

The Christ Hospital Health Network



Understanding Racial & Social Barriers to Health

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Speaker Information



Ashley Clos is a Venue Magazine “40 under 40”, Venue Magazine “Healthcare Leader”, graduate of Leadership Northern Kentucky and current CEO Action for Racial Equity Fellow.

Ashley is currently the Director of Community and Social Responsibility for The Christ Hospital Health Network where she has worked for the past six years. Her focuses include executing the Health Network’s Diversity, Equity, and Inclusion strategic plan, Community Health Needs Assessment, Health Equity Transformation project, and is the co-creator of N.E.S.T. (Nourishing Employees Strengths and Talents) designed to help entry level employees overcome personal challenges to successful employment and create pathways to a sustainable living wage.

Ashley is a proud Kentucky native and an alumna of Northern Kentucky University and Kappa Delta Sorority. She is passionate about civic engagement, social responsibility, health equity, and more importantly addressing systemic racism within our institutions. She has spent her career working in the non-profit sector focusing on policy improvement, organizational leadership, community health, and diversity, equity, and inclusion.

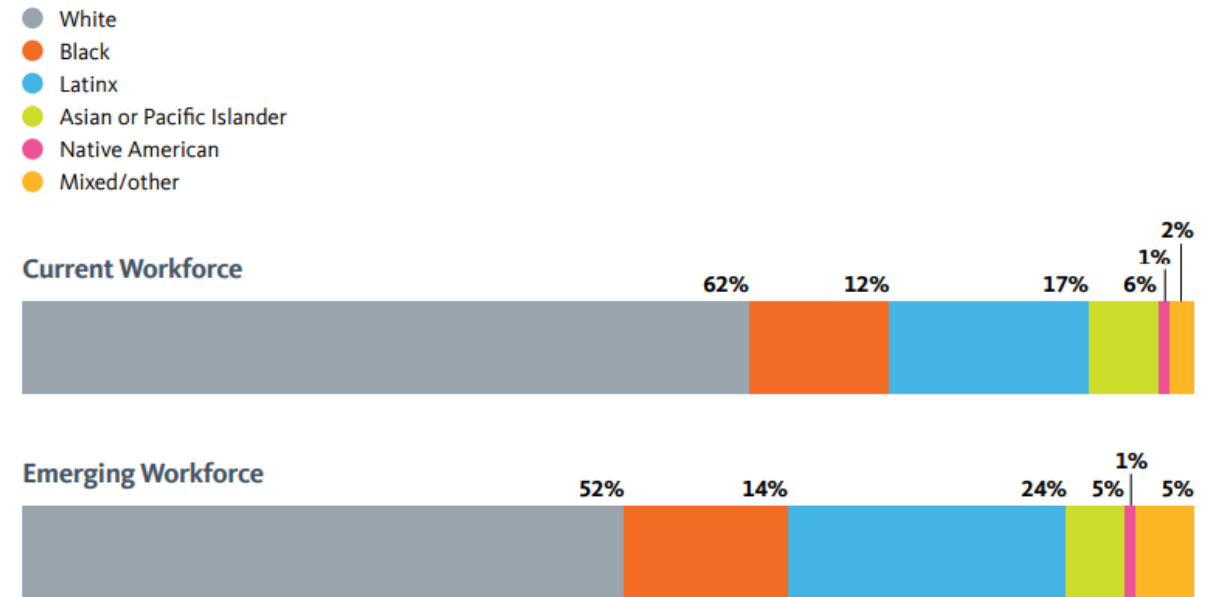
FRAMING THE ISSUE

- Long before Covid-19 and its consequent economic crisis struck, advocates, economists, and community organizations were sounding the alarm about the precarious state of the US economy and the future of work—and workers.
- At the same time, the nation is now just one generation away from a new demographic plurality: **by 2045, the US population will no longer be majority White.**
- While the nation grows more diverse and popular movements against systemic racism have gained momentum in recent years, **inequities have persisted and even deepened.**
- The racial wealth gap has continued to expand, gender pay inequities remain deeply entrenched, and **one in three people in the United States were economically insecure** before the onset of the current recession.
- **Race and gender combine in powerful ways that contribute to health & economic barriers and opportunities.**

