

2018

# Community *Benefit* Report

OVERVIEW OF HOSPITAL CHARITABLE ACTIVITIES



Foundation for  
Healthy Communities

IN 2016, NH NON-PROFIT COMMUNITY HOSPITALS PROVIDED **OVER \$483 MILLION DOLLARS** IN COMMUNITY BENEFITS.

# EXECUTIVE SUMMARY



Across the State, hospitals are leading efforts to create healthier communities in New Hampshire.

Every day, hospitals go above and beyond their mission of delivering high quality, affordable health care to their patients by collaborating with community partners to collectively address the issues most important to improving the health and well-being of their communities.

To do this successfully, hospitals work with partners to assess the health of their community, identify the most pressing health needs, and develop community benefit implementation plans to address those needs.

With a focus on total population health, hospitals are expanding their community benefit strategies and aligning their charitable activities with broader community health initiatives that address the social determinants of health so they can better meet the needs of their patients, both inside the hospital and beyond the walls of their institutions.

Through these charitable activities, including uncompensated care, health education, and community programs and services, New Hampshire hospitals provided more than \$483 million in community benefits in 2016 to improve the health and well-being of their communities.

## NH NON-PROFIT HOSPITALS

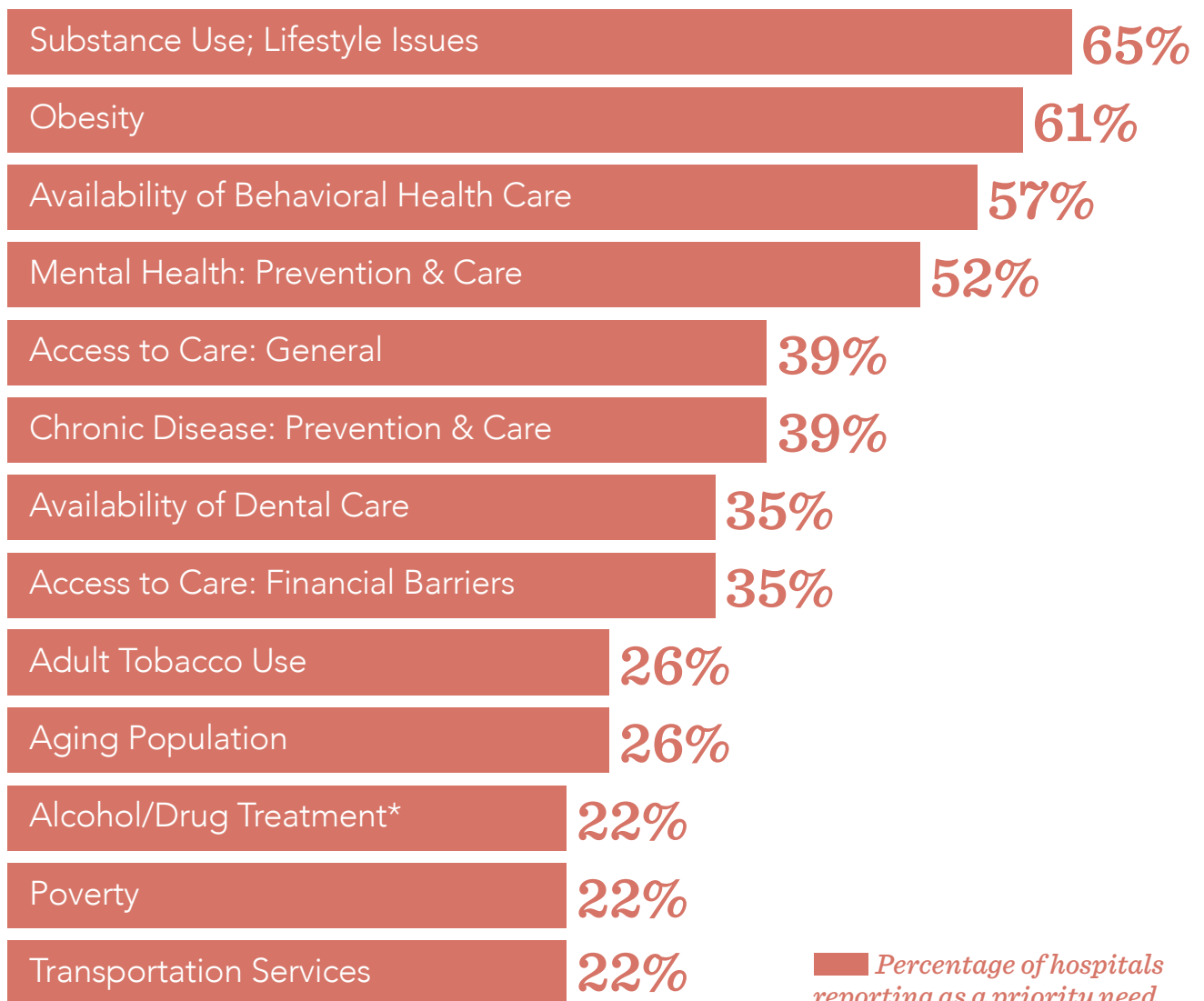
ALICE PECK DAY MEMORIAL HOSPITAL  
ANDROSCOGGIN VALLEY HOSPITAL  
CATHOLIC MEDICAL CENTER  
CHESHIRE MEDICAL CENTER  
CONCORD HOSPITAL  
COTTAGE HOSPITAL  
ELLIOT HEALTH SYSTEM  
EXETER HOSPITAL  
FRANKLIN REGIONAL HOSPITAL  
FRISBIE MEMORIAL HOSPITAL  
HUGGINS HOSPITAL  
LAKES REGION GENERAL HOSPITAL  
LITTLETON REGIONAL HEALTHCARE  
DARTMOUTH-HITCHCOCK MEDICAL CENTER/  
MARY HITCHCOCK MEMORIAL HOSPITAL  
MEMORIAL HOSPITAL  
MONADNOCK COMMUNITY HOSPITAL  
NEW LONDON HOSPITAL  
SOUTHERN NEW HAMPSHIRE HEALTH  
SPEARE MEMORIAL HOSPITAL  
ST. JOSEPH HOSPITAL  
UPPER CONNECTICUT VALLEY HOSPITAL  
VALLEY REGIONAL HEALTHCARE  
WEEKS MEDICAL CENTER  
WENTWORTH-DOUGLASS HOSPITAL

