

BEYOND MEDICAL CARE  
EMERGING POLICY OPPORTUNITIES TO ADVANCE PREVENTION AND IMPROVE HEALTH VALUE IN OHIO

# Executive summary

**Access to quality health care is necessary, but not sufficient, for good health.** In addition to medical care, health is shaped by our behaviors and by the social, economic and physical environment. When combined, these nonmedical factors like education, nutrition and air quality are estimated to be the most significant modifiable drivers of health outcomes.<sup>1</sup>

**Health starts long before we get to the doctor's office, but our healthcare spending is mostly on costly downstream care.**

Healthcare system financing and payment have historically favored clinical care over community-based strategies, and often fail to incentivize providers to support behavior change or address community conditions. Ohio, like the US overall,<sup>2</sup> spends most healthcare dollars on treating health problems that in many cases could have been prevented. In Ohio, approximately 6% of total spending by the state's five health agencies was invested in prevention in State Fiscal Year 2013.<sup>3</sup>

**Upstream prevention improves health value.**

The [2014 HPIO Health Value Dashboard](#) finds that Ohioans are living shorter, less healthy lives despite spending more on health care than people in most other states. The good news is that there are many evidence-based prevention strategies Ohio can use to improve health value. Research suggests that improving upstream behavioral and environmental conditions saves more lives over time compared to expanded healthcare coverage and improved healthcare quality.<sup>4</sup>

**Policy changes and new partnerships can move Ohio upstream.**

To identify actionable steps to improve Ohio's commitment to upstream prevention, HPIO brought together representatives from public and private organizations to review emerging policy opportunities. As shown in the diagram to the right, the group prioritized three types of strategies that represent a balanced portfolio of health improvement activities both inside and outside the healthcare system. This report includes specific recommendations for each of these approaches.

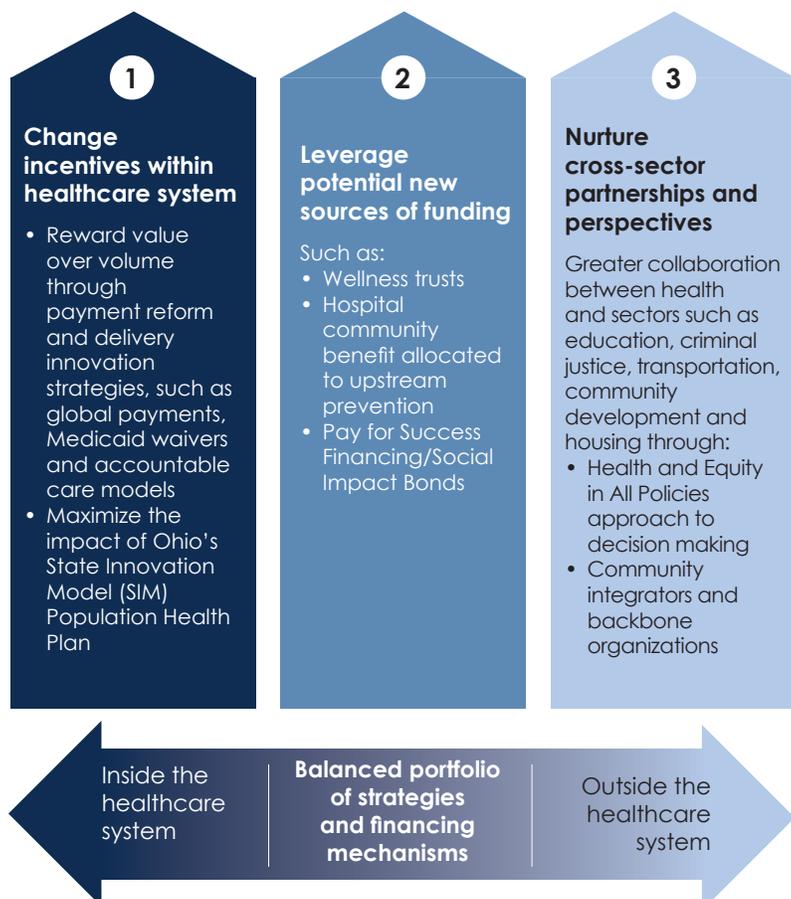
*Working together, policymakers, healthcare and public health organizations, and other partners can improve health value. This report provides leaders with a roadmap to expand the health policy agenda in Ohio to include a more balanced focus on the factors that shape our health both inside and outside the clinical care system.*

