



## COMMUNITY BENEFITS — CARING OUTSIDE HOSPITAL WALLS

### THE ISSUE

Not all hospital care is provided in the emergency department, operating room, or a hospital bed. Maryland's hospitals reach into their communities to address specific health care needs, and to make sure people who can't afford care receive it. They provide more than \$1 billion worth of these kinds of benefits to their communities.

Known as community benefits, this aspect of hospitals' mission is quantified at both the state and federal levels as part of hospitals' tax exempt, not-for-profit status. New requirements in the federal health care reform law call for not-for-profit hospitals to perform Community Health Needs Assessments every three years, and to report on how they are addressing those needs, as part of the process of retaining their not-for-profit status. Maryland's hospitals are ahead of the curve because the state's Health Services Cost Review Commission (HSCRC), which sets the rates hospitals can charge for services, has been collecting similar information for five years.

The more than \$1 billion in community benefits Maryland's hospitals provided in fiscal year 2010 included services for vulnerable or underserved people; financial or in-kind support of public health programs addressing conditions like asthma and diabetes; donations of funds, property, or other resources to a community priority such as obesity, substance abuse, or health services for the homeless; health care cost containment activities; and health education, screening and prevention. That \$1 billion in community benefits generated 10.5 million patient encounters and accounted for 7.7 percent of hospitals' operating expenses.

Hospitals provide these services every day. Due to their sheer volume, HSCRC convened a work group to fine-tune Maryland's reporting requirements and ensure the accuracy of data, and provide hospitals the opportunity to appropriately describe their most significant community benefits initiatives. The Maryland Hospital Association (MHA) is working with HSCRC to update those reporting requirements, and works with Maryland's hospitals to help each comply.

### WHAT WE'RE FOR

- **Community Benefits that Improve Health** – Maryland's hospitals partnered with their Local Health Officers to prepare a strategic plan to improve local health as part of the Department of Health & Mental Hygiene's State Health Improvement Process, and are contributing financially and in-kind to the start-up of those local efforts.
- **Working Together** – MHA is working with hospitals to ensure the consistency and completeness of their community benefit information, and to make sure the full complement of hospitals' contributions is recognized by policymakers in community benefit calculations.
- **Recognizing the Benefits** – Legislators and policymakers must understand that, as state and local governments cut back on services, community benefits provided by hospitals often become services that, were they not provided by hospitals, might not be provided at all.