



AMERICA'S ESSENTIAL HOSPITALS

November 16, 2018

Brenda Destro, PhD
Deputy Assistant Secretary
Assistant Secretary for Planning and Evaluation
U.S. Department of Health and Human Services
Hubert H. Humphrey Building, Room 415-F
200 Independence Ave. SW
Washington, DC 20201

Request for Information: IMPACT Act Research Study—provider and health plan approaches to improve care for Medicare beneficiaries with social risk factors.

Dear Deputy Assistant Secretary Destro:

Thank you for the opportunity to submit comments on the above-captioned request for information. America's Essential Hospitals appreciates the commitment of the Department of Health and Human Services (HHS) Office of the Assistant Secretary for Planning and Evaluation (ASPE) to continue its work to evaluate the impact of social risk factors on quality measures and measures of resource use under the Medicare program. This important work will help identify the needs of our nation's vulnerable and determine how to best support the efforts of essential hospitals, which care for a disproportionate share of patients with social risk factors.

America's Essential Hospitals is the leading champion for hospitals and health systems dedicated to providing high-quality care to all. While our members represent just 6 percent of hospitals nationally, they provide 20 percent of all charity care nationwide, or about \$3.5 billion, and 14.4 percent of all uncompensated care, or about \$5.5 billion.¹ The high cost of providing care to low-income and uninsured patients leaves essential hospitals with limited financial resources. Even with their limited means, our more than 320 member hospitals demonstrate an ongoing commitment to serving vulnerable patients. Essential hospitals provide specialized services that their communities otherwise would lack (e.g., trauma centers, emergency psychiatric facilities, burn care); expand access with extensive networks of on-campus and community-based clinics; furnish culturally and linguistically appropriate care; train health care professionals; supplement social support services; and offer public health programs.

¹ Clark D, Roberson B, Ramiah K. Essential Data: Our Hospitals, Our Patients—Results of America's Essential Hospitals 2016 Annual Member Characteristics Survey. America's Essential Hospitals. June 2018. www.essentialdata.info/. Accessed October 30, 2018.

Essential hospitals continually are called to meet the complex clinical and social needs of the patients that come through their doors. Our members provide comprehensive ambulatory care through networks of hospital-based clinics that include onsite features—radiology, laboratory, and pharmacy services, for example—not typically offered by freestanding physician offices. Their ambulatory networks also offer behavioral health services, interpreters, and patient advocates who can access support programs for patients with complex needs.

As providers of care to vulnerable populations, essential hospitals are uniquely positioned to tackle complex clinical and social needs. Our members are engrained in their community as a trusted and central resource for care. They work tirelessly to have a profound impact on equitable and efficient care delivery. To support ASPE's efforts to address social risk factors in the Medicare program, we offer the following comments and examples of relevant work at essential hospitals.

Essential Hospitals' Mission to Serve the Vulnerable

As required by the Improving Medicare Post-Acute Care Transformation (IMPACT) Act, ASPE in December 2016 released the first of two reports that clearly connected social risk factors and health care outcomes.² The report provides evidence-based confirmation of what essential hospitals and other providers have long known: patients' sociodemographic and other social risk factors matter greatly when assessing the quality of health care providers. Further, as noted by the National Academies of Sciences, Engineering, and Medicine, in its series of reports on accounting for social risk factors in Medicare programs, "achieving good outcomes (or improving outcomes over time) may be more difficult for providers caring for patients with social risk factors precisely because the influence of some social risk factors on health care outcomes is beyond provider control."³

Essential hospitals' commitment to caring for all people, including the vulnerable, has made them providers of choice for patients of virtually every ethnicity and language. Racial and ethnic minorities made up 68 percent of member discharges in 2016.⁴ Further, in 2016, three-quarters of essential hospitals' patients were uninsured or covered by Medicaid or Medicare. Our members reach outside their walls and into the community, expanding access to care where otherwise none would exist. However, proposals to reduce Medicaid funding and policy changes in the private insurance market threaten to swell the ranks of the uninsured and erode support for essential

² Department of Health and Human Services Office of the Assistant Secretary for Planning and Evaluation. Report to Congress: Social Risk Factors and Performance Under Medicare's Value-Based Purchasing Programs. Washington, D.C.; December 2016.

