



Beyond compliance: Maximizing investment in community benefit implementation strategy

Nonprofit healthcare organizations are challenged to meet the “triple aim” of improving quality of care and population health outcomes while reducing costs. Value-based reimbursement is prompting many institutions to explore creative strategies to meet this challenge, including partnerships with community-based organizations and collaboratives to provide essential preventive care services outside of the traditional clinical setting. The Internal Revenue Service (IRS) mandate for nonprofit healthcare organizations to develop a community benefit implementation strategy in response to a community health needs assessment presents an opportunity for hospitals to develop and integrate strategies that meet both institutional and community benefit objectives and community needs. This practice brief describes an innovative approach—the SIP-LINE process—that engages hospital leadership and key subject matter experts to align the vision, priorities, and initiatives of community benefit and the larger institution with community needs.

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The Internal Revenue Service (IRS) requires nonprofit healthcare organizations to demonstrate community benefit activities that promote health. To meet this requirement, community benefit departments develop a community benefit implementation strategy¹ in response to health needs that are identified via a community health needs assessment (CHNA). While an assessment and planning process is considered a best practice for addressing population health, these processes may overwhelm a department that is fully committed to implementing and reporting on its current portfolio of services. Adding to this challenge, implementation strategy documents have a short, three-year lifespan — per the IRS guidelines — during a time of rapid evolution in the health ecosystem. This three-year cycle can feel burdensome and perpetuate a “check the box” phenomenon, since often strategy implementation is barely underway before the next community health needs assessment is launched. However, over years of facilitating implementation strategy processes, HRiA has found that the IRS requirement actually presents a **valuable opportunity for hospitals to leverage the community benefit implementation strategy for greater institutional alignment and impact**. The efforts invested in the assessment and planning processes can be more effective by ensuring that they advance both population health improvement and community benefit/hospital priorities.

Launch your
SIP-LINE!

S

Strategic

I

Implementation

P

Plan

L

Leadership
engagement

I

Institutional
alignment

N

Nurturing of
partnerships

E

Enhanced
impact



A changing landscape creates new demands for hospitals

It is critical, now more than ever, to demonstrate return on investment (ROI) for population health initiatives.

As the political landscape shifts in unpredictable ways, and various reforms are considered and implemented, accountability for improving quality, health outcomes, and the cost of care is expected to continue. Health care is in a transitional period of trying to meet these challenges while re-aligning current care delivery with new reimbursement models (e.g., alternative quality contracts, accountable care organizations, or other value-based payments). One way to meet the “triple aim”² of cost, outcomes, and quality is to align hospital care delivery with community benefit strategies — an efficient and effective way to improve health indicators through community-based prevention and health promotion initiatives.

Nonprofit hospitals will need to increase coordination of efforts, leverage partnerships, and maximize efficiency and strategic alignment, within and across institutions, in order to meet the current and future challenges affecting healthcare delivery and reimbursement systems.

There is wide consensus that no institution can do it alone, and that all institutions need to address persistent health issues from a social determinants of health framework.³ Formal, strategic partnerships across healthcare delivery, community, government, public health, and philanthropic sectors in this work will be an important way to meet the challenges of the triple aim.

HRiA's SIP-LINE process aligns multiple interests and needs

Moving beyond IRS requirements — **from compliance to strategic alignment** — allows health care institutions to improve population health and demonstrate return on investment for community benefit activities by maintaining efforts to address persistent community health issues, and in so doing, ensure continuity from one community benefit implementation strategy to the next. HRiA has developed a structured and inclusive plan, called the **strategic implementation plan (SIP)**, which provides a management tool for maximizing health impact, ensuring accountability, and improving hospital system performance.

The process for developing this plan, **SIP-LINE**, is an integrated, cross-institutional process that begins with authentic community engagement in a community health needs assessment. This process, which identifies, quantifies, and prioritizes key health issues and concerns within the community, also **engages hospital leadership and key subject matter experts from within the institution to align the vision, priorities, and initiatives** of community benefit and the larger institution. HRiA's efficient and effective SIP-LINE approach is designed to inspire and mobilize hospital community benefit departments to achieve measurable improvement in population health outcomes. Integrating community health into the larger hospital system by engaging interdepartmental leadership and staff helps institutionalize SIP priorities in practice and culture, and elevates the visibility and significance of community benefit efforts. Collaborating within the institution to align community benefit approaches with hospital strategic priorities **increases ownership, encourages investment, and maximizes results.**

