

Health Equity Driving Policy & Strategy at Federal and State Levels: Emerging Trends & What to Watch For



October 8, 2021

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Biden Administration Immediately Identifies Promoting Equity as Priority Via Executive Orders

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- **[Executive Order 13985](#)**. (January 20) **Focuses on Federal Government laying out a comprehensive plan to advance equity for all**, including establishing an inter-agency process led by Domestic Policy Council to “embed equity principles, policies, and approaches across the Federal Government.” EO:
 - Requires assessment of equity in Federal Agencies’ policies and programs
 - Allocates federal resources to advance fairness and opportunity
 - Promotes equitable delivery of government benefits and opportunities
 - Establishes an equitable data working group
- **[Executive Order 13995](#)**. (January 21) **Focuses on the severe impact of COVID-19** on communities of color, other underserved populations and **establishes COVID-19 Health Equity Task Force (HETF)** within HHS to ensure an equitable pandemic response and recovery

In May 2021, OMB released the [“Methods and Leading Practices for Advancing Equity and Support for Underserved Communities Through Government”](#) request for information (RFI) on whether agency policies and programs equitably serve all eligible individuals and communities, particularly those underserved.

Equity Emerges as a Cornerstone of Federal Policy

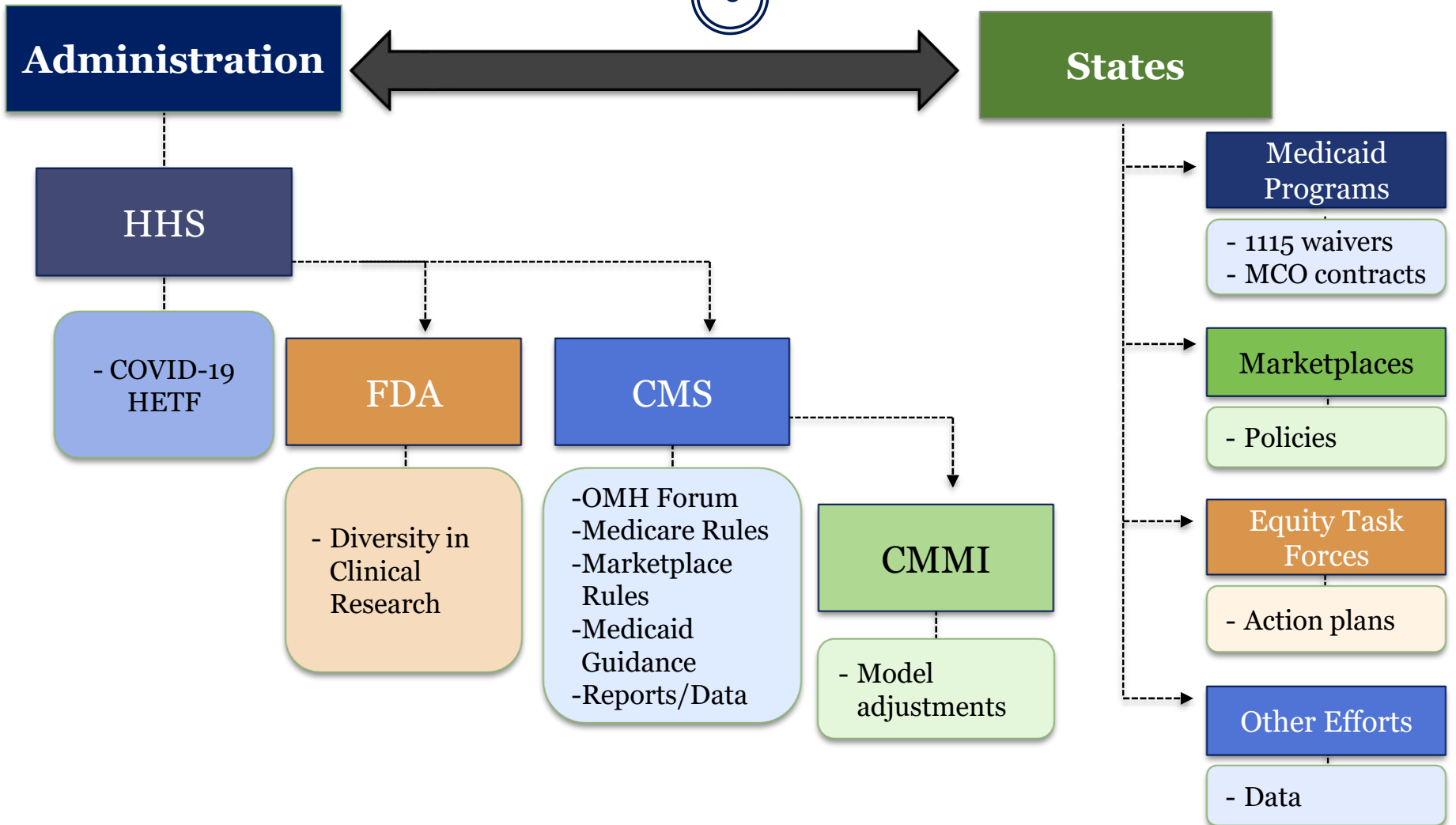
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- **First of its kind, comprehensive, Federal government approach to advancing equity for all** and addressing long-standing systemic racism, disparities and inequality
- **COVID-19 highlighted disproportionate, severe impact on communities of color, other underserved populations**, bringing into focus existing disparities
- **Broad range of policy levers being used at Federal level** to advance equity including regulations, guidance, CMMI models, quality measures, and data collection/reporting
- **States simultaneously working to address equity** through waivers, Medicaid contracts, data, and task forces
- **Cross-stakeholder implications** impacting beneficiaries, providers, health plans, manufacturers, states, and other stakeholders