<https://aspe.hhs.gov/system/files/pdf/253971/ASPESESRTCfull.pdf>. Accessed November 2017.

³ National Academies of Sciences, Engineering, and Medicine. *Accounting for Social Risk Factors in Medicare Payment*. Washington, D.C.: The National Academies Press; January 2017.

<http://nationalacademies.org/hmd/Reports/2017/accounting-for-social-risk-factors-in-medicare-payment-5.aspx>. Accessed November 14, 2018.

⁴ Clark D, Roberson B, Ramiah K. Essential Data: Our Hospitals, Our Patients—Results of America's Essential Hospitals 2016 Annual Member Characteristics Survey. America's Essential Hospitals. June 2018. www.essentialdata.info/. Accessed October 30, 2018.

hospitals, putting this access at risk.

Identifying Patients with Social Risk Factors

Recognizing the effect of upstream factors outside a hospital's control, essential hospitals increasingly work to mitigate social determinants of poor health in various ways. In most cases, the first step is to identify the needs of the patient population. Many essential hospitals screen patients for food insecurity, housing instability, and other social determinants of health and refer these patients to community resources to help meet their social needs.

SOCIAL NEEDS SCREENING

Many essential hospitals screen patients for social needs or are in some stage of working to develop and implement a screening process. Some hospitals focus on a specific social need across the patient population; for example, an essential hospital in Illinois employs a validated two-question screening tool to identify food insecurity during patient intake. When a patient screens positive, the hospital offers them vouchers for fresh produce and referrals to the Supplemental Nutrition Assistance Program; Women, Infants and Children program; and other benefits, as appropriate. Other hospitals screen patients more comprehensively—e.g., several hospitals conduct social needs screening for all patients seen at designated clinic sites. Finally, some essential hospitals focus on screening for social needs within a program that serves a specific subpopulation. For example, several essential hospitals incorporate a social needs screening component when implementing interventions specific to patients admitted to the hospital after sustaining a violent injury. Given the common co-occurrence of—and strong interrelationship between—social determinants of health, patients who are victims of interpersonal violence often face one or more social needs. Screening for and mitigating those needs helps prevent violent reinjury and generally improve health.

The social needs screening and referral process comprises several core components: the screening tool, an inventory of referral resources, a follow-up mechanism to assess whether a referral was completed, an evaluation of impact, and adequate staffing and processes to complete all the above. Essential hospitals employ a variety of tools and approaches for this resource-intensive endeavor.

Several essential hospitals use existing social needs screening tools to assess patients' needs. For example, several of our members use a sophisticated resource linkage software that enables staff to screen patients for social needs; link patients to appropriate resources and agencies; track follow-up; and measure impact.⁵ Other hospitals adapt existing tools or devise their own, new innovations. An essential hospital in New York recently completed a process whereby a work group of various stakeholders developed a social determinants screening tool and accompanying list of referrals to local resources.

⁵ *Essential Communities*. America's Essential Hospitals. <https://essentialcommunities.org/>. Accessed October 31, 2018.

Some essential hospitals incorporate social needs screening and referral into other patient care interactions, while others employ dedicated staff—or execute agreements with nonprofit partners—to conduct screenings. It is critical that hospitals create and maintain structures and relationships to facilitate referral to the appropriate services that meet the identified needs. In Massachusetts, one essential hospital created a data sharing mechanism whereby the hospital and community organizations alike can update and share information to better track follow-up for patient referrals. **We urge ASPE to examine the use of various screening tools to identify the needs of vulnerable populations.**

LANGUAGE PREFERENCE

Members of America’s Essential Hospitals work daily to improve care quality through a broad variety of initiatives, including programs to break down language barriers and engage patients and families to improve the care experience. For example, individuals with limited English proficiency (LEP) require appropriate language assistance or auxiliary aids and services to fully take part in their care plan. People with LEP account for about 8 percent of the U.S. population overall—they represent more than 20 percent of the uninsured population and 12 percent of the Medicaid population.⁶ Language barriers jeopardize the health of many LEP individuals by reducing access to care and hindering communication with providers. A patient’s ability to read, understand, and ultimately act on discharge instructions has a direct impact on patient safety and the likelihood of readmission.

