

## **HOSPITAL and HEALTHCARE TRANSFORMATION PROGRAM: INVESTING FOR HEALTH EQUITY November 2020**

### **Illinois Should Invest in Systemic Hospital and Healthcare Transformation to Eliminate Health Disparities and Achieve Health Equity**

#### **The Challenge**

Residents in one Chicago neighborhood have a 30-year lower life expectancy than those in a nearby neighborhood. In several Illinois counties, Black residents have a five to eight year shorter life expectancy than White residents. Individuals living in rural areas have higher incidences of chronic conditions, including diabetes, some cancers and obesity. People and communities of color have faced health inequities driven by systemic racism for generations—a wrong that has been profoundly laid bare during the COVID-19 pandemic. And in recent years, maternal mortality rates for women have reached a crisis level.

Moreover, the healthcare landscape is changing dramatically from an inpatient-based system to an outpatient-focused system<sup>1</sup>. This means that hospital buildings constructed over the past century to provide inpatient care need to be modernized, and in some cases, repurposed to fit today's healthcare model. Additionally, there is growing need for a coordinated system of care that involves partnerships with other stakeholders to address the social determinants of health, such as violence, housing, food insecurity, health behaviors, and transportation, which are critical in advancing the optimal health of individuals and communities. Consequently, hospitals must transform their facilities and operations to continue to deliver high quality, cost effective care through a coordinated system of care<sup>2</sup>.

*Question: How should Illinois invest \$150 million in hospital and healthcare transformation funds to eliminate health disparities to achieve health equity for vulnerable Illinoisans?*

#### **IHA's Vision for Illinois Healthcare**

IHA's vision for Illinois healthcare is that all individuals and communities have access to high-quality healthcare at the right time, in the right setting, in order to support each person's quest for optimum health. To achieve this vision Illinois hospitals and health systems are committed to eliminating health disparities to achieve health equity. Health equity means that every person has the opportunity to achieve optimal health, regardless of race, ethnicity, gender identity, sexual orientation, neighborhood, employment status, educational level, or disability.

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<sup>1</sup> See, American Hospital Association, *Trendwatch Chartbook 2018, Chapter 3*. Access at <https://www.aha.org/system/files/2018-07/2018-chartbook-chapter-3.pdf>

<sup>2</sup> See, American Hospital Association, *Inpatient/Outpatient Transformation Strategy*. 2017. Access at <https://www.aha.org/system/files/2018-02/inpatient-outpatient-transformation-strategy.pdf>

### **The Opportunity**

The Hospital and Healthcare Transformation Program is an opportunity to invest in the health and well-being of every Illinoisan to enable them to reach their greatest potential. The Return on Investment for this program includes:

- Better health for individuals and communities, particularly low-income communities, by transforming their health care systems to meet the specific needs of their community.
- Using our healthcare dollars more efficiently by encouraging the provision of the right care, at the right time, in the right venue, along with services to address the social determinants of health.
- Good paying construction jobs in the short term, particularly in working class communities.
- Preserving good paying healthcare jobs in working class communities in the long term by transforming existing healthcare models to ones that will endure and continue to provide good healthcare jobs in the future.
- Strengthening hospitals that are the economic anchors of our communities. Illinois hospitals are major employers and large purchasers of goods and services. Together, they generate \$101.3 billion in state economic impact annually and produce 495,000 jobs<sup>3</sup>. Healthy hospitals promote healthy communities.

### **Principles for Hospital and Healthcare Transformation Legislation**

To achieve this vision of an Illinois healthcare system that eliminates health disparities and achieves health equity, IHA urges the General Assembly to adopt legislation for hospital and healthcare transformation that promotes systemic change that advances the following principles:

- Is based on robust community input and needs assessment;
- Aims to reduce health disparities;
- Will improve access to primary, specialty or behavioral health services to prevent and treat chronic conditions, including by incentivizing the location of those services in the local community;
- Will result in a more coordinated system of care, including among hospitals and other healthcare and social service providers;

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<sup>3</sup> Illinois Health and Hospital Association, *Illinois Hospitals and Health Systems: Powerful Economic Drivers, 2020*. Access at <https://www.team-iha.org/files/non-gated/finance/iha-economicimpactreport2020.aspx>

- Advances collaboration with community organizations to address the Social Factors of Health, including housing, food insecurity, transportation, and violence;
- Promotes a path to financial sustainability by providing enhanced funding for a defined time period of up to 5 years;
- Promotes accountability by including defined mileposts and metrics to measure progress, including measures to evaluate the impact on access, quality, or reduction in health disparities; and
- Promotes investment in diverse communities by promoting the recruitment and retention of employees from the local community and the use of local, minority owned businesses and suppliers.

### **Conclusion**

To eliminate health disparities and achieve health equity, the State must invest in systemic health care transformation that will result in a more integrated and coordinated system of care, especially for our most vulnerable communities.