

ACTION BRIEF

Employer Strategies that Drive Health, Equity and Value



UNDERSTANDING HEALTH EQUITY IN THE WORKPLACE



ACTION STEPS FOR EMPLOYERS:

1. Understand health inequities and their impact on the workforce.
2. Create a framework for health equity strategy built on this new understanding.
3. Forge key partnerships with health and wellbeing experts to reinforce strategies.
4. Seek employee input, support and engagement as part of strategy development.

For a deeper dive on gathering data; using data to assess and prioritize; developing and executing a workplan; and measuring and sustaining gains, see the National Alliance Report, "[Leading by Example and Moving Upstream Together](#)." The accompanying [Action Brief](#) is also available.

Health equity means that everyone has a fair and just opportunity to be as healthy as possible. Achieving health equity requires removing obstacles to care and systems of support. This includes poverty, discrimination, and their consequences—including powerlessness and lack of access to good jobs with fair pay, quality education and housing, safe environments, and healthcare.

To achieve health equity, employers are undertaking foundational work on strategies that are inclusive of employer values, management buy-in, employee input, health plan and health vendor cooperation, and community needs.

Health and healthcare equity results in inclusive, equitable and comprehensive benefits throughout our racially, culturally and ethnically diverse workforces and communities. The payoff is huge: Health equity improves the health and wellbeing of employees and families while improving organizational performance.

Offering health benefit plans that account for the needs of underserved and ethnically diverse employees is just one part of health equity. Health equity also includes equitable employee access to healthcare and good health in

“Of all the forms of inequality, injustice in health care is the most shocking and inhumane.”

—Rev. Dr. Martin Luther King, Jr., 1966

ways that address the impact of social determinants of health. Positive social determinants of health include:

- ▶ Safe housing, transportation and neighborhoods.
- ▶ Absence of racism, discrimination and violence.
- ▶ Education, job opportunities, and income.
- ▶ Access to nutritious foods and opportunities for physical activity.
- ▶ Clean air and water.
- ▶ Language and literacy skills.

The prevalence of adverse social determinants of health poses a significant challenge: 68% of patients face at least one social determinant of health challenge.

Because the issues of health equity are complex, progress in addressing health equity has been slow. A study published in the journal *JAMA Open Network* examined 25 years of CDC research and found a lack of progress on health equity,

“It is important for employers to realize that health care disparities and inequity exist not only in the uninsured/underinsured populations.

They are also present in the commercially insured population.”

—Wayne Rawlins, MD, WellSpark Health



despite public health initiatives aimed at tackling it.

Yet the payoff to employers and society from improving health equity is clearly worth the investment. This [Robert Wood Johnson Foundation study](#) reports that addressing social determinants of health actually decreased unnecessary healthcare use and lowered the use of high-cost care:

- ▶ Emergency department use fell by 17%
- ▶ Emergency spending fell by 26%
- ▶ Inpatient spending fell by 53%
- ▶ Outpatient spending fell by 23%

The Business Case for Supporting Health Equity

Employers who have made strides in identifying and addressing workplace equity issues have benefited from reduced costs, better employee performance, and economic gains. Some examples:

- ▶ **W.K. Kellogg Foundation.** This report reveals that healthier workers have fewer sick days, higher productivity, lower medical care costs, and a reduced toll in avoidable human suffering. From the healthcare spending perspective, [disparities in US health today](#) result in an estimated \$93 billion in excess medical care costs and \$42 billion in untapped productivity, for a total potential economic gain of \$135 billion per year if these disparities were eradicated.
- ▶ **Qantas.** CEO Alan Joyce says that as the corporation diversified its workforce, the airline saw record profits continue to rise each year. “Diversity generated better strategy, better risk management, better debates, and better outcomes.”
- ▶ **Big Consulting.** Larger employers who are leading the way with expanded health equity policies are seeing the benefits of a more diverse workforce across all levels. Deloitte has seen an improvement in [decision-making quality by 20%](#) as a result of addressing health equity and diversifying its multinational workforce. McKinsey & Company calculates companies with ethnic diversity in executive teams have a 36% better chance of being in the [top quartile for performance](#).

