



September 22, 2011

Internal Revenue Service
CC:PA:LPD:PR (Notice 2011-52), Room 5203
P.O. Box 7604
Ben Franklin Station
Washington, DC 20044

RE: The Kansas Hospital Association Comment on IRS Notice 2011-52 Concerning Community Health Needs Assessment Requirements for Tax-Exempt Hospitals

U.S. Department of Treasury and IRS Officials:

The Kansas Hospital Association and its members appreciate the opportunity to comment on the Community Health Needs Assessment Requirements for Tax-exempt Hospitals. KHA agrees with many of the recommendations and comments offered by the U.S. Department of Treasury and the Internal Revenue Service in Notice 2011-52. We believe the development and completion of a Community Health Needs Assessment is a valuable exercise to better understand the health care needs within a community.

In Kansas, we are collaborating on a number of statewide initiatives with local health departments and other stakeholders to support Community Health Needs Assessments and Improvement Plans. In addition, KHA has established a multi-disciplinary work group of hospitals, health department and other partners charged to research, review and recommend options and strategies to assist hospitals in meeting Community Health Needs Assessment Requirements.

In order for communities to obtain meaningful information through the CHNA, we are requesting that the final rule provide sufficient flexibility to allow 501(c)3 hospitals ample opportunity to meet the identified needs of their communities. The following comments highlight our concerns, questions and suggestions.

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Section 6033(b)(15)(A) requires a hospital organization to report on its Form 990 a description of how the organization is addressing the needs identified in each CHNA and a description of any needs that are not being addressed together with the reasons why they are not being addressed.

- KHA believes the final rule should clarify that hospitals should only have to report on identified priorities and not all possible identified needs. In the event a hospital identifies several community health needs, we do not believe the hospital should be placed in a position to identify how they are or are not meeting every need identified.
- Preferably, we would like to see clear language that hospitals should focus their reporting on how they are or not meeting identified priority needs that are determined during the needs assessment process.

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In Section 3.01(3) Treasury and the IRS request comments regarding alternative methods that governmental hospitals may use to satisfy the requirements of section 501(r)(3).

- We would recommend a 5-year period instead of a 3-year period.
- As part of the requirements of accreditation for public health departments from the Public Health Accreditation Board, health departments will need to conduct community health needs assessments and improvement plans.
- Due to the fact that hospitals are required to work together with individuals with special knowledge or expertise in public health (public health departments) we feel the Treasury and IRS should encourage collaboration by instituting the same time parameters (every 5 years, not every 3 years.)
- By allowing government hospital to conduct an assessment every five years instead of every three years, it would enforce collaboration with public health departments and put them on the same schedule.
- KHA feels this suggestion has merit for all 501(c)3 hospitals (not just governmental) and would recommend the IRS and Treasury consider adopting a 5-year period (as the PHAB has done) vs. a 3-year period.

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In Section 3.04 Treasury and the IRS request comments regarding whether, and under what circumstances, documenting CHNAs for multiple hospital facilities together in one written report might improve the quality of the CHNAs, while still ensuring that information for each hospital facility is clearly presented and easily accessible.

- KHA believes that communities benefit from efficient practices. When hospitals, health department and other community groups work together on CHNA, many benefits are apparent. A number of communities in Kansas have multiple hospitals. The process of doing a CHNA is only improved when all parties are working together. This kind of collaboration and support leads to reduced costs, improved buy-in and share workload.
- For communities in Kansas that have multiple hospitals, they often share stakeholders, community leaders and public health officials, by collaborating on CHNA, all benefit as they don't have to go through the process multiple times at the risk of identifying different priorities. Communities also save on their already limited resources of staff, time and money. Collaboration breeds efficiencies and transparency.
- In addition, as part of the public health departments accreditation process all counties will be required to an health assessment, it would be inefficient and burdensome to require counties to do multiple assessments just because two hospitals reside in the same geographical area.
- KHA supports that a shared CHNA and written report for many Kansas communities can provide the best quality and should be an option available to hospitals.

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In Section 3.05 Treasury and the IRS specifically request comments regarding whether future regulations should define the geographic community of a hospital facility as the Metropolitan Statistical Area (MSA) or Micropolitan Statistical Area (μSA) in which the facility is located or, if the hospital facility is a rural facility not located in a MSA or μSA, as the county in which the facility is located.

---In Kansas, some communities will follow geographic-based definitions, but not every community does. In some areas the hospital community will be multiple counties or sections of a county and may not always follow geographic boundaries.

---KHA recommends that the Treasury and IRS provide sufficient flexibility to allow each hospital to define the hospital community service area.

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In Section 3.06 Treasury and the IRS request comments regarding what specific qualifications (whether in terms of degrees, positions, experience, or affiliations) should be necessary for an individual or organization to be considered as having special knowledge of or expertise in public health.

---In Kansas, communities will have a range of types of individuals with expertise in public health.

---KHA would request that the Treasury and IRS provide as much flexibility as possible.

---KHA would request that the Treasury and IRS provide examples of the types of persons and not specific requirement.

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In Section 3.07 Treasury and the IRS request comments regarding whether future guidance should provide additional methods that a hospital organization could or must use to make a CHNA widely available to the public.

---In Kansas, we have collaborated and created the Kansas Partnership for Improving Community Health. Part of this partnership has been to create a state-wide Web site to help hospitals, health departments and community with CHNA. This site will contain a page for every county in Kansas.

---Some hospitals in Kansas do not have a hospital Web site.

---KHA would request that the Treasury and IRS allow hospitals to place their CHNA reports on collaborative Web site which are being created to assist with CHNA and are widely available to the public.

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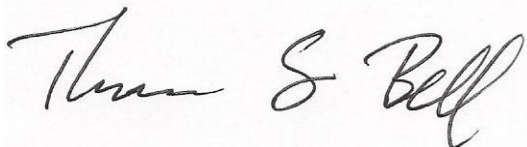
In Section 3.08(2) Treasury and the IRS request comments regarding whether, and under what circumstances, documenting implementation strategies for multiple hospital facilities together in one written document might improve the quality of the implementation strategies while still ensuring that information for each hospital facility is clearly presented and easily accessible.

---KHA believes that communities benefit from efficient practices. When hospitals, health department and other community groups work together on implementation strategies, many benefits are apparent. A number of communities in Kansas have multiple hospitals. The process of doing one written implementation strategy that outlines each hospital's specific strategies is a better document for the community as a whole. This kind of collaboration and support leads to reduced costs, improved buy-in and share workload.

---KHA supports that a shared implementation strategy document (highlighting the specific strategies for each hospital) can provide the best quality and should be an option available to hospitals.

Thank you for your consideration of our comments. If you should have any questions, please contact me or Cindy Samuelson, vice president of member services and public relations, at (785) 233-7436 or csamuelson@kha-net.org.

Sincerely,



Tom Bell
President and CEO
Kansas Hospital Association