What does it mean for a community to be healthy? When you think about it, health is so much more than not being sick. A healthy community accounts for all the elements that affect our lives, including shelter, education, food, decent income, justice, dignity, and access to whatever people might require to fulfill their needs. These factors are known as the social determinants of health. Our health care system, however, has not shared this holistic view, instead seeing health as an issue of disease treatment and prevention. Because sickness and access to health care are just a small part of our overall health and well-being, this narrow view has resulted in trillions—yes, trillions—of health care dollars spent on treating avoidable chronic disease, with little improvement in our overall population’s health.
As our nation’s health care systems are being pushed both to improve their outcomes for entire communities and to cut their spending, they’re realizing that they need innovative approaches and new partners. But they lack the capacity and expertise to intervene at the neighborhood level in ways that help keep people healthy. The community development sector can be a game-changing partner in addressing our nation’s health and health-care cost crisis. By developing and financing the physical spaces, infrastructure, and essential services needed to live a healthy and productive life, organizations such as yours can serve as a critical action arm for advancing population health and health equity.

Despite the fact that poverty and poor health share the same root causes, health care and community development efforts have largely occurred in isolation from each other, at least until recently. So how do you get started with health care partnerships, especially with hospitals? What types of opportunities exist? What are some of the challenges and strategies for overcoming them? This excerpted playbook (available in full at buildhealthyplaces.org) can help you explore these questions and build your pathway to partnership.

**What Do I Need to Know about Health Care Motivations?**

There are many kinds of hospitals, and each has different motivations. Some hospitals are government-run, others are private for-profit, and about half are nonprofit public charities. These nonprofits carry legal requirements to give back to the community in exchange for their tax exemption. This is called their community benefit requirement.

Certain types of nonprofit hospitals may have additional motivators for addressing social determinants of health. Catholic hospitals, for example, may be motivated by a mission to serve the impoverished; children’s hospitals and safety-net hospitals (those who serve the uninsured or most vulnerable) may have a clearer understanding of how social determinants affect their patients’ lives; and hospitals that are part of certain organizational structures may be incentivized to keep patients healthy (e.g., those set up as both an insurer and care provider or part of an Accountable Care Organization and those within states offering flexible Medicaid funding).

The 2010 Affordable Care and Patient Protection Act (ACA) has meant big changes for the way hospitals get paid and what some are required to do. The ACA changes the way hospitals are incentivized by shifting reimbursement based on number of services provided (fee for service) to quality of care and good health outcomes performance (known as value-based payments). It’s estimated that most health care payments will be value-based by 2020. As value-based care becomes more universal and as awareness grows concerning how social determinants impact health, we believe that providers and insurers will be increasingly willing to provide funding or other resources to support partnerships or programs such as yours.

Hospitals may be at different levels of readiness to engage in partnerships to address population health. In addition to these factors, other influencing characteristics include payment structure, level of engagement with partners, and leadership’s understanding of how social determinants fit with their mission or strategy. Based on a hospital’s position, certain opportunities for collaboration become more feasible: for example, a hospital that is just beginning to think about social determinants of health is probably not ready to jump right into a partnership to build affordable housing, but it may be open to bringing mobile health services to your neighborhood.

**Implementation Plan (CHIP).** Through this regular and intensive look at pressing health challenges, nonprofit hospitals can better target partnerships, strategies, and investment of its community benefit resources.

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**Fairgate Apartments, The Vita Health and Wellness District. PHOTO CREDIT: CHARTER OAK COMMUNITIES**
Partnership Opportunities

Here are some examples of potential community development and health care partnerships to address social determinants of health within three areas of opportunity. Each opportunity includes examples for each hospital engagement spectrum. Even if your potential partner is in the preliminary stages, early-stage opportunities can help to set the stage for more advanced partnership opportunities later.

Community Health Needs Assessment/Community Health Improvement Processes

Because all nonprofit hospitals must conduct CHNAs, they’re a great starting place for collaboration. CHNAs represent an opportunity to influence hospital priorities so that their CHIPs (plans for addressing identified community health needs in the CHNA) will guide their community benefit allocations or, at minimum, their partnership strategy. Opportunities for community developers along the population health spectrum include the following:

- **PRELIMINARY**: Share data. You may be collecting data about the communities and populations you serve. Sharing data across sectors can be useful for hospitals seeking to understand aspects of their patients’ environments that affect their health and for community development organizations interested in their projects’ health impacts. Shared understanding of how health outcomes and neighborhood conditions are linked could help to frame opportunities for grants or hospital resource allocation later.

