Advancing Health Equity

The Trustee Quarterly

For South Dakota Association of Healthcare Organization Board of Trustee Members  Spring 2021

LEADERSHIP PERSPECTIVES

Advancing Healthier, More Equitable Communities

The sobering fact of health inequity has been spotlighted through the recent experience of COVID-19 infections and racial injustice in the United States. As a result, boards and senior leaders are deepening their commitment to advancing health equity. Moving forward has significant implications that are important for trustees to understand.

Hospitals and health systems have always played a unique role in our society and in the health of their communities. Improving the health of the community is the driving mission for most, if not all, hospitals and health systems. Health equity is closely aligned with that mission. Boards of trustees, along with senior management, share the responsibility for setting overall organizational strategy. Significant disparities in health outcomes across our society have led boards and leaders to focus on health equity as a strategic priority.

Understanding Health Equity

Twenty years ago, the Institute of Medicine urged a call to action to improve the American health care system. Its influential report, Crossing the Quality Chasm: A New Health System for the 21st Century, addressed six key dimensions in which our overall health care system functions at far lower levels than it should. Its aims for improvement stressed that quality health care should be safe, effective, patient-centered, timely, efficient, and equitable.1

Although considerable progress has been made in most of these quality dimensions over the past two decades, the sixth dimension – equitable (or equity) – has lagged behind the others. Equity is defined as everyone having a fair and just opportunity to be as healthy as possible.1 This requires removing obstacles to health such as poverty and discrimination, as well as lack of access to good jobs with fair pay, quality education and housing, safe environments, and health care.2 Health equity remains a complex and persistent societal challenge.

Every community experiences health inequities—the uneven distribution of social and economic resources that impact an individual’s health. The unavoidable cost related to a lack of health equity includes the medical costs related to preventable chronic disease and the overutilization of health care resources. More importantly, health inequities have a devastating effect on the ability of all people in our communities to live their healthiest and best lives.3

What Contributes to Health Inequity?

In the U.S. each year, millions of people face food insecurity, homelessness, or an inability to access medical care, sometimes simply due to...
Our Perspective

Equity is critical to the health and well-being of our South Dakota communities and steps to advance health equity and build healthier communities often takes place at the state and local levels. SDAHO’s mission is to “advance healthy communities through a unified voice across the health care continuum.” An important aspect of meeting this mission is through advocating for our members in Pierre. The 2021 South Dakota legislative session recently concluded and SDAHO was the voice for our healthcare community to ensure decisions made benefited the healthcare community. SDAHO tracked over 114 healthcare related bills, a 56% increase from the 2020 legislative session. Overall, it was a good year for healthcare with several key pieces of legislation passed into law that will positively impact the healthcare community. There were some hurdles along the way and a few healthcare laws that boards and trustees will need to understand moving forward.

Most measures were written with an implementation date of July 1, 2021 giving stakeholders a few months to better understand the mechanics behind each new law. A few bills had emergency clauses attached, which means they became law immediately after Governor Kristi Noem signed them. House Bill 1021, is one of those measures. It provides funding to reimburse certain healthcare professionals who have complied with the requirements for certain healthcare recruitment assistance programs.

Telehealth saw positive movement this session. Senate Bill 34 will expand broadband, and Senate Bill 96 codifies telehealth flexibilities issued under Executive Order by Governor Noem during the COVID-19 pandemic. Both measures will positively impact rural providers and patients.

South Dakota will see support for the healthcare workforce due to passage of a few measures this past session. House Bill 1077 codified licensure by endorsement flexibilities that were utilized during the pandemic. House Bill 1065 adopted a licensure compact for Emergency Medical Technicians and House Bill 1195 adds certified registered nurse anesthetists to the Recruitment Assistance Program.

Regionalization within the nursing home community was discussed by lawmakers, with the passage of Senate Bill 167. It now establishes a regional nursing home designation with the ability to access enhanced Medicaid funding.

Vaccinations were a contentious topic this past session, with two bills targeting the issue. House Bill 1159 sought to establish a right to bodily integrity. Another measure would have allowed for philosophical exceptions the vaccinations required for school entry, substantially eroding the current requirements. Both measures were killed.

One of the bigger contested pieces of legislation grant broad conscience protections to healthcare workers, and impeded healthcare operations. The measure known as House Bill 1247 did gain traction during session, but finally died when members of the full house of Representatives killed this bill with a 24 to 41 vote. Although dead this year, it is anticipated that this bill, or similar legislation, will come up in future sessions.

South Dakota paid close attention to lawmakers this session to see what the outcome would be with medical marijuana. The issue was sent to lawmakers when voters approved Initiated Measure 26 in November 2020 election. Once lawmakers received the measure, it was significantly amended as it worked its way through the process, including decriminalizing possession of up to one ounce of marijuana. In addition, lawmakers and the Governor attempted to delay the implementation date of the law. In the end the changes were not adopted by lawmakers. An interim committee will study medical marijuana over the summer, with the implementation date remaining July 1, 2021. Last, this was a record year for revenue in South Dakota.

