The influential voice of Nebraska's hospitals

NHA 2024 Community Benefits Report:

Instructions and Guidelines

*Adapted with permission from the Catholic Health Association

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General Instructions

Please fill in every field as accurately and completely as possible, providing exact values when available. At the beginning of the data collection form, identify the name of your facility, the primary contact person(s), and the contact person's phone number/email address. **All information included in the data collection form should be derived from FY 2023.**

It is recognized that a uniform methodology for calculating community benefits cannot be achieved at this time because some facilities are utilizing a cost accounting method while others utilize a cost-to-charge ratio. On your community benefits form, please explain the method used to determine your expense reported.

Please return the requested information in the Excel format, or via the CBISA reporting platform to the NHA no later than January 10th, 2025. We also request that you include a copy of your organization's community benefits report if your hospital produces such a document and any narrative descriptions regarding how charity care or other community services provided by your facility have benefited patients or members of your local community. No other hospital-specific information will be released by the NHA without your express permission.

If you have any questions while completing the survey, please contact Christine Widman at (402) 356-5519 or cwidman@nebraskahospitals.org.

Thank you for participating in this critical report.
It is vital for Nebraska hospitals to preserve, evaluate, and communicate the unique benefits provided by our charitable organizations.

Community benefits are programs or activities that provide treatment, promote treatment or promote health and healing as a response to identified community needs and meet at least one of the following objectives.

I. Benefits for the Poor/Public Programs

a. Traditional Charity Care

Charity care is free or discounted health services provided to persons who cannot afford to pay and who meet the organization's financial assistance policy criteria. Generally, a patient record and bill are generated. Charity care is reported in terms of **costs**, **not charges**.

Charity care does NOT include bad debt. Bad debt is uncollectible charges, excluding contractual adjustments, arising from the failure to pay by patients whose health care has not been classified as charity care.

Examples of what to count:

- Free or discounted health and health-related services provided to persons who cannot afford to pay
- Expenses incurred by the provision of charity care

Examples of what NOT to count:

- Bad debt
- Discounts provided to self-pay (uninsured) patients who do not quality for financial assistance
- Contractual allowances or quick-pay discounts
- The portion of charity care costs already included in the subsidized health care services category (be careful not to "double count" throughout the form)

b. Unpaid Costs of Public Programs

Community benefits related to government-sponsored means-tested health care includes unpaid costs of public programs—the "shortfall" created when a facility receives payments that are less than the cost of care for public program beneficiaries. This payment shortfall is not the same as a contractual allowance, which is the full difference between charges and government payments. Unpaid costs of public programs include:

- Medicare
- Medicaid
- State Children's Health Insurance Program (SCHIP)
- Other public programs (medical programs for the indigent or local and state programs that provide payments to health care providers on behalf of persons not eligible for Medicaid or other indigent programs)

All shortfalls must be based on costs, not charges.

II. Community Benefit Services

Community benefit services include activities carried out to improve community health. They extend beyond patient care activities and are usually subsidized by the health care organization. Community services do not generate inpatient or outpatient bills. Forgiving inpatient and outpatient medical bills to low income persons should be reported separately as charity care.

Specific community health services to quantify include:

- Community health education
- Community-based clinical services, such as free clinics and screenings
- Support groups
- Health care support services, such as enrollment assistance in public programs, and transportation efforts
- Self-help programs, such as smoking-cessation and weight-loss programs
- Pastoral outreach programs
- Community-based chaplaincy programs
- Community spiritual care
- Social services programs for vulnerable populations in the community

a. Community Health Education & Outreach

Community health education includes lectures, presentations and other programs and activities provided in groups, without providing clinical or diagnostic services. Community benefits in this area can include staff time, travel, materials and indirect costs.

Examples of what to count:

- Caregiver training for persons caring for family members at home
- Community newsletters if the primary purpose is to educate the community about health issues and free community health programs
- Consumer health library
- Education on specific diseases or conditions, such as diabetes or heart disease
- Health fairs
- Health law topics for consumers
- Health education lectures and workshops by staff to community groups
- Parish and congregational programs
- Prenatal/childbirth classes serving at-risk and low-income populations
- Public service announcements with health messages
- School health education programs
- Wellness and health promotion programs, such as smoking-cessation, exercise and weight-loss programs

- Worksite health education programs
- Support groups related to community need, such as prevention of child abuse.