The face of the nation is changing— and with it, the demographics of the workforce

- In about 25 years the United States will no longer have a single majority racial/ethnic group.
- White people comprise 62 percent of the US workforce overall, but 75 percent of those ages 55 or older. As baby boomers retire, they are being replaced by a much more diverse generation of workers
- In 2018, for the first time, people of color accounted for more than half of all new hires of prime working age.
- **As people of color become the majority of the US workforce, racial inequities in the labor market represent a rising liability for the economy as a whole**

Current and Emerging Workforce by Race/Ethnicity, United States, 2018

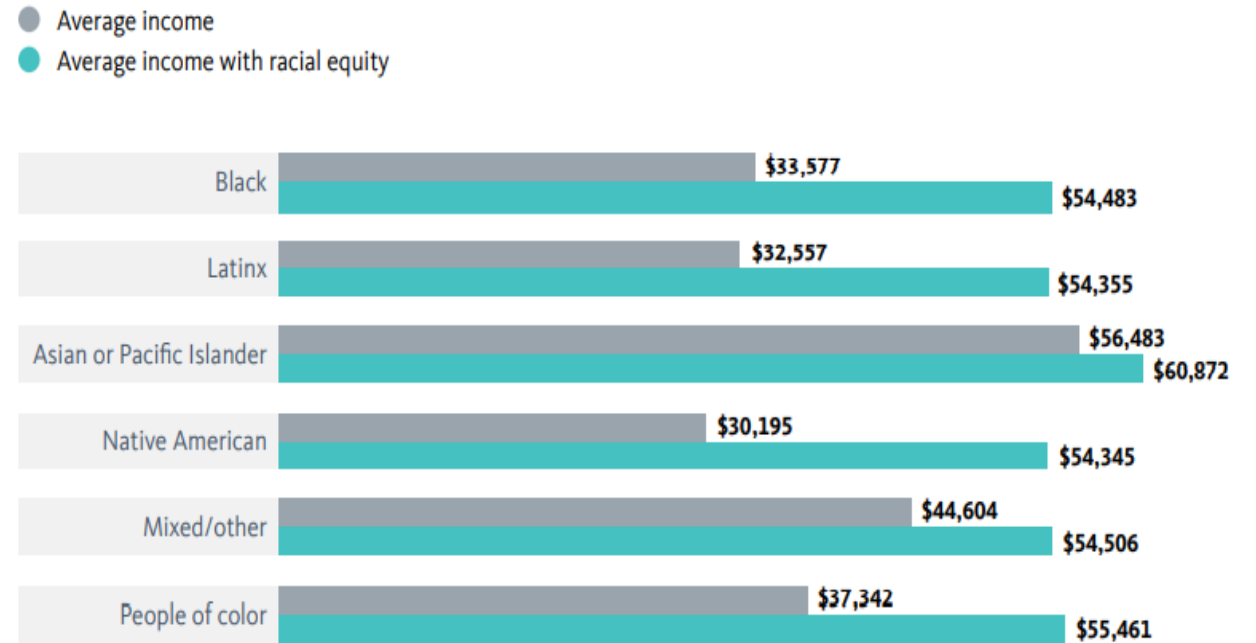


Source: Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe of emerging workforce includes all people under the age of 25 years old while current workforce includes all people between the ages of 25 and 64. Data reflect a 2014–2018 average.

Racial equity would increase the average incomes of people of color by \$18,000— a 49 percent gain.

