



Re-Connecting the Dots

Mental Health, Social Drivers, and the Economics of
Sustainable Financing

Len M. Nichols, Ph.D.

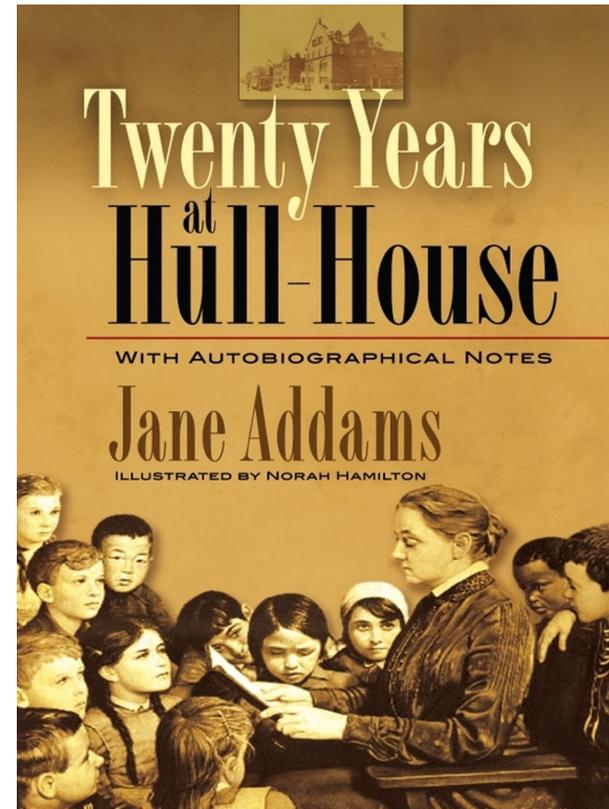
Urban Institute

In the Beginning...

- Alleviating poverty and inequality was understood to be linked to the totality of human needs



Hull House



When Charity proved to be woefully inadequate...

Social Security was created to alleviate poverty in old age



Medicare and Medicaid were created to provide HEALTH CARE to the elderly, the poor, and the disabled

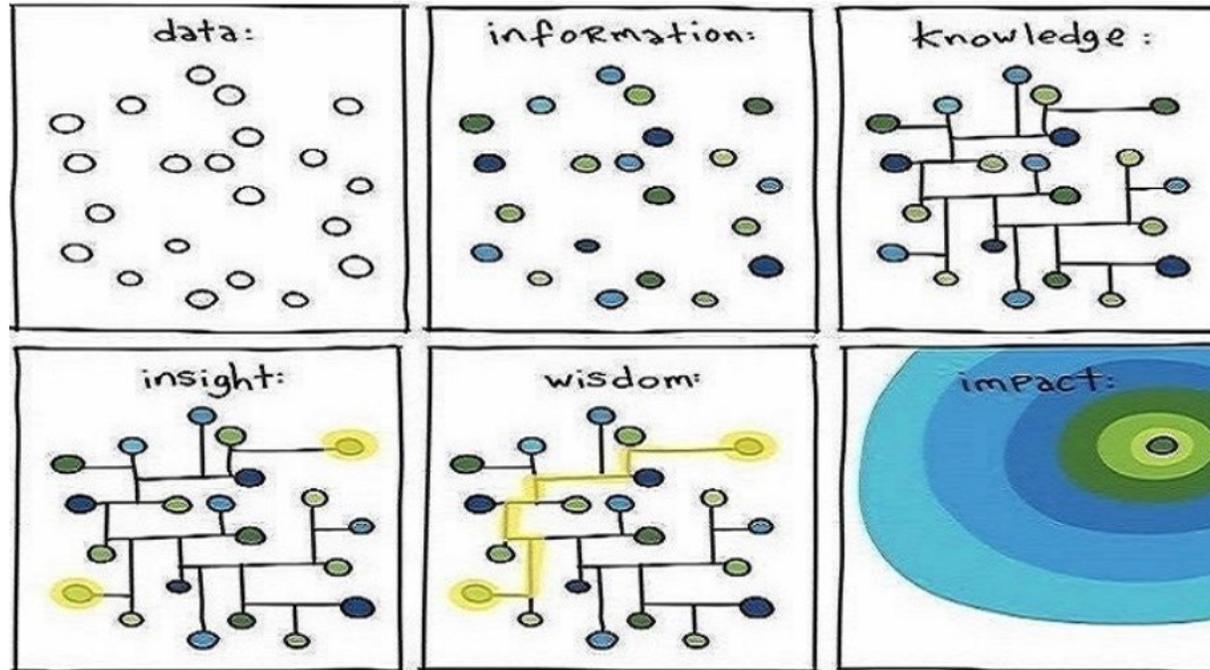


As the health care service establishment grew, social drivers were relegated to be 2nd class claimants on public resources



Treatments for serious mental illness and substance abuse were siloed OUT of mainstream health care and insurance and thereby made largely inadequate to the scale of need

???



