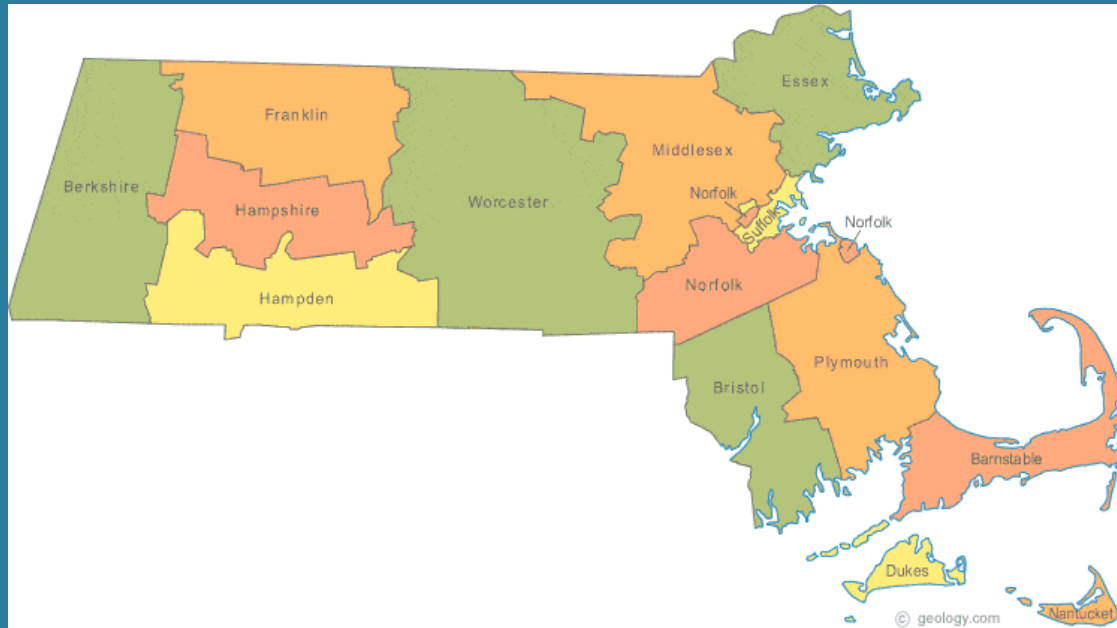


Hospitals Investing in Health: The Massachusetts Story

**Enid Eckstein
Paul Hattis**

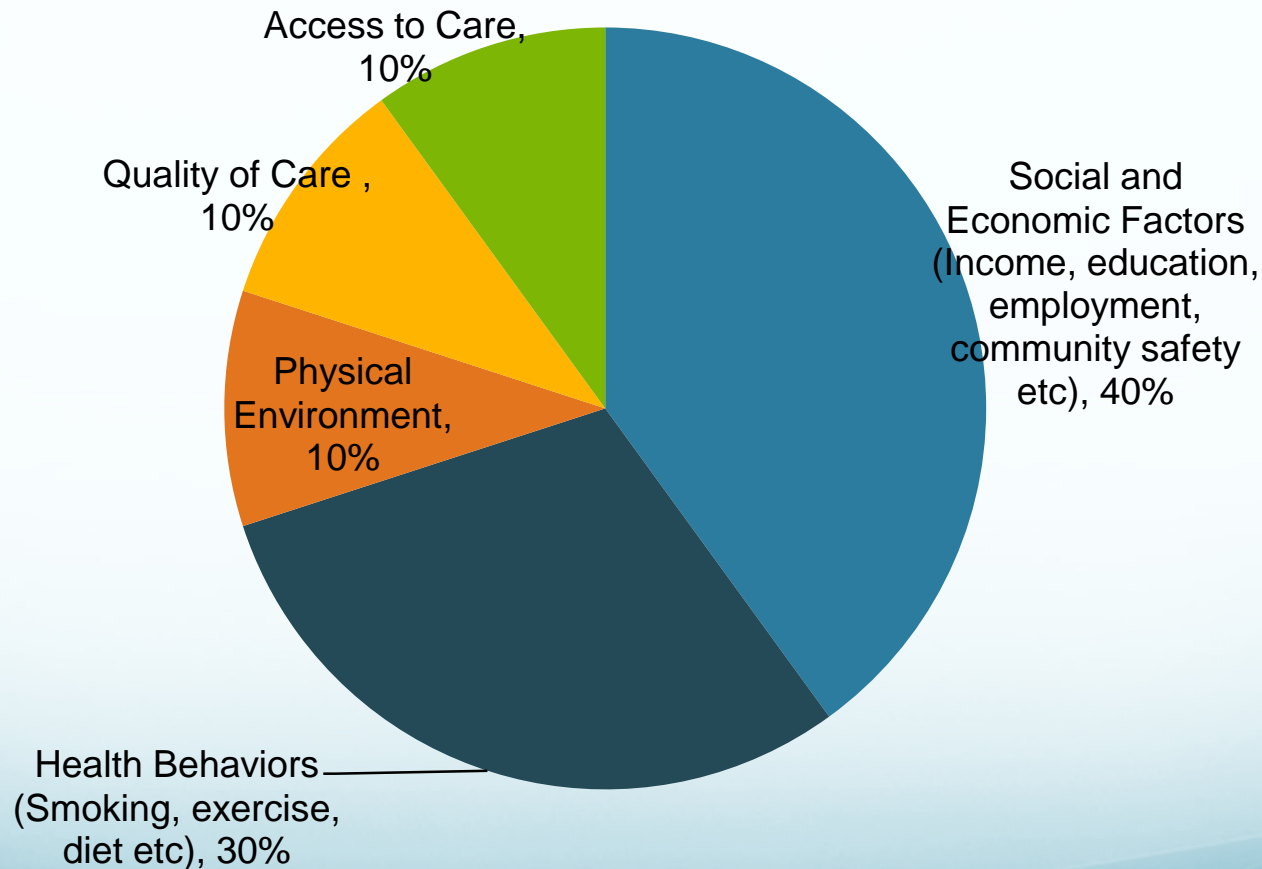
MPHA, Worcester, MA November 29, 2017



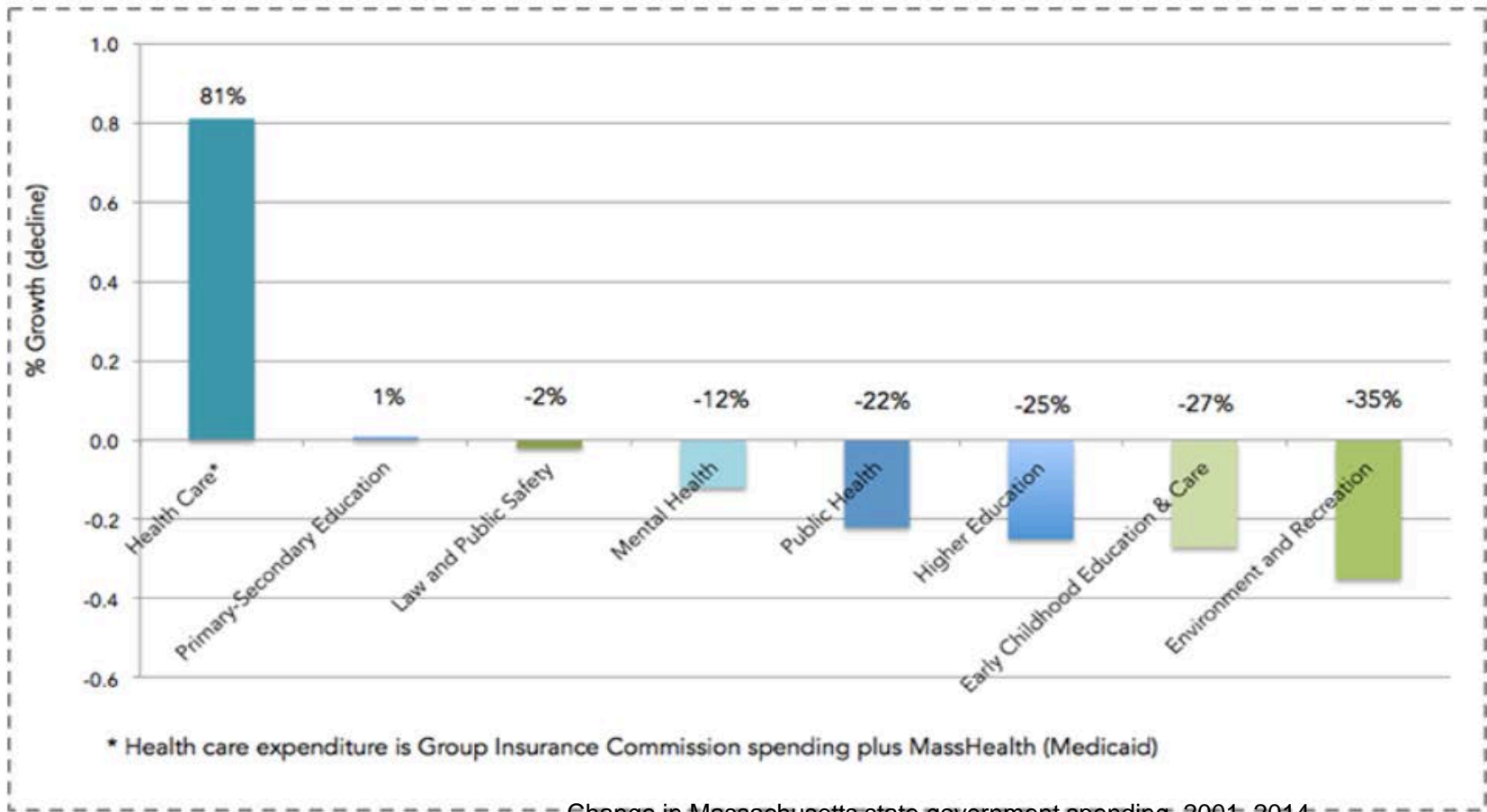
MASSACHUSETTS FRAMEWORK

MPHA, November 29, 2017

Health is primarily defined by social and economic determinants:



Massachusetts resource commitments disproportionately focused on health care spending 2001-2014



Change in Massachusetts state government spending, 2001–2014:

Healthy People/Healthy Economy: An Initiative to Make Massachusetts the National Leader in Health and Wellness. 2015. Data from Massachusetts Budget and Policy Center Budget Browser. <http://www.tbf.org/tbf/56/hphe/Health-Crisis> Accessed May 30, 2016.

Regulatory Framework: Multiple agencies with varying oversight leads to fragmentation and lack of strategic investment and duplication of efforts



Fragmentation at provider and oversight level

- Hospitals offer duplicate or competing efforts in some communities for similar health improvement goals
- Lack of strategic approach on community benefit in geographic areas where many providers co-exist
- Some geographic areas receive heightened attention for community benefit efforts and others receive less
- Attorney General oversight accomplished without regard to parallel efforts tied to DoN commitments or PILOT initiatives

The community perspective:



Mary Ann Nelson, Director
Mission Hill Health Movement

The hospitals are good about doing one time events that engage specific groups in the community, but not so good about addressing the future of our neighborhood's health.

Many in the community do not understand how the community benefit process works. The hospitals ask us to attend community meetings about their community benefit programs. It is often a one time input process rather than an ongoing partnership where we collaborate to address community health needs.

