EXECUTIVE INSIGHTS

Aligning Health Equity and Value-based Programs

Insights from an executive dialogue hosted by the American Hospital Association and Lumeris

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The transition to value-based payment can enable health care organizations to implement sustainable care models that improve health equity among their patients. However, for value-based care to advance equity, that lens needs to be integrated into care delivery approaches. This intentional approach allows hospitals to address patients' social and emotional needs alongside their medical concerns. Health care organizations need to be prepared to leverage their existing community-based programs to align with a value-based payment future.

AHA's *The Value Initiative* has been working with health care organizations across the country to support their transition to value. Hospitals are making progress on implementing value-based care delivery models that enable them to improve outcomes, enhance the patient experience and reduce cost. Aligning value-based payment with care models will allow those care models to become sustainable. Learn more about AHA's efforts to support hospitals in their transition to value at aha.org/thevalueinitiative.

The AHA and Lumeris partnered to facilitate a dialogue among executives from leading health care organizations about what it takes to design value-based programs to improve health equity. The session kicked off with a fireside chat between AHA's Julia Resnick, director of strategic initiatives, and Debbie Zimmerman, M.D., corporate chief medical officer of Lumeris and Essence Healthcare. They discussed how hospitals and health systems can align business and care models to improve health equity. Next, Dr. Zimmerman led a robust conversation among participants about how their hospitals and health systems were addressing community health needs, how to build the business case for health equity and the challenges and opportunities for advancing this essential work.

Key Takeaways

Over the course of the conversation, these key themes emerged:

1. Align the moral case for health equity with the business case.
2. Intentionally apply a health equity lens to value-based programs.
3. Tie equity and value strategies into existing structures and governance.
4. Create the infrastructure for data collection, analysis and use.
5. Foster partnerships between payers and providers.
6. Engage and invest in the community.

Keep reading for a deeper exploration of these insights.

Executive Dialogue Participants:

Debbie Zimmerman, M.D.
Corporate Chief Medical Officer
Lumeris and Essence Healthcare

Jaime Dircksen
Vice President
Community Health and Well-being
Trinity Health

Gina Smith
Community Health Program Specialist
Corewell Health

Samantha Fell
Director
Clinical Integration and Quality Improvement
Corewell Health

Kinneil Coltman
Chief Community and Social Impact Officer
Atrium Health

Jinel Scott, M.D.
Chief Quality Officer
New York City Health and Hospitals

Leigh Caswell
Vice President
Community Health
Presbyterian Healthcare Services

Marcos Pesquera
Chief Diversity Officer
CHRISTUS Health

Alexander Garza, M.D.
Chief Community Health Officer
SSM Health

Moderator:
Julia Resnick
Director
Strategic Initiatives
American Hospital Association

Executive Insights for Aligning Value-based Care and Health Equity Initiatives

Dialogue participants surfaced several themes about how to advance equity strategies in alignment with value-based programs.

Align the moral case for health equity with the business case

While making the moral case for health care organizations to address health equity is fairly intuitive, making the business case is more challenging. To help make that case, Lumeris' Dr. Zimmerman brought up the striking 2022 Deloitte study that found that health inequities in the U.S. health system cost roughly $320 billion per year, and if unaddressed, that number could rise to $1 trillion by 2040. That figure does not even account for lost productivity or other societal impacts of health inequities. The U.S. cannot afford to not address health inequities.

For health care organizations that are taking on the total cost of care of their care of patients, the business case is straightforward. Yet most hospitals and health systems do not have their own insurance plans which makes the business case more challenging. Alexander Garza, M.D., chief community health officer of SSM Health, shared, "I don't think we've been able to paint the picture of the financial or economic arguments for dealing with health equity." He noted that it is challenging to quantify how much food or housing insecurity costs the system, which dilutes the argument for why the hospital should invest in those issues. Leigh Caswell, vice president of community health at Presbyterian Healthcare Services, added that measuring the return on investment can be overwhelming and "it feels like we are trying to make so many different stakeholders happy with what we're measuring."

