



NORTHWEST HEALTH  
FOUNDATION

March 6, 2017

Committee on Revenue  
Oregon House of Representatives

Chair Barnhart, members of the committee.

On behalf of Northwest Health Foundation, thank you for the chance submit written testimony about community benefit and social determinants of health.

From our founding board president Senator Mark Hatfield, to our current board President Vanetta Abdellatif, our foundation's commitment to advancing health for everyone in our region has been steadfast. Since our beginning in 1997, we've seen healthcare access expand to ensure nearly everyone in Oregon has the health insurance and the care they deserve.

And we've also seen the health of Oregonians worsen.

Our foundation has had to face the fact that we live in a country and a state where your life expectancy is predicted more by your zip code than your genetic code. For us, this has meant a recognition that health begins, and is shaped most powerfully, by underlying factors which are often labeled the social determinants of health. And this is where we think we have the best chance to make lasting improvements in the health of every Oregonian.

As the Institute of Medicine outlined in their 2012 report on Primary Care and Public Health, achieving health requires action in three principal domains:

1. The social, economic and environmental conditions that act as the primary determinants of individual and population health.
2. Health care services for individuals.
3. Public health activities that target populations and address individual health behaviors, like smoking, diabetes and smoking.

As you can see in the first attached chart, social determinants are the primary driver of health. Yet, as the second chart shows, most health interventions that we invest in happen at the individual

level. Indeed, we have a lot of to show for our investments and progress in health care services and public health activities.

But on a macro level, as the third chart shows, we're spending in the wrong places. Compared to our peer nations, who are often spending similar amounts to the US in combined social and healthcare spending, we have health outcomes that rank towards the bottom. This contradiction was outlined beautifully in Elizabeth Bradley & Lauren Taylor's book *The American Healthcare Paradox*.

We don't just need to bend the cost curve; we need to bend the intervention curve.

There's plenty we can do to achieve this. Much of Oregon's transformation efforts are a recognition and response to this fact. We know there's a role that community benefit spending plays in shifting this too.

We've seen that investment in social determinants, whether at the neighborhood, city, county or state level, can impact communities' health in powerful ways. In our recent analysis (shown on the final page) of our own grantmaking in social determinants of health from 2005 through 2013, we invested in 97 system changes that shifted, realigned or dramatically changed the built environment, institutional practices and public policies at all levels of government. These changes got at the root causes of health, improving conditions that impact whole communities.

All of this investment could have been done with community benefit dollars and indeed was supported by direct investment by Kaiser Permanente.

Oregon's Hospitals are critical partners in the health of Oregonians. Beyond charity care and direct medical costs, their community benefit investments are doing great things outside the walls of hospitals.

In 2015, they invested \$67million in direct community investment, from health fairs to free screenings. And when we look at the Community Health Needs Assessments of most of the hospitals in Oregon, they often cite investment in the Social Determinants to be a key strategy in their Community Health Improvement Plan. This connection between the CHNA and Social Determinants bears out nationally in a study done by the Milken Institute School of Public Health at George Washington University.

Yet, as their study and our own experience in Oregon shows, we lack a clear tie between the Community Health Needs Assessment and Community Benefit investments. Moreover, we don't

have the current tracking system in place to say whether and how these community benefit investments improved the social determinants of health.

Though we lack as much national direction from the IRS as we'd like, Northwest Health Foundation believes there's an opportunity to define social determinants in the context of community benefit and track this spending at the state level, without doing away with the federal categories that hospitals already track. Such an effort would give our state, our hospital partners and our community members an important tool to better align these investments and improve evaluation and impact on the health of Oregonians. This is a critical start to bending that intervention curve.

On behalf of our board, staff and community partners, we appreciate the opportunity to share our perspective about the opportunity before the committee.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jesse Beason', with a long horizontal flourish extending to the right.

