Principles for Implementing a Community Health Needs Assessment Process
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Introduction

The community health needs assessment (CHNA) provisions of the Affordable Care Act (ACA) (Section 9007) create important new operational standards for nonprofit hospitals that seek federal tax-exempt status. One of these new standards is the establishment of a triennial assessment process that measures community health needs, engages communities and public health experts in measuring and prioritizing need, and creates a public document that aligns hospitals’ community benefit investments with the health needs of the communities they serve.

This document sets forth guiding principles for implementing the ACA’s CHNA provisions. Following these principles can increase the likelihood that implementation results in successful, well-targeted initiatives that address the needs of communities and improve the health of their residents. Resting on evidence from the public health literature, these principles focus on applying evidence-based needs assessment and prioritization, making evidence-based community health investments, evaluating and measuring progress, and improving quality, transparency and community engagement. In addition to applying those principles, those interested in successfully implementing ACA CHNA provisions will benefit from assessment and planning tools, community health and related data, and examples of interventions.

Overview

Improving the health of communities is a core public health activity. In *Primary Care and Public Health*, which examines the opportunities for collaboration between public health and primary care, the Institute of Medicine (IOM) has written:

> [e]nsuring that members of society are healthy and reaching their full potential requires the prevention of disease and injury; the promotion of health and well-being; the assurance of conditions in which people can be healthy; and the provision of time, effective, coordinated health care.¹

¹ Institute of Medicine, *Primary Care and Public Health* (Washington D.C., 2012) [pre-publication copy], p. S-1
According to the IOM, achieving these goals requires evidence-based interventions across three principal domains:

1. The social and environmental conditions that act as the primary determinants of individual and population health.
2. Health care services for individuals.
3. Public health activities that target populations and address “behaviors and exposures.”

The effectiveness of these interventions in turn rests on three fundamental tenets:

1. A process for planning to improve community health.
2. Prioritizing and investing in evidence-based and yet innovative interventions that can improve health.
3. Evaluating the results of investments and incorporating these results into an ongoing cycle of evidence-based assessment and improvement.

At each stage of community health improvement, inclusiveness and transparency are key to generating a maximum level of community engagement.

**Improving Community Health Is a Central Aim of the Affordable Care Act**

The ACA contains numerous provisions aimed at improving community health through direct investments in wellness and prevention at the individual and community levels and by making population health improvement integral part of efforts to improve the quality and efficiency of health care itself. The ACA’s commitment to community health improvement can be seen in initiatives such as these:

- Coverage of evidence-based clinical preventive health services—including immunizations, wellness screening services, and women’s preventive services—without cost sharing for all Americans insured by non-grandfathered plans and those covered by Medicare.
- The Prevention and Public Health Fund, which makes investments in programs, services, and activities that improve community health.
- Community Transformation Grants, which support communitywide efforts to reduce the burden of chronic disease;
- The Center for Medicare and Medicaid Innovation, which tests new approaches for improving patient health outcomes, reducing cost, and improving population health.
- Accountable care organizations that possess the capacity to integrate innovation in health care delivery with activities that improve patient health.

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2 Id., p. 1-3
3 Section 1899 of the Social Security Act
CHNA Principles

- The Community Health Center Trust Fund,\(^4\) which aims to extend the reach of the nation’s community health centers into thousands of additional communities.
- Investments in new approaches to integrating primary care and public health through medical homes, expanded investments in clinical and community preventive health services, and education and outreach campaigns to promote the use of preventive benefits.\(^5\)
- Direct investments in physical, mental, and oral health prevention and the development of clinical prevention capacity.
- The development and implementation of a National Prevention Strategy.\(^6\)
- Development and implementation of a National Quality Strategy,\(^7\) which emphasizes health improvement as a core element of quality improvement.

Finally, and of the most immediate relevance to these principles, the ACA strengthens the community health improvement activities of the nation’s more than 2,900 nonprofit hospitals by adding a community health needs assessment requirement as a basic condition of their federal tax-exempt status.

Enhancing hospitals’ formal role in community health improvement through the CHNA process is consistent with the overall mission and aims of the Affordable Care Act as well as the growing emphasis many of the nation’s nonprofit hospital leaders are placing on community health. Thus, aligning the ACA’s CHNA provisions with the principles and activities of community health improvement represents a natural step in the process of improving community health. Indeed, in their CHNAs implementation guidance,\(^8\) the Department of the Treasury and Internal Revenue Service (IRS) emphasize a collaborative approach to planning that enables hospitals and multifacility hospital organizations to reach out to others involved in community health improvement and to integrate their activities with other community health improvement efforts.

