BUILDING THE VALUE CASE: MEDICAID'S ROLE IN ADDRESSING SOCIAL DETERMINANTS OF HEALTH

BACKGROUND

In January 2021, the Centers for Medicare & Medicaid Services (CMS) issued guidance to state Medicaid Directors designed to drive the adoption of strategies that address the social determinants of health (SDOH) in Medicaid and the Children's Health Insurance Program (CHIP) so states can improve beneficiary health outcomes, reduce health disparities, and lower overall costs. There is a strong value case for states to address SDOH and use Medicaid as a lever to break down traditional silos between the health system and social, nutritional, housing, employment, and other sectors to reduce overall state spending and improve the health of Medicaid beneficiaries.

The Health Equity Project - in partnership with THS, Algorex Health, and Pareto Intelligence - is releasing a series of briefs to support policymakers, regulators, providers, and other key stakeholders evaluate investments to bolster health equity and address SDOH. The series of briefs will continue to be incrementally updated, incorporating additional data, insights, and evidence.

DEFINING SOCIAL DETERMINANTS OF HEALTH

The Centers for Disease Control and Prevention (CDC) define social determinants of health (SDOH) as "conditions in the places where people live, learn, work, and play that affect a wide range of health risks and outcomes." SDOH reflect environmental conditions that influence social interconnectedness and security. The CDC categorizes SDOH in five domains: Economic stability (e.g., joblessness, housing instability, food insecurity), education access and quality, health care access and quality, social and community context (e.g., isolation), and neighborhood and built environment (e.g., transportation, violence).

This series will focus on seven distinct SDOH:

1. Housing instability: An umbrella term that encompasses several challenges, such as having trouble paying rent, overcrowding, moving frequently, cohabitating with relatives, or spending the bulk of household income on housing costs. Homelessness is an extreme form of housing instability.

2. Food insecurity: A household-level economic and social condition of limited or uncertain access to adequate food. Household food insecurity is measured on a wide scale from concern that food will run out (very low) to not eating for days or weeks (high).

3. Activity of Daily Living (ADLs): Fundamental and routine tasks that most young and healthy individuals can perform independently. These briefs define the essential ADLs as ambulating, feeding, dressing, toileting, and continence.

4. Transportation: Transportation issues—such as lack of vehicle access, inadequate infrastructure, long distances, and lengthy commutes to reach needed services—that impact an individual's access to health care services. Transportation challenges may result in missed or delayed health care appointments and poorer health outcomes.

5. Isolation: These issue briefs examine isolation from both the lens of physical distance to services and social isolation, which describes a lack of a sense of belonging, or deterioration of social relationships which may result in feelings of loneliness.

6. Violence: Violence experienced by individuals, through direct victimization, witnessed acts of violence, or indirect exposure to crime and violence experienced by other community members. The effects of exposure to violence, especially in childhood, can result in greater risk for mental and physical conditions in adulthood.

7. Joblessness: Lack of access to good jobs with fair pay. According to the CDC, people with steady employment are less likely to live in poverty and more likely to be healthy, but many people have trouble finding and keeping a job. People with disabilities, injuries, or conditions like arthritis may be especially limited in their ability to work. In addition, many people with steady work still don't earn enough to afford the things they need to stay healthy.

Minimizing SDOH helps achieve health equity by ensuring that everyone has a fair and just opportunity to be as healthy as possible.

APPROACH

Each brief in the seven-part series provides important quantitative and qualitative information specific to one of the aforementioned SDOH:

1. Qualitative literature review of research and evidence that examines social interventions and their measured effects on the community's health and the costs borne by the state for providing health services through the Medicaid program. Analysts only reviewed studies that were available publicly; they omitted any research requiring a paywall.

   Analysts assigned each piece of evidence a score (1-3) based on three components:

   a. Time alludes to how recent the research and data was published. If a study looked promising or a program was re-occurring, yet that data was outdated, we made attempts to reach the researchers for more relevant evaluation findings.

   b. Strength refers to the type of publication the information was gleaned from. For instance, a peer reviewed journal was awarded a higher strength than a press release or sponsored white paper.

   c. Outcome is based on the specificity and economic nature of reported outcomes.

   Analysts scored each element and then calculated a composite score: high (2.33 – 3), medium (1.67 -2.32), or low (1 – 1.66).

