

## Kaiser Permanente Policy Story, v2, No. 6

### Community Health Needs Assessment in the Age of the Affordable Care Act

Dan is the chief operations officer at St. Peter's Medical Center. Like all nonprofit hospitals, St. Peter's is required by federal and state law to provide charitable care and other resources to the surrounding community. The hospital spends most of its charitable funds caring for the uninsured. With health care reform reducing the number of uninsured patients, Dan will still focus on funding direct medical care, but he also wants to understand how community needs will shift as more people obtain insurance. Several advocacy groups have drawn attention to certain local health needs, but he wonders whether there are other needs that may be less obvious. Dan is looking for the best way to determine the top health and medical needs in the St. Peter's community. Kaiser Permanente has created an online tool that allows him to do just that.

### Policy Context

When the Patient Protection and Affordable Care Act (ACA) is fully implemented, an estimated 25 million Americans will gain health care coverage.<sup>1</sup> However, as many as 30 to 31 million people are expected to remain uninsured and will continue to rely on the health care safety net, including hospital charitable care.<sup>2</sup> Nonprofit hospitals and health care organizations need to become even more sophisticated in prioritizing their charitable spending to target the most needy in their communities. Community health needs may include improved access to medical care and other health-related services or the creation of healthy environments. Many health systems are relying on community health needs assessments as an important tool to help identify community-specific issues and public health challenges.



The ACA places a significant focus on community-based prevention, requiring nonprofit hospitals to show that they understand and engage with their communities to determine charitable giving priorities. The law requires all nonprofit hospitals to conduct needs assessments, to adhere to strict transparency standards in their charitable giving, and to produce an implementation plan for addressing community health needs. Hospitals must release an ACA-compliant community health needs assessment in 2013.

### The Challenge

Traditional needs assessments by hospitals rely on hospital-based data, such as number of discharges per disease, readmission rates, and lengths-of-stay. However, these measures do not address the factors that may drive people to need hospital care in the first place, such as lack of access to healthy food and prevalence of violent crime.<sup>3</sup> The latter types of data are inherently more difficult to obtain, but analysis of both types of indicators allows health care organizations to draw a more complete picture of clinical and social health needs in their communities and to target their charitable spending more appropriately.

### Kaiser Permanente Solution

To facilitate compliance with new community health needs assessment requirements and to help focus our investment in community-based prevention, Kaiser

