

Advancing Health Equity

THROUGH EMPLOYER-PROVIDED COVERAGE



Every American deserves access to affordable, high-quality care and health coverage – regardless of the individual qualities that make us who we are, like our race, color, gender identity, disability, sexual orientation, or health status. For years, health insurance providers have been committed to improving health equity and combating social factors, like food insecurity and poverty, that can reduce health in our communities.

Covering nearly 180 million Americans from every background and walk of life, employer-provided coverage is an essential, but often overlooked, resource for promoting health equity and addressing unmet social needs. Employer-provided coverage provides affordable access to comprehensive health care for Americans of every race, ethnicity, gender identity, sexual orientation, and health status. For racial and ethnic minorities in the United States, health disparities take on many forms, which can be addressed in part through coverage at work when health equity is prioritized.

Equity across our society has become a top priority for governments, businesses, and community leaders. Health equity can be [defined](#) as attainment of the highest level of health for all people. This means that all people have the opportunity to attain their full health potential and are not disadvantaged due to their race, social position, or other socioeconomic circumstance. Health inequities, on the other hand, are unfair and avoidable differences in health status that result from unjust policies, discriminatory social norms that exclude certain groups of people (such as racism, sexism, and ableism, among others), and inequitable distribution of money, power, and resources that lead to poorer socioeconomic conditions.

There are obstacles to accessing and receiving quality health care for people from all walks of life and throughout every stage of life. Even for those with employer-provided coverage, challenges remain, influenced by social determinants of health. But the evidence is clear: Coverage at work is a key tool in addressing both the social determinants of health, with employers having a vested interest in promoting health equity.

A recent [survey](#) of large employers in the United States found:

- Black, Hispanic and Latino, and LGBTQIA+ employees are substantially more likely than their White or straight counterparts to consider changing employers for better health benefits.
- Men and women of color who need care are less likely than their White colleagues to have their needs met, including medical, dental, and vision care.
- Black, Hispanic and Latino, and LGBTQIA+ workers are more likely to report struggling to meet basic needs.

How Health Insurance Providers and Employers Partner to Improve Health Equity

Encourage Primary Care Provider Relationships

Greater health for employees begins with a strong relationship with a primary care provider (PCP). According to global management consulting firm [McKinsey](#), employees who report having a preferred PCP were more likely to have had “delightful” health care experiences.

“By encouraging—and even providing incentives for—employees to build relationships with PCPs and by giving them the needed resources to find PCPs who understand and validate personal identities and experiences, employers may be able to improve their employees’ healthcare experiences, helping them receive the care they need.”

McKinsey

- Employees of color in particular were around **11 percentage points more likely** to have had “delightful” experiences if they had a PCP.
- LGBTQIA+ employees were **30 percentage points more likely** to have had “delightful” experiences if they had a preferred PCP.



Ensure that benefits are easy to access, understand, and use

Plan participants and employees need to be informed and empowered to understand and make decisions about their health benefits. For example, plans can proactively inform members of out-of-pocket expectations and help them navigate lower-cost options through price transparency tools, as well as provide resources on understanding health insurance terms and the process for approving claims.

Offer a Choice of Plans

Employers that offer multiple options of health care plans not only give employees and their families more choices and personal control, they also enhance health equity by recognizing not all employees have the same financial capabilities. Employers can ensure that plans include options with lower out-of-pocket expenses. Consumer-directed health plans are a great option for many consumers, but not for every consumer. High out-of-pocket costs can [widen racial gaps](#) in health care. By offering multiple health plan options with different out-of-pocket costs, as well as supplemental benefits like dental and vision coverage, employers can empower employees to choose a plan that meets their needs.

Reform First-Dollar Coverage and Fund Health Savings Accounts

Black Americans experience [high incidence rates and poor health outcomes](#) for many common chronic health conditions. Hispanic Americans also experience [higher rates](#) of many chronic conditions, including heart disease, diabetes, asthma, and chronic obstructive pulmonary disease (COPD). Health insurance providers and employers have embraced flexibility in consumer-directed health plans to cover treatments and drugs for chronic health conditions first dollar, meaning before an enrollee has reached their deductible for the year. The [Chronic Disease Management Act](#) (H.R. 3563/S. 1424) would expand the ability to cover more chronic disease services before a patient needs to touch their deductible.

