

# HOW SOCIAL AND ENVIRONMENTAL DETERMINANTS OF HEALTH CAN BE USED TO PAY DIFFERENTLY FOR HEALTH CARE

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Portland, Oregon — April 22-25, 2017



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# Improving Medicare Post-Acute Care Transformation (IMPACT) Act, 2014

- Required the Office of the Assistant Secretary for Planning and Evaluation (ASPE) to
  - review the evidence linking **social risk factors** with performance under existing federal payment systems
  - and to suggest strategies to remedy any deficits they found

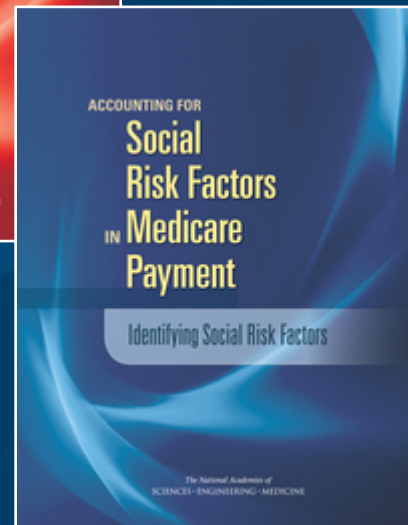
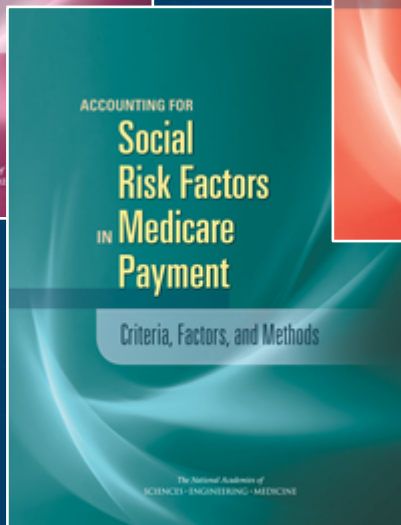


# **NASEM- Committee on Accounting for Socioeconomic Status in Medicare Payment Programs**

- ASPE commissioned the National Academies of Sciences, Engineering, and Medicine to convene an ad hoc committee to identify social risk factors that affect health outcomes of Medicare beneficiaries and methods to account for these factors in Medicare payment programs
- Produced 5 brief consensus reports



18 months  
5 reports



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# Four Goals of the NASEM series

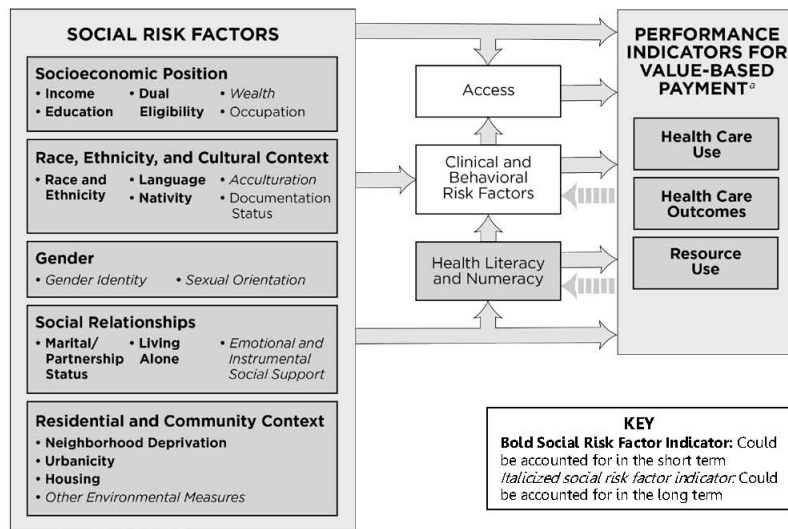
- *Reducing disparities in access, quality, and outcomes;*
- *Improving quality and efficient care delivery for all patients;*
- *Fair and accurate reporting;*
- *Compensating health plans and providers fairly*