Jesse Beason, Vice President of Public Affairs

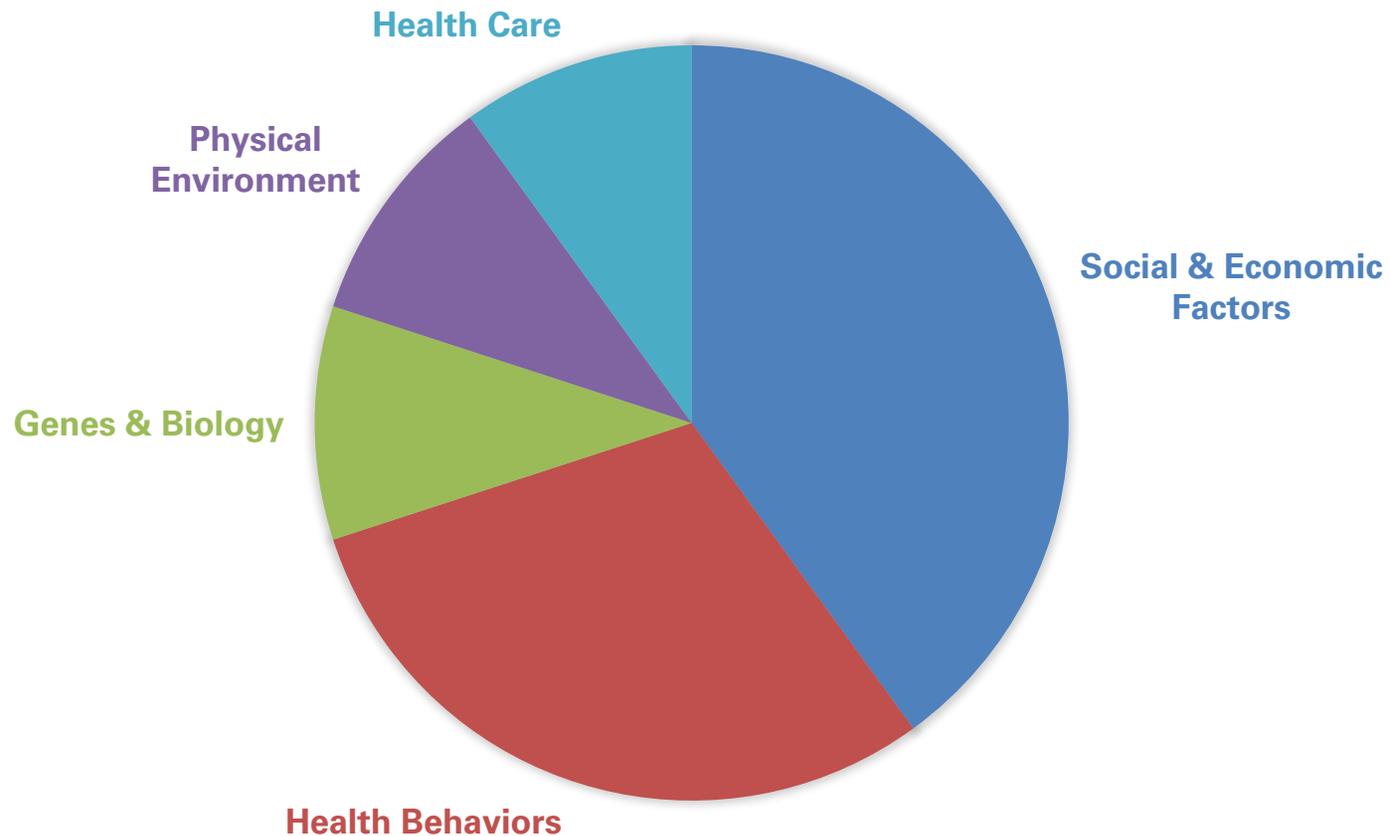


