

# **Condition Critical: Ten Prescriptions for Reforming Health Care Quality, Cost and Coverage**

Wilma Schopp and Paul Dennett

January 12, 2009



## **Overview**

- Development of Reform Proposals
- Core Concepts for Reforming Health Care
- Key Recommendations
- Perspectives from Rick Lord and Janet Boyd
- Discussion and Questions



## Background

- Initiated our process in January 2008
- **Objective:** Develop a comprehensive, constructive statement on health reform for consideration by Congress and the incoming Administration in 2009
- Recommendations overwhelmingly approved by the Council's Board of Directors at its fall 2008 meeting



## Background

- We agreed that our product needed to be more than a statement of broad principles
- We decided to make clear, concrete, practical recommendations, consistent with the Council's work on other health and pension issues
- We sought to be relevant regardless of election outcomes, not a political document



## Core Concepts from Our Report

- All Americans should have health coverage
- Build on the strengths of the employer-based system, not undermine or destabilize it
- Use a federal approach to reform, not state-by-state, so multi-state employers are subject to a single set of rules
- Costs must be made more sustainable and quality improved



## Highlights of Recommendations



## Ten Prescriptions for Reform

1. Build on What Works
2. Maintain a Federal Framework
3. Improve Quality and Efficiency of Health Care
4. Provide Clear, Reliable Information to Make Better Health Care Decisions
5. Make Health Coverage an Individual Obligation for All Americans



## Ten Prescriptions for Reform

6. Establish a Minimum Standard for Quality, Affordable Health Coverage
7. Reform the Individual Insurance Marketplace
8. Strengthen State Safety-Net Programs
9. Improve Tax Policy to Make Coverage More Affordable and Accessible
10. Develop Retiree Health Solutions



## Cost and Quality Reforms: Key Recommendations

- Prescriptions 3 and 4
- Adopt national, interoperable health IT network
- Transform payment for health care from procedure-based to value-based systems
- Enhance comparative effective research on medical treatment options and services



## Coverage Reforms: Key Recommendations

- Prescriptions 5, 6, and 7
- Individual coverage obligation, with premium assistance based on income
- Individual insurance reform to assure availability of basic benefit products in all states



## Tax Policy: Key Recommendations

- Prescriptions 9 and 10
- For those without access to employer coverage, extend favorable tax treatment to individual insurance coverage
- Permit pre-tax payment of retiree health premiums from 401(k) or defined benefit pension plan funds



## Final Thoughts

- Most important prescription for health reform: the willingness of all major stakeholders to work collaboratively
- Council is committed to helping to forge consensus and finding shared, sensible solutions
- If we take this approach, this time health reform can succeed

