HEALTH EQUITY TASK FORCE

FOR DELIVERY & PAYMENT TRANSFORMATION

Advancing Equity in 2023: Federal Policy Priorities to Promote Health Equity and Health System Transformation

The Families USA Health Equity Task Force for Delivery and Payment Reform (Health Equity Task Force) brings together the leading organizations on the federal and state level working to ensure that efforts to transform the U.S health care system to move toward improved health and more affordable coverage, center reforms on health equity, with a particular focus on of Black and Indigenous people, other communities of color, LGBTQ+ communities, people with disabilities, individuals with low incomes, and other historically marginalized populations.

These recommendations represent the consensus view of the Task Force members. This document begins by reviewing progress around health equity in the last few years and then provide both federal legislative and administrative recommendations for 2023.

Context for Task Force Recommendations: Progress Furthering Health Equity Policies in the Last Few Years

As the COVID-19 Public Health Emergency ends and health care protections for affected communities are lifted and reversed, the Biden administration and Congress must continue progress to further federal policies that eliminate systemic racism and advance meaningful equity reforms for the communities that are most in need. These reforms are necessary to support the health and overall well-being of Black and Indigenous people, other communities of color, LGBTQ+ communities, people with disabilities, individuals with low incomes, and other historically marginalized populations.

The Biden administration made significant strides in advancing health and health equity in its third year. Notable legislative achievements include passing the American Rescue Plan (ARPA), the Bipartisan Infrastructure Legislation (BIL), and the Inflation Reduction Act (IRA).[1,2,3] Key elements of these laws foster equitable economic growth by supporting minority-owned businesses, increasing Black and Hispanic employment, and investing in low-income families. The ARP includes other important health reforms, such as granting states the option to extend Medicaid coverage for pregnant people up to 12 months post-pregnancy via a Medicaid state plan amendment. This reform is a critical step in addressing the maternal health crisis that is growing worse and that disproportionately impact Black patients and families. Both the ARPA and IRA also included critical subsidies to make coverage more affordable for working families on the Health Insurance Marketplaces, which is critical to the health and economic security of BIPOC, rural, and other marginalized populations. The IRA also addressed the high cost of health care by lowering the cost of prescription drugs in Medicare and by providing relief to the millions of Medicare patients who struggle to afford their medications and who are disproportionately lower-income and people of color. Finally, the fiscal year 2023 omnibus spending included continuous coverage protections for low-income children who rely on Medicaid and CHIP (the Children's Health Insurance Program) for health care, as well as reauthorizing the Maternal, Infant, and Early Childhood Home Visiting Program with increased funding through FY2027.[4]

The Biden administration also took important administrative steps to advance health and health equity. For example, it responded to the rise of discrimination against Asian American, Native Hawaiian, and Pacific Islander (AANHPI) communities by dedicating federal resources to tracking and reporting AANHPI hate crimes and developing tools to report incidences of violence and discrimination.

Within the Department of Health and Human Services (HHS), the Centers for Medicare and Medicaid Services (CMS) has publicly committed to incorporating an equity lens throughout its programs and initiatives. The agency has published the CMS Framework for

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Health Equity 2022-2032, which lays out its strategy for advancing health equity, expanding coverage, and improving health outcomes for the most marginalized communities.[5] Specifically, the framework outlines CMS' priorities to expand data collection, address inequalities, build the health care workforce, advance language access and increase health service accessibility.

CMS has instituted a number of reforms to operationalize its framework. This includes adding two new health equity measures to its Hospital Inpatient Quality Reporting Program that focus on screening for social-related needs, like food insecurity, housing instability, and transportation needs.[6] And it added a "health equity adjustment" to its Merit-based Incentive Payment System (MIPS) Quality Program for the Medicare Shared Savings Program in its calendar year 2023 Physician Fee Schedule (PFS) rulemaking to help incentivize participating Accountable Care Organizations (ACOs) to serve a higher proportion of underserved or dually eligible patients.[7]

Task Force Recommendations for 2023

The progress made toward achieving health equity in the last year has been significant, but much more needs to be done to guarantee that every person has the best health and health care regardless of who they are, what they look like, or where they live. Congress must advance legislation that decreases disparities in health care access and outcomes, protects access to abortion care, and encourages centering equity in health care programs. And the administration must take additional steps to center health equity in health care payment and delivery; promote data justice; collect and report disaggregated demographic data across the federal government; and ensure equitable access to reproductive health services, including contraception.

