

Community Health Needs Assessment

ACA and IRS Requirements

- ❖ The Patient Protection and Affordable Care Act (ACA) requires each tax-exempt hospital facility to (1) conduct a community health needs assessment (CHNA) at least once every three years, (2) adopt an implementation strategy to meet the community health needs identified through the CHNA, and (3) publicize the CHNA.
- ❖ The Internal Revenue Service (IRS) has made substantive revisions to its annual 990 reporting form, known as %Schedule H.+ Under Schedule H, each tax-exempt hospital facility will be required to develop a CHNA and include its findings as part of the hospital's overall report to the IRS.
- ❖ The penalty for non-compliance with the CHNA requirements is an excise tax of \$50,000 for each hospital facility for each tax year in which it is not in compliance with the CHNA requirements and a possible revocation of the hospital's tax-exempt status.

MCHC's Community Health Needs Assessment Program

- ❖ **Identifies** the most recent and reliable data available regarding the demographics and community health characteristics and needs for the hospital's surrounding service area.
- ❖ **Demonstrates** understanding of community health needs and **provides** data that meets the requirements of the ACA and IRS Form 990, Schedule H.
- ❖ **Assists** MCHC member hospitals in their planning and growth strategies by allowing hospitals to (1) target community health programs and other benefits by understanding access to care barriers, the prevalence of chronic disease conditions and other health issues and (2) connect with their local community and strengthen partnerships with other community organizations.
- ❖ **Leveraging significant economies of scale** resulting from overlapping service area by joining with other MCHC member hospitals.
- ❖ **Offers** dramatic cost savings for MCHC member hospitals. Hospitals realize **cost savings of 68 to 95 percent** compared to what they would pay to contract for a similar CHNA on their own.
- ❖ MCHC's partner on the CHNA program is PRC (Professional Research Consultants). PRC has extensive experience and expertise in conducting CHNAs for a variety of audiences. The quality of PRC's work product is widely recognized.

