

The Business Case for Equity in the Age of MACRA

Five key ways payers can help

Under the Medicare Access and CHIP Reauthorization Act (MACRA), providers who serve Medicare patients will be reimbursed under a new quality payment program designed to reward value-based care. But without incentives for providers to focus on health disparities, any improvements are likely to leave disadvantaged populations behind.

Here, Marshall Chin, MD, MPH, Director of Finding Answers* and the Richard Parrillo Family Professor of Healthcare Ethics at the University of Chicago, offers five ways that governmental and private payers can help providers make the business case for equity as well as quality.

1

Require health care organizations to report clinical performance data stratified by race, ethnicity, and socioeconomic status. This enables payments based on reductions in disparities. It also allows providers to understand the immediacy of the problem and motivates them to solve it.

2

Incentivize preventive care and primary care by implementing more aggressive shared savings plans, in which providers bear some financial risk for poor health outcomes. This means paying more for primary and preventive care, and encouraging partnerships between clinical and non-clinical sectors to address the root causes of health disparities.

3

Incentivize the reduction of health disparities with equity accountability measures in payment programs. Efforts to increase overall care quality don't necessarily reduce disparities. The Centers for Medicare and Medicaid Services (CMS) and other payers that use quality measures for reimbursement must also explicitly incentivize equitable care and outcomes.

4

Align equity accountability measures across public and private payers. Care providers will then have a consistent set of expectations for the majority of their patients.

5

Assist safety-net organizations. CMS and other payers should support providers who care for the most disadvantaged populations with both financial and technical assistance.

*Finding Answers: Solving Disparities Through Payment and Delivery System Reform is a national program funded by the Robert Wood Johnson Foundation and based at the University of Chicago. The program is a cornerstone of the Foundation's strategy to reduce racial and ethnic disparities in health care. Finding Answers' new initiative focuses on discovering how payment and delivery models can be designed to facilitate health care disparities reduction. To learn more, visit www.SolvingDisparities.org and follow @FndgAnswers.

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to read "Creating the Business Case for Achieving Health Equity" in the Journal of General Internal Medicine.