In the years immediately after the Healthcare Leadership Council was founded over a quarter-century ago, much of the organization’s energy was focused on keeping bad ideas at bay. At a time in which there was considerable momentum behind proposals to give government a much heavier regulatory hand in healthcare, HLC’s multisectoral membership (then with a far less diverse membership than we have today) was highly effective in playing defense and pointing out the severe ramifications in tilting the public-private balance in health system management too far toward the former.

Today, our mission is a different and very exciting one. We are predominantly (though not exclusively) playing offense. Instead of devoting our resources trying to prevent the negative, we have spent the past several years sharing a vision with lawmakers and policy leaders of a healthcare system that can be more accessible and affordable to all Americans, that offers exceptional quality, and that is driven by the unceasing engine of private sector innovation. Using our member companies’ successes as evidentiary fuel for our arguments, we have made some tangible gains in recent years in gradually translating this vision from theory to reality.
But now the stakes are higher. Our healthcare system is at an important, future-shaping juncture. New ideas in payment and delivery reform, game-changing innovations in medicines and medical technologies, the capability to use data to improve clinical efficacy and achieve greater cost-efficiencies are making it possible to envision enormous, and imminent, strides toward an optimal 21st century healthcare system.

But if the right policy decisions are not made to enable this future or if the decisionmaking process itself falls into a state of inertia, then we can easily find ourselves back on defense. The economic pressures created by a growing and aging patient population, a still-flawed individual health insurance marketplace, and healthcare structures that have not fully made the transition to a value-based orientation will combine to create an opportunity for those who would advance ideological solutions that are antithetical to innovation and patient-centered progress. To put it bluntly, a lack of positive movement can empower those who are actively advancing a heavier government footprint in healthcare, including ideas that have previously been dismissed but could experience a resurrection depending on the outcome of the 2018 midterm elections.

So, the HLC strategic planning process – aided extensively by the government affairs and policy experts of our members – is focused on creating broader pathways for the breakthrough work being performed by each member of our multisectoral alliance. We continually strive to identify the barriers to innovation and to develop sound approaches to removing them. We seek to educate policymakers and their staffs on the key issues in healthcare and how to construct responsible approaches that will improve the lives of their constituents. And we build and lead coalitions on a significant range of issues to bring multiple voices to bear in advancing meaningful and necessary legislation and regulatory modernization.

In short, if we can take steps to help unleash our members’ innovative potential, the resulting successes in quality, affordability, and improved population health will make the strongest argument imaginable for a system that continues to enable, encourage, and incentivize private sector innovation.

In shaping our 2018 strategic plan and determining how best to utilize HLC’s resources and energies to achieve change on the issues on which a diverse organization like ours can have the greatest impact, several factors influenced our thinking.
THIS MAY NOT BE A CONVENTIONAL ELECTION YEAR

The conventional wisdom is, of course, that election years, be they presidential or midterm, bring about a slowdown in legislative activity. There is every reason to believe this will not be the case in 2018.

Republicans have control of the White House, U.S. Senate, and U.S. House and are acutely aware of the perception that they have put few legislative successes on the scoreboard beyond tax reform legislation. History tells us that the party controlling the presidency normally loses a significant number of congressional seats in midterm elections. Going into next fall with a paucity of accomplishments will only heighten the anxiety that a Democratic electoral tidal wave is imminent. Thus, we can expect GOP leaders to be pushing a full-to-the-brim agenda next year.

And it would not be unreasonable to expect healthcare to be in that mix. President Trump has already said that he wants to revisit the Affordable Care Act (ACA) repeal-and-replace effort next spring, specifically the Graham-Cassidy proposal that would, at least in its prior form, shift Medicaid and health insurance subsidy dollars into capitated block grants to states. While gaining the votes to pass an Obamacare repeal measure will undoubtedly be as difficult, if not more, in 2018 as it was this year, it would be surprising if Republicans didn’t try at least one more time to keep a seven-year promise to their base voters.

PRICING WILL BE AN ISSUE

In an election year, it will not be at all surprising to see politicians choose to utilize prescription drug pricing as a vote-getting issue. And it is fair to surmise that, as more innovative medicines to treat cancer and other serious illnesses emerge from the development pipeline, the issues of price and affordability will continue to be in the spotlight.

HLC must continue to be a substantive voice on this issue. We have positioned ourselves as a consistent champion of healthcare affordability, but doing so through policies that don’t undermine medical innovation and that contain costs through competition rather than government fiat. Inhibiting innovation by expanding government intervention will not increase affordability in the long run. As, inevitably, criticisms over pricing are directed toward multiple health sectors over time, it is essential that HLC maintain this pro-consumer choice, pro-private sector innovation approach.