## Emerging opportunities to advance prevention

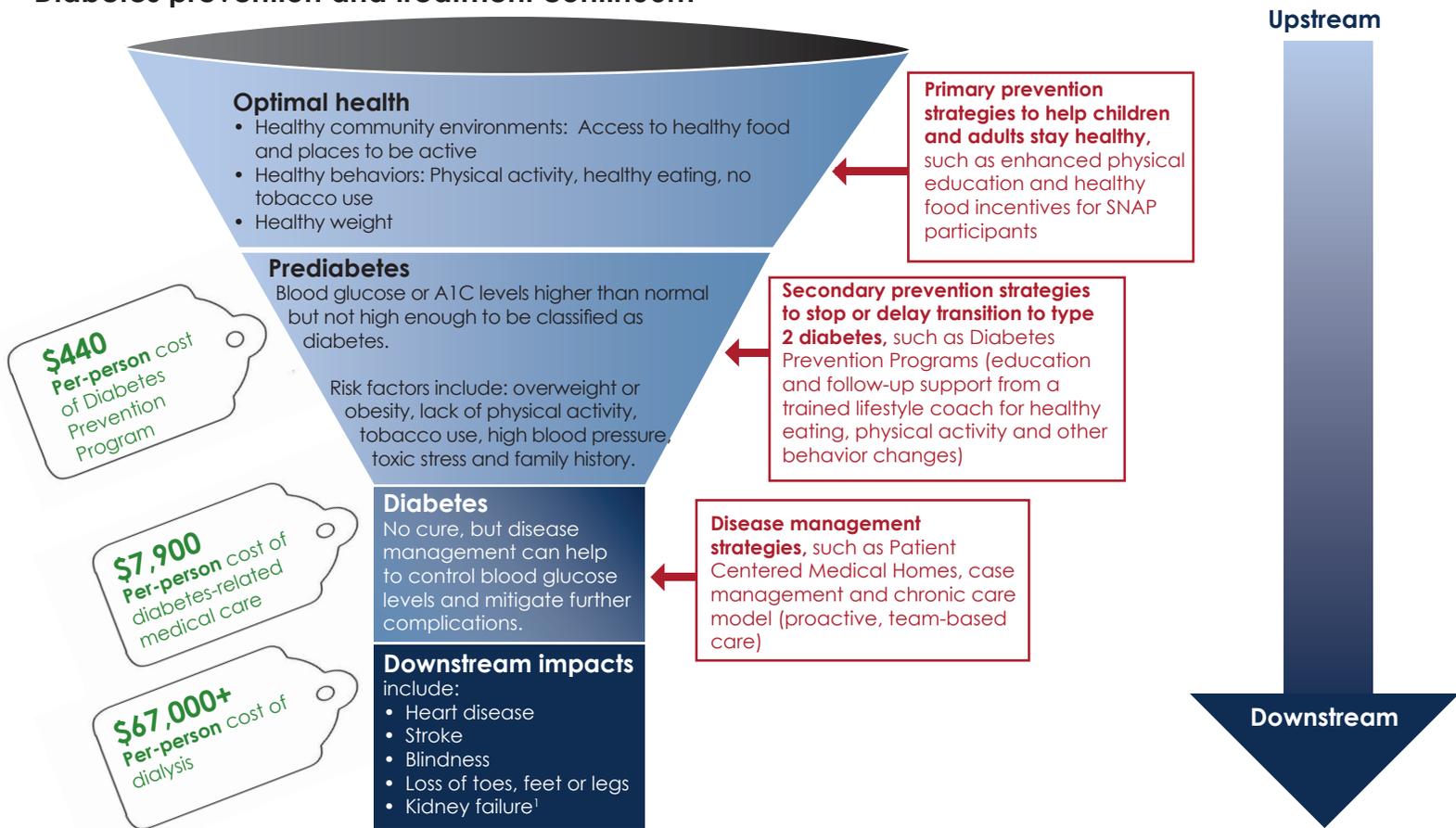
**Goal: Improve health value and health equity in Ohio**

### Stable investments in evidence-based upstream prevention

Community-based, primary prevention that addresses the social, economic and physical environments that shape our health



## Diabetes prevention and treatment continuum<sup>6</sup>



### Diabetes prevention example

Type 2 diabetes provides a useful example of opportunities for upstream prevention. Many cases of type 2 diabetes can be prevented, saving thousands of Ohioans from costly downstream impacts like stroke, blindness and kidney failure.

Helping children and adults to eat healthy and be physically active is the first line of defense against type 2 diabetes. For those who have prediabetes — a condition that puts them at high risk for developing the disease — participation in a Diabetes Prevention Program (DPP) has been shown to reduce the transition to diabetes by 58%.<sup>5</sup> DPP participants learn about healthy eating, physical activity and other behavior changes from a trained lifestyle coach in classroom sessions and receive follow-up support. In Ohio, several community-based organizations

offer DPPs, although investments in these programs are dwarfed by medical spending on the downstream consequences of type 2 diabetes (see diagram above).

