

Bipartisan Rx for America's Health Care

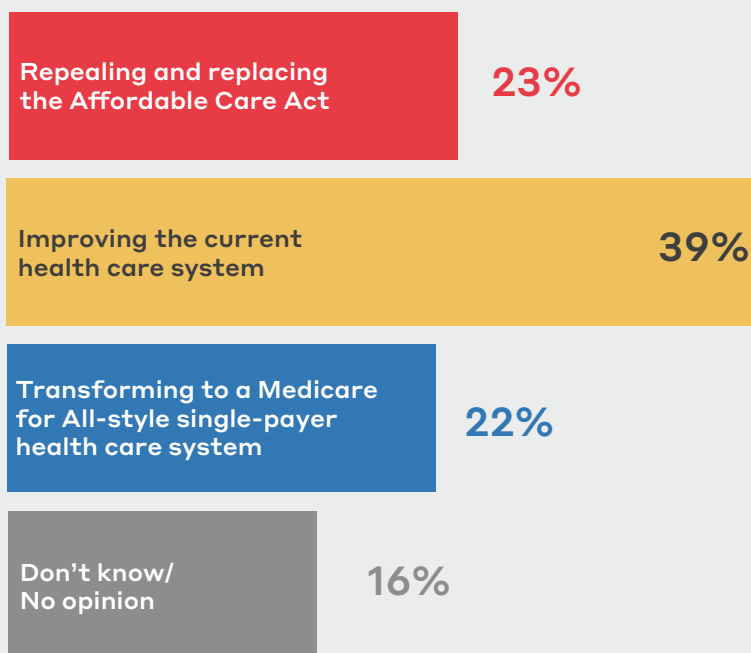
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Amid polarizing debates to repeal and replace the Affordable Care Act or convert to "Medicare for All," a BPC poll shows voters prefer building on the current health care system. BPC's Future of Health Care leaders' new report, *Bipartisan Rx for America's Health Care*, offers a practical path to reform that is designed to decrease costs, expand access, and improve quality.

What Voters Want

Currently, the presidential candidates are debating many plans to reform the U.S. health care system. **When asked which health care reform plan they wanted, voters chose improving the current system.**



Challenges



POLITICAL POLARIZATION

Neither "Repeal and Replace" nor Medicare for All is a realistic option. Bipartisan solutions are needed.



HIGH PRICES

High prices and surprise medical bills across the system limit access to consumer care. The result? Sicker people, job-lock, bankruptcy, increasing federal deficit.



OUTDATED REGULATIONS

Care delivery models and technology have evolved but regulations have not, limiting the move to value-based care.



LACK OF COMPETITION

Lack of competition drives up costs in the drug industry, and in some hospital markets when mergers increase prices.

Costs on the Rise



CONSUMERS

- The average monthly Marketplace benchmark premium is \$462, but in some states, it is much higher; \$881 in Wyoming and \$752 in Iowa.
- In 2017, 18% of ER visits and 16% of in-network hospital stays included at least one out-of-network charge.



