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Authors

Chen, Katherine L
Chen, Kevin
Holaday, Louisa W
et al.

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Assessing Concordance Across Nonprofit Hospitals' Public Reporting on Housing as a Community Health Need in the Era of the Affordable Care Act

Katherine L. Chen, MD,
National Clinician Scholars Program, University of California, Los Angeles, California

Division of General Internal Medicine, Cedars Sinai Medical Center, Los Angeles, California

Kevin Chen, MD, MHS,
Office of Ambulatory Care, New York City Health + Hospitals, New York City, New York

Division of General Internal Medicine and Clinical Innovation, New York University School of Medicine, New York City, New York

Louisa W. Holaday, MD,
National Clinician Scholars Program, Yale University, New Haven, Connecticut

Leo Lopez III, MD, MHS
Office of Ambulatory Care, New York City Health + Hospitals, New York City, New York

Department of Population Health, New York University School of Medicine, New York City, New York

VA HSR&D Center for the Study of Healthcare Innovation, Implementation, & Policy, West Haven, Connecticut

Abstract

Although the Affordable Care Act requires nonprofit hospital organizations to report how they identify and invest in community health needs, the utility of mandated reporting documents for tracking investments in the social determinants of health has been questioned. Using public reporting documents and focusing on housing as a social determinant of health, we describe how nonprofit hospital organizations in 5 communities with the highest rates of homelessness document needs and investments related to housing on their Community Health Needs Assessments, Implementation Strategies, and Schedule H (990H) tax forms. Of 47 organizations, 55% identified housing as a health need, 36% described housing-related implementation strategies, and 26% reported relevant 990H spending. Overall concordance among identified needs, strategies, and spending was low, with only 15% of organizations addressing housing across

Correspondence: Katherine L. Chen, MD, National Clinician Scholars Program, University of California, 1100 Glendon Ave, Ste 900, Los Angeles, CA 90024 (KLChen@mednet.ucla.edu).

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all 3 documents. Regulatory reform could help promote accountability and transparency in organizations' efforts to address housing and other health-related social needs.

Keywords

community benefit; Community Health Needs Assessment; housing; nonprofit hospitals; social determinants of health

Nonprofit hospital organizations receive tens of billions of dollars in tax exemptions in exchange for charitable spending to promote community health.[1] However, whether this spending actually aligns with local health needs has increasingly come under question.[2] In response, several federal policies have been implemented to help the public monitor nonprofit hospitals' community health spending. Since 2008, the Internal Revenue Service has required nonprofit hospital organizations to file Form 990, Schedule H (990H), documenting spending aimed at improving community health.[3] Subsequently, effective 2012, the Affordable Care Act (ACA) required these organizations to publish triennial Community Health Needs Assessments (CHNAs) and Implementation Strategies (ISs) for addressing CHNA findings.[3] Still, there is no legal requirement that spending reported on the 990H aligns with topics raised or prioritized on the CHNA or IS,[1] thus raising concern about the utility of these documents for ensuring that organizations are targeting their investments for the maximal benefit of the community.

To explore whether ACA tax code reforms have succeeded at encouraging nonprofit hospital organizations to address the most pressing community health needs, this study aimed to evaluate the consistency of content across the mandated reporting documents: that is, how well a community health need identified in an organization's CHNA is reflected in plans documented in its IS and in actual spending reported on its 990H. We focused on housing as an example of a prominent community health challenge that has attracted growing attention amid rising rates of homelessness and mounting evidence that housing interventions can improve health.[4,5] To identify organizations most likely to address housing as a community health need, we limited our sample to nonprofit hospital organizations in communities with the highest rates of homelessness per capita.

Methods

We identified the 5 metropolitan areas with the highest per capita homelessness using Department of Housing and Urban Development data (2012–2016) standardized to population estimates from the 2012–2016 American Community Survey.[6,7] We excluded areas with fewer than 100 000 residents.

We identified nonprofit hospital organizations with acute care facilities in these 5 areas using the Community Benefit Insight (CBI) database, which compiles data from the Internal Revenue Service 990H, American Hospital Association Annual Surveys, and Centers for Medicare & Medicaid Services Cost Reports.[8] We obtained each organization's most recent CHNA within 2012–2017 and corresponding IS via standardized online search. Two authors independently coded CHNAs and ISs for the presence of housing-related topics.

Some organizations filed tax forms on behalf of multiple hospital facilities; if separate CHNAs or ISs were available for multiple hospitals within an organization, we credited the organization with mentioning housing if any hospital in the target metropolitan area discussed housing in its CHNA or IS. We used 990H data from CBI to determine whether an organization reported any housing-related spending between 2015 and 2017 by any of its hospital facilities in either the numeric "physical improvements and housing" (PI&H) field in Part II of the 990H or the free-text 990H supplement for describing activities to promote community health (Part VI). Two authors independently coded Part VI data for any mention of housing-related spending. In cases of disagreement in coding the CHNA, IS, or 990H Part VI data, we erred on the side of giving credit for mentioning housing.

We calculated the proportion of organizations that identified housing needs in CHNAs, included housing-related plans in ISs, and reported housing-related spending in 990Hs. We excluded organizations for which we could not obtain a corresponding set of CHNA, IS, and 990H.

