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NEW AHA, CHA REPORT SHOWS HOW HOSPITALS MEET THEIR COMMUNITIES' UNIQUE NEEDS

Findings Demonstrate Financial Assistance Programs are Only One Part of Hospitals'
Overall Commitment to their Patients and Communities

WASHINGTON (April 9, 2025) — The American Hospital Association (AHA) and Catholic Health Association of the United States <u>released a new report today</u> showing the value of benefits that nonprofit hospitals and health systems deliver to their communities. The findings reinforce that the entire hospital field goes above and beyond to advance health by meeting the unique needs of their communities — whether by providing financial assistance for patients in need, supporting groundbreaking research to discover future cures, training the health care workforce, running community health programs, or absorbing below cost reimbursement from means-tested government programs, such as Medicaid. Since every community is different, the benefits and services hospitals provide are similarly unique and tailored to those community needs.

Nonprofit hospitals, which make up a majority of U.S. community hospitals, are required by law to identify the range of challenges faced by their communities through input from residents, support community programs and services aimed at addressing these issues, and publicly report data on these community investments. Nonprofit hospitals report these benefits to the IRS through Form 990 Schedule H (the focus of today's report), which groups them into several different categories. It is important to take a comprehensive view of community benefits and the many ways nonprofit hospitals are impacting the health of their communities, rather than focusing only on one area, such as financial assistance.

"Advancing the health and wellness of the patients and communities they serve is a foundational mission for all our nation's hospitals and health systems," said AHA President and CEO Rick Pollack. "This report shows that hospitals of all kinds — urban and rural, large and small — are demonstrating the value they provide and solidifying their commitment to making their communities healthier in ways that address specific local needs."

"Hospitals are more than places of healing—they are lifelines to their communities," said Catholic Health Association President and CEO Sr. Mary Haddad, RSM. "The care we provide for our patients and our neighbors extends beyond the walls of our facilities as we seek to meet people where they are. Through our community benefit work, we address pressing individual needs, advance community health, and expand access to programs that promote human flourishing — all contributing to the greater good."

Key findings from the **report** include:

- Nonprofit hospitals provide numerous community benefits in addition to financial assistance, adapting these services to meet the evolving needs of their communities, which are shaped by factors such as demographics, economic conditions, and regulatory changes. Nevertheless, some stakeholders have argued that the value of community benefit should be measured solely by the provision of financial assistance or some other limited combination of benefits.
- Community benefits vary by hospital characteristics, based on the type of
 patients the hospital serves, core functions, status as a sole provider in rural or
 underserved areas, and size.
- Providing care at a loss to low-income patients covered through Medicaid and those in need of financial assistance are important and related components of community benefit. Shifts in federal and state policy can significantly impact the distribution of community benefits from year to year.

The full report can be found <u>HERE</u>.

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About the American Hospital Association (AHA)

The American Hospital Association (AHA) is a not-for-profit association of health care provider organizations and individuals that are committed to the health improvement of their communities. The AHA advocates on behalf of our nearly 5,000 member hospitals, health systems and other health care organizations, our clinician partners – including more than 270,000 affiliated physicians, 2 million nurses and other caregivers – and the 43,000 health care leaders who belong to our professional membership groups. Founded in 1898, the AHA provides insight and education for health care leaders and is a source of information on health care issues and trends. For more information, visit the AHA website at www.aha.org.

About Catholic Health Association (CHA)

The Catholic Health Association of the United States (CHA), is a national leadership organization representing more than 2,200 Catholic hospitals, long-term care facilities,

clinics, service providers, healthcare systems, and other facilities across all fifty states. For more information, visit the CHA website at https://www.chausa.org/.