As the healthcare pricing issue inevitably becomes a part of the 2018 congressional and campaign dialogues, HLC needs to serve as an advocate for patients and consumers and a purveyor of real-world perspectives. Our organization is best suited to throw cold water on arguments in favor of approaches like drug importation or federal pricing involvement in the Medicare Part D prescription drug program, and to offer innovative solutions that can achieve affordability and access to life-changing therapies.
MARKET STABILIZATION IS A CORE ISSUE

While we do not know what will be included in Congress’s inevitable end-of-year, massive legislative package in terms of health insurance market stabilization measures, the odds are that more work will remain to be done in order to strengthen the individual insurance marketplace. HLC has developed a consensus package of market stabilization proposals and must continue to advocate these to lawmakers in 2018.

It is impossible to overstate the importance of broad healthcare coverage and low uninsured rates as linchpins for improving the overall sustainability of the healthcare system. Improvements in our coverage infrastructure are critical in ensuring that healthcare providers are not bearing the harmful burden of uncompensated care costs and the tens of millions of Americans with one or more chronic illnesses can receive adequate preventive care, wellness education, and disease management.

Achieving continuation of cost-sharing reduction payments to help make coverage affordable is critical, but it is only one step of several that must be undertaken to achieve long-term market stabilization and a populace that is closer to becoming fully insured.

THE OPIOID CRISIS HAS MOVED TO THE FOREFRONT OF PRESSING ISSUES

In just a year, opioid addiction has grown in both magnitude and severity. With an average of approximately 90 deaths per day and a large number of addiction cases that has had some economic experts discussing how it is affecting labor force availability, it is clear that this is a problem in need of serious, multifaceted solutions.

HLC is in a unique position to play a role on this matter. With a multisectoral membership containing, among others, healthcare providers, drug manufacturers, healthcare data and technology companies, pharmacies, and distributors, our organization is able to bring to the discussion multiple voices that have important perspectives on how to address opioid addiction and the myriad health and societal problems that accompany it.

Even beyond utilizing our own HLC expertise, though, this issue also lends itself to HLC’s National Dialogue for Healthcare Innovation (NDHI) platform. Through NDHI, we have convened not only our own members, but experts and authorities from government, other industries, academia, and the patient community. One of the most daunting challenges in addressing the opioid crisis is that it involves so many different aspects, from medical care and rehabilitation to law enforcement to new deterrent technologies, to data sharing. Utilizing NDHI could enable HLC to develop a broad, cohesive strategy on opioids to share with policymakers and the public.
A LEFTWARD MOVEMENT THAT CANNOT BE IGNORED

Earlier, it was mentioned that HLC cannot completely break away from serving as a shield against ill-conceived ideas that could do damage to the healthcare system. We can, however, utilize a positive message in playing this role.

It would be a mistake for us to overlook the growing number of lawmakers who are supportive of measures to expand significantly government’s role in healthcare. Two developments are of particular note. Earlier this year, Senator Bernie Sanders (I-VT) introduced, as he does every year, his Medicare-for-all legislation that would allow any American to receive their healthcare coverage through an expanded Medicare program instead of private insurance. In the past he stood alone when introducing this bill. At this year’s press conference, he had 14 Democratic senators with him, including some thought to be presidential contenders in 2020.

Also, self-described moderate Senate Democrats Tim Kaine (D-VA) and Michael Bennet (D-CO) have introduced a concept they call Medicare-X, under which consumers would be able to purchase a public option health insurance plan that would allow access to all providers who accept Medicare and that would pay Medicare reimbursement rates.

Certainly, these proposals do not remotely have the support at the current time to become law. However, their momentum on the Democratic side of the aisle is undeniable, and we do not know the extent to which that side will grow in number in the 2018 elections. At the very least, we need to compete on the field of ideas and continue to make the case for a healthcare system driven by a vibrant private sector and a framework built on consumer choice and competition. This will involve a positive, forward-thinking narrative centered around the innovative successes of HLC members.
Proposed 2018 Priorities

STABILIZING THE HEALTHCARE MARKETPLACE, WORKFORCE, AND ENVIRONMENT

Bringing greater strength and stability to the individual marketplace must be a congressional priority in 2018. HLC will continue to ensure that the health insurance market is made more flexible and affordable. The Administration and Congress should bolster the stability of the health insurance marketplace, encourage greater competition, and give all Americans enhanced choice in their coverage by guaranteeing issue of health insurance without preexisting coverage limits, but in conjunction with continuous coverage requirements and other critical safeguards against adverse selection. Higher risk enrollees should be accounted for with improved risk adjustment mechanisms and a high-risk pool that has broad-based and stable funding. Consumers should be provided with tax credits to purchase coverage in the individual market, and the marketplace should utilize decision support tools to educate consumers on new and innovative plan choices.