**Principles to Guide Implementing the ACA’s CHNA Provisions**

The public health literature points to a series of basic principles for approaching efforts to improve community health and shows that they can apply in many different settings. Those principles are reflected in the provisions of the Treasury/IRS Notice that guides the CHNA process, which begins for nonprofit hospitals in tax years commencing after March 23, 2012, and is to be repeated every three years.

1. Multi-sector collaborations that support shared ownership of all phases of community health improvement, from assessment through planning, investment, implementation, and evaluation.

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\(^4\) PPACA §10503
\(^5\) PPACA §4001
The literature on community health improvement suggests that community health improvement efforts are most successful when they are grounded in the concept of collective impact. The “collective impact” concept of change is one in which “highly structured collaborative efforts” yield “substantial impact on a large scale social problem.”

Collective impact is the inverse of isolation and evolves from a range of efforts that begin with mutual awareness, move through cooperation, collaboration, and full partnership, and result in an agreed-upon set of priorities that in turn can guide the investment strategies of all of the partners in the effort. The “collective impact” concept rests on five pillars:

1. An agenda among participants that emphasizes their commitment to improving health and reflects areas of common understanding of the problem and a joint approach to solutions through agreed-upon actions.
2. Shared measurement to assure consistent data and results across all participants.
3. A mutually reinforcing plan of action that still allows for differentiation of participant activities.
4. Continuous communication that is consistent and open across the many players in order to build “build trust, assure mutual objectives, and create common motivation.”
5. “Backbone” support through an organization with the staff and capabilities to coordinate agencies and participants.

These five pillars are consistent with many approaches to joint planning. Depending on the community, the partners may vary, and the “backbone” may differ. In some communities, hospitals might lead the planning effort. In others, one or more public health agencies might lead the efforts. Yet another model might entail creating or empowering an entity that comprises and supports multiple participants.

In their CHNA guidance, the Treasury and IRS emphasize the planning options available to hospitals, including the option to engage in broader, multi-sector planning activities with other organizations.

2. Proactive, broad, and diverse community engagement to improve results.

In Principles of Community Engagement, the United States Department of Health and Human Services presents evidence on successful efforts to improve community health for such public health priorities as smoking cessation, obesity, cancer, heart disease. Those efforts involve identifying and creating interventions that adhere to the principles of

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10 Primary Care and Public Health, op. cit. p. S-3
community engagement—principles designed to give all community actors a shared sense of ownership in the activity.\(^{12}\)

These are the key actors in this process:

- State and local public health agencies with expertise in measuring population health; in applying the methods and processes of community health planning and community engagement; and in formulating, implementing, and evaluating of evidence-based interventions that are responsive to health priorities.
- Voluntary, civic, and faith-based organizations, among others, engaged in community service and community health improvement.
- Health consumers and the organizations and entities that represent consumers from across the community.
- Community businesses and employers.
- Community-based health care providers whose service programs and clinical care and outreach activities often rest on a detailed assessment of community need.
- Community hospitals, including nonprofit hospitals and hospital systems that engage in community health improvement planning through the CHNA process as a condition of tax-exempt status.
- State health care agencies and public insurers such as Medicaid and CHIP programs.
- Private health insurers and administrators of employee health benefit plans and health and wellness programs.
- Education and social services agencies and organizations, whose services and supports are grounded in planning, and whose activities influence the health of their communities.

For the community health improvement process to be successful, community engagement is essential during each stage: when the process and approach are established; when the needs are assessed and problem defined; when evidence is gathered and problems are discussed; when priorities are identified and adopted; when investments are made among competing priorities; and when results of investments are evaluated for subsequent planning and improvement cycles.

Having such engagement throughout the process is in accord with the Treasury/IRS guidance that emphasizes involvement by persons who represent the “broad interests” of the communities served by hospitals, as well as persons with expertise in public health.\(^{13}\)

\(^{3}\) A flexible definition of community that is both sufficiently targeted to address disparities and areas of significant need and broad enough to consider policy solutions.


Community health improvement research emphasizes defining the community whose health is the subject of an improvement effort at two levels. The first level is broad enough to create measurable opportunities to address the health of a population as a whole. The second level is specific enough so that within an overall community health improvement effort, additional focus and attention are brought to bear on the health of subpopulations who face elevated health risks. A “community” might be a health care market region crossing state lines, one or more counties, a subdivision of a major metropolitan region, or an entire state. Within the overall community, subpopulations at elevated risk might be defined by place of residence, age, economic, race/ethnicity, culture, sexual orientation, sexual identity, or language.