America’s Essential Hospitals and its members continually advance work to improve cultural competency, increase health literacy, and provide communication and language assistance. By involving the patient as an active participant in their care, hospitals can better assist patients in identifying care choices, as well as clinical and social needs that might improve health outcomes. America’s Essential Hospitals partners with other industry leaders in the National Call to Action to Eliminate Health Care Disparities, which promotes the culturally appropriate collection of patient race, ethnicity, and language (REL) information. **We encourage ASPE to examine the ways in which hospitals collect REL data to identify preferences and needs and to tailor a care plan to specific patient characteristics.**

DISCHARGE PLANNING

Members of America’s Essential Hospitals understand the importance of non-health care social services in achieving effective care transitions and improved outcomes, including reduced readmissions. For example, some of our members participate in Project ACHIEVE, which studies care transitions among Medicare beneficiaries and those dually eligible for Medicare and Medicaid. This work is supported by a Patient-Centered Outcomes Research Institute grant to Essential Hospitals Institute, the association’s research and quality arm. Through such efforts, members of America’s

⁶ Gonzales G. State Estimates of Limited English Proficiency (LEP) by Health Insurance Status. Robert Wood Johnson Foundation State Health Access Data Assistance Center. 2014;40. https://www.rwjf.org/content/dam/farm/reports/issue_briefs/2014/rwjf414189. Accessed November 14, 2018.

Essential Hospitals promote a patient-centered and whole-person approach to care, despite the significant cost of using integrated care models.

Filling a safety-net role in their communities, essential hospitals use their scarce resources efficiently to provide cutting-edge care to all, regardless of income or insurance status. An essential hospital in Missouri developed a care transitions program that reduced hospital admissions, emergency department (ED) visits, and costs. This hospital identified the need for a multidisciplinary team, bringing together licensed clinical social workers, client-community liaisons, and advanced-practice registered nurses, among other staff, to address both the clinical and social issues affecting their patient population.

The patients treated at essential hospitals often are disadvantaged and require extensive time and resources to ensure that the discharge planning process is tailored to their clinical and social needs. During discharge planning, essential hospitals must consider factors outside the control of the hospital—homelessness, cultural and linguistic barriers, and low literacy, for example. Our members understand the careful attention required to capture and respond to patient care goals and treatment preferences, while considering of the availability of posthospital services. **We encourage ASPE to examine ways to accurately capture the needs of a patient—including the role discharge planning might play in identifying those needs—without adding administrative burden to patients and providers.**

Addressing the Needs of Beneficiaries with Social Risk Factors

Essential hospitals' work to mitigate social risk factors generally falls into two categories: direct responses to the social needs of the individual patients they serve (e.g., referral to needed services); and efforts to ameliorate the social conditions in the community at-large (e.g., improving infrastructure). The latter represents community-integrated health care, where efforts to influence social determinants are made in partnership with other sectors beyond health care. For many hospitals, these activities are complementary, not mutually exclusive, to efforts that address direct patient needs. The following examples are not an exhaustive list; they highlight a subset of the social risk factors addressed by essential hospitals and the approaches taken to mitigate such factors. Our Essential Communities website presents further case studies of essential hospital programs on a wide variety of social determinants of health.⁷

FOOD INSECURITY

Food insecurity is defined as lacking reliable access to a sufficient quantity of affordable, nutritious food. Food insecurity disproportionately affects vulnerable populations and is driven by social, economic, and environmental factors. Neighborhoods with high rates of poverty often are “food deserts”—areas without fresh fruit, vegetables, and other healthful whole foods, generally because there are no grocery stores, farmers' markets,

