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Addressing Drivers of Health Through Public-Private Partnerships

What's the Issue

Policymakers, practitioners, and non-profit organizations from across the political spectrum increasingly recognize that factors like healthy food, economic stability, education, neighborhood, and environment, as well as social/community context, significantly impact a person's wellness.^{1,2,3} In fact, the National Academy of Medicine estimates (and other studies have affirmed) these non-clinical contributing causes (often referred to as social drivers of health (SDOH)) account for 80 to 90 percent of a population's health outcomes, affecting everything from life expectancy to quality of life.⁴ While paramount for triaging medical crises and diseases, the healthcare industry alone is not equipped to mitigate the confluence of factors that impact health. Achieving meaningful change will require a fundamental shift in public-private partnerships — where agencies charged with assisting communities collaborate with private and non-profit organizations to recognize implications on individual and population health. To address the nation's growing health

crisis, the public and private sectors must continue to collaboratively focus on understanding and lowering chronic disease rates through assessing and improving nutrition, physical activity, and environmental impacts to promote health.

To explore this issue and identify solutions, the Healthcare Leadership Council (HLC) convened stakeholders for an event entitled, *Helping Patients and Communities: Opportunities to Improve Health*. Thought leaders representing companies and non-profit organizations, academia, and government discussed existing innovations and considered opportunities to expand public-private partnerships to improve health. This attention to contributing causes of chronic disease remains a national priority as the Administration focuses on a campaign to Make America Health Again to promote health rather than just managing disease. Findings outlined in this report from the HLC session can provide valuable recommendations to achieve these goals.

1. [Establishing the President's Make America Healthy Again Commission – The White House](#)

2. [Figure – PMC](#)

3. [Social Determinants of Health \(SDOH\) | About CDC | CDC](#)

4. [Social Determinants of Health 101 for Health Care: Five Plus Five - National Academy of Medicine](#)

Why Current Approaches Aren't Working

The healthcare system continues to recognize the importance of preventive care and routine screenings to improve early intervention and advance good health – instead of merely managing chronic disease. However, more is needed to effectively mitigate the health impact of other non-clinical contributing causes of chronic disease. Focusing on solutions to combat detrimental health impacts of nonclinical burdens is vital. In 2023, the U.S. spent \$4.5 trillion on healthcare, with 90 percent of those expenditures directed toward treating chronic conditions, according to the [National Institutes of Health](#). Many of these diseases and the costs associated with treating them could be alleviated if other drivers were addressed. Structural problems that need to be reevaluated to effectively improve health include:

- **Data Gaps:** Comprehensive data on individual and community needs are essential, yet information is collected and analyzed by siloed systems. Fragmented data impedes a complete assessment of the health of patients and populations and obscures opportunities to evaluate evidence-based outcomes and costs. Despite the historically slow adoption of interoperability and the limited investments necessary to advance the industry, access to comprehensive data at the individual consumer level across provider and payer data sets is emerging.
- **Misaligned Incentives:** Existing regulations often limit how healthcare funds can be used, leaving payers and providers struggling to finance non-

clinical services that improve health. While federal and state public programs provide support for vulnerable populations to combat housing and food insecurity, collaboration with private sector entities delivering health services can be improved. Bridging programmatic and data exchange gaps in addressing non-clinical contributing causes of disease across public and private entities can curtail the need for more significant and costly healthcare intervention and services.

“Data is integral to the identification of health issues and driving quality outcomes. Traditionally, medical data has been collected, but we now know that SDOH are just as important if not more so to the impact on health status, and help to facilitate coordination across the healthcare continuum.”

**Emad Rizk, M.D., Chairman,
President and CEO, Cotiviti**

- **Short-Term Focus:** Many public and private sector investments prioritize treating symptoms and conditions when patients are at healthcare facilities. It is just as important to ensure strong incentives for long-term wellness, health improvement, and prevention programs are in place. Over time, advancing collaboration that includes both health and community-based program interventions will result in cost savings and stability system-wide.



How Public-Private Sectors Collaborate

To address these challenges, policymakers must leverage achievable incremental solutions advanced by public-private partnerships. Much can be learned from examining innovative programs to address other non-clinical drivers of health and identifying opportunities to implement public-private solutions more broadly to achieve scalable impact. For example, through innovative state Medicaid waiver programs, plans and community partners are delivering unique services to serve vulnerable populations and improve health in untraditional ways. Through Medicare Advantage supplemental benefits, plans and non-profits are collaborating to provide critical services such as home delivered meals and transportation programs.

A few examples of successful programs for public-private sector collaboration and solutions include:

- **Lift Orlando and Lift Jacksonville:** HLC members [GuideWell](#) and [AdventHealth](#) have collaborated with non-profit organizations and business and community leaders to provide integrated housing, education, economic viability, and health and wellness services to strengthen low-income communities and historic neighborhoods. From a multi-pronged focus, these initiatives are achieving improved health and economic outcomes.
- **North Carolina's Healthy Opportunities Pilot (HOP) Program:** Launched in 2022, this initiative leverages Medicaid funding to provide non-medical interventions and services for housing, food,

transportation, and interpersonal violence needs alongside traditional health services and successfully reduces healthcare costs. More than 30,000 qualified Medicaid members have enrolled in the HOP, receiving services such as healthy food delivery, job interviews, grocery store transportation, parenting support programs, and home modifications to improve health and safety.

