Statement to NCVHS

Presented by: **Eric Wallace**

Executive Director

LINXUS

Linxus Member Organizations

National Associations Identified Ways to Cut Cost Drivers

AdvaMed
Advanced Medical Technology Association

America's Health Insurance Plans

American Hospital Association

PhRMA

Coalition Presented to the White House

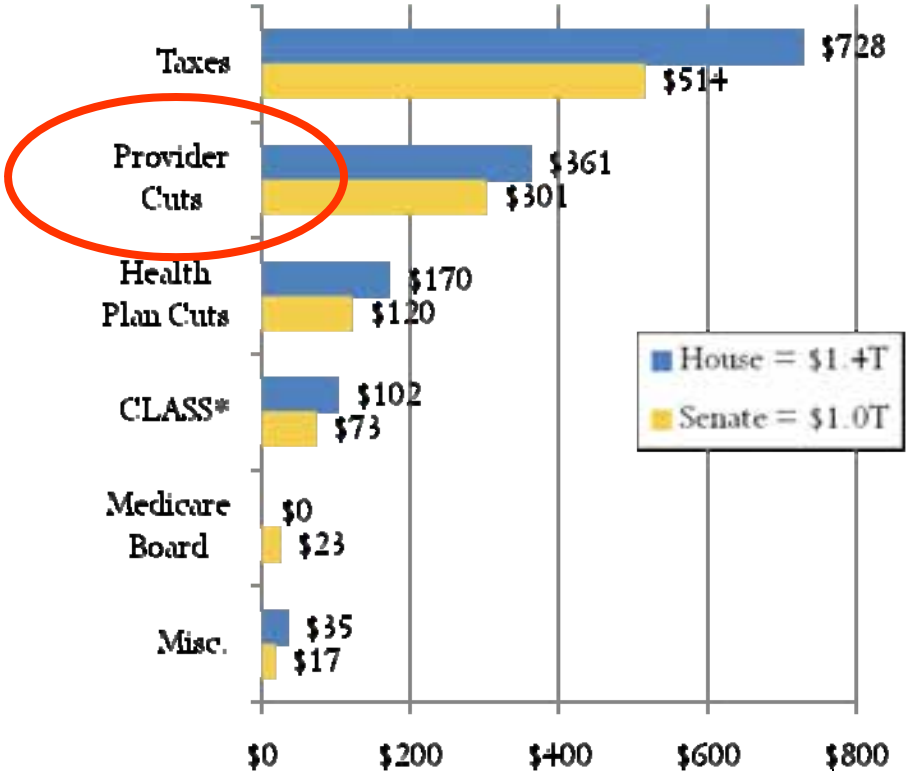
Topics

1. **Critical need to move to Version 5010**
2. **Challenges to implementation**
3. **Our recommendations**