The Governor’s proposal to give a 2.4% increase to healthcare providers stayed intact during legislative session. In addition, lawmakers agreed to increase the Governor’s targeted rate increases, moving all community-based providers to 100% of their methodology. Long term care received a total 8.6% increase with the move to 100% of methodology. The rate increases will take effect on July 1, 2021.

Overall, it was a successful legislative session for healthcare in South Dakota, with new laws put in place to help those in the healthcare industry create healthier communities.

Do you have ideas for future issues of The Trustee Quarterly?

Our goal is to provide you with the information and knowledge you need to lead your hospitals forward in today’s rapidly changing environment. Tell us what you think, and what you’d like to see in future issues of The Trustee Quarterly.

Write or call:
Tammy Hatting, Chief Operating Officer 3708 W Brooks Place Sioux Falls, SD 57106 605-361-2281 tammy.hatting@sdaho.org
lack of transportation. For the elderly on fixed incomes, the high price of prescriptions, vision care, or dental care may make it difficult for them to access needed services. Families may lack health insurance or the ability to navigate the health system due to language barriers. Some communities live in what are termed “food deserts,” lacking in available fresh fruits and vegetables, resulting in an over-reliance on fast food. Social isolation or housing in areas where violence has become a regular occurrence also impacts overall health.

How Much of a Problem are Disparities?
Although health inequity was identified as one of the top six issues by the Institute of Medicine back in 2001, the COVID-19 pandemic greatly elevated the depth of the challenge. According to the Centers for Disease Control and Prevention (CDC), Black, Latino, and American Indian or Alaska Native people are disproportionately affected by COVID-19, often having three times the rate of hospitalization and double the death rates as their white counterparts. This disparity was demonstrated in a widespread manner that spans the country, throughout hundreds of counties in urban, suburban and rural areas, and across all age groups.4

Experts cite many possible reasons for disparities, including what are often referred to as social determinants of health, defined by the World Health Organization (WHO) as the circumstances in which people are born, grow up, live, work and age, and the systems put in place to deal with illness.5 Examples of social determinants that may have impacted coronavirus infection rates include multi-generational or crowded housing, food insecurity, lack of health insurance, essential jobs that cannot be done remotely, and use of public transportation.

Some research demonstrates that up to 80% of health outcomes are driven by these social determinants. The American Hospital Association (AHA) adapted the World Health Organization definition in its framework to understand these important factors, which include housing, food, education transportation, violence, social support, employment, and health behaviors.6

The Board’s Leadership Role in Advancing Health Equity
Hospitals and health systems alone cannot address all the social determinants of health. However, they...
can have a substantial impact. The specific approaches will vary greatly depending on the organization and the needs of the communities served.

How does the board promote and advance health equity? Boards, senior executives and clinical leaders set the mission, values and strategic priorities for the organization, playing a critical role in ensuring that health equity is in some way addressed, with defined improvement actions and metrics to measure progress.

**Conducting a Community Health Needs Assessment.** An excellent place to start is with a community health needs assessment that many hospitals conduct every three years. This assessment is a federal requirement for all tax-exempt hospitals and requires the hospital to: define its community; identify and engage stakeholders; collect and analyze data; prioritize community health issues; document and communicate results; and plan and implement strategies to address these needs and evaluate progress.7

**Building a Deeper Understanding of Needs.** Many hospitals use other tools, such as the County Health Rankings and Roadmap, to assist them in developing their triennial assessment.8 Information on a wide spectrum of variables, such as racial, ethnic, education, and language demographics of the community, along with data on factors such as average life expectancy, chronic disease rates, violence, substance abuse, obesity, food insecurity, tobacco use, poverty levels, and unemployment will help the hospital identify the most urgent unmet health needs in the community. Feedback from trusted community stakeholders will also contribute to a deeper understanding of community needs.

The assessment will also identify potential partnership opportunities for the hospital in the community, such as with Federally Qualified Health Centers, county or city health departments, food pantries, homeless shelters, faith communities, and social service organizations.

**Equity Pledge.** Another example of a specific strategy that many hospitals have undertaken is the #123forEquityPledge—an initiative of the American Hospital Association and the Institute for Diversity and Health Equity. The pledge asks hospital and health system leaders to work to ensure that every person in every community receives high-quality, equitable and safe care. Hospitals and health systems that take the pledge can also report their specific actions, challenges, and results to share and learn from and with other organizations.9

**IHI Framework.** One approach to consider using is the Institute for Healthcare Improvement white paper, *Achieving Health Equity: A Guide for Health Care Organizations*.10 The framework provides five key components for health care organizations to improve health equity in the communities they serve:

- Make health equity a strategic priority.
- Develop structure and processes to support health equity at work.
- Deploy specific strategies to address the determinants of health on which the health care organization can have a direct impact.
- Decrease institutional racism within the organization.
- Develop partnerships with community organizations to improve health and equity.

