WHITE PAPER | HEALTHCARE & LIFE SCIENCES

Healthcare's Future Is in Your ZIP Code

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NTT DATA

ZIP codes do much more

Our ZIP codes do much more than determine where the mail goes. Where we live and the conditions in which we live are great influencers on our health. They are a stronger predictor of our health outcomes than standard clinical diagnoses. Understanding how these factors impact our wellness is critical for hospitals, health systems and payers in their efforts to improve the overall health of our communities.

Referred to as social determinants of health (SDoH), these factors help paint a holistic view of patients — bringing traditionally overlooked quality-of-life influencers into focus. This data assists healthcare payers in their efforts to improve and protect the health and financial security of consumers, families and businesses across the United States. Compiling and tracking this data also breaks down silos commonly found in the health plan industry. Plus, providers and payers benefit from this exchange of information.

More than just the neighborhood

Where we work, where we live, how we get across town, the availability of stable housing and access to grocery stores (and the quality of food offered there) are essential to fostering a culture of health within our communities and the broader healthcare ecosystem.

Some payment models acknowledge the higher costs associated with caring for more medically complex populations, like patients with at least three chronic conditions (diabetes, hypertension and heart disease, for example). Yet very few payment models consider SDoH. Capitation models, or the payment system used by managed care organizations to control costs, are based on a diagnosis, which overlooks a colossal piece of the puzzle — social determinants.

By viewing health plan payment models and billing codes through the lens of SDoH, payers, providers and states get an opportunity to work together to provide more targeted case management. Addressing SDoH in risk scores is a better indicator of performance across quality measures.

The use of business intelligence innovation through analytics, artificial intelligence (AI) and machine learning presents a unique opportunity for providers and payers to yield insights into SDoH factors impacting patient populations. For example, prioritizing a region with higher rates of poverty and housing instability likely would correlate with better healthcare outcomes than an area with lower poverty and more stable housing, as those regions have the greatest need — especially for aging populations and patients living with one or more chronic conditions, known as the "medically complex."

A retailer and payer's plan

Organizations like CVS Health and the Aetna Foundation recognize the need for change. At the end of July 2019, the retailer and the payer announced an SDoH initiative geared toward improving health-affecting factors, especially among low-wage workers. As part of the Destination: Health initiative, the organizations plan to invest approximately $50 million in affordable housing programs by the end of 2019.

To date, CVS and Aetna have allocated $40.5 million across 19 states for the construction and renovation of over 1,600 housing units. According to a joint statement from CVS and Aetna, 100 of these units will be dedicated to people who are homeless or have long-term health conditions (such as HIV/AIDS), mental health needs or issues related to substance abuse.[1]

Destination: Health will be available in Kentucky for Aetna Medicaid members and in Tampa, Florida, and southeastern Louisiana for dual-eligible members in the second half of 2019.

The program also includes a new metrics tool for employers that offer Aetna insurance plans to their employees. The tool is designed to track and measure how SDoH factors impact employees' healthcare costs. Aetna said the technology will have a two-pronged benefit: providing employers with insights on their workforce's health and CVS with valuable feedback. The goal is to elevate overall community wellness by defining population-specific interventions. Low-wage, dual-eligible special needs Aetna members who are on both Medicare and Medicaid are a focus for the initiative.

The future of healthcare

SDoH factors will direct the future of how providers and payers address the needs of their patients and members. Based on research by the American Hospital Association (AHA) and others, 40% to 80% of our health outcomes are driven by access to care and transportation and by the stability of our home life.[2]

As the healthcare ecosystem seeks to deliver value-based payment models, accountable care organizations (ACOs) and other models to its members, healthcare professionals need to look at their patients' social needs and the impact these factors have on their healthcare. Health plans also must take a more holistic approach to care for their members. This includes establishing preventive care and

wellness management programs that address members' social needs.

Health plans should work with local government agencies to connect their members to any social and housing services for which they are eligible. There are also several public-use data files, available through DATA.GOV and other government entities, that health plans can use to build and expand their case management programs.[3]

With access to such rich member data (including SDoH information), health plans have more reliable indicators of health outcomes than ever before.

Plans could use emerging technology, such as robotic process automation (RPA) and AI, to interpret this data and determine which social services members are eligible for based on available demographics, claims and enrollment data — or even solve challenges based on these factors. Focusing on SDoH factors like transportation, for example, can help improve clinical outcomes while reducing unnecessary hospital admissions, readmissions and emergency department visits.

