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.

Statement of Common Understanding

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

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
Founder and President, Jennings Policy Strategies

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

Alice Rivlin
Senior Fellow, Center for Health Policy, The Brookings Institution
Former Director of the Office of Management and Budget

Avik Roy
BPC Senior Advisor
Co-Founder and President, Foundation for Research on Equal Opportunity