

OAHHS Health Reform Principles

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Oregon's health care system needs reform. There are too many people either uninsured or underinsured. These people often lack the financial resources to access care through primary care settings and they often end up in emergency rooms, well after they could have been treated effectively in other settings. Hospitals see the devastating effects of these delays every day. We see patients who lacked prenatal care and the impact that has on their babies. We see people who did not know they had cancer and delayed seeing a health provider until it was too late to treat them. We see people who do not have someone to explain to them common prevention and chronic disease management strategies that could have improved their quality of life dramatically. The human suffering that results from this dysfunctional system cannot be overstated.

The system's financing structure is misaligned. There are perverse incentives to provide expensive care to compensate for chronically under-funded, publicly financed patients. Costs are shifted to those with insurance, driving up health care premiums for everyone.

Oregon Association of Hospitals and Health Systems believes the following principles should be included in any health care reform proposal:

Commitment and Sustainability

1. There must be a commitment to any new system that provide adequate overall financing and long-term sustainability

Access and Coverage

2. The plan must achieve universal access for all.
3. It must be designed with a basic benefits package developed through a public process that includes:
 - a. Portability which is not tied to a specific employer or payer
 - b. Individual cost-sharing based on ability to pay
 - c. Regulated insurance with risk and community adjustments
 - d. An option to allow individuals and employers the ability to buy up additional coverage
 - e. A focus on preventive and primary care that utilizes the medical home concept
 - f. Adequate coverage for behavioral health
4. All individuals must obtain and participate in basic coverage.

Costs and Financing

5. Individuals, employers and governments must share in the costs of the system.
6. Individuals, providers and insurers have a shared responsibility for containing costs and helping increased costs to be predictable over time.
 - a. It is important to realize that any reform model may require an initial investment and result in increased costs at the outset
7. The system must be aligned for all payers, including Medicare and Medicaid to adequately reimburse providers so that providers eliminate cost-shifting.
8. Incentives should encourage consumer choices toward personal wellness.
9. Medicare reform must be a part of any fundamental reform package.

Transparency and Quality

10. Consumers should have easy access to information about cost, quality and standards of care from providers and insurers.
11. Providers and insurers must establish and review quality measures, clinical outcomes and cost-containment efforts. Accountability process must be designed to ensure long-term commitment to these principles.