Planning and Reporting Community Benefit Activities Related to the Social Determinants of Health

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Research shows that the determinants of health (social, economic and environmental), along with health behaviors, have the biggest impact on health outcomes and health disparities. As a result, hospital leaders and policymakers are considering changes that can help address these determinants.

As the role of hospitals in addressing the determinants of health is debated in policy circles, CHA felt it was important to start clarifying some of the issues and principles that should inform discussions. In April 2016 CHA held a call with its What Counts Task Force, a group of community benefit professionals who provide guidance on reporting questions, to discuss principles and considerations that should guide hospitals’ efforts to address the social determinants of health. CHA plans to work with its Community Benefit committee over the next several months to further refine these principles and to provide recommendations to policymakers.

Planning principles and policy considerations:

- **Collective approaches are best.** Addressing the determinants of health should be seen as a shared societal responsibility. Health care organizations should not be expected to address these problems alone. The determinants of health are best addressed through coalitions of government agencies and community partners, where common goals and shared resources can make a greater impact.

- **Research is needed for evidence-based approaches.** There should be evidence or reasonable expectation that activities undertaken to address the determinants of health will improve health and address an identified community health need. This is particularly important given IRS requirements that hospitals identify the anticipated impact of their actions in their implementation strategies and report the actual impact in subsequent CHNAs. However, the complex nature of social and environment problems, it may be difficult to find evidence-based interventions. This is an area where community benefit programs could use guidance.

- **All forms of community benefit are important.** Providing free and discounted hospital care to low-income persons and participating in Medicaid at a loss should not be viewed as less preferable or effective ways to address identified community health needs. These forms of community benefit are extremely important activities and can only be provided by hospitals. The CDC has identified four action areas for community health improvement: 1) clinical care, 2) healthy behaviors, 3) physical environment and 4) socioeconomic factors. Hospitals consider several factors when determining action areas they will focus on to address community health needs. These factors may include, among others, the hospital’s expertise, evidence base, and community/partner input and assets.

- **Mandatory thresholds can lead to unintended consequences.** There should not be a mandatory formula or requirement of how much community benefit expense/activity should be devoted to the various categories. Some policymakers are suggesting that more community benefit dollars should be diverted to community building activities, which are more focused on determinants of health, than other categories of community benefit.
However, this is a decision that must be made by the hospital with consideration to community desires and assets and its own resources and expertise. If the hospital is forced to spend on programs or activities that it or the community are not ready to support the result will be a waste of scarce resources.

- **Community benefit donations should be strategic.** Funding the efforts of community-based organizations that have a proven-track record of addressing determinants of health and with whom the hospital has a working relationship can be an effective way for hospitals to use their community benefit dollars. It leverages community assets and avoids duplication of effort. However, hospitals need to make sure their donations are closely managed so that they are not randomly distributed across many organizations which can dilute their impact. Some hospitals are reviewing all their community benefit donations and making strategic changes to ensure that they are aligned with their community benefit priorities and going to organizations that can use them most effectively.

- **Hospital leadership can make a big impact.** Two important roles that hospitals can play in addressing the determinants of health are convener and advocate. Convening community groups and members to advocate for public policies that impact the determinants of health, such as clean air laws and raising tobacco taxes, can be a very effective way to improve community health.

**Reporting principles and policy considerations:**

- **Needs should drive efforts.** In order to be reported as community benefit, activities related to determinants of health should be related to a community health need, preferably identified by the community health need assessment (CHNA).

- **Restrict donations.** Hospitals may only report financial contributions as community benefit if the contributions are accompanied with written restrictions that they be used for a community benefit purpose. This means that unrestricted contributions (such as funds sent to a community organization for general use) cannot be reported as community benefit. For contributions to organizations that are addressing the determinants of health, the hospitals should also keep documentation of evidence and rationale that shows how the organization’s efforts will impact identified community health needs.

- **Understand what is patient care vs. community benefit.** As hospital population health management programs, such as accountable care organizations, acknowledge the role of social and other determinants of health in keeping enrolled populations healthy and in decreasing their health care costs, it can become difficult to separate what programs and activities are a patient care/cost reduction strategy and what is community benefit.