NACCHO
National Association of County & City Health Officials
The National Connection for Local Public Health

Comments of the National Association of County and City Health Officials

On Community Health Needs Assessment Requirements for Tax-exempt Hospitals

Notice 2011-52

Overview

The National Association of County and City Health Officials (NACCHO) is pleased to respond to Notice 2011-52 by submitting the following comments regarding the implementation of Section 501(r)(3) requiring a hospital organization to conduct a community health needs assessment (CHNA) every three years and to adopt an implementation strategy to meet the needs identified through a CHNA.

NACCHO is the national organization representing the approximately 2,800 local health departments in the United States. These city, county, metropolitan, district, and tribal health departments work every day to protect and promote health and well-being for all people in their communities.

Assessment is one of three core public health functions. As reported in the 2010 National Profile of Local Health Departments, 60 percent of the nation's local health departments have completed a community health assessment (CHA) in the last five years.[1] NACCHO anticipates this percentage to increase over time because local health departments will be required to complete a CHA in order to become accredited.[2] CHAs and CHNAs collect the same kind of data. However, in addition to needs, CHAs can identify other types of information about the state of a community's health such as assets that can be leveraged to address needs. Even though CHAs are not limited to identifying community needs, for the purposes of these comments, CHAs and CHNAs are used interchangeably.

Local health departments develop a broad range of knowledge about their communities and about the assets and competencies of community partners through CHAs. Current local health department assessment efforts are often informed by community engagement and outreach, epidemiologic study, and partnership and collaboration and address social determinants of health. Many local health department-led CHAs include information on how the overall local public health system, which includes hospitals, community organizations and other public and

[1] National Association of County and City Health Officials. (August 2011). 2010 National Profile of Local health departments. Available at http://www.naccho.org/topics/infrastructure/profile/resources/2010report/loader.cfm?csModule=security/getfile&PageID=209794

[2] National voluntary accreditation of local health departments was launched in September 2011.

private partners, function as a network to provide essential services.[3] Data gathered through CHAs are the basis for developing and implementing community health improvement plans.

Responses to IRS

Documentation of a CHNA (.03)
"Treasury and the IRS intend to require… a written report that includes the following information… A description of the existing health care facilities and other resources within the community available to meet the community health needs identified through the CHNA." (Pages 9, 11)

NACCHO recommends adding to the written report a requirement to collect qualitative and quantitative data about community assets. Successful plans to improve health will depend upon the specific community assets which can be brought to bear on improvement efforts and on a collective understanding of why health problems exist. This work could also be conducted with all partners at the table and done once for a community, rather than duplicated by each non-profit hospital in an area. Persons representing the broad interests of the community should be involved in collecting qualitative data and information about community assets.

Community Served by a Hospital Facility (.05)
"Treasury and the IRS request comments regarding the relative merits of different geographically-based definitions of community. Treasury and the IRS specifically request comments regarding whether future regulations should define the geographic community of a hospital facility as the Metropolitan Statistical Area (MSA) or Micropolitan Statistical Area (muSA) in which the facility is located or, if the hospital facility is a rural facility not located in a MSA or muSA, as the county in which the facility is located." (Page 14)

NACCHO recommends the regulations require a geographic definition of community but remain flexible on the method of definition for the area. The specific method could advance organically and with the consensus of those participating in the assessment and implementation plans. The poor match between the formal definitions of specific geographical areas referenced and the de facto hospital service areas make specific requirements such as MSA designation too constrictive. Moreover, the regulation should not define communities by a specific demographic, such as children in one neighborhood. Rather, the regulation should encourage a definition of community that includes the demographics of all those living in the selected geographic area.

NACCHO also recommends that the IRS avoid defining community as the geographic area from which at least 75 percent of the hospital's patients reside. A hospital's patient population does not necessarily reflect the broader community. Narrowing the definition of community to include only a hospital's patient population excludes individuals with valuable information about community needs and health issues who do not directly interact with a hospital. Moreover, solely focusing on the patient population circumvents the intention of the law to take into account input from persons representing the broad interests of the community.

[3] Local public health system assessments are conducted using the National Public Health Performance Standards local instrument. Available at http://www.cdc.gov/nphpsp/.

Politically defined jurisdictions (i.e., county lines) are often unrelated to hospital service areas. Defining a community to include a larger catchment area will often involve more than one local health department jurisdiction; in such cases, hospitals should invite multiple local health departments and other partners to work together to conduct a single community health assessment of multiple jurisdictions. Many examples of such broad-based efforts are already in existence.

NACCHO strongly recommends that the regulation continue to include language that a hospital should be permitted to collaborate with other hospitals on a CHNA process and the development and prioritization of implementation strategies. Multiple hospitals can contribute to the same CHNA. The shared CHNA can be supplemented with small area analyses, which individual hospitals could conduct to gather more detailed information. Even though hospitals can contribute to the same CHNA process, each individual hospital should identify the unique implementation strategies it will be responsible for in addressing identified community needs.