¹ The Internal Revenue Service (IRS) recognizes nonprofit hospitals in the United States as charitable organizations that qualify for tax exemption because they meet the community benefit standard of providing services and activities designed to improve the health of the community as a whole. A diverse range of hospital community benefit activities satisfy the requirements of IRS form 990, such as: charitable care for those unable to pay; financial assistance at cost; unreimbursed cost of participation in Medicaid and other means-tested government programs; subsidized health services; programs that improve population health and/or increase access to care; community benefit operations; health professions education; medical research; and cash and in-kind contributions for community benefit. The IRS requires a community health needs assessment (CHNA) and implementation strategy every three years, designed to outline the key community health needs, identify which issues the hospital will prioritize and address, define how it will address them and measure success, and provide a rationale for why some needs will not be addressed.

² Berwick DM, Nolan TW, Whittington J. The triple aim: care, health, and cost. *Health Aff.* 2008;27(3):759-769.

³ Social determinants of health are the environments and conditions in which people are born, grow, live, work, and age that impact health outcomes. They include factors like socioeconomic status, education, the physical environment, employment, and social support networks, as well as access to health care.

HRiA's SIP-LINE approach

HRiA's facilitated SIP-LINE process allows participants to **examine the breadth and depth of community needs/resources, identify common ground within the hospital system, and select approaches that foster collaboration to achieve results.** The SIP-LINE process focuses on four major planning elements to:

- **Develop goals and measurable objectives** for current and future initiatives that align with community needs;
- **Select strategies** consistent with the institution's aims and develop performance measures;
- **Outline financial resources** for each of the strategies;
- **Define monitoring and evaluation approaches;** and

- **Identify collaborations** within the healthcare organization, and with community agencies and philanthropic partners to help accomplish the aims of the SIP.

This structure ensures that the SIP meets several criteria for successful implementation, including organizational interest, feasibility, opportunity for quick wins, and effective resource management.

The SIP that results from this facilitated process enhances proven strategies that align both with identified community needs and hospital strategies, creating and sustaining positive momentum.

Key messages for hospital leaders and boards of directors

Working collaboratively to develop a SIP will:



Create a shared language
that encourages a broad definition of health.



Maximize return on investment
in community benefit initiatives and approaches by articulating and promoting shared population health outcomes.



Enhance hospital performance
relative to its strategic plan, particularly through improvement in metrics that are sensitive to the social determinants of health.



Provide a framework
to strengthen existing partnerships and form new partnerships across hospital, community, and philanthropic sectors.



Leverage resources
and guide funding decisions in alignment with institutional strategic plans that include community benefit initiatives and hospital strategic priorities.



Increase awareness
of community benefit initiatives and impact in the community and across the institution.



