

# Health Equity:

## How Employers Can Drive Improvements

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The COVID-19 pandemic and the social unrest of 2020 exposed many disparities in America. The pandemic not only inflicted an uneven economic toll, it also highlighted the extent of health disparities in our country. As a result, employers are beginning to prioritize and work to resolve issues of diversity, inclusion and equity. But as purchasers—not providers—of health care, they struggle to know how to identify and address health disparities.

The National Committee for Quality Assurance (NCQA) has long studied and sought ways to address the challenge of health equity. In 2011 NCQA created its Distinction in Multicultural Health Care program, which highlights the need to collect data on demographics and social determinants of health (SDOH) and to ensure the provision of culturally appropriate care. The program serves as a roadmap for health plans and health partners to address health disparities.

Employers that want to improve health equity for their employees can take steps to drive industry improvements. This report can help them understand the issues surrounding health equity and how to leverage existing standards to address disparities.



### DEFINITIONS TO KNOW

#### **Health equity:**<sup>1</sup>

The absence of unfair and avoidable or remediable differences in health among population groups defined socially, economically, demographically or geographically.

#### **Health disparity:**<sup>2</sup>

A health difference that is closely linked with social, economic and/or environmental disadvantage. Health disparities adversely affect groups of people who have systematically experienced greater obstacles to health based on their racial or ethnic group; religion; socioeconomic status; gender; age; mental health; cognitive, sensory or physical disability; sexual orientation or gender identity; geographic location; or other characteristic historically linked to discrimination or exclusion.

## ➔ The Challenge for Employers

To address health disparities effectively throughout the health care system, providers, health plans and other stakeholders must work together to address the long-standing structural, institutional and interpersonal racism that drives them. Employers seeking to provide employees with equitable health benefits must first address the reality that equal benefits do not necessarily result in equitable care.

Data is key to addressing this inequity. Although the digital revolution has given many people access to real-time information on a myriad of topics, there remains a lack of data focused on identifying and addressing disparities, especially within the health care system. Currently, only 11% of commercial health plans in the United States have race and ethnicity data on their entire population. The majority (75%) have it for less than half of their members.<sup>3</sup> Even more concerning is that the number of plans having this data on their membership has decreased over the last five years, suggesting a need for systematic change.

The public sector has already shown that it's possible to do better: Several Medicaid programs have implemented programs to improve health equity and approximately 40% of Medicare plans have complete racial data for their membership. The public sector's ability to accomplish this demonstrates commercial health plans should be able to, as well.

**As purchasers, employers should not underestimate their ability to influence change in the marketplace.** The first step to ensuring that health partners are prioritizing health equity is knowing whether they have earned NCCA Distinction in Multicultural Health Care. The program has proven to drive improvements in health disparities and is widely used in the public sector.<sup>4</sup>



## ➡ What Is NCQA’s Multicultural Health Care Distinction?

NCQA’s Multicultural Health Care program was created in 2011 to evaluate—and provide a roadmap for—the delivery of culturally appropriate and equitable clinical care. It is based on standards and recommendations from the Office of Minority Health (OMH), the National Quality Forum and the Institute of Medicine, recognizing supporting federal and state regulations and research demonstrating the feasibility of each standard.

Distinction in Multicultural Health Care assesses performance on five standards and assures purchasers, regulators and consumers that a service provider tracks and provides appropriate care to all people, including those with different racial, ethnic and linguistic backgrounds. Future iterations of the program will continuously raise the bar on tackling health inequities, especially those related to SDOH.

### STANDARD 1

#### Standard 1: Collecting Race/Ethnicity and Language Data



Organizations collect information on the composition of their member population so they can provide appropriate services and detect health care disparities. Data may be collected from members directly or indirectly, using estimation methods.

As the authors of a recent Health Affairs article, *Race and Ethnicity Must Be Included in Employee Health Data Analyses*, aptly state, “[F]or organizations to identify and eliminate gaps in their programs, ensure equitable quality care, and address health disparities, the collection of employee health data by race and ethnicity must be improved.”<sup>5</sup> But the majority of health plans don’t yet collect this data on their members. According to the most recent NCQA HEDIS data, **only 11% of commercial health plans collect race and ethnicity data for their entire population. The majority—75%—collect it for less than half.** Health plans, providers and wellness health partners cannot manage health care disparities if they cannot measure them.

### STANDARD 2

#### Standard 2: Providing Access to Language Services



Organizations provide written and spoken language services to eligible individuals in the language patients use and understand, and help the practitioner network provide these services at the point of care.

Literature suggests that language assistance interventions such as oral interpretation improve patient experiences and comprehension, and can improve appropriate health care utilization—for example, an increase in the time doctors spend with patients, a reduction in diagnostic testing disparities, higher clinic return rates and increased primary care services utilization.<sup>6</sup>

### Standard 3: Ensuring the Practitioner Network Cultural Responsiveness



Organizations collect and publish information on the languages that contracted providers speak fluently, or on languages for which translation services are offered, regularly assess their network's capability to provide linguistically and culturally appropriate care to members and address shortcomings when necessary.