Examples of what NOT to count:

- Health education classes designed to increase market share (such as prenatal and childbirth programs for private patients)
- Community calendars and newsletters if the purpose is primarily a marketing tool
- Patient educational services understood as necessary for comprehensive patient care (e.g., diabetes education for patients)
- Health education sessions offered for a fee in which a profit is realized
- In-house pastoral education programs
- Support given to patients and families during their inpatient or outpatient encounter
- Advertisements with health messages when the purpose is marketing
- Employee wellness and health promotion provided by your organization as an employee benefit
- The use of facility space to hold meetings for community groups → (report in in-kind donations section)

b. Community-Based Clinical Services

These include clinical services provided to the community (i.e., free clinics, screenings, or one-time events). This category does NOT include permanent subsidized hospital outpatient services.

Screenings and One-Time or Occasionally Held Clinics

Screenings are health tests that are conducted in the community as a public service, such as blood pressure measures, cholesterol checks, school physicals and other events. They are a secondary prevention activity designed to detect the early onset of illness and disease and can result in a referral to any community medical resource. To be considered community benefit, screenings should provide follow-up care as needed, including assistance for persons who are uninsured and underinsured.

Examples of what to count:

- Behavioral health screenings
- Blood pressure screenings
- Lipid profile and/or cholesterol screenings
- General screening programs
- Health risk appraisals
- Dental care clinics
- Eye or hearing examinations
- Immunization clinics

- Mammography screenings (if not a separate free-standing breast diagnostic center)
- Osteoporosis screenings
- School or sports physical exams
- School physical clinics to increase access to health care
- One time or occasionally held primary care clinics
- Other clinics and/or screenings

Examples of what NOT to count:

- Health screenings associated with conducting a health fair → (report in community health education section)
- Screening for which a fee is charged, unless there is a negative margin
- Screenings where referrals are made only to the health care organization or its physicians
- Screenings or physicals provided primarily for public relations or marketing purposes
- Permanent, ongoing programs and outpatient services → (report in subsidized health services section)
- Flu shots or physical exams for employees

Clinics for underinsured and uninsured persons

These programs, which in the past have been called "free clinics," provide free or low-cost health care to medically underinsured and uninsured persons through the use of volunteers, including physicians and health care professionals, who donate their time.

Examples of what to count:

- Hospital subsidies such as grants
- Costs for staff time, equipment and/or overhead costs
- Lab and medication costs

Examples of what NOT to count:

- Volunteers' time and contributions by other community partners
- Grants to an unrelated free clinic → (report in cash donations section)

Mobile Units

Examples of what to count:

- Vans and other vehicles used to deliver primary care services

Examples of what NOT to count:

- Mobile specialty services that are an extension of the organization's outpatient department → (report in subsidized health services section)

c. Health Care Support Services

Health care support services are provided by the hospital to increase access and quality of care in health service to individuals, especially persons living in poverty and those in other vulnerable populations.

Examples of what to count:

- Enrollment assistance in public programs, including state, indigent and Medicaid/Medicare/SCHIP programs
- Information and referral to community services
- Case management of underinsured and uninsured persons that goes beyond routine discharge planning
- Physician referral programs for Medicaid and uninsured persons
- Telephone information services (e.g., "Ask a Nurse," medical and mental health care service hotlines, poison control centers)
- Transportation programs for patients and families to enhance patient access to care (include cab vouchers provided to patients and families)
- Personal response programs, such as Lifeline

Examples of what NOT to count:

- Physician referral if it is primarily an internal marketing effort or only for attending physicians (unless for Medicaid or uninsured persons)
- Health care support given to patients and families in the course of their inpatient or outpatient encounter
- Discharge planning
- Enrollment assistance programs specifically designed to increase facility revenue
- Translation/interpreter services required of all providers

III. Health Professions Education

a. Scholarships/Funding for Health Professions

Examples of what to count:

- Funding, including registrations, fees, travel, and incidental expenses for staff education, linked to community services and health improvement.
- Scholarships or tuition payments for professional education provided to non-employees and volunteers

Examples of what NOT to count:

- Costs for staff conferences and travel other than those previously mentioned
- Financial assistance for employees who are advancing their own educational credentials
- Tuition reimbursement costs provided as an employee benefit

b. Residencies and Internships for Health Professions

Examples of what to count:

- A clinical setting for undergraduate/vocational training
- Internships/clerkships/residencies
- Residency education
- Continue medical education (CME) offered to physicians outside of the medical staff on subjects for which the organization has special expertise

Examples of what NOT to count:

- Items above without subtracting governmental subsidies from costs
- Expenses for in-service training and/or orientation programs
- Joint appointments with educational institutions and/or medical schools
- Continuing medical education costs (unless for a specialty where there is a documented shortage)
- Costs of CME restricted to members of the medical staff

c. Other

Examples of what to count:

- Internships for pastoral education, social service, dietary and other professional/instructional internships
- Medical translator training
- Program costs associated with high school student "job shadowing" and mentoring projects
- Recruitment/retention of under-represented minorities
- Scholarships to community members (NOT employees)
- Specialty in-service and videoconferencing programs made available to professionals in the community

Examples of what NOT to count:

- On-the-job training such as pharmacy technician and nurse's assistant programs
- Orientation programs
- Staff time delivering care concurrent with "job shadowing" and mentoring projects
- Staff tuition reimbursement
- Standard in-service education
- Staff recruitment efforts

IV. Subsidized Health Services

Subsidized health services are clinical programs that are provided despite a financial loss so significant that negative margins remain after removing the effects of charity care, bad debt and Medicaid shortfalls. Nevertheless, the service is provided because it meets an identified community need and if not longer offered, it would either be unavailable in

the area or fall to the responsibility of government or another not-for-profit organization to provide.

Care should be taken not to double-count information. Exclude from subsidized health services losses amounts that already have been accounted for, such as charity care or Medicaid losses.

The category of subsidized services is not a "catch-all" category for any services that operate at a loss. Care needs to be taken to ascertain whether the negative contribution margin is truly community benefit.

Subsidized services do not include ancillary services that support service lines, such a lab and radiology (if these services are provided to low-income persons, they should be reported as charity care/financial assistance).

Examples of what to count:

- Clinical programs or service lines that the organization subsidizes
- Amount the health care organization subsidizes to maintain these services

Examples of what NOT to count (in this section):

- Ancillary services (such as lab, radiology) (Note: free or discounted ancillary services for low-income persons should be reports as charity care)
- Charity care
- Bad debt
- Medicaid shortfalls

a. Emergency and Trauma Care

Examples of what to count:

- Air ambulance
- Emergency department
- Local community EMS training when there is a negative margin
- Trauma center
- Fees to physicians to see Medicaid and uninsured patients

Examples of what NOT to count:

- Payment for routine on-call physician services

b. Neonatal Intensive Care (if subsidized)

c. Community Clinics

d. Hospital Outpatient Services

Examples of what to count:

- Subsidized permanent outpatient services and primary/ambulatory care centers, whether they are within the hospital facility or separate, free-standing facilities (e.g. urgent care center)
- Mobile units, including mammography and radiology units

e. Women's and Children's Services

Report services designed to increase access and quality of care for women and children, especially those living in poverty and other vulnerable populations. As with all community benefits in the subsidized care category, count only those for which an identified community need exists and for which not providing the service would result in a shortage within the community.

Examples of what to count:

- Free-standing breast diagnostic centers
- Obstetrical services
- Pediatrics
- Women's services

Examples of what NOT to count:

- Services provided to attract physicians or health plans

f. Subsidized Continuing Care

Examples of what to count:

- Hospice care
- Home care services
- Skilled nursing care or nursing home services
- Adult care health programs
- Durable medical equipment

Examples of what NOT to count:

- Step-down or post-acute services provided in order to discharge outlier patients, to the financial advantage of the facility

g. Behavioral Health Services

Examples of what to count:

- Inpatient and outpatient behavioral health services

h. Palliative Care

Examples of what to count:

- Outpatient and outreach palliative care programs

Examples of what NOT to count:

- The organization's inpatient palliative care program

i. Other Subsidized Health Services

- Burn unit
- Renal dialysis services

V. Research

Research includes clinical and community health research, as well as studies on health care delivery. In this category, count the difference between operating costs and external subsidies such as grants.