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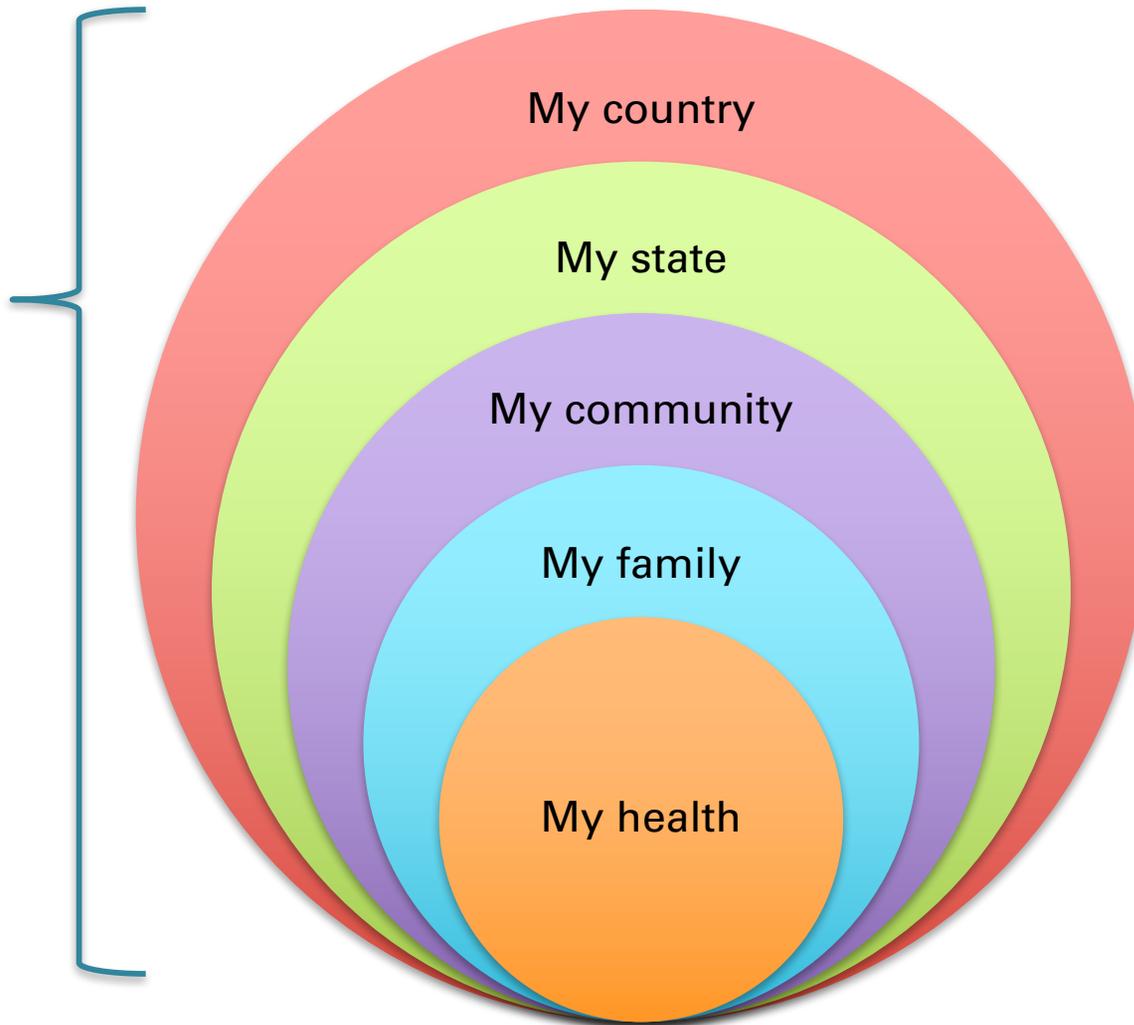
# Social Determinants & Community Benefit

