



2024 PRIORITIES – SOLUTIONS FOR AFFORDABILITY

The Council for Affordable Health Coverage ([CAHC](#)) is a broad-based non-profit, non-partisan coalition with a singular focus: ensuring all Americans have access to affordable coverage. Founded in 2001, our membership represents a broad range of interests – small and large employers, insurers, patient groups, and physician organizations. We collaborate with lawmakers to advance policies that will ensure universal access to affordable coverage.

THE PROBLEM

Because health costs are too high and growing too fast, the typical working family will spend more than 40 percent of its income on health care by 2030. Even though consumers spend much on health coverage, access to health care services and drugs are too limited. While there is a lot to celebrate in America's health system, many government policies limit coverage options, restrict access to doctors and hospitals, and stifle innovation. As a result, health costs and premiums are rising faster than wages, leading to less take-home pay, higher taxpayer costs, fewer coverage options, and worse health outcomes.

THE SOLUTIONS

These problems can be fixed. The best way to promote affordability is to address the root cause driving up premiums and out-of-pocket costs - the rising costs of medical services and prescription drugs. And we must recognize that government spending and rules are more pervasive than ever before. CAHC supports efforts to create a sustainable health system through reforms through expanded coverage options, lower costs, and better value.

1. *All Americans Should Have Access to Affordable Coverage.* CAHC wants to dramatically increase options and financial support for all Americans in employer coverage and government programs.
2. *Consumers Need Lower Premiums and Out-of-Pocket Costs.* The best way to lower premiums and out-of-pocket costs is to shrink medical prices and improve incentives for high-value care.
3. *Patients Want Choices and More Transparency.* Most patients live in uncompetitive health markets and have few care options. This drives up costs, limits choices, and access, and makes coverage less affordable. CAHC supports transparency, incentives, and rules that support competitive markets.

Enacting these reforms will be difficult, but improving affordability will put money back into the hands of families and lower taxpayer costs while expanding access to doctors, drugs, and hospitals. Congress must take steps to improve affordable coverage for all Americans.

CAHC URGES CONGRESS TO MAKE AFFORDABILITY A TOP PRIORITY IN 2024

Most Americans struggle with health costs, and voters rate it as their number one health issue. This year, the typical worker and their employer will spend \$24,000 for family coverage. The relentless rise of medical costs – hospitals, doctors, drugs – causes premiums and out-of-pocket costs to grow much faster than wages. If current trends persist, the typical family will spend more than 40 percent of their wages on health costs by 2030. Public programs have high out-of-pocket costs, or limited access to doctors and drugs, making access to quality care difficult. Reining in health costs, increasing options for consumers, improving public programs, and increasing competitive markets are desperately needed to improve household and national finances.

The Council for Affordable Health Coverage is the leading organization fighting to lower premiums and out-of-pocket costs for consumers through market-based reforms. Since 2001, CAHC has been bringing market leaders together around developing solutions, advocating for reforms, and informing the public.

Reduce Premiums and Out-of-Pocket Costs

CAHC supports policies that lower premiums and out-of-pocket costs. Medicare drug plan premiums increased 22 percent this year, while choices have decreased.

1. **Inflation Reduction Act** – Reform the IRA to stabilize the market, lower premiums, increase plan choices, and improve patient access to medicines.

Value-based payment programs are not delivering enough, and worse, they are burdensome for doctors and hospitals. Government rules stand in the way of lower costs. And because up to 40 percent of care is either ineffective or harmful to the patient, we must create incentives to reward high value.

2. **Pay for Outcomes:** Congress should allow payers and manufacturers to pay for drugs based on a patient's outcome, not the number of treatments (**H.R. 2666, the MVP Act**).
3. **Pay for Value:** Congress should revamp hospital and physician value-based programs in Medicare to reward patient outcomes, not process changes.

All Americans Should Have Affordable Coverage

CAHC believes we should strengthen employer coverage, expand choices, and reduce costs for consumers by expanding HSAs. Congress should:

1. **Reform the Small Employer Health Insurance Tax Credit** by expanding eligibility for the credit and allowing the credit to be used for all major medical plans, not just exchange coverage.

2. **Modernize HSAs** by -

- Supporting **H.R. 5687, the HSA Modernization Act, and H.R. 5688, the Bipartisan HSA Improvement Act** to allow accounts to be used for direct primary care, on-site employer clinics, and telehealth services, and to allow veterans and Native Americans to own an HSA.
- Allowing any worker whose employer offers a plan that meets a minimum value to own an HSA.
- Creating new **gig-worker HSAs** to recognize changes in the workforce that have created new types of businesses and contract employees.

3. **Expand options** by ensuring employers have access to self-funded plans (**H.R. 2831, Rep. Good**), and expand and make permanent Association Health Plans to allow small businesses to band together to negotiate lower costs (**H.R. 2868, Rep. Walberg**).

Improve Competition and Increase Transparency

CAHC supports new laws that end anti-competitive practices, including site-neutral payments and point-of-care transparency on cost and quality. We oppose price controls and their expansion into the private sector.

1. Expand market competition by setting clear rules against anti-competitive practices (**H.R. 3120, the Healthy Competition for Better Care Act**).
2. **Oppose government price setting and interference with worker's benefits (Medicare for All, SMART Prices, and Lowering Drug Costs for American Families Act).**