Other participants noted that in the absence of value-based payment, there are not always dollars available to invest in addressing societal factors that influence health. Jinel Scott, M.D., chief quality officer at New York City Health and Hospitals, shared that, "There is sometimes no money to invest in some of these great ideas. You can make a great argument about how much money we can save. But if there is none, there's just not." Jaime Dircksen, vice president, community health and well-being at Trinity Health, added that making the ROI case is particularly challenging right now given the dire financial situation that many hospitals are facing. "Preventable costs don't equal real money. Saving is not money. And when health systems can barely have enough nurses and doctors to operate, they're not going to invest in these food as medicine programs."

Intentionally apply a health equity lens to value-based programs

Equity does not happen by accident. It has to be intentionally incorporated into how organizations think and function until it is fully integrated. Dr. Zimmerman shared an example about how this played out at Lumeris. While her executive team agreed that the equity lens is a part of how they do business, she mentioned that until that is the case, they need to have a dedicated team to be intentional about equity initiatives.

Other participants shared what their health care systems are doing to be intentional about how equity appears in their value-based program. Trinity Health is focused on identifying and removing bias in care provision, while SSM Health is being intentional about how they bridge clinical and social care across the system.

For Dr. Scott of NYC Health and Hospitals, by virtue of location and being a public hospital, what they do every day is, by necessity, on the front lines of improving health equity. But, she noted, not everyone sees it that way. They are working to formalize equity efforts across the campus and are "changing people's attitudes toward their work to see the larger picture."

Tie equity and value strategies into existing structures and governance

Health equity and value-based care ("value") do not exist in isolation; they are connected to the core issues within the health care organization, such as quality, population health, operations and governance. Linking equity and value goals to existing structures helps show how all parts of the health care system can contribute. Having an equity focus within a board committee or subcommittee and connecting it to other quality and outcomes goals keeps it prioritized and in the spotlight.

Dialogue participants shared how they are tying equity to existing priorities in their organizations. At Corewell Health, Community Health Program Specialist Gina Smith shared that they are using this as an "opportunity to look at things differently." Corewell Health has been educating boards, team members and providers about how to bring the equity lens into creating interventions. Marcos Pesquera, chief diversity officer of CHRISTUS Health, remarked, "It is about painting the picture and being able to help them see the whole thing." Trinity Health and Corewell Health both noted that they are focused on having diverse senior leadership, while Presbyterian is engaging their leadership and board to help them take ownership in the work.

Having dedicated health equity champions demonstrates commitment from the organization and designates an individual to be accountable for pushing the work forward. Equity is an issue that people are likely to feel passionate about and can be engaged in. Every team member can incorporate an equity lens to their work. Samantha Fell, director of clinical integration and quality improvement at Corewell Health, advised on the importance of recognizing and celebrating progress. "When you see success, talk about it a lot and make sure that people understand that there are opportunities to do things differently," she remarked.

Create the infrastructure for data collection, analysis and use

Actionable data guide a value-based equity strategy. This includes building the infrastructure, collecting the right data, standardizing the data and stratifying it in order to use the results to guide the strategy. Health systems are recognizing the importance of acquiring and measuring as much medical, social and demographic data as they can in a standardized manner so that they can stratify their data in different ways to detect disparities and create interventions. Lumeris' Zimmerman cautioned that providers should be open to surprising insight from the data; sometimes the root of the issue is not what leaders might assume.

Dialogue participants discussed their hospitals' experiences in collecting data from patients. Kinneil Coltman, chief community and social impact officer at Atrium Health, shared that her system has been collecting Race, Ethnicity and Language (REAL) and Sexual Orientation and Gender Identity (SOGI) data since 2019. They were able to get everyone across the enterprise to standardize social needs screenings into one set of questions and integrate it into the clinical workflow. Similarly, Trinity's Dircksen shared that they are focusing on standardized data collection of REAL and SOGI data across the system to improve Trinity's ability to analyze data along those variables. Presbyterian Healthcare Services has instituted universal social needs screening alongside demographic data and has created a health equity dashboard; they are looking to incorporate social needs alongside REAL and SOGI data.

