UNDERSTANDING HEALTH EQUITY

How to define and what it means for the healthcare industry.

Health equity has become a major focus in the healthcare industry over the past two years, with not only an increase of attention, but actionable programs created by payers, providers, and various levels of government. Health equity has received so much attention that unfortunately it has become a buzzword sometimes used without full understanding of what health equity is and what health equity Initiatives aim to accomplish. The intent of this paper is to clarify how health equity is defined and where the healthcare industry is moving in solving health disparities.

To define health equity, one first needs to understand health inequity. Health inequity is caused by health disparities, which are defined as any avoidable or unfair differences in health status between segments of the population.[i] Individuals who face economic or social barriers to health based on their race, income level, geographical location, sex, age, culture, language, or education may suffer from health disparities. These health disparities can create areas of health inequity which can be seen in "differences in length of life; quality of life; rates of disease, disability, and death; severity of disease; and access to treatment."[ii] For example, within the United States:
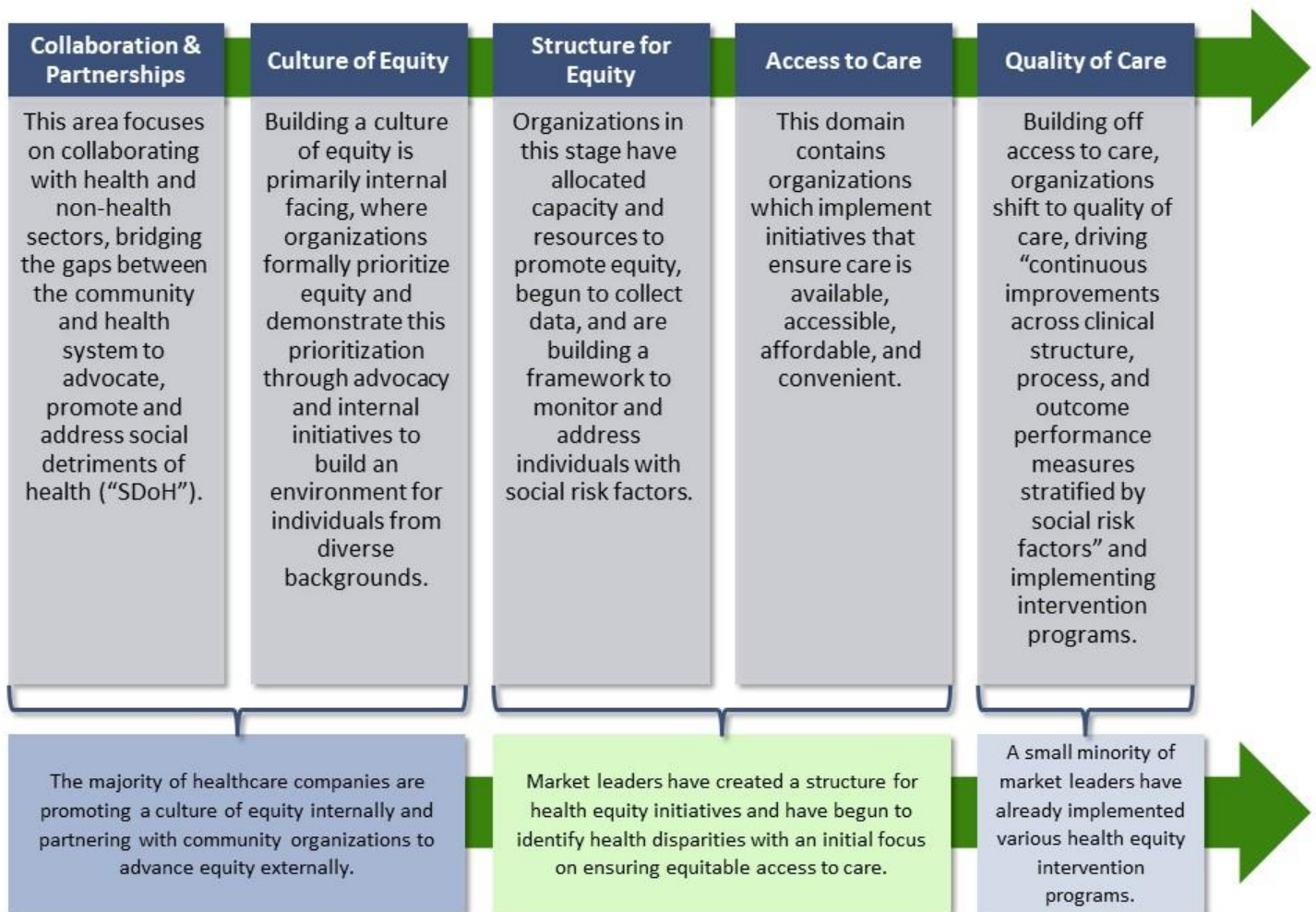
"Native Americans and Alaska Natives have an infant mortality rate that is 60% higher than their white counterparts"[1]	"The life expectancy gap between rural and urban areas widened from 0.4 years in 1969–1971 to 2.0 years in 2005–2009"[2]	"Black mothers have 3x higher maternal mortality and 2x higher morbidity than white mothers"[3]
"Black men are 70% more likely to die from a stroke as compared to non-Hispanic white men"[4]	"African American adults are 60% more likely than non-Hispanic white adults to be diagnosed with diabetes by a physician"[5]	"Life expectancy can differ by as much as 25 years from one neighborhood to the next"[6]

