



## **Citizens' Health Care Working Group**

Recommendations Submitted by:

The State Chamber, Oklahoma's Association of Business and Industry

August, 2006

The Citizens' Health Care Working Group, created by the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, has sponsored hearings and conducted surveys throughout the nation over the past two years to develop proposed reforms to America's healthcare delivery system. These recommendations shall be submitted to the President and Congress for consideration and potential implementation. The State Chamber, Oklahoma's Association of Business and Industry, respectfully submits the recommendations contained herein to be considered by the Working Group when developing their final proposal.

Improving America's healthcare delivery system is critical to both the business community and the general public. The focus should remain on assuring that healthcare programs and policies are adequate, efficient and affordable. Comprehensive market-based initiatives, if properly implemented, can and will accomplish this goal. When this occurs, more businesses and individuals will be able to afford and maintain health insurance coverage. By covering more individuals in a private sector healthcare delivery system, costs will be spread among more of our citizens and expenses per individual will naturally come down.

The business community and the American family share in feeling the weight of a system in dire need of extensive repair. However, "throwing dollars at the problem" while creating, as some promote, a national healthcare coverage program provides no solution and even creates more challenges down the road. Excessive bureaucratic and federal oversight will prove to be an inefficient method for distributing healthcare services and should *not* be considered as a "silver bullet" when deliberating methods for reform. Private sector marketplace driven initiatives and incentives consistently prove to be the most efficient method for delivering products and services of all kinds. The healthcare delivery system is no exception.

First and foremost, America's healthcare system must address the issue of lawsuit reform. In today's litigious society, many physicians, hospitals and other providers feel the need to practice "defensive" medicine (i.e. ordering excessive or unnecessary tests) in order to reduce the risk of potential liability. This not only injects excessive costs into the system, but also creates a burden on the patient. Rather than advocate a system that consistently encourages providers to practice defensive medicine, a reformed structure should increase the availability and affordability of a more efficient healthcare delivery system and encourage personal responsibility through informed choices.

Effective programs utilizing evidence based medicine, pay for performance models and information therapy currently exist and would make a dramatic difference in helping accomplish this goal. This style of delivering healthcare creates a system of interactive accountability between patients and physicians and has proven to dramatically reduce costs. By following established protocols for servicing patients and providing targeted health related information, physicians reduce the number of unnecessary procedures and maintain a high level of competency while expending healthcare dollars more efficiently. In addition, the public at large then has access to provider outcomes, quality standards, accepted treatment protocols and other information necessary to assure the provision of exceptional healthcare.

The nation's current healthcare delivery system does not encapsulate the total necessities of the patient and provider. Citizens and medical providers must be encouraged to practice *preventative* medicine in order to maintain a healthier lifestyle thereby utilizing less medical services. Providing incentives for healthy living and preventing illness should be a significant component of healthcare reform as opposed to just focusing upon treatment of a health complaint after the fact.

The President and Congress should reinforce America's private sector healthcare delivery system by considering the following initiatives and taxpayer incentives when deliberating the development of a more adequate, efficient and affordable system:

- Provide incentives for healthcare plans and individuals that utilize wellness and preventative care programs.
- Grant incentives for healthcare plans and providers that utilize evidence based medicine guidelines of established and proven medical treatment protocols. Such guidelines must still allow the physician to customize procedures based on a patient's needs.
- Provide incentives for the implementation of pay for performance and information therapy health delivery models that enhance physician's payment schedule and return out-of-pocket and deductible expenditures for patients who follow protocol.
- Make incentives available for healthcare plans that utilize electronic medical records so medical providers have immediate access to an individual's health background.
- Provide incentives for healthcare plans and pharmacies that utilize electronic prescribing programs in an effort to assure proper distribution of medication.
- Allow for the full tax deductibility for all individual health related out-of-pocket expenses including co-pay and deductibles.

National healthcare reform policy must promote: the use of proven standards of practice without the threat of potential litigation; increased utilization of existing technologies; and, enhanced personal responsibility. The implementation of these concepts will help create a more efficient and adequate healthcare delivery system that assures more affordable healthcare, more covered lives and a healthier America!

Thank you for the opportunity to participate in this important effort.

Submitted by:

Chair, The State Chamber Human Resources and Healthcare Committee  
Lynette Parmley, Vice President, Human Resources  
C.L. Frates and Company  
5005 N. Lincoln Blvd.  
PO Box 26967  
Oklahoma City, OK 73126  
(405) 290-5600  
[parmley@clfrates.com](mailto:parmley@clfrates.com)

Matt Robison, V.P., Small Business and Workforce Development  
The State Chamber, Oklahoma's Association of Business and Industry  
330 NE 10<sup>th</sup> Street  
Oklahoma City, OK 73104  
(405) 235-3669  
[mrobison@okstatechamber.com](mailto:mrobison@okstatechamber.com)