⁷ *Essential Communities*. America's Essential Hospitals. <https://essentialcommunities.org/>. Accessed October 31, 2018.

or other such vendors available. Within communities served by essential hospitals, more than 10 million individuals have limited access to healthy food.⁸

Inadequate access to nutritious foods has well-documented connections to both physical and mental health outcomes. Although it often manifests as hunger, food insecurity conversely can result in obesity when individuals who lack access to nutritious food opt instead to consume cheaper, easily accessible, high-caloric foods with low nutritional value. Poor health and food insecurity often exacerbate each other, perpetuating a cycle of chronic illness that contributes to high health care costs and utilization.⁹

Essential hospitals are acutely aware of the effect of food insecurity on the patients and communities they serve and have taken steps to confront this social determinant of health, including healthy food distribution onsite or through mobile units and healthy shopping and cooking demonstrations paired with food assistance. For example, essential hospitals in Massachusetts and Minnesota engage in partnerships with local food banks to offer a food pantry or distribute grocery bags onsite to patients experiencing food insecurity. Other essential hospitals operate community gardens that generate produce in neighborhoods near the hospital designated as food deserts. **We urge ASPE to examine the link between food insecurity and poor health outcomes, as well as the resources needed to provide access to healthy food within a community.**

HOUSING INSTABILITY

Issues associated with housing have profound impact on health. The most dramatic of these is homelessness, but housing instability also includes difficulty paying rent, spending more than 50 percent of household income on housing, frequently moving, living in overcrowded conditions, or staying with friends and relatives.¹⁰ As with food insecurity, housing instability and poor health can create a vicious cycle. Homelessness and unstable housing produce significant stress and make it difficult to adhere to medications, healthy eating, and proper hygiene.

Communities served by essential hospitals include more than 350,000 homeless individuals.¹¹ These individuals are more likely to use the ED and be admitted to the hospital for conditions that would have been amenable to primary care.¹² Several

⁸ Clark D, Roberson B, Ramiah K. Essential Data: Our Hospitals, Our Patients—Results of America’s Essential Hospitals 2016 Annual Member Characteristics Survey. America’s Essential Hospitals. June 2018. www.essentialdata.info/. Accessed October 30, 2018.

⁹ Susman K. Food Insecurity, Health Equity, and Essential Hospitals. June 2016. <https://essentialhospitals.org/wp-content/uploads/2016/06/Food-Insecurity-Health-Equity-Essential-Hospitals.pdf>. Accessed October 31, 2018.

¹⁰ *Essential Communities*. America’s Essential Hospitals. <https://essentialcommunities.org/>. Accessed October 31, 2018.

¹¹ Clark D, Roberson B, Ramiah K. Essential Data: Our Hospitals, Our Patients—Results of America’s Essential Hospitals 2016 Annual Member Characteristics Survey. America’s Essential Hospitals. June 2018. www.essentialdata.info/. Accessed October 30, 2018.

¹² Schrag J. Health Care for the Homeless: Essential Hospitals and Community Partnerships. June 2015. <http://essentialhospitals.org/wp-content/uploads/2015/07/Homelessness-Quality-Brief-June-2015.pdf>. Accessed October 31, 2018.

essential hospitals work to overcome this social risk factor by offering temporary housing or long-term rental assistance, developing new affordable housing capacity, and other approaches. For example, an essential hospital in Maryland developed and operates hundreds of affordable housing units in the neighborhood surrounding the hospital, partnering with local organizations to build the housing facilities and coordinate related services for residents. In Illinois and Vermont, essential hospitals provide temporary housing and case management to meet the needs of homeless patients. **We urge ASPE to examine approaches that mitigate the financial and social circumstances that contribute to housing instability, including direct assistance and wraparound support.**

TRANSPORTATION

Lack of access to affordable and reliable transportation affects access to health care and exacerbates other social determinants of health. These transportation barriers are financial and logistical: not having a car or the financial means to take a cab or rideshare, and/or living in an area without accessible, reliable, or efficient public transportation. These barriers prevent people from accessing the health care they need and result in high rates of missed appointments that strain health care operations. Transportation issues also are implicated in other social needs; for example, lack of transportation can trap low-income individuals within the food deserts where they live, perpetuating food insecurity.

