What Counts?
An Ongoing Question

To be credible, a community benefit report must include only those programs and activities that are undoubtedly community benefit. A recent cartoon in Modern Healthcare showed a group of hospital employees listing their community benefit items; the list included “clean air” and “public restrooms.” As cochairs and staff of the CHA-VHA “What Counts? Task Force,” the authors of this article can say they have rarely seen such egregious examples of non-benefits included in community benefit reports. However, the cartoon is a reminder to us that our ministry must diligently make sure we report only programs that are truly community benefit.

A Guide for Planning and Reporting Community Benefit, developed by CHA in cooperation with VHA, suggests that health care organizations report community benefit in two ways—in a quantifiable report, in which the expenses of community benefit programs are tallied together; and a narrative report, in which community benefit programs are described.

It is vital that each item in the quantifiable report be “squeaky clean”—that there be no doubt that the item is a community benefit. Doing so is important because the expenses are totaled and readers do not see the details. These reviewers need to have confidence that only real benefits are included—not clean air or public restrooms.

What goes in a quantifiable report? CHA’s Guide for Planning and Reporting Community Benefit defines community benefit as “programs or activities that provide treatment and promote health and healing and are responsive to identified community needs, not provided for marketing purposes.” The guide goes on to say that, to be counted, the benefit should meet at least one of the following criteria:

- Generate a low or negative margin
- Respond to needs of special populations
- Supply services or programs that would likely be discontinued (or would need to be offered by another not-for-profit or government provider) if the decision were made on a purely financial basis
- Respond to public health needs
- Involve education or research that improves overall community health

A Task Force Takes on the Challenge

Because questions continue to be raised about what kinds of programs should be included in the quantifiable report, CHA, VHA, Inc., and Lyon Software formed the What Counts? Task Force and developed guideline principles to answer questions.

The task force has had lively discussions about the merits of various programs and services. Should, for example, a dollar value be placed on time spent by volunteers in community benefit programs? (No, but the organization’s expenses should be included.) Should staff time spent helping patients apply for financial assistance be counted? (Yes.) Does giving flu shots to staff...
A community benefit program is not one of the visits by its mobile health clinic to an inner city neighborhood when it was learned that a permanent clinic was serving the residents.

Although not every community benefit may be tied to a formal community needs assessment, the providing organization should have some evidence that a need exists. The organization should ask itself whether an activity that has been continued over a period of years is still needed. For example, a California hospital stopped scheduling visits by its mobile health clinic to an inner city neighborhood when it was learned that a permanent clinic was serving the residents.

Welcomes Underserved Persons Community benefit need not be reserved exclusively for low-income or underserved people, but such populations should always be included.

For example, a Maryland hospital sends a drug and alcohol counselor to local high schools at prom time to talk about the perils of alcohol poisoning and drunk driving. The program includes lectures in both private and public schools and in both affluent and low-income areas.

Has a Relationship to the Organization’s Mission Most health care organizations’ mission statements are explicit about furthering health in the community. Activities unrelated to health—contributions to the symphony or toward construction of a high school football stadium, for example—would not be counted as community benefit.

Meets a Need that Otherwise Would have to Be Met by Government or Another Not-for-Profit Organization This is a traditional understanding of community benefit. It would include, for example, subsidizing mental health services that otherwise might not be available. It would also include such public health functions as prevention of and early intervention in risky behaviors.

The Program or Activity Must be for Marketing Purposes Organizations must ask themselves about the basic purpose of the program. Is it designed to improve access and health? Or is its purpose, rather, to promote the organization’s name recognition in the community? For example, a nursing home has on its campus an annual “fun day,” which includes food and children’s activities. Its primary purpose is to generate goodwill. This is a great activity but not one that would be counted as community benefit. But a health screening event concerning a certain kind of cancer, held in a community with a high rate of that cancer, would count, even if it included some recreational activities.

Guideline Principles for Determining What Counts

<table>
<thead>
<tr>
<th>The program does:</th>
<th>The program is not:</th>
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<tbody>
<tr>
<td>• Address an identified community need</td>
<td>• Provided for marketing purposes</td>
</tr>
<tr>
<td>• Include low-income and underserved persons</td>
<td>• For employees only</td>
</tr>
<tr>
<td>• Have a relationship to the organization’s mission</td>
<td>• Required of all health care providers as part of the cost of doing business</td>
</tr>
<tr>
<td>• Meet a need that otherwise would have to be met by the government or another not-for-profit organization</td>
<td>• Questionable as to whether it should be reported</td>
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The program does:

• Teaching a medical translator course
  • Serving as a regional disaster preparedness center
  • Teaching community members about healthy eating

Questionable A good rule of thumb is: When in doubt, leave it out. Do not include items that some persons may question and, as a result, lead them to doubt the credibility of the overall report.

Do You Have a Question?

Do you have a question about whether a particular program or service should be included in a quantifiable community benefit report? Submit your question to CHA’s “What Counts” web hotline (www.chausa.org/whatcounts), and we’ll try to answer it for you.

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