Volume 5, Issue 2 February 2012

Topics

Jessica C. Burt - Senior Research Associate • Jacob Z. Voss - Interim Editor

Public Health Series – Part II of IV Health Disparities: What is Being Done?

Recent U.S. healthcare reform initiatives have brought to the forefront attention regarding the growing number of people in the U.S. without health insurance. The Centers for Disease Control (CDC) estimated that between 1987 and 2006, the number of uninsured Americans increased from 31 million to 47 million individuals, with the most recent data revealing that 21% of adults and 8.2% of children are living without health insurance.² A person's income appears to have a direct impact on health, e.g.: only 67.9% of uninsured children and 87.8% of children receiving public insurance benefits have a usual source of care,3 as compared to 93.5% of children covered by private insurance who typically maintain a usual source of care. 1 Similarly, 86.5% of children from low income families have a usual primary care provider, compared to 94.2% of children in high income families. 4

Additionally, some health disparities appear to correlate with the individual characteristics of a person, such as race or sexual orientation.⁵ While studies show that lack of health insurance, socioeconomic status, and individual characteristics certainly contribute to health disparities, many less obvious factors combined have the potential to contribute to increased health disparities in the U.S.

For example, food is essential to maintaining health, yet some families do not have enough. Food insecurity, defined by the USDA as "a household-level economic and social condition of limited or uncertain access to adequate food," contributes to the gap between the healthy and unhealthy.⁶ In 2010, 20% of total US households with children experienced food insecurity at some point during the year.⁷ The U.S. government addresses food insecurity through programs like the Special Supplemental Nutrition Program for Women Infants and Children (WIC), the School Breakfast and National School Lunch Program, and the Supplemental Nutrition Assistance Program (formerly known as Food Stamps).⁸

Current public health studies are showing how location affects an individual's health and are contributing to the awareness of the specific factors that cause one's house, neighborhood, community, and even region to contribute to health disparities. Such disparities are independent of a person's individual genetic traits.

Research shows a healthy living environment, free of toxins and with adequate utilities, leads to a healthier person; yet approximately 23.8% of Americans live in unhealthy housing, and 5.2% Americans are living in homes without the modern conveniences which contribute to better health, such as plumbing or heating. ¹⁰ In 2007, HUD reported that nearly 6 million people in the United States lived in homes with moderate or severe physical problems.¹¹ To address housing-related health disparities, Congress created the Healthy Homes Initiative in 1999 to "develop and implement a program of research and demonstration projects that would address multiple housing-related problems affecting children's health."12 Government initiatives to provide people with greater choice in where they live have gone beyond the traditional "housing projects" concept to incorporate new public housing programs designed to promote healthy communities, and subsidy programs to allow people to rent in the private sector.1

With health disparities pervasive in the US, there has been growing public health attention paid towards how, not only an individual's unique characteristics can affect his or her healthcare, but also how such factors as diet, living environment, and other factors may affect this disparity. As the number of uninsured, or underinsured, in the US is likely to continue to be a public health problem for the foreseeable future, an increased focus on spreading awareness regarding these issues, as well as creating programs such as WIC and housing subsidies to address this crisis, will likely be a prevalent topic of public health policy in the US going forward.

- 1 "CDC Health Disparities and Inequalities Report United States, 2011" Centers for Disease Control and Prevention, U.S. Department of Health and Human Services, U.S. Government Printing Office: January 14, 2011, p. 35; "Recent Data on Health Insurance" Centers for Disease Control and Prevention, 2009, http://www.cdc.gov/features/dsInsuranceCoverage/ (Accessed 12/9/11).
- 2 For children, the CDC defines "usual source of care" as "at least one particular person or place they usually went to when sick or needed advice about health." "Access to Health Care Part 1: Children" By Gloria Simpson et al., Vital Health Statistics, Series 10, No. 196, Hyattsville, Maryland: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Health Statistics, p. 3.

3 "Findings on Children's Healthcare Quality and Disparities" Agency for Healthcare Research and Quality, June 10, 2010, Accessed at http://www.ahrq.gov/qual/nhqrdr09/nhqrdrchild09.pdf (Accessed on December 1, 2011), p. 4.