# COMMUNITY HEALTH NEEDS IN NH



The priority needs identified through the health needs assessment process guide the hospitals in determining which charitable activities and program investments will have the most impact on improving the health of their communities. Once identified, these activities and investments are then implemented through the hospitals' community benefit action plan.

## TOP 13 **PRIORITY COMMUNITY NEEDS** REPORTED BY NH NON-PROFIT HOSPITALS IN 2017:



\*Access/Availability of Alcohol/Drug Treatment

Community needs identified by all 24 non-profit NH community hospitals in their most recent community health needs assessments (CHNAs) and reported to the State of NH Office of the Attorney General Charitable Trusts Unit in 2017. It does not include information from all health care trusts (e.g. community health centers, visiting nurse agencies, nursing homes, etc.).



# VALUE OF COMMUNITY BENEFITS



TOTAL VALUE OF COMMUNITY BENEFITS REPORTED FOR 2016\*:

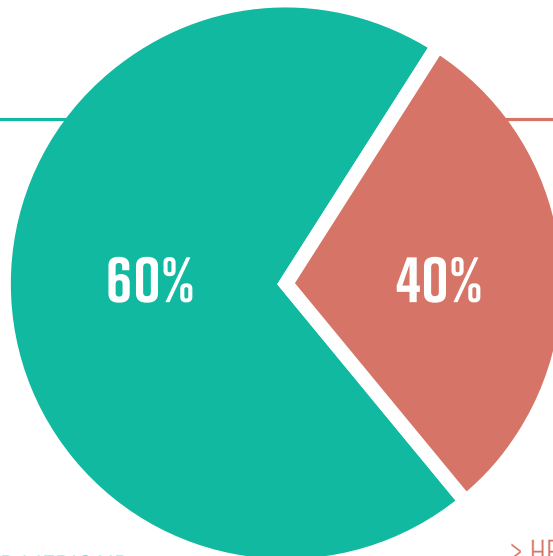
## \$483,986,032

**\$293,217,008**

FINANCIAL ASSISTANCE TO ACCESS CARE

**\$190,769,024**

OTHER COMMUNITY BENEFITS



**INCLUDES:**

**\$249,640,709** > UNREIMBURSED MEDICAID

**\$42,789,759** > FINANCIAL ASSISTANCE AT COST

**\$786,540** > COSTS OF OTHER GOVERNMENT HEALTH PROGRAMS

**INCLUDES:**

> COMMUNITY HEALTH IMPROVEMENT SERVICES

> HEALTH PROFESSIONS EDUCATION

> SUBSIDIZED HEALTH SERVICES

> RESEARCH

> CASH AND IN-KIND CONTRIBUTIONS

**Financial assistance to access care** (Unreimbursed Medicaid; Financial Assistance; Costs of Other Government Health Programs) accounted for \$293.2 million (60%) of total community benefits. Examining financial access to health care more closely identified nearly \$250 million in unreimbursed Medicaid costs and \$42.8 million

in direct financial assistance (e.g., charity care) at cost to low income persons. Costs of other government health programs for which patients qualify based on their income totaled \$786,540.

**Other community benefits** (Community Health Improvement Services; Health Professions

Education; Subsidized Health Services; Research; Cash and In-Kind Contributions) accounted for \$190.8 million (40%) provided in community benefits. Examples of expenditures include mobile medical vans; scholarships for health careers; cash grants to community agencies for work that supports community health, etc.

*\*Data reflects the latest community benefits financial information reported to the IRS.*



**\$120.8 MILLION**

HOSPITALS REPORTED \$120,823,366  
IN SUBSIDIZED HEALTH SERVICES



These are expenditures to maintain essential community health services (subsidies to primary care practices in medically underserved areas, psychiatric services, etc.) that are not counted as direct financial assistance (e.g., charity care) or shortfalls from government insurance programs.



**\$282.9 MILLION**

MEDICARE COSTS TOTALED \$1,563,313,969  
AMONG THE 24 HOSPITALS IN THIS REPORT AND  
MEDICARE REVENUES \$1,280,445,307: RESULTING  
IN \$282,868,662 MILLION IN UNREIMBURSED  
MEDICARE COSTS.



19 out of 24 hospitals reported a Medicare shortfall, with the highest shortfall reported by a hospital being \$63.3 million for 2016.



# FIVE YEAR TRENDS 2012-2016

**The national healthcare landscape has shifted dramatically over the last five years**, reshaping the way hospitals and healthcare systems deliver care to their patients and communities and transforming the healthcare delivery system through better integration, efficiency and coordination.

Among challenges like increasing unreimbursed Medicaid and Medicare costs, hospitals have remained dedicated to investing in the health of their communities, increasing their charitable activities and community investments over the last five years by \$27.2 million. Their ability to increase their

community benefit activities are enhanced by reduced financial assistance costs, due in part to expanded health coverage achieved through the Affordable Care Act, including Medicaid Expansion and individual coverage, which has led to increased access to health care services.



TOTAL OVERALL VALUE OF ALL COMMUNITY BENEFITS INCREASED BY 6% OR \$27,242,216.



MEDICARE SHORTFALLS (UNREIMBURSED MEDICARE COSTS) HAVE INCREASED BY 22% OR \$50,921,576.



TOTAL OTHER COMMUNITY BENEFITS INCREASED BY \$49,620,960 OR 35%.



FINANCIAL ASSISTANCE FOR ACCESS TO HEALTH CARE DECREASED FROM 2012-2016 BY \$22,378,744 OR 7% IN PART DUE TO EXPANDED HEALTH COVERAGE.