### Next steps

Similar to the prevention opportunities described in this diabetes example, upstream approaches can also be applied to other health challenges, such as infant mortality and opiate addiction. The recommendations in this report aim to increase investment in upstream approaches in order help Ohioans to stay healthy in the first place. The report also provides recommendations for increasing collaboration between healthcare, public health and sectors such as transportation, housing and education in order to build healthier communities that provide opportunities for all Ohioans to be healthy.

## To learn more

To view the complete publication "Beyond medical care: Emerging policy opportunities to advance prevention and improve health value in Ohio," as well as more fact sheets about the specific policy opportunities discussed in the report, visit:

[www.hpio.net/beyond-medical-care](http://www.hpio.net/beyond-medical-care)



## Summary of recommendations

Change incentives within the healthcare system	
<p><b>Paying for value over volume through payment reform</b>            Payment reform refers to policy and system changes designed to shift from paying for volume to paying for value.</p> <p>The strategies listed here would accelerate the pace of the transition from volume to value in a way that incentivizes investments in prevention.</p>	<p>Public and private payers can:</p> <ol style="list-style-type: none"> <li>1. Tie payment arrangements to performance on risk-adjusted outcomes measures, not just process or clinical-encounter measures.</li> <li>2. Explore shared savings arrangements that require a percent of any financial savings be reinvested into community-based prevention activities.</li> </ol> <p>Ohio's Medicaid program can:</p> <ol style="list-style-type: none"> <li>3. Continue to pursue more outcome measurement and pay-for-performance (P4P) in Medicaid managed care and explore section 1115 waivers that could allow Medicaid to cover community-based prevention interventions.</li> <li>4. Encourage Medicaid managed care plans to work with local health departments, social service agencies and other community-based organizations to address non-medical issues that impact health such as housing, violence and access to opportunities for healthy eating and active living.</li> </ol> <p>Public and private healthcare leaders can:</p> <ol style="list-style-type: none"> <li>5. Support the spread of accountable care models that incentivize greater investment in community-based prevention activities.</li> <li>6. Ensure that ACOs are designed to improve population health outcomes.</li> <li>7. Explore ways to take the PCMH model upstream.</li> <li>8. Maximize the impact of Ohio's State Innovation Model (SIM) initiative by integrating community-based prevention into the PCMH model and other payment and delivery transformation activities, and by developing a strong SIM Population Health Plan that supports upstream prevention strategies.</li> </ol> <p>Public health and behavioral health leaders can:</p> <ol style="list-style-type: none"> <li>9. Coordinate with Medicaid managed care plans, ACOs and other healthcare partners.</li> </ol>
Leverage potential new sources of funding	
<p><b>Wellness trusts</b>            A wellness trust is a pool of funds used to support community-based prevention activities. The purpose is to establish a sustainable funding source to support a strategic and coordinated set of evidence-based prevention activities.</p>	<p>Public and private partners can consider establishing a state-level wellness trust and/or a network of local-level or regional trusts in Ohio. Stakeholders will first need to identify:</p> <ol style="list-style-type: none"> <li>1. A source or sources of funding (see main report for options), and</li> <li>2. An administrative body to manage the distribution of funds to the local or regional level (could be within state government or a private, nonprofit entity)</li> </ol> <p>See main report for additional considerations regarding goals, fund allocation, collaboration, community engagement and sustainability.</p>
<p><b>Leverage hospital community benefit for upstream prevention</b>            The IRS requires nonprofit hospitals to justify their tax-exempt status by allocating a portion of their operating expenses towards the provision of community benefit, defined as activities undertaken by hospitals to improve the health of the communities in which they serve.</p> <p>Several recent policy changes have resulted in an unprecedented opportunity to shift some hospital community benefit expenditures away from charity care and toward community-based prevention.</p>	<p>Nonprofit hospitals can:</p> <ol style="list-style-type: none"> <li>1. Exchange information and ideas with other nonprofit hospitals about upstream prevention activities that can be reported as community benefit.</li> <li>2. Partner with public health and community-based organizations to identify, implement and evaluate prevention activities.</li> <li>3. Devote community benefit dollars to the implementation of evidence-based primary prevention activities.</li> </ol> <p>State, local and regional associations and prevention organizations can:</p> <ol style="list-style-type: none"> <li>4. Provide education about the broad range of activities that are allowable as community benefit expenditures by showcasing upstream work already being done by many Ohio nonprofit hospitals.</li> <li>5. Offer training and technical assistance to nonprofit hospitals on evidence-based prevention strategies, program evaluation, community engagement, health equity and policy and environmental change.</li> </ol> <p>State agency leaders can:</p> <ol style="list-style-type: none"> <li>6. Develop guidance for nonprofit hospitals designed to increase transparency and encourage collaboration that results in greater community-based investments beyond direct patient care.</li> <li>7. Bring hospital and public health stakeholders together to identify strategies for increasing alignment, coordination and effectiveness of local health improvement planning, including effective allocation of community benefit spending.</li> </ol>