Current level of community engagement in community benefit process

- No clear standard of community engagement
- Community partners reported are often organizations consulted only for the assessment process. Few reports of long-term, community-based partners and their role in setting priorities, financial decisions or implementation of project.
- Burden on community groups to respond after the fact, via web-based commenting process.
- Types of community based organizations engaged not always reflective of the full community or as expansive as the IRS rules allow

Our goals

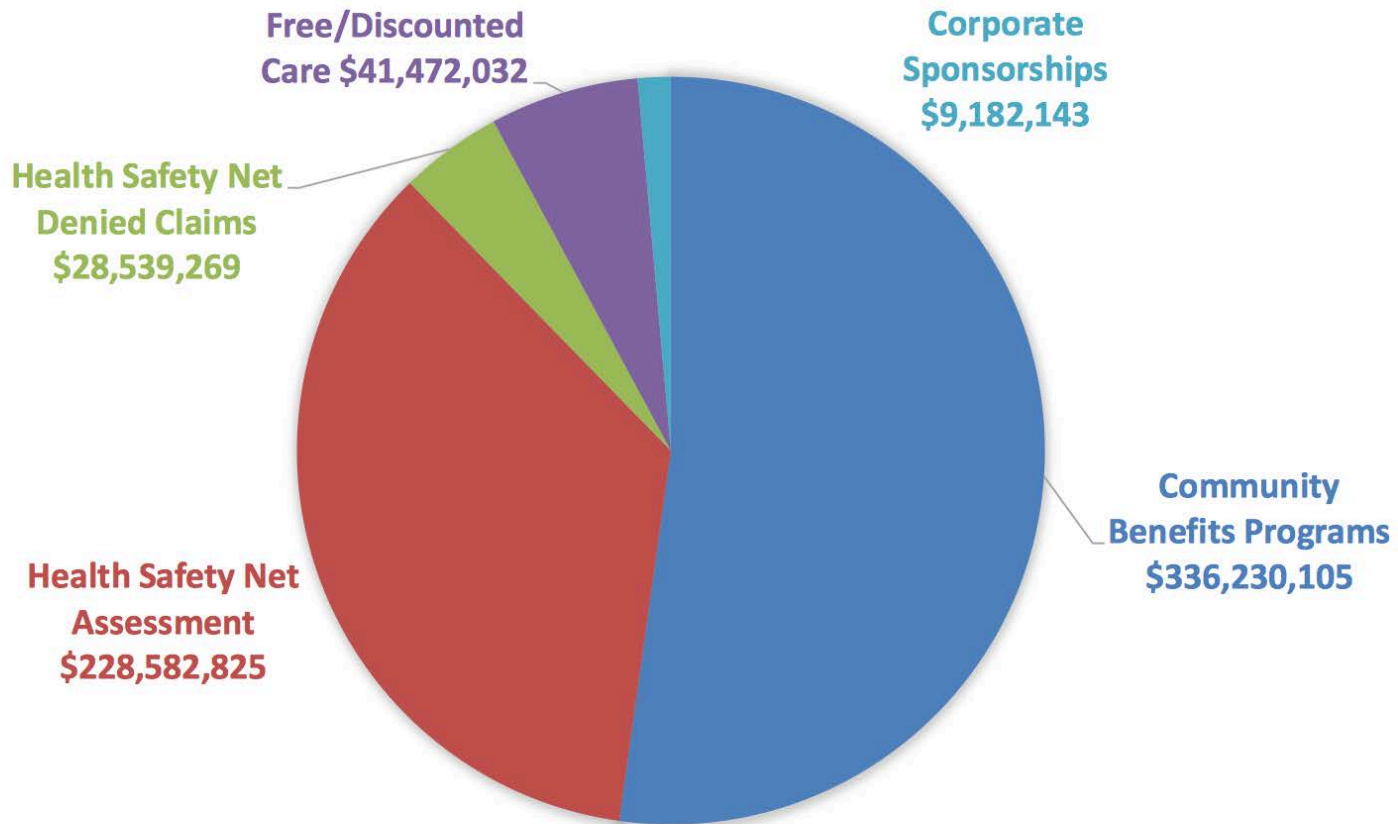
- Analyze Massachusetts framework and issue a report
- Organize community organizations to lobby for greater engagement in DON and CB process
- Work with policy makers to align regulatory framework and address social determinants of health
- Create greater strategic investment by institutions
- Create and expand greater community understanding and engagement in the above

