



Data Driven Approaches for Informed Health Equity Action

Many factors, including substantial economic costs and social impact, have converged to elevate health and health equity to a national and global priority across business, government, healthcare, and public health.¹

Disparities in outcomes across a range of conditions, such as maternal and infant mortality, hypertension, diabetes, heart disease, and stroke are well documented.² These data, along with aggregate estimates of the impact of health equity, have worked to generate consensus on the need to take action. Achieving meaningful progress on chronic conditions and disparities has become an area of increasing focus for payers, providers, employers, accreditation organizations, stakeholder coalitions, and policy makers at the local, state and federal level.³

Interventions to address health-related social needs are one avenue through which stakeholders are attempting to address the high costs and impact of chronic conditions and health disparities. Such interventions included efforts to address housing, food security, transportation, and care management.⁴ However, the economic and wellbeing costs of chronic conditions and associated health disparities vary significantly by geography, and there are multiple drivers of disparate outcomes at the population level. Understanding this variation and the drivers of disparities is a critical step in determining the best intervention and assessing its impact for a given community or population.

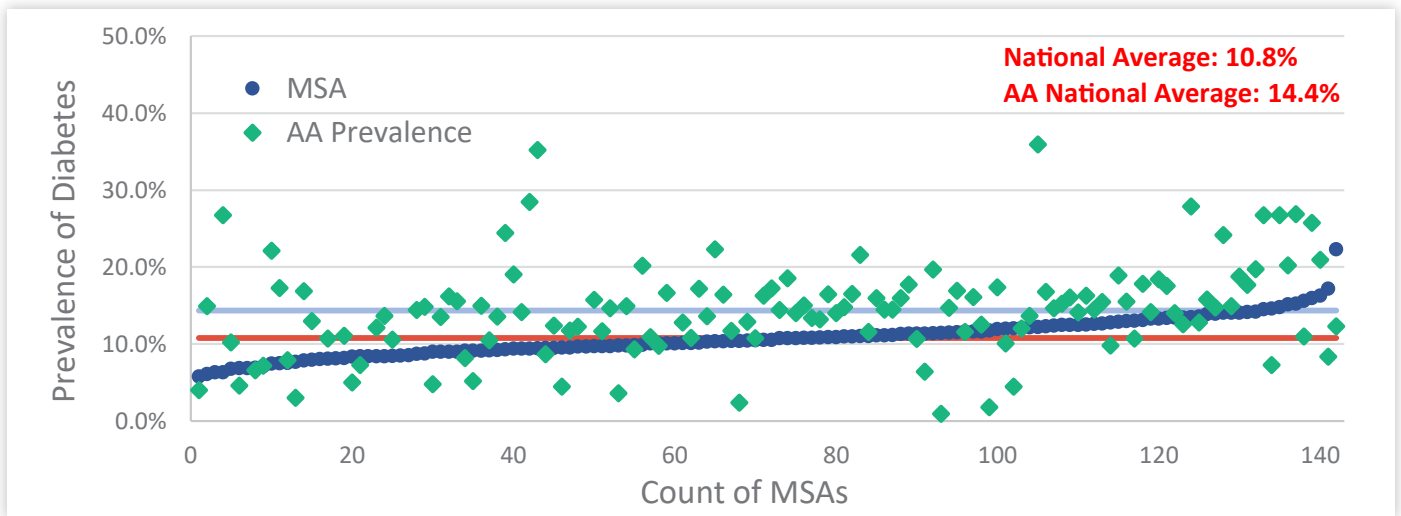


The Economic and Wellbeing Cost of Chronic Conditions and Disparities by Geography

The prevalence of chronic conditions varies considerably by geography and understanding the disparities in prevalence is the first step in identifying and motivating appropriate and impactful interventions. For diabetes, the prevalence rates at the metropolitan statistical area (MSA) level range from 5.7% to 22.3% for the overall population (Figure 1).

There is greater variation in prevalence of diabetes for the African American population, which in some areas is lower than 5%, but in others is above 30%.

