Mike Plan to Improve Health Outcomes

U.S. health care spending rose to $3.65 trillion in 2018, more than $11,000 per person and almost 18% of GDP. This amount is roughly double that of other affluent countries, and yet the U.S. ranks among the lowest in life expectancy and the highest in infant mortality rate. Mike Bloomberg will attack this problem in part by addressing the so-called social determinants of health.

Health care experts have long understood that life supports such as housing, education, public safety, environment, transportation and nutrition affect people’s health at least as much as medical care does. Research has demonstrated that collaborations among health-care providers and community development sectors can improve health, yet federal social service agencies rarely work together to improve the various aspects of health.

1. **Encourage collaboration across federal agencies.** Mike will direct federal agencies – including the departments of education, health, transportation and housing – to collaborate on new programs that address the social determinants of health. Specifically, he will:

   - Expand [low-income housing tax credits](https://www.hud.gov//pdfs/low_income_housing_tax_credits.pdf) and ensure that eligible units are built in low-poverty areas and in places where substantial investments have been made to improve schools and reduce crime.
   - [Allow more flexibility](https://www.medicaid.gov/about/history/meetings/medicaid-09-14-2018-macpac-policy-meeting-materials.html) for Medicaid and other public health care dollars to be spent directly on housing.
   - Expand Federal Transportation Administration grants to local agencies and institutions that help get people to medical appointments, including mobile health centers.
   - Encourage the use of federal dollars to improve the local environment in urban areas – with parks, bike paths and other types of green space.
   - Improve nutrition guidelines for schoolchildren.
   - Ensure clean drinking water for all communities.
   - Improve air quality standards.

2. **Reform payment policy to reward good health outcomes.** The U.S. health care system also needs to rethink its payment strategy so that it rewards good health outcomes, not just ongoing care for sick people.

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2 CMS, NHE Fact Sheet.
3 CMS, NHE Fact Sheet.
5 Healthy People 2020, *Social Determinants of Health*.
7 USC-Brookings Schaeffer on Health Policy, *Re-Balancing Medical And Social Spending To Promote Health: Increasing State Flexibility To Improve Health Through Housing*, February 2017.
8 HUD, Low-Income Housing Tax Credits, May 2019.
9 MACPAC, *Medicaid’s Role In Housing*, October 2018.
10 Federal Transit Administration, *Grant Programs*. 
• **Encourage hospitals to address social determinants of health.** Hospitals are the most expensive part of our health care system. And they often engage in practices that seem more focused on payment than on patient health. Increasingly, they sue patients who can’t pay their bills, set up “new revenue streams” to pad their bottom lines, and pay their executives some of the highest salaries in the U.S. And because most hospitals are nonprofit, they enjoy enormous tax benefits, including exemption from corporate and property taxes. They are rewarded for building more buildings, running more tests, and generally providing more services regardless of the effect on public health. Mike will demand that, in return for tax benefits, hospitals provide make greater investments in community health – rewarding those that improve housing, education, recreation and nutrition.

• **Move Medicare away from fee-for-service reimbursement.** Mike will transform how Medicare pays doctors, hospitals and other providers. He will move Medicare away from fee-for-service and toward value-based payment models that encourage efficient care – including outpatient or in-home care when it’s medically appropriate. He will also continue to develop payment models that provide incentives for high-quality, rather than high-quantity care. Ultimately, Mike will see that the medical system works with social service agencies to comprehensively address patient needs, making sure Americans have safe homes, good education, economic opportunities, nutritious food and adequate transportation.

3. **Address the root of economic disparity.** Because health is intertwined with socioeconomic status, Mike will also prioritize economic justice to close the wealth gap between black and white Americans. These initiatives, combined with other efforts to address the social determinants of health and transform the way we pay for medical care, will improve health and life expectancy in the U.S.

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6. CMS, *What are the value-based programs?*