# Community Health Needs Assessment

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*Community benefit activities such as health fairs have long been a part of the charitable mission of tax-exempt hospitals. The process for determining community benefit activities and the underlying needs of a hospital's community has become more formal and complex due to new Internal Revenue Service (IRS) requirements for non-profit hospitals to conduct a "community health needs assessment" (CHNA) every three years. Hospitals must publish a report on their CHNA findings to avoid a $50,000 excise tax.[1] Non-profit hospitals in Arkansas have already completed the first round of CHNAs, and as many begin the second round, they are searching for more strategic implementation methods to address community needs. This is not only because of a heightened need to demonstrate community benefit at a time when expanded healthcare coverage is reducing the need for charity care, but also because there are new pressures under value-based payment models that reward providers for keeping people healthy. There is an increasing focus in Arkansas on upstream interventions to improve health and quality of life and to reduce costs related to preventable diseases. The second round of CHNAs offers an opportunity for aligned strategies to address health needs in Arkansas. This fact sheet discusses hospital CHNA requirements, methods, and findings from the first round of CHNAs. Also included are opportunities for non-profit hospitals to consider in optimizing the second round of CHNAs to improve the health of Arkansans.*

## COMMUNITY HEALTH NEEDS ASSESSMENT

Community health needs assessments (CHNAs) identify and prioritize the hospital community's health needs by collecting and analyzing data and gathering input from the community.[2] The CHNA process includes the assessment of community health needs, the publication of a report based on assessment findings, and the production of an action plan to address community needs. The Internal Revenue Service (IRS) has published guidance for hospitals, which includes the information required in the CHNA reports (see the text box).[1] However, there is considerable flexibility within the IRS guidance, resulting in substantial variation among hospitals' CHNA processes and reports.

**CHNA Report Content[1]**

- Method for defining community
- Process and methods to conduct the assessment
- Prioritized significant health needs, including method of identification
- Identify existing healthcare facilities and other resources available to meet community needs
- Evaluation of the impact of actions taken since the first CHNA

Although there is flexibility in conducting the CHNA, there are best practices in the following areas to which hospitals can refer for direction:[3]

- **Sharing Ownership for Community Health:** Establish a common goal, share metrics and data, and create a jointly funded agreement with interested stakeholders, such as local jurisdictions and key providers in the community.
- **Defining Community:** Approach the definition of community in a global fashion for both urban and rural areas, taking into consideration the locations of local providers and the concentrations of unmet health needs.
- **Engaging the Community:** Demonstrate the involvement of community stakeholders as equal partners with shared accountability and investment in addressing health concerns at all stages of the CHNA process.
- **Collecting and Analyzing Data:** Utilize U.S. Census Bureau data to identify a community's sociodemographic factors; pair hospital utilization data with Geographic Information Systems (GIS) technology to examine the relationship between poverty and preventable emergency department (ED) and inpatient utilization; use existing national and state data sources; engage community members and stakeholders in the process; and investigate social determinants of health to provide the evidence needed to more effectively address health disparities.

While the focus of the CHNA process is to address unmet health needs, the CHNA guidance encourages a more holistic approach to community health, which can highlight health behaviors and socioeconomic factors that influence health, such as housing, education, and income. A recently published County Health Rankings study, "County Health Rankings: Relationships between Determinant Factors and Health Outcomes," indicates that socioeconomic factors and health behaviors are the two strongest predictors of health outcomes in Arkansas.[4] In states with expanded Medicaid coverage post-2014, hospitals have an opportunity to broaden the scope of community benefit activities to address broader predictors of health as communities become less reliant on charity clinical care.

## INITIAL COMMUNITY HEALTH NEEDS ASSESSMENT IN ARKANSAS

A review by the Arkansas Center for Health Improvement (ACHI) of 34 Arkansas hospitals' initial CHNAs shows variations among the identified resources and needs utilized by hospitals to conduct the CHNAs (see the text box). As a result of the CHNA, hospitals have developed action plans to address their community's needs. Physician recruitment, expanding health education, and implementing corporate wellness programs are examples of action plan components.

**Initial CHNA Resources**

- **26** hired consulting firms or third-party entities to conduct CHNA
- **27** interviewed community leaders and organizations
- **22** utilized patient focus groups, employee focus groups, or both
- **Top 5 data sources:** County Health Rankings; Arkansas Department of Health (ADH); U.S. Census Bureau; Behavioral Risk Factor Surveillance System (BRFSS); Nielsen Company

**Initial Priority Health Needs Identified**

- Obesity or access to care reported by **50%** of hospitals
- Substance abuse/mental health, health education, diabetes, or hypertension reported by approximately **30%** of hospitals
- Other identified needs included lack of access to physical activity, food insecurity, and teen pregnancy

There is an opportunity for hospitals to enhance the measures included in the CHNA process. The majority of identified health needs were disease-related, but few hospitals included potential socioeconomic measurements influencing health outcomes in their communities, such as unemployment rates and education level, which correlate to behaviors such as adhering to prescriptions or seeking appropriate care.[5] Food insecurity and lack of access to physical activity were typically reported as areas of unmet health need, but some hospitals did not take advantage of available data about physical inactivity rates or the rate of "food deserts"—both of which are strong predictors of identified priority diseases, including obesity, hypertension, and diabetes.[6] Given the results of this initial review, it may benefit hospitals to consider all potential variables influencing health behaviors and outcomes during the second CHNA process.

