

FALL 2020

TO: Biden Administration Transition Team
FROM: National Alliance to Impact the Social Determinants of Health
RE: Opportunities for Bold Leadership by Your Administration to Improve Health Equity and Advance SDOH

We, the National Alliance to Impact the Social Determinants of Health (NASDOH), are a non-partisan, multi-sector alliance of leading organizations and individuals working to build a common understanding of the importance of addressing adverse social determinants of health (SDOH) as part of an overall approach to improving health outcomes and advancing equity. SDOH are the conditions in the environment where we are born, live, learn, work, play, worship, and age that affect a wide range of health, functioning, and quality-of-life outcomes and risks.

NASDOH looks forward to working with the incoming Biden administration to set a bold leadership agenda that elevates the importance of advancing health equity and addressing the SDOH. We recognize that your administration will have many important policy areas to address and believe that the frame of SDOH is a unifying theme that cuts across many of these areas your team has identified.

The following memo provides background on SDOH, describes how COVID-19 has emphasized the importance of addressing SDOH, and talks about the benefits of a coordinated federal approach to SDOH. NASDOH also offers 8 policy recommendations to the incoming Biden administration with several specific actions that could be taken under each area:

- 1) **Make SDOH a New National Priority**
- 2) **Use Program Funding and Integration to Sharpen SDOH Focus Across the Executive Branch**
- 3) **Enhance Prioritization and Coordination of SDOH Efforts within the Department of Health and Human Services**
- 4) **Improve Regulatory Assessment of SDOH Policy Changes**
- 5) **Use Health Care Financing Mechanisms to Support SDOH Activity**
- 6) **Revitalize Public Health, a Key Partner to Address SDOH**
- 7) **Modernize Data Infrastructure to Support SDOH Data Sharing**
- 8) **Support Research & Development to Address SDOH**

For further information on these and NASDOH's other policy proposals, visit nasdoh.org or contact: Sara Singleton at Sara.Singleton@LeavittPartners.com.

BACKGROUND

Why SDOH is a Vital Issue to Address

Health and well-being are foundational to economic vitality and business competitiveness, personal achievement, and prosperity. An increased level of health for all Americans is key to the promotion of thriving lives, economies, and communities. Yet we know that the ability of individuals and families to lead healthy and productive lives is influenced by the social determinants of health, making these issues vital factors to address.

In recent years, the health care system – driven in part by the shift towards value-based care – increasingly recognizes and seeks to mitigate the impact of SDOH as part of a solution to improve health, well-being, and reduce cost. This often means addressing individuals' social needs; for example, health systems, providers, and payers are addressing food insecurity, homelessness, and other social needs through bilateral partnerships with community-based organizations, or by offering services directly to the individuals they serve. The Department of Health and Human Services (HHS) has also taken several critical steps to support health system efforts, including by providing flexibility through Medicare and Medicaid to support SDOH programs. These efforts make a real impact on individual lives and have great potential for improving health systems' performance and outcomes.¹

At the same time, achieving improvements in national well-being and controlling the costs associated with poor health must address community-level social, environmental, and economic conditions which result in poor health outcomes. We need to widen our attention outside the boundaries of the health care system and on conditions beyond the clinic and hospital walls to the spaces in which Americans live, learn, work, pray, and play.

The COVID-19 Experience Has Emphasized the Importance of Addressing SDOH

The cost of inaction on SDOH is playing out on the national stage amid the COVID-19 pandemic. The spread of this disease has highlighted in very stark terms the inequities that exist in American society, demonstrating the crucial link between SDOH and health. It is NASDOH's view that the observed disparities are due in part to the lack of attention on SDOH.

For example, segregated, subpar housing; few healthful, accessible, and affordable food options; violence; and other social factors lead to differences in quality of life and health measures in communities experiencing these challenges. Before this pandemic, research showed that people are most vulnerable to poor health outcomes when they are poor, experience racism and other forms of discrimination, and lack insurance coverage and access to quality care. These very same social and economic conditions that increase individuals' risk of poor health outcomes are increasing their risk of contracting COVID-19 and experiencing worse outcomes from the disease.

Addressing SDOH will not fully eliminate health inequities, we must also address systemic roots – like structural and institutional racism – that lead to adverse SDOH and contribute to worse health outcomes for low-income Americans and communities of color. However, NASDOH believes that eliminating racial, ethnic, gender, and geographic disparities in health must include tackling the social, economic, and environmental inequities—the SDOH—that contribute to worse health outcomes and the health disparities we observe by race, ethnicity, gender, and geography during the COVID-19 pandemic and normal times.