- Today, **roughly half of all young people under the age of 25 are people of color**
- Too many of whom are being left behind by policies and practices that leave them relegated to under resourced schools and neighborhoods, left on the wrong side of the digital divide, and systematically **locked out of access to the transportation, resources, and personal and professional networks that can unlock opportunity.**
- In 2018 alone, the US economy could have been **\$2.3 trillion stronger if there had been no racial gaps in income** for the working-age population.
- These gaps are driven by inequities in both employment and wage that harm workers, families, and the economy

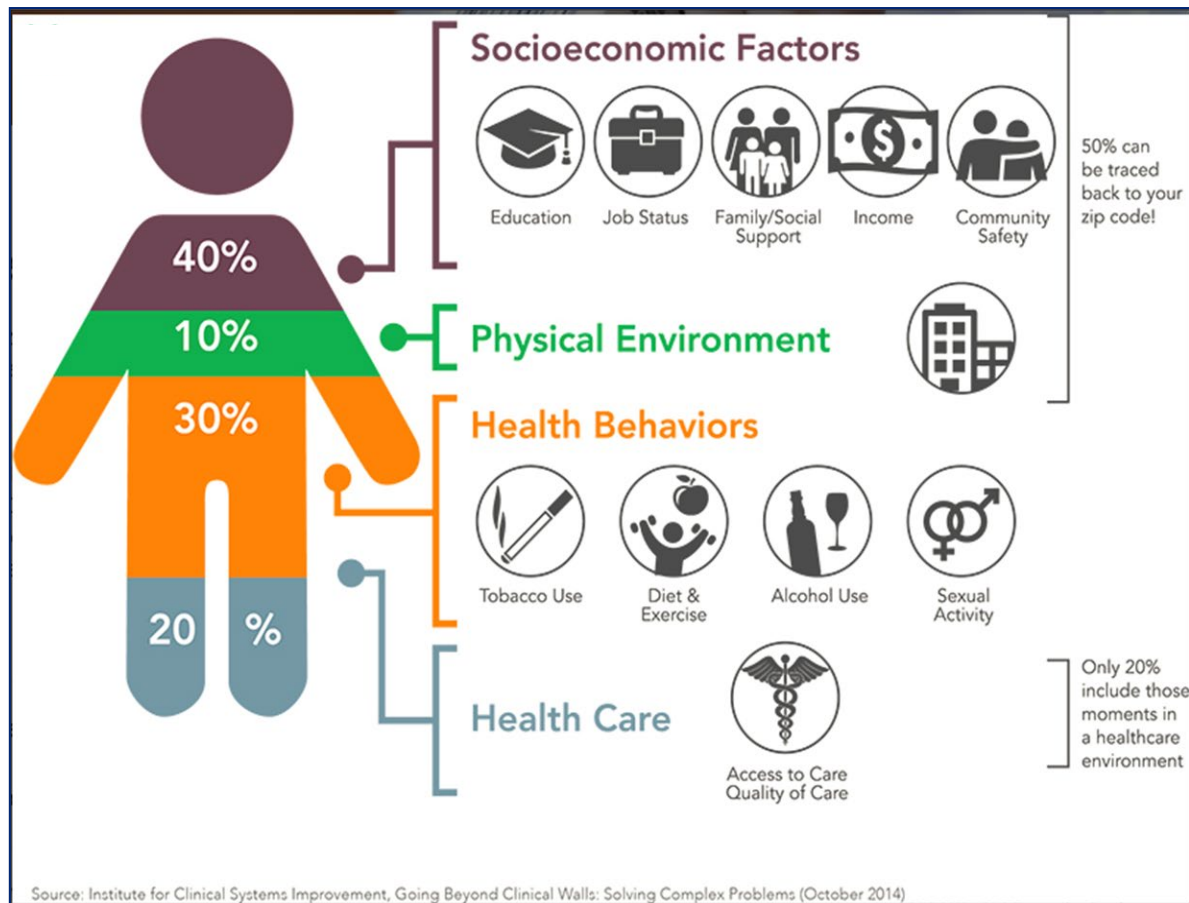
Income Gains with Racial Equity in the Workforce, United States, 2018



Source: Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA. Note: Universe includes the population ages 25–64. Data reflect a 2014–2018 average. Values are in 2018 dollars. See the methodology for details on this analysis.

