



LAHP STATEMENT ON HEALTH CARE REFORM

October 23, 2009

The Louisiana Association of Health Plans (LAHP) and its member health benefits organizations strongly support reform of the American health care system. Louisiana's health benefits industry has long promoted access to quality, affordable health care. In fact, over the past two years, health plans have been advocating to leaders in Washington some of the very changes now being considered by Congress.

LAHP believes that effective health care reform must be built on a strong foundation based on these provisions:

- Ø Health plans should be required to issue coverage to any individual who applies, regardless of health history.
- Ø Once a health plan has enrolled an individual, the plan should provide benefits regardless of any pre-existing conditions.
- Ø In order to make these access provisions work, all Americans must be enrolled in some minimum level of coverage to ensure that everyone is paying his or her fair share.
- Ø Universal coverage should be supported by appropriate government subsidies to make coverage affordable for low-income citizens.
- Ø Premium rates should not be based on gender or health history but should be fair to enrollees of all ages and allow for factors such as geography and lifestyle choices.
- Ø The health care system should include provisions that ensure the care provided to each citizen meets quality standards and is as affordable as possible.
- Ø The care and benefits choices of America's senior citizens should be protected.
- Ø Expansion of public health care programs should be accompanied by quality and cost management techniques proven effective in the private sector.

In order to achieve meaningful reform and to ensure access to quality, affordable care, LAHP believes the following ingredients should be included in the way health care is delivered, financed and managed:

- Ø Consumer choice of health plans and health care providers;
- Ø Consumers' access to comprehensive networks of health care providers;
- Ø Emphasis on primary care and preventive care;
- Ø Development and use of evidence-based standards of care;
- Ø Coordination of care, including quality improvement, utilization management, case management, disease management and other programs;
- Ø Flexibility in benefits design that encourages innovation and consumer choice;
- Ø Effective use of information technology;
- Ø Fair reimbursement of health care providers for their services based on health outcomes; and
- Ø Management of administrative costs.

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LAHP does not support in any form attempts by the government to sponsor health plans that would compete with private plans. Louisiana has a vibrant, competitive market for health coverage. A government-sponsored plan would jeopardize this market and would make it less likely that people who are satisfied with their current coverage would be able to keep it.

Much of the national debate on health care reform is related to the cost of reforming the health care system. Policymakers and the citizens they represent are being called on to determine how to fund the health care system that will result from reform efforts. For decades, health plans have specialized in effective management of health care cost and quality. These organizations stand ready to assist Louisiana and America in these efforts in the future.