The Treasury/IRS guidance takes this multidimensional approach. The guidance emphasizes geographic considerations. At the same time, the guidance emphasizes the importance, in communitywide planning, of assuring that the needs of distinct populations at risk of underservice are not excluded or overlooked.

4. **Maximum transparency to improve community engagement and accountability.**

Transparency helps foster better input, better decisions, more accountability, and shared responsibility for outcomes. Greater transparency in identifying and investing in community health needs builds community trust and understanding. Transparency builds the basis for accountability by making public the identified needs, the evidence base, and the choice of investment priorities and the results. Broad awareness encourages all involved to make the choices that will be most likely to be successful. Transparency also makes it possible to link investments to subsequent evaluations of their effectiveness in improving community health.

The CHNA provisions and the Treasury/IRS CHNA guidance are grounded in the concept of transparency. Treasury policy requires that the CHNA document—which identifies community health needs and investment priorities—must be made widely available for public review and input. Treasury policy further requires that hospitals’ implementation strategies—which describe the investments they will make to benefit their communities—also be made widely available.

5. **Use of evidence-based interventions, while encouraging innovative practices with thorough evaluation.**

Using evidence-based interventions—those that have been implemented, evaluated, and proven to yield results—provides the greatest likelihood that CHNA-driven investments will improve community health. However, the evidence base of interventions is not always strong for some health issues (e.g., obesity) for some or all populations. Encouraging innovative promising practices and coupling them with thorough evaluation can help to improve health and further build the evidence base for those interventions.

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14 Notice 2011-52, p. 14
Under Treasury/IRS policies, hospital investments in community health improvement—as well as in health care—are recognized as a community benefit. Community health improvement efforts can involve investments in primary and preventive clinical care in community settings. Furthermore, Treasury guidelines clarify that the Treasury/IRS will recognize hospital investments in certain community building activities as community health improvement investments (e.g., improving environment, public services, education, and communities’ social and economic infrastructure) if scientific evidence supports the association of the community building activities with community health improvement.

In this respect, the agency guidance reflects the community health improvement literature. This literature, as well as agency guidance, emphasizes the importance of the evidence base that supports investments as a means of building credibility for the investment and a template for measuring impact and effectiveness.

6. Evaluation to inform a continuous improvement process.

Continuous evaluation and improvement is fundamental for efforts to improve community health and for quality public health practice. Evaluation and improvement are elements of the CHNA provisions of the Affordable Care Act as well. Under the ACA, the CHNA process is ongoing and includes annual implementation strategies that set forth hospitals’ investments in improving the health of their communities. Furthermore, hospitals must update their CHNA planning documents every three years; because those documents are tied to measurable investments, the assumption that prior investments will be evaluated—and if needed, redesigned—is inherent in how the CHNA works. The CHNA process results in an evolving practice of connecting community health needs to hospital investments. Evaluating impact becomes central to maintaining and strengthening that practice.

7. Use of the highest quality data pooled from, and shared among, diverse public and private sources.

Effective community health improvement planning rests on a solid base of evidence related to community and population health, the availability and performance of community health interventions, and evidence regarding innovative investments that improve health and system performance. Building a strong evidence base involves sharing data from multiple sources and from both public and private contributors, as well as ensuring appropriate privacy and security safeguards are taken.

This principle of shared data for community health improvement can be seen in the Treasury/IRS guidance, which emphasizes the desirability of multi-organizational

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16 United States Department of Health and Human Services (OASH), Priority Areas for Improvement of Quality in Public Health (Nov., 2010)
17 Id.
18 Id.
planning collaboration, a communitywide focus on planning, and investments that benefit the health of communities as a whole rather than, more narrowly, the health of specific hospital patient populations.

**Conclusion**

The Department of the Treasury and Internal Revenue Service emphasize this highly collaborative approach to planning that enables hospitals and multifacility hospital organizations to reach out to others with an interest in the community’s health and to integrate their activities with other community health improvement efforts. This approach provides the potential to focus and accelerate community health improvement assessment, planning, intervention, and evaluation and, most importantly, likely to improve health. The pillars of collective impact and the principles to guide implementation of the ACA’s CHNA provisions identified in this document provide a straight-forward, feasible approach for both hospitals and the communities in which they are located to use in pursing their mutual goal of community health improvement.