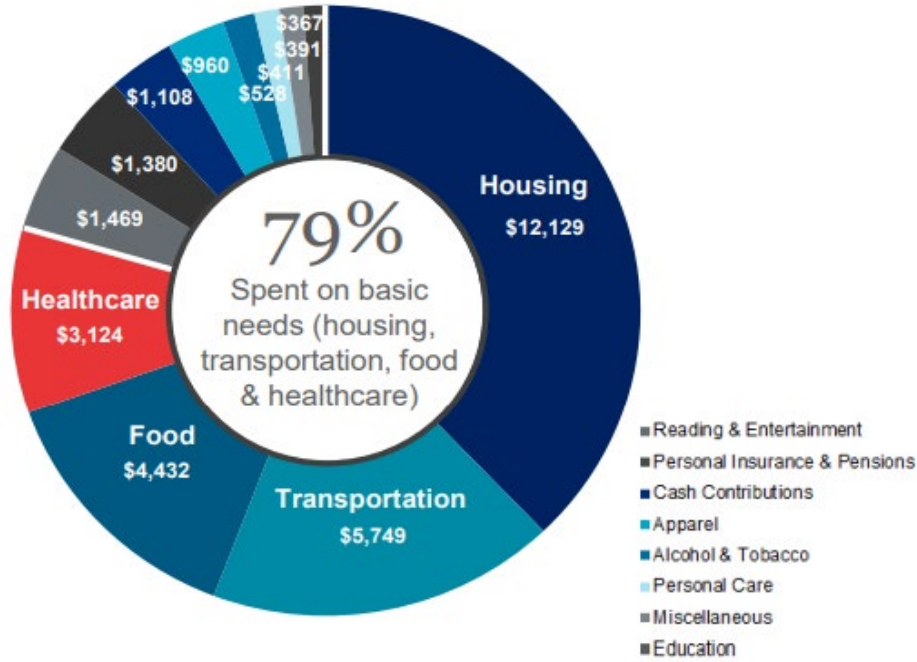
Why Should Employers Care?

- **78% of workers live paycheck to paycheck** - Even full-time workers can struggle to meet their family's basic needs from week-to-week.
- Many lower-wage employees struggle with the complexity of balancing transportation, childcare and multiple part-time jobs.
- **Workers of color, especially women,** were disproportionately employed as “essential workers” who **continued to work and have been more exposed to the health risks of the virus,** and they were also disproportionately among the “**nonessential**” workers in **hospitality, retail, tourism, and other sectors that have experienced the greatest layoffs, diminished hours, and cut wages.**
- Employers who understand the details of their lower-wage employees lives and implement workplace policies to support them will have a distinct competitive advantage among their peers.



Low wage workers, <\$21hr, face significant barriers in managing their health

- Americans who are socioeconomically disadvantaged, ethnic-minority or have little formal education experience significantly worse health outcomes than those who are white, more affluent or better educated.
- Evidence has shown the critical role of socioeconomic factors in understanding health disparities. **For example, low socioeconomic status is linked to such negative health outcomes as low birth weight, diabetes, depression, life expectancy, heart attacks and lower self-rated health.**



Source: Consumer Expenditure Survey 2014, United States Department of Labor, Bureau of Labor Statistics

Status of Health Care

An annual income of <\$35K is associated with **4x higher likelihood to report fair or poor health** vs \$100K+

Utilization of Healthcare

Low wage, <\$21hr, workers are **68% less likely to obtain preventative care**; had about twice the admission rate and more than **4x the avoidable admission rate** and more than 3x the ER usage

