, etc.)

Agenda

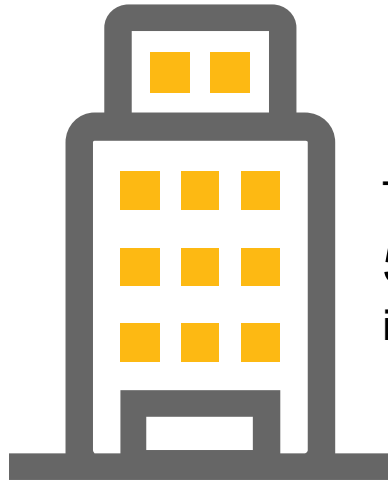
- Review Current Trends in Community Benefit
- Discuss Considerations for Your Next Community Health Needs Assessment
- Explore Community Benefit Strategies for the Future



Evolution of Community Benefit.....A Brief History and Update

- The Concept of “Community Benefit”
- Community benefit obligations applicable to nonprofit hospitals date to 1969.....
 - Prior to 1969, IRS policies specified that the provision of charity care was a required element of tax exemption, although IRS policy afforded hospitals a fair degree of latitude in establishing the amount of charity care they would provide.
 - IRS policy in 1969 broadened the classes of activities in which hospitals could engage – beyond the provision of charity care – in order to maintain their tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.
- Affordable Care Act – March 23, 2010, enacted 501(r) providing specific requirements that hospitals must meet for tax exempt status.

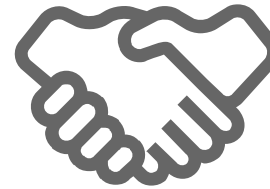
U.S. Hospitals by the Numbers



There are
5,564 Hospitals
in the United States



That means
897,961
total staffed beds



4,862
Community Hospitals



2,845
Nongovernment
Not-for-Profit
Community Hospitals

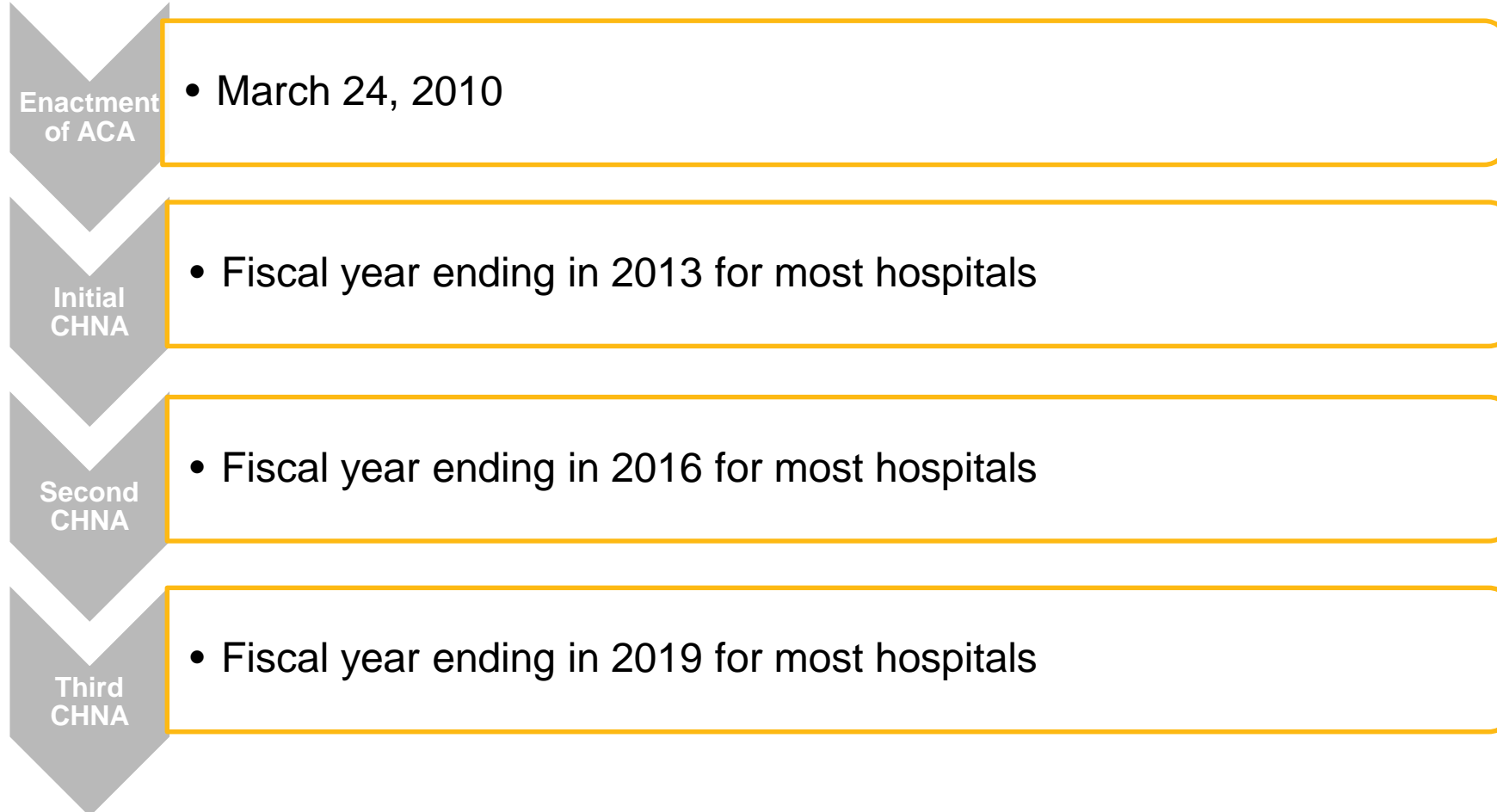
Source(s):

AHA Fast Facts 2017 (<http://www.aha.org/research/rc/stat-studies/fast-facts.shtml>)

Kaiser Family Foundation (<http://kff.org/other/state-indicator/total-active-physicians/?currentTimeframe=0&selectedDistributions=total&selectedRows=%7B%22wrapups%22:%7B%22united-states%22:%7B%7D%7D%7D&sortModel=%7B%22collId%22:%22Location%22,%22sort%22:%22asc%22%7D>)

<http://www.physiciansadvocacyinstitute.org/Portals/0/PAI-Physician-Employment-Study.pdf>

CHNA Due Dates



Polling Question #1

What approach does your organization use to conduct its Community Health Needs Assessment (CHNA)?