EMPLOYERS AND EMPLOYEES

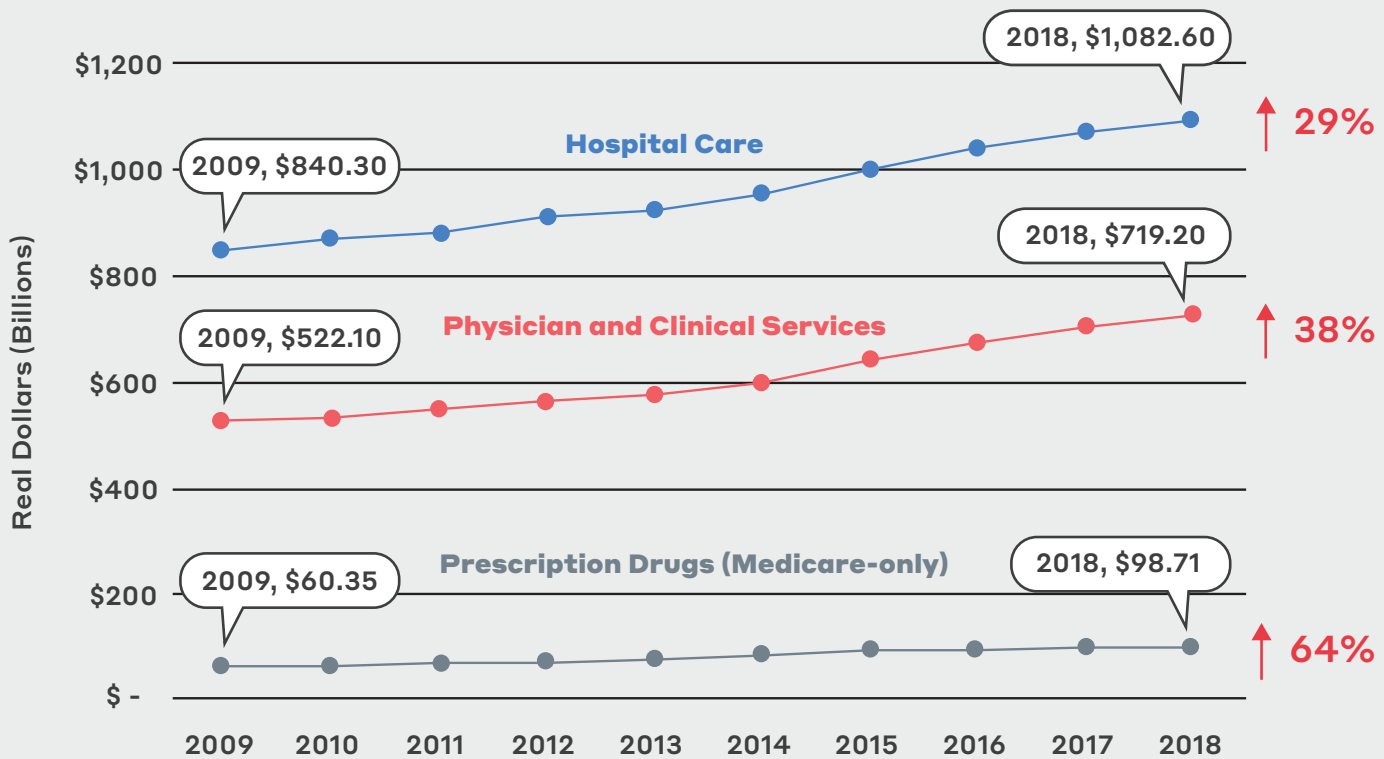
- Over the last 15 years, employee out-of-pocket costs rose by 58% while wages only increased by 27%.
- The average individual deductible for employer-sponsored insurance more than tripled from 2009 (\$533) to 2019 (\$1,655).



GOVERNMENT

- Major federal health care programs are expected to consume 32.5% of the federal budget by 2049.
- Federal spending for those with the highest prescription drug costs was 42% of Part D spending in 2019 (\$43 billion).

National Health Expenditures Increased Across Multiple Health Care Sectors from 2009-2018



Source: Calculations of Historical National Health Expenditures from Centers for Medicare and Medicaid Services.

Year

A Practical Path to Reform

Report Highlights:

TO LOWER COSTS FOR CONSUMERS, EMPLOYERS AND EMPLOYEES, AND GOVERNMENT:

- Limit hospital charges in markets when mergers increase prices.
- Promote generic drugs to increase competition in the prescription market.
- End surprise medical bills by limiting charges from out-of-network providers at in-network facilities.
- Establish a reinsurance program for individual insurance in Marketplaces.
- Restore cost-sharing reduction payments to stabilize premiums.
- Lower costs by increasing financial responsibility of drug companies and Part D plans.

TO IMPROVE ACCESS TO COVERAGE:

- Expand subsidies more in the middle class to make individual insurance more affordable.
- Auto-enroll subsidy-eligible individuals in Marketplace plans.
- Allow states to keep adults in Medicaid regardless of mid-year income fluctuations or paperwork delays.

TO ACCELERATE THE MOVE TO VALUE-BASED CARE:

- Promote collection of price and quality information through all-payer claims databases.
- Promote value-based care in Medicare & Medicaid by modernizing the Stark Law and Anti-Kickback Statute.