



AMA's Vision For Health System Reform

Health Care Coverage for All

Covering the uninsured is a top priority of the AMA. The AMA proposal to expand health insurance coverage and choice addresses the needs of all patients, regardless of income, and builds on the current employer-based system to promote individual choice and ownership of health insurance coverage.

Establishing a health insurance exchange to increase choice, facilitate plan comparisons and streamline enrollment will assist individuals in choosing coverage that best meets their needs.

There is a need to make health insurance markets work better and improvements could be made through the use of modified community rating, guaranteed renewability and less benefit mandates.

Insured individuals should be protected from losing coverage or from being singled out for premium increases due to changes in health status, and they should be able to change plans with limited underwriting.

Health insurance coverage for high-risk patients should be subsidized through direct means such as high-risk pools, reinsurance and risk-adjustment. Premium subsidies should also be established for low-income individuals who need financial assistance in order to afford private health coverage.

The regressive employee tax exclusion for employer-sponsored health insurance should be eliminated or capped so that subsidies can be provided to those who need financial assistance in order to afford coverage.

Improving Quality

System reforms must empower physicians to improve health care quality and effectively use finite resources.

Broad adoption of truly connected and interoperable health information technology systems and tools will improve patient safety, advance care coordination, and increase administrative efficiency. Cost, training, and technical support present significant barriers to adoption, particularly for small physician practices, and those problems need to be addressed.

Comparative effectiveness research, health information technology, and quality measurement programs should provide physicians with information they can use for health care decision-making at the point of care.

Quality measurement programs that are simply designed to identify and penalize physicians and other providers whose results are below the top level of performance will not yield the system-wide improvements needed to assure access to high-quality health care for all.

Health care quality data and measures are needed to assess health care disparities. Quality improvement incentive programs must be carefully designed (e.g., risk-adjusted) to avoid unintentional adverse consequences for patients based on age, severity of illness, diagnosis, or economic and cultural characteristics.

Wellness and Prevention

Insurance benefit designs should be aligned with current evidence on disease prevention.

Public investments are needed in education, community projects and other initiatives that promote healthy lifestyles.

Efforts to encourage patient adoption of healthy lifestyles should be coordinated among physicians, other health care providers, employers, unions and government agencies.

Government Insurance Programs Reforms

The safety net provided by public health care programs such as Medicare, Medicaid, SCHIP, and TRICARE must be maintained and strengthened. The AMA supports expansions of Medicaid eligibility to include all individuals with incomes below the federal poverty level.

Access to coverage does not guarantee access to health care services. Payment systems for physicians and other health care providers must be stable and adequate to preserve access to care.

In particular, the current Medicare physician payment system that produces steep annual payment reductions that require repeated Congressional intervention needs immediate reform so that annual adjustments in payments keep pace with rising practice costs.

Financing mechanisms for new health care delivery models in public programs should reflect anticipated cost savings in all provider categories. For example, proposals to increase payments for primary care services should be financed by savings that will accrue through reduced emergency department visits and hospitalizations, rather than through across-the-board payment reductions in other physician services.

Public sector premium contributions should be permitted to support private coverage and promote individual ownership of the health insurance that best meets the needs of patients.

Health Care Delivery Reforms

The AMA supports implementation of value-based payment methodologies that improve care coordination and the management of costly chronic diseases.

Innovative approaches creating joint incentives for providers to coordinate and improve care and achieve cost efficiencies hold promise and should be explored.

Current regulatory restrictions and antitrust laws that inhibit physicians from pursuing clinical integration strategies aimed at quality improvement and care coordination should be identified and remedied.

Public and private programs must invest resources in promoting primary care and assuring an adequate primary care workforce to meet national needs.

Reducing Costs and Increasing Value

Support for clinical comparative effectiveness research is an important first step toward determining value and improving clinical decision making.

Administrative burdens in both public and private health care programs divert resources from patient care and must be reduced.

Providing patients with transparent, balanced information about their health care choices will significantly strengthen the health care market. Physician-specific data on quality and cost that preserves access to care and provides accurate physician performance assessments can improve value. Similarly, insurers should provide information about their policies and costs to empower patients, employers and other purchasers and consumer to make more informed decisions about plan choice.

The current medical liability litigation system is costly and does not fairly or effectively compensate patients. While liability reforms based on California's Medical Injury Compensation Reform Act have been proven effective, other innovative solutions should be explored and pursued such as health courts, early disclosure and compensation programs, and models that provide administrative determination of compensation.