Stakeholder and Administration collaboration essential for advancing health equity

Equity Issues Priority for Federal and State Governments - Efforts Converging

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Equity Will Continue to be a Focus at Federal and State Levels: What to Watch For Moving Forward

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- **HHS COVID-19 HETF**
 - **Report to President.** Final report, implementation and accountability plans (exp. Oct.)
- **CMS Actions**
 - **Regulations.** Rules/guidance informed by “Closing the Equity Gap” RFI responses
 - **Reports/Data.** Reports with available data on disparities; new data requirements
 - **Policies to Support Coverage/Access.** Policies that strength access to coverage
 - **Policies Impacting Access/Payment.** Changes to Medicaid drug rebate program
- **CMMI’s Evolving Role**
 - **Strategic Plan.** Report outlining strategy refresh (exp. fall)
 - **Model Adjustments.** New models/ model changes to address social determinants of health (SDoH) and promote equity
- **State Actions**
 - **Medicaid.** Development/implementation of 1115 waivers and managed care contracts
 - **Task Forces.** Future of Health Equity Task Forces beyond COVID-19
 - **Data.** Expansion of data collection efforts
 - **Medicaid/Marketplaces.** Policies/initiatives to support enrollment/access to coverage via exchanges and Medicaid

HHS Actions to Advance Health Equity

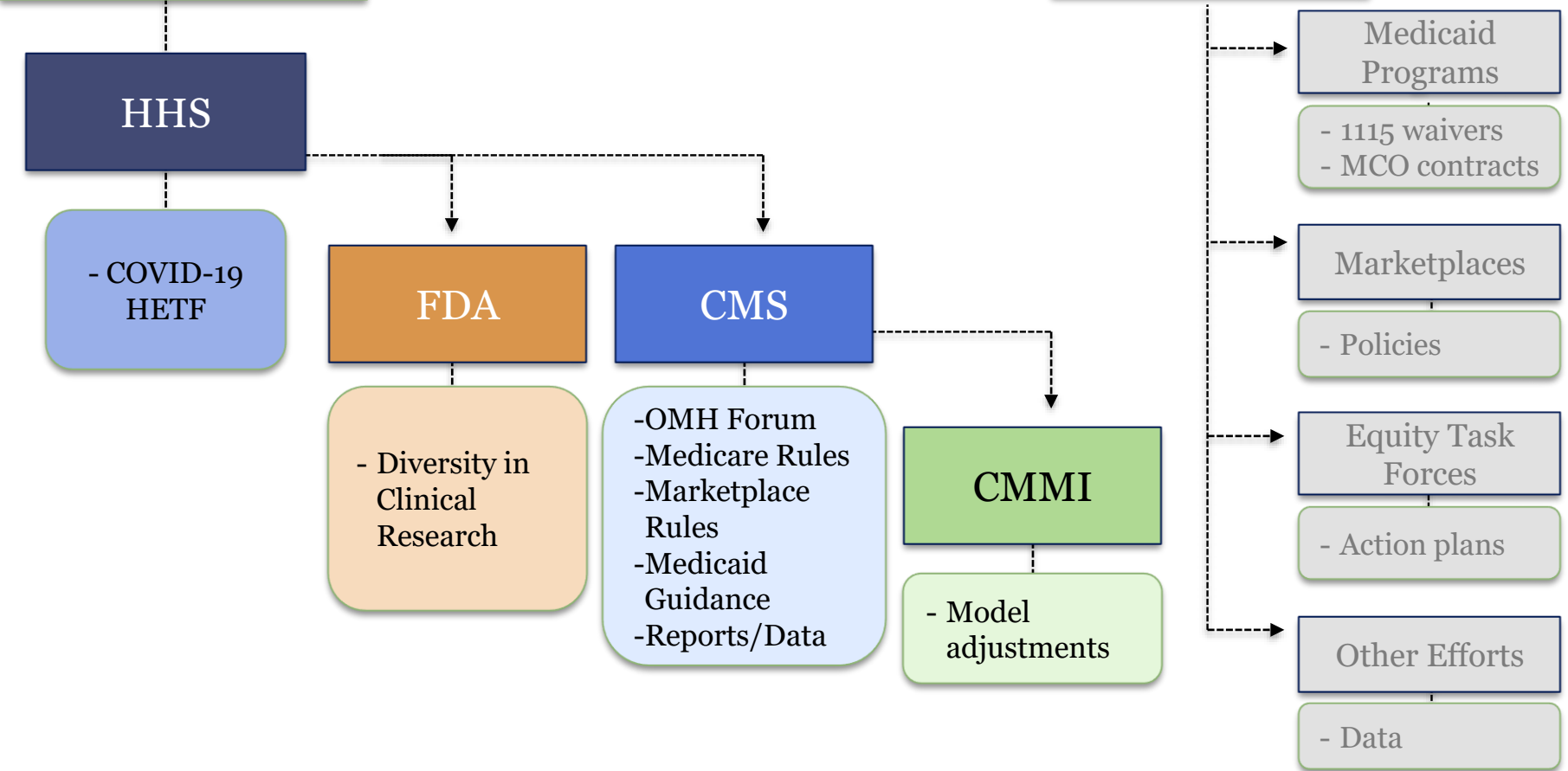
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Equity Initiatives Undertaken Across HHS

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Administration

States



HHS COVID-19 Health Equity Task Force Charged with Crafting Recommendations to Address Inequities

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HHS COVID-19 Health Equity Task Force (HETF). Established to provide recommendations and final report to President on how to address inequities caused or made worse by COVID-19 pandemic and to prevent future inequities.

- **HETF Meetings and Recommendations.** Six public meetings from February to July 2021 during which HETF generated over 300 interim recommendations addressing:
 - COVID-19, Health Inequities, Data Gaps and Solutions
 - Equitable COVID-19 vaccine access and acceptance
 - Mental and behavioral health impact of COVID-19
 - Discrimination and xenophobia impact of COVID-19
 - Inequities and the impact of long-COVID; the access to personal protection equipment, testing, and therapeutics
 - Future pandemic preparedness, mitigation, and resilience needed to ensure equitable response and recovery in communities of color and other underserved populations

