

# Complete the Journey from Volume to Value

## Policy Prescriptions for Improving the Health of Communities and the Nation

To fully transition to a system focused on higher quality care at a lower cost, evidence-based approaches that prioritize health outcomes must be promoted and rewarded. Time and again, research shows that when we pay for care differently, quality and outcomes improve, resulting in greater value for our health dollars. Policymakers should build upon the existing models that have successfully transitioned consumers into high-value coverage and tied drug prices to outcomes.

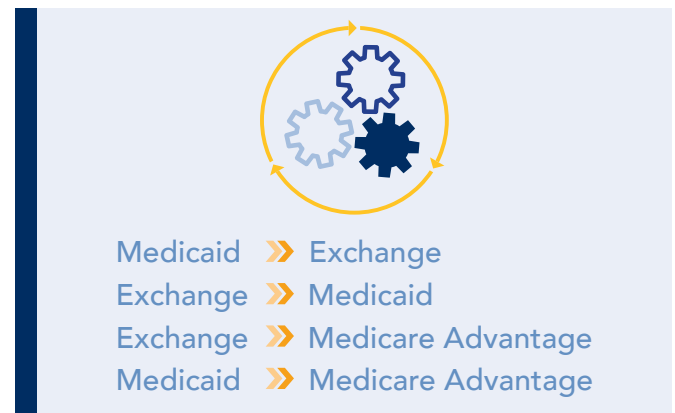
These policy prescriptions offer near and long-term solutions focused on improving value across the health care system. It is time our health system rewards value over volume, quality over quantity. For additional context, please see [Health Care 2030: ACHP's Roadmap to Reform](#).

### Maximizing Access to High Quality, Value-Based Coverage

#### Expand Seamless Conversion

Consumers deserve continuity of care and coverage as they move through federal programs. Currently, HHS has limited the opportunity for individuals to seamlessly convert from Medicaid managed care plans to Medicare and avoid disruption.

- ▶ Allow seamless conversion for all eligible individuals enrolled in high-quality Medicaid, Exchange and Medicare Advantage plans.



#### Default Enroll Into High Quality Medicare Advantage Plans

Medicare Advantage has shown its ability to provide high-quality, coordinated care that improves outcomes for lower out-of-pocket costs.

Since 2018, enrollment in Medicare Advantage grew more than 33 percent faster than fee-for-service Medicare.

- ▶ Change default enrollment from Medicare fee-for-service into high-quality Medicare Advantage plans, many with supplemental benefits offering wellness opportunities to improve health and quality of life.

#### Pioneering New Approaches to Manage Chronic Conditions

About 80 percent of older adults have at least one chronic disease and 68 percent have at least two – many of which could be more effectively managed.<sup>1</sup>

- ▶ Expand marketing and enrollment policies for 4-star or higher rated plans offering benefit design or supplemental benefits focused on consumers with chronic conditions. This expansion should include, at minimum, year-round enrollment opportunities for seniors to join a health plan focused on their chronic condition.

<sup>1</sup> "Chronic Disease Self Management - Programs & Resources," <http://bit.ly/Chron-Disease-Mgmt>

## Removing Barriers to Competitive Drug Pricing

### Reform the Anti-Kickback Statute

- ▶ Reduce wasteful spending by incentivizing value-based contracting arrangements that pay for prescription drugs based on their effectiveness.
- ▶ Address concerns over violating the anti-kickback statute and inadvertently impacting price reporting metrics such as Medicaid Best Price and Part B average sales price limiting uptake of these arrangements.
- ▶ Recognize the evolution of value-based contracting arrangements that would increase potential for reducing drug prices and paying for value.

### Improve Access to Biosimilars

Biosimilars enable access to affordable treatment options for complex and typically costly conditions and offer the potential for \$54 billion in savings over the next ten years.

- ▶ Reform intellectual property laws to prevent anti-competitive practices and prevent frustrations to introduce new biosimilar products.
- ▶ Increase the availability of biosimilars so that competition can drive down the price of prescription drugs.
- ▶ Despite carving out an FDA approval pathway for biosimilar drugs in 2010, only 15 biosimilar are for sale in the U.S., compared to 61 in the European Union.<sup>2</sup>



### Stop Patent Abuses

- ▶ Modernize the patent system to prevent drug company delay of affordable, generic-like drugs from entering the market through “pay-for-delay” agreements with potential biosimilar competitors.
- ▶ Prevent the practice of “evergreening” patents by making inconsequential changes to the chemical composition of a prescription drug which extends the exclusivity of sole-source drugs and artificially keeps drug prices high.

<sup>2</sup> Aydin H. Harston, “Biosimilar Approvals Stall During COVID-19 Pandemic, But the Pipeline Grows,” Biosimilars Law Bulletin (Rothwell Figgs, June 9, 2020), <http://bit.ly/US-EU-Biosimilars>