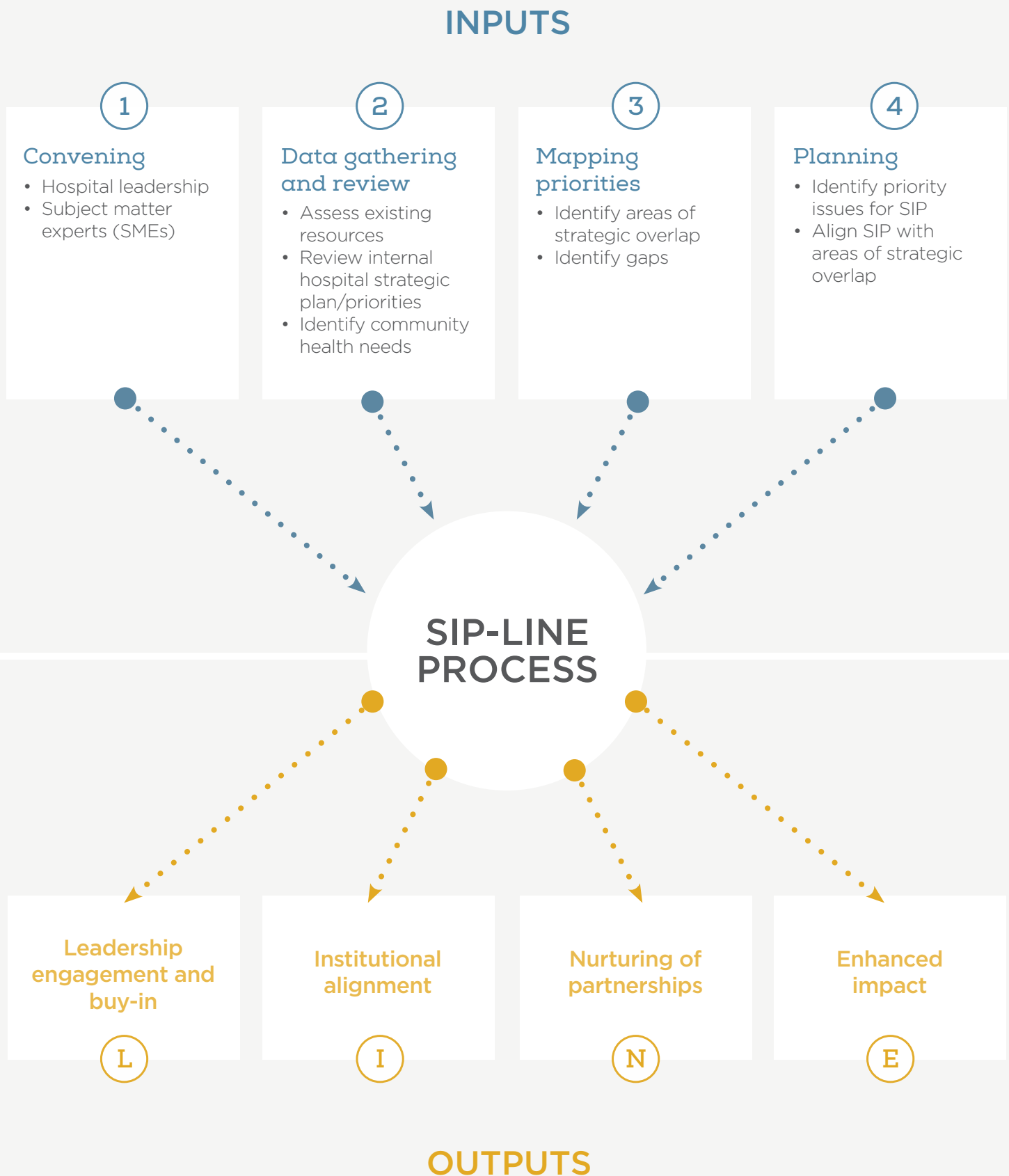
Build organizational leadership
and understanding of the value of community benefit investments and activities.



Facilitate communication & outreach
with community members and partner organizations to enhance community health improvement.

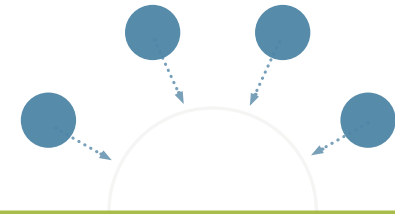


Figure 1: SIP-LINE process



Key SIP-LINE inputs

Key inputs in the SIP-LINE process are described in detail below and depicted in **Figure 1** on the previous page.



1 Convening

HRiA works to guide the formation of an inclusive steering committee to oversee the process, consult key subject matter experts, and select and mobilize a designated work group to define and implement the SIP on behalf of the institution. Creating a vertical and horizontal leadership group for community benefit (e.g., one comprised of multiple hospital departments and leadership at all levels) shifts the institutional culture to include a population health focus aligned with the broader strategic plan.

2 Data gathering & review

Health data identified by the assessment provides a **common understanding of community needs and assets** across the hospital and highlights priority areas and specific populations with the greatest needs. A document review of existing materials, such as the hospital's current strategic plan and the most recent assessment and plan, provides further context for the work. In some cases, further targeted data analysis may be required if the assessment (CHNA) proves insufficient in some areas.

The HRiA **SIP pre-planning tool** and guiding questions facilitate efficient identification and cataloging of current programs and strategies that are:

- Well-aligned with institutional priorities;
- Well-aligned with identified priority needs from the CHNA; and
- Deemed feasible during the three-year SIP time frame.



3 Mapping priorities

Data gathering and review informs the creation of an **alignment map** that identifies areas of synergy between the CHNA and institution-wide priorities. For each priority area, key issues are determined based on data from the CHNA and areas of overlap are noted. Examples of institutional alignment could be an institutional priority on oral health across the lifespan and an identified community need for oral health preventive care in children, or an institutional strategic goal on enhancing access and an identified community need for transportation services. (See [SIP mapping alignment tool](#).)