As daunting as the task of improving health equity can be, employers—collaborating with employees, wellbeing vendors, and communities—can make continuous progress toward significant overall improvement. This *Action Brief* provides steps employers can take to develop a foundational approach to achieving health equity in the workplace.

EMPLOYER ACTION STEPS

1. Understand health inequities and their impact on the workforce.

Employers can begin the work of improving health equity by identifying sources of health inequity and measuring their impact.

This starts with gathering, analyzing and assessing employee claims data for information on social determinants of health (SDOH). Look for data identifying disparities in conditions, healthcare utilization, and quality of care among employees. Then gather community-level data to identify top health equity issues and barriers to health and wellbeing.

Why understanding data is an essential starting point for a health equity strategy

Using race and income data—for the workforce and community—can help highlight disparities in healthcare utilization. For example, studies have shown Black patients who are cancer survivors and on high-deductible health plans [face more barriers to follow-up](#)

START WITH THE BASICS

Health Equity Terms Defined

Social risk factors

Adverse social conditions associated with poor health, such as food insecurity and housing instability.

Social determinants of health

Conditions in the environments in which people are born, live, learn, work, play, worship and age that affect a wide range of health, functioning, and quality-of-life risks and outcomes.

Diversity

The range of human differences, such as race, ethnicity, gender, gender identity, sexual orientation, age, social class, physical ability or attributes, religious or ethical values system, national origin, and political beliefs.

Inclusion

Involvement and empowerment, recognizing the inherent worth and dignity of all people; respecting talents, beliefs, backgrounds, and ways of living.

Health equity

The fair and just opportunity for each and every person to be healthy. Achieving this requires removing obstacles to health, such as poverty, discrimination, and their consequences—including powerlessness and lack of access to good jobs with fair pay, quality education and housing, safe environments, and healthcare.

Standards of Care

The reasonable degree of care that each person should receive, typically in a professional or medical setting.

Health inequity leads to worse health outcomes

Consider these facts from [Deloitte](#):

- ▶ Black Americans are twice as likely to die from COVID as white Americans.
- ▶ Low-income Americans are twice as likely to have a stroke as wealthier Americans.
- ▶ One in three people with disabilities had healthcare needs that went unmet due to cost.
- ▶ Black, Native American/Alaskan Native, and Hispanic/Latino people are the most underrepresented groups in clinical trials.

care than white cancer survivor patients on the same health plan.

Expanding data analysis to include non-health consequences of health equity can provide key insights into the needs of specific populations.

These consequences include employee turnover, absences, and low productivity.

The goal of this analysis is not only to understand the costs of health inequity but to identify health equity action steps and document the financial returns of increased employee health, satisfaction, retention, work engagement, business performance, and productivity.

One such study by PCORI illustrates the value of assessing data. Researchers examined data on 73,000 patients with diabetes and 988,000 patients with Medicaid. Using this data, they documented how patients living in neighborhoods with more social risks were more likely to have poor blood sugar control and more likely to visit the emergency department. PCORI encourages health systems and employers to examine data on social risks to improve their measures for assessing quality of care.



Listen to the three-part podcast special series, "A Fresh Look at Health Equity."

2. Create a framework for a health equity strategy built on this new understanding.

Building a framework for health equity entails making a strategic commitment; defining the scope and an action plan; assigning resources, including staff time; and measuring results.

A framework for health equity will likely include both internal and external policies. In "[Driving Health Equity in the Workplace](#)," the American Heart Association provides a list of action steps to help define the scope of the work:

Internally

- ▶ Review and revise hiring, retention and recruitment practices to eliminate policies favoring one group of people.
- ▶ Ensure leadership is composed of people from diverse backgrounds representative of the community.
- ▶ Offer diversity, equity and inclusion training to employees.
- ▶ Include equity in the valuation of employees, managers and leadership.
- ▶ Offer comprehensive, understandable and affordable healthcare coverage for all employees.
- ▶ Adopt anti-racism principles and implement anti-racism policies.