Studies show that the physician-patient relationship is strengthened, leading to higher feelings of trust, satisfaction and adherence to treatment, when patients feel their beliefs, values and communication are similar to those of their health care provider.<sup>7</sup> For this reason, OMH, the National Quality Forum, the American Medical Association, the Association of American Medical Colleges—and many more—have standards or recommendations in place that promote cultural competency in health care delivery settings.

### Standard 4: Culturally and Linguistically Appropriate Services (CLAS) Standards Program



Organizations have a program for reducing disparities experienced by ethnic and linguistic minorities that includes plans to monitor and evaluate services against measurable goals, and conduct an annual analysis of activities to improve their performance.

The OMH recommends organizations have a written strategic plan to improve CLAS that includes measurable goals and involves community members and patients in the design and evaluation of the programs.

### Standard 5: Reducing Health Care Disparities



Organizations collect, report and analyze data on clinical quality and patient experience measures by race, ethnicity and primary language, undertake interventions to improve disparities in relevant care measures and continuously evaluate their effectiveness.

In order to drive health equity, organizations need to create and sustain an environment of continuous quality improvement. OMH and NQF recommends organizations analyze clinical performance or customer experience measures by race, ethnicity and language to identify, implement, and evaluate interventions to reduce health disparities.

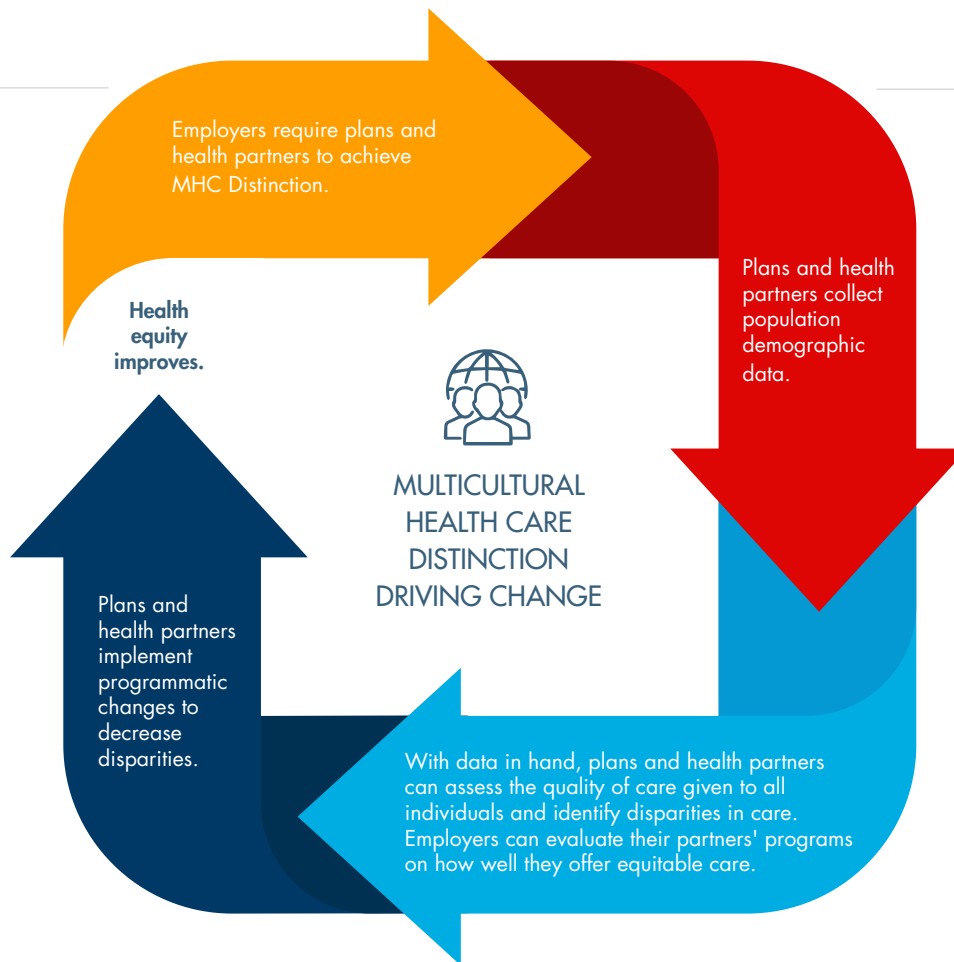
## ➔ How Does Multicultural Health Care Distinction Drive Change?

Multicultural Healthcare Distinction is a mechanism for consolidating and identifying consistent, feasible, and evidence-based strategies to improve health equity for the industry. In a third-party study commissioned by the state of California, the program was shown to benefit health plans—and contribute to change—by:<sup>8</sup>

- Impacting plans' allocation of resources (staffing, funding) to specifically address disparities and health equity, increasing infrastructure and reinforcing organizational commitment to this work.
- Catalyzing meaningful adoption of a culture that prioritizes and incorporates equity into plan operations by creating a consistent infrastructure for improving CLAS and narrowing disparities.
- Increasing plans' focus on cultural responsiveness.