4 Planning

The SIP is created “live” with work group members through **expert, facilitated planning sessions**. Identified community health needs are consolidated into three to five priority areas that synchronize with the institution’s strategic plan. Specific SIP components are developed, as depicted in the sample SIP template in **Figure 2**. (See the [Strategic implementation plan template](#)).

Figure 2: Sample SIP template

Priority 1

Priority 1: Health care access

Goal 1: Identify and overcome barriers for patients getting appropriate, high quality, and cost effective care when they need and where they need it.

OBJECTIVE 1.1 Provide increased supports and resources to alleviate barriers to care by 2020.

OUTCOME INDICATORS (be sure to address specific populations):	BASELINE	TARGET AT END OF YEAR 3
• Number of care coordinators and patient navigators over 3 years	4	6
• % increase in new insurance enrollees over 2 years within catchment area	2%	4%
• Number of people screened in community outreach programs	5,000	6,500
•		
•		


STRATEGIES	TIMELINE			HOSPITAL \$5 CONTRIBUTION	OTHER SOURCE A	OTHER SOURCE B
	Y1	Y2	Y3			
1.1.1 Expand access to care coordinators and patient navigators to provide a direct line of communication between high risk patients and RNL navigating system and identifying and addressing barriers.	X				N/A	N/A
1.1.2 Improve low-income residents' awareness of health insurance options that are appropriate and affordable for them		X			N/A	N/A
1.1.3 Provide community education outreach and screenings in multiple languages to areas of the community with limited or no access to the hospital			X		Grant Support = \$9,000	N/A
1.1.4						

Monitoring/evaluation approaches:

- Patient experience surveys (e.g., satisfaction with patient portal, navigator system, etc.)
- Review of insurance enrollee data
- Pre- and post-testing of awareness/effectiveness of education
- Post-event evaluations

Potential partners:

- State health insurance agency
- Private insurance agencies
- Chambers of Commerce and employers
- Community organizations that work with low-income populations



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“HRiA helped us map our implementation plan against past community benefit work, our mission and values, and our most recent strategic plan, **making it easier for leaders within the organization to recognize the value of community benefit.**”

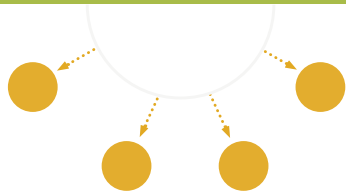
MADELINE GRANT

Seattle Cancer Care Alliance, Seattle, WA

“HRiA was both proactive in **providing a framework for mapping needs to strategies**, as well as responsive to the particular needs of the stakeholders involved, so that the final products were meaningful and beneficial. HRiA was also knowledgeable and flexible in their approach.”

BECKY PASTNER

St. David’s Foundation, Austin, TX



Key SIP-LINE outputs

L Leadership engagement & buy-in

Community benefit and hospital system efforts to impact and improve population health are enhanced when strategic planning processes include **cross-departmental leadership** within a hospital or across a hospital system. The SIP-LINE process engages leadership from various functions and content areas, depending on the priorities selected for the SIP. Developing the SIP is an interactive, cooperative planning process among these key leaders, who then — as a result of rigorous assessment, clear goals, metrics, and financial data — can articulate the business case for community benefit investments to executive leadership and thereby demonstrate the value of community benefit initiatives.

I Institutional alignment

The SIP-LINE process builds on past approaches, strategies, and successes and **considers current institutional priorities and strategies** when developing the SIP. The internal alignment mapping process ensures that the hospital's mission and goals are well integrated with those of community benefit.

N Nurturing of partnerships

As part of the planning process, internal collaboration grows while external partnerships are cultivated with key stakeholders to effectively implement specific programs and approaches. The SIP-LINE process helps **build relationships with community-based organizations to strengthen community-based prevention and health promotion approaches and strategies**. These steps, including exploring funding opportunities, expand both the hospital's and partners' capacities to address community needs.

E Enhanced impact (ROI and population health outcomes)

Collective engagement to identify shared priorities and actions yields strategies that can have the greatest impact on population health and opportunity for scalability and replication. In many cases, community-based organizations within the hospital's catchment area offer **services addressing social determinants of health** — including access to food, housing, transportation, or job training and placement. In those cases, **health systems may provide resources to expand and enhance these services** as a cost-effective and collaborative mechanism for strategic implementation activities aimed at improving population health outcomes.



