

A photograph of two medical professionals, a woman and a man, smiling and looking at a tablet. The image is overlaid with a blue and purple gradient and various medical and technology icons. The icons include a brain scan, a heart, a stethoscope, a human body diagram, and a heart rate monitor. The background shows a blurred hospital hallway.

Bridging health disparities with analytics and AI

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Strained healthcare infrastructure due to health inequities

The United States faces a critical challenge in its healthcare system: the escalating cost of health inequities. These disparities, if left unchecked, are projected to surge from **\$451 billion to an alarming \$1 trillion** in annual healthcare spending by 2040.

Health inequities exist for racial and ethnic minorities and individuals with lower educational attainment due to differential exposure to economic, social, behavioral, and environmental health risks and limited access to care. Consider this, when diseases go undiagnosed or untreated in these underserved communities, the strain on our healthcare infrastructure intensifies. Emergency room visits surge, hospital beds become scarce, and our clinicians face increasing levels of burnout. Also, it leads



to increased financial risk and claim costs for the health plans serving the population. Across the nation, people facing similar challenges are a significant factor in the \$93 billion in medical costs borne by health plans annually due to these disparities.

One core issue is that there is no single source of truth that maps disease burden across varied population segments. Hence, the health plans rely on the ability of their provider network to capture, code and exchange complete and accurate Social Determinants of Health (SDOH) data. However, these networks lag behind due to lack of standardization and integration of the data into a patient's medical record, insufficient training and education, and limited use of SDOH data in care coordination across healthcare providers and community health centers (CHCs). It is also important to note that there is lack of awareness among the community health centers (CHC), that a social worker or a biller could also add SDOH specific Z-codes to a claim, thereby, hindering SDOH data capture.

A recent study highlighted these gaps with the Provider ecosystem, according to the [American Hospital Association's Information Technology Supplemental Survey](#), which revealed that 54% of hospitals collecting SDOH data are doing so on a regular basis. This figure is even lower amongst resource-limited hospitals, such as small, rural, critical access, independent hospitals, emphasizing potential disparities in care for high-risk populations. This gap in data, compounded by challenges such as language barriers, health illiteracy, and diverse religious beliefs, often leads to miscommunications among health plans, health practitioners and patients.

This is more than a public health issue or a financial burden; it is a societal one that demands immediate attention and decisive action. The White House, along with the US federal regulatory agencies are rolling out a raft of new policies, accreditation frameworks, regulations and standards in order to make it clear that health equity should be considered as a key part of every healthcare organization's business strategy.

How are federal health agencies pushing to address health disparities?

Federal agencies in the US are actively addressing health disparities through a series of targeted initiatives. These measures compel health plans to reconsider their strategies, focusing on expanded access and equitable healthcare outcomes. Some of the key initiatives are:

1. The Centers for Medicare & Medicaid Services (CMS) proposed a new health equity index in the [2024 Medicare Advantage \(MA\) and Part D Advance Notice](#). As per CMS, health plans shall be rewarded based on equity ratings and how social risk factors are addressed by a plan.



2. Simultaneously, the National Committee for Quality Assurance (NCQA) is broadening the scope of its HEDIS measures to include race and ethnicity stratification, going beyond its traditional focus on basic needs like food, housing, and transportation.
3. ONC (Office of the National Coordinator) has identified key concepts and priority areas for implementing “**health equity by design**” – data collection, data interoperability, the digital divide, and artificial intelligence. In 2022, The Health Equity and Accountability Act (HEAA) has been re-introduced to assist policymakers in designing evidence-based interventions **tailored to the specific needs of vulnerable populations**. In order to examine the interplay between SDOH and health outcomes, it emphasizes the importance of data collection and analytics to identify population-level patterns, disparities, and barriers to healthcare access.
4. The Gravity Project, a community led HL7 FHIR Accelerator, is pioneering in this domain. It has established a comprehensive set of open-source, standards-based SDOH terminology across 19 social risk domains. This initiative **empowers clinicians to address patients’ social and clinical needs better and drive health disparity research** through the evaluation of interventions on inequities in healthcare access, care delivery, and patient outcomes.

Recent examples of health equity initiatives



Community empowerment

The State of Massachusetts has invested \$2.5 million in fostering community partnerships. This investment focuses on food security and economic mobility.



Collaboration across the care ecosystem

A federal Medicaid waiver program in New York aimed to reduce hospital readmissions by encouraging collaborations between providers and community-based organizations. Such an approach helps connect enrollees with trusted, local sources of information, thereby improving the diversity of local provider networks and building trust in the medical system.



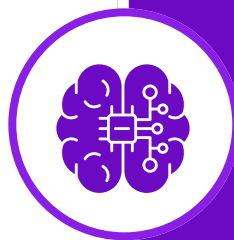
Incentivized health equity

Blue Cross Blue Shield (BCBS) of Massachusetts has introduced a groundbreaking value-based contract. Unique in the state, this contract aligns financial incentives with improvements in health equity, signalling a shift towards more responsible and equitable healthcare practices.



NCQA's health equity accreditation

Demonstrating a commitment to health equity, 9 Health Plans and 2 Health Systems participated in the Health Equity Accreditation Plus pilot program. This program recognizes organizations that are structured, effective, and committed to health equity.