Benefits of a Coordinated Federal Approach to SDOH

Over time, we believe that national attention to impacting SDOH will serve to improve health and well-being while simultaneously reducing long-term spending on health care.^{ii, iii, iv}

Despite the potential benefits, investing in SDOH upstream has been forgone or not achieved its full potential because:

- Individual sectors and agencies working independently to address SDOH have each been deploying their own resources to address individual and community challenges. This may chip away at the edges of larger structural issues but is unlikely to show real progress or realize the lasting change needed to improve disadvantageous community conditions that lead to poor health. Each individual sector, including health care, has a role to play in addressing social determinants of health. It cannot be the responsibility of a single sector alone.
- Experts have identified several challenges that lead to underinvestment in SDOH; one of the biggest is that returns on investment are broad and often accrue to those who don't pay, or extend beyond them.^{v, vi} As such, there are limited financial incentives for organizations and sectors to invest in SDOH because these organizations may not directly reap a sufficient share of the benefits to justify their own investment.
- Further, current silos of federal spending programs in health and social services limit integration at the federal, state, and local levels and allow few opportunities for collaboration and innovation.

Improving America's health requires us to address the effective coordination and allocation and investment of federal resources to impact SDOH. Fully improving health requires greater collaboration and innovation between the sectors and the public and private spheres, and attention to the deep inequities across many systems, including education; infrastructure in urban and rural communities; food insecurity; environmental protection; economic conditions and labor market opportunities; criminal justice and the legal system; immigration; and political influence. Coordinating across the many relevant federal departments will require a sustained, government-wide effort, supported by leadership at the highest levels. To support this, there is a critical need for a coordinated, administration-driven effort to address SDOH across the government.

Policy Recommendations to the Incoming Biden Administration

1) Make SDOH a New National Priority

There is a national imperative to address unevenly distributed economic opportunities which underpin health and well-being, and drive reliance on federal benefit programs and health care costs. Using health as a consistent lens through which policy and programmatic changes across the government are viewed would create the opportunity to work to address critical underlying influences on health and improve the allocation of federal dollars. With this in mind, a priority for the administration should be a government-wide commitment to address SDOH.

To have a long-term impact, there needs to be a strategic and coordinated approach to address SDOH federally; this includes coordinating across the many departments which have jurisdiction over health determinants like housing, nutrition, transportation, employment, and other areas in addition to health care. Potential actions could include:

- Issuing a broad executive order or policy directive on SDOH in the first 100 days. This presidential-level statement could direct all relevant federal departments and agencies to actively engage in a reporting and policy execution process, supported by cross-government resource reallocation and new investments, to address SDOH
- Creating a cross-agency coordinating body to consider policy, guide budgets, and evaluate interventions to address SDOH
- Ensuring that SDOH is prioritized across the cabinet agencies by designating executive-level leadership at each relevant department and appropriate support and accountability for SDOH programs and policies
- Hosting a high-level convening of leaders from philanthropy, business, health, faith community, etc. to highlight the administration's interest in SDOH and public/private sector partnerships to address this issue

2) Use Program Funding and Integration to Sharpen SDOH Focus Across the Executive Branch

To most effectively address SDOH, flexibility and innovative thinking about government programs will be needed. Bold leadership that places SDOH at the center of policy action and resource allocation can encourage new thinking about how to integrate and maximize government programs across and among departments. Potential actions could include:

- Directing all agencies with relevant SDOH programs or investments to consider the use of waivers, demonstrations, and administrative flexibilities (with strong guardrails) in order to connect health, economic development, social services, and other programs

- Funding for policies and programs which address gaps in the areas which can negatively impact opportunity and health; for example, housing affordability, transportation, safety, nutrition and food security, and job and income opportunity in addition to health care coverage, access, and quality
- Ensuring accountability for making SDOH a concerted priority and demonstrating progress across government through regular updates to Congress and the public
- Promoting greater coordination and standardization of eligibility for federal social services and income support programs. While many of the programs are administered at the state-level, federal efforts can support states to smooth eligibility processes and over time and support effective administration and evaluation of these distributed programs
 - To start, the federal government could assess and then develop strategies to remove barriers at the federal level which inhibit coordination and standardization of program eligibility
 - Over time, the federal government can advance data sharing, referral, and evaluation across currently separate streams of federal social services and income support programs through infrastructure investment