SIP-LINE process: Key success factors



Cross-institutional collaboration

Integrate hospital leadership in cooperative planning to improve population health.



Transparency

Share quantitative and qualitative community health data and indicators.



Strategic alignment

Map areas of potential alignment between community health needs and the institution's strategic priorities.



Efficiency

Produce a detailed strategic plan through an intensive and interactive process — in just one or two sessions totaling eight hours!



Expert facilitation

Engage a trusted, experienced leader to manage group process, offer templates and tools, and provide guidelines.

The SIP-LINE process is efficient!

- Can be completed in a relatively short period of time
- Comprises one full or two half-day sessions with work group members
- Can be done on-site or remotely

... And engaging!

- Convenes hospital leadership and community benefit professionals
- Facilitates collaborative conversation around common goals
- Creates internal institutional collaboration and external community partnerships

Maximizing strategic impact

The context for care is changing rapidly. Insurers are requiring healthcare providers to shift from volume-based care (fee for service) to a value-based reimbursement structure (fee for value) with a population health approach.⁴

Value-based reimbursement has prompted large healthcare delivery organizations to manage costs and improve population health outcomes through innovative strategies including strategic partnerships, mergers, acquisitions, and other arrangements.⁵ In particular, it has encouraged a number of institutions to explore creative, collaborative partnerships with community-based organizations that can offer preventive services outside the clinical setting. **Linking community benefit and institutional strategic planning within non-profit hospitals is essential** in today's healthcare and public health sectors where external pressures demand clear demonstration of ongoing efficiencies and effectiveness.

HRiA developed the SIP-LINE process to maximize strategic impact in response to the fast-changing healthcare environment, increasing mandates, and diminishing resources.

A collaborative, institution-wide SIP process fosters consensus, ownership, partnership, and resource investment, while focusing on the adoption of evidence-based, high-impact strategies to improve population health.

SIP-LINE TOOLS FOLLOW OR CAN BE DOWNLOADED:

- [SIP pre-planning tool](#)
- [SIP mapping alignment tool](#)
- [SIP template](#)

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⁴ Porter ME, Lee TH. The strategy that will fix health care. Harvard Business Review. 2013; 10.

⁵ Gur-Arie M. What is the financial impact of value based healthcare for physicians? HIT Consultant. <http://hitconsultant.net/2016/02/15/31921/>. Published February 15, 2016. Accessed February 1, 2017.



Strategic implementation plans in action

HRiA has successfully facilitated SIPs through the SIP-LINE approach in hospitals, multi-hospital systems, and specialty hospitals across the U.S.

"As a not-for-profit health system with 13 Houston-area licensed facilities required to conduct an assessment and develop individualized implementation plans, Memorial Hermann needed to balance the individuality of the different hospitals with a strategy for **institutional system alignment to achieve the necessary impact**. HRiA coached system staff and the individual hospital teams through virtual meetings to develop implementation plans in real time using a tested, IRS-compliant template. Hospitals completed their assignments in between scheduled working meetings, appreciated the upfront goals, and felt they understood more clearly what does and does not qualify for community benefit - a process that enabled them to uncover more ideas. The 13 **final products were not only a meaningful presentation of community involvement, but could be combined to present a robust community presence and plan for the future.**"

DEBORAH GANELIN

Memorial Hermann Health System, Houston, TX

"The MGH Center for Community Health Improvement has worked with HRiA for over 20 years. Our partnership on assessment, strategic planning, and implementation processes has led to better **institutional alignment, more nurturing partnerships, and ultimately, greater impact**. They have helped to build the capacity of our community partners, working to connect the dots and fostering collaboration between many organizations seeking to create positive change in the community. HRiA brings a neutral presence and national perspective to any conversation. Their strategic guidance and support to our staff and community partners have strengthened our work and deepened the relationships within our communities."

LESLIE ALDRICH

Massachusetts General Hospital Center for Community Health Improvement, Boston, MA



Health Resources in Action (HRiA) is a nonprofit public health organization dedicated to promoting individual and community health through prevention, health promotion, policy, and support of medical research. HRiA is the parent organization of the Medical Foundation, which provides medical research grants programs and philanthropic advisory services.

Our vision:

A world where social conditions and equitable resources foster healthy people in healthy communities.

Our mission:

To help people live healthier lives and create healthy communities through prevention, health promotion, policy, and research.



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