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Supporting Social Determinants of Health

Policy initiatives present new opportunities for cost and quality improvement.

“The average life expectancy for babies born to mothers in New Orleans can vary by as much as 25 years across neighborhoods just a few miles apart,” according to 2015 research conducted by the Robert Wood Johnson Foundation Commission to Build a Healthier America.

This issue is not confined to New Orleans, as other metropolitan areas studied have shown similar disparities, including Washington D.C., the San Joaquin Valley, Minneapolis/St. Paul and Kansas City, Mo. Of course, there are many other healthcare disparities, and although they are correlated with geographic location, they are related to many other factors known as social determinants of health.

Although geographic disparity in health status has been established for many years, policymakers have found it difficult to enact new, politically acceptable legislation that would address social determinants of health. However, the movement to value-based purchasing and capitation has spurred innovation in both healthcare delivery and policy. The Chronic Care Act of 2018 is the next step in addressing the underlying causes of these health disparities due to social determinants of health.

Social Determinants of Health

According to research published in *Health Affairs* in 2016 on geographic disparities in lifespan, “population well-being”—a measure that incorporates physical, emotional and social health—may help explain variation in life expectancy.

Well-being includes not only the absence of disease but also a sense of opportunity, happiness and lack of stress. It reflects the ability to afford food, housing and healthcare; to live in a safe neighborhood; and to work in a trusting, respectful environment.

Compared with residents of a community with low well-being, residents of a community with high well-being may be more likely to engage in healthy behaviors, develop social connections and build strong support systems. As such, population well-being may be an important community characteristic that explains geographic disparities in life expectancy.

Social determinants of health can have measurable financial implications for the cost of healthcare; for example, the lack of transportation to a clinical visit. In a study published in *Health Affairs* in 2018, researchers built a simulation model that looked

at the financial impact of this problem. It found that in a hypothetical clinic population of 300,000, the investigators estimated that 7,000 people—about 2.3 percent—would be transportation-disadvantaged. Net savings from getting these patients to scheduled appointments were projected to be \$2,200 per person, per year, with net costs from improved transportation expected to be \$750 per person, per year.

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The Challenge to U.S. Policy Initiatives

Whereas other countries have addressed the relationship between social determinants of health and their healthcare systems, a study of national spending published in 2011 in *BMJ Quality & Safety* found that when viewed individually, the United States spends more on healthcare than social services. However, when social service costs were combined with healthcare costs, and spending on the two categories was viewed in totality, the United States ranked in the middle of developed nations, with its total costs being 29.3 percent of gross domestic product.

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has not developed policies to address it. The challenge is finding a way to improve how the United States provides services that address social determinants of health in a manner that fits into the U.S. healthcare system and is politically acceptable. In *Introduction to Health Policy*, author Leiyu Shi, DrPH, summarizes its policy dilemma:

The scope of health policy is determined by the political and economic systems of a country. In the United States, where pro-individual and pro-market sentiments tend to dominate, health policies are likely to be fragmented, incremental and non-comprehensive. National policies and programs are typically crafted to reflect the notion that local communities are in the best position to identify strategies to address their unique needs. However, the types of changes that can be enacted at the community level are clearly limited.

Because of this historical political culture, most of the policies that are key to improving social determinants of health have been developed at the local level by cities, counties and states. This makes it difficult for programs, such as Medicare and Medicaid, to influence these policies in a way that specifically helps their beneficiaries.

New Policies and the Chronic Care Act of 2018

However, progress is underway. A number of policies to improve health by improving specific social determinants of health issues have been

enacted in recent years—many based on the Affordable Care Act. These include the establishment of accountable care communities for Medicare and Medicaid, state innovation models and numerous section 1115 Medicaid demonstration waivers.

The most recent policy initiative to support social determinants of health is the Chronic Care Act of 2018. It addresses three aspects of care for Medicare and dually eligible beneficiaries—individuals who qualify for both Medicare and Medicaid benefits.

Key elements of the act, as identified by The SCAN Foundation, are that it: gives Medicare Advantage plans greater flexibility to cover nonmedical benefits for high-need and high-risk members; permanently authorizes special needs plans to target and serve high-need and high-risk Medicare beneficiaries (e.g., dual eligibles, people with chronic health conditions, people living in institutions); and requires special needs plans to better integrate care by creating unified plans for dual-eligible individuals and a single pathway for grievances and appeals.

Examples of new services now provided by Medicare Advantage plans include trips to the pharmacy, fitness center and doctor's appointments for plan members, and a monthly or quarterly allowance for over-the-counter pharmacy products.

Although the initial implementation has been slow, as only 273 plans offer these services in 2019, the number of plans engaged is expected to grow in the future.

Policy initiatives to support social determinants of health are potentially the next big opportunity for health system improvement. Using the healthcare system in a targeted manner also appears to be politically acceptable and sustainable as it is not a large, new national social service program. The challenge for health system leaders is to use these new policy tools carefully with community partners to achieve lasting gains in costs and outcomes for their patients. ▲

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