If Congress does return to legislation intended to repeal and replace the ACA, it is essential that any measure not significantly reduce the number of Americans with healthcare coverage or leave the system without an effective mechanism to encourage continuous coverage. HLC will also argue that any health reform legislation should not leave states and healthcare providers without sufficient resources to provide care to the Medicaid-eligible population.

Also, under the heading of the ACA, HLC will emphasize that it remains essential to permanently eliminate harmful and counterproductive health sector taxes and fees, including the medical device tax and the health insurance tax. This is a counterproductive form of revenue generation, one that places additional costs and burdens on consumers while also impairing the capability of companies to grow and innovate.
Health system stability goes hand-in-hand with having a well-trained, highly qualified workforce able in both number and capabilities to meet the needs of a growing patient population that will generate increased health services utilization. HLC will advocate a number of policy measures, including increased Graduate Medical Education funding, a greater number of residency slots, expanded use of telemedicine, immigration rules to allow recruitment of nurses and other workers critical to the healthcare industry from outside the country, and provisions for national licensing of healthcare professionals.

The recent weather-related disasters in Texas, Florida, and, in particular, Puerto Rico have raised awareness of their impact on healthcare – not only access to physicians, clinics, and hospitals, but also in delivering essential raw materials to manufacturers of vital medical products throughout the United States. HLC will communicate with appropriate government officials to ensure that the after-action reports on government reaction to these disasters include a focus on how rapidly to restore access to critical healthcare facilities.

As we experience progress in medical innovation, there must be a sufficient degree of predictability and certainty regarding patient access to new treatments and therapies. HLC has taken a multisector approach to the development of value framework structures that are intended to assess the value of new innovative treatments. HLC will continue to advocate that patients will be better served by considering the value of all healthcare interventions and services across the healthcare continuum rather than focusing narrowly on one component of healthcare, and that the patient perspective be included in assessing the value of these interventions and services.
HLC will take a positive, proactive approach to the ongoing, and intensifying, debate over prescription drug pricing, advocating policy steps that will strengthen affordability and accessibility while also incentivizing continued research and development. These steps will include continuing reforms to the Food and Drug Administration to streamline processes and get new products to the marketplace more rapidly, regulatory reforms to facilitate value-based contracting (which will also be better enabled by addressing Medicaid “best price” policies that discourage innovative pricing approaches) that would tie reimbursement to product efficacy, and a removal of barriers preventing companies in different healthcare sectors from sharing efficacy and economic information about particular products prior to FDA approval.

Data accessibility and interoperability are critical to healthcare innovation. HLC will continue to be involved in these issues from different aspects. HLC will continue to press for the goal established by its National Dialogue for Healthcare Innovation to establish systemwide health information interoperability by 2019, relying strongly on innovative private sector partnerships. We will also work closely with the legislative and executive branches to strengthen cybersecurity protections in the healthcare sphere. Data-related policies should also continue to improve patient and health entity access to federally held health information, as well as telehealth and remote patient monitoring services. HLC will also work with the Confidentiality Coalition it leads on a variety of important data-related issues, from harmonization of state privacy laws and regulations to prohibitions on data blocking, as well as measures to allow the continued necessary flow of patient information for quality care.

Regulatory reform is essential to removing barriers to accelerated healthcare innovation. In 2017, HLC submitted several “red tape” removal proposals to the Trump administration and will continue to do so in the coming year. HLC will continue to pursue progress on the modernization of Stark and Anti-Kickback Laws, as well as Medicare civil monetary penalties. Creating permanent safe harbors within this legal structure is essential in enabling the cross-sectoral collaboration that is necessary to advance value-based healthcare. We will continue to work closely with key committees in House and Senate in 2018 to align these fraud and abuse laws with the transition from fee-for-service to value-based care.
One of the greatest cost drivers in the Medicare program involves care for those beneficiaries who have significant healthcare needs (many of them dually eligible for Medicare and Medicaid and with disabilities) that require higher-than-average health services. HLC will advocate innovative approaches to assist this high-need population, including integrated care models, independence at home projects (utilizing patient monitoring and telehealth), and a stronger focus on social determinants of health. It is increasingly important to understand the potential to improve patient health through nutrition, transportation services, and community support facilities, for example.

To ensure state-of-the-art diagnostic care for patients and healthcare consumers, HLC will continue to raise concerns regarding proposals to change the regulatory structure for laboratory-developed tests that would slow innovation in this field. Also, we will advocate that advanced diagnostic sciences, such as genetic sequencing, receive adequate reimbursement.

