Healthcare Collaborative: The Social Determinants of Healthcare

January 29, 2019

Executive Summary
The Association Forum’s Healthcare Collaborative convened nearly 50 association CEOs and healthcare leaders to review and discuss the social determinants of health and how these determinants affect inequities in healthcare.

This is the fourth session of the Healthcare Collaborative, an interdisciplinary community of healthcare associations and stakeholders who collectively deliberate and identify pressing issues affecting the sector. Previous sessions addressed big data, the opioid epidemic and disruptive innovation.

As noted in opening remarks by Paul Pomerantz, FASAE, CAE, CEO, American Society of Anesthesiologists, there’s been no other meeting like this convened that brings together multidisciplinary stakeholders including physician groups, allied health, hospitals, government and others, to organize around these pressing issues and opportunities. Based on these initial sessions, Pomerantz noted that the collaborative advisory panel will meet to develop a roadmap for moving forward.

The event’s speakers and panelists were:

- **Moderator**: Greg Heidrich, Executive Director, Society of Actuaries
- **Panelist**: Julia Lerche, FSA, MAAA, MSPH, Chief Actuary, North Carolina Medicaid
- **Panelist**: Douglas O’Brien, Regional Director, US Department of Health and Human Services

The following is a summary of the presentations and panel discussions.

**Keynote: Healthcare’s Eve of Disruption**

Johnson opened with a review of how much of the nation’s economy is spent on healthcare and how the majority of those costs are spent on fighting chronic disease and yet we are not winning the fight. It’s not what we need to do, but how to do it.

Transactions in December 2017 such as Amazons partnership with JPMorgan Chase and Berkshire Hathaway, CVS acquisition of Aetna and Cigna’s acquisition of ExpressScripts were all signals from established players that the current business market is not prepared so we are changing.

Johnson discussed the trends in transaction based prices and the relationship between productivity and wages/household income and how in new millennium, people are working harder than ever and yet there is a gap between productivity and income.

Healthcare is underappreciated in this and family health insurance premium as percentage of household income at 31 percent today compared to 14.2 percent in 1999. Yet, many people don’t think of total cost when it comes to healthcare and just think about their portion of the premium and out-of-pocket costs which is also how many don’t think about their total compensation at work.

He reviewed how US is a major outlier when it comes to healthcare and social care spending and as a result we are average or exceptionally mediocre while other countries do a better job on average to balance social and healthcare spending to create better outcomes. Johnson noted that healthcare is an ultimate weak link enterprise and a preventative surgery is always better than having the best surgeon. So ultimately you can get great quality if everyone does things right and if we spend more on social care, then we will get better results.

Johnson offered the perspective that healthcare is suffering its own chronic disease with pathologies: revenue optimization (not value creation), monopoly pricing (production control) and monopsony pricing (purchasing control); and root causes: complex payment formularies, unbalanced regulation and government capture. He noted that market forces are attacking inefficiencies and we are at the beginning of a customer-led revolution.

New business models are the face of disruption in healthcare with the disrupters including focused factories, enhanced primary care companies, retail clinics, asset light providers and Mission First in Asheville (HCA).
Johnson closed talking about the importance of value-driven demand in healthcare where outcomes matter, customers count and values rule.

Panel Discussion

- Lerche provided an overview of the Healthy Opportunities program in North Carolina that is addressing social determinants of health in their plans by looking at housing, food, transportation and interpersonal violence and toxic stress to help improve outcomes. She noted that evaluation will be important North Carolina will: 1) rigorous evaluation on the final outcomes of the pilot demonstration and conduct rapid cycle assessments to gain insights into pilot impact in as close to real time as possible so that they can shift resources interventions with a demonstrated impact on cost and outcome; 2) link payments to outcomes and 3) implement course corrections to modify or discontinue initiatives that are less effective and shift resources to interventions with a demonstrated impact on cost and outcomes.

- O’Brien noted that HHS understands that market forces impact healthcare and no one solution or one size fits all approach works and that things need to be a collaborative process involving providers, payers and innovators. He also indicated that government needs to create and foster more innovation but also needs to be practical and that services can’t just keep being added without showing data to justify and prove it works. Results are needed not just additions and value cannot be distorted by politics and finances.

