As health systems become increasingly focused on managing the health of populations and new payment structures hold health systems accountable for partial or full risk for the health of every patient served, these systems will need to consider the financial risk associated with allowing disparities in health outcomes to continue. The total cost of racial/ethnic disparities in 2009 was approximately $82 billion — $60 billion in excess health care costs and $22 billion in lost productivity. The economic burden of these health disparities in the US is projected to increase to $126 billion in 2020 and to $353 billion in 2050 if the disparities remain unchanged (Wyatt, 2016).

Meeting pay-for-performance targets for common chronic conditions such as diabetes will not be achievable without reducing disparities (Wyatt, 2016).

Patients with complex health needs account for a disproportionate share of health care spending in the US and racial/ethnic minorities and individuals with lower socioeconomic status are more likely to have multiple chronic health conditions, and thus higher health care costs (Wyatt, 2016).

Racial/ethnic minorities and individuals with limited English proficiency in the US are more likely to suffer an adverse event, have inappropriate and often costly tests ordered, have a longer length of stay in the hospital, be readmitted to the hospital, and incur ambulatory-sensitive hospitalizations (Wyatt, 2016).

Leaders should ask themselves……

> “How do I know if we have disparities and how can I prevent disparities that exist in our patient outcomes?”

> “How can I create a culture and system that reduces disparities to improve quality, save lives and reduce cost?”

Why not prove no disparities exist in your organization by consistently stratifying patient quality, safety and experience data to identify patients at risk. That way you will know you have done your due diligence for the community and patients you serve. To do so, the first step is to assess both your organization’s ability to collect, validate and stratify patient demographic data, as well as the infrastructure you have in place to take action on any disparities found and close the gap in health outcomes. The HEOA was designed to help you understand your organization’s ability to identify and address disparities so you can take deliberate and purposeful action to ensure that the outcomes of your patient populations are equitable by attaining the highest level of care for all people.

HEOA ASSESSMENT CATEGORIES:

1. Data Collection
2. Data Collection: Workforce Training
3. Data Validation
4. Data Stratification
5. Communicate Findings
6. Address and Resolve Gaps in Care
7. Organizational Infrastructure & Culture