

# MAPP and Non-Profit Hospitals: Leveraging Community Benefit for Community Health Improvement



## Introduction

With the historic passage of the Patient Protection and Affordable Care Act, non-profit hospitals are being called to increase their accountability to the communities they serve. Capitalizing on this momentum, this fact sheet provides Mobilizing for Action through Planning and Partnerships (MAPP) communities with information that will help them engage their local non-profit hospitals in community health assessment and improvement. The fact sheet explains “community benefit” and recommends ways that MAPP communities can encourage local non-profit hospitals to support MAPP processes in an effort to fulfill community benefit requirements.

## What is “community benefit”?

Community benefit is central to the mission of non-profit hospitals and is the basis for their tax exemption. Non-profit hospitals receive a variety of tax exemptions from federal, state, and local governments with the expectation that, in return, they will provide benefits to the community; these laws are referred to as “community benefit.”<sup>1,2</sup> Community benefit has been defined by the Internal Revenue Service (IRS) as “the promotion of health for a class of persons sufficiently large so the community as a whole benefits.”<sup>3</sup> Simply put, community benefit is composed of programs and services designed to

address identified needs and improve community health. To qualify as community benefit, initiatives must respond to an identified community need and meet at least one of the following criteria:

- Improve access to healthcare services;
- Enhance health of the community;
- Advance medical or health knowledge; or
- Relieve or reduce the burden of government or other community efforts.<sup>4</sup>

Historically, the majority of community benefit funds have been spent on “charity care,” while a smaller portion has been invested in community-based efforts such as community health improvement planning. The Patient Protection and Affordable Care Act revises the tax exemption standards applicable to non-profit hospitals by adding several new components to the Internal Revenue Code. Among other revisions, non-profit hospitals will now be required to conduct a community health needs assessment, widely publicize assessment results, and adopt an implementation strategy to meet needs identified by the assessment. According to the Catholic Health Association, the new provision “gives great importance to taking a more strategic approach to community benefit planning.”<sup>5</sup>

**As a partner in the MAPP process, hospitals can demonstrate collaborating with the community, including public health experts, to assess community needs, identify solutions, and implement health improvement strategies.**

## Tips for Success

When strategizing how to begin the conversation with a local non-profit hospital, MAPP communities should consider the following:

- Relationships are crucial. Find out who the key community benefit players are and begin building new relationships or strengthening existing relationships. Important contacts may include the hospital's director of community health, director of community benefit, vice president of planning, marketing director, hospital board members, and the chief executive officer.
- Do your homework. Find out more about community benefit projects currently underway and identify how MAPP can complement and build on existing efforts.
- Prepare, prepare, prepare. Draft talking points that describe how partnering in a MAPP process can help the hospital build collaboration, support their community, fulfill their mission, and meet new community benefit requirements.
- Become a MAPP expert. Be ready to describe the MAPP philosophy and components to a new audience—healthcare and business professionals. Remember, hospital staff might be unfamiliar with public health terminology and may appreciate explanation of the elements and value of a broad definition of health. As a starting point, consider sharing NACCHO's *Mobilizing for Action through Planning and Partnerships: A Community Approach to Health Improvement* fact sheet (see [www.naccho.org/na323pdf](http://www.naccho.org/na323pdf)) with hospital staff.

## What is the relationship between MAPP and community benefit?

Community benefit presents a unique opportunity to engage non-profit hospitals in MAPP. MAPP relies on the insights, skills, and resources of partners committed to improving local quality of life. Rich with intellectual capital, human resources, and local knowledge, hospitals are well positioned to play an important role in community-wide health improvement efforts.

The Public Health Institute, in a recent community benefit demonstration project report,<sup>6</sup> delineated five core principles for effective community benefit programs: emphasis on communities with disproportionate unmet health-related needs; emphasis on primary prevention; building a seamless continuum of care; building community capacity; and collaborative governance. The core principles reflected in the Public Health Institute report align with the MAPP approach. As a community-wide health improvement process, MAPP does the following:

- Includes a comprehensive assessment phase that identifies local public health strengths, challenges, and unmet health-related needs;
- Emphasizes primary prevention;
- Strengthens partnerships among healthcare providers, public health professionals, and other stakeholders;
- Mobilizes community members to identify and act on strategic health issues; and
- Institutionalizes a collaborative approach to planning, implementing, and evaluating community health improvement strategies.

Despite historically scarce reporting requirements, many hospitals have provided substantial community benefits to their communities for decades; however, beginning in 2009, as part of new community benefit reporting requirements, non-profit hospitals were required to complete the IRS form 990 Schedule H.<sup>7</sup> The IRS form includes questions about how the organization assesses community needs and how community benefit programs are structured to address identified needs.<sup>8</sup> In addition, with the enactment of the Patient Protection and Affordable Care Act, non-profit hospitals will be required to conduct a community health needs assessment at least every three years and adopt an implementation strategy to address the community health needs identified by the assessment. The act requires that the community health needs assessment "takes into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health."<sup>9</sup> As a partner in the MAPP process, hospitals can demonstrate collaborating with the community, including public health experts, to assess community needs, identify solutions, and implement health improvement strategies.