"Findings on Children's Healthcare Quality and Disparities"

- Agency for Healthcare Research and Quality, June 10, 2010, Accessed at http://www.ahrq.gov/qual/nhqrdr09/nhqrdrchild09.pdf (Accessed on December 1, 2011), p. 4.
- 5 "National Stakeholder Strategy for Achieving Health Equity" National Partnership for Action to End Health Disparities, Rockville, MD: U.S. Department of Health & Human Services, Office of Minority Health, April 2011, Accessed at http://www.minorityhealth.hhs.gov/npa/templates/content.aspx?l vl=1&lvlid=33&ID=286 (Accessed December 1, 2011), pp. 38-39, 43.
- 6 "Food Security in the United States: Key Statistics and Graphics" United States Department of Agriculture, Economic Research Service, Updated September 7, 2011, Accessed at http://www.ers.usda.gov/Briefing/FoodSecurity/ (Accessed December 1, 2011).
- 7 "Food Security in the United States: Key Statistics and Graphics" United States Department of Agriculture, Economic Research Service, Updated September 7, 2011, Accessed at http://www.ers.usda.gov/Briefing/FoodSecurity/ (Accessed December 1, 2011).
- 8 "Nutrition Assistance Programs" United States Department of Agriculture, Food and Nutrition Services, last modified 11/18/2011, http://www.fns.usda.gov/fns/ (Accessed on December 1, 2011).
- 9 "Approaching Health Disparities From a Population Perspective: The National Institutions of Health Centers for Population Health and health Disparities" By Richard B. Warnecke, et al., American Journal of Public Health, Vol. 98, no. 9, September 2008, p. 1613; "Where We Live Matters for Our Health: The Links Between Housing and Health" By Craig Pollack, et. al., Robert Wood Johnson Foundation, September, 2008, Accessed at
 - http://www.rwjf.org/files/research/commissionneighborhood102 008.pdf (Accessed on December 1, 2011), p. 4.

- "CDC Health Disparities and Inequalities Report United States, 2011" Centers for Disease Control and Prevention, U.S. Department of Health and Human Services, U.S. Government Printing Office: January 14, 2011, p. 21; Unhealthy Housing is defined in the source as "related to exposure to toxins and other environmental factors" while Inadequate Housing is defined as "related to the basic structure and systems of a housing unit." CDC Report p. 21.
- "The Healthy Homes Program Guidance Manual" U.S. Department of Housing and Urban Development Office of Healthy Homes and Lead Hazard Control, 2011, Accessed at http://portal.hud.gov/hudportal/documents/huddoc?id=HHGui danceManual1.pdf (Accessed on December 1, 2011), p. 4.
- 12 "Where We Live Matters for Our Health: The Links Between Housing and Health" By Craig Pollack, et. al., Robert Wood Johnson Foundation, September, 2008, Accessed at http://www.rwjf.org/files/research/commissionneighborhood1 02008.pdf (Accessed on December 1, 2011), p. 3.
- 13 "Where We Live Matters for Our Health: The Links Between Housing and Health" By Craig Pollack, et. al., Robert Wood Johnson Foundation, September, 2008, Accessed at http://www.rwjf.org/files/research/commissionneighborhood1 02008.pdf (Accessed on December 1, 2011), p. 7.



(800) FYI - VALU

Providing Solutions in the Era of Healthcare Reform

Founded in 1993, HCC is a nationally recognized healthcare economic financial consulting firm

- HCC Home
- Firm Profile
- HCC Services
- HCC Experts
- Clients Projects
- HCC News
- Upcoming Events
- Contact Us
- Email Us

HEALTH CAPITAL

CONSULTANTS (HCC) is an established, nationally recognized healthcare financial and economic consulting firm headquartered in St. Louis, Missouri, with regional personnel nationwide. Founded in 1993, HCC has served clients in over 45 states, in providing services including: valuation in all healthcare sectors; financial analysis, including the development of forecasts, budgets and income distribution plans; healthcare provider related intermediary services, including integration, affiliation, acquisition and divestiture; Certificate of Need (CON) and regulatory consulting; litigation support and expert witness services; and, industry research services for healthcare providers and their advisors. HCC's accredited professionals are supported by an experienced research and library support staff to maintain a thorough and extensive knowledge of the healthcare reimbursement, regulatory, technological and competitive environment.