# 1<sup>st</sup> Report—identifying social risk factors

- socioeconomic position;
- race, ethnicity, and cultural context;
- gender;
- social relationships;
- and residential and community context

## Conceptual Framework of Social Risk Factors and Performance Indicators for Value-Based Payment



<sup>2</sup>As described in the conceptual framework outlining primary hypothesized conceptual relationships between social risk factors and outcomes used in value-based payment presented in the committee's first report, health care use captures measures of utilization and clinical processes of care; health care outcomes capture measures of patient safety, patient experience, and health outcomes; and resource use captures cost measures.

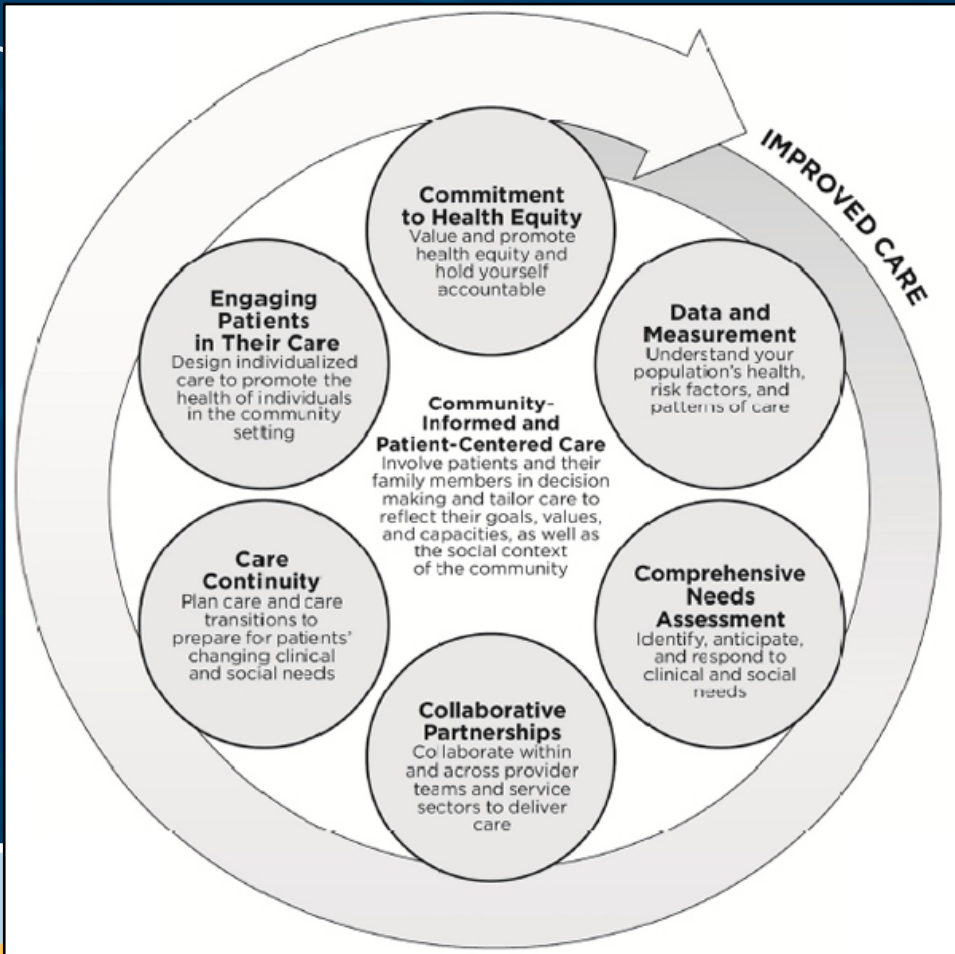




# 2nd Report—identifying

- Performance of providers serving socially at-risk populations
- Drivers of variations
- 6 community-informed and patient-centered systems practices to improve care for socially at-risk populations