LEGISLATIVE PRIORITIES FOR CONGRESS

1. **Develop coverage options for low-income and uninsured residents and strengthen existing Medicaid programs:** We strongly support expansion of the Medicaid program under the option available under the Affordable Care Act.[8] In the absence of states exercising this option, Congress should create an affordable insurance option or open up federal Medicaid coverage for children, immigrants and low-income residents of states that continue to opt out of Medicaid expansion. We urge Congress to pass the following measures:
   - Create an affordable Medicaid expansion-like program on the federal marketplace to allow the 2.2 million low-income people living in non-expansion states to access high-quality health coverage.
   - Authorize waivers to allow states to provide continuous health coverage for children up to age 5.
   - Support the Lift the Bar Act to allow all lawfully present immigrants access to federal assistance programs, including Medicaid and CHIP.[9]
2. **Make historic investments to end the maternal health crisis:**
   - Pass the (pending) "Momnibus Act 2.0."[10]
   - Require mandatory Medicaid postpartum coverage up to 12 months for all states and territories.

3. **Create a National Medicaid Healthy Family Benefit:** Congress should amend Title XIX of the Social Security Act to require Medicaid and CHIP to cover:

   › Child-parent supports, including evidence-based parenting support programs.

   - States have expanded the services covered under Medicaid that support the health and wellbeing of parents and children, such as in-home visitations and mental health screenings and treatment.

   › Home visiting services by licensed practitioners during pregnancy, the perinatal period and early childhood.

   - Alabama implemented the Nurse-Family Partnership program through its Medicaid program. Under this program, nurses visit first-time mothers starting during pregnancy and continue until the child turns two years old. This allows nurses to assess medical, educational and social needs and refer families to other providers.[11]

   › Whole-person care and community integration services.

   - Oregon and California have developed plans that drive investments in health equity and address the social determinants of health outside clinic walls, including behavioral health and social health services.[12,13]

   › Maternal mental health services, including culturally appropriate screening and services for perinatal mood and anxiety disorders during pregnancy and in the postpartum period that address and reduce racial bias.

   - CMS allows states to cover maternal depression screenings as part of Medicaid's Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefits.[14] As of 2018, only five states required maternal mental health screenings during well-child visits, and another seven states allow such screenings.[15]

   › Dyadic therapy treatment, where a parent and child are treated together, and school-based treatment for children and adolescents who are at risk for or with an attachment disorder, or as a diagnostic tool to assess for an attachment disorder.[16]

   - Seven states do not cover dyadic treatment (or family therapy) in their Medicaid programs. Dyadic treatment has been shown to help parents with young children learn about children's needs and increase positive parenting behavior.

4. **Protect abortion access*:** Congress should pass the Equal Access to Abortion Coverage in Health Insurance (EACH) Act.[17] The bill requires coverage of abortion for people enrolled in public insurance plans.

5. **Protect health care access for justice-involved people:** Congress must pass the Reentry Act, which would give states the ability to restart Medicaid coverage for eligible incarcerated individuals up to 30 days prior to their release from jail or prison to ensure to ensure that they receive critical uninterrupted, comprehensive health coverage.[18]

** While this document reflects the overall priorities of the Health Equity Task Force, each individual task force member does not necessarily endorse every priority on the list.*