Eliminating bias in AI algorithms

Pennsylvania's Medicaid program, the Washington, DC benefit exchange, and Excellus BCBS have taken steps to ensure human bias is eliminated in machine learning algorithms.



Defining health equity framework

CVS and Blue Cross Blue Shield have laid out their initial equity frameworks focused on racial disparities, maternal health, heart health, and mental health, providing a structured approach to tackling these critical health issues.

Integrating health equity into payer workflows

Health plans today are at an inflection point where embedding a health equity strategy into their product and benefit design, network management, member outreach, and care collaboration workflows are both essential and beneficial. It goes beyond identifying the right population segments and their SDOH concerns. It involves the creation of a closed loop system, with a tailored care plan, community resources, and a feedback loop to measure the ROI in terms of the improvement in an individual's health outcomes.

Hence, the focus is on these five key areas:

Risk stratification for evidence-based decision-making through members: Invest in member stratification tools that help you identify the most vulnerable members in your population to align your budgeting and payment better. Utilize risk analytics to identify patients needing increased



provider attention, especially those missing frequent appointments. Leverage these insights to develop precise, evidence-based targeted interventions.

Benefits redesign: Introduce SDOH interventions through community care coordination services. Provide supplemental benefits focused on enhancing environmental, social, and behavioral health, such as food and pest control services. **Expand access to telehealth and drug coverage, especially for remote and underserved populations.** These benefits are not as common in the commercial market, but federal rules have provided states with a pathway to update their essential health benefits packages.

Incentivize value-based contracting: Ensure that the provider networks are not only widespread in terms of quantity and geographical distribution but also diverse racial and ethnic representation. Prioritize high-quality providers and community-based organizations whose voices influence underserved communities. Adopt bundled payment programs with in-network providers to bring in accountability, reduce care costs, and facilitate easy onboarding of new providers.

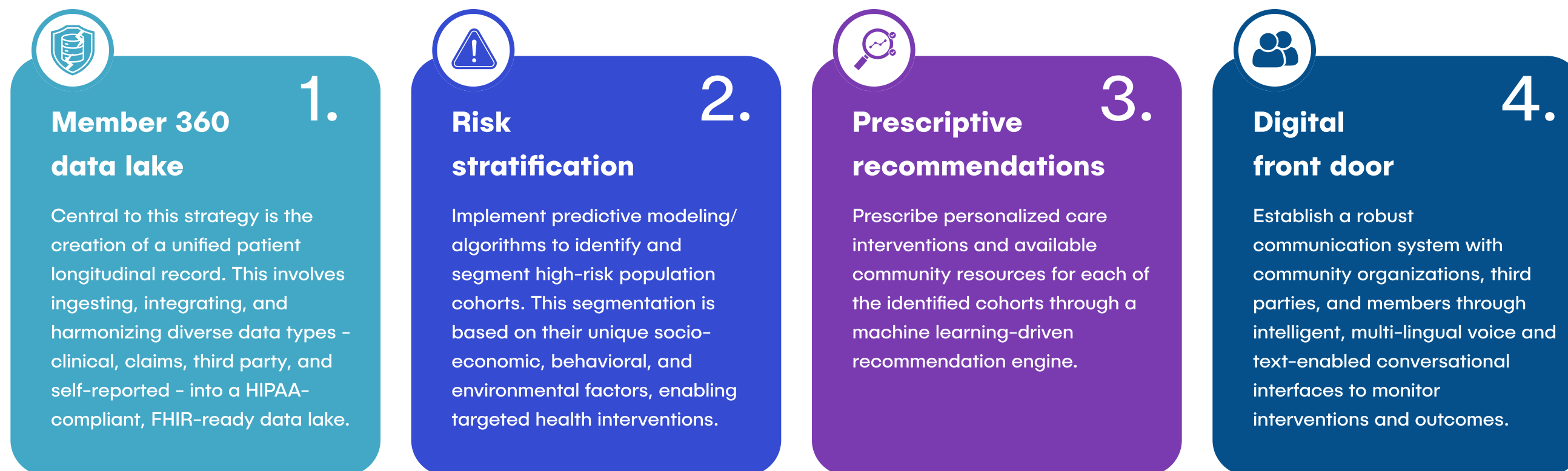
Hyper-localized care collaboration: Adopt a hyper-local approach to partner with community-based organizations. Promote the use of digital health tools like patient monitoring and telemedicine to effectively reach underserved populations in remote areas.

Personalize member outreach: Employ a multichannel, tailored approach in your member outreach. This strategy should focus on reaching members through their preferred method of communication and language, continuously improving patient health and outcomes.

What should health plans do?

Health plans are positioned to construct an equitable healthcare system where every individual, irrespective of their social, financial, or behavioral background, can achieve optimal health by harnessing data collection, analytics, and collaborative efforts across various care settings. Utilizing real-world evidence, real-world data,

responsible AI practices, telehealth, smart applications, and devices, health plans can streamline data flow, unearth patterns and insights within data, eliminate diseases, enhance clinical decisions, and promote care adherence at a lower cost. With this objective, CitiusTech offers a four-step framework to embed health equity into Payer workflows:



CitiusTech's proprietary PERFORM+ Suite, data analytics & AI solutions as well as partner solutions like Whiz.ai, Optum, Datavant help accelerate business value realization towards health equity adoption and enablement.



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