

12-05

STATEMENT OF POLICY

Community Health Needs Assessment

Policy

The National Association of County and City Health Officials (NACCHO) encourages local health departments, nonprofit hospitals and community health centers to collaborate on community health needs assessments (CHNA) or community health assessments (CHA), pursuant to the statutory requirement of nonprofit hospitals to conduct a CHNA under the Patient Protection and Affordable Care Act (ACA), as well as accreditation requirements for local health departments under the Public Health Accreditation Board (PHAB). This also fulfills IRS requirements for both hospitals (Section 990 Schedule H, regarding community benefit) and health centers (Section 330).

NACCHO recommends that local health departments, nonprofit hospitals and hospital organizations, and health centers engage in a single, collaborative assessment process that mutually benefits all parties' needs, to consulting with or providing reimbursed resources or technical assistance to conduct a CHNA. Potential local health department involvement may include the following:

- Collaborating on a joint CHA/CHNA process that fulfills local health department, nonprofit hospital, and health center requirements, which could include, but is not limited to, aligning timelines, pooling staff and financial resources, and coordinating engagement of other community organizations for implementation;
- Providing technical expertise to design and implement a CHNA, e.g., providing information on assessment models, sharing health status indicators, public health programs, and community-based partners;
- Sharing relevant local data resources for quantitative and qualitative health and social determinants information in hospital service areas;
- Providing technical assistance in data collection, analysis, synthesis, and interpretation;
- Giving input on strategies to improve community health using a community health, disease prevention, and health promotion model;
- Coordinating joint efforts by different hospitals to pool resources to gather data, analyze data, and/or generate a report for a CHNA;
- Serving as a neutral facilitator to ensure a collaborative CHNA process;
- Engaging community members in a CHNA process; and
- Serving as a partner in implementing the hospital and health center Health Implementation Plans (HIPs) or Community Health Improvement Plans (CHIPs) that follow a community health (needs) assessment.

Justification

The ACA Section 501(r)(3), requires that nonprofit hospitals conduct and report on a CHNA every three years to maintain their tax-exempt status.



Similarly, Sections 330(k)(2) and 330(k)(3)(J) of the Public Health Service Act require that health centers assess the unmet need of health services in the areas they serve “at least once every three years for the purposes of informing and improving the delivery of health center services.”¹

The CHNA must include a description of the assessment process, how input was obtained from the community and public health members, the community served, its health needs, which needs the organization intends to address, the reasons those needs were selected, and a summary of the implementation strategy. Nonprofit hospitals must provide an evaluation of previous actions taken to address needs identified in previous CHNAs.

In 2015, under Section 501(r)(3)(B), the IRS clarified that the ACA also requires that a hospital’s CHNA take into account input from persons representing the broad interests of the community served by the hospital community, including at least one state, local, tribal, or regional governmental public health department, or a State Office of Rural Health. Given that local health departments often hold the required “knowledge, information, or expertise relevant to the health needs of that community,” they may play a critical role in this process and can be vital partners in the development of the CHNA.^{2, 3}

Hospital and health center assessment CHNA requirements correspond with the national voluntary public health department accreditation process by the Public Health Accreditation Board (PHAB). The completion of a community health assessment and community health improvement plan within five years are required for health departments to demonstrate fulfillment of public health accreditation standards. While this variance in timeframes (i.e., three years for CHNAs and up to five years for CHAs to meet PHAB accreditation standards), can create challenges aligning these activities within the same or overlapping jurisdictions and service areas, each are continuous processes that should inform and be coordinated with the other in ways that maximize resources, increase efficiency, and result in a more comprehensive assessment. Community health assessments and CHNAs collect the same types of data on needs. However, in addition to needs, CHAs can identify other types of information about the state of a community’s health, such as assets that can be leveraged to address needs. In 2016, 78% of local health departments reported they completed a community health assessment in the past five years, up from 60% in 2010.⁴

NACCHO anticipates this percentage to continue rising with the increased number of health departments pursuing public health department accreditation. The ACA, IRS, and public health accreditation requirements provide opportunities for hospitals, health centers, and local health departments to conduct collaborative assessments minimizing duplication of effort and unnecessary community burden, while better aligning efforts that impact population health.

NACCHO recognizes variation in local health department capacity to dedicate resources to the CHNA process, yet also acknowledges that a CHNA might assist in determining of how resources are allocated to various community health issues. The requirement to conduct a CHNA presents an opportunity for collaboration among local health departments, hospitals or hospital organizations, and health centers to (1) conduct and disseminate results of health assessments; (2) identify existing health disparities and unmet community health needs; (3) plan and implement local strategies to improve the health of communities; (4) support evaluation efforts; (5) assist in advocacy efforts to assure the implementation of effective programs; and (6) strengthen emergency

preparedness response and recovery by aligning hospital, health center, and local health department planning.

Close to 65% of local health departments have collaborated with hospitals on CHNAs, with another 6% reporting that they are in discussions to do so in the future, independent from external requirements.⁵ While CHNA collaboration is even greater among medium- and large-sized health departments (i.e., those serving 50,000 or more people), at 79% collaborating and 7% in discussions to do so in the future, more than half (54%) of small health departments (fewer than 50,000) reported collaborating on the more recent CHNA – a trend that continues to grow.

In this way, hospitals, health centers, local health departments, and other community partners can pool resources to conduct comprehensive community health assessments that benefit multiple stakeholders and the community-at-large. In addition to advancing such frameworks as Public Health 3.0,⁶ these collaborations are instrumental to ensure effective population health systems that support optimal health.

References

1. Health Resources and Services Administration. (January 2018). Health Center Program Compliance Manual, Chapter 3: Needs Assessment. Retrieved September 9, 2019, from <https://bphc.hrsa.gov/programrequirements/compliancemanual/chapter-3.html>.
2. Internal Revenue Service. (2015). Bulletin: 2015-5, TD 9708. Additional Requirements for Charitable Hospitals; Community Health Needs Assessments for Charitable Hospitals; Requirement of a Section 4959 Excise Tax Return and Time for Filing the Return. Retrieved September 9, 2019, from https://www.irs.gov/irb/2015-5_IRB/ar08.html#d0e1333.
3. Patient Protection and Affordable Care Act of 2010, Section 9007.
4. National Association of County and City Health Officials. (2017). *2016 National Profile of Local Health Departments*. Retrieved September 9, 2019, from <http://nacchoprofilestudy.org>.
5. Ibid.
6. “Timely, reliable, granular-level (i.e., subcounty), and actionable data should be made accessible to communities throughout the country, and clear metrics to document success in public health practice should be developed to guide, focus, and assess the impact of prevention initiatives, including those targeting the social determinants of health and enhancing equity.” DeSalvo KB, Wang YC, Harris A, Auerbach J, Koo D, O’Carroll P. (2017). Public Health 3.0: A Call to Action for Public Health to Meet the Challenges of the 21st Century. *Prev Chronic Dis* 2017;14:170017. DOI: <http://dx.doi.org/10.5888/pcd14.17001>

Record of Action

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