3) Enhance Prioritization and Coordination of SDOH Efforts within the Department of Health and Human Services

The Department of Health and Human Services (HHS) has already taken important steps to address SDOH; because of this experience HHS should be a federal leader. While a cross-department SDOH effort is needed, continuing HHS' efforts and increasing coordination among HHS agencies and offices can better align and integrate available SDOH resources, advance value-based health care, and support federal, state, and local action to address SDOH in a sustainable manner. Potential actions could include:

- HHS engaging leaders within the Department and across the executive branch to make consideration of SDOH impacts an area that is “included by design” in decision making about program operations, prioritization, and coordination
- Developing an HHS strategy to fund, conduct, and translate SDOH research throughout the department's agencies and offices (*e.g.*, National Institutes of Health (NIH), the Agency for Healthcare Research and Quality (AHRQ), the Centers for Medicare & Medicaid Services (CMS), and the Health Resources and Services Administration (HRSA))
- Adding or expanding the SDOH domain within existing program evaluations and reports within HHS and beyond, and considering adding needed metrics for SDOH, to determine whether programs are making progress toward the national priority on SDOH

4) Improve Regulatory Assessment of SDOH Policy Changes

If, as NASDOH recommends, SDOH is an organizing principle for policy action, we believe the administration would be in a better position to address SDOH consistently as part of the policy agenda if the administration took actions such as:

- Requiring a SDOH impact assessment as part of the Office of Information and Regulatory Affairs' (OIRA) regulatory review
- Seeking public comment about the intended and unintended SDOH impacts of proposed regulations as a routine part of the regulatory process
- Expanding capacity for analysis of SDOH impact of proposed policies at the agency level (*i.e.*, the CMS Office of the Actuary) and in cross-cutting offices like the HHS Assistant Secretary for Planning and Evaluation (ASPE)

5) Use Health Care Financing Mechanisms to Support SDOH Activity

Federal payment policy is an important lever to use in addressing SDOH upstream. Actions have already been taken by CMS to promote flexibility and we believe more can be done to use health care financing policies to address SDOH without compromising the purpose of these programs. Actions that could be taken include:

- Developing payment policies and models that promote whole-person care and address health-related social needs of patients
- Broadening the interpretation of quality improvement under the medical loss ratio (MLR) to provide for interventions to address adverse SDOH
- Using innovation and administrative flexibility under current law to permit Medicaid Managed Care and Medicare Advantage providers to participate in pooled funding arrangements with others in the community
- Providing clarity to states on approved uses of federal funding in health care and other programs to support SDOH-related interventions and partnerships
- Developing legislative initiatives to clarify or broaden allowable uses of federal health program funding for SDOH-related interventions and partnerships
- Exploring new approaches to budgeting that can solve the “wrong pocket” problem (*e.g.*, how agencies accruing savings from SDOH investments can reinvest those savings in interventions that may be implemented by another organization)

6) Revitalize Public Health, a Key Partner to Address SDOH

Public health agencies are uniquely positioned to address social needs and SDOH. These departments already work in partnership with health and social care sectors to aggregate and integrate information to create more useful and actionable community data. Public health is responsible for identifying evidence-based policies and programs to address public health issues, including SDOH. Finally, they connect the health care system with social care and community service networks. Strong public health agencies can be effective convenors and connectors to build systems that link up patients to social services while addressing community-wide capacity, planning, and policy. There is a critical need to enable public health to fulfill the range of roles it can play. Possible actions include:

- Adequately funding the public health sector to make up for chronic underinvestment

- Building functionality that facilitates data sharing and cross-sector partnerships that address SDOH as we modernize public health and health care data systems
- Ensuring an adequate public health workforce that is trained to meet today's needs
- Investing, in parallel, in the social services sector to partner with the public health sector
- Enhancing the engagement of public health agencies in the Community Health Needs Assessment process, and revisiting IRS guidelines to provide more guidance to hospitals on effective use of community benefit spending to address community-level SDOH

7) Modernize Data Infrastructure to Support SDOH Data Sharing

A robust, data-driven approach to addressing SDOH will require modern, interoperable data systems to share information at the individual- and system-level. Accurate and complete data is foundational to efforts to address social needs and aggregated information to address SDOH upstream.