- **INTERMEDIATE**: Shift CHNA focus from describing to addressing social determinants. Hospitals may be looking to move from data collection to finding partners who can help them address social determinants of health. Community development organizations can provide guidance from an economic and neighborhood infrastructure perspective during the CHNA process on an ad hoc basis or more formally participate by joining hospital advisory boards.

- **ADVANCED**: Guide further resource allocation or investment. As more hospitals and systems conduct joint CHNAs, health advocates hope that next steps will include aligned implementation plans and multi-hospital joint community benefit investments that could better support community development projects or programs.

One example of an intermediate opportunity is Stamford Hospital and Charter Oak Communities (COC), in Stamford, Connecticut. In Connecticut, Stamford’s 2012 CHNA identified the two unhealthiest neighborhoods as those adjacent to the hospital. Coupled with their prior work with COC, this identification provided the impetus to swap local real estate and jointly develop the Vita Health and Wellness District.

Community Benefits Strategy

Community benefits include such resources as program grants, in-kind assistance, and other allocations where no return is expected. Community benefit allocations can run the spectrum from low-risk, more traditional activities, such as co-located health facilities or services, to significantly different methods of allocating community benefit dollars, such as grants for affordable housing construction (where no return is expected). They represent an opportunity to attach hospital commitment to projects, deepen collaboration, and develop shared goals, language, and metrics.

- **PRELIMINARY**: Co-locate medical services/programs within properties or neighborhoods served by your organization. Given your strong community networks and deep ties to place, CDCs and local-level affordable housing developers can act as conduits for hospitals and other health care providers wanting to expand their relationships and programs in the localities they serve.

- **INTERMEDIATE**: Provide a pipeline of upstream community benefit opportunities. As community-based entities, you have your finger on the pulse of health community needs. You may offer programs or know about other opportunities for partnership with health care that will allow the root causes of high-risk patient health needs to be directly addressed.

- **ADVANCED**: Create new opportunities for community benefit allocation. Community development organizations and hospitals can discuss how hospitals might use community benefit resources in new ways, including contributions to housing or other infrastructure development, or using grants to decrease financial risk for larger investments.

An example of an advanced opportunity is Central City Concern (CCC) and HealthShare of Oregon, in Portland, Oregon. HealthShare, a partnership of six local hospital systems, donated $21.5 million as community benefit—one of the largest single donations in the United States to a nonprofit housing developer—to CCC to support development of 379 affordable housing units. Years of previous collaboration and relationship building helped to frame discussions of housing as an important means of addressing health and enabled quick response to the investment opportunity.
Investment Strategy

Hospital community benefits are great ways to begin addressing social determinants, but the total amount that hospitals usually allocate is only a small portion—at most 10 percent—of the total impact they could be making. Many hospitals also hold substantial investment reserves that have the potential to be used to support the financing of larger-scale projects that address social determinants of health.

- **PRELIMINARY:** Harness nonfinancial assets. Neighborhood investments are still relatively new for hospitals; many hospitals may not have organizational buy-in or capacity to make investment portfolio changes. However, hospitals have other resources, such as hiring and purchasing power, significant land holdings, political power and influence, research capabilities, and other nonmonetary assets that could help you scale your impact.

- **INTERMEDIATE:** Help hospitals place holdings in community development banks or deploy below market rate loans to the community. If your CDC offers financial services, community development loan funds can use hospital investments as debt capital to originate loans, as linked deposits to reduce interest rates for small business and affordable housing loans, or as loan guaranties to reduce the costs of borrowing.

- **ADVANCED:** Support comprehensive, sustainable, place-based investment strategies that build real community assets. For hospitals fully committed to population health, community development organizations can serve as key intermediaries between hospitals and neighborhoods, given their expertise in balancing financial and social returns and their capacity for due diligence required of place-based private equity and venture capital strategies.

A preliminary example is InterIm Community Development Association and Swedish Hospital, in Seattle, Washington. InterIm secured a letter of support from Swedish Hospital and used its financial pledge as leverage for city budget matching.
How Do I Get Started?

The partnership road is not an easy one. As one person we spoke with noted, “It can take a year to get a meeting with the right person and even more years to create a common foundation for action.” But even small interactions, such as attending the same events, can build trust and a foundation for a deeper partnership later. While there is no one “right way” to build partnerships, the following steps can help:

**Step 1** Determine if partnership is right for you, and build on what’s already going on.

First, a few obvious questions: Do you currently have the institutional commitment and resources to dedicate to partnership that will not take away from your core mission? Do you have a clear idea of what issues you want to tackle through partnership? If you don’t just yet, that’s OK! It’s likely that efforts to address social determinants are already under way in your community. By building upon already established initiatives, forming partnerships with other community organizations that share your same targeted interest, and meaningfully engaging residents in defining problems and solutions, you increase the likelihood of sustainability and the success of your efforts.

