

Why sustainability  
is now a top  
priority for  
healthcare leaders





LEADERSHIP TEAM



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# To fulfill their social missions, healthcare organizations are taking a closer look at social determinants of health and hiring practices

Nationwide, patients, staff and boards are all pushing health systems to address issues related to health equity, the environment and diversity, equity and inclusion (DEI). As a result, throughout healthcare, corporate and social responsibility has become a top priority.

During a Fall 2022 advisory call, sponsored by Bank of America, several leaders discussed their organizations' sustainability initiatives and shared best practices for success. Panelists were:

- **David Berger, M.D.**, CEO, University Hospital at Downstate — Downstate Health Sciences University
- **Emily Ledet**, Market Executive, Bank of America
- **David Lubarsky, M.D.**, CEO, UC Davis (California) Health
- **Beth Schenk, Ph.D., R.N.**, Executive Director of environmental stewardship, Providence in Seattle

For nonprofit health systems, the social aspect of ESG has always played a central role in their work. In recent years, social determinants of health (SDoH) have taken on even greater importance. To fulfill its social mission, University Hospital at Downstate is making a concerted effort to better understand the broad challenges, including SDoH, facing patients.

“We take our social mission very seriously and want to get ahead of social determinants of health for our patient population,” Dr. Berger said. “CMS and other organizations are trying to measure social determinants by looking at census tract data, and we expect them to tie reimbursement to SDoH. In central Brooklyn, however, census tract data isn't relevant to who comes to our hospital. If you are in our census tract and don't have issues with social determinants of health, you go to Manhattan for healthcare. If you have issues with social determinants of health, you come to us.”



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**David Berger, M.D.**  
CEO, University Hospital  
at Downstate — Downstate  
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In response to community needs, University Hospital at Downstate has implemented several innovative programs. In order to serve a large HIV population, the organization offers a clinic that addresses the social determinants of health related to HIV. In addition, the hospital runs a program for people recently released from incarceration which provides individuals with immediate medical appointments, housing and food.

These initiatives are important to both the community and the employees. “When I first got to UHD, I wanted to understand what people’s ‘why’ was specifically why they wanted to work here,” Dr. Berger said. “Overwhelmingly, the answer was about the community. In terms of the potential ROI of the institution, it’s not just dollars. It’s also changing the complexion of the community and addressing the social issues that people have.”

Employment in the local community is another important aspect of the social mission for healthcare organizations. UC Davis Health is working to ensure that frontline, managerial and supervisory staff reflect the communities that patients come from.

“Our goal is to hire a significant percentage of our workforce from the area’s ZIP codes with the lowest median income and the highest degree of unemployment,” Dr. Lubarsky said. “Although many of these people don’t attend four-year colleges, our job descriptions often listed a four-year college degree as a requirement. However, in many cases, work experience is just as valuable as a degree. We reviewed and changed every job description where job experience could substitute for a degree. We’re tracking outcomes related to elevating staff and we’ve seen improvements. We’re also giving employees the tutoring and support systems needed to achieve a high directorial-level position.”

University Hospital at Downstate has taken a similar approach. It has eliminated disqualifiers, such as previous incarceration, from many job descriptions. The organization has also built talent pipeline programs at local middle schools and high schools to foster student’s interest in healthcare careers.

“Investing in up-and-coming talent as they move through the education system is such an important conversation. With digital

transformation, many new jobs within healthcare, banking and other industries haven’t been identified. We must work strategically with colleges and universities to begin preparing students for the jobs of the future,” Ms. Ledet said.

Bank of America is working in 25 cities with local partners across industries, including healthcare, to identify key job openings and educate eighth graders about career opportunities in their communities.

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**Emily Ledet**  
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# Health systems are cleaning up their environmental act — and patients are paying attention

UC Davis Health weaves ESG into every decision it makes. “We are being pushed by our students, whether it’s White Coats for Black Lives or the climate change activists who organize a yearly symposium,” Dr. Lubarsky said. This work is paying off. Practice Greenhealth recently named UC Davis Health one of the top 25 sustainable hospitals in the United States and one of the top 10 in terms of climate change.

Early on, the organization took the UN Net Zero Pledge. All the buildings at UC Davis Health are being converted to LEED Gold at a minimum and many are striving for LEED Platinum, if they aren’t emergency facilities. A new hospital tower is under construction that incorporates the organization’s commitment to environmental and social action into the architecture. The artwork focuses on social inclusiveness and diversity, equity and inclusion, and healing gardens on each floor represent different cultures.

“We are committed to eliminating fossil fuels and our new buildings are incredibly energy efficient. Employees work tirelessly in our ORs to lower greenhouse gas emissions from anesthesia. We are eliminating desflurane, which is around 20 times worse than sevoflurane for greenhouse gases, and eliminating single-use items wrapped in plastic. We are also the only hospital in the United States with a James Beard award. Our executive chef insists on using sustainable catch fish for our meals, and 80 percent of our fresh produce comes from within 250 miles,” said Dr. Lubarsky.