"We see an undeniable burden of disease in the Black population. The underlying issue... is attributed to structural inequity."

—Melissa Creary, PhD, assistant professor of health management and policy at the University of Michigan School of Public Health

- ▶ Promote employee health and benefits literacy.
- ▶ Offer paid family and medical leave.
- ▶ Ensure pay equity and provide a living wage.
- ▶ Promote the use of employee assistance programs for all employees, regardless of benefit eligibility.
- ▶ Review organizational communications for cultural appropriateness, diverse representation, and accessibility.

Externally

- ▶ Review contacts to maximize hiring of historically underrepresented businesses and ensure supplier commitment to equity.
- ▶ Using the organization's influence, advocate in communities for affordable health insurance coverage for all.
- ▶ Advocate for affordable housing.
- ▶ Advocate for affordable early care and education for children.
- ▶ Advocate for increased support of public health infrastructure.

Why addressing language barriers is foundational to health equity strategies

When it comes to health equity, language is a crucial first step, simply because understanding healthcare plans and options can be a challenge even for those who speak English. At least 350 languages are spoken in the US—a country more than 44 million immigrants now call home. People cannot access healthcare when they



cannot navigate the system. Employers can press providers to offer simplified wording in consumer-facing documents and interpreters for users who need extra help. Because of the broad impact language issues can have on health equity, PCORI has funded a number of projects addressing healthcare access by people of Limited English Proficiency (LEP).

“It’s very difficult and confusing for refugees and immigrants to navigate the healthcare system,” said Rev. Mang Sonna, lead patient investigator of the The Patient-Centered Outcomes Research Institute (PCORI) Engagement Award project. “I think those in the healthcare profession should know our struggles. That way they will be able to help us better.”

Another PCORI study found that patients dealing with chronic pain fared better when the pain education and cognitive behavioral therapy were adapted for people with limited reading skills. Patients reported less pain and a greater ability to accomplish everyday tasks.

A specific example of implementing action steps comes from the employer ADP. One of ADP’s health equity community strategies is to increase access to education in marginalized communities. To make this happen, the ADP Foundation invests 10%–15% of its annual spending on education, providing more opportunities for young people in disadvantaged communities near ADP offices, and in other parts of the country, to stay in school and learn English.

3. Forge key partnerships with health and wellbeing experts to reinforce strategies.

Employers alone did not cause and cannot cure health inequity. Most root causes are societal and structural. Success requires employer partnerships with healthcare providers, health insurers, and wellness vendors, as well as the communities in which they operate.

Similarly, the benefits of achieving health equity extend beyond the employer to the social and environmental wellbeing of the community.

This checklist can guide the building of relationships with health and wellbeing vendors to support a framework for health equity in the workplace:

- ▶ Before committing to partnerships with health and wellbeing vendors aligned with the company’s vision, identify measures of quality, cost, experience and equity, then set performance targets.
- ▶ Determine how health and wellbeing vendors can support the equity strategy with performance and cultural competency metrics (EAP, PBM, data warehouse, direct contracts, point solutions).
- ▶ Develop targeted health and wellbeing equity measures that reward health plan value and equity improvement.
- ▶ Seek professional guidance from health plan partners to ensure transparent access to population

health data, including race and ethnicity data.

- ▶ Check that supply chains prioritize diversity in vendor contracting, and develop a strategy to address fairness.

Taking time to identify partnerships with healthcare vendors and other industry stakeholders can help finalize a framework. Here are three examples:

Health risk assessments (HRAs).

Kaiser Family Foundation found among businesses offering health benefits, 42% of small employers and 60% of large employers offer health risk assessments. These assessments include questions about an employee’s medical history, health status, and lifestyle, uncovering health inequities. For example, questions about diet seek to identify prediabetes, a disease affecting Black, Hispanic, and Asian Americans more than whites and can be reversed before type 2 diabetes takes hold.