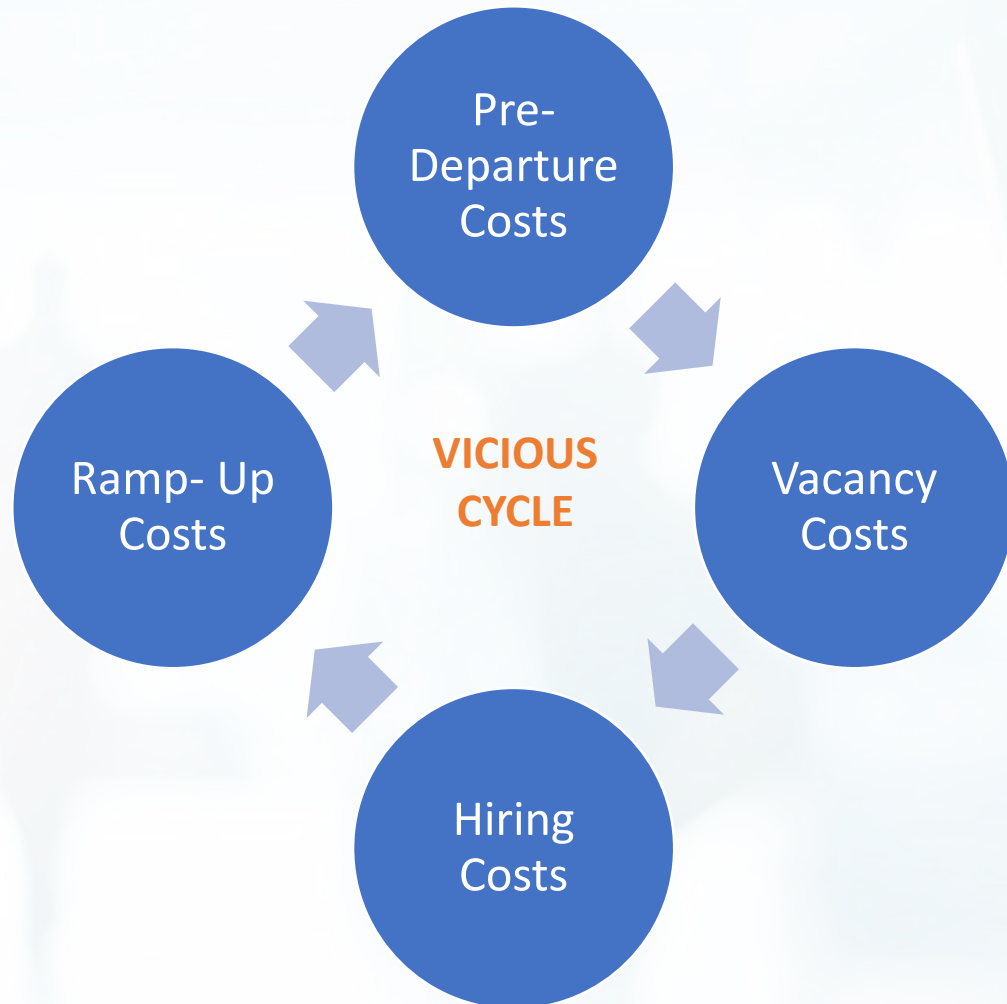
Access to Care

Low wage workers have less than half as much access to health care benefits and when they do 27% waive coverage - **30% of whom say because they cannot afford it**

“If spending an extra dollar on my health gets in the way of buying groceries or providing for my kids, is it worth it?”

References: 1. Robert Wood Johnson Foundation. www.countyhealthrankings.org/our-approach ; 2. <http://press.careerbuilder.com/2017-08-24-Living-Paycheck-to-Paycheck-is-a-Way-of-Life-for-Majority-of-U-S-WorkersAccording-to-New-CareerBuilder-Survey>

Do you know how much it costs your company every time a lower wage employee leaves?



- **Pre-Departure Costs:** Resulting from a worker's reduced productivity and disruption in the workplace.
- **Vacancy Costs:** Related to overtime or extra shifts required to cover a vacant position, as well as the potential loss of revenue from a shortage of employees.
- **Hiring Costs:** Including advertising and agency fees, along with costs of reference and background checks, drug screenings and incremental internal administration.
- **Ramp-Up Costs:** Comprising the costs of orientation, formal training, supervision during orientation and ramp-up, and lower initial productivity.