**Tips:**

- Identify and plan around existing community assets, and take stock of your strengths. Determine what else you might need, especially in terms of data collection and measurement. NeighborWorks and the Build Healthy Places Network’s site MeasureUp can help.
- Some hospitals may have fragmented partnerships with multiple organizations who receive a small piece of the community benefit pie. Try some level of coalition building and alignment.
- Consider exploring national networks or foundation-led efforts around health care community development partnerships, such as the BUILD Health Challenge or ReThink Health, that can play a role in introducing health care partners or serving as a convener.
- Map out other partners that may already be involved with hospitals, including state housing authorities and government, local foundations, and public health departments.

**Step 2** Determine your strategy for starting engagement.

Now it’s time to decide who might be the most appropriate partner by assessing a hospital’s receptiveness and decision-making abilities. Looking at a hospital’s most recent CHNA and implementation plan; assessing community benefit allocations; reading about mission, vision, and other public statements made about population health and community; and identifying current community partnerships can all be helpful in making these determinations.

**Tips:**

- Reach out to public health departments or federally qualified health centers, which often already have relationships with hospitals.
- Hospitals often want to see a quick return on investment, but this can frequently take a long time to see. This means a focus on high utilizers, or people who use the highest amount of health care services (and who are often the most deprived in terms of social determinants of health). Emphasize your impact on high health-care utilizers, but also mention your deep community and extensive networks, your organizations, your strong rate of return, or your capacity for due diligence.
- Tailor your message and framing based on whom you are speaking to: a conversation with finance department staff may be different than one with community benefit department staff. People in the C-suite (CEOs, CFOs, etc.) have higher levels of decision-making power and handle risk, so they’re the best targets to engage.
- Invite health system leaders to be part of your board.
Step 3

Build your pathway to partnership.

Structuring and implementing your partnership requires frank conversations about roles, resources, and capacity.

Tips:

- Consider developing a “charter” or “guiding principles” that can be consulted during times of conflict or uncertainty, as well as a “shared language” to rise above sector-specific jargon. Certain terms in health care can mean different things in community development (e.g., “CDC” usually means Centers for Disease Control and Prevention for hospitals).

- Community benefit amounts can be small, and many hospitals don’t tend to go beyond their comfort zones. While community benefit partnerships can be a great place to start, more innovative projects may find greater success when discussing place-based investing. Other parts of a hospital’s anchor mission, such as procurement or hiring strategies, could further your cause.

- Use data and logic models to help you make your case. Data collection is an important part of measuring the health effects of your project, but improved health outcomes may take time to see. However, the intermediate benefits are still an important aspect in getting to long-term health outcomes. A logic model can help you develop indicators for each stage in the pathway so that you can show you are on track to improved health outcomes.

- Have honest conversations about sustaining work, both financially and in terms of organizational roles.

By joining forces, the community development and health sectors can have far greater success in creating healthy communities. The best medicine for improving the health of our nation is through healthy, equitable, and empowered communities. If you’re interested in learning more about building your path to partnership with health care, contact the Build Healthy Places Network (www.buildhealthyplaces.org).

Alison Moore is a Planner with Dyett & Bhatia Urban and Regional Planners, and Doug Jutte, MD is Executive Director of Build Healthy Places Network. Special acknowledgement to the key role of Dr. Renee Roy Elias in this research and funding support from the Robert Wood Johnson Foundation.

COMMUNITY BENEFIT: To merit their federal tax-exempt status, nonprofit hospitals must report on the “community benefits”—previously called charity care—that contribute to the health and well-being of surrounding communities. Community benefits typically include free and discounted care to uninsured and low-income patients, initiatives to increase access to care, medical research, and training for health professionals; but the IRS (which enforces community benefits) has clarified that funds can be used for housing-related activities so long as they address an identified health need, benefit communities, and are not profit generating.

COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA): Usually led by nonprofit hospitals, a CHNA is a formal process to better understand the health needs of a community. Once a CHNA is complete, a hospital must develop a plan for how it will address the identified health challenges—often called an improvement or implementation plan (CHIP).

ACCOUNTABLE CARE ORGANIZATION (ACO): ACOs are groups of health care providers that accept financial risk for the total cost of care delivered to a defined population. ACOs financially encourage providers to keep a population of patients healthy at a lower cost by improving efficiency, coordinating care, and preventing disease.

POPULATION HEALTH: Population health emphasizes health outcomes and the social, physical, and economic factors that explain how health outcomes are distributed across populations. As hospitals must reduce costs and improve health outcomes, some are defining their patient populations to include not only patients but everyone in their geographic communities.