



## State Reporting Templates for Tax-Exempt Hospitals: Community Benefit Expenditures and Program Outcomes

To ensure that the [billions](#) of dollars states forego through tax exemptions to nonprofit hospitals yield genuine value to their communities, states are [requiring](#) or encouraging hospitals to submit more detailed reporting of their community benefit expenditures and their impact. To help state officials who are interested in augmenting their hospital community benefit reporting, the National Academy for State Health Policy (NASHP) analyzed several state reporting tools and synthesized them into two reporting templates to help collect data on hospital community benefit expenditures and outcomes.

The two templates capture more granular and actionable information than is currently required by the Internal Revenue Service's (IRS) Form 990 Schedule H, which allows some systems with multiple facilities to report in aggregate, and does not require hospitals to tie their reported spending back to the community health needs assessment (CHNA). The templates require:

- Each hospital in a health system to report individually;
- Hospitals to report net spending only, excluding grant funding or other external support that offsets program costs; and
- Hospitals to include information about programs and activities that the IRS considers to be community benefit, community-building, or community health improvement activities on Parts I and II of IRS Form 990, Schedule H.

States can tailor the templates to meet their needs and can add questions or instructions to inform their policy decisions.

## Hospital Community Benefit and Building Reporting: Hospital Expenditures

Spending on Needs Identified in the Community Health Needs Assessment				Spending on Needs <u>Not</u> Identified in the Community Health Needs Assessment*				
Community health needs identified in the implementation strategy section of the most recent assessment	Specific actions taken by a hospital to address the identified community health needs	Net dollar amount applied toward each action or effort	Other resources, such as in-kind donations or staff time, applied toward each action or effort	Actions or efforts to address a community health need <u>not</u> identified in the implementation strategy in the most recent assessment	Community needs addressed that were not identified in the assessment	Net dollar amount applied toward each action or effort	Other resources, such as in-kind donations or staff time, applied toward each action or effort	Justification - why was a need addressed when it was not identified by the assessment?
<p>Prioritize the needs numerically, with #1 representing the highest priority</p> <p>States could pre-populate some identified needs based on their health improvement plan or other state priorities.</p>	<p><i>Each hospital should describe how its actions or initiatives address the needs identified by its community. Include more rows for additional actions as needed.</i></p>	<p>Indicate if the amount is paid by the hospital to outside organizations to implement specific actions or efforts.</p> <p><i>Hospitals should not include outside funding sources here.</i></p>		<p>Hospitals should describe actions or initiatives that the IRS would consider community benefits or community building but are not tied to the assessment.</p>				
Identified need #1	Action 1:	Action 1:	Action 1:	Other action #1	Need addressed #1			
	Action 2:	Action 2:	Action 2:					
Identified need #2	Action 1:	Action 1:	Action 1:	Other action #2	Need addressed #2			
	Action 2:	Action 2:	Action 2:					
Identified need #3	Action 1:	Action 1:	Action 1:	Other action #3	Need addressed #3			
	Action 2:	Action 2:	Action 2:					
Etc.	Action 1:	Action 1:	Action 1:					
	Action 2:	Action 2:	Action 2:					

\*Hospitals are encouraged to tie community benefit and building expenditures to needs identified in their community health needs assessments (CHNA). This section informs policymakers about how much a hospital's spending addresses needs other than those identified in the CHNA.

## Hospital Community Benefit and Community Building Program Reporting: Outcomes

<b>Community health needs identified</b> in the implementation strategy of the most recent assessment  Prioritize the needs numerically, with #1 representing the highest priority  <i>States could pre-populate some identified needs based on their health improvement plans or other state priorities.</i>	<b>Specific actions</b> taken by a hospital to address the identified community health need  <i>Each hospital should describe how its actions or initiatives address the needs identified by its community.</i>	<b>Goal of action</b>	<b>Target populations and/or regions</b>  <i>States could ask hospitals how they identified the target populations or regions.</i>	<b>Partners engaged</b>	<b>Outcomes to date</b>  <i>States could give hospitals a menu of outcomes, such as those in <a href="#">Metrics for Healthy Communities</a>, the Social Intervention Research and Evaluation Network’s <a href="#">Social Need Screening Tools Comparison Table</a>, and the Centers for Disease Control and Prevention’s <a href="#">Hi-5</a> initiative.</i>	<b>Data used to measure outcomes</b>	<b>Statewide health priority addressed</b>
Identified need #1							
Identified need #2							
Identified need #3							
Etc.							
<b>This section is for programs whose needs were NOT identified in the assessment’s implementation strategy*</b>							
Other need #1							
Other need #2							
Etc.							

\*Hospitals are encouraged to tie community benefit and building expenditures to needs identified by their community health needs assessments. This section is designed to inform policymakers about how much current hospital spending addresses needs other than those in the assessment.

*Many thanks to the members of the NASHP Hospital Community Benefit Workgroup, with particular thanks to the states that shared their reporting tools to inform this template, including Connecticut, Massachusetts, Oregon, Rhode Island, and Vermont. If you have questions about these templates, or about the NASHP Hospital Community Benefit Workgroup, please contact Elinor Higgins (ehiggins@nashp.org). Support for this work was provided by the New England States Consortium Systems Organization and the Robert Wood Johnson Foundation. The views expressed here do not necessarily reflect the views of the foundation.*