As with other social determinants of health, improving access to transportation can improve health outcomes, both related to and independent of health care itself. A few essential hospitals, including one in Illinois, have partnerships with a rideshare company to help patients without access to affordable transportation get to their medical appointments. Further, in Ohio, an essential hospital invested in the municipal transportation system to help add a bus line that services the hospital's main campus, improving access to the hospital and the surrounding neighborhood. In these examples, the underlying goal is to support patients' needs—whether directly or indirectly. **We urge ASPE to examine the impact of transportation on access to care and other critical services, as well as health outcomes.**

TELEHEALTH

Essential hospitals are transforming health care delivery through telehealth. Our members are dedicated to caring for the vulnerable, and telehealth allows them to more broadly meet this commitment for people who otherwise would lack access to high-quality health care. Telehealth allows many essential hospitals, particularly academic medical centers, to reach populations across an entire state or region.

Further, cutting-edge connected care services, such as remote patient monitoring or mobile health applications, have been used to respond to a variety of health challenges, including diabetes management and opioid dependency. Using telehealth, patients can take preventive steps and avoid hospital stays, reducing costs and improving outcomes. For example, an essential hospital in Mississippi partnered with a mobile broadband provider to remotely monitor diabetes patients in rural Mississippi via tablet computers.

Results of this pilot program included a marked decrease in blood glucose levels, early recognition of diabetes-related eye disease, and no diabetes-related hospitalizations or emergency room visits among the patients in the pilot.¹³ In terms of cost savings, the pilot program resulted in nearly \$700,000 in annual savings due to reductions in hospital readmissions alone. The potential of telehealth to improve access and lower costs of care is significant. **We urge ASPE to examine the role of telehealth to address social risk factors and assist in disease management among vulnerable populations, and existing barriers to its use.**

BEHAVIORAL HEALTH

America's Essential Hospitals recognizes the complexity and importance of addressing behavioral health issues, particularly as they relate to improving care for our nation's vulnerable patients. Patients suffering from behavioral health issues often seek treatment and episodic care from local EDs, contributing to rising health care costs, higher readmission rates, and fragmented care. Vulnerable patients and underserved populations often are most affected by this sporadic treatment model, as they have limited access to continuous behavioral health services for long-term management of their condition. Essential hospitals work to meet the behavioral and mental health needs of their patients by expanding behavioral health services within community health centers, as well as offering "curbside consultations" through which primary care providers can obtain an informal consultation from a psychiatrist. The goal is to train primary care providers to provide moderate psychiatric interventions themselves.

Additionally, as key stakeholders in combating the opioid crisis, essential hospitals stand ready to implement practices proved effective in reducing opioid dependence and to adopt new care models to respond to this public health emergency. For instance, an essential hospital in Oregon worked with several partners—including community organizations and a Medicaid accountable care organization—to conduct a needs assessment and subsequent response to substance use disorder in its area. The hospital and its partners then created a care model for medically complex patients experiencing substance use disorder; the model employs a consultation service, direct access to post-hospital treatment, and a medically supported residential care program.¹⁴ **We urge ASPE to examine the behavioral health needs of patients and the influence access to care can have for at-risk individuals.**

MEDICAL-LEGAL PARTNERSHIPS

Many patients cannot meet key social needs because of issues within the legal sphere, including housing discrimination, accessing insurance and other public benefits to which they are eligible, and obtaining income via channels such as child support. Many essential hospitals have implemented Medical-Legal Partnerships—a collaborative

¹³ Promoting Telehealth for Low-Income Consumers—Notice of Inquiry. Federal Communications Commission. August 3, 2018. <https://docs.fcc.gov/public/attachments/FCC-18-112A1.pdf>. Accessed October 31, 2018.

