

AGENDA FOR BETTER
**AMERICAN
HEALTH CARE**

● **REPUBLICAN STUDY COMMITTEE**

R/S/C

AGENDA FOR BETTER AMERICAN HEALTH CARE

The Republican Study Committee recognizes the challenges facing the American health care system and is committed to advancing conservative reforms best suited to address them. In its [The RSC Health Care Plan: A Framework for Personalized, Affordable Care](#), the RSC laid out a plan for creating a sustainable safety net to protect people with pre-existing conditions, those with chronic health conditions, and the vulnerable. The plan neutralizes the issue of pre-existing conditions by providing greater portability of coverage and breaking down barriers that prevent people from obtaining affordable, personalized options. The following Agenda builds on the RSC Framework by identifying a number of key issues that must be addressed to build a better American health care system.

TRANSPARENCY IN PRICING

ISSUE: While many drivers of the high costs of health care in the United States are government-induced, a lack of available information regarding the price of health care goods and services has made it nearly impossible for patients to navigate the health care marketplace as informed consumers. Full disclosure of the true costs of care is rarely provided to patients because government programs, third parties and middle men, and unexpected medical bills add unnecessary complexity to the process. The solutions of the Left—including the socialist-influenced policies of the Affordable Care Act (ACA) and the full takeover of health care suggested by the “Medicare-for-All” scheme—are premised upon the distortion of free markets and the imposition of bureaucratic walls between patients and providers. We must return to common sense. [Studies show](#), that if prices are accessible and easy to understand, consumers will use that valuable information in choosing their health care services. Transparent network information would also naturally curtail factors leading to surprise billing.

PATH FORWARD: Solutions to this issue are simple. Health care reform must ensure genuine transparency in hospital prices, insurance plans, and prescription drug prices so a true health care market can flourish. Prices should be readily available so patients have the information they need to make informed, market-driven decisions, and third parties, such as pharmacy benefit managers (PBMs), must be held accountable for obscure and often questionable rebate policies.

ENCOURAGING THE TELEHEALTH REVOLUTION

ISSUE: The COVID-19 crisis has also demonstrated the importance of [relaxing restrictions](#) on who can provide medical care and how it is provided. Telemedicine is one example of a medical care delivery method that has been used successfully during the pandemic. These changes will have long-lasting effects, but for too long, antiquated policies have prevented widespread adoption of such innovations.

PATH FORWARD: Our health care system should permanently integrate the telehealth policies implemented by the Trump administration and through the [CARES Act](#). These policies include easing location restrictions, expanding virtual services, and allowing for online patient portals. Still, Congress can do more to advance the provision of telehealth services across state lines and ensure the preferred treatment of telehealth services in HSAs.

EMPOWERING COMPETITORS

ISSUE: The COVID-19 pandemic has highlighted the need for adequate capacity in hospitals throughout the nation. However, competitive markets have been inhibited for many years by practices that have distorted and stunted the growth of the health care marketplace to the [benefit](#) of incumbent providers. State certificate-of-need (CON) laws, first incentivized by misguided federal policy, and the ACA's ban on physician-owned hospitals (POH), are examples of ideas that have been counterproductive and prevented valuable competition. While certain special interests gain from the status quo, patients themselves are being left behind. Still, the Left is proposing policies to further the advantages of oligopoly markets, restrict patient choice, and expand the bureaucracy that interferes in the relationships between doctors and their patients.

PATH FORWARD: Congress should ensure Medicare and Medicaid do not punish states for removing CON laws, opening new hospital doors, and adding hospital beds. This would include the repeal of the anti-competitive ACA provision that banned the formation and expansion of POHs. In [RSC Health Care Plan: A Framework for Personalized, Affordable Care](#) (the *Framework*), the RSC laid out a plan to unleash the power of health savings accounts (HSAs), for example, by allowing the use of HSAs for Direct Primary Care (DPC). These innovative relationships have proven to be useful pathways for providers to stay afloat in these uncertain times. Congress should adopt this approach, and seek ways to expand the use of DPC models, including within Medicare. Finally, Congress should continue efforts from the Trump administration to improve health care access through association health plans, short-term limited-duration health plans, and health reimbursement arrangements for small businesses and families.

