

Families USA's Center for Affordable Whole Person Care Policy Agenda

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Health is foundational and the goal of every family. Health allows every person in our nation to live their full potential and contribute to society.

To that end, every person in the United States should have high quality, affordable health care that prevents illness, allows them to see a doctor when needed and helps keep their families healthy. People should never have to choose between going to the doctor and putting food on the table, regardless of their color, their gender, where they live, or where they were born. Yet, <u>nearly half of all Americans have reported</u> having to forgo medical care due to the cost, and a third have indicated that the cost of medical care interferes with their ability to secure basic needs like food and housing.

Families USA has been on the leading edge of the consumer-driven health care movement, taking on the biggest distortions in the health care system that work against the interests of families and individuals by promoting unaffordable, low-quality care at the expense of peoples' health. Recent successes include our leadership in passing and implementing the national ban on surprise medical bills and the passage of landmark legislation authorizing Medicare to negotiate prescription drug prices.

Building on this momentum, the launch of Families USA's new *Center for Affordable Whole Person Care* marks a pivotal moment in the health care value movement: an unequivocal declaration that a just system of health care is contingent on redesigning economic incentives to serve the interests of people. This underlies our commitment to holding the health care industry accountable for delivering affordable, equitable, high-quality health care and health that all people living in our nation deserve.

Our work through the Center will focus on three overarching principles:

- 1. State and federal policies should reform the economic incentives of the health care system so that the health care sector will only economically thrive when it is providing affordable, high quality health care to our nation's families. The Center's policy agenda will work systematically to redesign American health care financing and delivery to ensure that U.S. health resources are utilized as effectively as possible to protect and improve the health of all in our nation. Seeking health must not threaten families' economic security.
- 2. A powerful, unified national consumer-led movement is essential to ensuring policymakers enact meaningful policy changes. We are leading a diverse set of partners in a dynamic and growing movement that builds the political will to end pricing abuses and shift health care payment towards advanced alternative payment approaches. Our health care system must be accountable for addressing the social drivers of health, advancing health equity, protecting and improving people's health, and ensuring care is affordable for all families. No one should have worse care, or worse health, because of the color of their skin or where they live.
- **3.** Health care payment and delivery must be reoriented to deliver whole person health. We are integrating a public health framework into health care payment and delivery policies and programs that both understands and provides the resources needed to address the effects of the social determinants of health on health outcomes and costs. This work will reorient the system to the needs of patients and families holistically so that health outcomes significantly improve, and use our resources more wisely and in an economically sustainable manner.

Policy Agenda

A tremendous amount of work needs to be done on both the state and federal level, and over the short and long term, to fix the broken incentives in the health care system that are driving the nation's health care affordability and quality crises:

Short-Term Policy Solutions: Policymakers should immediately end the health sector's pricing abuses and introducing real competition by reining in consolidation and monopolistic behavior in the health care industry. Government policy and laws have created many of these fundamental distortions and must be fixed the same way. Policymakers also should ensure there is a great deal more transparency around both the cost of care and health care outcomes, including for marginalized populations and communities. Policy targets include:

- >> Robust implementation of the No Surprises Act.
- >> Robust implementation of the full potential of Medicare's new authority to negotiate prescription drug prices and adding new drugs to the list.
- >>> Cracking down on anti-competitive behaviors like "gag" "all-or-nothing" "anti-steering" or "anti-tiering" clauses.
- >> Expansion of site-neutral payments to correct long-standing distortions in financial incentives for physician and outpatient services.
- >> Establish a national all-payer claims database and advance other efforts to ensure data are available to fully understand health care costs and outcomes.
- >> Strong implementation of the Hospital Price Transparency and the Transparency in Coverage Regulations that require hospitals and plans to unveil health care prices for the first time.
- increase the number of states that operate health care cost and affordability boards, and that codify hospital price transparency regulations into law.
- >>> Leverage insurance rate regulation to intervene on irrational health care prices.

Medium to Long-Term Policy Solutions: Policymakers should reimagine and redesign the economic incentives and organizational structure of the health care sector to align with consumers and families. Ultimately, health care payment and delivery should have the goal that we all share — improved health for our families and ourselves that is affordable and economically sustainable. Policy targets include:

- >> Shifting away from fee-for-service payment towards prospective, ongoing, capitated payment arrangement through alternative payment models.
- >> Increasing the number of states operating global hospital budgets and all-payer rate setting models, such as those in Maryland, Pennsylvania and Vermont.
- >> Establishing advanced alternative payment methodologies as the core reimbursement structure under the Medicare program.
- >> Increasing oversight and enforcement over mergers and acquisitions.
- >> Developing new community-based entities, like Coordinated Care Organizations in Oregon, to establish health care targets and redistribute health care dollars into community-identified needs, with cost and quality targets.
- >> Ensuring that health equity is integrated into quality measurements and performance-based payments and incentivizing providers for reducing disparities in health outcomes.