We UNLEARNED what Jane Addams knew and taught us, in our drive to specialize and solve ONE downstream problem at a time

NEW DAY

DAWNING



Social Determinants of Health

What are social determinants of health?

Social determinants of health (SDOH) are the conditions in the environments where people are born, live, learn, work, play, worship, and age that affect a wide range of health, functioning, and quality-of-life outcomes and risks.

SDOH can be grouped into 5 domains:



Economic Stability



Education Access and Quality



Health Care Access and Quality



Neighborhood and Built Environment



Social and Community Context



We Have Begun to Reconnect the Dots



Evidence Synthesis Reports and Interactive Visualizations

When patients, clinicians, or other healthcare stakeholders raise a question that doesn't already have an evidence-based answer, sometimes new research is needed to answer it. But in other cases, a careful look at results from research studies already completed can more quickly provide findings that can be used to make informed choices. PCORI's Evidence Synthesis Initiative takes that approach.

Evidence & Resource Library



EXPLORE OUR AREAS OF EXPERTISE

Screening &
Referral

Health & Social Care
Integration

Structural Transformation &
Equity

Partnership
Development

ROI & Community Health
Investment

**Evidence Maps
and Evidence
Visualizations**

Search through our

The SIREN Evidence & Resource Library includes resources such as webinars and screening toolkits. To select Peer Reviewed Research and additional resources, view this [page](#) ←

[Jump to SIREN Resources](#)

ROI & Community Health Investment

Upstream care is not only a healthcare approach, it's an investment strategy — one that demands solutions to challenges from developing a business case to designing sustainable financing models for clinical-community partnerships and multi-stakeholder collaboratives. HealthBegins offers concrete, practical support to help clients and partners identify costs, quantify benefits, and design optimal payment models and contracts. With technical expertise and innovative tools, HealthBegins also helps funders of upstream interventions — hospital community benefits departments, foundations, health plans, and place-based collaboratives — design and manage Upstream Investment Portfolios that balance health, social, and economic objectives for defined populations and communities.



Evidence Maps and Evidence Visualizations

These evidence synthesis products usually display evidence gaps or study characteristics, and sometimes summarize study quality or synthesized evidence from multiple studies. They are

But we're still (mostly) asking the wrong question

Can individual SDOH investments
reduce health care costs enough
to pay for themselves?

Tracing value from social determinant solutions

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Abstract

We develop and illustrate a framework to trace value from social determinants of health (SDOH) interventions across 4 dimensions: health, cost and quality, engagement, and equity. To provide context, we begin by estimating the societal value lost to premature deaths from homelessness and food insecurity, using recent longitudinal methods that offer greater precision. We then apply the value tracing framework to 2 example interventions: permanent supportive housing for chronically homeless people and medically tailored meals for dual eligibles. These examples are supported by a narrative review of relevant literature, highlighting evidence from high-quality studies of SDOH projects that often show a broader range of benefits to multiple stakeholders. Prior research frequently overlooks non-healthcare savings, concluding that interventions “don’t pay for themselves.” In contrast, our findings show that when all beneficiaries are considered, many SDOH interventions yield a net positive value. Recognizing the public good nature of SDOH interventions is essential for reaching accurate policy conclusions. This paper advocates for greater recognition and estimation of the multiple sources of value in payment policies and investment decisions. Additional SDOH interventions and practical examples for local coalitions are provided in appendices.

Key words: social determinants of health; housing insecurity; food insecurity; value; value of a statistical life.

The Right Question is:

What would it be worth to END
Housing Insecurity?

...END Food Insecurity?

...Enable access to proper SUD treatment?

Key Pre-requisite to Sustainable Financing:

Recognize that SDOH Investments are
Public Goods!

Free rider problem

When people can
consume a good
without paying towards it



Values Generated by, Beneficiaries of, and Measures to reflect impact of SDOH activities

