



# **Business Roundtable**

## **Commitment to Health Care Reform**

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**American Medical Association  
National Advocacy Conference Agenda**

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Business Roundtable™

# About Business Roundtable

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- Unites top CEOs, amplifying their diverse business perspectives.
- Poses solutions to some of the world's most difficult challenges, including health care.
- Innovates and advocates to help expand economic opportunity for all Americans:
  - Global insights
  - Policy know-how
- Member companies represent nearly 10 million employees and provide health care for 35 million Americans.
  - 1/4 of all group participants in the U.S.

# BRT Health Care Policy Initiative

- Led by Ivan Seidenberg, CEO of Verizon
- CEO-driven effort to improve the delivery of health care services and to ensure coverage for all Americans
- Engaged in several efforts:

National Coalition on **BENEFITS**

PARTNERSHIP FOR value-driven | **HealthCare**

**THE LEAPFROGGROUP**  
Informing Choices. Rewarding Excellence.  
Getting Health Care Right.

- *We purchase coverage*
- *We understand the issues*
- *We will engage in finding bipartisan solutions in health care reform*

# Divided WeFail

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- Key partnership with AARP, SEIU and NFIB.
- Goal was to change the political dynamic on health care and financial security.
- Partnership considered a *great success* by CEOs of Business Roundtable with more to follow.

# Need for Reform

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- Health care costs were the #1 cost pressure facing Business Roundtable member companies – still in the top tier.
- Rising health care costs affect all individuals, employers and the government.
- Health care spending has had a double-digit increase, but quality has remained the same.



# The BRT Reform Plan

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- The Initiative has proposed a specific plan on how to achieve much needed health care reform. The proposal contains **four specific pillars**:

- Creating greater consumer value in the healthcare marketplace;
- Providing more affordable health insurance options for all Americans;
- Placing an obligation on all Americans to have health insurance coverage; and
- Subsidizing health coverage for those Americans who cannot afford it.



# Creating Greater Consumer Value

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- High quality providers but the system isn't functioning
- High expectations for value but built on a dysfunctional system that:
  - Pays for tasks
  - Is built on paper transactions
  - Doesn't reward quality or performance
  - Has a medical liability crisis
- Committed to long-term cost savings in our system – not at the expense of quality in our doctors and hospitals.

# Creating Greater Consumer Value

## Reward Value

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- Business Roundtable supports changing the Medicare payment system (incrementally) to promote reimbursement based on performance
  - Cannot happen overnight
  - Regional quality benchmarking efforts can help
  - Reduce variation in services offered that may be result of liability concerns, lack of information, or coverage differences.

# Creating Greater Consumer Value

## Create Efficiencies

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- Support uniform, interoperable health information systems to improve system efficiencies
  - Incentives are important to promote adoption
  - Administration savings first
  - Reduce duplication of services and errors
- Providing consumers with information about cost and quality can improve their relationship with their doctor

# Creating Greater Consumer Value

## Medical Liability Reform

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- CEOs committed to this issue
- Driving unnecessary costs in our system and increasingly an access issue
- We support:
  - Finding alternative ways to resolve real claims
  - Creating a rebuttable presumption if a physician followed a quality/care standard

# Affordable Insurance Options for All

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- We support maintaining the employer-sponsored health care system that currently covers 132 million Americans – it is voluntary, and it is working.
- Most large employers provide coverage and offer a mix of “insured” and “self-insured” products.
- We have a plan to end segmentation and make the “insurance” market better for employers, employees and individuals.
- We support a blend between existing insurance rules and creating one insured marketplace that offers choices in the individual and group market.

# Place an Obligation on All Americans

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- Impose an obligation to obtain health insurance coverage that, at a minimum, offers catastrophic benefits
  - For those who can't afford it, provide a subsidy
  - Educate those eligible for public programs, such as the State Children's Health Insurance program.
- Encourage all to participate in employer and community-based prevention and chronic care and wellness programs.
  - Everyone has an obligation to take care of themselves to stay healthy.

# Assistance to Low-Income, Uninsured Families

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- **We support assistance, either credits or subsidies, for those low-income individuals who do not qualify for Medicaid or SCHIP.**
- **We prefer using the savings gained from implementing efficiencies to finance this support:**
  - HIT can save billions of dollars.
    - \$77 billion per year from efficiency alone/\$165 billion per year with full implementation.
    - E-prescribing did provide savings for Medicare/\$2.1 billion in Medicare over 10 years in last Medicare bill.
  - Medicare payment reforms/CBO scored savings of \$2.9 to \$5.3 billion over 10 years depending on approach.

# Cautionary Issues

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- Defining a “one-size fits all” benefit package. Will be too much, too rigorous and too expensive.
- Setting government prices or making the private market compete with government plans.
- Safety net for low-income individuals and families (prefer in the private marketplace).
- Buy-in to public programs.

**We must do more – with less.**

# Principles for Guiding Health Care Reform

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- Be part of the solution to reduce costs and provide access to coverage for all Americans.
- Solutions should build upon our existing health care platform:
  - No disruption in the current business model without appropriate transition.
- Work with our Divided We Fail partners and others on how to get more Americans access to affordable coverage and improve value for all.
- Support government efforts that are a critical safety net for the elderly, disabled and poor.