<p><b>Pay-for-success financing</b> Pay-for-success projects, also referred to as social impact bonds (SIBs), involve a performance-based contract for a social service or health intervention that is financed by a third-party investor. The investor assume the risk, receiving a “success payment” if the intervention is successful, but absorbing the losses if the outcomes are not achieved.</p>	<p>Public and private partners can:</p> <ol style="list-style-type: none"> <li>1. Build collective knowledge about pay-for-success financing in Ohio.</li> <li>2. Identify and cultivate champions within state and local government who can follow through on pay-for-success project ideas.</li> <li>3. Identify private investors willing to participate in pay-for-success projects.</li> <li>4. Build capacity to enter into pay-for-success contracts by sharing lessons learned from the Cuyahoga County project and health-related pay-for-success projects in other states, and by engaging intermediary organizations to provide guidance.</li> </ol> <p>State health agencies, Medicaid managed care plans, ACOs and local governments can:</p> <ol style="list-style-type: none"> <li>5. Identify projects that would be a good fit for the pay-for-success financing model.</li> </ol> <p>State and local-level policymakers can:</p> <ol style="list-style-type: none"> <li>6. Consider ways to reduce barriers to pay-for-success contracts, such as siloed budgets and data systems, and inflexible procurement rules and budgeting requirements.</li> </ol>
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## Nurture cross-sector partnerships and perspectives

<p><b>Health and Equity in All Policies approach to decision making</b> Health and Equity in All Policies is a collaborative approach to incorporating health considerations into decision-making processes. It uses tools such as Health Impact Assessments (HIA) to identify the ways that policy decisions in sectors such as transportation, education, criminal justice and housing may affect population health outcomes.</p>	<p>Public and private partners can help to build capacity for cross-sector collaboration in Ohio by supporting:</p> <ol style="list-style-type: none"> <li>1. Training sessions and ongoing technical assistance on Health and Equity in All Policies and Health Impact Assessments (HIA).</li> <li>2. Peer-to-peer information sharing and mentoring.</li> </ol> <p>Public and private funders can:</p> <ol style="list-style-type: none"> <li>3. Institute grant requirements that encourage and support grantees or applicants to partner across multiple sectors, conduct HIAs, or to embed health considerations in decision-making processes.</li> </ol> <p>State and local-level policymakers can:</p> <ol style="list-style-type: none"> <li>4. Identify projects or situations when formal HIAs or “rapid HIAs” could be encouraged or required.</li> <li>5. Formalize collaboration between agencies through memoranda of understanding or task forces.</li> <li>6. Develop charters to be voluntarily adopted by public and private organizations. Such charters can provide guidance on municipal or organizational policies that promote health.</li> </ol>
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<p><b>Community integrators and backbone organizations</b> Also known as a “backbone organization,” a community integrator is an entity that brings together partners from multiple sectors and leads a coordinated strategy to reach a common goal. Integrators are distinct legal entities that are funded and explicitly charged with the task of coordinating strategies to improve community well-being.</p>	<p>Public and private partners can:</p> <ol style="list-style-type: none"> <li>1. Deliberately create conditions that support cross-sector work.</li> <li>2. Build upon lessons learned in the Cincinnati region and other areas of Ohio by sharing information throughout all areas of the state about successful integrator/backbone organizations.</li> </ol> <p>Public and private funders can:</p> <ol style="list-style-type: none"> <li>3. Support organizations explicitly funded and charged with the task of bringing together organizations from multiple sectors around a common vision.</li> <li>4. Fund integrator/backbone functions by explicitly allowing grant or contract funds to be used for administration, project management, data analysis and other coordination functions.</li> <li>5. Include requirements to identify and support an integrator organization in Requests for Proposals (RFPs), when relevant.</li> <li>6. Sustain momentum created by integrator/backbone organizations by providing ongoing support over the long term.</li> </ol>
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## Sources

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2. McGininis, . M., P. Williams-Russo, and J. R. Knickman. “The case for more active policy attention to health promotion.” *Health Affairs* 30, no. 5. 2002, 78-93.  
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5. Diabetes Prevention Program Research Group. “Reduction in the Incidence of Type 2 Diabetes with Lifestyle Intervention or Metformin.” *New England Journal of Medicine*. February 7, 2002.
6. See main document for sources.