---

**Health Equity: Questions for Board Consideration**

- Is health equity a strategic priority for our hospital or health system?
- How does our board promote and advance health equity?
- Does our hospital or health system have strategies in place to partner with organizations that represent and serve diverse groups in our community?
- How is the diversity of the communities we serve reflected in our board’s composition and the senior management team?
- Has a team from our organization met with community leaders to seek their advice on how to work together to address the health inequities in the communities we serve?
- Does our organization emphasize the importance of accurate, consistent, and systematic collection of data on patients?
- Does our organization monitor our patient population to properly care for and serve gender, racial, ethnic, language, religious, and socio-economic differences and needs?
Meaningful, Measurable Goals
Although it will be up to senior management and clinical leaders to ensure that the strategic improvement activities are implemented in practice, the board is responsible for seeing that the plans are being followed. Metrics should be established in advance to evaluate progress toward goals. This performance data should be reported to the board or its designated committees (such as Quality, Strategic Planning, or Community Outreach) at defined intervals, such as quarterly. Data that the board will want to monitor will depend on the specific improvement initiatives that are underway, and with enough specificity to identify trends and gaps.

Even the most well-intentioned effort to reduce disparities is less likely to succeed if it’s not part of a broader culture of equity. When staff recognize that disparities exist within the organization and view inequality as an injustice that must be redressed, that organization has a strong culture of equity.11

Prioritizing Collaboration
Individual health care organizations cannot independently do everything that is needed to fulfill their mission commitment to the community and health equity. Thinking and operating independently fails to leverage and maximize the opportunities that come with joint efforts and shared resources. These realities are prompting hospitals and health systems to develop partnerships with a wide range of other agencies, including public health, social service organizations and other hospitals in their communities.

Developing and governing successful community partnerships requires high levels of trust and engagement among community agencies and organizations, coupled with the ability to envision a future where health and health care looks different and is better than it is today.

Funding Health Equity Initiatives
A major responsibility of the hospital board is to ensure that strategic activities are adequately funded, including those addressing health equity. This will require the board and senior management to carefully consider and prioritize what is feasible to accomplish, weighing community needs with financial capabilities. The hospital may need to seek external grant funding or philanthropy in order to fund health equity initiatives, something that board members may be called upon to support.

This content was developed by governWell, www.governwell.net.

Sources and More Information
The board sets the quality and safety goals and holds the administration and medical staff accountable to achieve them. The board is also responsible for credentialing and re-credentialing of the medical staff, which includes not only physicians but non-physicians who provide a medical level of care when diagnosing and treating patients (including advance practice nurses, physician assistance, psychologists, and others).

The Current State of Safety in Hospitals

Health care in America is criticized for its high cost and low quality. When the Institute of Medicine (now called the National Academy of Medicine or NAM) published its report *To Err is Human* in 1999, it estimated between 44,000—98,000 people died in hospitals annually as a result of preventable medical errors. Since that report, other reports have been published estimating there are significantly more preventable deaths annually, and still others calculating the large amount of financial “waste” that takes place in the U.S. health care system.¹

For example, research indicates that about **one in ten patients in the U.S. develop an adverse event during hospitalization** (such as a health care acquired infection or preventable adverse drug event). Another study found that half of all surgeries had a medication error or adverse drug event.⁹

According to research published in the *Journal of the American Medical Association* (JAMA), waste accounts for approximately one-quarter of U.S. health care spending. The authors estimated the waste to be between $760 billion—$935 billion annually. Because no other country spends more on health care than the United States, these numbers seem all the more impactful.²

Health care leaders are working to reduce waste and errors, and public and elected officials are concerned and taking action. Yet errors occur in hospitals every day. Regardless of the nature or scope, medical errors significantly impact quality of care, patient satisfaction, medical staff and employee morale, cost of care, insurance contracts, and reimbursement.

Boards of trustees must take strong, organized action to establish and nurture an organizational accountability and culture that continually seeks to improve quality and patient safety at every turn. Board members individually, and collectively, can make a big difference in quality and patient safety.

The ultimate goal of excellent care is zero harm. The Joint Commission describes the process of achieving zero harm through highly reliable care. In health care, that means that care is consistently excellent and safe across all services and settings.³

Understanding Systemic Challenges

The health care system has wide-ranging opportunity for improvements to be made relating to lack of leadership, lack of a safety-focused culture, lack of sustaining improvements, and inadequate systems.
Physicians and nurses do their best every day to provide great care in the very complex environment of health care. The majority of errors are caused by health care systems or processes which are faulty, too complicated, or fragmented.