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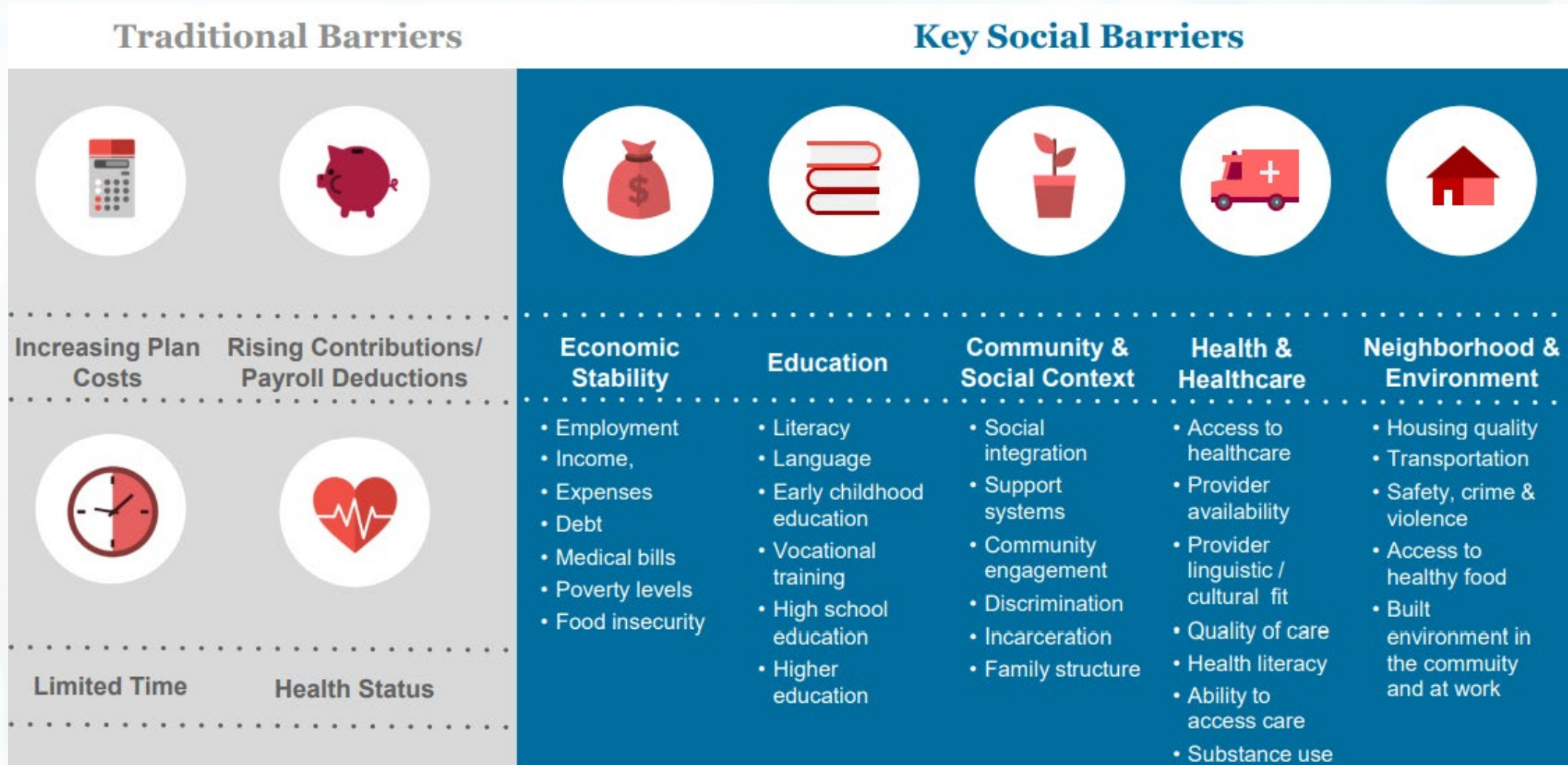


- Imagine if workplaces were a virtuous cycle, where we hire employees, understand and invest in their needs, retain them and help them grow professionally.
- Create a workplace that is more stable and drives results for the company. Additionally, this positively affects other community priorities like poverty reduction, health outcomes and housing stability.
- Once you implement workplace policies focused on the needs of your lower-wage workforce, you will experience a return on investment through decreased turnover costs and increased human resource and supervisor time, as well as in employee retention, engagement, attendance, customer satisfaction and performance results.

