ISSUE DIGEST

Social Determinants of Health

What should the role of health plans be in addressing members' non-clinical needs?

PREPARED FOR

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In this digest:

What should the role of health plans be in addressing social determinants of health?

- The Advisory Board's take
- Recommendations for your team
- Highlights from recent publications

Our Issue Digests cover top strategic priorities for the health plan Chief Medical Officer.

Each digest focuses on a question, opportunity, or challenge facing the health plan CMO. We summarize key insights—which may include thoughts on relevance, urgency, and value—on a particular issue, offer recommendations for your team, and provide an overview of recent publications on the topic.

A sampling of other topics covered:

- **The cost curve is bending—now what?** *How plan CMOs should respond to changing trends in health spend*
- **Why are providers reluctant to engage in downside risk?** *A comparison of findings from the top five industry surveys*
- **What are the potential costs of cost-sharing?** *An examination of the health care affordability crisis*
- **What strategies can payers deploy to reduce pharmacy spend?** *Trends in specialty pharmacy utilization*

What role should plans serve in addressing social determinants of health to improve health outcomes?

Identifying effective programs to address members' non-clinical needs

OUR QUICK TAKE

- Left unaddressed, patients' social issues can drive excess health care spending. Nearly 80% of ED visits by homeless patients could be prevented through primary care, and nationally, annual health-related costs attributed to food insecurity totals $155 billion.[1,2] Providers and payers agree that focusing on social determinants of health (SDOH) is crucial in managing clinical and financial outcomes for patients. However, between payers, providers, community organizations, and government agencies, it is **unclear who is ultimately responsible for funding and delivering these services**.
- The Medicare Advantage and Part D policy for 2019 coverage reflects a substantial commitment by CMS to reinforce SDOH as a core component of medical care. The 2019 coverage standards allow plans to apply non-clinical benefits (e.g., transportation services) to address members' social needs, therefore **offering plans a no-regrets approach to potentially lowering costs and improving quality of care**.
- The types of social services that fall under the umbrella of SDOH initiatives is inconsistently defined. Housing instability, food insecurity, unemployment, transportation barriers, and social isolation are among the most accepted targets for SDOH initiatives. Although behavioral health is often included in SDOH programming, **treating mental health and substance abuse disorders as social rather than clinical conditions can result in perverse outcomes** like stigma, non-adherence to treatment, and increased marginalization.
- A lack of clarity on the clinical and financial impact of holistic SDOH programming has led to investment in programs with smaller effects on health and cost outcomes (e.g., nutrition and community-building). Targeting social needs such as language barriers, housing, and financial hardship have the strongest impact on cost, utilization, quality, access, and patient satisfaction. Comparatively, **programs targeting transportation and health literacy have shown more limited impact on outcomes, but still receive funding** given the relatively low upfront investment and simplicity of available solutions, such as ridesharing and health infographics.

DATA SNAPSHOT

Investments in social determinants are climbing, but evidence of ROI varies:

Substantial payer investments in social determinants of health[3]

$380M
Anthem
2008-2018

$350M
United Healthcare
2008-2018

$12M
Intermountain/ SelectHealth
2018

$2.4M
Aetna Foundation
2018

SDOH program	Strength of evidence[4]	Supporting data
Housing insecurity	◑	◑
Food insecurity	◑	◑
Financial Hardship	◑	◑
Social connection	○	●
Transportation	○	●
Patient education	○	○

○ Limited evidence on impact; limited peer-reviewed data available.

● Strong evidence of impact; extensive peer-reviewed data available.

1. Homelessness and Discharge Delays from an Urban Safety Net Hospital, 2014.
2. Estimating the Health-Related Costs of Food Insecurity and Hunger, 2016.
3. Figures listed in Forbes, Patient Engagement IT, and Business Wire.
4. Determined based on Advisory Board review on impact of risk factor on cost, utilization, quality outcomes, access to care, and patient satisfaction.

Source: Chief Medical Officer Roundtable research and analysis.