Robert James Cimasi, MHA, ASA, FRICS, MCBA, AVA, CM&AA, serves as President of HEALTH CAPITAL CONSULTANTS (HCC), a nationally recognized healthcare financial and economic consulting firm headquartered in St. Louis, MO, serving clients in 49 states since 1993. Mr. Cimasi has over thirty years of experience in serving clients, with a professional focus on the financial and economic aspects of healthcare service sector entities including: valuation consulting and capital formation services; healthcare industry transactions including joint ventures, mergers, acquisitions, and divestitures; litigation support & expert testimony; and, certificate-of-need and other regulatory and policy planning consulting.

Mr. Cimasi holds a Masters in Health Administration from the University of Maryland, as well as several professional designations: Accredited Senior Appraiser (ASA – American Society of Appraisers); Fellow Royal Intuition of Chartered Surveyors (FRICS – Royal Institute of Chartered Surveyors); Master Certified Business Appraiser (MCBA – Institute of Business Appraisers); Accredited Valuation Analyst (AVA – National Association of Certified Valuators and Analysts); and, Certified Merger & Acquisition Advisor (CM&AA – Alliance of Merger & Acquisition Advisors). He has served as an expert witness on cases in numerous courts, and has provided testimony before federal and state legislative committees. He is a nationally known speaker on healthcare industry topics, the author of several books, the latest of which include: "The U.S. Healthcare Certificate of Need Sourcebook" [2005 - Beard Books], "An Exciting Insight into the Healthcare Industry and Medical Practice Valuation" [2002 – AICPA], and "A Guide to Consulting Services for Emerging Healthcare Organizations" [1999 John Wiley and Sons].

Mr. Cimasi is the author of numerous additional chapters in anthologies; books, and legal treatises; published articles in peer reviewed and industry trade journals; research papers and case studies; and, is often quoted by healthcare industry press. In 2006, Mr. Cimasi was honored with the prestigious "Shannon Pratt Award in Business Valuation" conferred by the Institute of Business Appraisers. Mr. Cimasi serves on the Editorial Board of the Business Appraisals Practice of the Institute of Business Appraisers, of which he is a member of the College of Fellows.



Todd A. Zigrang, MBA, MHA, ASA, FACHE, is the Senior Vice President of HEALTH CAPITAL CONSULTANTS (HCC), where he focuses on the areas valuation and financial analysis for hospitals and other healthcare enterprises. Mr. Zigrang has significant physician integration and financial analysis experience, and has participated in the development of a physician-owned multi-specialty MSO and networks involving a wide range of specialties; physician-owned hospitals, as well as several limited liability companies for the purpose of acquiring acute care and specialty hospitals, ASCs and other ancillary facilities; participated in the evaluation and negotiation of managed care contracts, performed and assisted in the valuation of various healthcare

entities and related litigation support engagements; created pro-forma financials; written business plans; conducted a range of industry research; completed due diligence practice analysis; overseen the selection process for vendors, contractors, and architects; and, worked on the arrangement of financing.

Mr. Zigrang holds a Master of Science in Health Administration and a Masters in Business Administration from the University of Missouri at Columbia, and is a Fellow of the American College of Healthcare Executives. He has co-authored "Research and Financial Benchmarking in the Healthcare Industry" (STP Financial Management) and "Healthcare Industry Research and its Application in Financial Consulting" (Aspen Publishers). He has additionally taught before the Institute of Business Appraisers and CPA Leadership Institute, and has presented healthcare industry valuation related research papers before the Healthcare Financial Management Association; the National CPA Health Care Adviser's Association; Association for Corporate Growth; Infocast Executive Education Series; the St. Louis Business Valuation Roundtable; and, Physician Hospitals of America.



Anne P. Sharamitaro, Esq., is the Vice President of HEALTH CAPITAL CONSULTANTS (HCC), where she focuses on the areas of Certificate of Need (CON); regulatory compliance, managed care, and antitrust consulting. Ms. Sharamitaro is a member of the Missouri Bar and holds a J.D. and Health Law Certificate from Saint Louis University School of Law, where she served as an editor for the Journal of Health Law, published by the American Health Lawyers Association. She has presented healthcare industry related research papers before Physician Hospitals of America and the National Association of Certified Valuation Analysts and co-authored chapters in "Healthcare Organizations: Financial Management Strategies," published in 2008.