

AARP

Universal health care with attention to improving public programs for senior citizens

Organization Description: AARP is a nonprofit, nonpartisan membership organization for people aged 50 and older. AARP advocates for aging issues at the state and national levels. AARP has more than 35 million members and also has a for-profit subsidiary that markets Medicare supplemental insurance, life insurance, investment funds and other financial products.

Proposal Summary: AARP supports universal health care coverage by strengthening and expanding existing public programs. Its policy priorities focus on making public programs more cost-effective, without making those programs more difficult to navigate for beneficiaries. AARP also advocates for making prescription drugs more affordable and for improving long-term care coverage and services. In addition to their own proposal, AARP has joined the Health Coverage Coalition for the Uninsured (HCCU)¹ to promote principles to reform the U.S. health care system.

- **Coverage:** Absent a comprehensive national health insurance program, AARP supports incremental steps toward a health care system that ensures access to quality care and affordable coverage for acute and long-term care services. The proposal encourages changes in federal and state laws to extend coverage to those now uninsured. AARP believes universal coverage will be necessary to ensure retirement security in the long term, but does not favor any particular health care delivery system. The coverage mechanisms AARP supports include:
 - Purchasing cooperatives or pools that enhance access to health coverage and plan choice.
 - Making changes in the Employee Retirement Income Security Act (ERISA) that would provide a means for states to apply their health care initiatives to both ERISA health benefit plans and state-regulated insurance coverage.
 - Applying uniform national standards to the full range of managed care plans' operational and delivery activities to protect enrollees. These standards should be the same for all models of managed care and for fee-for-service plans and should be consistent across all payers, including Medicare, Medicaid, self-insured plans regulated by ERISA and state-regulated plans offered to employer groups and individuals.
 - Maintaining the entitlement nature of Medicaid funding.
 - Reducing out-of-pocket costs that may limit access to care for Medicare beneficiaries.

HCCU's proposal initially aims to remove barriers for children to enroll in established public programs. The plan would also give tax credits to families to help offset the cost of purchasing health insurance for all children. The second phase of the initiative concentrates on expanding Medicaid eligibility to cover all adults with incomes below the federal poverty level. For those with higher incomes, HCCU recommends establishing a refundable tax credit to help cover the cost of private insurance.

- **Wellness and Prevention:** Encourage providers of Medicare beneficiaries and other populations to intervene early to prevent the progression of disease. Provide appropriate educational and self-care programs that help maintain or improve the health status of Medicare beneficiaries with chronic diseases. Federal and state governments should enact

¹ The HCCU is comprised of sixteen national organizations that play leading roles in every aspect of federal health policy, including health plans, provider groups, advocacy organizations, a business alliance, and a pharmaceutical manufacturer.

legislation banning smoking in nonresidential public buildings, on public transportation and in restaurants.

- *Care Coordination*: Track the continuity of care across multiple institutional, home and community settings; and improve the interpersonal aspects of care, such as patient-physician communication. Restructure Medicare coverage policy to provide care management or care coordination across various post-acute or sub-acute providers, rather than requiring limited physician oversight of home health care.
- *Health Information Technology (IT)*: Congress should direct appropriate federal agencies (e.g., Agency for Healthcare Research and Quality, Centers for Medicare & Medicaid Services (CMS) and Federal Employee Health Benefits Program) to take a leadership role in fostering public and private efforts to build an information infrastructure to support health care delivery, consumer health, quality measurement and improvement, public accountability, education and research. Congress should create financial incentives to encourage greater use of health IT.
- *Quality*: Make available more and better information about prescription drugs. Increase oversight of licensing activities in order to ensure compliance with standards. States or the federal government should provide sufficient funding for quality oversight, information and data infrastructures. Encourage internal quality improvement efforts, quality oversight and public accountability through the collection of standardized data and the publication of performance information.
 - States should publish report cards that enable consumers to compare the health plan options available in each state. Report cards should permit consumers to compare performance of competing types of plans such as health maintenance organizations, preferred provider organizations and conventional fee-for-service plans. Comparative data on medical groups, physicians and hospitals and other institutions also should be provided.
 - The Medicare Payment Advisory Commission (MedPAC) and CMS should study how Medicare payments to hospitals are affecting access to and quality of care in inpatient and outpatient settings, especially in rural areas. Monitor whether hospital closings and bed reductions adversely affect access to care. Study the adequacy of Medicare subsidies to hospitals that treat a disproportionate share of low-income patients.
- *Cost*: Permit citizens to buy drugs from licensed Canadian pharmacies or from other countries as deemed safe by the Food and Drug Administration. HCCU would fund its proposal through the expansion of public programs and refundable tax credits for individuals.
- *Other*: AARP has an extensive advocacy agenda that promotes greater consumer protections within public and private health care coverage. This includes limiting health costs for beneficiaries/enrollees, monitoring quality of care and improving access to providers.

Proposal Date: 2006, 2007

Source: *The Policy Book: AARP Public Policies 2006*, http://www.aarp.org/issues/policies/policy_book/; *Public Policy Priorities – Health Care and Supportive Services*, http://www.aarp.org/issues/policies/health_care/; HCCU: Press Release, 2007, http://www.coalitionfortheuninsured.org/news/pressrelease_20070118.html.