Recommendations for your team

DISCUSSION QUESTIONS

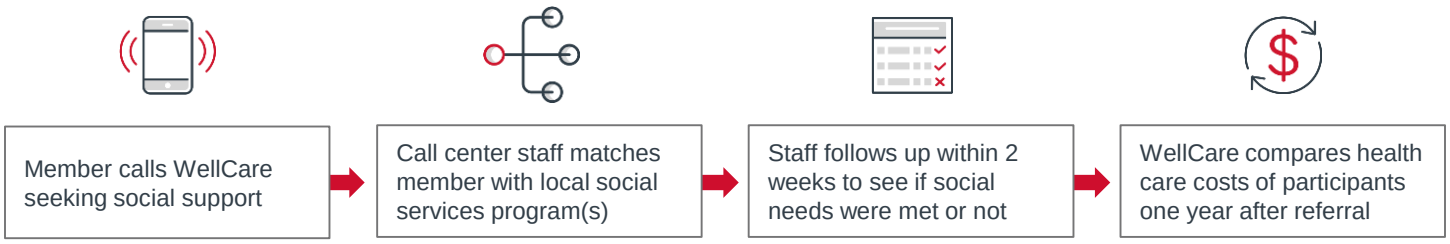
Targeted questions to bring to your next team meeting

- Which social determinant of health is most relevant and impactful among our membership?
- How are we identifying which members (rising and high-risk) would benefit from social needs support to administer these services equitably?
- How will we measure the ROI of investments in SDOH and what metrics should we start tracking now to assess and effectively communicate the program's impact?

CASE STUDY TO SHARE

How WellCare Health Plans reduced costs through social service referrals

WellCare's Healthy*Connections* Program



- WellCare, a managed care organization, launched Healthy*Connections* in 2014 to address its members' social needs (e.g., housing, transportation) by referring them to community-based programs.
- The most common referrals were medical transportation (15%), utility financial assistance (12%), food assistance (12%), free or reduced vision services (10%), and medication assistance (6%). Financial and food assistance programs typically have a larger impact on patient outcomes than transportation services.
- Participants called the program between 2015 and 2016, and were insured through Medicare Advantage or Medicaid managed care.

10%

Greater reduction in health care costs for group with all needs met compared to those without needs met, one year after referral

RELEVANT READING

Recommended for your internal teams

- Daily Briefing: More than 80% of doctors say it isn't their job to fix social determinants of health
- Blog Post: The 3 non-clinical investments that deliver the highest 'bang for your buck'
- Blog Post: Combat this $77 billion problem by targeting the social determinants of health

External journal articles

- Nichols L, Taylor L, "Social determinants as public goods: A new approach to financing key investments in healthy communities," *Health Affairs*, 2018.
- "Beyond the boundaries of health care: Addressing social issues," AHIP, (2017).
- Livingston S, "Financial imperative: Payers can't control costs without addressing social determinants," *Modern Healthcare*, August 25, 2018.

Highlights from recent publications

KFF (May 2018): Policy Changes Fuel a Greater Focus on Social Determinants

Learn more

- **Summary of major findings:** The Center for Medicaid and Medicaid Innovation's (CMMI) State Innovation Models Initiative requires each state with Round 2 grants to develop a state-wide plan to improve population health. All 11 participating states have also committed to build relationships with primary care and community-based organizations. For example, Washington State created nine regional "Accountable Communities of Health" to encourage local stakeholders to implement regional health improvement projects. Additionally, in 2019, 19 states will require, and 16 states will encourage, Medicaid managed care organizations to screen for social needs through their contracts. Common SDOH activities among plans include working with community organizations to link members to social services (93%), assessing members' social needs (91%), and maintaining social service resource databases (81%).
- **Methodology:** The analysis was published by Kaiser Family Foundation on May 10, 2018.
- **Limitations:** KFF references much older articles from 1993, 1998, and 2007 to illustrate the importance of SDOH.

ADVISORY BOARD INSIGHTS

Innovation and increased focus on SDOH is primarily being driven by state and federal-level policy changes, as these stakeholders begin to mandate organizations identify and address their population's social needs.

Plan CMOs should try to complement, rather than duplicate, the work of CMMI, such as restructuring payment models to incentivize provider assessment and intervention on patient social needs.

Change Healthcare (July 2018): Payers Are Devoting More Strategic Focus on Social Determinants Learn more

- **Summary of major findings:** More than eight in ten payers are integrating SDOH into their member programs.[1] Payers are engaging in a variety of activities to address members' social needs, such as integrating community programs (42%), offering a social assessment with a health risk assessment (33%), incorporating social determinants into clinical workflows (27%), and training physicians to identify social needs (21%).
- **Methodology:** Change Healthcare launched an online survey at the end of 2017 open to more than 2,000 Change Healthcare customers, including national and regional payers, providers, vendors, and government representations. There were 181 total responses.
- **Limitations:** The report does not disaggregate payer responses from other participants.