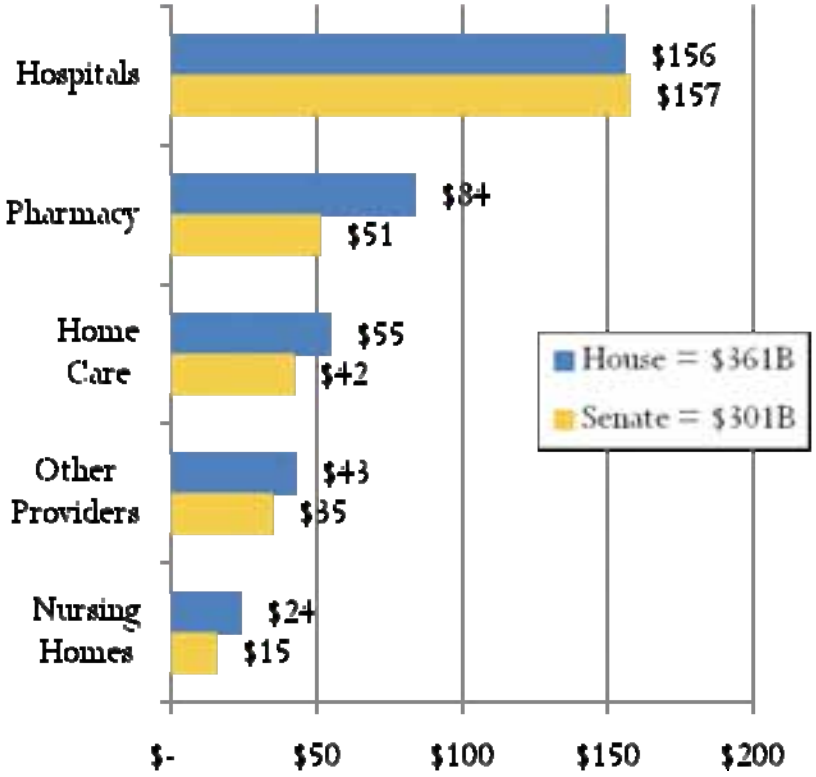
Linxus Activities

Financing Health Reform Investments 2010-2019, $ in Billions

Total Taxes and Spending Cuts

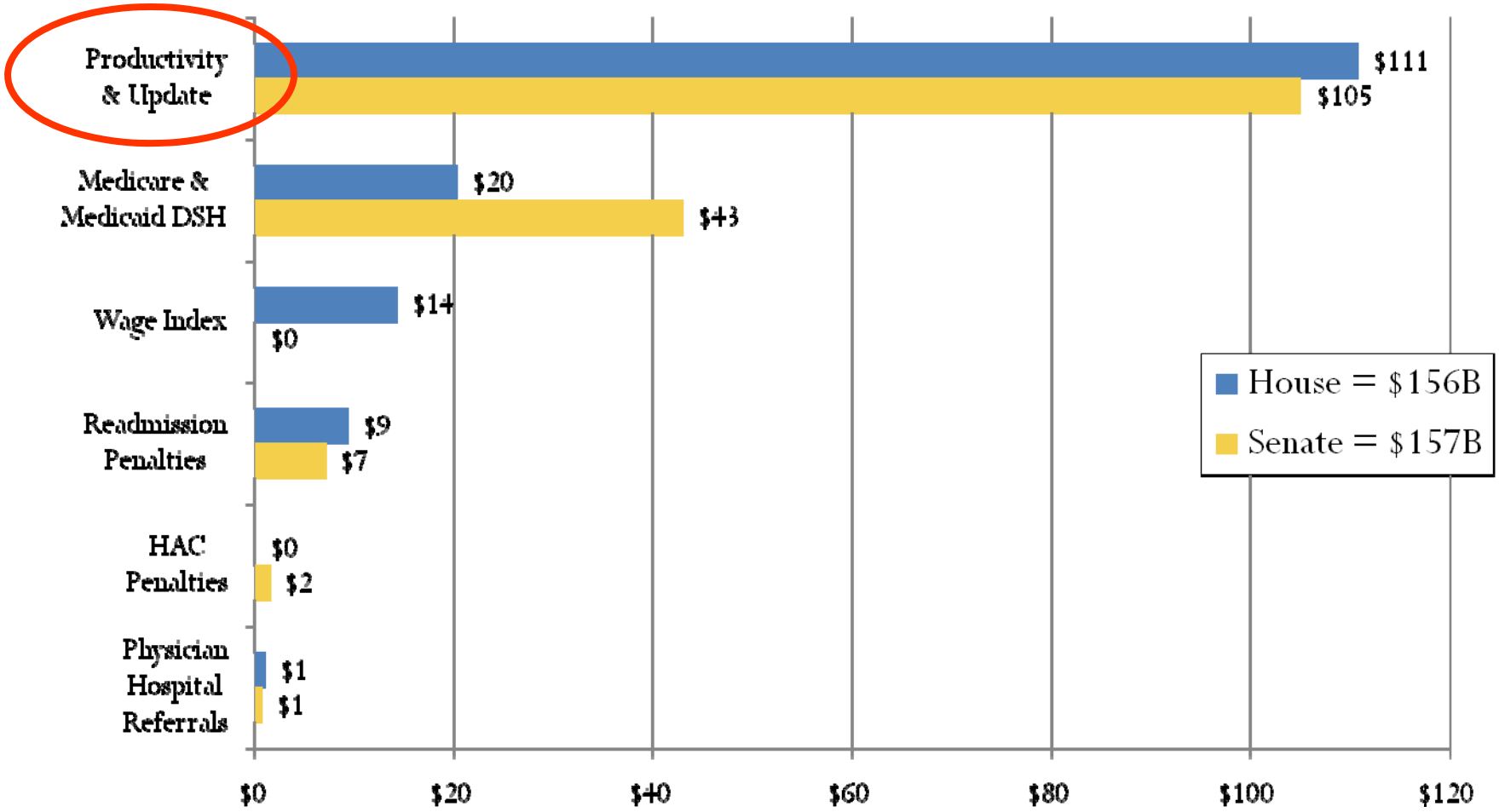


Components of Provider Cuts



Source: Congressional Budget Office.
* "CLASS" is a national voluntary insurance program for purchasing Community Living Assistance Services and Support.

e.g. Hospital Cuts 2010-2019, $ in Billions



Source: Congressional Budget Office.

Steps to Achieving Near Universal Coverage

1. Cut cost drivers

- Providers' cost of doing business **(i.e. admin simp.)**

2. Leads to lower payments

- Medicare and Medicaid can cut
- Private payers can negotiate

3. Leads to lower premiums

- Medicare, Medicaid, and private plans can cut

4. Ensure affordable premiums

- Offer public plan
- Provide subsidies
- Expand Medicaid

5. Ensure available coverage

- Mandate insurance
- Reform insurance

Source: Greater NY Hospital Association.

Topics

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Challenges

- Many competing demands.
- Lack of enforcement → tolerance of "soft compliance.
- Long delay between standards updates.
- Economic downturn.
- Competing clinical IT implementations.

Topics

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Recommendations

- State risks and costs
- Fund training initiatives
- Fund standards development work
- Link clinical and administrative

THANK YOU!