



Get Outside the Tent: Embrace Community

BY JULIE TROCCHIO, M.S.

Community benefit — services provided in response to community need, to improve community health and increase access to health care — was the primary focus of Catholic health care's early ministries. In the future, community benefit will again take center stage. The resurgence of the role of community benefit is being driven by health needs in communities, a consensus that health extends beyond the services provided in Catholic health care buildings and public policy mandates for greater accountability for tax-exempt status.

First, our communities are and will continue to face significant health problems. As a nation, we have health outcomes such as infant mortality that are far below other industrialized countries. The United States is experiencing near epidemic levels of diabetes, asthma and other serious conditions.

Second, health leaders know that community health cannot be improved by patient care services alone. The prevention of illness, promotion of health and chronic disease management must take place, for the most part, outside the walls of health care facilities. To have an impact on community health, leaders must look for a community-based approach to health.

Third, state and federal tax policies are calling upon nonprofit health care organizations to demonstrate that they merit tax exemption. The new Internal Revenue Service (IRS) Form 990 Schedule H, completed by tax-exempt

hospitals, asks what hospitals have done to fulfill their charitable purpose. The Patient Protection and Affordable Care Act adds new requirements for tax-exempt hospitals related to assessing and responding to community need.

BACK TO THE FUTURE

To envision the future of community benefit in Catholic health care, a good place to start is with a backwards look to the origins of the ministry in this country.

Beginning with the Ursuline nuns who in 1727 arrived in New Orleans to serve the sick and poor, the pioneers of the Catholic health care ministry had “a nose for the need,” according to Sr. Mary Roch Rocklage, RSM, St. Louis-based Sisters of Mercy Health System's health ministry liaison. From east to west, north and south, courageous religious and lay leaders passionately and

tirelessly looked for community need, found the human and financial resources to meet the need and helped build a healthy nation.

The future of community benefit means continuing and building on the tradition of having “a nose for need”

and finding solutions to urgent and persistent health problems, using sound public health principles and advanced community benefit skills.

Over the years, Catholic health and other mission-driven leaders have built on the foundation of those who founded our health care organizations. Inspired by the past, community benefit leaders are paving the way for future community benefit programs that are more:

- Visible
- Strategic
- Accountable
- Professional

FROM FRINGE TO CORE BUSINESS

When formal community benefit programs were first established, persons given responsibility for running them usually labored in isolation and under their organization's radar screen. Community benefit was not the stuff of



executive offices, board meetings, strategic plans or even budgets.

This is all changing. In the post-Affordable Care Act era, community benefit programs will again be core functions. Not only will chief executives concern themselves with their community benefit programs, but also their attentiveness and responsiveness to community health problems are likely to be criteria for their hiring and a factor in their performance evaluation.

Boards of trustees will be aware of legal requirements related to the new IRS Form 990 Schedule H and the Affordable Care Act, thus they will be paying more attention to community benefit. In the future, boards will:

- Recruit new board members based on their knowledge of community health
- Participate in needs assessment
- Approve community benefit plans
- Approve financial assistance (charity care) and billing policies
- Hold administrative staff accountable for improving their community's health program

In the future, health care organizations' strategic and operational plans will explicitly name community benefit as a topic of organizational goals. Community benefit and organizational strategic plans will intersect or even be integrated into one another.

Future organizational budgets and plans will give community benefit more prominence and place greater emphasis on proactive programming.

FROM RANDOM ACTS TO STRATEGY

Responding to community need requires both an understanding and a systematic approach for addressing it.

While early ministry leaders had little to do but look around and answer their doors to understand community need, leaders of the future will take ever more systematic, scientifically

based approaches to assessing community need and implementing plans to meet those needs.

Valid, reliable and statistically sound health data, available from local and state health departments and the



federal government, will be the bedrock of future community benefit programs. The data tool will permit assessments of the future to examine whether their local communities are state or national outliers in areas such as risk factors for obesity, smoking and drug use or for health problems such as diabetes, asthma and heart disease.

Community benefit leaders will validate such statistical information with community members, using such proven tools as focus groups, social networks and community forums.