Most health plans seem to be concentrating their efforts in initiatives that screen and identify at-risk patients.

Plan CMOs should also dedicate their time and resources in endorsing programs that take the next step in effectively connecting patients to available services, and in tracking meaningful outcomes over time.

Business Wire (October 2018): The Aetna Foundation's SDOH Investments Are Heavily Skewed Towards Food Security Programs Learn more

- **Summary of major findings:** In 2018 alone, the Aetna foundation awarded more than $2.4 million in grants to 25 U.S. nonprofits as part of its larger "Building Healthy Communities Initiative." The two largest grant recipients are Meals on Wheels America ($174k) to provide food security to seniors and Share our Strength's No Kid Hungry program ($225k) to increase access to free school breakfasts for 10,000 students. In addition to food security for children and the elderly population, the Aetna foundation also devoted funds to pollution, transit infrastructure, and green spaces.
- **Methodology:** The President of the Aetna Foundation announced the funding on October 2, 2018 at The Equity of Health event held in Washington, D.C.
- **Limitations:** The Aetna Foundation did not disclose the evaluation criteria used to select grant recipients.

Plan CMOs should diversify their investments across evidence-based SDOH programs, such as employment and housing services, to achieve compounded results on clinical and financial outcomes for members.

This can be challenging given there is inconsistent ownership of SDOH work internally across various health plan departments (e.g., medical management, philanthropy, marketing).

1) Health Payer Intelligence; Becker's Hospital Review.

Leavitt Partners (May 2018): Lack of clarity on who is responsible for addressing social needs Learn more

- **Summary of major findings:** Despite general physician agreement that addressing SDOH would benefit their patients, the vast majority of physicians do not feel that providers or insurers are responsible for these activities. Over 90% reported that neither party is responsible for help with affordable housing or increased income, 84% reported the same for assisting with food security, and 69% for arranging transportation. When asked who is best positioned to address various patient social needs, an overwhelming majority chose "someone outside my own practice," followed by "administrative staff at my office." Physicians cited several barriers to addressing social needs, including limited time in the appointment, belief that SDOH should not be discussed in the doctor's office, existing resources available to patients, and lack of incentive to provide these services.
- **Methodology:** Leavitt Partners surveyed U.S. physicians on their attitudes towards SDOH through Qualtrics software between June and July of 2017. There was a 5% response rate with 621 responses from various physicians (e.g., independent, specialists, hospitalists).
- **Limitations:** Leavitt treated providers and insurers as one group in the survey question that probed on who was responsible for addressing SDOH.

ADVISORY BOARD INSIGHTS

Plan CMOs would benefit from dedicating resources that empower physicians to take a more prominent role in addressing SDOH. Risk-based contracts address lack of time and limited financial incentives by allowing for longer patient visits. Additionally, insurers could pay for coding social needs (e.g., homelessness ICD-10 Z code) as billable services.

Plans could also support physicians by offering informational resources on available community-based organizations and services.

Deloitte (May 2017): Hospitals with multiple risk-based contracts are more effective in SDOH initiatives Learn more

- **Summary of major findings:** A majority (88%) of hospitals screen for social needs, but concentrate screenings mostly within their inpatient (90%) and high-utilizer populations (83%). Almost three-quarters (72%) of hospitals lack funding to address social needs, and 40% cannot measure health and cost outcomes of their SDOH investments. Measuring operational and clinical outcomes is challenging for a number of reasons; for example, it is hard to maintain contact with patients to track outcomes over a long enough time period and many patients receive social support from multiple organizations, making it difficult to attribute impact to a single initiative.

  Hospitals with at least two value-based contracts invest more in SDOH and are 20% more likely to measure clinical and financial outcomes. Commonly tracked metrics include referral volumes to community providers (57%), screening rates for social needs (56%), patient contact volumes to community resources (45%), and enrollment rates in social needs activities (43%).
- **Methodology:** In April 2017, the Deloitte Center for Health Solutions surveyed 284 hospitals electronically (22% response rate).
- **Limitations:** Survey respondents might disproportionately represent underserved areas

A majority of providers are unlikely to view SDOH as a personal responsibility unless there is an underlying payment model that incentivizes population health management.

Health plans should consider SDOH as an essential component of value-based care strategy, and should support physician tools that encompass screening, coordinating, and tracking social services.

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