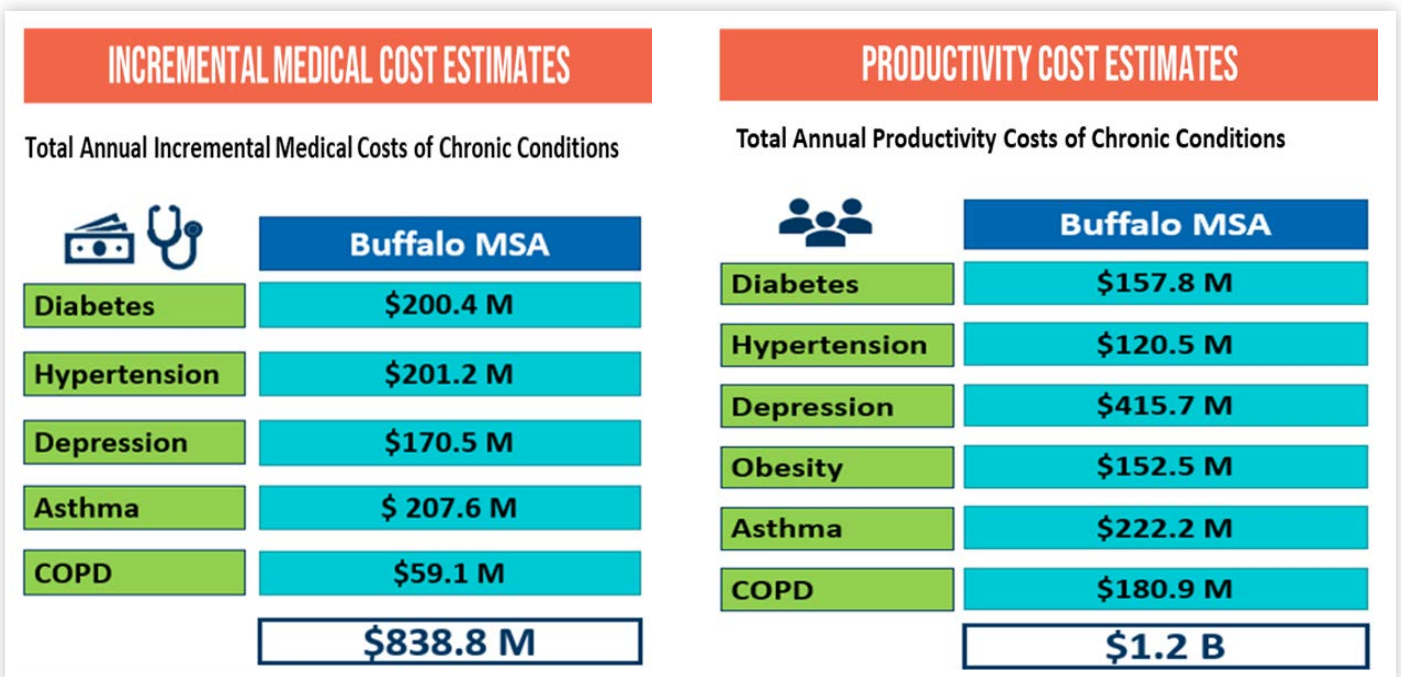
Figure 1. Prevalence of Diabetes Across MSAs: Total Population vs. African American Population



Source: FTI’s Center for Healthcare Economics and Policy analysis of CDC SMART BRFSS City, County data and FTI Center proprietary MSA datasets: https://www.cdc.gov/brfss/smart/Smart_data.htm.

Within an MSA, the economic and wellbeing costs of chronic conditions also varies, and understanding both the incremental medical costs and the productivity costs are important to assess the total impact of chronic disease. In Buffalo, for example, research shows diabetes, hypertension, and asthma each generate over \$200 million in direct incremental medical costs. However, the chronic condition with the largest overall economic impact (incremental medical cost and productivity cost) is actually depression, which is estimated to cost the Buffalo community \$586.2 million per year (Figure 2).⁵

Figure 2. Incremental Medical Costs and Productivity Costs of Chronic Conditions in Buffalo



Source: “The Economic Impact of Poor Health on Our WNY Community,” FTI Center for Healthcare Economics and Policy (2019). <https://www.ftichep.com/wp-content/uploads/2022/02/The-Econ-Impact-of-Poor-Health-on-WNY-Community-Report.pdf>.

Further analysis at the MSA level shows differential impacts of addressing specific drivers of health disparities for a chronic condition such as diabetes. At a population level, disparities in diabetes outcomes can be driven by multiple factors, including different prevalence and screening rates, variations in social determinants of health, or other factors that drive a differential cost per diabetic patient. In our analysis of 50 mid-size MSA's (those with a 2019 GDP between roughly \$50 and \$400 billion), the estimated savings from reducing disparities in the per capita cost of diabetes yields savings of as much as 8% of total community diabetes costs, though for some communities the impact is less than 1% of total community diabetes costs. If communities were additionally able to reduce the disparity in the prevalence of diabetes, some areas could save as much as 23% of total community diabetes costs.