OCTOBER 2016 REPORT

Key highlights:

- Movement to address “social determinants” and advance equity is connecting with healthcare providers strategic needs
- Provide a summary overview of MA hospitals’ community benefit resource commitments and programmatic efforts
- Minimal spending on social determinants of health and upstream investment
- Discuss governmental oversight schemes for community benefit guidelines, Determination of Need and PILOT programs
- Share recommendations for policy makers and stakeholders to help catalyze some important conversations and change policies

Massachusetts Community Benefits: \$654 M in FY 2016



<http://www.mass.gov/anf/budget-taxes-and-procurement/oversight-agencies/health-policy-commission/public-meetings/annual-cost-trends-hearing/2017/day-1-ago-presentation.pdf>

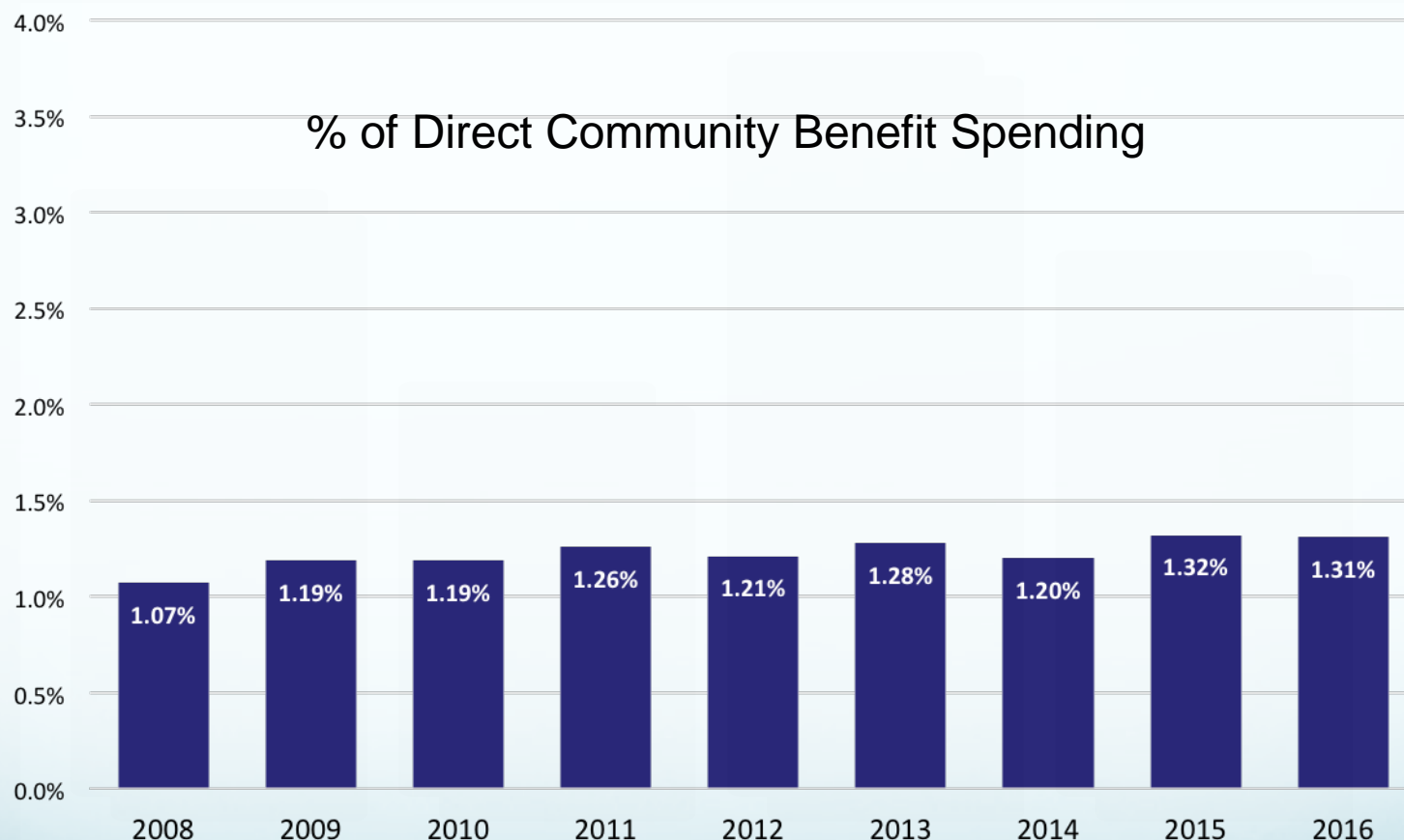
Total Community Benefit Spending as Percentage of Total Patient Expenses FY 2008 - FY 2016

