In the Literature

MOVING BEYOND ACCESS:
ACHIEVING EQUITY IN STATE HEALTH CARE REFORM

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In the absence of federal action, states around the nation are moving forward with health care reforms intended to control rising costs, expand health insurance coverage, and improve the quality of care. As they seek to improve their health systems, states should also take advantage of opportunities to reduce racial and ethnic health disparities, says Brian D. Smedley, Ph.D., in a new *Health Affairs* article supported by The Commonwealth Fund.

In “Moving Beyond Access: Achieving Equity in State Health Care Reform” (*Health Affairs*, Mar./Apr. 2008), Smedley argues that insurance coverage expansions, while crucial, are not sufficient to improve the health and health care of minority and low-income Americans. Instead, states must make comprehensive reforms to address the root causes of health care disparities.

Smedley, the research director for The Opportunity Agenda, served as study director for the Institute of Medicine’s 2003 report, *Unequal Treatment: Confronting Ethnic and Racial Disparities in Health Care*, which outlined the human and economic costs of health disparities.

Expanding Access to Care

Since minority populations make up about half of the nation’s 47 million uninsured, expanding health coverage should go a long way toward addressing disparities. Yet insurance coverage is not enough; states also must remove financial, cultural, and structural barriers to care.

States can adopt policies to ensure that health premiums and other out-of-pocket costs do not deter patients from getting needed care. They can also promote culturally and linguistically appropriate health care services—for example, by creating incentives for providers to adopt the federal standards developed by the Office of Minority Health.

Other policies that could improve access to care for minority and low-income populations include:

- increasing diversity among health care professionals;
- streamlining procedures to help eligible people enroll in public health insurance programs; and
- finding ways to increase take-up of public health insurance among underserved individuals.

Improving the Quality of Care

Addressing problems with the quality of health care is another way to reduce health disparities. To improve the quality of care provided through public programs, states can create performance incentives and measure and report on quality. States also can encourage health plans and providers to collect data on patients’ race, ethnicity, income, education level, and primary language to help identify disparities and target quality improvement efforts.

Smedley notes that performance measurement should take into account the challenges
of serving minority and low-income patients, who are typically sicker than other populations. For example, providers who reduce disparities and improve health outcomes relative to baseline measures could receive rewards.

**Involving Patients and Communities**

Giving patients the tools to navigate the health system and manage their conditions could help to improve the effectiveness and efficiency of care. The Illinois Covered Act, for example, would create new patient education and empowerment programs focused on chronic disease management.

States can support community health workers—trained members of the community who teach disease prevention, assess health problems, and help neighbors obtain needed services. States also can encourage community health planning. The “Cover All Pennsylvanians” legislation would require charitable hospitals to work with local groups and government officials to produce a community needs assessment.

**Strengthening Health Care Infrastructure**

Poor and minority communities often lack sufficient health care resources, including private practices, hospitals, and clinics. To strengthen health care infrastructure, state and local subsidies can support safety-net hospitals, which are financially vulnerable due to low Medicaid reimbursement rates and the costs of providing uncompensated care. In addition, states can create incentives for providers to practice in underserved communities by funding graduate medical education or offering loan forgiveness. For example, to increase the number of dentists practicing in poor communities, Illinois has proposed to expand its loan forgiveness program to include these providers.

**Addressing Social Determinants of Health**

Comprehensive efforts to reduce racial and ethnic health disparities should address factors outside the health care arena, such as education, housing, and employment. States can address environmental threats in a community, such as poor air quality, or launch public health campaigns focused on obesity or smoking cessation.

“Eliminating health care inequality requires more than simply expanding coverage among currently un- and underinsured populations,” Smedley concludes. “In particular, policymakers must attend to structural and community-level problems, such as the maldistribution of health care resources, the lack of effective mechanisms for underserved communities to participate in health care planning, and the presence of cultural and linguistic barriers in health care settings, to equalize access to high-quality care.”

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**Facts and Figures**

- As part of comprehensive health system reform, Massachusetts subsidizes health insurance premiums for residents with incomes below 300% of the federal poverty level.
- Washington’s new insurance laws mandate a “proactive targeted outreach and education effort” to enroll children in health coverage, focusing on populations with the highest uninsured rates.
- Pennsylvania Governor Ed Rendell’s “Cover All Pennsylvanians” legislation would establish a Center for Health Careers to develop recruitment and workplace tools to promote diversity and cultural competency among health care professionals.
- The Illinois Covered Act would streamline enrollment in public health programs by allowing state agencies to share data.