Evidence-Driven Intervention

With more evidence than ever before about the large, systemic nature of health inequities, and their economic and wellbeing costs, it is time to focus on population-specific measures of health disparities and their drivers to inform effective solutions. Individual-level and neighborhood-level data can be harmonized to uncover which factors are driving the greatest disparities in outcomes and therefore which interventions will have the biggest benefit.

- 1 See for example: The “Global Health Equity Network: Action Guide” from the World Economic Forum, 2023; available at https://www3.weforum.org/docs/WEF_GHEN_Action_Guide_2023.pdf, accessed February 2023. “The Role of Business in Improving Health and Health Equity: A Workshop” from the National Academies of Sciences, Engineering, and Medicine Roundtable on Population Health Improvement, 2022; available at <https://www.nationalacademies.org/event/12-13-2022/the-role-of-business-in-improving-health-and-health-equity-a-workshop>, accessed March 2023. “The Business Case for Racial Equity: A Strategy for Growth” from the W.K. Kellogg Foundation and Altarum, 2018; available at <https://www.businesscaseforracialequity.org/>, accessed February 2023.
- 2 See for example: Marian F. MacDorman, Marie Thoma, Eugene Declercq, and Elizabeth A. Howell, 2021: Racial and Ethnic Disparities in Maternal Mortality in the United States Using Enhanced Vital Records, 2016–2017 American Journal of Public Health 111, 1673–1681, <https://doi.org/10.2105/AJPH.2021.306375>. Racial/Ethnic Disparities in Hypertension Prevalence, Awareness, Treatment, and Control in the United States, 2013 to 2018 Rahul Aggarwal, Nicholas Chiu, Rishi K. Wadhwa, Andrew E. Moran, Inbar Raber, Changyu Shen, Robert W. Yeh, Dhruv S. Kazi. <https://doi.org/10.1161/HYPERTENSIONAHA.121.17570>. Aggarwal R, Chiu N, Loccoh E, et al. Rural-Urban Disparities. J Am Coll Cardiol. 2021 Mar, 77 (11) 1480–1481. <https://doi.org/10.1016/j.jacc.2021.01.032>. Singh GK, Yu SM. Infant Mortality in the United States, 1915-2017: Large Social Inequalities have Persisted for Over a Century. Int J MCH AIDS. 2019;8(1):19-31. doi: 10.21106/ijma.271. PMID: 31049261; PMCID: PMC6487507.
- 3 For example, NCQA has established the Health Equity and Health Equity Plus Accreditations, more information available at <https://www.ncqa.org/programs/health-equity-accreditation/>; The Joint Commission has established a new Health Care Equity (HCE) certification program, more information available at <https://www.jointcommission.org/standards/prepublication-standards/new-health-care-equity-certification-program>; and CMS has identified advancing equity as a key pillar in its 2022 strategy, more information available at <https://www.cms.gov/files/document/2022-cms-strategic-framework.pdf>.
- 4 For a review of interventions, see The Commonwealth Fund’s “Review of Evidence for Health-Related Social Needs Interventions” available at <https://www.commonwealthfund.org/sites/default/files/2019-07/ROI-EVIDENCE-REVIEW-FINAL-VERSION.pdf>.
- 5 Based on research in “The Economic Impact of Poor Health on Our WNY Community” from FTI Consulting’s Center for Healthcare Economics and Policy, available at <https://www.ftichep.com/wp-content/uploads/2022/02/The-Econ-Impact-of-Poor-Health-on-WNY-Community-Report.pdf>. Incremental medical costs are based on commercial claims data and thus may underestimate the total economic impact of chronic conditions on the community. See also FTI Consulting’s Center for Healthcare Economics and Policy 2017 report “Nashville Region Health Competitiveness Initiative,” available at <https://www.fticonsulting.com/insights/reports/fti-nashville-area-chamber-healthcare-competitiveness-initiative-2017-report> and “Health & Economic Impact of COVID-19: Public-Private Partnership Opportunities for Health, Equity & Economic Vitality.” (April 2022). <https://www.fticonsulting.com/insights/articles/health-economic-impact-covid-19>.

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05022023 | VN02634-v08