HHS HETF Finalizing Recommendations, Priorities to Be Included in Final Report

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- **Priorities.** Task Force presented cross cutting goals that span recommendations and outcomes
 1. Empower and Invest in Community-Led Solutions to Address Health Equity
 2. Enforce a Data Ecosystem that Promotes Equity-Driven Decision Making
 3. Increase Accountability for Health Equity Outcomes
 4. Invest in Representative Health Care Workforce and Increase Equitable Access to Quality Health for All
 5. Lead and Coordinate Implementation of the COVID 19 Health Equity Task Force Recommendations from a permanent health equity infrastructure in the White House
- **Outcomes.** Intended results from final recommendations; may be used as metrics to determine how recommendations are working:
 - Everyone will have equitable access to high quality health care
 - Data accurately represent all populations and lived experiences to drive equitable decisions
 - Health equity will be centered in all processes, practices, and policies
 - Community expertise, effective communication will be valued in health care and public health

Final Recommendations and Report. HETF approved [55 final recommendations](#) at September 2021 meeting. Final report—with top priorities, suggested outcomes, final recommendations, and implementation and accountability plans—expected in October.

FDA Acts to Diversify Clinical Trials

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- **Making Clinical Research More Inclusive / Diverse.** Recognizing disproportionate impact lupus has on racial and ethnic minority populations, HHS Office of Minority Health (OMH) and FDA Office of Minority Health and Health Equity (OMHHE) launched [Let's Take Charge](#) Initiative
- **Goals of initiative include:**
 - Raising awareness of importance of racial and ethnic minority participation in clinical trials
 - Addressing patient concerns and myths about research

Equity Central to CMS' Vision

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- **CMS Administrator Reflects on First 100 Days.** Outlines vision that CMS serve “the public as a trusted partner and steward, dedicated to advancing health equity, expanding coverage, and improving health outcomes”; lays out six strategic pillars:

Advance equity/
address health
disparities

Expand access
to quality,
affordable
coverage/care

Engage partners
/communities

Drive innovation
/promote value-
based care

Protect
programs'
sustainability

Foster positive,
inclusive
workplace and
workforce

- **Administrator moves forward with several policies and initiatives**
 - CMS Office of Minority Health (OMH) Road to Equity Forum
 - Medicare Payment Rules
 - Marketplace Rules
 - Medicaid Guidance

CMS Office of Minority Health's Efforts Emphasize Role of Data in Addressing Disparities

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- **CMS OMH Road to Equity Forum**. In April, CMS OMH held “The Road to Equity: Examining Structural Racism in Health Care,” which outlined:
 - How the Agency is defining structural racism and discrimination
 - Importance of and need for standardized data collection in CMS’ efforts to address equity
 - Initial areas for addressing health equity (e.g., CMMI payment and delivery reform models and quality measurement)
- **Reports on Disparities in Health Care in Medicare Advantage**. CMS OMH released first of its kind report that compares quality of clinical care for dual-eligible and low-income subsidy (LIS) beneficiaries with other beneficiaries
 - Builds on earlier reports on racial, ethnic and gender disparities

Report on disparities will have implications for plans and other stakeholders who will need to address identified inequities.

Medicare Payment Rules Solicit Feedback on How to Address Inequities; Data and Quality are Areas of Focus

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- **CMS uses proposed Medicare Payment Rules to Solicit Input on Ways to Promote Equity.** In [MPFS](#), [IPPS](#), [OPPS](#), [ESRD](#), [SNF](#), [IRF](#), [IPF](#), [Home Health](#), [Hospice providers](#) proposed rules, CMS sought comment on:
 - **Closing the Health Equity Gap RFI.** Across payment rules, CMS requested comments on how to support health equity in outcomes, quality measures and measure domains
 - **Data collection.** Reporting/collection of standardized data related to social risk factors, race and ethnicity data (e.g., race, ethnicity, Medicare/Medicaid dual eligible status, disability status, LGBTQ+, and socioeconomic status); how to leverage diverse data sets
 - **Quality measures.** Stratification of quality measures by certain factors (e.g., race, dual eligibility, LGBTQ+, and socioeconomic status) and development of quality measures (e.g., health equity score)
- **CMS finalizes targeted policies in final Medicare payment rules.** CMS implemented limited policies, notes feedback on “Closing the Health Equity Gap” RFIs and other provisions will inform development of future policy
 - **Maternal Morbidity Measure in Hospital Quality Reporting Program.** In [Final IPPS Rule](#), CMS added measure requiring hospitals to report participation in statewide /national efforts to improve perinatal health

