

WISCONSIN HOSPITAL ASSOCIATION, INC.

WHA ACCESS, COVERAGE AND COST PRINCIPLES



For the past two decades the Wisconsin Hospital Association (WHA) has played a leading role in developing and shaping Wisconsin-based health reform initiatives. Today, as health care coverage, access and cost issues are again being rigorously scrutinized, WHA remains a dedicated voice for rational and thoughtful improvement of our health care delivery and financing system.

The specifics of how we improve Wisconsin health care will be the subject of thorough study and intense debate. However, WHA strongly believes that any proposed health care reforms, be they incremental or systemic, must above all else recognize and preserve strengths of our current system while honestly addressing challenges relating to cost, quality, access and coverage.

The WHA 2006-2010 strategic plan reflects these priorities by highlighting three general principles for health care reform and related WHA advocacy initiatives:

- 1) *Foster consumerism and improve health care literacy,*
- 2) *Improve coverage, access and the health of our communities, and*
- 3) *Promote member accountability to the communities they serve.*

Guided by our strategic plan, over the past several months WHA member leaders have met to examine Wisconsin's health care delivery and financing system, evaluate pending reform proposals and lay the course for WHA's future advocacy agenda.

The **principles** enumerated below are the product of our deliberations and will serve two purposes during the coming health care reform debate: (1) define the fundamental expectations and outcomes WHA will strive to achieve; and (2) provide the basis from which WHA will evaluate reform proposals as we actively engage in the debate.

- 1) Wisconsin's health care system must provide affordable coverage for everyone's basic health care needs.
- 2) Although there is recent evidence that hospitals have made significant progress in controlling the growth of healthcare spending, we recognize that current trends in health care costs and insurance premiums are contributing to access and coverage challenges and need to be addressed by all stakeholders.
- 3) Each health care stakeholder has shared responsibilities:

- Government must play a role in guaranteeing access to health care services for our most vulnerable populations, fully recognize the special costs of educating the healthcare workforce, promote transparency and health care literacy, and adequately pay for health care services provided to patients covered by its programs.
 - Individuals must share directly in the financial responsibility for covering the costs of their health care needs and engaging in behaviors that maximize their health care status. In addition, individuals must be prudent buyers of health care services, availing themselves of available information to purchase health care based on demonstrated quality and efficiency.
 - Hospitals and physicians must deliver health care that is guided by the best clinical evidence or expert consensus and be willing to share best practices with their peers. They must be transparent and accountable for their costs and quality and embrace initiatives designed to measure, publicly report and improve performance.
 - Employers should offer a basic health care benefit to their employees. They should provide financial incentives for their employees to select the highest quality, lowest cost providers in their region and participate in programs and behaviors that support wellness and prevention.
 - Payers should provide meaningful incentives for providers to coordinate the delivery of health care services, especially to patients with chronic diseases and design plans that provide incentives for prevention services and promote healthy lifestyles.
- 4) Government oversight of access and coverage initiatives must be transparent and sheltered from short-term political processes.
- 5) Coverage and access are related issues but will require different strategies (e.g., Medicaid “covers” dental care but access to Medicaid dental services is unavailable in much of Wisconsin).
- 6) Initiatives should build upon the factors that have allowed Wisconsin to consistently maintain a very low uninsured rate for many years:
- A strong tradition of employer-based health benefits.
 - A competitive and pluralistic health insurance market.
 - A regulatory environment that strikes an appropriate balance between consumer protections and cost control.
 - An effective safety-net system for the relative few who are on the margins of the private health care system.

- 7) Initiatives must include fair and adequate provider payments, reward value (quality and cost efficiency), be simple to administer, promote innovation, and stress prevention and wellness.
- 8) The rapid diffusion of information technology should be encouraged, coordinated and funded by providers, government, and payers as a way to improve quality, patient safety and cost efficiency.