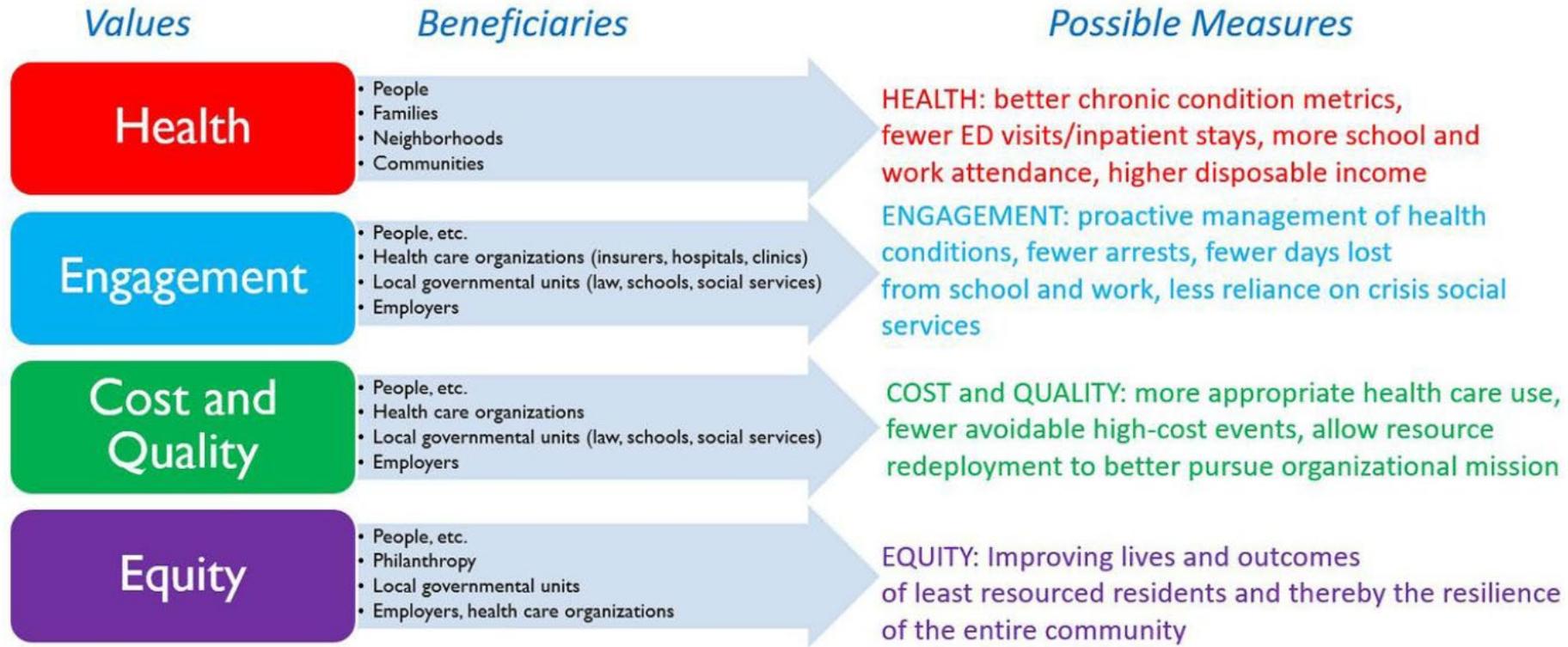


Figure 1. Values, beneficiaries, and metrics from SDOH activities. Source: Authors' creation of value flows.

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By Lauren A. Taylor and Len M. Nichols

ANALYSIS

Insights From Implementation Of A Community-Based Model For Collaborative Public Good Investing

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ABSTRACT Communities across the United States are looking for ways to reduce health inequities. Improving the social determinants of health (SDOH) is one fruitful pathway. In prior work we developed a financing model to incentivize and coordinate joint SDOH investments among local stakeholders, called the Collaborative Approach to Public Good Investments (CAPGI). A core thesis of our model is that at least some SDOH investments can be funded without reliance on philanthropic or government monies: Because they can produce value that flows to multiple organizations simultaneously, SDOH investments can be aligned with health organizations' self-interest. We describe our model's evolution in practice and synthesize insights drawn from our experiences providing technical assistance to three communities that have implemented CAPGI. Each community is unique, but we identified common themes related to governance processes and coalition dynamics that are relevant to any community trying to increase local, place-based investments in health.

Key Elements of CAPGI

Prerequisites:

- Awareness of “Free Rider” realities and costs
- Local stakeholder coalition or working group
- Someone or entity that can serve as the “trusted broker”

Key elements of CAPGI model and process:

- Stakeholders agree on SDOH project to explore
- Stakeholders reveal willingness to pay (bid) to the trusted broker *only*
- Only trusted broker knows the full cost of the project
- If sum of bids > cost, then fair prices can be assigned so that surplus is shared
- Money flows from stakeholders → TB → service provider
- Value and Data flow to stakeholders to evaluate performance
- *Bidding process can be self-sustaining based on enlightened self-interest*

Value Example from Comprehensive Harm Reduction Program of one FQHC-look-alike in Virginia

Value Source		Amount
Intrinsic Value of Lives Saved from overdose reversals		\$2.3B
Value of SUD patients diverted to a healthy path		
	Criminal Justice costs saved	\$3.9m (\$51k per person)
	Wages plus tax receipts	\$3.7m (\$48k per person)
	Health Care Costs averted	\$1.6m (\$21.k per person)
TOTAL VALUE OF CHR at one health center		\$2.3B + \$9.2m
Total annual budget of health center		\$8.9m

Conclusion

Re-Connect the Dots among Sources of Health and well-being

Recognize the Public Good nature of SDOH interventions

Trace Value to Multiple Beneficiaries of SDOH interventions

Implement a collaborative financing mechanism

Enable/entice multiple beneficiaries to pay a fraction of the value they receive

Provide people with the mental, physical, and social services they need to THRIVE