Biometric screenings. A biometric screening measures a person’s risk factors, such as body mass index, cholesterol levels, and blood pressure. Such programs may offer guidance on ways to quit smoking, lose weight, or change lifestyle behaviors. Screenings can also address health equity by reducing disproportionate health risks among Black Americans, who have higher rates of hypertension, diabetes and obesity, all risk factors for heart disease.

Lay Health Workers Boost Health Equity

A PCORI-funded initiative added lay health workers to primary care teams. These Community Resource Specialists (CRSs) brought expertise in tapping community resources and could address health equity and social determinants of health. CRSs helped patients with housing, transportation and nutrition. Thanks to this added support, patients reported positive behavioral changes and improved health.



Research-based decisions. PCORI is focusing a significant portion of its research dollars on projects that measure and achieve health equity. PCORI-funded studies are providing support and education for minority communities and offer ways to improve social determinants of health, bringing the US one step closer to an equal and accessible healthcare system. PCORI can help employers develop research-based strategies for expanding health equity. This [video](#) explains the initiative.

4. Seek employee input, support and engagement as part of strategy development.

The concept of health equity is still relatively new to some employees. Without education and motivation, employees often disengage from this important issue. This disengagement is illustrated in a [2019 study](#) of employees in public health settings. Almost half the employees believed they need not be involved in enhancing health equity. This attitude was prevalent regardless of demographic characteristics, length of tenure, or agency setting.

Here are ways employers can reverse this reluctance and engage employees in understanding, supporting and participating in health equity opportunities and programs:

Communicate with and engage employees and families effectively.

- ▶ Seek input from employees of diverse racial, cultural and ethnic groups to help create culturally tailored messages.
- ▶ Engage employee affinity groups and their leaders to share cultural insights that strengthen communication with specific populations.
- ▶ Set the expectation with health plans and other health and wellbeing vendors that every patient deserves personalized, culturally responsive care to meet their unique needs.

Walk through potential benefit strategies with the workforce to gain insights into their relevance.

Ask employees about:

- ▶ Specific benefits that close gaps, helping achieve the equity vision.
- ▶ Policies that would remove barriers to preventive care, immunizations, and screenings for high-risk conditions.
- ▶ Feedback on a selection of apps designed to support Black, Indigenous and people of color (BIPOC).
- ▶ Suggestions on potential alliances with community-based networks to help include marginalized groups.

“The change in language in PCORI’s national priorities from ‘address health disparities’ to ‘achieve health equity’ is perhaps the boldest articulation of PCORI’s refined focus on health outcomes, and it also represents our renewed commitment to contribute to addressing the major challenges facing the nation.”

—Nakela Cook, MD, MPH, executive director of PCORI

- ▶ Ways to create safe spaces in which groups can help shape anti-racist policies and practices.

CREATING A HEALTHIER, MORE VIBRANT WORKFORCE

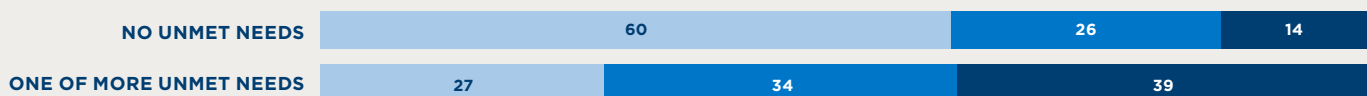
Achieving health equity requires employers to be intentional and to take concrete steps to advance fair and equitable access to healthcare. Doing too little institutionalizes health disparities, increases healthcare costs, degrades quality of life, and puts employers at a competitive disadvantage. The rewards of successful initiatives, however, are healthier and more productive people, workplaces and communities.

Employees overall with unmet needs were more likely to report missing more days of work and feeling less productive than those without unmet needs.

