



NATIONAL HEALTH COUNCIL

Policy Proposals for Reducing Health Care Costs Summary of Recommendations

The National Health Council (NHC) supports policies that aim to reduce health care costs for people with chronic diseases and disabilities. We are committed to increasing access to sustainable, affordable, high-value health care. The NHC evaluated nearly 200 proposals intended to address health care costs broadly, including drug prices. NHC does not support policies that achieve savings if they negatively impact patient safety, quality, or access to care.

First and foremost, any effort designed to reduce health care costs must be predicated on value. Over the course of the last several years, we have seen a growing interest in and debate around defining value. However, many of those discussions have not adequately included patients, and value has to be defined from the patient perspective. As multi-stakeholder consensus on measuring and assessing value is achieved, we will be able to better assess cost savings and the impact of health care.

Based on our evaluation of existing policy proposals, the NHC developed a patient-centered framework with three driving principles, listed below, and [18 specific patient-centered values](#) to guide our recommendations:

- Promote high-value care;
- Stimulate research and competition; and
- Curb costs responsibly.

The NHC and our Board, with input from our members, identified four main policy priority areas that have the potential to reduce costs for patients and the health care system. Our recommendations were released in March 2017 and updated in March 2019.

Reduce barriers for development of generic and biosimilar products.

- Curb patent settlements or other strategies to delay patient access to lower cost medications.
- Support FDA policies that implement a transparent, science based regulatory pathway for biosimilars.
- Ensure safety provisions of Risk Evaluation and Mitigation Strategies while promoting access to samples for testing.

Promote meaningful transparency on price and cost sharing.

- Establish standards for insurers to provide cost estimates, especially during plan selection.
- Promote standards for providers to display billing information.
- Protect patients from surprise medical bills.
- Ensure rebates are passed through to the patient.
- Require justification of significant drug price increases.

Encourage outcomes-based contracting (OBC).

- Implement a voluntary demonstration project to test the impact of OBCs on outcomes, prescription drug costs, and total costs of care.
- Include safe harbors to the Federal anti-kickback statute, Medicaid best-price requirement, and off-label communications.

Facilitate the implementation of value-based insurance design (VBID).

- Expand Medicare Advantage (MA) VBID demonstrations within the Center for Medicare & Medicaid Innovation.
- Allow plans the flexibility to provide coverage for additional services that manage chronic disease.
- Support the development of outcome measures, especially those using patient-generated data, for use in new payment models.
- Address barriers to value-based arrangements, including the Stark Law and Federal anti-kickback statute.