

News Release

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Lower Costs, Better Value, Greater Access: CED Provides Rx for Health Care

New York, NY, October 31, 2023...Today, the Committee for Economic Development, the public policy center of The Conference Board (CED), issued a new **Solutions Brief**, [*Health Care Policy After the Pandemic*](#). It examines urgent health care policy issues that the pandemic exposed and magnified and provides recommendations for both the public and private sectors.

The report comes at a time when the soaring cost of health care, and its increasing utilization as the population ages, are spurring even more spending. Programs such as Medicare and Medicaid are the largest drivers of our national debt. If the status quo persists, the federal budget for health care programs is projected to rise by 78 percent over the next decade.

As emphasized in the Solutions Brief—which can be found [here](#) and is the latest in CED’s *Sustaining Capitalism* series—while addressing health care’s price tag is essential, so is ensuring that the nation receives value for its spending and that the system provides quality care that is accessible and affordable.

“The pandemic highlighted and heightened already-existing disparities in the US health care system. While our nation offers the best care in the world and conducts unparalleled research, millions of Americans still lack access to health care or cannot afford it,” said Dr. Lori Esposito Murray, President of CED. “Enacting CED’s solutions will help develop a system that yields affordable and accessible care and better outcomes.”

Key Recommendations

Reforms related to cost, access, and value of care are urgent priorities that private and public sector leaders must address. Among the key recommendations:

Medicaid:

- Congress is requiring checks to ensure that those enrolled in Medicaid during the pandemic remain eligible for it. Automating the Medicaid disenrollment system—as Virginia has done—will ensure more accurate coverage decisions. No one should receive public funding who is not entitled to it, but no one who is entitled to it should be cut off because of paperwork issues.
- Given the risks, states may also wish to look for alternatives to ensure that those removed from coverage are accurately determined and that other pathways are considered for coverage.
- States should consider restricting the use of provider taxes to finance Medicaid. This has the potential to save \$600 billion over ten years, according to the Congressional Budget Office.

Medicare:

- Medicare Advantage offers many benefits for beneficiaries, but policymakers should consider if benchmarks can be reduced without harming enrollment or patient care.
- Policymakers should consider other ways to reduce costs, including updating premium support models and examining drug spending to achieve cost savings that will not impact the quality of care.
- Policies encouraging visits to primary care physicians will save money in the long run.

Regulation:

- Policymakers should use smart regulation in developing post-pandemic regulations; the HHS should review the pandemic waivers to determine which regulations may be eliminated.
- Telehealth, along with increasing reimbursement for it, was a success in the pandemic and should be expanded as widely as possible with necessary guardrails.
- Dedicated funding will best ensure the success of higher minimum standards in the post-acute sector.

Workforce policies and practices:

- A greater focus on developing and retaining primary care physicians is essential, along with accelerated efforts to reach traditionally underrepresented groups. Actions include targeted recruitment efforts and steps to encourage careers in health care early in education.
- Immigration reform will help resolve shortages. Immigrants already comprise a significant proportion of the US health care workforce.
- Expanding training and professional development opportunities strongly encourages retention. Apprenticeships show realistic opportunities for careers in health care.
- Congress should consider grants to expand places at nursing schools to relieve the nurse shortage.
- Team-based care will help ensure that all health care workers are practicing “at the top of their license,” make the profession attractive through opportunity for greater responsibilities, and help relieve physician burnout. Medical schools should teach team-based care.
- States should consider modernizing their scope of practice regulations.
- Public-private partnerships can expand the health care workforce quickly. Businesses can partner with training programs in community colleges and public universities to target communities with shortages of workers, work with them on curricula, and ensure that graduates have jobs upon graduation.

Supply chains:

- Building pharmaceutical supply chains for resilience and redundancy is a national health security imperative involving both incentives for domestic production and nearshoring and friendshoring.
- Businesses and policymakers should seek new linkages to diversify medical supply chains of all types.

Key considerations for developing a future system:

- Policymakers should pursue reforms that will promote cost-responsible consumer choice among competing private health care plans, with the goal of driving the system toward quality, affordable health care for all in a more connected system that drives strong patient care outcomes holistically.
- The shift away from fee-for-service is, ideally, a shift toward some form of value-based pricing, whether in the public sector or through private insurers, so that consumers can make informed decisions. Further study and innovation with value-based models will help push the system toward a focus on overall wellness.
- A greater focus on preventative care and wellness, rather than treating problems once they occur, will improve the quality of health care and overall health outcomes and lower costs in the system over time.

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