- a) Our CHNA is conducted completely in-house using internal resources only.
- b) Our CHNA is completely outsourced to third-party consultants. Answer
- c) Our CHNA is conducted using a combination of in-house resources and external consultants.
- d) I am not familiar with the process used to conduct CHNA
- e) Other

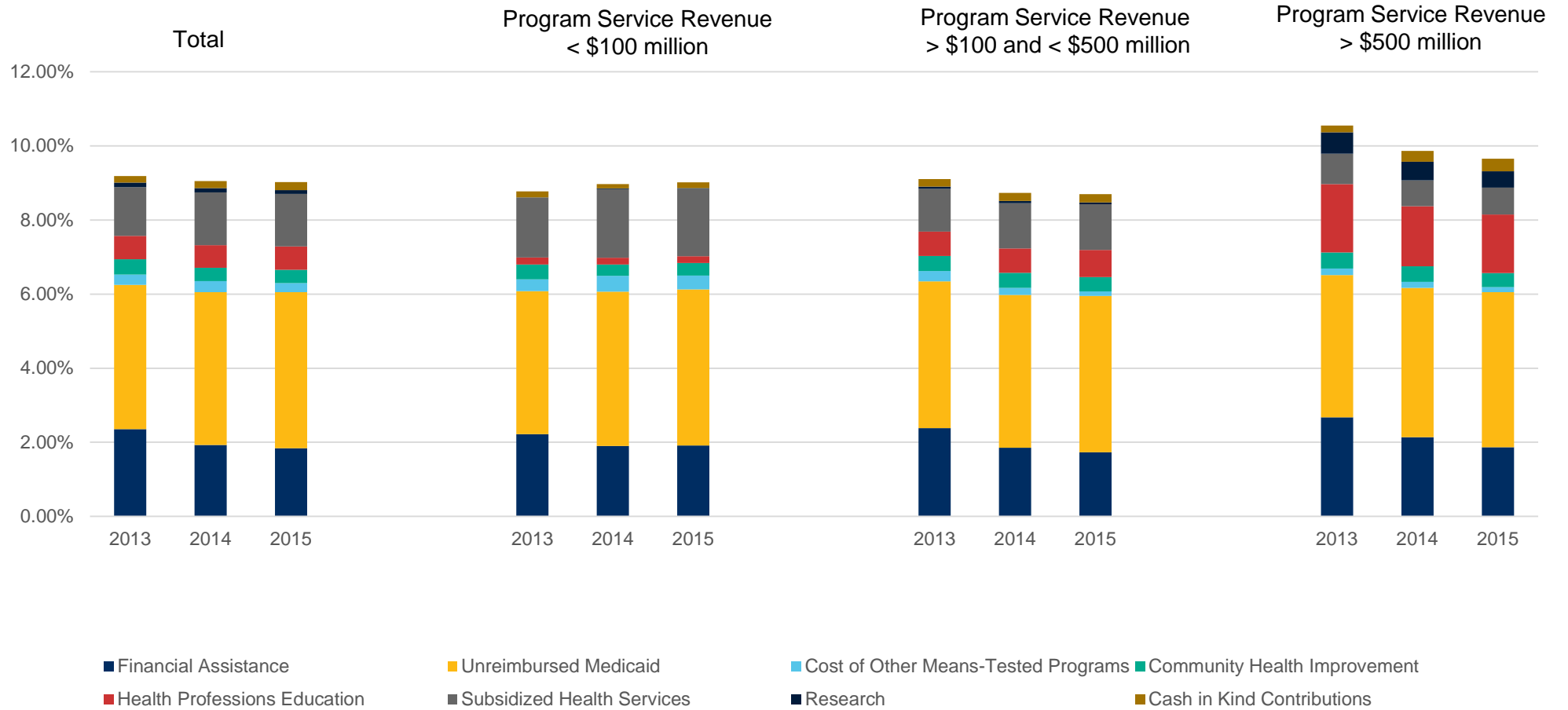




Current Trends in Community Health

Community Benefit Trends-Total Community Benefit