ADMINISTRATIVE PRIORITIES FOR CMS AND HHS

1. **Ensure that low-income individuals and families retain access to health coverage through the Medicaid redetermination process and beyond:** CMS should use the enforcement authority granted to it in the 2022 omnibus to ensure that states follow through on all recommended redetermination procedures (which are designed to help enrollees efficiently renew their coverage), or that coverage is automatically renewed.[19] Under this authority, CMS should create state corrective action plans (CAPs), fine or reduce the FMAP (Federal Medical Assistance Percentage) for states that do not follow CAPs, and stop procedural terminations when necessary to protect coverage for people eligible for Medicaid. For people who are no longer eligible for Medicaid, CMS should take steps to ensure that Medicaid offices provide a seamless pathway to other coverage options through the health insurance marketplaces or people's employers.
2. **Complete the Application of Equity Measurement and Stratification Across the CMS Quality Measures and Pay for Performance Portfolio:** CMS recently added two new health equity measures to its Hospital Inpatient Quality Reporting Program, including 1) Screening for Social Drivers of Health and 2) Screen Positive Rate for Social Drivers of Health (SDOH-02) in its fiscal year (FY) 2023 inpatient prospective payment system (IPPS) rulemaking.[20] CMS also added a "health equity adjustment" to its MIPS Quality Program for the Medicare Shared Savings Program in its calendar year 2023 PFS rulemaking, which is designed to incentivize participating Accountable Care Organizations (ACOs) to serve a higher proportion of underserved or dually eligible patients.[21] CMS also added a "health equity index" to the Star Ratings program in its

2024 Medicare Part C and D final rule, which will reward Medicare Advantage and Medicare Part D plans for providing quality care to underserved populations.[22] CMS should continue incorporating health equity into quality measurements and performance-based payments into:

- The MIPS program for non-Medicare Shared Savings Program (MSSP) physicians, following on the 2022 Medicare PFS final rule, which incorporated additional health equity-related improvement activities.
- The Medicare Care Compare provider database, including:
  - Nursing Home Compare.
  - Home Health Compare.

3. **Strengthen provider network adequacy standards and provider directory accuracy to ensure equitable access to a wide array of health care providers:** Provider networks are too narrow, geographically dispersed, and otherwise insufficient to meet the health needs of patients and communities, particularly in Medicaid and CHIP, and increasingly in ACA plans. Strong federal standards that apply to all plans and across the care continuum (for example, specialists, emergency and urgent care, home- and community-based services) are needed to address the persistent problem of "phantom networks," where insurance company rosters of in-network providers don't actually see patients in the network. This will also help ensure equitable access to quality care for every patient. All required provider directories should have updated, accurate information on languages spoken, Americans with Disabilities Act (ADA) accessibility, and race and ethnicity.
4. **Develop a core health equity quality measure set to measure health system performance and promote accountability:** HHS should build on its efforts to engage in a robust, multi-stakeholder process to develop reliable, valid core health equity measure sets in Medicare and Medicaid, respectively. This should include a focus on identifying federal quality measures for maternal and child health, primary care, behavioral health care, and social determinants of health (SDOH). Further, CMS should ensure that all health equity quality measures are stratified by race, ethnicity, language, disability, sexual orientation, gender identity and other demographic characteristics, with privacy protections in place to ensure that data is secure.
5. **Guarantee that every community is counted by ensuring a sufficient sampling of all sizable communities in HHS outcomes reporting:** HHS should ensure that all its quality and outcomes reporting has sufficient sample sizes for the American Indian/Alaskan Native and Native Hawaiian/Pacific Islander categories, respectively, to be statistically significant for all national reporting and for any state in which one or both communities represents more than 1% of the state population. Survey budgets and activities should include oversampling, periodic focuses sampling, and multi-year analyses to ensure that there is sufficient data for these smaller populations.

