

Modernizing Health Care: What it Will Take



UnitedHealth Group®

UnitedHealth Group is a Leading American Health Care Company

We cover the landscape when it comes to coordinating, financing and managing health care for over 70 million Americans. We provide the full breadth of health and ancillary benefits, care management, prescription services, and health IT for all health care consumers: patients, employers, Medicare and Medicaid members, and state and local governments.

The Nation's Health Care Challenge

As one of the largest and most diverse participants in the health care system, UnitedHealth Group knows first-hand the significant challenges our nation faces in improving access to quality care while managing rapidly growing health care costs. High costs are putting care out of reach for millions of families and individuals in America. Businesses and governments are in crisis, as health care costs grow and financing shrinks.

Success Requires a Practical and Sustainable Approach

We applaud the nation's leaders for making health care modernization an immediate priority. UnitedHealth Group stands ready to contribute thoughtful ideas and practical experience, rooted in the core belief that change must be comprehensive. It must bring together public and private efforts to modernize across the full spectrum of health benefit coverage, care delivery systems, and consumer responsibility. In some instances, we will be required to commit greater public resources to ensure high-quality and affordable care is available to individuals and families. We can meet this national challenge. Here's how:

- **Building Upon the Foundation of Employer-based Health Coverage.** About 160 million Americans currently receive health coverage through their employer, and a strong majority of Americans with health benefits are happy with their personal care and coverage. For health care reform to succeed, it is essential that Americans can continue to choose to keep their employer-based coverage. But they, and we, believe there is ample opportunity to make care more affordable.

UnitedHealth Group supports new tax incentives and subsidies that would allow small businesses to offer basic, essential health benefits to all of their employees. We support policies that give employers the financial incentive and flexibility to extend and improve upon prevention, wellness and disease management programs that help keep more workers healthy and productive while driving down health care costs for everyone.

- **Optimizing Public Resources.** Today, millions of individuals and families rely on government health programs or have no access to insurance at all. With strong public-private partnerships, companies like UnitedHealth Group and federal and state government agencies can work together to stretch public dollars in a fiscally responsible way to ensure more people have access to quality coverage and care.

This can be achieved through targeted expansions of programs like Medicaid to the most disadvantaged citizens; strengthened outreach and enrollment for Medicaid and CHIP; development of meaningful subsidies shared by employers and government for the purchasing of coverage; and additional public funding for specially designed and managed high-risk coverage pools so those with high-cost and chronic medical conditions can get the affordable, quality coverage and care they need.

- **Employing Progressive Approaches to Health Care Benefits.** The purpose of health insurance has always been to provide protection from unexpected medical costs and make the costs of routine medical care more predictable and manageable. Modern, innovative health benefits also help guide people to the best medical care and provide education, information and services that reward changes in behavior to improve health. This kind of insurance coverage has been out of reach for many people, including those in poor health or with prior illnesses, those with changing life circumstances, young adults in transition who don't think to access the system until they're sick, or others who find the health system simply too costly and too complicated to navigate. A broader and more flexible array of modern, progressive benefits would help expand access to affordable health insurance options to a broader share of the population, while preserving current benefit choices and helping more people get the essential health care services they need in a simpler, more efficient and cost-effective way.

We support policies that increase access to insurance and reduce premiums for individuals and families with pre-existing health problems — when paired with policies that require broad participation in insurance with well-managed, modern benefits and risk-sharing mechanisms. These reforms should include, for example, tax equity for individuals who could use the extra resources to purchase insurance, creating, in effect, the same purchasing power as those who buy insurance through their employers. Finally, we also support policies that make it easier, clearer, and faster for patients and providers to interact with benefit companies on administrative matters.

- **Modernizing the Way Care is Delivered to Improve Affordability and Quality.** We all want a system that strives for excellence across the board, with continued incentives to find effective new therapies and cures, and further medical progress. A high-quality, affordable system can be efficient and not wasteful. We believe in the critical interdependence of containing costs as we expand access to care. At the same time, it is crucial to improve and ensure greater productivity for the delivery system — that the delivery of care works better and costs less — in order for expanded coverage to be sustainable over the long term.

We support changing the way the system pays providers for care, so that it rewards efficiency and quality rather than volume and intensity of services provided. We support addressing costs and quality at the end of life through education about care options and expanding the use of alternative settings, like hospice. It means giving providers the financial incentives to better coordinate care to provide better quality, preventing catastrophic illness and the accompanying costs, like unnecessary hospital readmissions. We believe that improving the delivery system requires encouraging facilities and providers to extend the hours care is available. It also requires increasing the ranks of primary care providers (including nurses and nurse practitioners) and supporting reimbursements for their services, which are central to delivering better coordinated, higher quality and earlier preventive care for patients. We also support policies that provide better access to dental and behavioral care, as well as those that begin to close the gap on health disparities.

- **Modernizing Medicare.** Medicare needs to be modernized, which will drive change in the rest of the delivery system. Medicare cannot be left out of a comprehensive modernization effort. Medicare is a crucial source of security for the nation's seniors and an important component of a more affordable system for delivering care. Improvements to Medicare can increase the value of care provided to senior Americans and encourage more coordination of services for people with multiple chronic conditions.

New Medicare policies must include benefit modernization and payment reforms that provide incentives for efficiency and quality. And we encourage the increased use of Medicare demonstrations and pilot programs to test workable models. At the same time, reforms must preserve the benefits, services and choices the program currently provides, while modernizing the way care is delivered and compensated to help preserve seniors' health and reduce costs.

- **Making Technology an Enabling Force For Better Health Care.** We support improving health IT so information about best practices and the comparative effectiveness of treatments can be shared in a useful and timely manner with clinicians, facilities and patients, reducing errors and ensuring efficient use of medical resources. We support transparency in health care performance so consumers can know where quality health care services are available and what they cost. And we support a nationwide effort to achieve interoperability of electronic health information.