The issue of data infrastructure and exchange is not new; in 2020, NASDOH released our [concept paper on SDOH data interoperability](#) highlighting key opportunities to address the fragmented communication and coordination among and between the public and private sectors providing clinical, social, and human services, and with the individuals and communities served. This fragmentation limits the effective use of resources, negatively impacts the quality of care, and damages health outcomes. It can also be a source of frustration and confusion for individuals needing services and supports to address the impact of SDOH.

The Federal government has the opportunity to lead advancement through actions such as:

- Developing and/or adopting national standards for capturing, documenting, and using SDOH data, and encouraging development of open-source solutions to promote the exchange of information between health and social service providers
 - While many tools exist to screen, document, and support the use of data, no single standard has been adopted federally. While this promotes flexibility, unless SDOH data are captured in a consistent, structured way using standardized terminology, they cannot be easily transmitted, for example, between clinical care providers or between a clinical care provider and social service provider or public health department. Thus, standardization is essential to ensuring that information collected from an individual in one setting is meaningful when shared with another entity and in another setting
 - Adopting a standardized approach to capturing and documenting data would facilitate coordination and ultimately, sharing across and among departments and sectors, which are essential to effectively address SDOH
- Addressing privacy issues in data sharing across sectors to support interventions to address social needs and SDOH; there is a need to ensure that while information can be collected and shared, it is done judiciously to maintain privacy and is consistent with the preferences of individuals

- Sponsoring or rewarding innovations in technology for SDOH data sharing through prize competitions and other solicitations
- Investing in approaches for aggregating data from patient screening and health care encounters to inform community planning and interventions around SDOH

8) Support Research & Development to Address SDOH

The federal government can move SDOH issues forward through a deliberate and targeted research agenda that seeks to answer the most pressing questions about SDOH. Important topics to address could include:

- Conducting a cross-cutting analysis of federal investments related to SDOH
- Spearheading a research initiative to quantify return on investment for SDOH interventions, including more direct ways of identifying returns to funders
- Building on the concepts developed through the Social Impact Partnerships to Pay for Results Act (SIPPPRA) to launch a government-wide program to experiment with alternative ways of financing social investments that lead to programmatic savings
- Funding grants to conduct pilot projects to enhance the role of public health agencies in leading cross-sector initiatives on SDOH and evaluate the programs to further learning on the best models to scale up

ⁱ Castrucci, B. and Auerbach, J. "Meeting Individual Social Needs Falls Short of Addressing Social Determinants of Health." Health Affairs Blog, 2019. Available at: <https://www.healthaffairs.org/doi/10.1377/hblog20190115.234942/full/>

ⁱⁱ Williams, David R et al. "Moving upstream: how interventions that address the social determinants of health can improve health and reduce disparities." Journal of public health management and practice vol. 14 Suppl, 2008, available at: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3431152/>

ⁱⁱⁱ Braveman, Paula et al. "The social determinants of health: coming of age." Annual review of public health vol. 32, 2011, available at <https://pubmed.ncbi.nlm.nih.gov/21091195/>

^{iv} Thornton, Rachel L J et al. "Evaluating Strategies for Reducing Health Disparities by Addressing the Social Determinants of Health." Health affairs (Project Hope), 2016, available at: <https://pubmed.ncbi.nlm.nih.gov/27503966/>

^v Nichols LM, Taylor LA. "Social determinants as public goods: a new approach to financing key investments in healthy communities." Health Affairs 37(8), 2018.

^{vi} Butler S, Cabello M. "An antidote to the "wrong pockets" problem?" Urban Institute Blog. 2018. Available at: <https://pfs.urban.org/pay-success/pfs-perspectives/antidote-wrong-pockets-problem>.

ABOUT NASDOH

The National Alliance to impact the Social Determinants of Health (NASDOH) is a group of stakeholders working to systematically and pragmatically build a common understanding of the importance of addressing social needs as part of an overall approach to health improvement and economic vitality of families and communities. The Alliance brings together health care, public health, and social services expertise, local community experience, community-convening competence, business and financial insight, technology innovation, data and analytics competencies, and policy and advocacy acumen to assess and address current regulatory frameworks, funding environments and opportunities, and practical challenges to implementing and sustaining social determinants of health efforts.

We seek to make a material improvement in the health of individuals and communities and, through multi-sector partnerships within the national system of health, advance holistic, value-based, person-centered health care that can successfully impact the social determinants of health.

To learn more, and see a full list of our current members, visit us at NASDOH.org.

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