6. **Continue deepening Center for Medicare & Medicaid Innovation's (CMMI) focus on equity and historically marginalized populations through payment models:** CMS should direct CMMI to deepen its focus on serving the needs of historically marginalized populations through all CMMI payment models. This could include emphasizing improvements in specific populations that experience systemic disinvestment or that are disproportionately burdened by poor health outcomes as opposed to the equity impact of models that may improve health outcomes overall. This also could include CMMI exploring budget neutral reforms that have the ability to create more equitable health outcomes in populations with system disinvestment or disproportionate health inequities. CMS and CMMI should also provide an assessment of their effectiveness in improving health equity and the health of historically marginalized populations in an annual report to Congress.
7. **Encourage investment in one or more pediatric models through CMS and CMMI:** CMS should increase investments in pediatric and dyadic models (where a parent and child are treated together) to test payment and delivery models that support and incentivize a focus on the social, emotional, behavioral and relational health of children and their families. This should include building on the Integrated Care for Kids (InCK) model to support additional models that center optimizing child health through primary prevention, early intervention, relational health and a high-performing pediatric medical home.
8. **Promote culturally and linguistically responsive care by implementing culturally and linguistically appropriate services (CLAS) standards across all federally funded programs and activities:** All HHS contractors, grantees and health care providers that receive federal dollars should demonstrate and report on how they are implementing the CMS Office of Minority Health's CLAS standards as a condition of receiving federal funding.
9. **Adopt federal rules related to alternative coverage of contraceptives for ACA and Employee Retirement Income Security Act (ERISA) plans:** In 2023, CMS and other agencies issued a notice of proposed rule-making to establish alternative individual contraceptive arrangements for people covered by ACA and ERISA plans that object to covering contraceptives. The rule will allow people covered by such plans to obtain coverage through an alternative arrangement with alternative coverage issuers on a federally facilitated exchange or state exchange on the federal platform.
10. **Prioritize Medicaid waivers that advance equity:** CMS should not approve significant Medicaid delivery system Section 1115 demonstration waivers or demonstration waiver renewals unless they have strong equity components. These should include elements such as:
    - Using Medicaid funds to invest in the transition of small and rural-based community providers to value-based payment (VBP) systems, aligning Medicaid funding with new investments in safety net ACO programs in the 2022 Medicare Shared Savings Program rule.
    - "Paying for equity" in value-based payment systems.
    - Adding community health workers (CHWs) and team-based care, or the coordinated care with multiple providers, outside of clinics and hospitals as a substantial component of health care delivery.

- Restructuring health care delivery and payment in Medicaid or on a multi-payer basis.
  - The Oregon Health Authority operates 16 coordinated care organizations (CCOs) that focus on prevention and helping people manage chronic conditions. The CCOs are local systems that work with one fixed-rate budget and that are accountable for the health outcomes of the population they serve.[23]
- Giving more financial and operational authority to primary care.
  - Vermont's All-Payer Accountable Care Organization (ACO) Model brings together physicians, hospitals and other health care providers to better coordinate care for their patients. This produces more specific treatment protocols that meet each patient's unique needs.[24]
- Linking physical and behavioral health with social and human services, paired with Medicaid coverage of services to improve social drivers of health.
  - Under California's Advancing and Innovating Medi-Cal(CalAIM), managed care plans provide Enhanced Care Management and Community Supports (or "in-lieu of services" IOLS), such as nutrition support and sobering centers, to high-need beneficiaries.[25]

11. **Strengthen Office of Management and Budget (OMB) data collection and stratification standards:** OMB should refine and adopt its proposed revisions to federal standards for the collection, use and reporting of race and ethnicity data, including requiring disaggregated and granular demographic and health-related social needs data. It should provide appropriate training and supervision to those charged with collecting this data. OMB should also adopt the National Academies of Sciences, Engineering, and Medicine's sexual orientation and gender identity (SOGI) data standards that were promulgated in 2022 as the federal government-wide standard for SOGI data. HHS should enforce compliance with these revised OMB standards across all operating agencies.
12. **Promote whole-person, community-centered care by including community-based workforce members as reimbursable health workers under Medicaid and Medicare:** CMS should consider paying the community-based workforce (including community health workers, doulas, midwives, promotoras and peer navigators) using value-based alternative payment models rather than encounter-based payment. The Health Resources and Services Administration (HRSA) Bureau of Health Workforce should develop strategies and programs to support the development of the community-based health workforce, especially health workers who are representative of the communities they care for.
13. **Expand oral health benefits for Medicaid beneficiaries:** CMS should broaden and strengthen coverage of "medically necessary" dental care in Medicaid to include additional medical conditions for which we know oral health care is critical, parallel to recent changes in Medicare. To help meet demand for dentists and other dental health professionals, the administration should advance policies that end scope-of-practice restrictions (encouraging states to do the same), facilitate licensing across state lines, and allow the deployment of dental professionals in community-based settings and existing touchpoints for historically marginalized communities.

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