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# 3rd Report—Methods

1. Stratified public reporting--make quality visible
2. Adjustment of performance measure scores--accurately measure true performance;
3. Direct adjustment of payments
4. Restructuring payment incentive design to account for social risk factors





# 4<sup>th</sup> Report—Data

- 1) new and existing CMS data
- 2) providers and plans
- 3) alternative government sources

## Summary of Availability for Social Risk Factor Indicators

SOCIAL RISK FACTOR		DATA AVAILABILITY			
	Indicator	1	2	3	4
SEP					
	Income		<div></div>		
	Education		<div></div>		
	Dual eligibility	<div></div>			
	Wealth			<div></div>	
Race, Ethnicity, and Cultural Context					
	Race and ethnicity		<div></div>		
	Language		<div></div>		
	Nativity	<div></div>			
	Acculturation				<div></div>
Gender					
	Gender identity				<div></div>
	Sexual orientation				<div></div>
Social Relationships					
	Marital/partnership status		<div></div>		
	Living alone			<div></div>	
	Social support			<div></div>	
Residential and Community context					
	Neighborhood deprivation		<div></div>		
	Urbanicity/rurality	<div></div>			
	Housing		<div></div>		
	Other environmental measures				<div></div>

1. Available for use now

2. Available for use now for some outcomes, but research needed for improved, future use

3. Not sufficiently available now; research needed for improved, future use

4. Research needed to better understand relationship with health care outcomes and on how to best collect data

# ASPE Report

December, 2016



**U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
Office of the Assistant Secretary for Planning and Evaluation

Report to Congress:

## Social Risk Factors and Performance Under Medicare's Value-Based Purchasing Programs

A Report Required by the Improving Medicare Post-Acute Care  
Transformation (IMPACT) Act of 2014

U.S. Department of Health and Human Services  
Office of the Assistant Secretary for Planning and Evaluation

factors have worse  
profile, or because

ies with social risk  
high proportion of  
or do they

ooth

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a) provide **specific payment adjustments to reward achievement and/or improvement for beneficiaries with social risk factors**, and

b) where feasible, **provide targeted support** for providers who disproportionately serve them.



# The UK and New Zealand already do this

- Both use ecological deprivation indices to adjust payments for health care and for social services
- UK = Index of Multiple Deprivation
- NZ = NZ Deprivation Index
- Phillips RL, Liaw W, Crampton P, et al. How Other Countries Use Deprivation Indices—And Why The United States Desperately Needs One. Health Affairs. 2016;35(11):1991-1998.

# Health equity innovation

- Funding formulae allocate more money to New Zealand Primary Health Organizations with greater concentrations of Maori, Pacific Islanders, and most deprived enrollees
- PHOs use funding to:
  - Lower fees for enrollees
  - Develop outreach programs that improve access
  - Run health promotion services and campaigns that influence health behaviors







