Solving Disparities Through Payment and Delivery System Reform

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- National Advisory Board, Institute for Medicaid Innovation
- Families USA – Equity and Value Task Force Advisory Council
68 year old Chinese woman recently returned from Hong Kong. Fever, coughing mucus, fluid in lungs
Teenage Moms
Goals from January 2018 Webinar

• Review what is known about how to achieve health equity
• Introduce landscape of using payment reform and care transformation to achieve equity
Today’s Goals

• Place your pioneering work within wider context of social and political change advancing health equity
  – Cultural, values-driven component
  – Technical component

• Share lessons learned comparing Aotearoa/New Zealand and the United States

• Deeper dive into payment reform and care transformation to achieve equity
Agenda

• Aotearoa/NZ – US basic statistics
• Reminder conceptual framework and levels of intervention
• 5 lessons
• Advocacy and leadership
Neither Aotearoa / NZ or U.S. is paragon for equity

- Commonwealth Fund equity rankings of 11 Western countries
  - Aotearoa / NZ - #8
  - U.S. - #11
Land of the Long White Cloud
Aotearoa / New Zealand
Demographics and Geography

Aotearoa / NZ
- 4.6 million residents
- 1/34 geographic size of US
- Minorities
  - Maori 15%
  - Asian 12%
  - Pacific peoples 7%

United States
- 326 million residents
- Colorado = A/NZ
- Minorities
  - Hispanic 17%
  - African-American 14%
  - Asian 6%
  - American Indian/AN 1.7%
  - Pacific Islander 0.4%
Conceptual Framework

Multiple Levels for Policy Action

Chin MH et al. JGIM 2012; 27:992-1000
Lesson 1 for U.S.

• Question whether we have our national cultural values appropriately balanced
American Mythology
Liberalism

- Liberty, individualism, limited constitutional government
Utilitarianism

• Maximize utility – well-being, pleasure
• Produce most good
• Greatest good for greatest number
• Consequences
Communitarianism

• Responsibility of the individual to the community and the social importance of the family unit
Distributive Justice

• Socially just allocation of goods in a society
Safety Net

**Aotearoa / NZ**
- All citizens and permanent residents can access publicly funded health and disability services for preventive, inpatient and outpatient hospital services, primary care, prescription drugs, mental healthcare, dental care for schoolchildren, home support services and long-term residential care for older adults, hospice, and disability support

**United States**
- 2016 – 8.6% uninsured
- Medicaid
- ACA – variable Medicaid expansion
A/NZ: Underbudgeting and Queues
Underbudgeting and Queues
Lesson 2

• Explicitly design quality of care and payment policies to achieve equity, hold the healthcare system accountable through public monitoring and evaluation, and support with adequate resources
A/NZ National Health Strategy

• Acknowledging the special relationship between Māori and the Crown under the Treaty of Waitangi

• Best health and wellbeing possible for all New Zealanders

• c. An improvement in health status of those currently disadvantaged

• e. Timely and equitable access for all New Zealanders to a comprehensive range of health and disability services, regardless of ability to pay
U.S. Healthy People 2020

• A society in which all people live long, healthy lives

• Achieve health equity, eliminate disparities, and improve the health of all groups (Race/ethnicity, gender, SES, Disability, LGBT, Geography).
Where’s Equity?
## Funding Formulas

### Aotearoa / NZ
- National Population-based funding formula adjusted for NZ Index of Deprivation (ethnicity, sex, age)
- Very Low Cost Access Funding – practices with 50% lower quarter social deprivation, Maori, Pacific peoples

### United States
- Disproportionate Share Hospital payments for uncompensated care
- Selected case-mix adjustment (e.g. – increased payment for dual eligible Medicaid/Medicare patients in Medicare Advantage)
A/NZ Childhood Immunization

• In 2007, immunization rates were 74% for non-Māori-non-Pacific people and 59% for Māori.

• By June 2012, the gaps had largely disappeared; rates for NZ European children were 93% vs. 92% for Māori.
How?

• Minister of Health makes equity priority
• Accountability – quarterly public immunization scorecard rates ranking District Health Boards
• Collaboration - share best practices, systems, community outreach
• Competition – public reporting, pay for performance
National Quality Forum, National Academy of Medicine, Health and Human Services ASPE Reports
National Quality Forum
4 I’s for Health Equity

• Identify priority disparity areas
• Implement evidence-based interventions to reduce disparities
• Invest in health equity performance measures
• Incentivize the reduction of health disparities and achievement of health equity

NQF – HTN in Afr-Am Example

Identify Priority Disparity Areas

• Size of the disparity
• Strength of evidence for disparity reduction strategies
• Ease and feasibility of improvement
Implement Evidence-based Interventions

• Lifestyle modification – diet, exercise, stress
• Teams, peer navigators, CHWs
• Home BP monitoring and telephonic counseling
• Treatment intensification program
• Culturally tailored self-management
• Stress – address structural racism
Health Equity
Performance Measures

- Access to Care
- High-Quality Care
- Structure for Equity
- Culture of Equity
- Partnerships and Collaboration
Incentivize Health Equity

- Adjust for patient’s social risk
- Stratify performance measures
- Reward improving outcomes, reaching absolute performance threshold, reduce disparities
- Incentivize addressing social determinants of health
- Payment models to support infrastructure and upstream services
Families USA Health Equity and Value Task Force

