



We Must Address Rising Health Care Costs With Patient-Centered Solutions

By: PIPC Chairman Tony Coelho

Across the nation, there's a collective agreement that something must be done by lawmakers and regulators to address the rising cost of health care. As new policies and regulations are designed to meet affordability standards, it is important that patient-centered solutions remain at the forefront. However, that is not what we're seeing in recent state policies across the nation.

The use of value assessment standards to determine health care coverage and payments are increasingly under consideration in the United States, even though these standards are not reasonable or fair solutions for patients. The reality is, these assessments employ the quality-adjusted-life-year (QALY) as a metric to determine the value of a treatment, and this assigns a value to patients' lives based on their age, condition or disease to assess whether a treatment is cost-effective. As more patients and people with disabilities become familiar with cost-effectiveness assessments, the more Americans are reluctant to have our own government adopt this policy across the nation.

The QALY-based methods being pushed through certain policy provisions clearly set the stage for cost discrimination against elderly and people with disabilities or chronic conditions by assigning a lower value to their lives. In fact, a recent opinion survey by Morning Consult found that 82 percent of American voters find this practice concerning, especially given that some patients, doctors, and others in the health care industry have spoken out about these types of assessments potentially discriminating against certain groups of patients, like the elderly or those with disabilities or chronic illnesses.

Many overseas countries rely on this type of threshold to set coverage policy; more recently they have emerged in U.S. policy proposals such as the International Price Index concept released by the Trump administration and legislation recently introduced in Congress. In addition, some health plans and PBM policies are referencing third-party assessments that rely on cost-effectiveness analysis, such as those produced by the Institute for Clinical and Economic Review (ICER). However, American voters are taking note, with 3 in 4 voters concerned if the government or their health insurance company is using the QALY standard to set national health care policy. In addition, a strong majority (85 percent) agree that it's important to have safeguards, like those in Medicare, to prevent governments from depending on cost-effectiveness to make important coverage and payment decisions.

Unfortunately, more and more state governments are beginning to utilize third-party, one-size-fits all assessments of value, like those conducted by ICER, to make health care decisions. This effort runs counter to voters' preferences. When forced to choose the most important considerations for

setting policy, voters say that health outcomes, doctor's recommendations and patient preferences are far more important than cost effectiveness when considering how medical treatments are covered.

Ultimately, a national shift to ICER-controlled drug pricing would limit patients from determining serious health care decisions traditionally with their doctors, and nearly all American voters will tell you that health care decisions should be made between patients and their doctors.

Instead of pursuing policies Americans are opposed to, policymakers should place a higher priority on patient-centered, evidence-based methods that seek to ensure the right patient receives the right treatment at the right time. Americans believe it is important to develop an evidence base that facilitates patient-centered health care decision-making, like the research conducted by the Patient-Centered Outcomes Research Institute (PCORI), which 72 percent of voters say is important for Congress to reauthorize.

The research and evidence driving the nation's health care decisions should not inherently disadvantage certain patients and people with disabilities. Policymakers should listen to their constituents who are saying that patient-centered evidence, like the research funded by PCORI, should help guide health care decision-making, rather than flawed cost-effectiveness assessments that attempt to save money but in effect put a value on one life as lesser than another.

Former Rep. Tony Coelho (D-Calif.) was a primary author and sponsor of the Americans with Disabilities Act and currently serves as chairman of the Partnership to Improve Patient Care.