2. A statistical analysis that demonstrates the correlation between the distinct SDOH and a range of outcomes and spending measures, that identify the impact of addressing the social factor

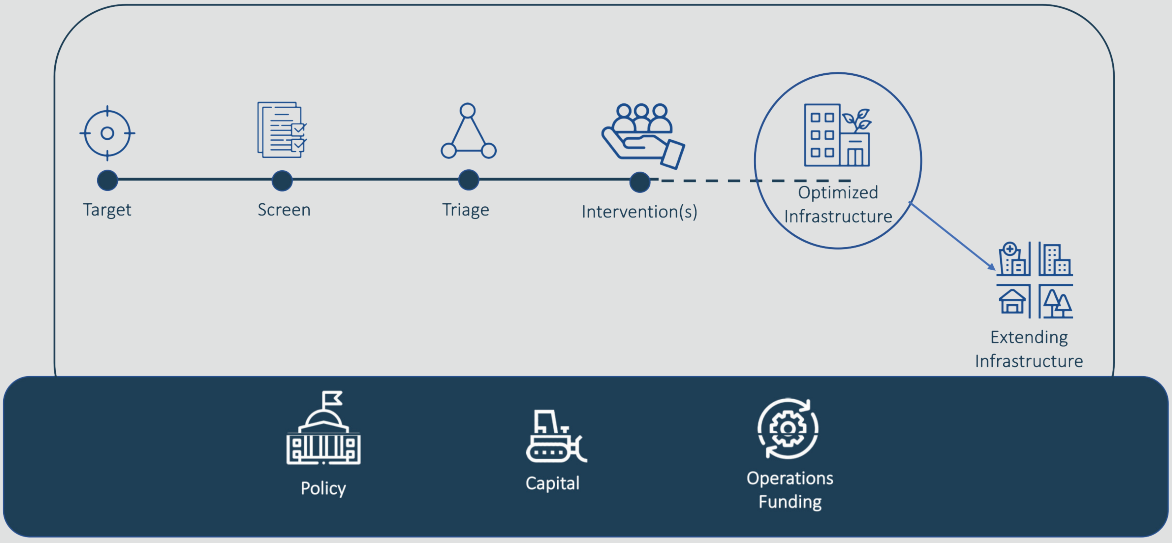
3. A comprehensive and structured review of how policymakers can develop strategies for identifying communities, beneficiaries, interventions, policy dynamics, and funding to optimally address the SDOH of interest

FRAMEWORK FOR ESTABLISHING STRATEGY

The primary thesis of the series is that by addressing SDOH, states can play a pivotal role in reducing health care costs while improving outcomes.. The series of issue briefs establishes a comprehensive framework to evaluate opportunities for policymakers and other stakeholders to drive interventions. The structural approach to this framework encourages states to problem-solve by examining the multi-faceted options at their disposal to address SDOH.

The framework outlines a pathway of six activities and three foundational levers that govern the way these activities are funded, implemented, and operated. States and other key stakeholders can follow the pathway to develop thoughtful and innovative approaches to addressing social gaps demonstrably linked to health outcomes.

Exhibit 1: SDOH Strategy Framework



The foundational levers include:

Policy: General principles guiding government actions; regulatory framework that establishes, funds, and manages health and social programs.

Capital: Financial outlays emanating from state funding, private investment, social impact investment, and/or philanthropy to underwrite the necessary asset costs for programmatic and/or infrastructural needs.

Operations Funding: Resources to underwrite the ongoing operational costs required for programs, interventions, and infrastructure emanating from earnings (profits), service-based payments, philanthropy, and/or grants.

The pathway includes:

1. Target: Isolating the specific conditions or gaps in social determinants that are likely impacting the health of individuals or communities.
2. Screen: Applying evidence-based criteria through digital, written, or person-to-person interactions that evaluate the target population to validate and refine individuals or communities being directly impacted by the social driver of interest.
3. Triage and Care Coordination: A process for direct interaction with individuals identified through screening to further assess the biopsychosocial needs of the patient and match those needs to an appropriate intervention and community supports.
4. Intervention(s): An evidence-based management or clinical process tailored to address the specific needs of an individual or family through existing and accessible infrastructure.
5. Optimized Infrastructure: Existing institutions across the biopsychosocial spectrum designed to address the range of individual needs that have been optimized through improved process, people, and/or technology.
6. Extending Infrastructure: Augmenting existing infrastructure through building additional capacity or leveraging unique partnerships or digital solutions to create extensions.

CONCLUSION

Research shows that investing in SDOH can save states money by reducing overall health care spending and improving health outcomes. The series of issue briefs demonstrates that Medicaid can be a valuable partner in addressing seven distinct SDOH, outlines opportunities to use Medicaid and Medicaid managed care levers, and offers concrete ideas for effective interventions.

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