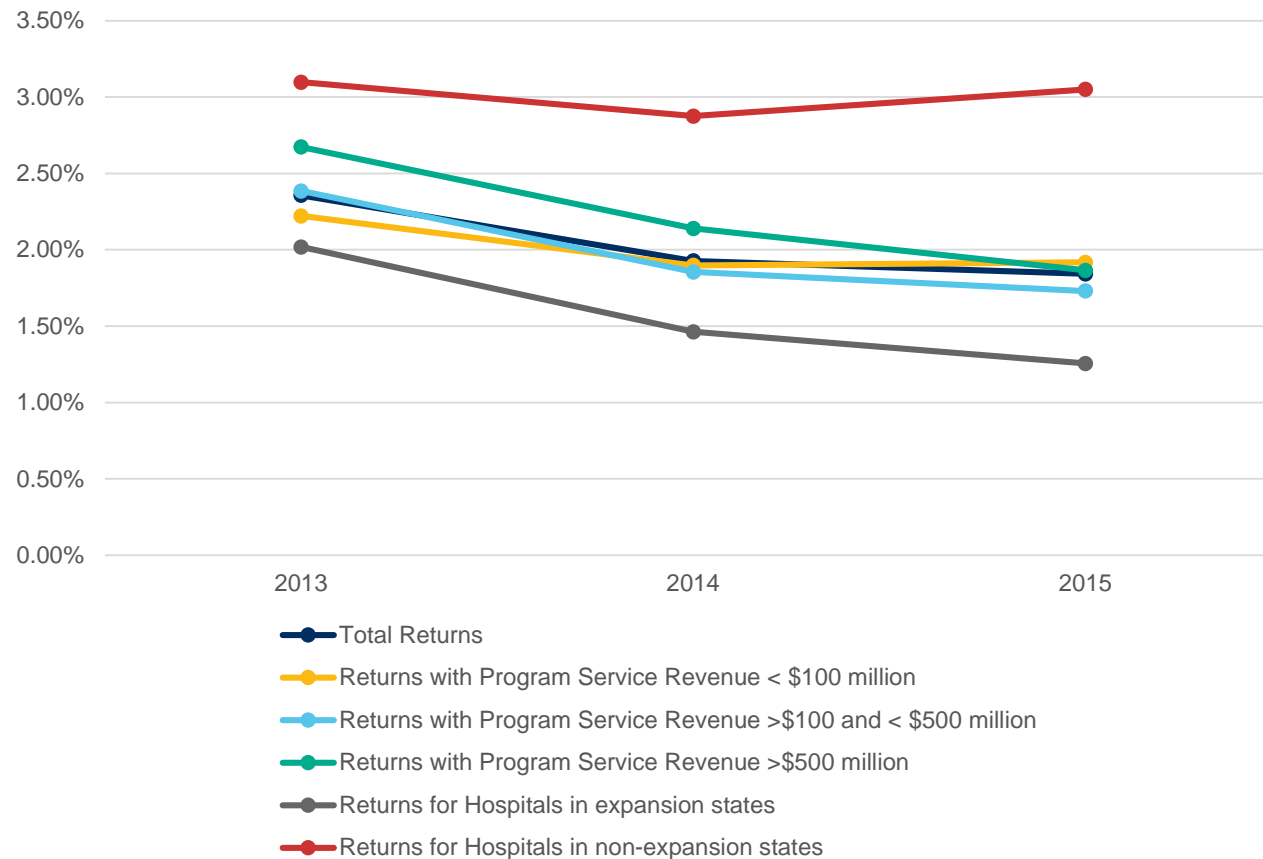
Community Benefit percentage reported on IRS Form 990 Schedule H, Part I, Line 7, Column f



Community Benefit Trends-Financial Assistance

Community Benefit percentage reported on IRS Form 990 Schedule H, Part I, Line 7a, Column f

Financial Assistance at Cost Percentage Form 990, Schedule H, Part I, Line 7a



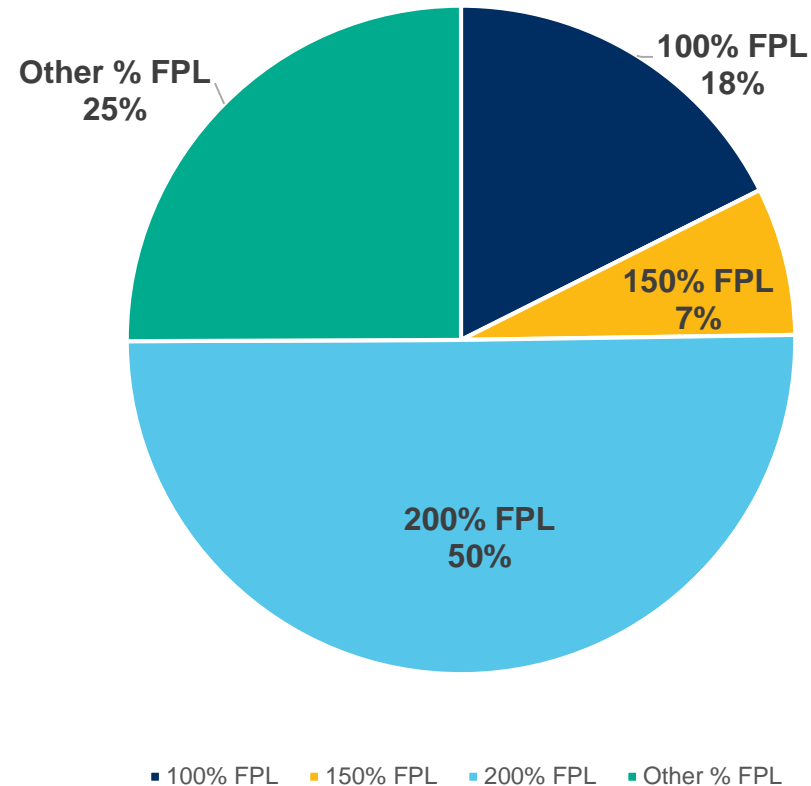
Number of IRS Forms 990: 2013- 2,093 | 2014 - 2,101 | 2015 - 1,766