¹⁴ Susman K. The Opioid Crisis: Hospital Prevention and Response. America's Essential Hospitals. June 2017. <https://essentialhospitals.org/wp-content/uploads/2017/06/Opioid-Brief-1.pdf>. Accessed October 31, 2018.

arrangement that embeds legal professionals in the health care environment to screen for and consult on legal matters that could mitigate social needs for some patients.

For example, an essential hospital in New York has a working partnership with LegalHealth, a division of the New York Legal Assistance Group, to staff attorneys in designated clinics across multiple hospital sites. The attorneys work closely with the care team, especially social workers, and are available for consultation or warm hand-offs when legal needs arise. **We urge ASPE to examine the potential of medical-legal partnership to reduce the burden on physicians to address patients' complex, nonmedical needs, while increasing internal capacity to form vital connections to legal and other social service resources.**

Capturing Social Risk Factors

Data is a key driver in health care delivery, as it informs providers of patient needs while engaging patients in their own care. Social needs data must be captured appropriately, with standards for adding in and extracting from electronic health records (EHRs). The collection and reporting of social risk factor data requires accuracy and validity to ensure appropriate use in Medicare programs. To mitigate social risk factors, data is needed on patients' sociodemographic characteristics, including socioeconomic status; self-reported race, ethnicity, and preferred language; and housing and social support structures. All health care professionals and others working in the delivery system must be trained on collecting accurate socioeconomic and sociodemographic data, and on how to educate patients about data collection. **We urge ASPE to fully examine the resources required to collect and report on data about social risk and associated burden to hospitals.**

To the extent that providers collect such data, it is important to establish validation standards for collection methods and the data itself. For example, in the context of quality measurement, policymakers often seek guidance from organizations with measurement expertise, such as the National Quality Forum (NQF) and its Measures Application Partnership (MAP)—a partnership of various stakeholders that guides HHS' selection of performance measures for federal health programs. NQF endorsement and MAP approval are imperative to ensure measure validity and reliability. Through these processes, HHS, the public, and other stakeholders can fully vet and approve measures through a consensus-building approach. **We urge ASPE to consult consensus-building entities for their expertise when determining which social factors are most important to capture and how to do so in a standardized way.**

Providers have not yet fully realized the potential of EHRs. While there are multiple private- and public-sector initiatives to improve the interoperability landscape, there is much work to be done to allow providers to easily exchange information. Further, providers serving vulnerable populations face tangible barriers in EHR adoption and use due to financial constraints, infrastructure challenges, or reasons outside their control (e.g., vendor issues or unique patient populations). **We ask APSE to consider the barriers that exist in EHR adoption and use, as well as how these barriers might affect providers' ability to capture social risk data.**

Certification criteria are tailored to enable new capabilities in EHR products, such as the use of application programming interfaces and the electronic exchange of information. However, the health care field overall has not reached a point in which CMS can reasonably expect providers to seamlessly share information, particularly between hospitals and community providers. As previously noted, approaches to meet the social needs of a patient population often rely not only on the hospital, but also its community partners. **We urge ASPE to examine the challenges that exist in linking data from medical and nonmedical sources**, as well as how to capture such data in a way that is actionable and informative to a broad group of stakeholders.

The Government Accountability Office has highlighted the many remaining challenges to attaining a truly interoperable nationwide health information technology infrastructure.¹⁵ Further, the Office of the National Coordinator for Health Information Technology (ONC) has conducted important work to promote new technology for providers and encourage increased interoperability. As directed in the 21st Century Cures Act, ONC in January 2018 released the Trusted Exchange Framework and Common Agreement, which outlines a set of principles for trusted information exchange to enable interoperability.¹⁶ Improved interoperability is critical in enabling providers to use certified EHR technology to seamlessly exchange health information with patients and other providers.