Number of workdays missed due to physical/mental health in the past 12 months % of respondents



Number of days of lower productivity due to physical/mental health in the past 12 months % of respondents



0 DAYS 1-5 DAYS ≥ 6 DAYS

*Social needs include community safety, economic stability, education, employment, food security, housing, personal safety, social support, and transportation. Source: McKinsey Health Equity in the Workplace survey, June 2021 (n = 2,706)

CASE STUDY

Medical Doctor Documents Health Inequity in Cancer Treatment

As part of its “Healthcare Equity Learning Series,” Kentuckiana Health Collaborative offers a video series promoting health equity in the treatment of various diseases (cancer, heart disease, and kidney disease).

In the video “Reducing Cancer Disparities to Achieve Equity,” Dr. Otis Brawley, medical oncologist at Johns Hopkins University, says 132,000 cancer deaths a year—in populations of workers with comparable health insurance—are due to racial health equity discrepancies in screening, detection and treatment. He points to differences in the patient education and in treatment protocols in medical systems serving Black people compared to medical systems serving white people. Among them:

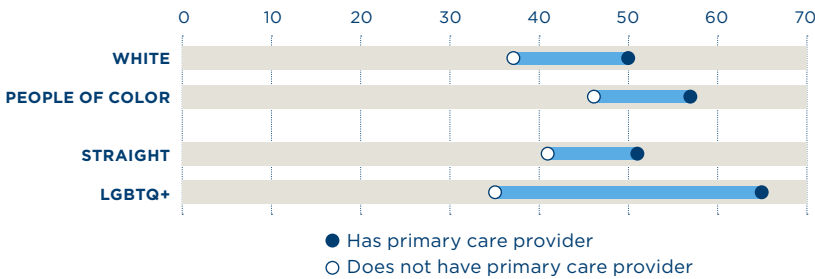
- ▶ **Barriers to Access.** Discrepancies in detection and failure to get appropriate treatment create large disparities in

breast and colorectal cancer mortality between Black people and white people. “These deaths are caused by Black people being disenfranchised by the medical system and getting lower quality care.”

- ▶ **Treatment Differences.** Race determines the aggressiveness of the staging of a pathology specimen, with specimens staged less aggressively for Black people, which gives them higher odds of inadequate treatment. “Poor people tend to go to hospitals and pathologists that are overwhelmed.”
- ▶ **Educational Disparities.** “College education lowers the risk of cancer deaths,” Dr. Brawley says. Fewer Black people have four-year degrees than white people. Education correlates to a person seeking treatment and advocating for the best care.

Workers with a primary clinician were more likely to have positive healthcare experiences, particularly for employees of color and LGBTQ+ employees.

Positive healthcare experience in the past 2 years, % of respondents



Source: CDC: https://www.cdc.gov/ncha/vsrr/covid19/health_disparities.htm

By encouraging—and even providing incentives for—employees to build relationships with a primary clinician and by giving them the needed resources to find those who understand and

validate personal identities and experiences, employers can help improve employee healthcare experiences.

View the National Alliance [Advancing Primary Care: A Purchaser Playbook for Action](#).



RESOURCES

- [National Alliance race, health & equity resources](#)
- [National Alliance town halls and webinars](#)
- [Leading by Example and Moving Upstream Together: A Fresh Look at Addressing Social Needs and Social Determinants of the Workforce](#)
- [County Health Rankings Model and NCQA HEDIS Equity Measures](#)
- [Income Alone May Be Insufficient: How Employers Can Help Advance Health Equity in the Workplace](#)
- [An Equity Agenda for the Field of Healthcare Quality Improvement](#)
- [Tools for Diversity, Equity and Inclusion](#)
- [American Heart Association Wellbeing Guide](#)
- [Completed PCORI studies on health equity](#)
- [Reducing Health Inequities One Word at a Time](#)

ACKNOWLEDGMENT

National Alliance acknowledges support from Patient-Centered Outcomes Research Institute (PCORI).



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