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## **CED Unveils Recommendations to Transform U.S. Health Care**

**April 23, 2015 – Washington, D.C.** – As Congress debates health care reform, the Committee for Economic Development of The Conference Board (CED) released a new report on transforming the post-Affordable Care Act (ACA) health care system through market-based competition. The report was unveiled at the organization’s policy conference today in Washington, D.C.

The recommendations from the new report, “Adjusting the Prescription: CED’s Recommendations on Health Care Reform,” incorporate bipartisan principles, as they substantially expand the ACA’s market incentives while reforming yet maintaining a balanced role for government.

“While the ACA has made headway in insuring some segments of the population, we can do much more to promote the innovation that drives the strengths of our health care system,” said Ray Gilmartin, Co-Chair of CED’s Health Care Reform Subcommittee and retired Chairman and CEO of Merck. “By harnessing market forces, as CED proposes, we can achieve quality, affordable health care for consumers all across the country.”

CED’s recommendations to transform the U.S. health care system to be more competitive and innovative include:

- Replace the ACA’s income-conditioned premium subsidies with a “fixed-dollar” refundable tax credit.
- With those credits available to all, eliminate the unnecessary individual and employer mandates.
- Allow private exchanges and insurance sellers to compete with public exchanges to serve all individuals who choose to use them – not just the ACA’s restricted populations.
- Establish an alternative national regulatory approval to allow plans to market across state lines.
- Risk-adjust premium revenue. Plans would not be permitted to refuse consumers or to charge higher premiums for pre-existing conditions. Plans that care for more-costly risks on average should be rewarded for doing so.
- Increase the flexibility of the employer role. Firms may offer plans to their employees, in competition with the other options available. Alternatively, firms may serve as exchanges to their employees, or join private multi-employer exchanges, or merely provide advice to their employees.
- Reorient the ACA’s Independent Payment Advisory Board (IPAB) to provide information for, rather than inject remote government judgment into, the physician-patient relationship. Expand data gathering and research.
- Encourage innovative health care delivery models that range from highly specialized care to preventive services.
- Create specialized expert courts and a safe harbor of standards of sound practice based on new

data and analysis to facilitate more-timely and less-costly malpractice decisions.

“Health care is a very personal issue which is why having a fixed tax credit decoupled from the state or federal exchange will provide the consumer with significantly broader choice.” said Ron Williams, Co-Chair of CED’s Health Care Reform Subcommittee and former CEO of Aetna. “This solution eliminates the need for the individual and employer mandate. Our report provides the blueprint to achieve more options and better quality – for all Americans.”

These recommendations would improve the affordability and quality of health care significantly, and ensure that all citizens would be able to attain health insurance.

The executive summary can be viewed [here](#) and the report can be viewed [here](#).

### **About the Committee for Economic Development**

Founded in 1942, the Committee for Economic Development of The Conference Board (CED) is a nonprofit, nonpartisan, business-led public policy organization that delivers well-researched analysis and reasoned solutions to our nation’s most critical issues. CED’s work is grounded on seven core principles: sustainable capitalism, long-term economic growth, efficient fiscal and regulatory policy, competitive and open markets, a globally competitive workforce, equal economic opportunity, and nonpartisanship in the nation’s interest. Learn more at [www.ced.org](http://www.ced.org).

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