Examples of what to count:

- Research development costs using formal research protocols
- Unreimbursed studies on therapeutic protocols
- Evaluation of innovative treatments
- Research papers prepared by staff for professional journals and presentations
- Studies on health issues for vulnerable persons
- Research studies on innovative health care delivery models

Examples of what NOT to count:

- Research where finding are used only internally or by the funder
- Research that yields knowledge used for proprietary purposes
- Market research

VI. Cash and In-Kind Donations

This category includes funds and in-kind services donated to individuals not affiliated with the organization or to community groups and other not-for-profit organizations. In-kind services include hours donated by staff to the community while on health care organization work time, overhead expenses related to space donated to not-for-profit community groups, and donation of food, equipment and supplies.

a. Cash Donations

Examples of what to count:

- Contributions provided to not-for-profit community organizations
- Contributions for providing technical assistance or evaluation of community coalition efforts
- Contributions to charity events (e.g. golf tournaments, concerts, galas, dinners) to not-for-profit organizations after subtracting value of participation by employees/organization
- Financial assistance outside the local community in response to natural disasters or poverty

Examples of what NOT to count:

- Employee-donated funds
- Emergency funds provided to employees
- Fees for sporting event tickets
- Time spent at golf outings or other primarily recreational events

b. Grants

These include grants made by the organization to community and other not-for-profit entities, projects and initiatives.

Examples of what to count:

- Program, operating and education grants
- Matching grants
- Event sponsorship
- General contributions to not-for-profit organizations or community groups

Examples of what NOT to count:

- Grants passed through from an affiliated organization if already reported as community benefit

c. In-Kind Donations

Examples of what to count:

- Meeting room overhead and space for not-for-profit organizations and community groups (utilize the Medicare Cost Report as the source for this data)
- Emergency medical care at a community event
- Costs of coordinating community events not sponsored by the health care organization (e.g., March of Dimes)
- Employee costs on work time association with community health-related boards and other community involvement
- Food or material donations
- Donation to community organizations and community members (not employees)
- Laundry services for community organizations
- Other free ancillary services, such as lab, radiology and pharmacy service to other providers in the community, such as clinics or shelters
- Technical assistance to community organizations, such as information technology, grant writing, accounting, human resource support and planning and marketing.

Examples of what NOT to count:

- Employee costs associated with board and community involvement when it is the employee's own time and not on behalf of the organization

- Salary expenses paid to employees deployed on military services or jury duty → (considered employee benefit)
- Volunteer hours provided by hospital employees on their own time for community events
- Provision of parking vouchers for patients and families in need unless space would otherwise be filled by a paying customer

VII. Community Building Activities

Community-building activities include programs that address the root causes of health problems, such as poverty, homelessness, and environmental problems. These activities support community assets by offering the expertise and resources of the health care organization. Costs for these activities include cash, in-kind donations, and budgeted expenditures for the development of a variety of community-building programs and partnerships.

(Note: The IRS in Form 990, Schedule H, does not include community-building activities in the community benefit section but asks that they be reported in another section specifically for community-building activities.)

a. Physical Improvements and Housing

Examples of what to count:

- Community gardens
- Neighborhood improvement and revitalization projects
- Public works, lighting, tree planting, and graffiti removal
- Housing rehabilitation, contributions to community based assisted living, and senior and low-income housing projects
- Habitat for Humanity activities
- Smoke detector installation programs

Examples of what NOT to count:

- Housing costs for employees
- Projects having their own community benefit reporting process (e.g., a senior housing program that issues a community benefit report)
- Health facility construction and improvements, such as a meditation garden or parking lot

b. Economic Development

Examples of what to count:

- Small business development
- Participation in an economic development council or chamber of commerce

- Grants to community businesses for the purpose of economic development

Examples of what NOT to count:

- Routine financial investments
- Contribution to the arts (unless part of a comprehensive plan for economic development of the community)

c. Community Support

This includes efforts to establish or enhance community support networks, such as neighborhood watch groups and childcare cooperatives. Activities include both community based initiatives and facility-based initiatives.

Examples of what to count:

- Child care for community residents with qualified need
- Mentoring programs (other than for health professions, which are counted in the Health Professions Education section)
- Neighborhood systems, such as watch groups
- Youth asset development or America's Promise initiatives
- Disaster readiness over and above licensure requirements. Be careful not to double-count with in-kind donations or grants.