Community Benefit Trends-Financial Assistance

Federal Poverty Level for Free Care 2015 990, Schedule H, Part I, Line 3a

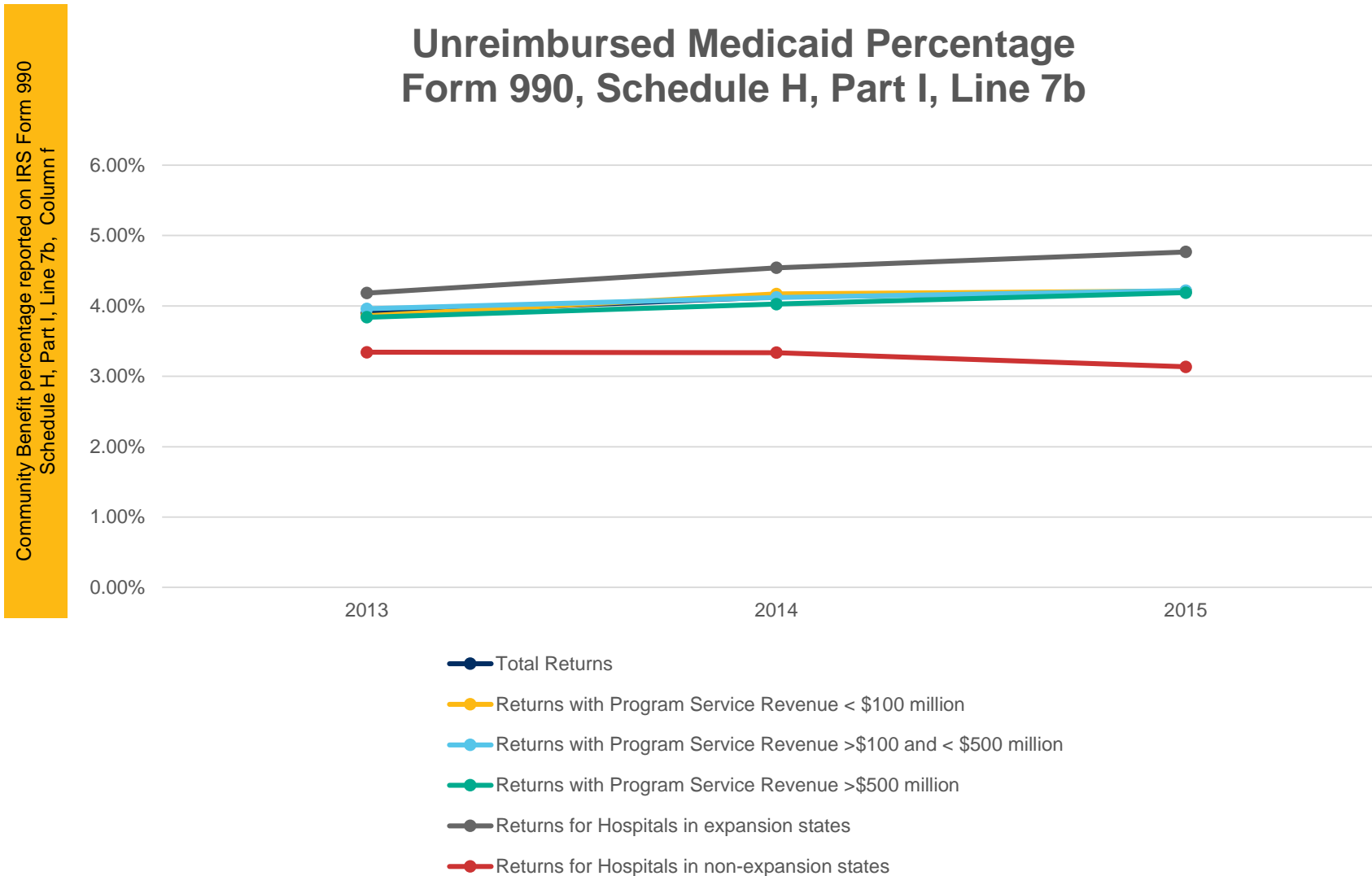
Question 3a - Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If “Yes,” indicate which of the following was the FPG family income limit for eligibility for free care:

■ 100% ■ 150% ■ 200% ■ Other %



Number of IRS Forms 990: 2015 – 1,766

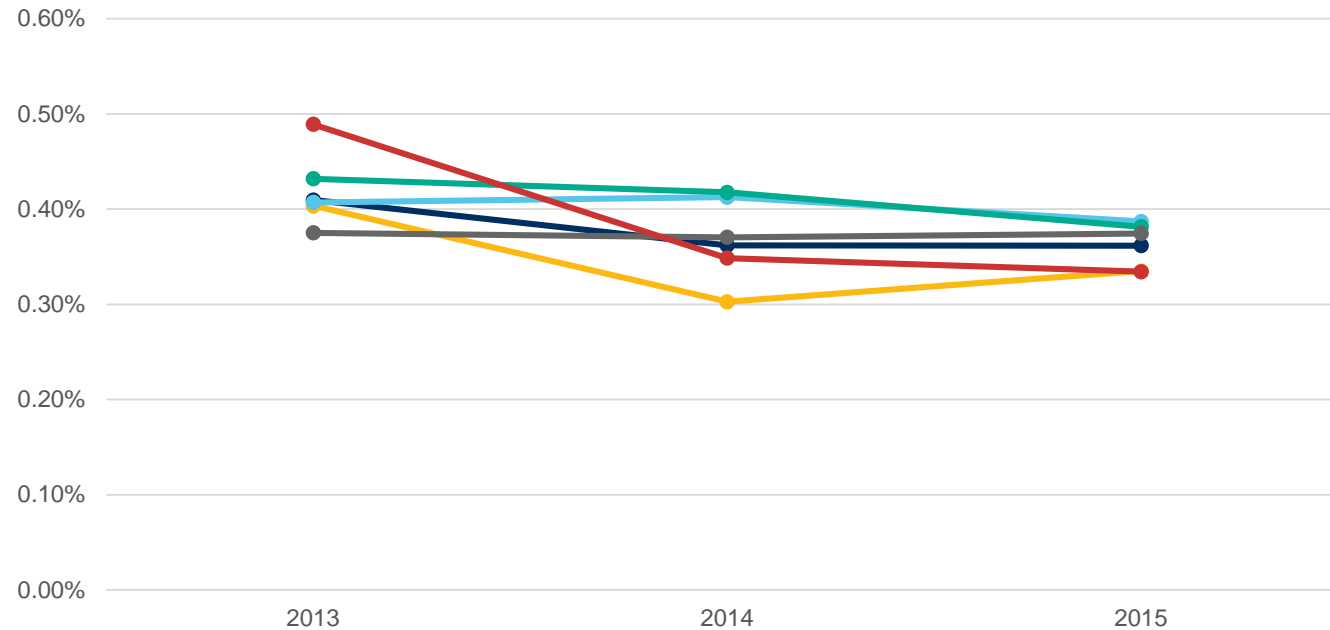
Community Benefit Trends-Unreimbursed Medicaid



Community Benefit Trends-Community Health Improvement

Community Benefit percentage reported on IRS Form 990 Schedule H, Part I, Line 7e, Column f

Community Health Improvement Form 990, Schedule H, Part I, Line 7e



- Total Returns
- Returns with Program Service Revenue < \$100 million
- Returns with Program Service Revenue > \$100 and < \$500 million
- Returns with Program Service Revenue > \$500 million
- Returns for Hospitals in expansion states
- Returns for Hospitals in non-expansion states

Number of IRS Forms 990: 2013-2,093 | 2014 - 2,101 | 2015 - 1,766

Polling Question #2

Please evaluate your organization's current system and/or process to track and quantify Community Benefit activities.

