



Biopharma's Role in Achieving Health Equity

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Companies can take four steps to address the inequitable health outcomes that marginalized and underserved communities experience in the US.

The lengthy pandemic, ongoing racial injustice, and global economic turmoil have highlighted the inequitable health outcomes that marginalized and underserved communities experience in the US. They have also underscored the urgent need for help from the [biopharmaceutical industry](#). Yet while many biopharma companies have tried to improve health equity, few have been able to effect change on the scale they envisioned.

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BCG has developed an approach that biopharma leaders can use to increase the impact of their health equity efforts. Companies need to recognize health inequities and their root causes, understand the value of addressing these disparities, develop effective strategies, and build an operational

framework to implement those strategies.

Health equity benefits not only patients but also organizations because of its ability to expand patient reach, improve employee value propositions, and enhance relationships with key stakeholders. In short, achieving health equity is critical for biopharma companies to move forward during this period of turmoil and beyond.

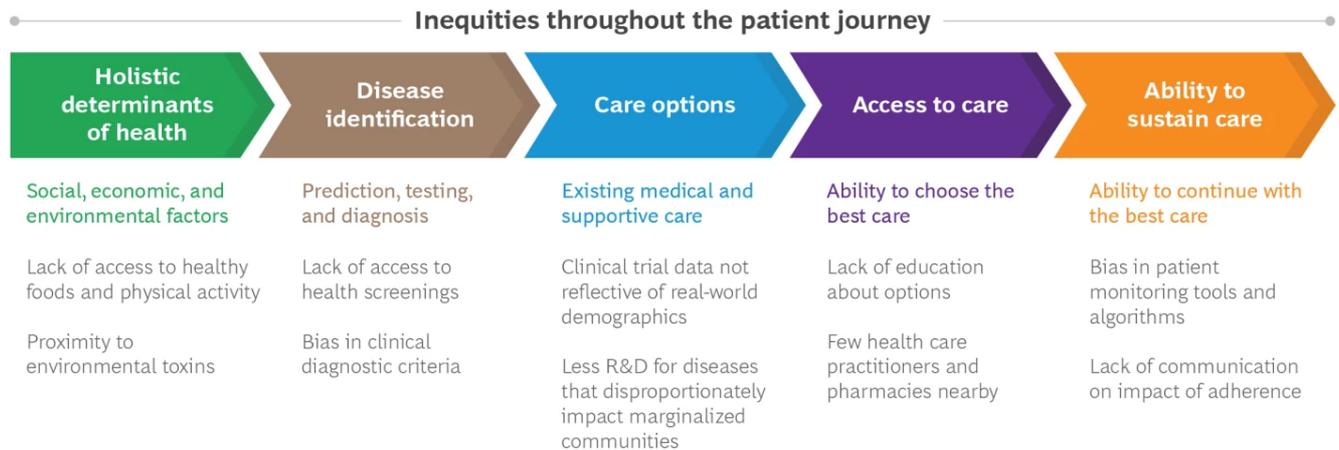
Four Key Steps

We define health equity as the elimination of disparities in medical access, treatment, and outcomes across populations. In the US, such inequities are disproportionately felt by populations that have long been victims of institutional and cultural racism.

Drawing on interviews with key leaders of biopharma companies and other organizations in the health care value chain, we have identified four steps that biopharma companies should take to address these disparities.

Recognize health inequities and their root causes. Numerous interconnected barriers to health equity exist throughout the patient journey, from disease identification to the ability to sustain care. (See Exhibit 1.) And many of them—in the form of the social, economic, and environmental factors that affect one’s health—are established long before a patient even begins to interact with the **health care system**. Given that these barriers are often unique to a marginalized group or community, listening to what the affected individuals have to say is critical in order to understand the root causes.

Exhibit 1 - The Barriers to Health Equity Are Numerous, Complex, and Interconnected



Source: BCG analysis.

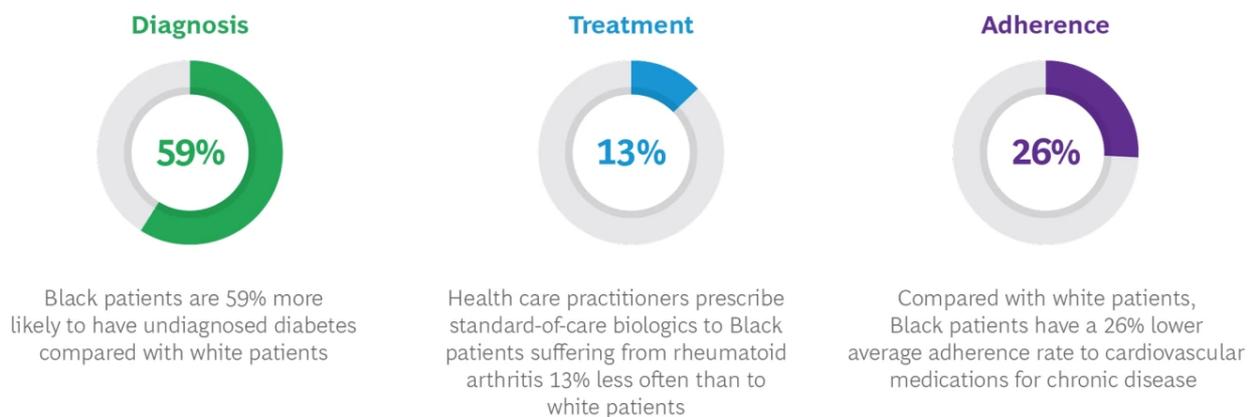
It's also important to recognize that, since health equity barriers are interconnected and systemic, point solutions often fail to have the desired impact. Consider affordability, for example. Even if the barrier of cost were removed and all prescription drugs were available for free, other barriers would still prevent equitable outcomes. For instance, many patients would not be able to access a pharmacy easily, take their medication consistently, or get follow-up care.

