

Thought Leaders' Corner

Since the advent of managed care, and especially managed care for those receiving benefits under the Medicaid program, care managers have recognized that a variety of nonmedical social, cultural, and economic factors play a critical role in population health and in individual healthcare outcomes. Innovative strategies have been used over the years in an attempt to address these factors and improve patient compliance, such as providing gifts for Medicaid patients who kept their appointments. Today, the challenges of population health management and value-based purchasing (VBP) have caused integrated healthcare delivery systems to carefully consider how these nonmedical factors bear upon their success in managing the economic and financial risks they are assuming.

The healthcare industry is never at a loss for the buzzword or acronym of the moment. Sometimes these terms don't represent a new concept, but, rather, an old concept presented in a new context. Such is the case with the "social determinants of care" (SDOH), a term that became widely used after the World Health Organization (WHO) published a report on the topic in 2008. Since then, the identification and management of SDOH have become prominent in many healthcare reform initiatives, including the redesign of the Medicaid system. Regulatory authorities often require SDOH initiatives by providers as a condition to the approval of some managed care agreements.

It is important to recognize that SDOH have a wide range of meanings and applications. The WHO views SDOH initiatives as a way of addressing healthcare inequalities on a global basis. Some healthcare planners have suggested that health systems are in the best position to address SDOH and should become the focal point for coordinating a vast array of social services and community resources.

It is easy for a health system to get carried away in the world of SDOH. It is important for systems to maintain their focus on the aspects of SDOH that directly affect their ability to manage the risks associated with VBP. Without this focus and discipline, systems will find themselves transformed from healthcare providers to broad-based social services agencies responsible for coordinating community resources and assisting patients with transportation, food, housing, social and family relationships, and other SDOH.

Here are some suggestions for how healthcare delivery systems can make progress in managing the SDOH that affect their patient population without becoming a de facto social services agency.

1. Follow only those SDOH interventions which empirical evidence shows will result in lower costs for the system and better outcomes for the patients.
2. Keep the emphasis on primary care. Identify and define those patient cohorts most at risk by SDOH, and devise care management plans to address the most pressing specific problems based upon the characteristics of the system's patients.
3. Emphasize care management over case management to help patients prevent the onset of disease, avoid complications, and manage their existing chronic conditions.
4. Consider entering into at-risk arrangements with specialty care coordinators who are expert in managing the SDOH for particular patient cohorts.
5. Educate the board and/or other stakeholders concerning the need to manage the scope of SDOH interventions and the way in which ill-defined engagement in this area may fundamentally change the character of the healthcare delivery system.
6. SDOH is a hot topic. You can find helpful research and care models based on "big data" and "predictive analytics" to determine where and how systems should focus attention.
7. Create a Health Opportunity Index ("HOI"—yet another buzz term of the moment!) to evaluate which interventions in the social determinants will yield the greatest benefit for the health system and its patients.
8. Evaluate the community resources available to address SDOH, and actively partner with the resources that best address the particular SDOH intervention or interventions that are most appropriate based upon the system's patients.
9. Recognize that the federal and state governments will continue to push hard in the area of SDOH and to require certain SDOH interventions as a part of approved managed care contracts.
10. Compile and use SDOH relevant data, and incorporate care management strategies and predictive analytics in the electronic medical record system used by the health system. Be careful about yet-to-be-determined privacy concerns in this dynamic area of law.

Successfully intervening in specific SDOH is an important part of managing the risk in VBP arrangements. Systems need to focus on SDOH but also remember to limit their interventions and investments to those supported by good data.



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