



Statement of Common Understanding

Republicans and Democrats agree that reforms are needed to improve upon today's health care system and make coverage more sustainable and affordable. Despite the acrimony of recent debates, we believe there are common elements in the approaches of both parties from which to develop a politically viable and policy sound compromise plan. The best bipartisan solutions to our health care challenges will improve on what the private and public sectors do today.

As health care analysts with differing political perspectives we offer the following principles:



BIPARTISAN POLICY CENTER

To find out more visit bipartisanpolicy.org/health.

1. All individuals should have meaningful and affordable public or private health insurance.

We acknowledge a continuing role for both private and publicly-financed insurance. Regardless of the source of coverage, benefits should be evidence-based, and sufficient to ensure access to needed care, while avoiding poorly designed financial incentives that lead to either over or under-use of care. Low-and moderate-income households need to be adequately subsidized so that they can enroll in insurance plans that provide them with ready access to quality, affordable care when they need it.

2. Health reform should be designed to avoid major disruption because many patients rely on today's long-standing arrangements to get needed care.

Reform should provide incentives for existing systems (employer sponsored, individual markets, Medicare, Medicaid) to align better, become more efficient, and improve quality and care relationships. Reform should expand, rather than reduce, the options individuals have to improve upon their existing coverage.

3. Insurance markets should be stable, not endangered by premium-increases due to adverse selection or insufficient pooling of risks.

This will require coping with extraordinarily expensive outlier health conditions through options such as adequately-financed and administered reinsurance, alternative tax credit structures and adequately-financed and structured high-risk pools. Reform proposals should ensure broad-based participation in private insurance markets to ensure pre-existing condition protections and market affordability and stability.

4. Health reform should reduce excessive and unnecessary health care cost growth.

This will require policies that are designed to achieve more effective competition among insurers and providers of medical services; promote more and clearer choices for consumers; encourage payment reforms that promote improvements in care; achieve more efficient delivery of care in all settings; and encourage preventive interventions that improve health status and outcomes.

5. Reform policies must be politically and financially sustainable over the long-term.

Bipartisan solutions are more likely than approaches supported primarily by one party to produce policies that can be sustained over many years and election cycles. The hard work of developing and securing bipartisan agreements in these areas will pay dividends in terms of greater stability and certainty for patients and their families, employers, providers, plans, governments and taxpayers.

Expert Panel on the Future of Health Care

Tom Daschle

BPC Co-Founder
Former Senate Majority Leader

Bill Frist

BPC Senior Fellow
Former Senate Majority Leader

Andy Slavitt

BPC Senior Advisor
Former Acting Administrator of the Centers
for Medicare and Medicaid Services

Gail Wilensky

Senior Fellow, Project Hope
Former Administrator of the Health Care
Financing Administration

Sheila Burke

BPC Fellow
Strategic Advisor, Baker Donelson

Jim Capretta

Resident Fellow, Milton Friedman Chair,
American Enterprise Institute

Chris Jennings

BPC Fellow
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Cindy Mann

Partner, Manatt, Phelps & Phillips, LLP
Former Director of the Center for Medicaid

Alice Rivlin

Senior Fellow, Center for Health Policy, The
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Former Director of the Office of Management
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Avik Roy

BPC Senior Advisor
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Research on Equal Opportunity