



THE HOSPITAL & HEALTHSYSTEM  
ASSOCIATION OF PENNSYLVANIA



DELAWARE VALLEY HEALTHCARE COUNCIL  
*of The Hospital & Healthsystem Association of Pennsylvania*

# CHNA Round #2

New Opportunities to Collaborate on Community Health Needs Assessments (CHNA) and Improve the Health of Our Community



# IRS Update: CHNA

- The IRS issued [proposed regulations](#) on April 5, 2013 providing further guidance related to the CHNA requirements of Section 501(r), reporting obligations of Section 6033, and the consequences for failing to satisfy any of the 501(r) requirements.
- [Highlights](#) of these proposed regulations include:

A new definition of a “Hospital Facility.” The regulations amend the definition to state that multiple hospital buildings operated under a single state license “are” (rather than “may be”) considered a single hospital facility.



# IRS Update: CHNA

- **Key provisions for the CHNA**

The proposed regulations give hospitals the flexibility to define the communities they serve, taking into account all of the relevant facts and circumstances.

- **Clarification for Community Input**

From groups and individuals that represent the broad interests of the community.

- **Requirement to seek Public Input**

Public input must be considered when conducting subsequent CHNAs. Most recent CHNA must remain widely available for two subsequent CHNA reporting cycles.

- **Guidance allowing hospitals to collaborate with others when conducting a CHNA and produce one joint report**

Each hospital collaborating must be clearly identified, and the CHNA must be adopted by an authorized body for each collaborating hospital.



# IRS Update: CHNA

- IRS released the [2014 Draft Schedule H](#) and [instructions](#) for hospitals on September 5, 2014.
- The draft Schedule H reflects the requirements of Section 501(r) and the IRS proposed regulations that were issued on June 26, 2012 and April 5, 2013.
- Significant changes to the 2014 Schedule H include new questions related to Part V – Community Health Needs Assessment (CHNA) and Part V – Financial Assistance Policy (FAP) sections.

**SCHEDULE H (Form 990)** **Hospitals** OMB No. 1545-0047

Department of the Treasury Internal Revenue Service

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20. ▶ Attach to Form 990.  
▶ Information about Schedule H (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

2014  
Open to Public Inspection

Name of the organization \_\_\_\_\_ Employer identification number \_\_\_\_\_

**Part I Financial Assistance and Certain Other Community Benefits at Cost**

	Yes	No
1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
b If "Yes," was it a written policy? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year.		
<input type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities		
<input type="checkbox"/> Generally tailored to individual hospital facilities		
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing free care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care:	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input type="checkbox"/> Other _____ %		
b Did the organization use FPG as a factor in determining eligibility for providing discounted care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %		
c If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used		



# The CHNA as a Path to Collaboration

- IRS changes allow multiple hospital facilities to complete one CHNA, and one implementation plan, for a community
- More broad definition of community
- Collaboration can lead to funding implementation
- Opportunity to leverage strengths in partnerships and reduce duplicative efforts



# CHNA Resources

- **The County Health Rankings & Roadmaps program:**

- ✓ Collaboration between the [Robert Wood Johnson Foundation](#) and the [University of Wisconsin Population Health Institute](#).
- ✓ Provides tools and resources



- **HHS Region III:**

- ✓ Has convened stakeholder group (hospitals, HAP/DVHC of HAP, county health departments, community organizations) around CHNA
- ✓ Is facilitating collaboration with Federal agencies (CDC, HRSA, CMS) to identify CHNA support resources and potential funding sources
- ✓ Is working with HAP to pursue partnerships with other Mid-Atlantic institutions



# CHNA and Population Health

- Achieving the Triple Aim means addressing population health – CHNAs and implementation plans are designed to help do that
- Direct medical care, as a determinant of health, impacts population health only 10-20%<sup>1</sup>
- 98% of CEOs believe that hospitals need to investigate and implement population health management strategies<sup>2</sup>



<sup>1</sup>Health Affairs, August 21, 2014

<sup>2</sup>The American Hospital Association (AHA) Annual Survey of Hospitals, 2012



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