Federal Marketplace & Medicaid Policies Focus on Access, Coverage and Payment

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- **Marketplace - [CMS' Final NBPP \(Part 3\)](#) includes policies that aim to maintain or increase marketplace enrollment.**
 - **Expanded Enrollment Timeline.** Lengthened open enrollment period; option for exchanges to implement monthly special enrollment periods (SEP) for advanced premium tax credit (APTC)-eligibles with income \leq 150% federal Poverty level (FPL)
 - **Strengthens Role of Navigators in FFM.** Reinstates requirement that Federally Facilitated Marketplace (FFM) Navigators provide consumers with information and assistance on post-enrollment topics (e.g., appeals) to support education, help reduce disparities
- **Medicaid – CMS taking steps to protect coverage, access and payment.**
 - **CMS asks States to Educate Immigrant Populations About Access.** [CMCS informational bulletin](#) clarifying “Public Charge” rule no longer in effect and encouraging states to educate eligible immigrants about access to public benefits (e.g., Medicaid, housing)
 - **Lengthening Timeline for Eligibility, Enrollment Determinations Post Public Health Emergency (PHE).** CMS [extended](#) the timeline states have to complete Medicaid determinations to up to 12 months—instead of 6; requires states to complete redetermination before taking adverse action
 - **Potential Changes to MDRP.** [HHS Drug Pricing Plan](#) notes HHS will support efforts to improve the Medicaid Drug Rebate Program (MDRP) as part of its commitment to equity

Refreshed Vision for CMMI Includes Equity as “Centerpiece” of Models

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- **CMS Leadership’s Vision for Next Decade of CMMI.** Learnings from CMMI’s first 10 years informed future objectives including making equity focus of models by:
 - Engaging Medicaid, safety-net and other providers serving low and modest-income, racially diverse, rural populations
 - Addressing eligibility criteria and processes that support care for historically disadvantaged populations
 - Using patient-level demographic data, standardized social needs data, and data on model reach in underserved communities to assess models’ impact

CMMI focused on expanding reach of patient-centered models to include patients and providers not traditionally included.