UNREIMBURSED MEDICAID COSTS TOTALED \$249,640,709 IN 2016, UP 11% OR \$23,869,591 SINCE 2012.

Financial Assistance for access to care has decreased in part due to expanded health coverage achieved through the Affordable Care Act, including Medicaid Expansion and individual coverage, successfully reducing the number of uninsured patients and therefore the amount of financial assistance patients require when accessing health care services.

According to the American Hospital Association, New Hampshire has consistently ranked as having one of the lowest Medicaid reimbursement rates in the country.



TO THEIR COMMUNITIES, THE BLUE AND WHITE H PROMISES **HEALTH, HEALING AND HOPE** WHEN IT'S NEEDED MOST, AND NEW HAMPSHIRE HOSPITALS REMAIN COMMITTED TO CARING FOR THEIR COMMUNITIES AND ENSURING ACCESS TO QUALITY, COMPASSIONATE CARE.

# THIS RESOURCE



## ABOUT THE REPORT

Every year, the Foundation for Healthy Communities creates a statewide summary of the community benefit activities conducted by New Hampshire hospitals through their uncompensated care, health education and community programs and services. The Foundation for Healthy Communities is affiliated with the New Hampshire Hospital Association.

Since 2000, non-profit hospitals and other health care charitable trusts in NH are required to identify the priority health needs and concerns of their community based on a needs assessment and community engagement process. Hospitals in NH are required to conduct a Community Health Needs Assessment (CHNA) and report the results to the State of NH Office of the Attorney General Charitable Trusts Unit every five years (RSA 7:32-f). In addition, non-profit hospitals develop an implementation plan and file a Community Benefits Report annually that outlines how they have addressed these needs. The reporting form is based upon requirements of RSA 7:32c-l which requires health care charitable trusts to make their community benefits plan and report publicly available.

At the federal level, the Patient Protection and Affordable Care Act (ACA) initiated a new requirement in 2012 that requires non-profit hospitals to conduct a community health needs assessment every three years (Section 9007. IRS Code, 501r) and report to the Federal Government. Annually, NH non-profit hospitals are required

to report community benefits on IRS Forms 990 and Schedule H. The community benefits reported by the hospitals to both the State and Federal Governments are required to be in alignment with the community needs identified in the community health needs assessments. It is intended that the results of the community health needs assessment guide the hospitals in determining the activities to be included in their community benefits plans and implemented to improve the health of the community.

## ABOUT THE DATA

The data used in this report includes the most recent Community Benefits data as reported by the state's 24 non-profit hospitals in 2016 on the US Department of Treasury's Internal Revenue Service (IRS) 990 and Schedule H forms, as well as their Community Health Needs Assessment data as reported in 2017 to the State of NH Office of the Attorney General Charitable Trusts Unit. Since for-profit corporations are not subject to this State law, Portsmouth Regional Hospital and Parkland Medical Center are not included in this report.

## ABOUT US

The mission of the Foundation for Healthy Communities is to improve health and health care in communities through partnerships that engage individuals and organizations, and is an affiliated organization of the New Hampshire Hospital Association.

The New Hampshire Hospital Association provides leadership through advocacy, education and information in support of its member hospitals and health care delivery systems in delivering high quality health care to the patients and communities they serve.

## STATE AND FEDERAL REQUIREMENTS FOR COMMUNITY BENEFIT REPORTING

- > **Community Health Needs Assessment (CHNA)**  
*State:* Every 5 years<sup>1</sup>; Needs identified made publicly available  
*Federal:* Every 3 years<sup>2</sup>; CHNA made widely available
- > **Development of an Implementation Plan based on CHNA**  
*State:* Annually; Plan made publicly available  
*Federal:* Annually; Plan made widely available
- > **Community Benefits Reporting**  
*State:* Annually to the State of NH Office of the Attorney General, Charitable Trusts Unit using the NH Community Benefits Reporting Form<sup>3</sup>; Report made publicly available  
*Federal:* Annually to the US Department of Treasury's Internal Revenue Service (IRS) using Form 990-Schedule H; Report made widely available





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for Healthy  
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