For example, medications have brand names and generic names, and the names may look and sound different. In addition, packaging changes, labels, and variations in dosages (such as pill vs. injection) can cause confusion. “Look-alike, sound-alike” drugs aptly describes this challenge, and it is no wonder that adverse drug events are the most common type of health care adverse event.

Understanding the nature of system failure and fragmentation, boards must ask: “What can our hospital do to improve our systems to support safe, high quality care?”

Quality and Patient Safety are Job One

Too often boards of trustees assume that quality and safety problems are not an issue unless they hear otherwise. Boards should ask questions to identify areas with the greatest need for improvement. Questions boards should be asking include:

- How good is our quality? How do we know?
- Where do we want our quality to be, and by when? How do we sustain our quality improvements?
- What is our “culture” of quality and safety? Are errors reported, including by management to the board?
- What does the public expect from us?
- What should we be measuring?
- Do we publicly disclose our quality and safety performance, and to what degree?
- What quality and safety issues are emerging as areas we should begin to address?

Boards of trustees should embrace their role in patient safety for moral, ethical, legal, and financial reasons. Board members must understand that they are liable for the care provided; that medical errors significantly impact health care costs; and that better patient quality and patient safety are key components of “staying on top” in a highly competitive environment.

Patients have the right and expectation to receive excellent care regardless of the size of their health care provider. Board accountability for quality and safety is the same regardless of the size of the organization.

Board Liability. It is ultimately the board’s responsibility to ensure that their organization is taking clear, appropriate measures to provide the safest health care in the most efficient and effective manner. By understanding where quality and safety risks are emerging, the board can proactively take steps to eradicate or prevent errors from happening. This essential connection between risk management and quality improvement is key for boards to understand.

As a result, continually seeking education about current trends and implications must be a board priority. Boards should regularly review key

---

**Six Aims for the Health Care System**

The Institute of Medicine (now the National Academy of Medicine) helps boards by defining “six aims” for the health care system. These are six areas hospital trustees and leaders should watch for in their organization as care is discussed.

- **Safe**: Avoiding harm to patients from the care that is intended to help them.
- **Effective**: Providing services based on scientific knowledge to all who could benefit and refraining from providing services to those not likely to benefit.
- **Patient-centered**: Providing care that is respectful of and responsive to individual patient preferences, needs, and values and ensuring that patient values guide all clinical decisions.
- **Timely**: Reducing waits and sometimes harmful delays for both those who receive and those who give care.
- **Efficient**: Avoiding waste, including waste of equipment, supplies, ideas, and energy.
- **Equitable**: Providing care that does not vary in quality because of personal characteristics such as gender, ethnicity, geographic location, and socioeconomic status.

Board members must have measures that demonstrate how their organization is performing in each of these six areas.
The Institute for Healthcare Improvement has identified 15 specific governance behaviors that increase the odds of rapid quality improvement throughout hospitals and health systems. High achieving boards:7

1. Set a clear direction for the organization and regularly monitor performance
2. Take ownership of quality problems and make quality an agenda item at every board meeting
3. Invest time in board meetings to understand the gap between current performance and the “best in class”
4. Aggressively embrace transparency and publicly display performance data
5. Partner closely with executives, physicians, nurses, and other clinical leadership in order to initiate and support changes in care
6. Drive the organization to seek the regular input of patients, families, and staff, and they do the same themselves
7. Review survey results on culture, satisfaction, experience of care, outcomes, and gaps at least annually
8. Establish accountability for quality-of-care results at the CEO level, with a meaningful portion of compensation linked to it
9. Establish sound oversight processes, relying on quality measurement reports and dashboards (“Are we achieving our goals?”)
10. Require a commitment to safety in the job description of every employee and require an orientation to quality improvement aims, methods, and skills for all new board members, administrators, staff, and physicians
11. Establish an interdisciplinary Board Quality Committee meeting at least four times a year with a board member sitting on the committee
12. Bring knowledgeable quality leaders onto the board from both health care and other industries
13. Set goals for the education of board members about quality and safety, and ensure compliance with these goals
14. Hold crucial conversations about system failures that resulted in patient harm
15. Allocate adequate resources to ongoing improvement projects and invest in building quality improvement across the organization

Quality and safety at a reasonable cost is fundamental to a health care provider’s survival.

Competition. Although quality has traditionally been a matter of perception on the part of patients, an increasing number of organizations are publishing hospital quality ratings and report cards. While many of these agencies use different measures and definitions, awareness of quality and patient safety measurement is growing. Hospitals that encourage a culture of safety and move toward the goal of zero harm have an opportunity to not only improve patient care and reduce expenses, but to also build public trust, confidence, and business growth. In contrast, hospitals and health systems that do not put processes in place to reduce serious safety errors risk losing money, employees, consumer confidence, and market share.

Sources and More Information