

# Measuring Health Inequalities: A Toolkit — Glossary of Terms

absolute inequality: The magnitude of difference observed between population subgroups.

**area-level analysis:** An analysis using socio-economic or socio-demographic information aggregated by geographic areas such as census tracts or dissemination areas.

**complex measure of inequality:** A measure of inequality that incorporates data from all population subgroups (e.g., inequality across all income groups); it is a single number indicating the level of inequality. Examples include potential rate reduction (PRR) and population impact number (PIN).

**composite index:** An area- or individual-level measure consisting of a number of socio-demographic variables that can be used to identify population subgroups with similar characteristics. Variables commonly used in composite indices include income, education and unemployment. Composite indices can be used as equity stratifiers to measure health inequalities.

**deprivation index:** A composite index that can identify population subgroups based on the level of deprivation using a number of variables (see *composite index*).

equity stratifier: A demographic, social, economic or geographic characteristic that can identify population subgroups for the purpose of measuring differences in health and health care that may be considered unfair and avoidable.

**health equity:** The absence of unfair and avoidable differences in health and health care access, quality or outcomes across the population. It is the ideal state in which all people are able to reach their full health potential and receive high-quality care that is fair and appropriate to them and their needs, no matter where they live, who they are or what they have.

**health indicator:** A measure designed to summarize information about a given priority topic in population health or health system performance. Health indicators can provide comparable and actionable information across different geographic, organizational or administrative boundaries and/or track progress over time.

**health inequality:** Any measured difference in health and health care access, quality or health outcomes between population subgroups. Health inequalities may be due to unavoidable biological and natural factors.

**health inequity:** A difference in health and health care access, quality or outcomes between population subgroups that is unfair and avoidable.



Canadian Institute for Health Information



#### **Glossary of Terms**

**intersectionality:** A concept recognizing that people occupy multiple social domains and identities (e.g., income, gender and racialized group), which contribute to their unique experiences of advantage and disadvantage.

**population impact number (PIN):** A complex measure of *absolute* inequality that captures the potential reduction in the number of cases or events for a health indicator that would occur in the hypothetical scenario that each population subgroup experienced the same rate as the subgroup with the most desirable rate. It captures the gradient of inequality across multiple categories, such as income quintiles.

**potential rate improvement (PRI):** A complex measure of *relative* inequality that captures the potential increase in a health indicator rate that would occur in the hypothetical scenario that each population subgroup experienced the same high rate as the subgroup with the most desirable rate. It is analogous to the potential rate reduction (PRR), but used in scenarios where higher indicator rates are desirable. It is also commonly known as the prevented fraction.

**potential rate reduction (PRR):** A complex measure of *relative* inequality that captures the potential reduction in a health indicator rate that would occur in the hypothetical scenario that each population subgroup experienced the same low rate as the subgroup with the most desirable rate. It is analogous to the potential rate improvement (PRI), but used in scenarios where lower indicator rates are desirable. It is also commonly known as the population-attributable fraction or population-attributable risk.

**rate difference (RD):** A simple measure of the *absolute* inequality between subgroups that is calculated by subtracting the rate of the reference group from the rate of the comparison group.

**rate ratio (RR):** A simple measure of the *relative* inequality between subgroups that is calculated by dividing the rate of the comparison group by the rate of the reference group.

**reference group:** The subgroup selected as the point of reference for comparing inequality between subgroups, often the subgroup with the most desirable rate or the majority subgroup (i.e., the group with the largest proportion of the population). Having a designated reference group facilitates standard comparisons.

relative inequality: The proportional or ratio-based difference observed between population subgroups.

**simple measures of inequality:** Measures of inequality that involve pairwise comparisons between 2 subgroups. Examples include rate ratio (RR) and rate difference (RD).

**stratification:** The process of disaggregating data by another variable (e.g., level of education) to create population subgroups. Equity stratification is used to measure health inequalities.

**wellness index:** A composite index that can identify population subgroups based on quality of life and well-being using a number of variables (see *composite index*).



### **Glossary of Terms**

## **Document history**

March 2022	Added a definition for wellness index, removed PRR and PIN figure and relocated composite indices table to Supplementary Resources document
March 2020	Added a definition of intersectionality and new composite indices
February 2019	Updated definitions related to calculating summary measures of inequality
October 2018	Initial document release

## Talk to us

populationhealth@cihi.ca

© 2022 Canadian Institute for Health Information

How to cite this document:

Canadian Institute for Health Information. *Measuring Health Inequalities: A Toolkit — Glossary of Terms*. Ottawa, ON: CIHI; 2022.