Persons Representing the Broad Interests of the Community (.06)
"Section 501 (r)(3)(B)(i) must take into account input from persons who represent the broad interest of the community served by the hospital facility..." (Page 12)

NACCHO recommends that hospitals be required to work with local health departments during the development and execution of CHNA and improvement plans. Local health departments regularly organize and engage community partners and stakeholders to identify local health needs and priorities. Special expertise in this area of work is often present. Close collaboration with the local health department will help ensure data collection and planning and assessment activities are not duplicated, and that the hospital's contribution will complement, rather than duplicate or conflict with, other health assessment and improvement activities taking place in the community. While hospitals can indeed originate ways to gather input from the patients using their own hospital facilities, gathering input from persons representing broader community interests over an extended period of time is essential to paint a picture that more accurately displays community life. Engagement of the broader community is often a first step to build the community trust that can help make the subsequent implementation plan a success.

"Treasury and the IRS request comments regarding what specific qualifications (whether in terms of degrees, positions, experience, or affiliations) should be necessary for an individual or organization to be considered as having special knowledge of or expertise in public health." (Page 16)

NACCHO recommends that at a minimum a health department staff person with experience as a local health official, public health director or a designee, such as an epidemiologist, a community health planner, a public health nurse or environmentalist, be required. Individuals with credentials such as a Master of Public Health, Master of Health Science Administration, or Master of Science from an accredited school of public health and experience in community health assessment and planning should be qualified to conduct a CHNA.

"Treasury and the IRS intend to provide that a CHNA must, at a minimum, take into account input from… (3) Leaders, representatives, or members of medically underserved, low-income, and minority populations, and populations with chronic disease needs, in the community… In addition to persons described above in paragraphs (1), (2), and (3), a hospital organization or facility may also consult

with and seek input from other persons located in and/or serving the hospital facility's community. For example, a hospital organization or facility may consult or seek input from healthcare consumer advocates; non-profit organizations; academic experts; local government officials; community-based organizations, including organizations focused on one or more health issues; health care providers, including community health centers and other providers focusing on medically underserved populations, low-income persons, minority groups, or those with chronic disease needs; private businesses; and health insurance and managed care organizations." (Page 16)

NACCHO recommends that input and participation be specifically required from the local governmental health department. To avoid duplication of effort, NACCHO recommends that the regulation state that such partners should be a part of a broad collaborative, so that all hospitals in the area can benefit from the expertise of these partners. In many communities, local health departments are recognized conveners of different leaders, representatives, and members of the community.

Implementation Strategy (.08)

"Treasury and the IRS intend to provide that an implementation strategy will address a health need identified through a CHNA for a particular hospital facility if the written plan either (1) describes how the hospital facility plans to meet the health need; or (2) identifies the health need as one the hospital facility does not intend to meet and explains why the hospital facility does not intend to meet the health need… request comments regarding whether, and under what circumstances, documenting implementation strategies for multiple hospital facilities together in one written document might improve the quality of the implementation strategies while still ensuring that information for each hospital facility is clearly presented and easily accessible." (Pages 19-21)

NACCHO recommends that CHNA documentation, whether it is produced by a single hospital facility or multiple facilities should represent a collaborative effort of the partners involved. Local health department official(s) should sign off on documentation indicating support for the collaborative effort. The document should first identify implementation strategies for addressing the prioritized needs reflected in the community health assessment. It should describe the method of prioritization and why certain high priorities are not being addressed. The document should identify agencies with primary and secondary responsibilities for implementing those strategies and should specifically document the contributions of the hospital(s) to these strategies. Agencies with specific responsibilities should sign off on acceptance of those responsibilities through formal documentation.

NACCHO recommends that the regulation be strengthened to state that implementation strategies be informed by input from persons representing the broad interests of the community, as discussed in part (3) above.

NACCHO recommends that the final regulations state that hospitals submit written documentation of the process that provides a written explanation of why the hospital facility does not intend to meet an identified health need if it is clear the hospital (1) engaged in a collaborative process that included local health department (s), (2) partnered with multiple entities who played roles in addressing community health needs, and (3) engaged in a collaborative and comprehensive priority-setting process. CHA and health improvement planning represents a long-range effort to improve health; such an approach requires focused

priorities and expertise from a multitude of community entities rather than a global attack on all health needs by one entity such as a hospital.

NACCHO recommends that the final regulations state that the implementation plan should be created within one year of the completion of a CHNA. The year may be unrelated to the fiscal year used by the IRS.

NACCHO recommends that the IRS require hospitals to partner with local health departments in developing implementation strategies as part of a collaborative process. Many local health departments can serve as neutral conveners and provide epidemiology and data analysis, community outreach, and community engagement.

NACCHO recommends that the IRS add language encouraging outcome-based evaluations of the implementation strategy at the community level. NACCHO believes that the measure to determine whether community benefit has been achieved is improvement in the health status of the community served by the hospital. Additionally, the IRS should consider ways to study the impact of IRS Code Section 501(r)(3) on community health outcomes, engaging national partners in determining an appropriate process.

NACCHO believes that the community benefit requirements have great potential to promote new, mutually beneficial collaborations between non-profit hospitals and local health departments to improve the health of the communities each serves. NACCHO appreciates the opportunity to provide comment and will be pleased to provide any additional information that would be useful.

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