NYC Health and Hospital's Dr. Scott cautioned to make sure data collection reflects nuances in the patient population. At her hospital, 96% of patients are of African origin, so there is a danger of treating them as a monolith. It is important to document where they immigrate from so that data analysis can reveal more personal characteristics to understand how to better target equity efforts.

Foster partnerships between payers and providers

To make value-based payment address health equity needs, payers need to think creatively about what services they can or should cover for their patients. This might be out of the comfort zone for traditional payment models, but there is ample evidence to show that social needs interventions are effective and that new payment models are necessary to incentivize new models of care that can address health inequities.

Covering interventions beyond medical care will push boundaries for both payers and providers. Dr. Scott from NYC Health and Hospitals noted, "People's minds are married to the fee-for-service model. It is hard to get people to think outside of that box." Dr. Garza from SSM Health emphasized that while it may be hard to quantify dollar for dollar the cost of inequities, the data are very clear that inequities lead to increased health care costs. To move the needle on health care, it is important for providers and payers to partner and offer services that address patients' social needs. "We know that the return on investment is significant, but traditionally it hasn't been thought of a place for payers to be," he remarked.

Yet for value-based programs to work in service of improved equity, payers need to pay for the things that are known barriers to good health. Trinity Health's Dircksen remarked, "there aren't payers who are willing to engage in conversations [about covering social needs] or make that leap of faith that this is what we know works. The health system is expected to make that investment to prove that people's lives and health are improved. And then there is no reimbursement for that investment." Payment models that include social needs support hospitals' capacity to provide holistic care and move the needle on health equity.

Engage and invest in the community

While health care organizations play an important role in advancing health equity, clinical care is only one piece of the equity puzzle. Health care organizations need to form strong connections with community stakeholders to address the nonmedical factors that influence inequities. By connecting clinical care with the community, hospitals can build trust in their communities and make progress on the societal factors that influence health. Corewell Health's Smith emphasized the importance of building trust in her community of Benton Harbor, Michigan. The community had recently lost its hospital and there was distrust with the health system. Under Corewell Health, they are working with the community to rebuild that trust and demonstrate their commitment to the community.

All of the dialogue participants shared ways in which their hospitals or health systems are working to address the societal factors that influence health outside of hospital walls. At CHRISTUS, Pesquera shared the importance of having a system-wide approach to ensure all of their hospitals are engaging with community partners. To prevent their hospitals from becoming overwhelmed, they decided on a system-wide prioritization of food insecurity. Trinity, SSM and Atrium Health reported strategically investing in underserved communities. SSM Health is taking an anchor organization approach and investing in communities and minority-owned businesses. Atrium Health's Coltman shared that they are making social impact investing around food, housing and employment and noted that it may be, "less sexy, but more impactful."

Conclusion

The health care field is at a pivotal point for both value and equity. As movement continues toward value-based care and payment, health equity needs to be intentionally built into that strategy. Health care organizations — both providers and payers — need to be thinking long term and creatively about how to build business cases that enable the best health for the patients and communities they serve. Value-based programs that financially incentivize the alignment of medical and social care have the potential to move the needle on health equity. It will take sustained and committed work from health care leaders like the ones represented in this dialogue to continue to push the field to a more equitable future, including new payment models that support this work.

About Lumeris

With Lumeris as a partner, health systems across the country are fulfilling the promise of value-based care. Lumeris delivers market leading technology, insurance capabilities and on-the-ground expertise to more than one million patients and 7,000 physicians nationwide, empowering providers to own, deploy and administer value-based risk. Lumeris is proud to offer 4.5-5-star health plans that consistently deliver better clinical and financial outcomes for Medicare, Medicaid, Commercial, and Individual populations.

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