

Approved by the CalPERS Board of Administration on April 18, 2013

## **CalPERS Federal Health Care Policy Initiatives**

April 2013

### **Summary**

CalPERS advocates for policies that aggressively improve quality and value in our health care system; stabilize and rationalize insurance markets; systematically constrain -- rather than shift -- health care costs; and promote transparency in the reporting of cost and quality.

### **Initiatives**

#### *Transparency*

- Advocate for efforts to mandate the release of contractual arrangements between health plans and providers, for both for-profit and not-for-profit organizations, to promote transparency in the reporting of cost and quality
- Advocate for improved financial disclosures for not-for-profit health care providers, including hospitals and physician practices

#### *Prescription Drugs*

- Advocate for the development of a clear, efficient and timely regulatory pathway to bring generic biologics to market, including specialty drugs, and remove arbitrary access barriers for patients
- Advocate for efforts to end anti-competitive arrangements between brand and generic pharmaceutical companies – so-called “pay for delay” settlements
- Advocate for initiatives to allow Medicare to enter into direct negotiations with pharmaceutical manufacturers in order to obtain discounts on prescription drugs

#### *Waste, Fraud and Abuse*

- Advocate for policies, including new federal resources included in the Affordable Care Act (ACA) that aggressively target waste, fraud and abuse, including increased penalties for false claims; enhanced oversight of suppliers; and greater scrutiny of areas identified as being at elevated risk of fraud in all programs

#### *Quality in Health Care*

- Advocate for the implementation of the National Quality Strategy as established by the ACA, which will set benchmarks and targets to improve delivery of health care services, patient health outcomes and population health, in addition to prioritizing measures and data that identify the highest value interventions. This should include the continued implementation of the Health Information Technology for Economic and Clinical Health (HITECH) Act and other federal incentives to expand the adoption of HIT platforms across providers, thereby improving quality, ensuring efficiency in health care delivery and preventing medical error

#### *Medicare*

- Advocate for the implementation of policies that strengthen the Medicare program by constraining cost growth, improving health care quality and extending the life of the Medicare Trust Fund
- Advocate for the Center for Medicare and Medicaid Innovation (CMMI) in order to test, evaluate and expand new payment structures, models and methodologies to reduce

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program expenditures while maintaining or improving quality of care, including into the commercial market

- Advocate for the implementation and establishment of new delivery and payment reforms in Medicare that establish incentives for providers to improve health care quality and constrain cost growth, such as accountable care organizations, bundling arrangements and competitive bidding

*Long-Term Care*

- Advocate for federal policies that maximize the successful implementation coverage offerings for CalPERS Long-Term Care Program
- Advocate for policies that will coordinate Medicare benefits with long-term care coverage