- a) Proficient - We utilize a system (i.e. self-developed, third-party solution, other) which is extremely efficient and provides accurate and timely information.
- b) Needs Improvement - We utilize a system (i.e. self-developed, third-party solution, other) which is somewhat inefficient and lacking in accuracy and timely information.
- c) Failing - Our system is weak, most of the information gathering is collected manually, and many activities go unreported.
- d) I am not familiar with the process used to track Community Benefit activities.



Current Trends in Community Benefit

- Increasing involvement of hospital boards/trustees
- Implementation strategies are focusing on fewer issues vs. scattering scarce resources
- Community partners are becoming more integrated into hospital's community benefit activities
- Increased focus on social determinants of health
- Percentage of expenditures on Community Health Improvement is trending downward

American Hospital Association: 2017- 2020 Strategic Plan

Our Commitments

Hospitals and health systems are committed to these five essential elements that form the core of the AHA's vision of a society of healthy communities where all individuals reach their highest potential for health.



Access

Access to affordable, equitable health, behavioral and social services



Value

The best care that adds value to lives



Partners

Embrace diversity of individuals and serve as partners in their health



Well-being

Focus on well-being and partnership with community resources



Coordination

Seamless care propelled by teams, technology, innovation and data



The "H" of the future is an interconnected ecosystem of Hospitals, Health systems and Health organizations that are:

Providing and leading in our communities

Creating new models of care, services and collaborators

Helping our communities beyond the four walls of the hospital

Striving toward the vision to advance health in America



Trends in Community Benefit

- **What** are we doing?
- **How** are we doing it?
- **Why** are we doing this?

What Are We Doing?

Needs identified:

- Access to services
- Obesity/food/exercise
- Mental health
- Substance abuse
- Diabetes

What Are We Doing?

Services:

- Going upstream – social determinants of health
- Anchor strategies
- Attention to food/housing
- Multi-strategies

What Are We Doing?

Investment strategies:

- System grants (Trinity, Dignity)
- Low income loans/grants to local community organizations
- Loan guarantees, support for community organizations

How Are We Providing Community Benefit?



- Collaboration
- Collective impact
- Creative financing
 - Blending and Braiding
 - Pay for success

Why Do We Do Community Benefit?

- Mission Imperative
- Public health imperatives
- Policy imperatives
- Leadership commitment
- Health equity

“Of all forms of inequality, injustice in health care is the most shocking and inhumane.”

Martin Luther King, Jr.

Advocacy

- IRS discussions on community building
- Inquiries on charity care reductions

Webinars

- 990, What Counts
- “Delivering community benefit: Healthy food”

Evaluation

- *Evaluating Your Community Benefit Impact*
- Series for CHA/Vizient members

Social Determinants of Health

- For Catholic health care



Considerations for your Next Community Health Needs Assessment

Considerations for Your Next CHNA

- Conduct assessment of key components of Community Benefit
 - Are community benefit activities integrated with hospital organizational and financial plans?
 - Is education provided to new leaders, new staff and physicians regarding the organization's community benefit activities?
 - Are sufficient resources allocated to community benefit?
 - Is the current process for capturing community benefit activities sufficient?
 - Is the hospital governing board actively engaged in community benefit activities such as prioritization of community health needs and the hospital implementation strategy?
 - Are mechanisms in place to track and monitor implementation strategies on a regular basis?

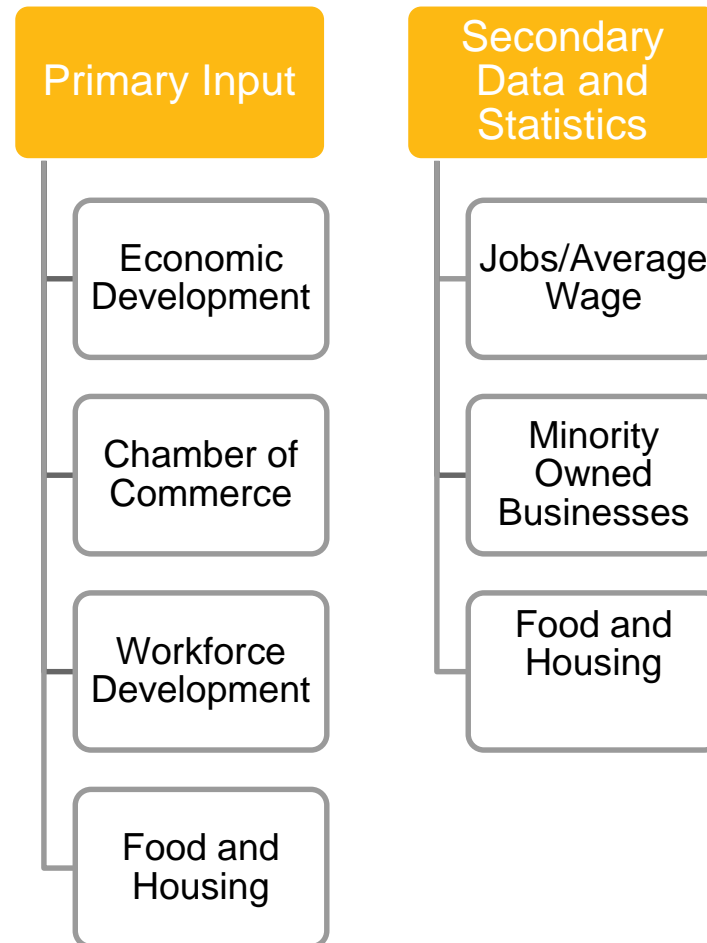


Considerations for Your Next CHNA

- Update progress on your current Implementation Strategy
- Explore various approaches to conducting your next CHNA
 - Separate CHNA for your hospital facility only
 - Joint CHNA with other hospitals
 - Community-wide CHNA Assessment
- Determine how you will collect input from Community Partners
 - Obtain input only
 - Include representation from community partners on your CHNA Steering Committee

Community Benefit Strategies of the Future

- Plan to incorporate input and data related to social determinants of health



Community Based Implementation of Community Benefit



To foster a movement based on communication, coordination and collaboration that promotes a better and healthier life for all people in the great city of Baton Rouge.