Challenges and Barriers

The populations receiving care at essential hospitals require resource intensive, evidence-based quality improvement strategies that extend beyond the hospital walls and into communities. The challenge for our members is compounded by the need to determine whether a patient or caregiver can access or provide necessary, post-discharge care and to identify the availability of nonhealth, community-based services, such as meal services, housing for homeless patients, transportation, and language assistance. Providers need resources to address social determinants of health within the context of evolving payment and delivery models and continuous reimbursement cuts. We urge ASPE to examine the barriers that impede essential hospitals—the very institutions whose mission is to reduce disparities and provide quality care for all—from meeting the needs of their complex patient population.

RESOURCES

Essential hospitals strive for quality and performance improvement each day, in innovative ways and with limited means. Essential hospitals are innovative, partnering with community organizations to leverage existing resources, such as food banks, to better meet social needs. However, resources are scarce—particularly for more costly needs, such as housing—and the services patients need most are not reimbursable. For example, an essential hospital in Texas partnered with a Medicaid plan, the local

¹⁵ U.S. Government Accountability Office. Nonfederal Efforts to Help Achieve Health Information Interoperability. GAO-15-817. September 2015. <http://www.gao.gov/assets/680/672585.pdf>. Accessed October 31, 2018.

¹⁶ Office of the National Coordinator for Health Information Technology. Draft Trusted Exchange Framework. January 2018. <https://www.healthit.gov/sites/default/files/draft-trusted-exchange-framework.pdf>. Accessed September 20, 2018.

homeless services coalition, and the Salvation Army to provide 50 permanent housing units, along with supportive case management, for homeless patients in the community. Like other such initiatives that alleviate pressing social needs, this program reduced avoidable health care utilization—health care costs fell by \$1 million over 18 months. While the case management component of the program is eligible for Medicaid reimbursement, the rental assistance relies on other funding. It is critical that value-based financing provides the flexibility to meet social needs and reduce avoidable health care utilization without limiting the capacity of essential hospitals to serve patients in need.

Resources are required to both screen for and address social needs. Hospital staff must undergo training and dedicate time to performing the screenings, IT systems might require updates to incorporate new screening tools and referral systems, and hospitals must build and maintain referral relationships with an array of local organizations. Infrastructure, staff time, and community engagement require resources that are especially scarce for essential hospitals that serve the vulnerable populations most in need of this assistance. Incentives across the health care delivery and payment system need to be aligned to promote equity of care and eliminate disparities. **We urge ASPE to examine the upfront costs of developing infrastructure to address social determinants of health, as well as the existing resource challenges of essential hospitals, which operate with margins less than half that of other hospitals.**

RISK ADJUSTMENT IN MEDICARE PAYMENT PROGRAMS

We are pleased that CMS finalized the provisions of the 21st Century Cures Act related to risk adjustment in the Hospital Readmission Reduction Program (HRRP) rulemaking process.¹⁷ Specifically, section 15002 directs the HHS secretary to “assign hospitals to groups ... and apply the applicable provisions of this subsection using a methodology that allows for separate comparison of hospitals within each such group” for the HRRP.¹⁸ The legislation further specifies that groups are “based on their overall proportion, of the inpatients who are entitled to, or enrolled for, benefits under Part A, and who are full-benefit dual eligibles.” But this is only the first step toward true risk adjustment for hospitals treating patients with social and economic challenges. The agency must go a step further and adjust measures so that quality comparisons are accurate and fair.

Outcomes measures, especially those focused on readmissions, do not accurately reflect quality of care if they do not account for social risk factors that can complicate outcomes. A large and growing body of evidence shows that sociodemographic factors—age, race, ethnicity, and language, for example—and socioeconomic status, including income and education, can influence health outcomes.¹⁹ These factors can skew results on certain quality measures, such as those for readmissions. For example, it is well known that patients who lack reliable support systems after discharge are more likely to

¹⁷ 21st Century Cures Act, P.L. 114-255 (H.R. 34, section 15002), 114th Cong. (2016).

¹⁸ Ibid.