Applying social determinants to Medicaid

One area that would benefit from careful alignment with SDoH is Medicaid. Medicaid enrollees tend to be low income and can struggle with basic physiological needs like those identified in Maslow's hierarchy (such as housing and food). Although states can't use Medicaid to cover the costs of housing, food assistance and other social services, health plans can set up memorandums of understanding with social services agencies and housing commissions, for example, to connect members to those entities when demographic data demonstrates that they meet the eligibility criteria for such programs.

ICD-10-CM coding for SDoH

Hospitals and health systems must understand SDoH-related data as they strive to improve overall community health. A large part of that is ensuring better management of healthcare costs. Hospitals, health systems and payer networks can capture social factors through ICD-10-CM codes. These codes, listed in categories Z55–Z65, identify potential health hazards due to psychosocial and socioeconomic circumstances.

But a recent AHA study showed that inpatient discharges rarely use ICD-10-CM codes unless they're for alcohol/substance use or mental health. The study noted that an "obvious discrepancy exists between the number of identifiable social factors, a provider's ability to address them and documentation with billing and diagnosis codes."[4]

One reason for this is that based on the ICD-10-CM Official Guidelines for Coding and Reporting FY 2019, coding professionals are unable to use these codes without supporting documentation from a physician. As a result, most hospitals and health systems don't include them. Case managers, discharge planners, social workers, nurses and other non-physician providers generally report societal and environmental conditions.

Lack of alignment and consensus of what programs, systems and services adequately address SDoH fuels an ongoing debate. This leaves MCOs, and now ACOs and accountable health communities, to determine the payment model that would best account for the costs of addressing SDoH as part of their clinical care application and care delivery model.

Today, ICD-9 codes neither account for nor create a mechanism to bill for clinical and case management activities that address SDoH. The Centers for Medicare and Medicaid Services announcement about ICD-10 codes to support billing for SDoH activities is exciting, because it gives providers a mechanism to bill for these services.[5]

Innovative partnerships for a connected tomorrow

AHIP payers know that the healthcare ecosystem continues to operate in silos. Interoperability is a chronic challenge, because the data stream does not flow freely among the payers, providers, members, patients and community resources that can address SDoH factors in the heart of our communities. Fortunately, it's not an entirely dire situation. Innovative partnerships between payers and providers are gaining traction.

A 2017 AHIP Issue Brief highlighted some of these partnerships. Here are a few examples:[6]

- California-based Health Net used geospatial data to increase the postpartum visits of Los Angeles-based African American women to 33%, up from 17%, and to reduce disparities in postpartum care by 40%.
- Humana launched the Bold Goal initiative in seven communities to build trust, change patient behaviors and improve their health, and to lower healthcare costs. The initiative's 2020 goal is a 20% improvement in community-wide health.
- Kaiser Permanente introduced its Total Health framework in 2014 to address SDoH factors in neighborhoods and schools, focusing on policies that promote health, as well as system and environmental changes. It screens patients for unmet social needs, and then refers them to relevant community resources. Of those screened, 78% have at least one unmet social need according to data gathered by Kaiser Permanente.
- UPMC Health Plan secured permanent supportive housing and coordinated care for the homeless by partnering with Pittsburgh-based Community Human Services. Individuals who received housing saved an average of $6,384 in annual health-related costs.

In a dynamic and growing healthcare landscape, healthcare organizations must adapt to provide valuable care — not just a high volume of care. Rapidly evolving technology, as well as regulatory and financial challenges, and escalating consumer demands, mean it's more important than ever for the industry to leverage the next generation of intelligence and innovation. Leveraging data generated by the wide spectrum of the healthcare industry and prisiming it to provide a clearer picture, like Health Net's geospatial studies of African American mothers and Kaiser's screening model, is the key to all this. Individually, the data is powerful. Collectively, the data is world-changing.

NTT DATA Services: From volume to value

A recent research study by NTT DATA and Oxford Economics found that while 94% of healthcare executives said using analytics effectively is critical to improving the customer experience, only 24% are sharing data across the business — a critical part in deriving insights from the data collected across the enterprise.[7]

At NTT DATA, we know that data-driven decision-making is more critical than ever for health plans. Our analytics solutions can help health plans develop their business intelligence and reporting capabilities using both structured and unstructured data in a big data environment. As part of NTT, we leverage $3.6 billion in research and development investments, including AI, annually.

The NTT DATA Business Insights Engine, for example, goes beyond even SDoH to look at other behavioral risk factors for patients, such as neighborhood safety and availability of and access to healthcare services within a one- to five-mile radius. Through innovative solutions like this, health plans can put data and intelligence at the center of everything they do for better outcomes and happier members.

We can help organizations visualize their members' healthcare journey, and then act on it in the best way possible. From advancing clinical excellence to lowering medical costs and providing quality services — we have the solutions healthcare organizations need to succeed in today's competitive, risk-based environment.

Sources

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