Core Values:

Collaboration *working through partnerships & volunteers to accomplish more together*

Coordination *bringing together those who provide health-related service to those who need them*

Communication *Increasing access by generating awareness through advocacy*

Change *working hard today to make life better for the next generation of citizens*



Community Based Implementation of Community Benefit



Healthy BR and Humana's Bold Goal present
Baton Rouge
Vision of Health for 2021



	Access to Care	Cancer Prevention	Cardiovascular Disease & Stroke Prevention	Diabetes Prevention	Healthy Baby	Healthy Living	Injury Prevention	Mental Health	STI/HIV	Substance Abuse	Total
Yellow Medical	11	5	6	11	12	21	1	29	11	8	115
Blue Non-profit	9	3	4	5	4	16	5	8	1	5	60
Green For-profit	10	3	7	13	2	12	3	20	1	8	79
Red Public	4	1	2	1	3	12	4	11	12	6	56
Total	34	12	19	30	22	61	13	68	25	27	



Community Based Implementation of Community Benefit

Community Survey Results		
	Average Score	% selected it as top 4 priority
Access to Care	7.31	67.35%
Mental Health	6.93	62.52%
Healthy Living	6.04	46.46%
Cardiovascular Disease and Stroke Prevention	5.87	41.46%
Cancer Prevention	5.68	40.41%
Healthy Baby	5.32	33.51%
Diabetes Prevention	5.25	31.61%
Substance Abuse	5.15	35.76%
Sexually Transmitted Infection/ HIV	4.80	31.44%
Injury Prevention	2.64	09.50%

We received 579 responses from 28 different zip codes. The top 4 priorities based on the overall average are:

1. Access to Care
2. Mental Health
3. Healthy Living
4. Cardiovascular Disease and Stroke Prevention

Assess Compliance with 501(r)

- Specific Requirements for CHNA Process and Reporting outlined in regulations
 - Missing elements
 - Due dates
- Insights from IRS Audits
 - Website review
 - Evidence of board approval
 - Financial assistance, billing and collection policies

Process	Report
<ul style="list-style-type: none">• Understand timing requirements for adoption by governing board and posting to hospital website• Define community• Obtain required input<ul style="list-style-type: none">• At least one public health representative• Members of medically underserved, low-income and minority populations• Written comments received on the most recently conducted CHNA	<ul style="list-style-type: none">• Definition of the community served• Demographics of the community• How data was obtained• Description of how input was received from persons who represent community• The significant needs of the community• Primary and Chronic health needs and other health issues of uninsured, low-income persons and minority groups• Description of resources potentially available to address significant health needs identified through the CHNA• The process for identifying and prioritizing community health needs• An evaluation of the impact of actions taken to address the significant needs identified in the hospital facility's prior CHNA

Polling Question #3

Has your hospital/health system conducted a an assessment of its community benefit operations, including policies and procedures and community benefit reporting?

