

# Transforming Health Care to Achieve Equity: Centering Consumer Priorities in Value-Based Payment Reform

## Ensuring high-quality health care beyond the insurance card

The access to and quality of the health care we receive is determined by how health care is paid for – beyond just having health insurance. Decision-makers realize that there is a mismatch between the amount of money our nation spends on health care and our health care outcomes. The financial incentives of our health care system are failing us by paying for quantity, not quality, prioritizing volume over value – irrespective of individual providers’ best intentions and even heroic efforts. To get better results for all of us, we need to change health care’s fundamental payment structures to support transforming health care delivery and place the needs of people and families at the center – especially those who are dealing with the poorest, most inequitable health outcomes.

## The health care payment system must pay for care that works and that people need

The foundation of how health care is paid for is being [rewritten right now](#). Government decision-makers and [health care industry leaders](#) from across the country are working to shift health care payment from paying for volume, called *fee for service (FFS)*, to paying for value, called *value-based payment (VBP)*. This means shifting from paying for how much a doctor does to a patient (whether or not the patient needed the service or would actually benefit from it) to paying for *actually improving* (or maintaining) a patient’s health. Unfortunately, consumer and patient advocates have historically been marginalized in these conversations, and the vast majority of payment reform efforts have failed to address racial, ethnic, gender, and other systemic inequities.

An equity-centered approach to payment reform could accelerate progress for communities of color, but it must be designed from its core to address health inequities and center historically marginalized communities. It is imperative that we use this window of opportunity to leverage value-based payment to build a high-quality, equitable health care system.

## The potential promise of value-based payment reform

Contrary to the predominant FFS payment system, VBP has the potential to support and incentivize care delivery that [advances health equity](#) by providing care teams the flexibility to use resources – both financial and human – where they are most needed. This differs from FFS models that often reinforce patterns of underutilization among systemically underserved populations. VBP has the potential to drive readily accessible, culturally-responsive, respectful, and team-based care for all communities, including communities marginalized by racism and other structural inequities. This includes:



Investment in [primary care](#) and prevention.



Personalized care that is responsive to patients' individual experience, values, preferences, goals, and life circumstances.



Identification of [social and mental health needs](#) and connection to available supports.



Integration of [behavioral and community-based models of care](#).



Digital health opportunities that improve access to care and provide information and support to patients and caregivers.



Robust [data collection](#), analysis, and application to identify and remedy inequities.

Accountability is a key pillar of a value-based payment system. To deliver on the promise of value-based payment is to hold the health care industry accountable to patients and their caregivers – for the quality, cost, *and* equity of care. When designed with intentionality and the input of consumer advocates, value-based payment models have the potential to hold providers accountable to reducing inequities in care and health outcomes. Some [strategies](#) include linking payment to equity (e.g., stratifying quality measures that are already linked to payment by race and ethnicity, or tying payments to interventions that directly address identified disparities), tying payment to stratified patient experience measures (e.g., measures of trust, respect, and dignity), and ensuring access to value-based care in systematically underserved communities by providing [upfront support](#) to small and community-based providers.

## The potential peril of value-based payment reform

While well-intended, previous payment reform efforts have had [mixed results](#) on cost and quality at best, and have [exacerbated](#) health inequities at worst. There has been an overemphasis on financial gains and short-term cost savings, while largely failing to address health inequities. In fact, various VBP models have disproportionately [penalized](#) safety-net providers and other providers that care for people with complex health needs, or have made it virtually impossible for them to participate – thus denying communities of color the [opportunity](#) to benefit from these models. Furthermore, value-based care writ large is at risk of being co-opted by [private equity](#) and other industry actors – further driving a system that puts profits over people. Failing to build value-based payment reform that is equity- and consumer centered will likely result in yet another decade of missed opportunities and unintended consequences at the expense of better health and care.

Fortunately, the Center for Medicare & Medicaid Innovation has shown renewed interest and dedicated efforts to address these challenges and advance equity through payment reform. The Innovation Center has included “[advancing health equity](#)” as one of their five strategic objectives for realizing its 2030 vision: “A health system that achieves equitable outcomes through high quality, affordable, person-centered care.” The Health Care Payment Learning & Action Network has also established the [Health Equity Advisory Team](#) to help the Innovation Center and the private sector identify and prioritize opportunities to advance health equity through VBP.

Together, these efforts and others have helped make [progress](#) towards equity-centered payment reform. For instance, the Innovation Center is now supporting short- and long-term actions to require and facilitate sociodemographic data collection. They are also testing ways to remove the disincentive for providers serving disproportionate numbers of underserved beneficiaries to participate in some [models](#) and provide [upfront investment payments](#) to enable first-time, low-resourced providers to join. The Innovation Center is also developing [new models](#) and revising existing ones to promote and incentivize equitable care and is committed to systematically evaluating the impact of models on health equity. Importantly, federal decision-makers are also engaging more than ever before in direct outreach to consumer advocates through [listening sessions](#) and roundtables seeking to hear our feedback, ideas, and concerns on their efforts.

## Delivering on the promise of value-based payment reform

Consumer, community, and health equity advocates have historically focused more on access, affordability, and improving social drivers of health, and less on delivery and payment reform policy development and decision-making. The reasons are various, including government and industry previously not opening up these conversations to consumer advocates, the level of complexity of these policies and payment systems, and limited resources and technical assistance to engage effectively.

To move the needle on quality, affordability, and equity, we need to change this dynamic and center the priorities that matter most to communities – whether it be the maternal health crisis, social drivers of health, accessible primary care, or a diverse health care workforce. The National Partnership for Women & Families is ready to help push the movement forward and is calling on partners to engage, advocate, or connect with us.



**Engage** with the Centers for Medicare & Medicaid Services and the Innovation Center in small group meetings and [listening sessions](#) to directly voice your feedback and recommendations to leadership.



**Advocate** on behalf of patients, caregivers, and communities by staying engaged with the federal rulemaking process. Strategically use federal comment opportunities to highlight consumer and patient needs and priorities.



**Connect** with the National Partnership and other consumer advocacy groups to advance equity-and consumer-centered value-based payment reform and stay tuned for future educational resources.

It's past time that more consumer and health equity advocates raise their voices in favor of value-based payment reform that truly centers equity and puts patients and communities first, and we stand ready to help.



### **Acknowledgements**

This primer was authored by:

- James Campbell, Health Justice Policy Analyst, NPWF
- Sarah Coombs, Director for Health System Transformation, NPWF
- Sinsi Hernández-Cancio, Vice President for Health Justice, NPWF

The following people contributed to this bulletin:

- *Erin Mackay, Managing Director for Health Justice, NPWF*
- *Jorge Morales, Editor*
- *Evan Potler, Designer, Factor3 Digital*

### **About the National Partnership**

The National Partnership for Women & Families is a nonprofit, nonpartisan advocacy group dedicated to achieving equity for all women. We work to create the conditions that will improve the lives of women and their families by focusing on achieving workplace and economic equity, and advancing health justice by ensuring access to high-quality, affordable, and equitable care, especially for reproductive and maternal health. We are committed to combatting white supremacy and promoting racial equity. We understand that this requires us to abandon race-neutral approaches and center the intersectional experiences of women of color to achieve our mission.

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