## APPLICATION AND IMPLEMENTATION

IRS CHNA guidance splits hospital activities for community health improvement into two categories: mandatory community benefits and optional community building. Community benefits include healthcare and hospital-centered activities such as workforce development and research, whereas community building includes activities outside of hospitals such as improving housing conditions and economic development.[7] While IRS policy requires community-building dollars remain separate from community-benefit dollars, opportunities exist to integrate activities and potentially maximize their impact. Trinity Health, a multistate hospital system, is an example of a hospital system integrating community benefits and community building activities while adhering to IRS guidelines in its Transforming Communities Initiative.[8] The initiative's goal is to recognize the continuum between health, health care, the built environment, and social determinants of health. To address these factors, Trinity Health will award grants, loans, and matching funds and provide technical assistance to community organizations to improve the health of the communities they serve.

Recognizing the need for shared resources and the creation of economies of scale to generate maximum impact, the IRS has encouraged joint-CHNA implementation strategies between hospitals, public health agencies, and governmental health departments at the local and state level.[9] One example of sharing resources is North Carolina's Division of Public Health (NCDPH) initiative to support local partnerships to leverage resources for community health improvement.[10] NCDPH reached out to the state hospital association and local health departments to discuss resources, training needs, and policy related to community health improvement. With the CHNA requirement for tax-exempt hospitals, there was potential duplication of effort with state-mandated community health assessments required of local health departments. These entities now work collaboratively to assess and address the needs of the communities they serve. Table 1 provides three more examples of organizations that have recognized the value of collaboration to complete the CHNA process.

**Table 1. CHNA Collaboration Examples**

| | |
|---|---|
| ***Hospital Council of Northwest Ohio*** | Conducts collaborative CHNAs among hospitals http://hcno.org/ |
| ***Dallas-Fort Worth Hospital Council Foundation*** | Provides hospitals a community health data warehouse and assessment tools http://www.dfwhcfoundation.org/ |
| ***Missouri Hospital Association*** | Offers CHNA training webinars and conferences http://web.mhanet.com/resources/community-and-population-health/ |

Hospitals and communities have the opportunity to leverage collaborative approaches to link community activities that advance health. These activities can reinforce and strengthen existing statewide, school-based, and local initiatives. In Arkansas, for example, the Governor's Healthy Active Arkansas initiative offers new opportunities to

 

incorporate statewide efforts that address common community needs for enhanced physical activity and obesity prevention, as well as other state-based quality improvement strategies. Additional examples of collaborative efforts in Arkansas include the Million Hearts initiative, a federally based program applied locally, and the Arkansas Hometown Health Improvement community initiative through the Arkansas Department of Health (ADH), with both offering existing strategies that can be enhanced through CHNA strategies. Hospitals collaborating in these community activities would offer clear commitments and contributions to community health improvements.

## EVALUATION RESOURCES

A new regulation by the IRS requires hospitals to include an evaluation plan in the second round of CHNAs.[1] Although hospitals will not need to submit the detailed and completed evaluation to the IRS, all subsequent CHNA reports will have to include progress reports on priority health needs identified in the prior CHNA reports. Consequently, it will be critical to use evidence-based strategies in conjunction with an evaluation of activities to describe their impact and refine future activities. Being aware of the options available for evaluation and creating an evaluation framework will make it easier to identify progress.

There are a number of secondary data resources available to evaluate how health factors and outcomes have changed over time in Arkansas. Several organizations produce reports that synthesize data from reliable sources such as the Centers for Disease Control and Prevention (CDC) and analyze these data to examine determinants of health across the state and locally within our state. Three consistently utilized resources—all of which include assessments of socioeconomic factors in addition to clinical care—are the Robert Wood Johnson Foundation's County Health Rankings, the United Health Foundation's America's Health Rankings, and the Annie E. Casey Foundation's Kids Count Data Center. America's Health Rankings generate rankings only at the state level. The County Health Rankings displays county-level rankings within states, and the Kids Count Data Center provides county-level and state-level rankings. Table 2 displays each resource's goal and the variable categories analyzed to determine the health ranking of a state and counties within a state. These resources publish rankings and data annually, which hospitals may use to examine whether CHNA strategies—particularly joint, collaborative efforts—are improving local and statewide health rankings. However, much of the underlying data is not as current as the most recent year; therefore, short-term measurements for evaluation purposes will be needed.

**Table 2. CHNA Evaluation Resources**

| Resource | Goal | Variable Categories |
|---|---|---|
| **County Health Rankings**[11] | Emphasize the many factors that, if improved, can help make communities healthier places to live, learn, work, and play | Health Outcomes; Health Behaviors; Clinical Care; Social & Economic; Community & Environment |
| **America's Health Rankings**[12] | Stimulate action by individuals, elected officials, healthcare and public health professionals, employers, educators, and communities to improve the health of the US population | Health Outcomes; Health Behaviors; Clinical Care; Community & Environment; Public & Health Policies; |
| **Kids Count Data Center**[13] | Publish a range of data-driven materials that help identify the needs of children and families and develop appropriate responses | Health Outcomes; Health Behaviors; Social & Economic; Community & Environment |

## CONCLUSION

CHNAs offer an opportunity to catalyze health improvement within communities and ensure that hospitals, community organizations, and government entities have the information necessary to address community needs. Identification of common needs and shared resources among communities in Arkansas with an eye toward statewide initiatives bolsters the state's chances to advance the health of Arkansans. Hospitals should consider more aligned approaches to generate economies of scale, including reliance on similar data and evaluation at regular intervals to assess progress on community benefit and building implementation.[14] A community and state-level approach to evaluation will be critical for hospitals and the state to achieve their shared goal of community health improvement.

**Figure 1. CHNA Process**

# REFERENCES


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