

Smarter Health Care Coalition

December 21, 2020

Dear President-Elect Biden and Transition Team Co-Chairs:

The Smarter Health Care Coalition looks forward to working with you in the years ahead. We appreciate your campaign's focus on health care and addressing the coronavirus pandemic. As the transition team sets the agenda for 2021, we urge you to prioritize eliminating barriers that prevent people from accessing high-value health care, especially as the COVID-19 pandemic continues. Surveys show that [68 percent of adults](#) reported out-of-pocket costs would be important in their decision to get care if they had symptoms of COVID-19 – emphasizing the public health importance of reducing financial barriers to high-value care.

The Smarter Health Care Coalition (SHCC) represents a broad-based and diverse group of consumers, employers, patient advocacy organizations, health plans, and life science companies. Our goal is to leverage our combined experiences to achieve smarter health care that improves the patient experience, particularly through integrating benefit design innovations and patient engagement within broader delivery system reform. SHCC is the leading advocacy organization for “value-based insurance design” (V-BID) policy, which recognizes that cost-sharing should be connected to the value of a service or medicine.

As the country reacted to the increasingly brutal reality of the coronavirus pandemic, value-based design principles featured prominently in the private, Congressional, and Administration response to mitigate the pandemic. In early March 2020, private health plans began to announce partial or full coverage for COVID-19 testing and related services. Soon after, the Families First Coronavirus Response Act and the CARES Act both contained provisions adopting V-BID by eliminating cost-sharing for COVID-19 testing and future vaccinations. The bill also allowed temporary flexibility to Health Savings Account-eligible plans to offer telehealth services pre-deductible.

Importantly, V-BID principles can help mitigate the exacerbation of health disparities caused by the COVID-19 pandemic. The priorities below emphasize the need to reduce systemic barriers to health care access, such as high financial barriers to manage chronic conditions, as part of an equitable COVID-19 response.

Looking to the agenda for 2021, the Coalition specifically urges you to advance the following priorities:

1. **Implement patient support programs to encourage COVID vaccine uptake** – the administration should work closely with private industry stakeholders and Congressional policymakers to explore how to incentivize vaccine uptake, including the development of patient support programs that provide individuals education, support, and modest financial incentives for completing a vaccine regimen. While most people will receive vaccines without cost-sharing (either because of Section 2713 of the Affordable Care Act or COVID-related legislation), various social or structural factors

may reduce the likelihood that someone completes a 2-dose vaccine regimen – a necessary component of our public health recovery.

2. **Improve social determinants of health through health benefits** – the Coalition has thought creatively about the intersection of the health care industry and social determinants of health. We released a [white paper](#) in 2020 on the topic, highlighting the opportunities for federal, state, and private change to drive high-value services through benefit design that address social needs and health disparities. Programs like Medicare Advantage, alternative payment models in Original Medicare, and Medicaid managed care – all expanded by the Affordable Care Act – could do more to reduce social needs among their enrollees with new benefit flexibilities. Our policy recommendations include: reforming medical loss ratio rules to explicitly include social needs benefits, expanding the eligibility requirements for Medicare Advantage supplemental benefits, and making the CMMI V-BID demonstration a permanent part of the MA program (particularly eligibility for reduced cost-sharing based on socio-economic status).
3. **Reduce low-value and harmful care** – “low-value care” comes with potential physical harm for patients, significant costs to taxpayers, and unnecessary out-of-pocket costs for consumers. Low-value care further exacerbates [health disparities](#) as well. SHCC is the only multi-stakeholder coalition dedicated to bipartisan policy change to [de-adopt](#) low-value care at the federal level. There is low-hanging fruit to reallocate health care resources and increase quality. For example, the Secretary of Health and Human Services has the authority under Section 4105 of the Affordable Care Act to remove Medicare coverage for services deemed to be harmful by the United States Preventive Services Task Force (USPSTF). This is the same group tasked in the Affordable Care Act to determine high value preventive services, such as vaccines, that are covered without cost-sharing. SHCC sent a [letter](#) to Secretary Azar on Section 4105, and we hope to continue this important conversation with the new administration.
4. **Remove barriers imposed on Health Saving Account-eligible high deductible health plans (HDHPs)** -- the Coalition is also focused on expansion of the preventive care safe harbor in HSA-eligible HDHPs. Coalition members strongly support the bipartisan *Chronic Disease Management Act (S.3200)*, which provides employers and health plans the flexibility to lower out-of-pocket costs and provide first-dollar coverage for critical chronic disease prevention. We urge the Biden Administration to work with Congressional partners to pass this legislation. Allowing coverage of more services prior to meeting a plan deductible would improve the health of the millions of Americans with chronic conditions – those most affected by the pandemic – resulting in fewer unnecessary emergency care visits and hospitalizations in the future.

We look forward to working closely with you to advance these critical reforms.

Sincerely,

The Smarter Health Care Coalition