This study was not human subjects research and thus did not require approval from the University of California, Los Angeles institutional review board.

Results

We identified 50 hospital organizations with facilities in the metropolitan areas with the highest rates of homelessness per capita: Washington, District of Columbia; Santa Cruz County; Boston; New York City; and San Francisco (see Supplemental Digital Content, available at http://links.lww.com/JPHMP/A779). One organization had facilities in both Santa Cruz and San Francisco. We excluded 3 organizations because of missing ISs.

Of 47 organizations in the final sample, 55% (n = 26) identified housing as a health need in CHNAs, 36% (n = 17) included housing-related plans in ISs, and 26% (n = 12) reported housing spending on 990Hs. Fifteen percent (n = 7) addressed housing in all 3 documents (Figure).

For many hospital organizations, CHNAs, ISs, and 990Hs did not provide evidence that an identified community need for housing was translated into related plans and spending (Figure). For example, among the 26 organizations that identified housing in their CHNA, only 10 mentioned housing in their IS and 7 reported spending in their 990H. Meanwhile, 3 organizations reported housing-related spending in their 990H despite not having identified housing as a need on their CHNA.

Discussion

Despite the ACA's intent to increase accountability and transparency in how nonprofit hospital organizations support community health, only 15% of organizations in communities with the highest rates of homelessness addressed housing consistently across their CHNAs, ISs, and 990Hs. Findings from this study, the first to examine concordance among all 3 required reporting documents, are consistent with prior evidence of incomplete alignment

between CHNAs and ISs[9,10] and, separately, between community-level measures of health and socioeconomic needs and IS priorities[9,11] and 990H spending.[12–14]

Further investigation should explore reasons for the discrepancies in housing-related content across CHNAs, ISs, and 990Hs. For example, organizations might not be documenting their efforts completely or might have opted to deviate from previously reported community health priorities and strategies. Some organizations indicated in their CHNAs that investing in housing was outside their purview, but a recent analysis showed that nonprofit hospitals have pledged more than $1.6 billion toward housing,[15] suggesting that such investment is feasible and potentially useful for marketing. Hesitant hospital organizations may benefit from clearer guidance on evidence-based strategies and best practices from early adopters for investing in housing and other social needs. In addition, 990H instructions may require clarification to ensure that organizations get credit when they do invest in housing.[2] Indeed, a recent Government Accountability Office (GAO) report called for reform to ambiguous 990H reporting rules out of concern that they have discouraged hospitals from investing in housing and other social determinants of health.[3]

Although our study was limited by small sample size, we focused on all nonprofit hospital organizations in high-need areas and increased our sensitivity for identifying housing-related activities by coding generously. By relying on Parts II and VI of 990H, we might have missed housing investments reported in a separate 990H category called “Community health improvement services and community benefit operations.” However, lack of clear guidance makes it unlikely that organizations would have taken the necessary steps to reclassify spending under this category,[2] and our review of narrative supplemental data increased our ability to identify housing-related spending on the 990H (although, notably, spending mentioned only in the supplemental section of 990H may be hard for the public to track systematically).

Monitoring how nonprofit hospital organizations address the social determinants of health requires reliable and consistent tools for measuring organizations’ community health improvement activities. Policy makers responding to the GAO report’s call to action have an opportunity to increase guidance around social investments and to require better concordance across CHNAs, ISs, and 990Hs in order to promote accountability and transparency in organizations’ efforts to address housing and other health-related social needs.

Supplementary Material

Refer to Web version on PubMed Central for supplementary material.

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Implications for Policy & Practice

- Many nonprofit hospital organizations in communities with high rates of homelessness recognize housing as an important determinant of community health.
- Public reporting documents required by the ACA may be insufficient to demonstrate that nonprofit hospital organizations are acting to address health-related social needs, such as housing, that they have identified in their communities.
- Requiring increased alignment between CHNA findings, ISs, and 990H-reported spending could make these required reporting documents more effective as public accountability tools.
- Clarification of ambiguous Internal Revenue Service 990H reporting rules has the potential to encourage more nonprofit hospital organizations to take action to address the social determinants of health.

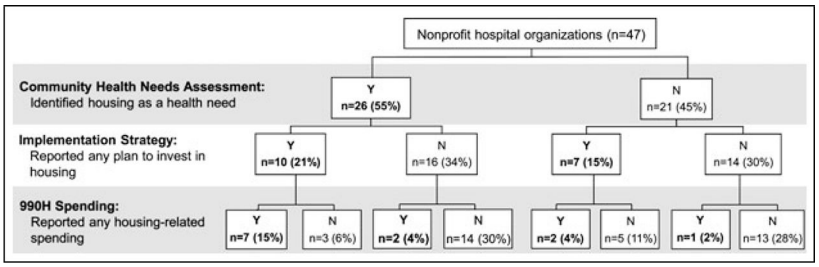

FIGURE.

Reporting on Housing-Related Community Health Needs and Investments by Nonprofit Hospitals in US Communities With the Highest Rates of Homelessness, 2015–2017[a]

Abbreviations: CHNA, Community Health Needs Assessment; IS, Implementation Strategy; 990H, Form 990, Schedule H from the Internal Revenue Service; N, no; Y, yes.

[a]All percentages are row percentages. Percentages may not add up to 100 due to rounding.