¹⁹ America's Essential Hospitals. Sociodemographic Factors Affect Health Outcomes. April 18, 2016. <http://essentialhospitals.org/institute/sociodemographic-factors-and-socioeconomic-status-ses-affect-health-outcomes/>. Accessed October 30, 2018.

be readmitted to a hospital or other institutional setting. These readmissions result from factors beyond the control of providers and health systems and do not reflect the quality of care.²⁰

Identifying which social risk factors might drive outcomes and how best to measure and incorporate those factors into payment systems is a complex task, but doing so is necessary to ensure better outcomes, healthier populations, lower costs, and transparency. Quality measurement must account for the socioeconomic and sociodemographic complexities of vulnerable populations to ensure hospitals are assessed on their work, rather than on the patients they serve. Ignoring these factors will skew quality scores against hospitals that provide essential care to the most complex patients, including those with sociodemographic challenges and the uninsured. Risk adjusting measures for these factors also will ensure that patients receive accurate information about a hospital's performance.

We urge ASPE to keep in mind that the use of quality measures in Medicare programs without appropriate risk adjustment creates an uneven playing field. The failure to risk adjust could cause hospitals treating a large proportion of complex patients to face penalties at an increased rate, further diminishing resources at hospitals that often operate at a loss.²¹ **America's Essential Hospitals strongly supports the inclusion of factors related to a patient's background—including sociodemographic status, language, and postdischarge support structure—in measure development and risk-adjustment methodology.**

ALTERNATIVE PAYMENT MODELS

Under value-based payment models, hospitals no longer are expected simply to treat a diagnosis and episode, but to take responsibility for the overall health and outcomes of their patients. As a result, essential hospitals seek to support patients' broader health and social needs to improve outcomes and efficiency. Our members have developed innovative care delivery models and participate in a variety of initiatives at the federal, state, and local levels. They are well-situated to do so because of the comprehensive, integrated nature of their delivery systems, their strong primary care base, their staffing models, and their historic need to provide high-quality care on a shoestring budget.

Essential hospitals often serve as anchors within their communities, with deep ties to the residents; this leads to a clear understanding of the nonclinical influences on patients and population health. However, significant challenges exist in developing partnerships, building needed infrastructure, engaging patients, measuring progress, and creating sustainable funding models. Additionally, quality metrics, used in Medicare payment models to evaluate performance and determine shared savings or incentive payments, do not yet incorporate social risk factors. In designing new

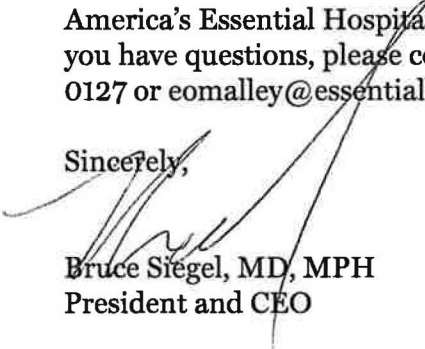
²⁰ See, e.g., National Quality Forum Technical Report. Risk Adjustment for Socioeconomic Status or Other Sociodemographic Factors. August 2014. http://www.qualityforum.org/Publications/2014/08/Risk_Adjustment_for_Socioeconomic_Status_or_Other_Sociodemographic_Factors.aspx. Accessed October 30, 2018.

²¹ Reiter KL, Jiang HJ, Wang J. Facing the Recession: How Did Safety-Net Hospitals Fare Financially Compared with Their Peers? *Health Services Research*. 2014;49(6):1747–1766.

payment systems, policymakers should give special recognition and financial support to providers who disproportionately deliver care to disadvantaged populations with health and health care disparities. **We urge ASPE to examine the barriers for essential hospitals to participate fully in alternative payment models and the influence of social risk factors in participant performance in these models.**

America's Essential Hospitals appreciates the opportunity to submit these comments. If you have questions, please contact Senior Director of Policy Erin O'Malley at 202-585-0127 or eomalley@essentialhospitals.org.

Sincerely,



Bruce Siegel, MD, MPH
President and CEO