Proposed CMMI Model Changes to Promote Equity & Address Disparities

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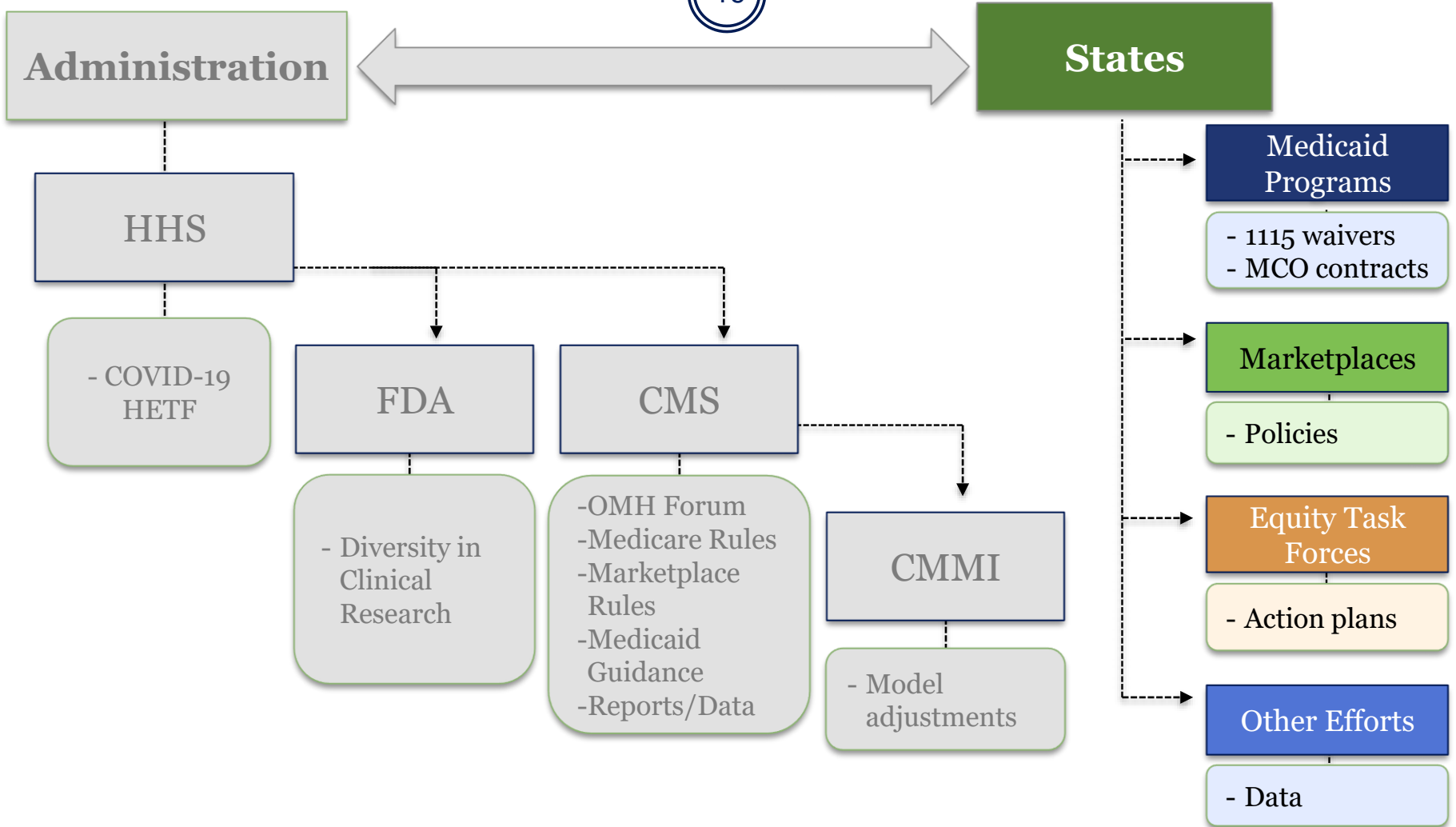
- **Proposed Changes Would Make ETC First CMMI Model to Directly Address Equity.** CMS [proposed](#) changes to End-Stage Renal Disease (ESRD) Treatment Choices (ETC) Model with the goal of decreasing disparities in rates of home dialysis and kidney transplants among patients
 - **Include Health Equity in Provider Scoring to Incentivize Care for Duals/LIS Beneficiaries.** Add health equity incentive to improvement scoring with goal of increasing rates of home dialysis or transplantation among dual-eligible or LIS beneficiaries
 - **Stratified Benchmarks Limits Penalties for Providers with Dual/LIS Beneficiaries.** Stratify achievement benchmarks by proportion of beneficiaries who are dual-eligible for Medicare and Medicaid or are LIS recipients
- **Leverage Lessons from AHC Model.** CMMI has indicated it will use learnings from the Accountable Health Communities (AHC) model in changes to existing models and future model development.
 - **SDoH Screening Tool.** CMMI released the [Accountable Health Communities Health-Related Social Needs Screening Tool](#) for use by health care/social service providers working to address health-related social needs

State Initiatives on Health Equity

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State Efforts to Improve Health Equity Wide-Ranging

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States Using 1115 Waivers to Test Programs Targeting Disparities in Medicaid

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- States are using 1115 waivers to pilot initiatives to address disparities and health-related social needs

Promoting Health Equity

- [MA](#) is developing 1115 waiver with a program for ACOs to measure and reduce disparities; includes funding to support health equity
- [OR](#) plans to invest in 1115 waiver initiatives to promote health equity as part of state's goal to eliminate health inequities by 2030

Addressing SDoH

- [AR](#) submitted 1115 waiver to CMS with program to connect certain beneficiaries (e.g., rural individuals with behavioral health needs, pregnant women, high-risk) to community support

Supporting Housing

- [AZ](#) submitted 1115 waiver to expand housing support to homeless individuals
- [NJ](#) is developing draft 1115 waiver to test new approaches to addressing SDoHs with a focus on housing