Employers that fund Health Savings Accounts also help ensure that those living with chronic health conditions and lower wage earners have funds to pay for care before meeting a deductible, improving overall equity.

Identify Social Needs

Employers can survey their employees to identify gaps in social needs or concerns about obtaining health care, including challenges related to transportation, nutrition, time off, and child care, then integrating support into the group health plan to address employee needs.

Social Determinants of Health

[Social determinants of health](#) (SDOH) are the “conditions in the environments where people are born, live, learn, work, play, worship, and age that affect a wide range of health, functioning, and quality-of-life outcomes and risks.” They can include inadequate access to nutritious food, lack of affordable housing, lack of convenient and efficient transportation options, limited opportunities for quality education and meaningful employment, and limited broadband access, among others. Therefore, employers who are paying for group health coverage have a vested interest in addressing conditions to enable employees to efficiently get the health care they need with an eye towards prevention. Social determinants can result in delayed preventive care due to lack of transportation or child care or costly use of emergency departments for primary care. Ultimately, when social determinants go unaddressed, society finds itself with poorer health outcomes at a higher cost – meaning everyone loses. Social determinants of health significantly impact health inequities. As [systemic racism and inequitable distribution of resources](#) lead to poorer socioeconomic conditions that limit people’s ability to live healthy lives, these living conditions lead to health inequities in the form of worse health outcomes, higher health care costs, and greater health disparities for minority and low-income communities.

Addressing Social Determinants of Health

Promoting health equity through interventions and benefit designs that address social determinants of health is central to the mission of health insurance providers because these steps are necessary to lower health care costs. A 2017 [study](#) of 8 of CVS/Aetna’s large commercial group plan customers showed social barriers impact when and where lower-wage workers seek health care, often resulting in poorer health outcomes and higher health plan costs in four main areas:

1. Higher incidence of preventable disease
2. Later-stage recognition and treatment of diseases
3. Limited ability to navigate health system and comply with self-care regimens
4. Treatment in more expensive and less effective settings — low-wage workers had more than twice as many ER visits as higher-wage workers.

Health insurance providers have taken steps with employer clients to prioritize health equity and reduce preventable disease incidence, including through addressing many social determinants of health.

<p>CVS Health:</p>	<p>Health equity is a top priority for CVS Health, which last year appointed Joneigh Khaldun, M.D., MPH, FACEP as the company’s first Chief Health Equity Officer to help address health inequities for the customers and communities it serves. CVS Health also recently announced Aetna Virtual Primary Care. Available for self-funded employers, the new solution reimagines the primary care experience and makes it easier for people to get health services virtually and in person. CVS Health recognizes the role employers play in advancing health equity, discussed in this 2019 Report “Promoting health equity for low-wage workers: How employers can reduce health care costs, increase productivity and help employees stay healthy.”</p>
<p>Cigna:</p>	<p>Cigna has committed to making health equity an enterprise-wide strategic priority. For more than a decade, Cigna has been a leader in promoting identification of health disparities and influencing the development of solutions that will result in more equitable health among the communities they serve. In 2020, Cigna launched the “Building Equity and Equality Program”, a five-year initiative to expand and accelerate their efforts to support diversity, inclusion, equality, and equity for communities of color. In their COVID-19 Disparities Initiative Cigna targeted several communities (Memphis, Houston, and South Florida) and employer clients to deliver a comprehensive campaign to protect, prepare, and support consumers during the COVID-19 pandemic.</p>
<p>Centene:</p>	<p>In 2020, Centene formed the Centene Health Equity and Wellness Council (CHEW). The group, comprised of medical and non-profit leaders, meets regularly to assess health care through the lens of equity and recommend how Centene can take action to remove barriers of care for the most vulnerable populations</p>
<p>Health Care Service Corporation (HCSC):</p>	<p>In 2021, the company’s Blue Cross and Blue Shield of Illinois (BCBSIL) plan launched the Health Equity Hospital Quality Incentive Pilot Program, a program that has since expanded to eleven hospitals and health systems in Illinois to improve health care outcomes in minoritized populations, increase physician workforce diversity, and address the roles of implicit bias and discrimination in health care. The program began by supporting hospitals that serve the highest concentrations of patients at high risk of COVID-19 infection in Illinois. BCBSIL aims to improve care by instituting race, ethnicity and language data collection, as well as sexual orientation and gender identity data collection as a core component of quality improvement. The pilot also established financial incentives to reduce health care disparities for patients who get care at those hospitals and health systems over three years. BCBSIL is increasing the number of providers who receive value-based payments and including health equity as a core component of the quality program.</p> <p>BCBSIL also launched the Institute for Physician Diversity to partner with Illinois academic medical centers, graduate medical education programs, teaching hospitals, and associations to help advance health equity by addressing the underrepresentation of minorities in medicine.</p>