- **The Elevance Health Foundation:** As the philanthropic arm of HLC member [Elevance Health](#), the Foundation has invested more than \$96 million (exceeding its goal) in programs to target specific preventable health concerns while addressing disparities and social drivers that affect them. These initiatives focus on improving maternal and child health, providing food as medicine, reducing substance use disorders, and offering disaster relief, all demonstrating measurable positive changes in these critical areas.

“I think it is very important for us to realize this isn’t a one-size-fits-all problem. Even if you address housing and poverty, there are a lot of underlying issues with trust, community, and things we aren’t good at measuring or knowing how to measure at this point. We have to start with the basics – start by looking at where we can effectively point resources to impact the most patients.”

Ania Wajnberg, M.D., President, Mount Sinai at Home, Mount Sinai Health System



Recommendations

To successfully improve health and address the complex care needs of vulnerable populations through public-private partnerships, the following policy changes are critical.

- **Improve Incentives and Ensure Predictability in Public Programs**

Aligning financial incentives with better social, physical, and behavioral health outcomes is critical. Policymakers must modernize frameworks to support non-medical needs and provide stability for long-term investments.

- **Clarify the Definition of Medical Expenses in MLR Rules:**

Medical Loss Ratio (MLR) requirements are intended to ensure that 80 to 85 percent of premium dollars paid for healthcare coverage are spent on medical care and healthcare quality improvement expenses for covered individuals, rather than on administrative costs. However, it is currently unclear how premium dollars spent to address SDOH-related costs are categorized for MLR purposes.

To permit critical collaborative support from health plans and payers, improve the quality of healthcare delivery, and mitigate fraud, waste, and abuse, dollars invested to address beneficiaries' needs should be categorized as quality improvement or medical expenses. These dollars should be explicitly included in the MLR's numerator to reflect this value to beneficiaries. Successful pilot programs and waivers provide opportunities for expansion and broader adoption of related programs

and initiatives, but long-term success hinges on predictable, sustainable investment. Clear guidance will allow stakeholders to continue building on proven models without losing momentum.

- **Extend Medicare Telehealth Flexibilities and Hospital at Home Waivers:**

Temporary policies, such as Medicare telehealth waivers and the Acute Hospital Care at Home (AHCAH) demonstration, have revolutionized healthcare delivery by making care more accessible, efficient, and patient-centered. These initiatives have reduced costs, improved outcomes, and expanded access to inpatient-level care at home. However, both programs are set to expire on March 31, 2025. Making these opportunities permanent will ensure continuity and foster innovation in care delivery, enabling patients to receive high-quality, personalized services in their preferred settings.

“Sustainable funding is key, but we should look beyond ROI to all of the other benefits. We need to think long term about how much healthier people are going to be over time if you can help them self-manage their conditions today. Ultimately, this allows them time to focus on other ways to increase their overall health – from working out to eating healthy.”

Melissa Sherry, PhD, MPH, Staff Vice President, Social Impact and Equity, Elevance Health

- **Strengthen Data Collection and Data Sharing**

A unified approach to data collection, sharing, and use is crucial. By investing in interoperable data



systems, healthcare entities can collect and leverage a more comprehensive picture of patient and community health needs.

- **Advance Interoperable Systems:** Further integrating and advancing the interoperability of healthcare technology will expedite data collection, strengthen clinical delivery, and lead to better outcomes while reflecting individual and community trends and needs.
- **Standardize Metrics:** By including metrics in health data collection, healthcare entities can assess and address the related needs of various populations alongside medical data. Integrating these data elements can facilitate the appropriate use of available resources for communities and individuals that need them most.
- **Support Public-Private Partnerships with Evidence and Incentives**
For successful partnerships to grow and serve as models for future investment, highlighting the financial and social benefits of these partnerships will encourage additional private sector investment.
- **Use ROI Examples:** Programs like Lift Orlando and North Carolina's Medicaid initiative provide real world examples of the impact that addressing non-clinical drivers of health can have on a community and local economy. These demonstrated successes can encourage additional private sector investment.
- **Encourage Community-Based Projects:** Local organizations know best the needs of their communities. Policymakers can promote funding to

expand the impact of community-based projects.

- **Expand Successful Initiatives**
Once effective models are identified, like the Medicaid waiver in North Carolina or the Elevance Health Foundation investments, public and private sector entities can and should explore opportunities to scale them across other states and regions.
- **Promote Flexible Funding Models:** Community-specific solutions work best when they are allowed flexibility. Changing funding mechanisms so that organizations can adapt to local needs will make interventions more sustainable.
- **Advocate for Upstream Investments:** By supporting private-sector funding in areas like housing, food security, and safe neighborhoods, communities and policymakers can mitigate the health risks of SDOH in the first place.

Conclusion

Addressing SDOH effectively requires alignment in social program and healthcare benefit funding, alongside sustained investment from both the public and private sectors. By updating regulations, improving data sharing, building partnerships, and scaling proven models, the nation's healthcare system can better prioritize patients' health through prevention and healthy lifestyles.

A healthier society is not just about more clinics and hospitals or simply treating immediate symptoms and chronic disease. It is about promoting health and creating conditions where people can thrive. Public-private partnerships have the potential to transform healthcare, but success hinges on committing to policies that support long-term, preventive approaches to health.