Community benefit plans will target resources to where they can be most effective and do the most good. Plans will include broad goals and specific objectives, with indicators of how to measure success. The boards who authorize funds for community benefit programs or, increasingly, the out-

side funders who provide grants, will require this careful attention to how resources are deployed, as well as to overall accountability.

Community benefit leaders of the future will be able to select among evidence-based approaches to address community health problems. We are building that evidence now to create a body of knowledge from public health and community benefit leaders describing approaches to community health problems that can be successful with various populations.

The future also will bring increased collaboration between community benefit programs and community partners. For example, with the expansion of federally funded community health centers, hospital community benefit programs likely will be a partner rather than the sole provider of primary care to vulnerable persons.

New partnerships may emerge with changes in community organizations. Budget-strapped schools, for example, may need community benefit programs to take a more active role in fitness and health education. Evolving roles of health departments will also suggest new relationships and joint projects.

FROM OBSCURITY TO ACCOUNTABILITY

New IRS reporting and Accountable Care Act requirements will make community benefit programs more public and more accountable.

IRS Form 990 Schedule H will make the following (and more) information public:

- How much does the organization spend on charity care and other community benefits?
- What percentage are these amounts of the organization's total budget?
- How much bad debt is really charity care?
- How is the public notified about the availability of financial assistance?



■ How does the organization define its community and assess community needs?

■ How does the organization bill persons eligible for financial assistance?

The Accountable Care Act also will require hospitals to make public:

■ Their community needs assessment

■ Descriptions of how needs are being addressed and why some needs are not being addressed

■ Their written financial assistance policy

■ Their audited financial statements

Agencies requiring the new reports won't be the only ones interested in this information. Community members, donors, physicians, employees and the media will be interested, too, so all this information will have to be compiled and "ready for prime time." To that end, community benefit leaders of the future will have to work closely with finance offices to ensure the information is accurate. The most effective will also work with communications specialists to ensure that all public information is cogent, readable, logical and consistent with community expectations.

As part of the future scenario, hospital community benefit programs will be held to new and higher levels of accountability. They will be expected to demonstrate that they deserve the privilege of tax-exemption, government grants and charitable donations. State and local governments, increasingly challenged to meet their budget needs, will fuel the predictable scrutiny.

The new requirements for accountability include emphasis on trans-

parency regarding financial assistance. That will mean each person who comes in contact with patients — in person, on the phone or online — must know, understand and be able to articulate the organization's financial assistance and billing policy.

FROM FEWER INSURED TO MORE

The health reform law promises to cover an additional 32 million persons with health care insurance. This could mean substantially less charity care for some hospitals and has prompted some observers to ask how hospitals then will demonstrate sufficient community benefit. The answer is threefold:

■ Many people will remain uninsured. Even more will remain without access to health care. The newly insured, who historically have been left behind by our health care system, may continue to lack health providers willing to serve them. Thus, access for low-income insured persons will become a

community health both in fulfillment of mission and in justification of our tax-exempt purpose.

■ Health insurance for millions more people brings unprecedented opportunity for community benefit programs to use resources in a proactive way to significantly improve health in communities. Rather than concentrate on plugging holes in the safety net through charity care, we can look to promote health and prevent disease and injury and therefore make an even greater impact.

In summary, the future of community benefit in Catholic hospitals will:

■ Aggressively and collaboratively identify community needs

■ Work almost exclusively with community partners to address their communities' challenges

■ Use sound public health principles, techniques and data to plan and evaluate community health improvement programs

■ Ensure that each staff member, patient and prospective patient is fully aware of the organization's financial assistance policy

■ Be proactive — not waiting for the sick or poor to need care and services, but working with others to prevent the preventable, manage the manageable and promote health in the broadest sense

■ Define the mission of the entire organization to go

beyond care of the sick and injured and take responsibility for the health of the community

JULIE TROCCHIO is senior director, community benefit and continuing care ministries, Catholic Health Association, Washington, D.C. Write to her at jtrocchio@chausa.org.



growing priority.

■ There is an erroneous perception that charity care is the basis for hospital tax-exemption. To the contrary, federal and state policies on tax exemption encompass a broader understanding of community benefit. In the future, CHA must continue to tell the story of how its member organizations increase access to health care and improve com-

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