HLC will continue building support for innovative healthcare liability reform that will provide safe havens for medical professionals who utilize evidence-based medical practices. We will advocate this as a measure that not only brings much-needed change to the outdated and ineffective medical liability status quo, but also encourages high-quality care and the use of health information technology.
Proposed 2018 Priorities

ENSURING A SUSTAINABLE FUTURE FOR MEDICARE AND MEDICAID

Medicaid innovation will continue to be a priority issue for HLC. As became clear in the Affordable Care Act repeal-and-replace debate, there is considerable concern on Capitol Hill regarding the need to contain Medicaid spending growth. Rather than pursue measures that would leave states and providers without sufficient resources to provide care to the Medicaid-eligible population, HLC will advocate use of federal waivers to encourage construction of innovative state Medicaid programs that emphasize value-based care, care coordination, and increased patient engagement and adherence.

In 2018, HLC will continue to work closely with leaders of the Centers for Medicare and Medicaid Services (CMS) in implementing improvements to the Center for Medicare and Medicaid Innovation (CMMI). CMMI is a valuable testing ground for new payment and delivery concepts that can improve care while containing cost growth. HLC and its coalition partners will continue to press for greater transparency in CMMI decisionmaking and data sharing, improved collaboration with healthcare stakeholders, and common-sense guardrails regarding demonstration project scope and duration.

Today, Medicare Advantage represents one of the best possible mechanisms to advance a future Medicare program that utilizes consumer choice and market competition to strengthen program value and sustainability. HLC will continue to promote the value of Medicare Advantage and advocate regulatory measures to improve the program, including population health initiatives.

In order to provide improved care to Americans who are homebound and to improve cost efficiency within the healthcare system, HLC will advocate for removal of barriers preventing the expanded use of telehealth. This includes, among other issues, regulatory burdens and limited reimbursement within the Medicare program.
There are continuing efforts in Congress to fundamentally alter the Medicare Part D prescription drug program to create an enhanced role for the federal government in “negotiating” drug pricing. HLC will be the leading voice, through our Medicare Today coalition, in advocating that the core elements of the Part D program – including private sector price negotiations – remain in place. HLC will continue to sponsor surveys and other communications activities to underscore the popularity of the program among age 65-and-over beneficiaries and its efficacy in maintaining affordable monthly premium levels.

The expansion of the Diabetes Prevention Program is an important step in providing wellness care to Medicare beneficiaries. HLC has been a strong advocate for this program and will be engaged in its implementation to ensure it is accessible for as many beneficiaries as possible. In a broader sense, steps must continue to be taken to make Medicare a more effective agent in preventing and managing chronic illness, which affects the Medicare population at a disproportionate level. Lessons learned from new approaches within the Medicare program can help lead to a more effective national approach to preventing chronic disease.

As Congress did not finish work on legislation to repeal the Independent Payment Advisory Board (IPAB) in 2017, HLC will continue leading its coalition, comprised of nearly 800 patient and provider organizations in all 50 states, to press for repeal. HLC has merged legislative advocacy, grassroots organization, earned media, and paid advertising to build support for elimination of the board which, once triggered into action, threatens to harm beneficiaries’ access to care through immediate, arbitrary cuts in Medicare spending. HLC will continue this combined effort if necessary.
REGIONAL ADVOCACY AND CONGRESSIONAL CANDIDATES PROGRAM

Each year, HLC hosts over 100 events with members of Congress in their states and districts. These meetings involve HLC regional directors and employees from HLC member companies. With this makeup, the events have a far greater influence on policy than traditional inside-the-Beltway lobbying visits. Our network of Capitol Hill relationships will continue to expand as a result of our 2018 Candidate Program. In the 2016 election cycle, HLC regional directors met with 82 percent of the newly elected members of Congress, collecting information on their health policy positions (which is shared with HLC members via the hlc.org website) and positioning HLC as a valuable resource. It’s worth noting that many of today’s most influential lawmakers met with HLC when they were running for office the first time and have worked closely with us ever since. We also carry out a health policy orientation program for new lawmakers.

CAPITOL HILL BRIEFINGS

Approximately every month, HLC hosts a briefing for congressional staff on a wide range of healthcare topics. These are extremely well attended and feature experts from HLC member companies. It is invaluable to give these staff members, many of whom are playing instrumental roles in writing legislation even if they are new to Capitol Hill, a grounding on important health policy issues and an understanding of how the health industry works.

SOCIAL AND EARNED MEDIA

Through our outreach to healthcare journalists as well as our very active Facebook, Twitter, and LinkedIn feeds, we advocate for HLC positions on key issues. We also use those platforms to promote the innovative accomplishments of HLC members to media and health policy influencers, amplifying our narrative that private sector innovation is critical to health system transformation. It should be noted that we are aware that this organization takes on a broad spectrum of issues of interest to our multisectoral membership, more challenges in fact than HLC is equipped to handle with available resources. We, in fact, prioritize those issues on which a multisectoral organization can have the greatest impact. We work closely with other trade associations, patient advocacy groups, and like-minded organizations in coalitions and alliances that advance many of our strategic objectives without a significant expenditure in our resources. This enables us to focus staff and financial resources on those efforts that HLC has initiated and in which we play a leadership role.