

EMPLOYER GROUP MARKET

How do we encourage innovation and contain costs?



The Democrat policies that have reigned for the last 20+ years, have stifled and controlled innovation, and dramatically driven up unnecessary costs. The Democrat policy platform assumes there is a "money tree" in the commercial market and they drive the narrative that greedy corporations are amassing huge profits at the expense of care, this is simply not true. Their policies of mandating benefits and demanding no cost to consumers in many areas, is driving the cost of care ever higher. As Health Plans have more and more of the cost burden mandated upon them, they need to find a way to manage this burden and stay profitable. If Health Plans all went bankrupt, is that really a good scenario for Americans? In order to stay in business the Health Plans create benefit plans with ever higher cost shift to premiums, co-pays, co-insurance, deductibles, and the like both inefficient, confusing, and extremely expensive. Commercial plans and networks should be the most comprehensive and the cheapest. So why is this upside-down? Bad policy and mismanagement is the answer.

The Health Care Liberty Plan will do the following:

- Dramatically reduce and eliminate required data requests and reports that provide no benefit to the consumer, but are very expensive to manage and maintain in personnel and hardware costs.
- Eliminate government overreach into Business Operations.
- Clarify Federal level enforcement, and get back to focussing on eliminating fraud, waste, and abuse; instead of government creating it. Heavy-handed fines with no reasonable margin to measure overall health plan performance is not providing any benefit to the people.

- Clearly and carefully define “Essential Health Benefits”
- Clearly and carefully define “medical necessity” and then provide complete coverage for members when medical necessity is met. The current system does not allow for complete financial coverage of procedures when this is the case, and that can cause massive financial burden on people. This should be limited to care that if it is not received it has a detrimental medical effect to the physical life of the individual, such as: without it they will die, without it they will lose a kidney, etc. The current administration twists the definition of “without it they will die” to include all transgender surgeries and care because “without it they might kill themselves.” This is clearly not the intent of “medical necessity” and is an example of the problem with attorneys and bureaucrats controlling the medical definitions and standards.
- Allow plans and Employer groups to decide added benefit and cost ratio for additional employee coverage—let competition and the free market drive priorities.
- Health Plans have and continue to create business efficiencies and cost reducing innovations—government should support this not stifle it. This creates cost reducing innovations in the industry.
- Encourage simple benefit designs that provide broad cost coverage for members, and are easy and efficient to administrate. The unnecessary complexity of the current system leads to extreme difficulty in processing benefits and claims clearly and efficiently. It also leads to confusion, delays, grievances and appeals. All of those functions drive up costs, and with government meddling have reached a very unreasonable volume. This could all be dramatically reduced, by clear definitions and simplifying processes and functions from a government oversight perspective.
- Encourage Wellness Centers, and “healthy” coverage, instead of health decline management. One of the arguments you hear all the time is that preventive care and mandated benefits saves the whole system tons of money because it is cheaper than the cost of managing sick individuals. While I agree with that statement, I disagree with the “how” this has been managed. The current system focuses on pharmaceuticals, immunizations, procedures (including invasive preventive tests), with no alternative being given to individuals. All I can say is “follow the money” on that one. If we are serious about incentivizing people to be healthier with greater mobility and quality of life for as long as possible, we should be incentivizing alternative front end health care, such as what is provided in wellness centers as we discussed previously under funding.