% of Community Benefit Spending



Source: Analysis of data from the Massachusetts attorney general's website:
http://www.cbsys.ago.state.ma.us/cbpublic/public/hccstandardnew.aspx?org_id=19&report_year=2013&type=browse

Direct Community Benefit Spending as Percentage of Total Patient Expenses FY 2008-FY2016



Source: Analysis of data from the Massachusetts attorney general's website:
http://www.cbsys.agostate.ma.us/cbpublic/public/hccstandardnew.aspx?org_id=19&report_year=2013&type=browse.

Total Tax Exempt Hospital Spending as Percentage of Total Patient Expenses FY 2016

Hospital Annual Total Patient Expenses (TPE)*	Number of Hospitals Spending <3% TPE For Community Benefits	Number of Hospitals Spending >3% TPE For Community Benefits
Less than \$200 Million	17	8
More than \$200 Million	18	13

About 63% of tax exempt hospitals reported community benefit spending at a level that was less than the 3% suggested “target level” discussed in the Attorney General Community Benefit Guidelines.

*This data excludes MetroWest, St Vincent’s and QMC.

Current Status of Regulations

Agency	Reg/Guidelines	Time Frame
IRS	Enforcement of Tax Exemption:	2014 Regulations
MDPH	Determination of Need Update of Regulation	January 2017 enactment
AGO	Community Benefit Voluntary Guidelines	Guidelines currently being redrafted by Task Force. Expected completion at end of 2017.

DPH/DON Process

- January 2017: Department of Public Health issues new DON regulations
- Tied DON Community Health Investment funding to investment in programs to address 6 social determinants of health
- New Community Engagement Guidelines
- Created a state wide approach to address geographically underserved areas

Attorney General Guidelines

AG creates advisory Task Force in 2017:

- Align DPH, IRS and AG guidelines to minimize duplication and maximize investment
- Improve regional coordination among participants
- Increase transparency and accountability
- Move to a ‘planning’ rather a reporting focus
- Enhance community engagement at all levels

Attorney General and DPH/DON Bucket Alignment

Focus Areas

Chronic Disease,
Housing
Stability/Homelessness
Mental Illness and
Mental Health
Substance Use Disorders

Social Determinants of Health

Built environment
Social environment
Housing
Violence
Education
Employment

Next Steps

- Finalization of AG guidelines January 2018
- Train community organizations to be effective advocates and utilize enhanced reporting for greater accountability
- Continue to press for ongoing evaluation of existing programs
- Continue to advocate for regional approaches and anchor institution approach

Input Needed

- The alignment of community benefits with DPH framework of social determinants presents an opportunity to advance community/population health. How can your organization maximize investments in population health?
- How can community organizations provide input and best advocate for hospital investment in the social determinants of health.
- What information and tools do you need to advocate more effectively with hospitals for greater investment in social determinants of health?

Thank you