For employers, having partners with NCQA Distinction in Multicultural Health Care opens the door to collecting valuable program data and gives them the opportunity to better evaluate their partners on how well their programs offer equitable care. At the national level, programs such as Distinction in Multicultural Health Care have shown to raise the level of performance of all stakeholders and drive national change (Figure 1).

FIGURE 1



## ➔ Learning From the Public Sector

Although employers are often seen as health care innovators, the public sector leads in its efforts to address health disparities. Employers can learn from the strategies implemented by plans dedicated to improving health equity; for example, the progressive state policies below.



### California's Private Exchange

Covered California prioritized one of the most important issues facing health care and policymakers in 2020—disparities in access and outcomes experienced by minority groups—by implementing rigorous requirements for reducing disparities and ensuring equity for plans participating in the state Exchange. Covered California's Individual Market Quality Health Plan contract requires plans to “track, trend and reduce health disparities” using a phased approach that expects them to:<sup>9</sup>

- Achieve 80% self-identification of racial or ethnic identity for Covered California enrollees.
- Reduce an identified disparity based on a mutually agreed-on health disparities reduction intervention proposal.

Covered California has proposed requiring plans to earn NCQA Distinction in Multicultural Health Care starting in 2022.



### Pennsylvania Medicaid

Pennsylvania's long-standing health equity initiative requires health plans to collect member-level demographic data. This data gives the state insight into whether health care quality differs by race, ethnicity, or county or if disparities vary across plan. In a 2018 study, the state not only found significant variation in disparities across plans, it also found that the highest-performing plans had initiatives in place to reduce disparities and train staff on cultural sensitivity.

In response to these findings, in 2019 the state expanded its health equity initiative and became the first to require its managed care plans to earn NCQA Distinction in Multicultural Health Care.

Since the inception of this requirement, Pennsylvania has seen improvement in care quality among plans who earned Distinction. These plans show a 5.65 vs. 2.15 percentage point improvement for their African American population, relative to their White population, for the HEDIS<sup>11</sup> measure Controlling High Blood Pressure.<sup>12</sup>





## Massachusetts

In 2008, Massachusetts began requiring its hospitals to collect information on the race, ethnicity and language of their patients; the requirement was extended to health plans in 2009.<sup>13</sup> Evaluations after the regulation went into effect demonstrated that availability of this data increased hospital efforts to decrease disparities by refining the use of interpreter services, identifying gaps in quality performance measures and developing patient services and programs to make improvements. Thirteen of twenty-one hospitals used patient race and ethnicity data to identify disparities in quality performance measures for a variety of clinical processes and outcomes; 16 used the data to develop patient services and community outreach programs.<sup>14</sup>

## Questions to Ask Your Health Plan and Health Partners



The first step employers can take is to talk to their health plan and health partners. Ask them what—if anything—they are doing to address health equity and how they might go further by seeking NCQA Distinction in Multicultural Health Care. Here are some key questions to ask:

- 1. How does your program address health equity?**
  - a. Do you have tangible results that your efforts are making a difference?
- 2. Do you collect data on your population's race, ethnicity, language or social determinants of health?**
  - a. If so, how do you collect it?
  - b. For what portion of my population do you have this information?
  - c. What are you doing to increase collection of the data?
- 3. Has your program/plan sought NCQA Distinction in Multicultural Health Care?**
  - a. If no: Have you evaluated your program against it? Do you plan to earn it?
  - b. If yes: Did you earn the Distinction? What are you now doing to assess and improve health care disparities?
- 4. How do you ensure that plan/program communications and services are culturally appropriate, understood and effective?**



## In Conclusion

Employers whose health partners have achieved NCQA Distinction in Multicultural Health Care know that their partners are prioritizing efforts to resolve disparities by collecting and using data on race, ethnicity and language to improve services for minority groups. At the national level, the increased demand on the issue will create a more comprehensive effort to identify, evaluate and reduce health disparities.

## Resources

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- 4 Health Management Associates. NCQA Distinction in Multicultural Health Care: Assessment of the Benefits and Recommendation to Require that Issuers Achieve this Distinction. August 28, 2020. Available at: [https://www.healthmanagement.com/wp-content/uploads/Distinction-in-Multicultural-Health-Report+Accreditation-Report-2\\_HMA-finalized-082820.pdf](https://www.healthmanagement.com/wp-content/uploads/Distinction-in-Multicultural-Health-Report+Accreditation-Report-2_HMA-finalized-082820.pdf). Accessed on February 21, 2021.
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- 11 HEDIS® is a registered trademark of the National Committee for Quality Assurance (NCQA).
- 12 NCQA. Addressing Disparities: The Path To Health Equity, November 18, 2020. Available at: <https://blog.ncqa.org/addressing-disparities-the-path-to-health-equity/>. Accessed on February 18, 2021.
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For more information, visit [www.ncqa.org](http://www.ncqa.org)



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