# What Determines Health



Forces  
Affecting  
Health

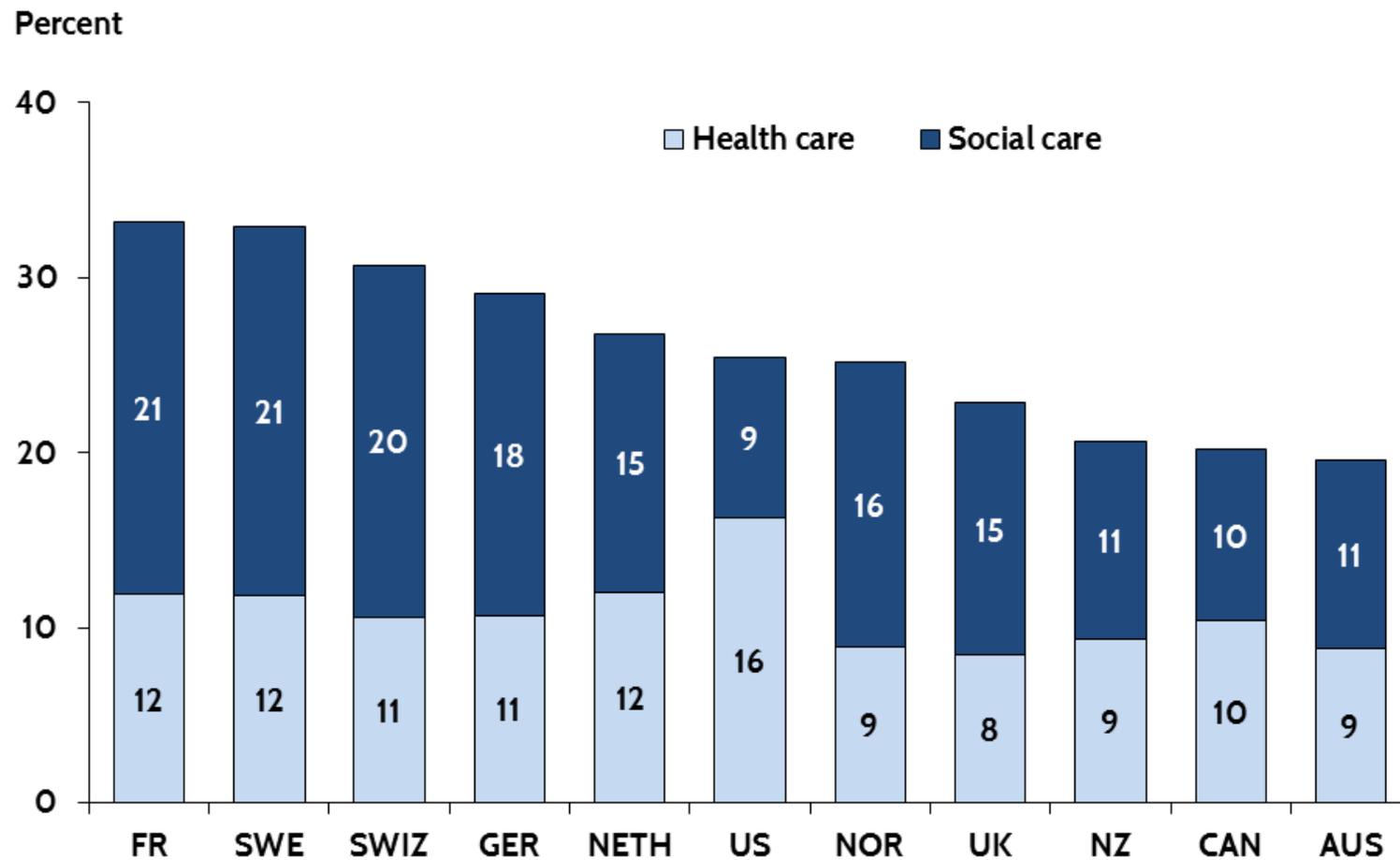
Social  
Cultural  
Economic



Where  
changes are  
most  
impactful.

Where most  
health  
interventions  
happen.

# Health & Social Spending by % of GDP



Notes: GDP refers to gross domestic product.

Source: E. H. Bradley and L. A. Taylor, *The American Health Care Paradox: Why Spending More Is Getting Us Less*, Public Affairs, 2013.



# COMMUNITY BENEFIT