Potential Employer Solutions to address Social Barriers

- Inventory current benefit offerings – Review plan designs with a focus on Equity
- Pulse Survey – Ask employee stakeholders to identify their key pain points
- Workforce Analysis – Create a heat map where current employees live, review health care utilization data by age, race, position, tenure
- Calculate Turn Over Costs - <https://www.aspeninstitute.org/publications/cost-of-turnover-tool/>

Barriers to managing health go beyond cost



Economic Stability



Healthcare

- On-Demand Upfront HSA Funding
- Help Low Wage employees pay for OOP healthcare costs
- Redesign 401(k) and Flexible HSA matching options
- Provider Payment Plans through vendor or direct provider
- Onsite Health Clinics
- Publicize Employee Assistance Programs
- Do not require “Doctor’s Note”
- Access to Parental and Disability Leave Programs

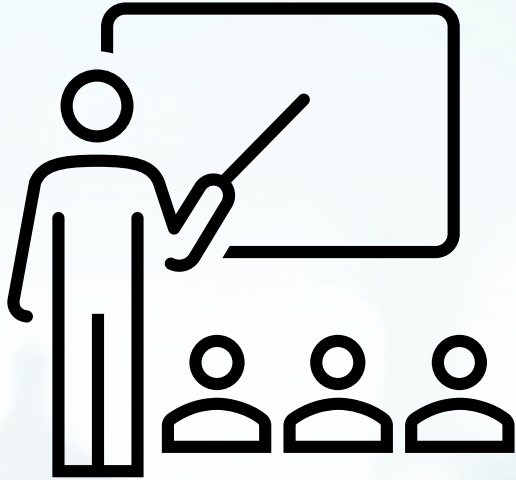
Financial Services

- Financial Education/Budget Classes
- Credit Improvement Services
- Loan Repayment through payroll deduction

Hardships

- Emergency Loan Access
- Automated Savings
- Shared Employment/Cross Train Opportunities to meet minimum hours needed
- Consider small wage increases (\$.05-\$.10) monthly or quarterly

Education



Education

- Offer Pre-Pay Tuition Programs vs Reimbursement
- Access Career/Life Coaches
- Require “National Career Readiness Certificate” vs GED
- If you must require GED, offer classes on site
- Incorporate Soft Skills training during Onboarding
- Offer ESL classes on site

Family Support

- Employee Sponsored Summer Camp for employees’ children
- Employee Sponsored Back-to-School supply drive
- Volunteer tutoring services for employees’ children

Health & Access to Care



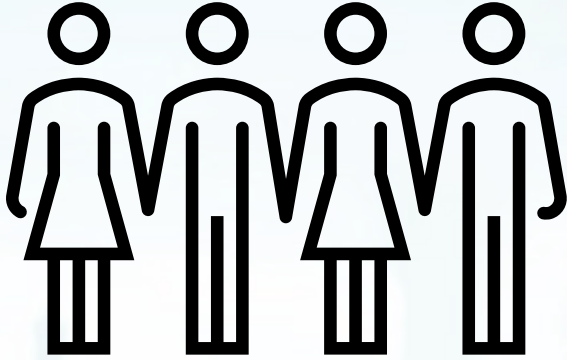
Benefit Plan Designs

- Richer plan for low-wage workers only
- Limited coverage with low contributions
- Encourage prevention-oriented plans
- Value based designs to address key health needs
- “Donut hole” coverage

Delivery & Access Strategies

- Leverage Telemedicine services and/or on-site health clinics during work hours
- Incentivize low-wage employees to enroll in AOC –based plans
- Transportation support/Ride-Share benefit to appointments
- Select PTO hours for preventive care
- On-Site health literacy classes to help navigate health care and local resources available

Social Responsibility



Social Support

- On-Site Childcare
- On-Site Food Pantry
- Implement a high performance or consistent attendance incentive system to reward employees with “necessity” gift cards
- PTO Swap
- Public Transportation stipend/Company Sponsored Transportation
- Access to earned yet unpaid wages
- Errand service
- Uniform/Dress allowance
- Access to EITC/Tax Prep Services

Responsibility

- Internal Wage Gap analysis
- Access to Career/Life Coach on-site
- Supplement back-up child/elder care
- On-site Mental & Behavioral Health specialist
- Employer paid internet for remote workers
- Remove mandatory overtime requirement
- Be aware of “Regressive Perks”
- Schedules should be set several weeks in advance

THANK YOU!

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