Pacific women as keys  
to family health

Culturally  
appropriate services



Driven by what works for whānau

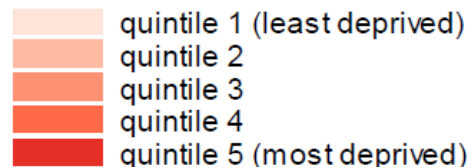


Community based health promotion



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### NZDep2013 Quintiles



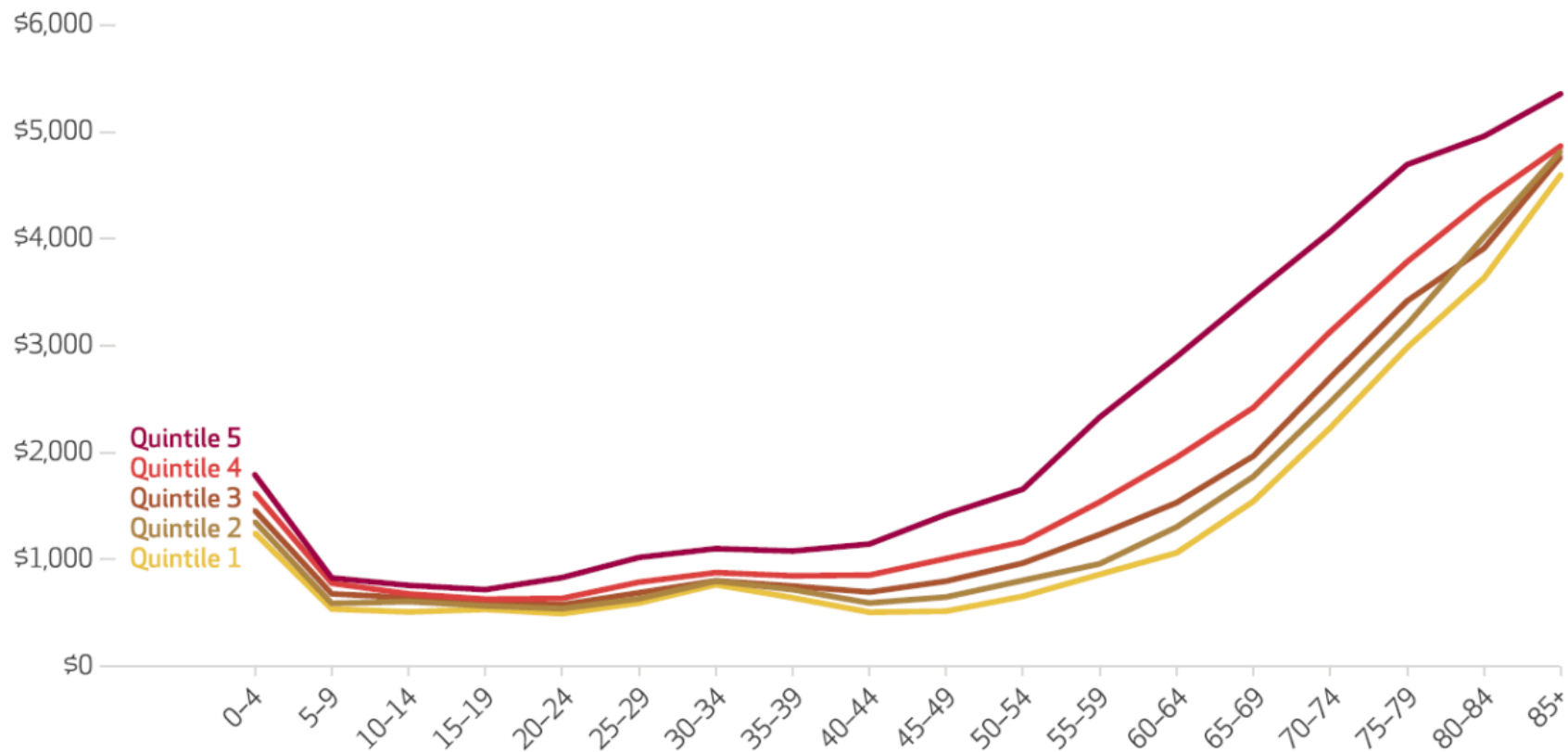
For the most recent version, see "NZDep2013 Index of Deprivation," June Atkinson, Clare Salmond, and Peter Crampton, published by the Department of Public Health, University of Otago, Wellington, May, 2014.

<http://www.otago.ac.nz/wellington/otago069936.pdf>



### EXHIBIT 3

Cost weights for hospital and community services, by 2013 New Zealand Index of Deprivation quintile



# Adjusting for Social Risk Factors

- CMS is likely to take the leap
- Our national data infrastructure is not ready
- We have decent options to start, follow UK/NZ lead
- ABFM investing in a Population Health Assessment Tool imbedded in the PRIME Registry to ready practices
- OCHIN Acure Community Vital Signs also enabling