Sources: 3, 4, and 5 from BlueCross BlueShield at https://www.bcbs.com/the-health-of-america/healthequity/?utm_source=bcbscomhomepage; 1, 2, and 6 from the National Academies of Sciences, Engineering, and Medicine; Health and Medicine Division; Board on Population Health and Public Health Practice; Committee on Community-Based Solutions to Promote Health Equity in the United States; Baciu A, Negussie Y, Geller A, et al., editors.

Health inequity adds major costs for healthcare companies and the government. A health disparity study by the University of Minnesota found that preventable deaths caused by racial disparities cost the state $1.2 to $2.9 billion each year.[iii] In 2015, Dr. John Z. Ayanian, Director of the Institute for Healthcare Policy and Innovation at the University of Michigan, estimated that racial health disparities can be associated with an estimated $35 billion in excess health care expenditures, $10 billion in illness-related lost in productivity, and nearly $200 billion in premature deaths. For employers and health plans, Dr. Ayanian proposed that "reducing disparities in effective asthma treatment by 10% for African American workers could save more than $1,600 per person annually in medical expenses and costs of missed

work."[iv] To reduce and prevent costs associated with health disparities, advancing health equity is worth the initial investment by the healthcare industry.

Although there has been an increase of attention, health equity initiatives are not new and while the scope of the problem is massive, there is a solid foundation of work both by public and private organizations that can guide healthcare companies in promoting and acting on advancing health equity. Below I outline where the healthcare industry stands in advancing health equity and where it is headed by using a framework from the National Quality Forum.[v]

Collaboration & Partnerships	Culture of Equity	Structure for Equity	Access to Care	Quality of Care
This area focuses on collaborating with health and non-health sectors, bridging the gaps between the community and health system to advocate, promote and address social detriments of health ("SDoH").	Building a culture of equity is primarily internal facing, where organizations formally prioritize equity and demonstrate this prioritization through advocacy and internal initiatives to build an environment for individuals from diverse backgrounds.	Organizations in this stage have allocated capacity and resources to promote equity, begun to collect data, and are building a framework to monitor and address individuals with social risk factors.	This domain contains organizations which implement initiatives that ensure care is available, accessible, affordable, and convenient.	Building off access to care, organizations shift to quality of care, driving "continuous improvements across clinical structure, process, and outcome performance measures stratified by social risk factors" and implementing intervention programs.

The majority of healthcare companies are promoting a culture of equity internally and partnering with community organizations to advance equity externally.

Market leaders have created a structure for health equity initiatives and have begun to identify health disparities with an initial focus on ensuring equitable access to care.

A small minority of market leaders have already implemented various health equity intervention programs.

Advancing health equity to resolve health disparities across the United States will continue to grow and first movers will benefit from cost savings, while their employees, members, customers, and the community at large will benefit from enhanced access to and quality of care. Whether your organization is interested in advancing health equity and not sure where to start or you have already kicked off a multi-year health equity program: Trexin's capabilities and expertise can help you "get to done".

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This TIP was written by Trexin Associate, Aaron Faugstad. Aaron welcomes comments and discussion on this topic and can be reached at aaron.faugstad@trexin.com.

[i] *Health equity*. Cigna. (n.d.). https://www.cigna.com/about-us/corporate-responsibility/report/health-and-well-being/health-equity.

[ii] Centers for Disease Control and Prevention. (2020, March 11). *Health equity*.
https://www.cdc.gov/chronicdisease/healthequity/index.htm.

[iii] Nanney, M., Myers, S., Xu, M., Kent, K., Durfee, T., & Allen, M. (2019). The Economic Benefits of Reducing Racial Disparities in Health: The Case of Minnesota. *International Journal of Environmental Research and Public Health*, *16*(5), 742. https://doi.org/10.3390/ijerph16050742.

[iv] Ayanian, J. Z. (2017, May 8). *The Costs of Racial Disparities in Health Care*. Harvard Business Review. https://hbr.org/2015/10/the-costs-of-racial-disparities-in-health-care.

[v] National Quality Forum. (2017, September). *A Roadmap for Promoting Health Equity and Eliminating Disparities: The Four I's for Health Equity*.
https://www.qualityforum.org/Publications/2017/09/A_Roadmap_for_Promoting_Health_Equity_and_Eliminating_Disparities__The_Four_I_s_for_Health_Equity.aspx.