

Payers press gas on social determinant of health investments as US pushes for health equity

Article

The news: Kaiser Permanente doubled its social determinants of health (SDOH) investment to **\$400 million**. The investment will fuel affordable housing and value-based care initiatives.

The bigger picture: The pandemic highlighted health disparities across the US. Now, payers are paying a premium to address it.

The pandemic exacerbated [unemployment](#), social [isolation](#), and widespread [food](#) and [housing](#) insecurity. These all contributed to worsening health outcomes.

- For example, **47% of US racial minorities** didn't take their medications amid pandemic-sparked financial stress, [according to](#) a 2021 CoverMyMeds survey.

Payers are doubling down on SDOH through targeted programs and partnerships.

- **Humana, UnitedHealth Group (UHG), and Blue Cross Blue Shield** poured hundreds of millions into SDOH initiatives.
- Last week, **UHG injected another \$100 million** into affordable housing investments. That raises its total housing investment to **\$800 million**.
- And Michigan-based **Priority Health** [partnered](#) with SDOH startups **Socially Determined, Aunt Bertha, and ConsejoSano**.

The big takeaway: Payer-fueled SDOH initiatives won't slow down.

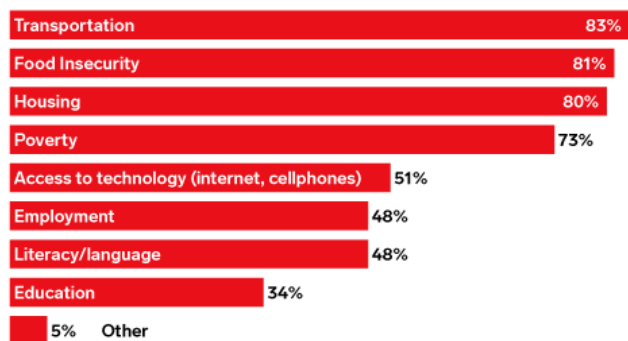
- SDOH programs fuel preventative healthcare and reduce chronic condition rates among insurance enrollees.
- The ROI of investing in SDOH is high. **90% of the US' annual healthcare expenditures are on chronic conditions**, which insurers pay the brunt of, [per](#) the CDC.

Why now? The Biden administration is [calling to improve](#) social services infrastructure to move the needle toward more equitable, value-based care.

Most recently, the HHS announced a new [Equity Action Plan](#) to advance health equity. The plan will hold payers accountable for providing social services and driving health equity forward.

Social Determinants of Health that Most Impact Health Plans According to US Health Planners, Aug 2020

% of respondents



Note: n=177; plan types represented among respondent organizations included commercial (large group, small group, individual), Medicare Advantage, Marketplace, Medicaid, D-SNP or MMP, and MLTSS

Source: Atrius Health, "2020 Annual Payer Index Survey," Nov 9, 2020

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