University Hospital at Downstate is also taking action to optimize its environmental impact. Renovating its 50-year-old building isn’t a viable solution right now, but the organization is pursuing a portfolio of smaller initiatives, such as placing hydration stations throughout campus to eliminate plastic water bottles, working with the state so employees can use pretax money for mass transit and installing electric vehicle chargers across the campus.

“In addition, we are working with the city to reduce the number of parking spaces, while simultaneously increasing parking fees. By decreasing parking availability and making it more attractive for people to use mass transit, we hope to have a positive environmental impact,” Dr. Berger said.

While many people believe that ESG initiatives are costly, “It’s actually cheaper to do things the right way, once the systems are up and running,” Dr. Lubarsky said. “It’s also a great marketing move.” Since implementing its environmental initiatives, UC Davis Health has seen its Net Promoter Scores go through the roof. The organization now has the highest Net Promoter Score among the region’s health systems. “This wasn’t always the case,” Dr. Lubarsky said. “We think it’s because we’ve taken a social stance around things like climate change, landfills and single-use items.”

Providence has also found that environmental improvements don’t need to be costly. “Across our hospitals, we’ve saved around \$5 million a year on business travel. We anticipate saving around \$5 million on waste and another \$25 million by reducing our energy use by 20 percent. These changes quickly add up to tens, if not hundreds, of millions of dollars. Some require capital investment, but many don’t. They do, however, require people, smart planning and strategy,” Dr. Schenk said.

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**Emily Ledet**  
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“With environmentally conscious investments, there may not be a direct increase in cost, however, there is usually a resource need,” Ms. Ledet said. Throughout its business, Bank of America has added teammates focused on sustainability. These individuals help lead clients on their sustainability journeys. “Some health systems are already steeped in ESG, but others are just starting the conversation with their boards. We want to help clients approach the topic from a more holistic lens during those initial discussions,” said Ms. Ledet.



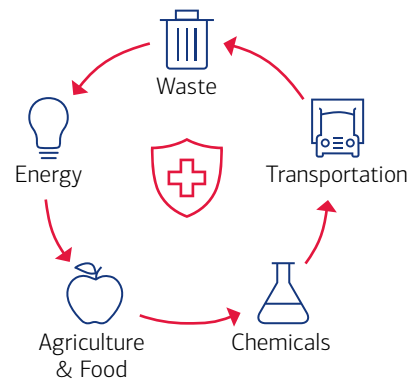
# Successful ESG initiatives depend on leadership and accountability — leaders must be open to new ideas and “walk the walk”

At Providence, leadership alignment and data-driven reporting have been the keys to its ESG initiatives. “We have linked our commitments to climate, health equity and mission fidelity to executive pay. It’s a three-year commitment that impacts executive compensation significantly and encourages leadership engagement,” Dr. Schenk said.

Goal setting is essential for accountability. Providence’s WE ACT scorecard focuses on five areas of mitigation: waste, energy, agriculture and food, chemicals and transportation. This serves as a data tracking tool for all the mitigation efforts that Providence has taken on. “Without this kind of data, you can’t track progress and justify investments,” Dr. Schenk said.

The WE ACT scorecard provides information about the use and cost of different resources, as well as the carbon footprint of Providence’s 52 hospitals. In the near future, the scorecard will be expanded to measure the carbon footprint of 110 of the system’s larger, non-acute clinic sites.

**WE ACT framework<sup>1</sup>**  
5 Areas of mitigation in 52 hospitals



One of the main pillars of UC Davis Health’s new clinical strategic plan is to be as transparent as possible about communicating progress relative to promoting and treating people in an equitable way. To support these goals, Dr. Lubarsky requires all members of the hospital and medical school leadership team to go through anti-racism and anti-implicit bias training. “Leaders need to walk the walk and not just talk the talk,” he said.

No one can serve on a search committee at UC Davis Health without completing implicit bias training, and anyone who has the power to evaluate students or residents must complete both implicit bias and anti-racism training. “Diversity, equity and inclusion are part of everything we do and this training really opened my eyes,” Dr. Lubarsky said.

Gender and transgender issues are also important elements of diversity, equity and inclusion that can’t be overlooked.

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**David Lubarsky, M.D.**  
CEO, UC Davis (California) Health

“We have worked hard at Downstate to address gender and transgender issues,” Dr. Berger said. “We held a workshop and it made me understand how important pronouns are for making staff and patients comfortable. As a leader, you have to continue to learn. That means learning about the social issues impacting your community and your employees. You have to be out there, demonstrating and mirroring what you want to be seen across the organization.”

## Conclusion

Healthcare leaders recognize that sustainability needs to be front and center in their strategic plans and business models. These plans must be living documents that evolve over time. “We celebrate if we make progress on our goals and if we don’t, we go back and consider what we need to do differently,” Dr. Lubarsky said.

“We manage and celebrate wins based on our strategic plan,” Dr. Berger agreed. “I don’t know how healthcare organizations can’t focus on these issues. Environmental and social issues impact the health of our communities, staff and patients. If healthcare organizations aren’t focusing on these topics, they are missing the mark.”

<sup>1</sup><https://blog.providence.org/blog-2/how-we-re-improving-our-energy-use>.



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