Examples of what NOT to count:

- Costs associated with subsidizing salaries of employees deployed in military action (considered employee benefits)
- Costs associated with routine and mandated disaster preparedness

d. Environmental Improvements

Examples of what to count:

- Efforts to reduce community environmental hazards in the air, water and ground
- Residential improvements, such as helping to paint public housing apartments or lead or radon programs
- Neighborhood and community improvements, such as toxin removal in parks
- Safe removal or treatment of garbage and other waste products

Examples of what NOT to count:

- Costs related to complying with laws and regulations
- Costs related to reducing environmental hazards caused by its own activities. (Some organizations may decide to report their own efforts to reduce waste, emission and energy use in a narrative report, but the IRS does not want it reported on Schedule H)

e. Leadership Development and Leadership Training for Community Members

Examples of what to count:

- Conflict resolution training
- Community leadership development
- Cultural skills training
- Language skills development
- Life or civic skills training programs
- Medical interpreter training for community members

Examples of what NOT to count:

- Above services for employees
- Interpreter training programs for hospital staff as required by law

f. Coalition Building

Examples of what to count:

- Hospital representation to community coalitions related to community health
- Collaborative partnerships with community groups to improve community health
- Costs for community coalition meetings
- Costs for task force-specific projects and initiatives

g. Advocacy for Community Health Improvement, Social Justice and Human Rights

Examples of what to count:

- Local, state, and national advocacy on behalf of such areas such as access to health care, public health, transportation and housing
- Dues, grants, and gifts to organizations that support social justice. Costs associated with advocating for social justice, environmental responsibility, and human rights (such as fair treatment of workers) through investments as shareholders, including: Dues to organizations such as the Interfaith Center for Corporate Responsibility; voting proxy management fees; consultant fees; and staff time.

Examples of what NOT to count:

- Advocacy specific to hospital operations and financing
- Normal investing costs (only additional costs specifically related to socially responsible investing should count as community benefit)

h. Workforce Development

These programs address community-wide workforce issues—not the workforce needs of the health care organization, which should be considered human resource activities rather than community benefit.

Examples of what to count:

- Recruitment of physicians and other health professionals for areas identified by the government as medically underserved (MUAs) or other community needs assessment
- Recruitment of underrepresented minorities
- Job creation and training programs
- Participation in community workforce boards, workforce partnerships and welfare-to-work initiatives
- Partnerships with community colleges and universities to address the health care workforce shortage
- Workforce development programs that benefit the community, such as English as a Second Language (ESL) training
- School-based programs on health care careers
- Community programs that drive entry into health careers and nursing practice

Examples of what NOT to count:

- Routine staff recruitment and retention initiatives
- Programs primarily designed to address workforce issues of the health care organization
- In-service education and tuition reimbursement programs for current employees
- Scholarships for nurses and other health professionals (report in health professions education section)
- Scholarships for community members not specific to health care professions (report in cash donations section)
- Employee workforce mentoring, development and support programs

VIII. Community Benefit Operations

Community benefit operations include costs associated with assigned staff and community health needs and/or assets assessment, as well as other costs associated with community benefit strategy and operations.

a. Assigned Staff

Examples of what to count:

- Staff costs for managing or overseeing community benefit program activities that are not included in other categories of community services
- Staff costs for internal tracking and reporting community benefit
- Staff costs to coordinate community benefit volunteer programs

Examples of what NOT to count:

- Staff time to coordinate in-house volunteer programs

- Volunteer time of individuals for community benefit volunteer programs.

b. Community Health Needs/Health Assets Assessment

Examples of what to count:

- Community health needs assessment
- Community assessments, such as a youth asset survey

Examples of what NOT to count:

- Costs of a market share assessment
- Marketing surveys

c. Other Resources

Examples of what to count:

- Costs associated with community benefit evaluation
- Cost of fundraising for hospital-sponsored community benefit programs, including grant writing
- Grant writing and other fundraising costs related to equipment used for hospital-sponsored community benefit services and activities
- Costs associated with developing a community benefit plan, conducting community forums, and reporting community benefit
- Overhead and office expenses associated with community benefit operations
- Dues to an organization that specifically support the community benefit program, such as the Association for Community Health Improvement
- Software that supports the community benefit program, such as CBISA by Lyon Software
- Costs associated with attending educational programs to enhance community benefit program planning and reporting

Examples of what NOT to count:

- Grant writing and other fundraising costs of hospital capital projects (such as funding of buildings and equipment) that are not hospital community benefit programs
- Dues to hospital and professional organizations not specifically and directly related to community benefit
- Advocacy related to community benefit (report as community building).