- Johnson reviewed innovative programs such as Oak Street Health and ChenMed and how their approaches involve patients and improve outcomes. He also noted that outcomes need to be measured and reviewed with the right models.

Roadmap for Action
Kathleen O’Loughlin, DMD, MPH, Executive Director, American Dental Association engaged the group in a discussion of a Healthcare Collaborative Roadmap for Action. Specific comments by collaborative participants focused on:

- A need to educate association members on addressing larger global perspectives and the group discussed the challenges of doing this given they are designed to serve their members and volunteer boards

- The importance of collaboration, removing silos and organizational partners

- The fact that there is no standard way to capture social determinants of health

- The interpretation of data to effect change and overcoming resistance to change

- How everyone needs to put patients first

Conclusion
Pomerantz concluded the Healthcare Collaborative highlighting the discussion and past sessions and the Forum’s development of a strategic plan that looks at keeping the conversation going and continuing to work collaboratively as a group to address key issues and determine how to turn conversations into action.
Attendees:

Kerry Amato, Director, Professional Development, HIMSS
Thomas Arend, CAE, President and CEO, AAOS
Frank Austin, Senior Vice President - Marketing and Development, American College of Healthcare Executives
Yolanda Battle, Meeting Planner, AHIMA
Mary Beth Benner, Executive Director, Association Management Center
Deborah Bowen, FACHE, CAE, President and CEO, American College of Healthcare Executives
Craig Busey, General Counsel, American Dental Association
Steven Collins, CEO, MATTER
Christopher Damon, Executive Director, American Medical Technologists (AMT)
Pierre Désy, Chief Executive Officer, Society of Gynecologic Oncology
Kate Emshoff, Director, International Affairs, Radiological Society of North America
Daniel Garrett, Executive Director, American Academy of Cosmetic Surgery
Brent Gibson, Chief Health Officer, NCCHC
Jim Goodman, Sr. Vice President, Business, American Dental Association
Albert Guay, Chief Policy Advisor Emeritus, American Dental Association
Judith Hale, CEO, Center for International Credentials
Dale Hall, Managing Director of Research, Society of Actuaries
Greg Heidrich, Executive Director, Society of Actuaries
Mary Hepp, Executive Director, ASNR
Lance Hoxie, Executive Vice President, ABOMS
David Johnson, Founder, 4Sight Health
Brad Kent, Senior Vice President, Visit Dallas
Colleen Lawler, Executive Director, Society of Cardiovascular Anesthesiologists
Julia Lerche, FSA, MAAA, MSPH, Chief Actuary, North Carolina Medicaid
Charles Macfarlane, CEO, AADE
Leigh Madden, Senior Vice President, Public Communications Inc
Michelle Mason, President and CEO, Association Forum
Stephanie Mercado, Executive Director and CEO, NAHQ
Randall Moore, CEO, AANA
Bob Moore, Executive Director, American College of Osteopathic Family Physicians
Lindsay Morrison, Content & Marketing Director, 4Sight Health
Max Moses, Executive Director, Academy of General Dentistry
Achilles Natsis, Health Research Actuary, Society of Actuaries
Adrienne Nudo, Senior Sales Manager, Visit San Antonio
Douglas O’Brien, Regional Director, US Department of Health & Human Services
Dr. Kathleen O’Loughlin, DMD, Executive Director, American Dental Association
Paul Pomerantz, FASAE, CAE, CEO, American Society of Anesthesiologists
Dave Preble, Senior Vice President, Practice Institute, American Dental Association
Roger Quick, Founder and Vice Chairman, Quick Leonard Kieffer
Bill Robinson, Sr. Executive, ADA Business Innovation Group
Greg Schultz, Executive Vice President, Kellen
Meryl Sosa, Executive Director, Illinois Psychiatry Society
Lora Stanley, Midwest Sales Director, Visit Anaheim
Rebecca Starkel, Senior Research Analyst, American Dental Association
Sheryl Traficano, CEO, National Certification Board for Diabetes Educators
Beth Truett, President & CEO, Oral Health America
Ken Widelka, Executive Director, American Association of Endodontists
Joe Wurzburger, FSA, MAAA, Staff Fellow, Society of Actuaries

Save the date for the next Healthcare Collaborative
July 15, 2019
Chicago, Illinois