## How can MAPP communities encourage local non-profit hospitals to join the effort?

One of the primary tenants of MAPP is its focus on the local public health system (LPHS). A successful MAPP process includes active participation from many different sectors of the community—from the public school system to the faith community and the hospital system. Recognizing the unique value that each LPHS partner brings, MAPP facilitators should spend ample time during “Organize for Success”<sup>10</sup> discussing MAPP’s agency-specific, LPHS-specific, and community-wide benefits with prospective partners. These conversations present opportunities for MAPP facilitators and partners to identify how MAPP can accomplish the priorities of all parties involved within the context of MAPP’s emphasis on strategic thinking, community engagement, and LPHS strengthening.<sup>11</sup>

For non-profit hospitals to fulfill their mission and retain tax exempt status, they must provide programs and services that assess and respond to local community health needs. By engaging in MAPP, hospitals not only work toward fulfilling their community benefit requirements but also gain access to a comprehensive dataset that includes information about community health status, local public health system functionality, community needs and assets, and local, state, and national forces of change. Additionally, as with all LPHS partners that participate in MAPP, hospitals build new partnerships and benefit from the community’s strengthened public health infrastructure and improved ability to anticipate and manage change. United with a common framework and shared values, non-profit hospitals, local health departments (LHDs), and LPHS partners can collectively move communities closer to the ultimate goal of improving the public’s health.

## New to MAPP?

MAPP, which includes completion of the National Public Health Performance Standards Program local instrument, is a community-wide strategic planning process for improving community health and strengthening the LPHS. Facilitated by public health leadership, MAPP provides a framework that helps communities prioritize public health issues; identify resources for addressing them; and develop, implement, and evaluate community health improvement plans. The MAPP process does not create a strategic plan for the LHD; rather, MAPP results in a strategic plan for the entire community. MAPP communities frequently cite the following outcomes:

- Increased visibility of public health;
- New advocates for local public health;
- Increased ability to anticipate and manage change;
- Strengthened partnerships; and
- Strengthened public health infrastructure.

## National Health Reform Outlines New Expectations for Non-Profit Hospitals

The Patient Protection and Affordable Care Act requires non-profit hospitals to (1) conduct a community health needs assessment at least every three years and (2) adopt an implementation strategy to meet the community health needs identified by the assessment. The community health needs assessment must include input from persons who represent the broad interests of the community served by the hospital facility, including those with special expertise in public health and be made widely available to the public.<sup>12</sup>

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### FOR MORE INFORMATION, PLEASE CONTACT:

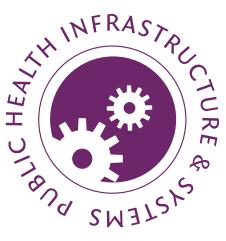
**Julia Joh Elligers**  
Program Manager

P (202) 507-4234  
[jjoh@naccho.org](mailto:jjoh@naccho.org)

Or visit [www.naccho.org/mapp](http://www.naccho.org/mapp).

# [FACT SHEET]

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## References

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2. For a comprehensive list of states that have community benefit laws, visit [www.communityhlth.org/communityhlth/resources/cbmap.html](http://www.communityhlth.org/communityhlth/resources/cbmap.html).
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5. Catholic Health Association. (2010). *Health reform and tax exempt hospitals*. Retrieved June 7, 2010, from [www.chausa.org/pages/our\\_work/communityBenefit/overview/](http://www.chausa.org/pages/our_work/communityBenefit/overview/).
6. "The Advancing the State of the Art in Community Benefit (ASACB) demonstration brought together a diverse group of 70 hospitals in California, Texas, Arizona, and Nevada to develop and implement a series of uniform standards to align hospital governance, management, and operations, and to make optimal use of limited charitable resources to address unmet health-related needs. The ASACB demonstration is administered through the Public Health Institute." Association for Community Health Improvement. (n.d.). *Advancing the state of the art in community benefit*. Retrieved Jan. 12, 2010, from [www.communityhlth.org/communityhlth/projects/asacb/asacbhome.html](http://www.communityhlth.org/communityhlth/projects/asacb/asacbhome.html).
7. American Hospital Association. (n.d.). *IRS Form 990 and Schedule H*. Retrieved Jan. 21, 2010, from [www.aha.org/aha/issues/Tax-Exempt-Status/irs.html](http://www.aha.org/aha/issues/Tax-Exempt-Status/irs.html).
8. Catholic Health Association (n.d.). *IRS Form 990 Videos: Community Assessment*. Retrieved Jan. 13, 2010, from [www.chausa.org/pages/our\\_work/communityBenefit/irsForm990/form990Videos/](http://www.chausa.org/pages/our_work/communityBenefit/irsForm990/form990Videos/).
9. One Hundred Eleventh Congress of the United States of America. (2010). *The Patient Protection and Affordable Care Act: H.R. 3590*. Washington: GPO.
10. "Organize for Success" is the first of MAPP's six phases.
11. State and local reporting requirements for local non-profit hospitals may vary. While MAPP communities are typically defined by city, county, and regional identities, hospital service areas often cross county and city lines, which can affect community benefit requirements. Creative solutions can help to ensure all parties meet their individual and collective needs.
12. One Hundred Eleventh Congress of the United States of America. (2010).



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1100 17th St, NW, 7th Floor Washington, DC 20036

P (202) 783 5550 F (202) 783 1583