Promoting Health Equity

- [IL](#), [GA](#), [MO](#) have gained CMS approval to extend postpartum coverage; length of coverage and target population varies by state

Some State Medicaid Programs Leveraging MCOs to Address Disparities Through Contracts

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- **Medicaid Managed Care Organization Requirements.** States using tools in MCO contracts (e.g., incentive programs, reporting requirements, quality measures) that aim to promote equity
 - **Stratified Reporting of Quality Measures.** [LA](#) required MCOs to stratify and report specific quality measures by race/ethnicity and urban/rural status
 - **Incentive Payments.** [MI](#) includes a financial incentive for plans to reduce disparities in select Healthcare Effectiveness Data and Information Set (HEDIS) measures as part of Medicaid health plan performance bonus program
 - **Community Collaboration to Address Equity.** [WA](#) requires plans to collaborate with state to form Health Disparities Workgroup, which partners with community to identify racial/ethnic disparities in quality measures and implement interventions

Moving forward, states may also consider ways to use Total Cost of Care (TCOC) benchmarks or state directed payments to advance equity-related goals.

States Health Equity Task Forces in Response to COVID-19

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- **State Health Equity Task Forces in Response to COVID-19.** Prior to HHS' HETF, more than 10 states established groups to examine health equity issues in light of pandemic. Examples include:
 - **[Colorado COVID-19 Health Equity Response Team](#).** Established by Governor with goals that included ensuring accessibility, transparency of racial and ethnicity COVID-19 data; identifying measures to mitigate spread; helping curb disparities; and developing policy recommendations to help communities of color during COVID-19 and future emergencies.
 - ✦ Team issued [final recommendations](#) for legislation to reduce disparities in June 2020
 - **[Michigan Coronavirus Task Force on Racial Disparities](#).** Governor [signed an EO](#) creating task force, which will remain active until 90 days post state of emergency
 - ✦ Task Force issued an [Interim Report](#) in November 2020 outlining initiatives and themes for improving equity during the pandemic (e.g., increasing enrollment in health insurance, closing digital divide and raising awareness of racial and ethnic disparities in medial care).
 - **[Virginia COVID-19 Equity Leadership Task Force](#).** Codified by [Senate Bill 1296](#) to ensure that response supports at-risk individuals and populations disproportionately impacted by disasters; directs the work of the Health Equity Work Group
 - ✦ Governor unveiled statewide health equity dashboards - [Equity in Action](#) and [Equity at a Glance](#)- related to COVID-19 response and recovery programs

States Exploring Other Ways to Identify Disparities & Promote Equity—Evolving Trends