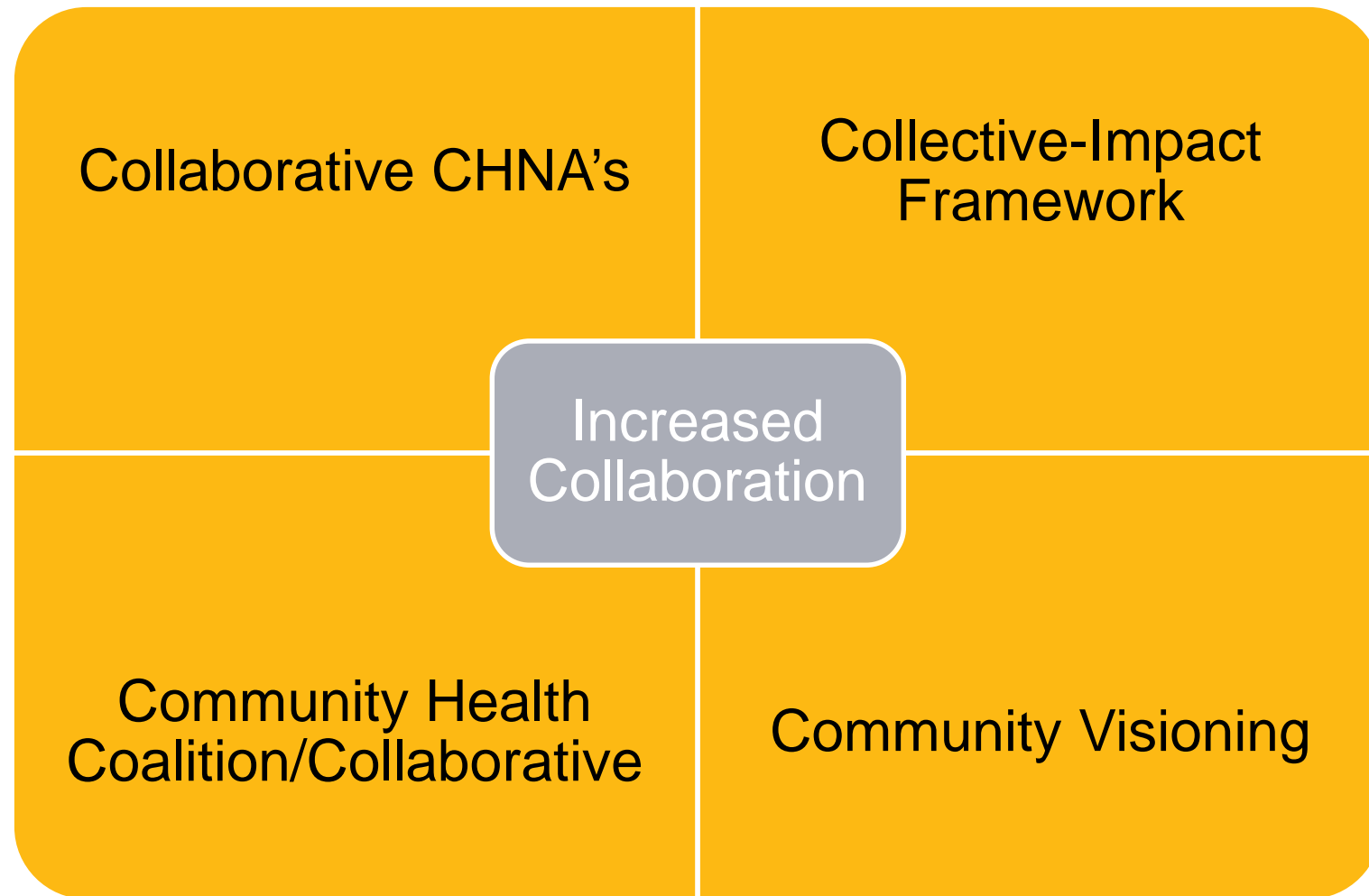
- a) Yes
- b) No
- c) I don't know





Explore Community Benefit Strategies for the Future

Community Benefit Strategies for the Future



Community Based Implementation of Community Benefit

The Distinct Phases of Multi-Sector Partnerships

	Early Phase	Middle Phase	Late Phase
What they do	<ul style="list-style-type: none"> Take baby steps Launch pilots Convene non-traditional partners 	<ul style="list-style-type: none"> Commit joint resources Develop multiple simultaneously running programs Expand networks 	<ul style="list-style-type: none"> Alter existing business models Change core practices Design incentives to allocate resources differently
Pitfalls	<ul style="list-style-type: none"> Inadequate infrastructure Lack of authority to lead 	<ul style="list-style-type: none"> Political resistance Sagging infrastructure 	<ul style="list-style-type: none"> Competing interests Difficulty measuring progress
Momentum Builders	<ul style="list-style-type: none"> Engaging a wide range of stakeholders Defining a vision around shared values Cultivating relationships with local leaders Attending to basic operations, including staff capacity and long-term financial planning 	<ul style="list-style-type: none"> Experimenting Fostering trust among partners and with the community Gaining support from local and state policymakers Sustainable financing 	<ul style="list-style-type: none"> Engaging constructively around controversy Committing to continuous learning and adaption Greater alignment with government policies around payment and regulation Creating a forum for leaders to work together

Learn more at rethinkhealth.org/pulsecheck



Community Based Implementation of Community Benefit



FEDERAL RESERVE BANK of ATLANTA

RESEARCH & DATA ECONOMY MATTERS BANKING & PAYMENTS NEWS & EVENTS EDUCATION COMMUNITY DEVELOPMENT ABOUT THE FED

ABOUT US DATA & TOOLS EVENTS INFOGRAPHICS PODCASTS PUBLICATIONS CONTENT BY SUBJECT

PUBLICATIONS



Bridging the Health-Community Development Divide

[HOUSING NEEDS AND SUPPLY](#) :: [NEIGHBORHOODS AND PLACE](#) :: [COMMUNITY DEVELOPMENT FINANCE](#) ::
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Sameera Fazili

Senior CED Adviser

Atlanta Office
1000 Peachtree Street, N.E.
Atlanta, Georgia 30309
sameera.fazili@atl.frb.org

Biography

Publications

Sameera Fazili is a senior adviser to the Federal Reserve Bank of Atlanta's community and economic development (CED) group specializing in economic mobility issues. She has spent her career working in domestic and international economic development, with a focus on inclusive economic growth, access to finance, and social enterprise. Prior to joining the Atlanta Fed, she served as a senior policy adviser at the White House's National Economic Council where she covered retirement, consumer finance, and community and urban development. Previously, she worked at the Treasury Department, first on issues of domestic policy ranging from community development financial institutions (CDFIs) to housing finance to small business finance, and then as a senior adviser to the undersecretary for international affairs where she served as chief of staff. Before her time in government, she was a clinical lecturer at Yale Law School, where she helped lead the community and economic development clinical program. She also worked at ShoreBank, the nation's first CDFI bank. Her work in finance has spanned consumer, small business, housing, and microfinance. She received her law degree from Yale Law School and her bachelor of arts in social studies from Harvard College.

 OUR LADY OF THE LAKE



Community Based Implementation of Community Benefit



David Zuckerman

Director, Healthcare Engagement

David Zuckerman joined The Democracy Collaborative team in 2012 and serves as Director for Healthcare Engagement. David leads the coordination of the Healthcare Anchor Network—a health system-led collaboration focused on improving community health and well-being by building inclusive and sustainable local economies. The Network includes more than 25 health systems to date. [Read more...](#)



Community Based Implementation of Community Benefit

Figure 2
Social Determinants of Health

Economic Stability	Neighborhood and Physical Environment	Education	Food	Community and Social Context	Health Care System
Employment	Housing	Literacy	Hunger	Social integration	Health coverage
Income	Transportation	Language	Access to healthy options	Support systems	Provider availability
Expenses	Safety	Early childhood education		Community engagement	Provider linguistic and cultural competency
Debt	Parks	Vocational training		Discrimination	Quality of care
Medical bills	Playgrounds	Higher education			
Support	Walkability				

Health Outcomes
Mortality, Morbidity, Life Expectancy, Health Care Expenditures, Health Status, Functional Limitations