Understand the value of addressing health inequities. Pursuing greater equity in **health care** provides real value for both patients and organizations. Leaders need to articulate the three types of value that health equity creates for their organizations in order to secure the necessary commitment and resources for effective initiatives:

- **Expands patient reach and improves the patient experience.** Working toward health equity enlarges the pool of patients who have access to life-improving and life-saving therapeutics. The value of expanded reach can be quantified on the basis of the proportions of marginalized groups who are losing out on diagnosis, treatment, and adherence rates. (See Exhibit 2.)

Exhibit 2 - Health Equity Expands Biopharma Companies' Ability to Reach Patients in the US

Black patients are more likely to receive inferior care at every step of the patient journey. Inequities exist in:



Source: BCG analysis.

- **Improves the employee value proposition.** Employees increasingly care about the extent to which their company addresses health disparities. Consequently, companies that make a strong commitment to health equity are in a better position to attract talent and boost employee satisfaction.
- **Enhances relationships with key stakeholders.** Addressing health equity is becoming a priority for many external stakeholders, such as payers, regulatory groups, advocacy groups, and investors focused on environmental, social, and corporate governance criteria. Companies can improve relationships with these groups by sharing their commitment to health equity or even partnering on initiatives together.

Develop effective strategies. Even when companies understand the reasons that underly health care disparities, health equity initiatives frequently fall short of the intended outcomes. That's often because the goals of the initiatives are so broad that they don't address all the interconnected barriers.

To increase their chances of success, companies should tailor solutions to the fundamental barriers. They should choose a specific focus across four dimensions—patient journeys,

disease states, geographic regions, and marginalized groups—and then address the barriers in each. (See Exhibit 3.)

Exhibit 3 - Strategic Choices Along Four Dimensions Can Help Companies Differentiate Health Equity Approaches



Source: BCG analysis.

Companies should make these choices on the basis of their greatest comparative advantages, such as expertise in a specific therapeutic area, strong relationships in specific geographies, operational strengths, existing partnerships, and unique leadership positioning. Gilead Sciences’ COMPASS initiative provides a useful example. COMPASS has a broad focus on the entire patient journey and a narrow focus on a disease state (HIV), a geographic region (the southern US), and marginalized groups (racial and ethnic minorities and gay and bisexual men).

Build an operational framework. After establishing a health equity strategy, a company needs to build an operational framework with the following five elements:

- **Organizational Structure.** The organization should be set up to support collaboration across functions or therapeutic areas to promote health equity and to be accountable for results. A centralized position with health equity in the title ensures both and is becoming more popular at large biopharma companies. Embedding responsibilities across the different business areas is also important, so that business teams feel connected to, and responsible for, health equity initiatives.

- **Governance.** The companies that are most advanced from a health equity perspective are beginning to establish governance around the funding of health equity initiatives, conduct reviews of health equity at the board-of-directors level, and include the pertinent metrics on their corporate scorecard. Some organizations are also integrating health equity considerations into product life cycle governance, such as by prioritizing research. A well-defined health equity governance structure that is successfully incorporated into existing governance processes provides the opportunity to integrate health equity into all aspects of the business.
- **Culture.** The CEO, and possibly the board, should set the tone regarding the importance of health equity initiatives, and employees should be encouraged to consider health equity when making decisions. Building broad awareness of health inequities allows every employee to consider how their actions affect equitable outcomes, and it minimizes unintended, inequitable consequences.
- **Metrics.** The organization should establish clear targets related to health equity impact and regularly monitor and communicate progress. Equity-related metrics spur action on two levels: they motivate employees to focus on what they are being measured on, and they make leaders accountable. According to our benchmarking study, most biopharma companies currently track only basic metrics around clinical trial diversity, donations, and access. Ideally, metrics should focus on ultimate health outcomes, but the interconnected nature of health inequities makes developing such metrics very challenging. Companies with more advanced health equity programs are moving in this direction by measuring such factors as the total number of people reached by programs that provide disease testing and connection to care, and the total number of people reached through educational programs.
- **Partnerships.** Because of the many interconnected barriers, any given individual biopharma company will be unlikely to make a major impact on health equity without the help of other organizations. Yet many companies lack a strategy for how and when to establish partnerships to achieve health equity outcomes. The most successful companies will develop an ecosystem of partners to fill in capability and relationship gaps. They will also partner with local groups that have established trust within their community and understand its unique circumstances.

An Opportunity and a Responsibility

Achieving health equity is no easy task. And to effect real change, a biopharma company must be in it for the long haul. **Organizations** must avoid abandoning initiatives even if the disease state or therapeutic area focus shifts, because doing so will erode the trust that is essential for success.

Despite its immense challenges, health equity provides biopharma leaders with both an opportunity and a responsibility: an opportunity to help their organizations succeed in the future and a responsibility to address the health inequities that continue to harm marginalized and underserved communities.

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