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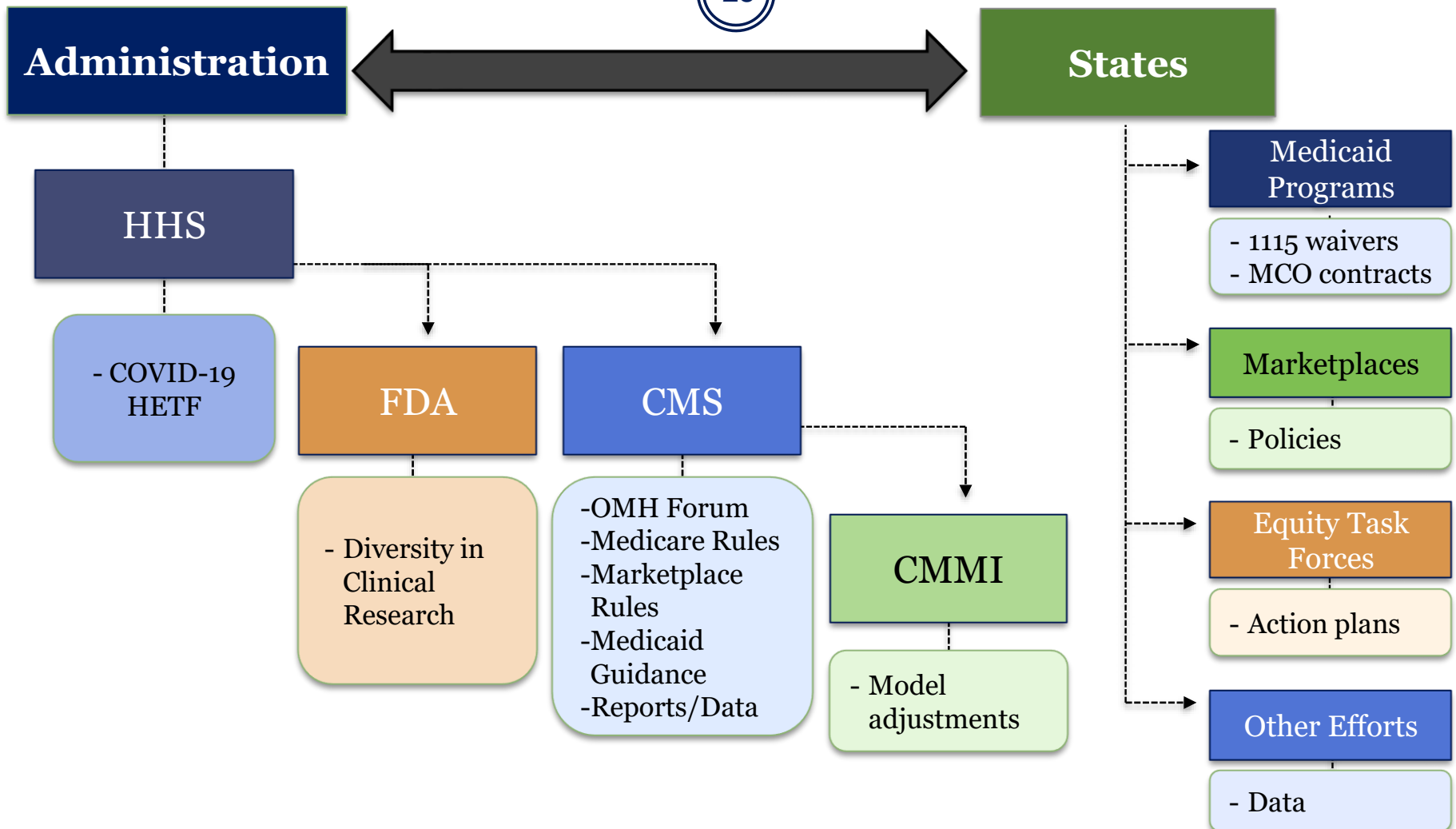
- **State-Based Marketplace Steps to Promote Equity.** [DC's Health Benefit Exchange Authority adopted](#) recommendations aimed at stopping racism in healthcare, including:
 - Expanding access to providers and health systems for communities of color
 - Eliminating disparities in health outcomes
 - Ensuring equitable treatment in care settings / service delivery
- **Leveraging Data to Identify Disparities.** Some states have started to track and report data that may be leveraged by stakeholders and policymakers
 - [PA Health Equity Analysis Tool \(HEAT\)](#). Interactive map uses Medical Assistance and population health data to identify opportunities to improve health and health equity
 - **Massachusetts [Public Health Data Warehouse](#) and [Population Health Information Tool](#)**. Tools (e.g., Race and Hispanic Ethnicity Health Equity Dashboard) to enable analyses of health priorities and trends with the goal to effectively address public health priorities

Implications/What to Watch For

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Equity Issues Priority for Federal and State Governments - Efforts Converging

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Identification of Issues and Policy Levers Becoming More Clear

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Data Collection
and Reporting

Quality
Measures

Policies that
Support Access
to Coverage

Care Delivery

Payment

Clinical Trials
and Research

- **Policy levers impact range of stakeholders.** Health equity initiatives likely to have widespread implications across stakeholders including beneficiaries, health plans, providers, manufacturers and states.
- **Stakeholder input.** Stakeholders will need to monitor variety of policy vehicles including:
 - Regulations and guidance
 - Task Force Recommendations/Implementation Plan
 - Data/Reports
 - CMMI Models
 - Section 1115 Waivers/MCO Contracts
 - States Task Forces/ Other State Efforts

Range of opportunities for stakeholders to engage and be impacted emerging, likely to evolve as CMS and states further solidify strategies.