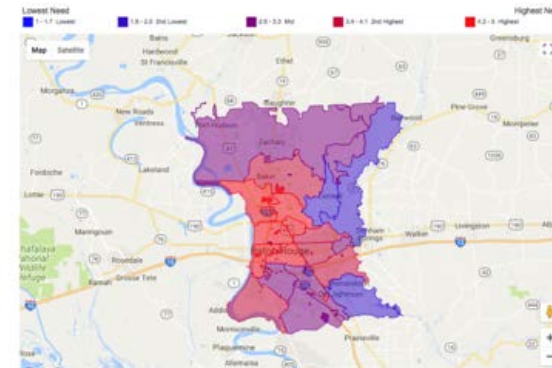
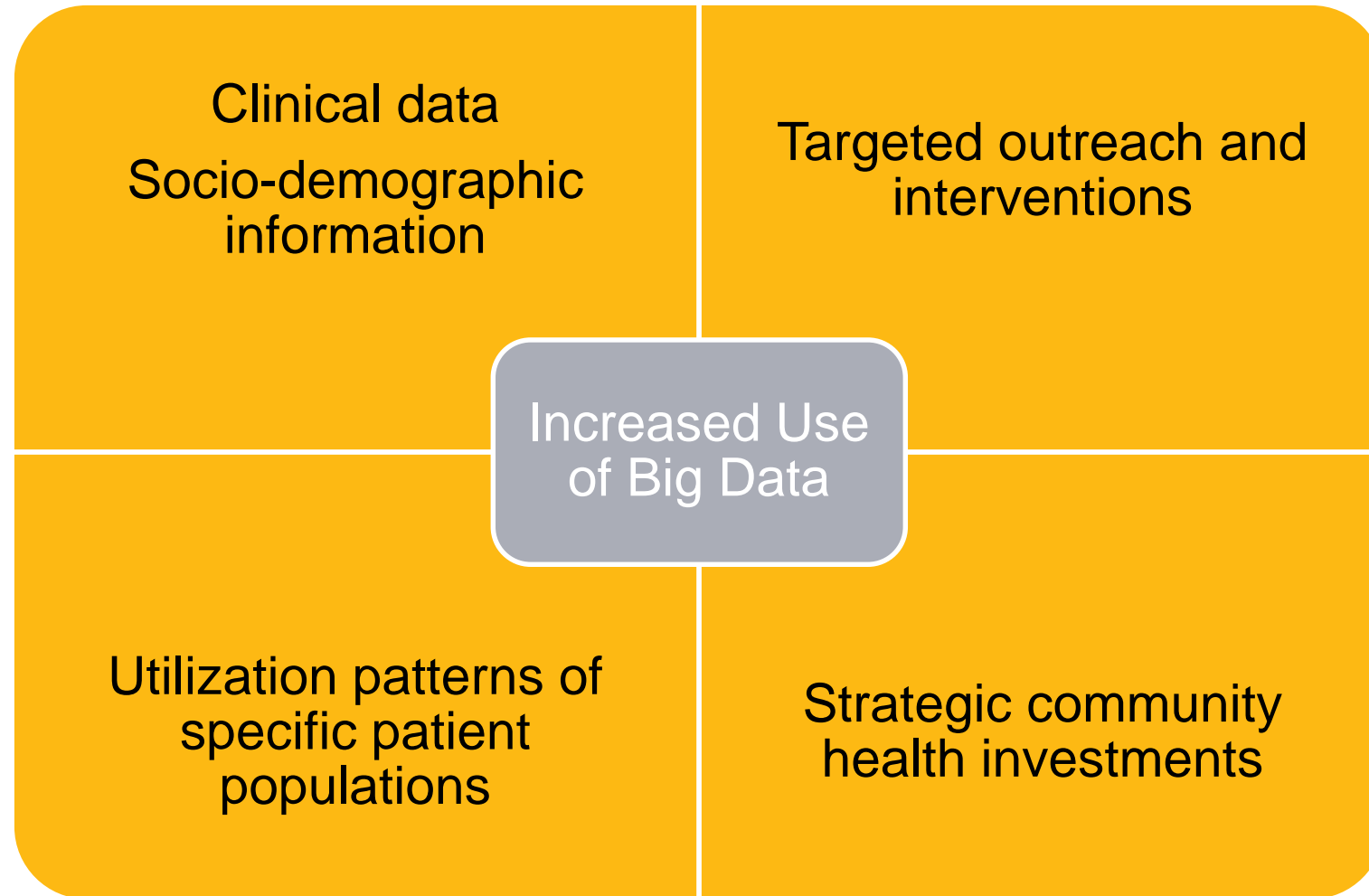


Figure 3: Weighted CNI average for EBR is 3.5; 33% of zip codes in EBR are based in the "highest need" areas.

Zip Code Disparities and Social Determinants of Health (SDOH)

In order to have a clearer idea of the disparity that takes place in East Baton Rouge Parish, we can look at a tale of three neighborhoods. The three neighborhoods we will be looking at are Scotlandville (70807) which is located in the City of Baton Rouge, Carmel Acres (70818) which is located in the City of Central and Shenandoah (70817) which is an unincorporated area. These neighborhoods encompass three different regions of East Baton Rouge Parish. Scotlandville is only 5 miles west of Carmel acres, while Shenandoah is 15 miles south from both Scotlandville and Carmel Acres. To effectively look at the disparities between these communities; we are going to use the 6 areas the Kaiser Family Foundation has identified as the pillars of Social Determinants of Health. They are: Economic Stability, Neighborhood and Physical Environment, Education, Food, Community and Social Context and Health Care Systems. Each of these pillars lead to the mortality, morbidity, life expectancy, and overall health of its citizens.

Community Benefit Strategies for the Future



Polling Question #4

How would you describe your organization's accessibility to big data to strategize your organization's impact on the community it serves?

- a) It's a somewhat disjointed effort -- we have population health data as well as data in our electronic medical records, but we struggle with bringing all of the information together to develop targeted community benefit outreach.
- b) We rely completely on third-party consultants to generate strategic data regarding community benefit activities.
- c) We currently do not utilize big data to evaluate and strategize our community benefit efforts
- d) I'm not really sure.



Community Benefit Strategies for the Future

Final Thoughts



Thank you

Rachel Spurlock

Tax Partner, NFP Tax Healthcare Leader

Crowe LLP

Office: +1 502 420 4522 | Mobile: +1 502 552 5692

Rachel.Spurlock@crowe.com

Kim Scifres

NFP Tax Senior Manager

Crowe LLP

Office: +1 502 420 4467 | Mobile: +1 812 620 1571

Kim.Scifres@crowe.com