

Executive Briefing

Maximizing the Investment in Your Community Health Needs Assessment

With the passage of the Patient Protection and Affordable Care Act (ACA), all not-for-profit, nongovernmental hospitals must complete a 3-year community health needs assessment (CHNA) by the end of FY 2013.¹ The stakes are high – hospitals face a \$50,000 excise tax for each year their CHNA remains outstanding and risk losing their not-for-profit status.

While the CHNA is a regulatory mandate, it can be more than just a box-checking activity. The exercise provides a new opportunity for hospitals to pursue their mission and expand their presence in the regions served, identifying the needs of the community and how they intersect with the organization's strategic plan. The CHNA can be integrated into an organization's strategic planning process as a tool to develop mission-driven initiatives that build community relations and directly respond to identified needs. Additionally, for savvy senior leadership teams, the CHNA process can provide the opportunity to focus on population-based healthcare efforts, which are vital in the post-ACA healthcare market.

Expanding the Reach of Mission-Driven Care

Central to the premise of the ACA is the notion that "health" goes beyond the traditional provision of care in a hospital setting. In this new context, health encompasses all medical, psychological, and social needs, including such issues as lack of fresh food choices, child care shortages, and limited psychiatric resources. The intent of the CHNA mandate is to compel hospitals to take a collaborative approach to addressing the health needs of their communities. Based on the findings of the CHNA, the hospitals must create and deploy an implementation plan, referred to as a community health improvement plan (CHIP), to address each identified need.

The CHNA process requires key tasks in order to meet the requirements of the mandate:

- Organize a CHNA work group that includes key community representatives.²
- Conduct a qualitative analysis.
- Complete a quantitative analysis.
- Identify and prioritize key community health needs.
- Determine responses to identified needs.
- Craft a collaborative implementation plan.
- Gain board approval for CHNA and the implementation plan.
- Publicly post the CHNA and CHIP on the hospital Web site.

From initiation of the work group to final board approval, the process requires in-depth planning, analysis, and execution. Community members must play an active role in the process, both in work group participation and partnership in achieving the implementation plan.

The qualitative analysis is externally focused to uncover the perceptions of residents, local organizations, and key leaders. This can be accomplished through a combination of town-hall-style meetings, panel discussions, and written or telephone surveys. As part of the quantitative analysis, hospitals must thoroughly collect and analyze data from a variety of sources, including healthcare market databases and local, regional, and national population and community health databases. The analytics should go beyond a traditional market analysis to include an understanding of

¹ "FY 2013" is defined by the ACA mandate as a given organization's tax year that begins after March 23, 2012.

² The legislation refers to these representatives as "persons who represent the broad interests of the communities served." Source: Internal Revenue Service Notice 2011-52.

demand for all resources considered to be under the comprehensive community “health” umbrella. Such statistics may include: use of public transportation, number of child care facilities, rates of childhood immunizations, access to grocery stores, prevalence of single parenting, and rates of homelessness. The data-driven assessment of comprehensive community needs informs the development of a CHIP, which outlines and prioritizes the key community health initiatives to be collaboratively pursued over the next 3 years. Because CHIP implementation responsibility is distributed among collaborating organizations, hospitals serve not just as providers of care, but as organizers of care efforts intended to improve overall health inside and outside the walls of hospitals – a new perspective on the pursuit of mission-driven healthcare.

A New Approach to Strategic Planning

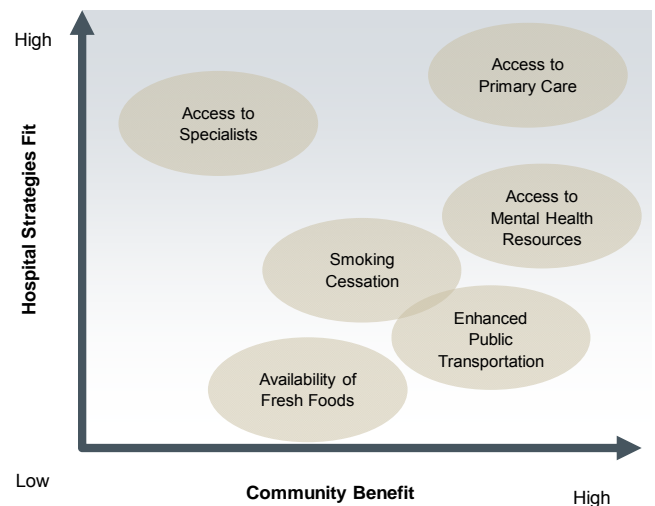
Traditionally, hospitals have conducted the strategic planning process as a predominantly hospital-focused exercise, centering efforts on allocating resources to achieve the hospital’s vision and attaining opportunities for the hospital to meet its mission and effectively utilize its resources to grow. As the industry shifts toward a focus on preventive care, community-based health efforts, and value-based provision of care, collaboration across the spectrum of healthcare and social support providers will prove crucial to the future health of the communities and livelihood of the hospitals and health systems.

By incorporating the CHNA process into the larger strategic planning process, hospitals can identify innovative strategic approaches to pursuing mission-driven activities and services through strategic relationships with other community organizations. The graphic below demonstrates how hospitals can evaluate the intersection of strategy with community benefit.

Those initiatives that are both of high community benefit and high strategic importance should be prioritized for the hospital to pursue; in contrast, those that are of high community benefit but low strategic relevance to the hospital may best be addressed by another organization in the community.

Using the CHNA to Promote Population Health Management

As the healthcare industry shifts further toward population health management, the CHNA will prove vital to the strategic planning process. The CHNA, by virtue of its focus, highlights means for creating a healthy community and focusing on preventive care. The implementation plan can include tasks for establishing patient-centered medical homes and programs for coordinating the continuum of care, extending the impact of good healthcare beyond the walls of a healthcare facility and directly into the community. There is an additional benefit for the hospitals as well: because hospitals must gain board approval of the CHNA and publicly post the document on their Web site, the assessment and its associated improvement plan can serve to showcase to the community at large the hospital’s commitment – past, present, and future – to the overall health of the community.



Next Steps

As your organization prepares to launch the CHNA process, consider the following questions:

- Does the hospital’s strategic plan adequately address the industry move toward population health management and community-focused health initiatives?
- How does the CHNA and its related improvement plan intersect with the hospital’s strategic plan, and what variances are revealed?
- What are the gaps identified by the CHNA that need to be filled by community organizations, and how can the hospital, and its employees, support these parties?
- How will strategically acting upon the CHNA enhance the hospital’s standing in the community? How will it advance the mission and vision?

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