- Payment systems that sustain and reward high-quality, equitable health care
- Support safety net and small community providers in delivery system reform
- Building robust and well-resourced community partnerships
- Ensuring transparent, representative evidence base
- Equity focused measurement
- Diverse health care workforce
Māori Sudden Unexpected Death in Infancy Prevention

- Wahakura (traditional flax woven basket) versus the gold standard bassinet
- Master flax weavers create wahakura and teach mothers about safe sleeping practices, dec smoking, & breastfeeding
Lesson 3

• Address all determinants of health for individuals and communities with coordinated approaches, integrated funding streams, and shared accountability metrics across health and social sectors.
Social Determinants of Health

• Health outcomes
  – Health care 10%
  – Social determinants 30-40%

• High utilizing patients

• ACOs

• Population health management
Process of Systematic Change

• Pilot work and demonstration projects
  – Proof of concept
  – Funders – local, foundation, demo programs

• Development and dissemination of model programs

• Advocacy – local, organizational, governmental

• State and federal legislation and regulations supporting and funding the novel approaches
Necessary Ingredients for Addressing SDOH

• Creating hubs and partnerships of health care and community organizations integrating the two

• Robust funding streams
  – Grants
  – Reform of underlying health care and social service funding
Europe and U.S. Spend Similar % GDP on Combined Health & Social Service
Europe Spends Higher Ratio on Social Services than Health
U.S. Has Lower Ratio Social Service: Health Spending
Higher Ratio Social:Health Spending Has Better Health Outcomes

- Infant mortality
- Maternal mortality
- Low birth weight
- Potential life years lost

Bradley EH et al. BMJ Qual Safety 2011
Health Plans and Organizations

• Sufficiently large population to serve
• Limited turnover of population
• Prevention rewarded instead of costly emergency and inpatient care
State Medicaid Models for Health Equity

• Minnesota’s Hennepin Health Safety-Net ACO
  – Blewett LA & Owen RA. AJPH 2015.

• Oregon Coordinated Care Organization (CCO)

• Massachusetts ACOs
Lesson 4

• Share power **authentically** with racial/ethnic minorities and promote indigenous peoples’ leadership and self-determination.
Nuka System of Care for Alaska Native People

• Alaska Native people took control of their healthcare system from the federal Indian Health Service: customer-owners who tailored the system to meet their needs through a self-determined process
Nuka 2

• Key principles were shared responsibility, commitment to quality and continuous improvement, and family wellness
• Prepaid care; PCMH; Rural outreach
• Increase access/quality; Dec. utilization
Lesson 5

• Have sincere, **honest** discussions about structural racism, colonialism, white privilege, and implicit biases, ensuring that policies and programmes explicitly address root causes.
Journal Reviewer

• “The language used is at times moralistic eg calls for "Authenticity" and "Honesty" in the text “

• “Share power authentically”
  “Have sincere, honest discussions about structural racism, colonialism, white privilege, and implicit biases…”

• Response
  – Yes, equity is a moral issue (Culture, Values)
  – These words objectively capture the reality
Response to Reviewer

• “Racial/ethnic minorities and indigenous peoples often mistrust majority institutions because of a history of discrimination, oppression, broken promises, and egregious ethical violations such as experimentation on them (e.g. Tuskegee Syphilis Study).”
Power is the Issue

• Control over the historical narrative
• Control over resources
Treaty of Waitangi
1993 Documentary

• “How do we make this founding document work for New Zealand….it really has to work for both of us [Maori and non-Maori]….Not to have it as something that forces us to look back, but really forces us to look forward.”
  – Jim Bolger, Prime Minister
Racial/Ethnic Minority Students in U.S. and New Zealand
Lessons for U.S.

• “Culture eats strategy for lunch” - Values
• Communitarianism, Distributive Justice
Advocacy and Leadership
Moonshots, Opioids, and Incentives

• “So, why do health disparities persist? A simple answer is that our country tolerates them.”
• “way we pay for medical care largely does not support efforts to achieve health equity.”

Chin MH. The Health Care Blog 2016.
Reconciling Movement Advocacy and Trusting Relationships
Addressing Disparities Honestly

• “Dr. [Jennifer] Smith explained that a conflict is a personal narrative with a beginning, middle, and end. At the beginning, parties frequently experience powerful emotions such as anger, frustration, fear, and surprise, and often make assumptions based on their values and biases. The middle phase encompasses listening and telling, adjusting facts, and clarifying options. In the end, one can hope for agreement, compromise, and reconciliation, but at a minimum it should be possible to envision a new future with common facts, decreased emotion, and more clarity moving forward.”

Chin MH. JNMA 2017.
“I believe movement advocacy can break down ingrained structural barriers and policies that impede health equity, while clinicians, health care organizations, and advocates build trusting relationships and resolve conflict with mutual respect and honesty.”

Chin MH. JNMA. 2017.
“We must combine advocacy and relationship building to end disparities. Achieving health equity will require policy changes, and personalized clinical care and organizational transformation that are dependent on good will and trust.”

Chin MH. JNMA. 2017.
New Zealand and Health Equity
Ministry of Health, Wellington
Spectrum of Advocacy

“Our core role and great privilege is to care and advocate for our individual patients. ..we can do much within and beyond the walls of our clinics … to support our patients. Many impactful actions along the spectrum of advocacy may be right for you...Our obligation to our patients includes advocating for them when their health and well-being are threatened.”

Tan et al. JGIM 2017