PUBLIC HEALTH REFORM

ISSUE: For years, mission creep has plagued the Food and Drug Administration (FDA) and the Centers for Disease Control and Prevention (CDC). The initial [purpose of the CDC](#), as its original name—the “Communicable Disease Center”—implies—was to assist states in controlling infectious diseases. Instead, the CDC now focuses on everything from [smoking](#) to waging a war on vaping to gun control. The FDA had [roots](#) in the safety of pharmaceuticals, which has been replaced by its current dual mission of ensuring safety and efficacy—a much higher and costlier hurdle. The need for reform at our nation's public health agencies has been emphasized by the current pandemic. Once the FDA and the CDC got [out of their own way](#), testing capacity in the United States [took off](#). Reforms are needed now to ensure future responses to public health emergencies are built on a scientific and practical foundation.

PATH FORWARD: The FDA and the CDC should return to their original missions. Simply put, the FDA should be focused on safety and the CDC on fighting infectious diseases. The cumbersome regulations that hindered the public health response to the pandemic should be eliminated or reduced, and Congress should learn from these lessons and support the Trump administration's efforts to ensure suspended regulations are not automatically reimposed. Last, instead of standing in between doctors and patients, the FDA should protect a doctor's right to engage in truthful conversation about off-label uses for drugs.

MARKET CONCENTRATION

ISSUE: Hospital consolidation is nothing new. It has typically come in waves and [has led](#) to higher prices for patients while hospitals increase their profits. The COVID-19 pandemic [not slowed](#) market consolidation among hospitals, a [trend](#) that has been on the rise since the enactment of the ACA. In the [Framework](#), the RSC exposed how [Accountable Care Organizations](#) (ACO), favored by the ACA, have been [shown](#) to lead to hospital consolidation through vertical and horizontal integration. Market concentration serves as a steppingstone to Medicare-for-All and a government takeover of the entire health care system.

PATH FORWARD: Lawmakers should adopt the RSC Framework's approach and repeal artificial incentives to form ACOs. Further, current law restricts the Federal Trade Commission's ability to conduct oversight over monopolistic mergers for so-called nonprofit healthcare entities. The FTC's jurisdiction should be expanded to include nonprofit healthcare entities, which, as noted, all too often engage in profit-seeking practices.

21ST CENTURY HEALTH CARE

ISSUE: Despite massive bureaucratic hurdles, wasted government spending, and the Left's continued push towards socialized medicine, innovation in the private sector [continues to advance](#), but has not met its true potential. We have already seen the [positive impacts](#) of ground-breaking technology like artificial intelligence (AI) in the current fight against the COVID-19 pandemic. Other potential solutions, such as the delivery of medical supplies and goods by drones, are only prevented by outdated bureaucracy.

PATH FORWARD: The full potential of 21st Century technology in health care must be unleashed. For instance, reforms should support the use of wearable technology to enhance patient care. The government should streamline FAA drone regulations and optimize federal spectrum policy to facilitate for innovative use of drone technology. Finally, Congress should build on recently released [FDA guidelines](#) surrounding AI software and seek ways to reduce burdens on innovative companies utilizing automation.

REDUCING BUREAUCRATIC BURDENS

ISSUE: The Obama administration created an unmitigated [bureaucratic mess](#) surrounding electronic health records (EHR). Current EHRs were largely designed for purposes of government payment, not therapeutics for patients. Hence, they are resented by physicians and only marginally useful to patients. Today's system is rife with examples of such unnecessary burdens. For instance, physicians are forced to contend with burdensome prior authorization requirements, often disrupting the delivery of care to their patients while driving up costs.

PATH FORWARD: Instead of forcing providers to jump through hoops to deliver the care their patients need, Americans need common sense measures reining in out-of-control prior authorization requirements. Congress should also revitalize EHRs by making them patient-focused instead of payment-focused. Rather than mandating a one-size fits all approach to EHR take-up, our health care system would benefit from a [decentralized approach](#) that assures patient-ownership of data, portability, and interoperability. Cutting edge technology has readied the environment for the future of data in health care and the RSC stands on the front lines of that march forward.

SURPRISE MEDICAL BILLING

ISSUE: Patients receive a “surprise medical bill” when they unwittingly receive care from an out-of-network provider who later bills the patient the difference between the charged service and what the patient’s insurer paid the out-of-network provider. Once thought of as low-hanging fruit with bi-partisan potential to resolve, the issue itself has been stuck in a lobbying war. This is despite the fact that according to an [August 2018 poll](#), these unexpected medical bills are the health care expense Americans fear most. With balance billing [on the rise](#), particularly since enactment of the ACA, this sentiment is understandable. The timing of the rise is no coincidence. Harmful and anticompetitive market distortions created by the ACA have fostered an environment ripe for producing out-of-network physician services and surprise medical bills. This environment, and the artificial drivers of surprise medical billing, were detailed in the [RSC Framework](#).

