

## Community Health Needs Assessment

### Hospital Requirements

The Patient Protection and Affordable Care Act (PPACA) created a new IRS Code Section 501(r) which imposes additional requirements on tax-exempt hospitals. Specifically:

- All 501(c)3 Hospitals
- Governmental hospitals that have an IRS Determinate (c)3 Letter
- If you have ever applied for and received a letter (for the hospital entity) you have to comply.

#### Hospitals must Complete Community Needs Assessment

- At least once every three years; first one must be completed by end of tax year beginning after March 23, 2012.
- Include input from persons who represent the broad interest of the community.
- Include input from persons having public health knowledge or expertise.
- Make assessment widely available to the public
- Adopt a written implementation strategy to address identified community needs.\*
- Failure to comply results in excise tax penalty of \$50,000 per year.

Patient Protection and Affordable Care Act (Health Care Reform Law March, 2010)

*\* Notice 2011-52 – must be approved by authorized governing body (board of directors)*

Community Health Needs Assessment Written Report Treasury and the IRS intend to require a hospital organization to document a Community Health Needs Assessment for a hospital facility in a written report that includes the following information:

1. A description of the community served by the hospital facility and how it was determined.
2. A description of the process and methods used to conduct the assessment, including a description of the sources and dates of the data and other information used in the assessment and the analytical methods applied to identify community health needs. The report should also describe information gaps that impact the hospital organization's ability to assess the health needs of the community served by the hospital facility. If a hospital organization collaborates with other organizations in conducting a CHNA, the report should identify all of the organizations with which the hospital organization collaborated. If a hospital organization contracts with one or more third parties to assist it in conducting a CHNA, the report should also disclose the identity and qualifications of such third parties.
3. A description of how the hospital organization took into account input from persons who represent the broad interests of the community served by the hospital facility, including a description of when and how the organization consulted with these persons (whether through meetings, focus groups, interviews, surveys, written correspondence, etc.) If the hospital organization takes into account input from an organization, the written report should identify

- the organization and provide the name and title of at least one individual in such organization with whom the hospital organization consulted.
4. A prioritized description of all of the community health needs identified through the CHNA, as well as a description of the process and criteria used in prioritizing such health needs.
  5. 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.

CHNA Written Report needs to be:

- Widely available to the public
- On hospital website
- Given to anyone who asks

### **Implementation Strategy**

Treasury and the IRS intend to require a hospital organization to specifically address each of the community health needs identified through a CHNA for a hospital facility in an implementation strategy, rather than in the written report documenting the hospital facility's CHNA.

An **implementation strategy** is a written plan that addresses each of the community health needs identified through a CHNA.

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.

**An Implementation Strategy needs to be:**

- Approved by Board of Directors
- Attached to 990, and the 990 has to be widely available to the public

This summary was obtained from the *Kansas Health Matters* Website (<http://www.kansashealthmatters.org/>), and can be found here: (<https://www.myctb.org/wst/kansashealthmatters/hospitals/default.aspx>)