

SUMMARY OF RECOMMENDATIONS

Building a Better Health Care System: Specifications for Reform

**National Coalition on Health Care
July, 2004**

These recommendations were developed, in a year of study and deliberations, by the members of the non-partisan National Coalition on Health Care. The Coalition is the largest and broadest alliance of organizations working for comprehensive health care reform. Its members include nearly one hundred of America's biggest companies, unions, health care providers, associations of religious congregations, pension and health funds, insurers, and groups representing patients and consumers.

The Coalition's new report, Building a Better Health Care System: Specifications for Reform, describes in detail three major and interrelated problems that together create an urgent need for reform:

- rapidly escalating costs
- a huge and growing number of Americans without any health coverage
- an epidemic of sub-standard care

On behalf of the 150 million Americans that its members collectively represent, the Coalition calls for ambitious, systemic, and system-wide reform to secure affordable, high-quality health care for all Americans. Its specifications for reform include targets, criteria, and options for reform meant to accelerate and frame a renewed national debate about the future of the health care system and to embolden political leaders to act.

The Coalition's specifications advance five principles:

1. Health Care Coverage for All

- to be achieved within two to three years after the passage of legislation
- defined core benefit package
- employers and individuals able to purchase supplemental coverage beyond core package
- options for insuring all Americans include
 - employer mandates (supplemented with individual mandates as necessary)

- expansion of existing public programs that cover subsets of the uninsured
- creation of new programs targeted at subsets of the uninsured
- establishment of a universal publicly financed program
- mandatory participation
- subsidies for less affluent

2. Cost Management

- within five years, bring increases in the costs and premiums associated with the core benefit package into alignment with increases in per capita gross domestic product
- increase the value for patients that is generated by any given level of health care spending
- measures include:
 - providing more and better information for patients, providers, and purchasers
 - improving quality and outcomes of care and reducing amount of unnecessary and injurious care
 - building national information technology infrastructure for health care
 - modernizing and simplifying administration
- urgent need for cost relief requires short-term constraints:
 - rates for reimbursing providers for care encompassed by core benefit package and
 - only after those rates take effect, limits on increases in insurance premiums for coverage defined by that package
- to facilitate comparisons, insurers required to set premiums separately for core benefit package and supplemental coverage

3. Improvement of Health Care Quality and Safety

- accelerated development of an integrated national information technology infrastructure for health care, including:
 - protocols for electronic patient records, prescription ordering, and billing
 - standards to protect privacy
 - mechanisms to incentivize and provide capital for the upfront investments necessary to build the infrastructure

- measures of process and outcomes quality to improve accountability and help payers and patients make better choices
- independent national board, with members drawn equally from public and private sectors, to coordinate public and private efforts to improve quality of care
- board also responsible for coordinating development of national practice guidelines
 - guidelines to be based on reviews, by panels of leading health care professionals, of research on impacts of technologies and procedures
 - guidelines could be cited in malpractice cases as evidence of best medical practice
- board to update core benefit package to reflect changes in practice guidelines

4. Equitable Financing

- measures to reduce or eliminate cost-shifting across categories of insurance programs and payers
- mechanisms or sources that could be used, individually or in combination, to fund program costs include:
 - general revenues
 - earmarked taxes and/or fees
 - contributions required from employers
 - contributions required from individuals and families
- financial obligations to be adjusted, or subsidies provided, based on relative ability to pay for less affluent individuals, families, and employers

5. Simplified Administration

- assurance of coverage for all Americans and establishment of core benefit package to create consistent set of ground rules and reduce variations that now draw time and resources away from protection and advancement of health
- creation of an integrated national information technology infrastructure – including electronic patient records, prescription ordering, and billing – to reduce administrative complexity, costs, and medical errors
- national practice guidelines to reduce variability of care and billing and improve quality of care