Aflac:	<p>In 2022, Aflac, which offers products primarily offered through employers, launched the “Close the Gap” initiative to address medical debt and health disparities in America – an issue that disproportionately impacts people of color and those in low-income communities. As part of the initiative, Aflac published their first Aflac Care Index, a survey designed to help educate the public about health and wealth disparities.</p> <p>Also in 2022, Aflac launched a new version of its award winning My Special Aflac Duck for children with sickle cell disease. My Special Aflac Duck, a comforting robot that has helped nearly 15,000 children cope with cancer since 2018, was adapted to address the specific needs of children with sickle cell disease, which impacts more than 100,000 Americans and occurs in 1 out of every 365 Black or African-American births. More than 1,000 My Special Aflac Ducks for children with sickle cell were ordered in less than one month of being introduced in February. My Special Aflac Duck was named one of Time Magazine’s Best Inventions in 2018.</p>
Elevance Health:	<p>Elevance Health is advancing health equity through a whole-health approach of identifying and addressing the unique physical, behavioral, social, and pharmacy needs of those whom they serve. This includes enhancing benefits for employer-provided health plans. Features like enhanced dental and vision coverage for adults and children help employees and their families access preventive healthcare that can improve overall health and lower costs. Additionally, Elevance Health’s social analytics team identifies the most prevalent social factors facing employees and their families through a Community Connected Care Solution. To support whole health, the social impact team prepares options for employers to make available to their employees and their families. Members can access social-related benefits, value-added benefits, point solutions, social-impact programs, and/or community resources. Elevance Health offers members self-guided or team-guided access through digital, telephonic/video-based, or face-to-face means.</p>

Policy Recommendations to Build Foundational Elements to Address Socioeconomic Barriers and Advance Health Equity

National Framework:	Develop a national social determinant of health framework that provides a plan of action with shared goals as well as appropriate roles and responsibilities of relevant stakeholders for identifying and addressing socioeconomic needs.
Data Standards:	Create national data standards around social determinants data to promote standardization across states that will help facilitate data aggregation and analysis towards common evaluation metrics that help to reduce disparities and advance equity.
Data Collection:	Allow health insurance providers to collect sociodemographic data on their members as part of enrollment to better identify and reduce disparities and to tailor communications and services appropriately.
Cross-Sector Data Exchange:	Build a modern data exchange infrastructure that facilitates data sharing across cross-sector partners to inform efforts that address socioeconomic barriers.
Cross-Sector Capacity:	Invest and build capacity in other relevant sectors that are critical to addressing social determinants, such as social services, education, housing, employment, food, broadband, transportation, public health, behavioral health, and community health sectors, among others.
Health Equity Goals:	Convene stakeholders to identify goals that advance health equity to incentivize stakeholders to focus on equity and align efforts towards common goals while rewarding providers, organizations, and health insurance providers who achieve these goals.
Research Funding:	Provide funding for social determinants of health research so that effective pilots, interventions, and programs that address socioeconomic needs can be scaled and so costs of these efforts can be better quantified.

ABOUT COVERAGE@WORK

Coverage@Work (C@W) is a campaign to educate policymakers and the public about the value of employer-provided coverage for nearly 180 million Americans. C@W supports and advocates for market-based solutions that advance health, choice, affordability, and value for every American. **Learn more at [AHIP.org/CoverageAtWork](https://www.AHIP.org/CoverageAtWork)**