PATH FORWARD: First, any debate related to “solving” the issue of surprise medical bills must include discussion on correcting the underlying systemic drivers of the problem. Second, rather than imposing heavy-handed price controls, Americans need a targeted solution that places greater control in the hands of patients. To that end, lawmakers should require greater transparency from facilities and insurers to avoid the delivery of care from out-of-network providers unbeknownst to the patient. This should include better information as to which facilities are in-network and whether care received within an in-network facility will come exclusively from in-network providers. Balance bills born from inadequate information should be banned, and patients receiving treatment under emergency circumstances should not be further burdened by a surprise medical bill.

PRESCRIPTION DRUG PRICING

ISSUE: Americans across the political spectrum [want Congress](#) to act on drug prices. Democrats have responded by ushering legislation through the House that would inject Soviet-style price regimes into our health care system while also [killing the American medical innovation](#) needed to save lives. Instead of addressing the root issues causing artificially inflated prices, the Left seeks to force feed the American public more bureaucracy and a government takeover of private industry. At the same time the American patent system is too often abused and third parties too often distort the market, causing harm to patients while keeping true competition from flourishing. Abroad, socialist health care systems have [reaped the rewards](#) of American innovation while imposing artificial price-controls on industry, leading American consumers to pick up the tab.

PATH FORWARD: Congress must close vulnerabilities in the patent system to allow more pathways for generic competition. Additionally, it should act to [incentivize](#) up-front discounts by PBMs by eliminating safe-harbor loopholes currently being exploited. Reform is needed within government programs as well. Congress should act to ensure [program integrity](#) in the 340B Drug Pricing Program so it continues to serve as a vital safety net for vulnerable patients and underserved communities. To ensure these measures are as effective as possible, free market reforms are needed at home and abroad. As the Trump administration has previously [pointed out](#), the practice of importing European price controls inhibits innovation, and has burdened the American patient with higher costs. Congress should reject socialist price controls, and empower the United States Trade Representative to fight back against foreign freeloading through a Pharmaceutical Chief Negotiator.

AGENDA FOR BETTER AMERICAN HEALTH CARE

As President Trump rightly proclaimed, the Republican Party is the party of health care. The RSC Agenda revitalizes the American health care system, redirecting it from the broken bureaucratic promises of the Affordable Care Act (ACA).

DEMOCRATS' AGENDA

GOVERNMENT-RUN, ONE-SIZE-FITS ALL HEALTH CARE

1. FEWER CHOICES, HIGHER COSTS

The ACA was a pathway to a single-payer system. Instead of allowing innovative competition to thrive, socialized health care systems impose a one-size-fits-all approach, meaning worse care at a higher cost to taxpayers.

2. BUREAUCRAT DRIVEN HEALTH CARE

As seen in socialist health care systems throughout the world, more government-run health care means longer waits, burdensome paperwork for providers, and a health care system that is driven by bureaucrats and is therefore unresponsive to the needs of individual patients.

3. STIFLES INNOVATION

Socialized medicine would crush incentives for breakthrough cures to deadly diseases. At a time when the need for biopharmaceutical innovation has never been greater, the Left's radical agenda would put the lives of Americans at risk.

4. EMPOWERS & PROTECTS SPECIAL INTERESTS

As seen under the ACA, socialized medicine empowers big hospitals and big insurance companies to integrate further. These artificially massive entities are disconnected from the real needs of patients and beholden instead to crony corporate interests.

RSC AGENDA

PERSONALIZED, AFFORDABLE HEALTH CARE

1. MORE CHOICES, LOWER COSTS

The RSC Agenda would unleash true competition into the American health care system, allowing innovative models of care and delivery to disrupt the status quo, ultimately resulting in more affordable and personalized health care options.

2. DOCTOR-PATIENT DRIVEN HEALTH CARE

The RSC Agenda cuts the red tape that stands between patients and the access they deserve to the doctors they choose.

3. UNLEASHES INNOVATION

The RSC Agenda lays out a bold, cutting edge pathway to ring in a new century of health care. The RSC believes bringing down drug prices and allowing for life-saving pharmaceutical innovation are not mutually exclusive pursuits.

4. EMPOWERS & PROTECTS PATIENTS

The RSC Agenda injects real transparency into an opaque pricing scheme born out of an overly bureaucratic system. With our reforms, patients would be protected against the burdens of surprise medical bills.

