



## When What Is Right Is Also Popular: The Case for Person-Focused Care Through Payment Reform



October 2022

Americans on both sides of the aisle agree: You should not have to be wealthy to keep your family healthy.<sup>1</sup> Yet health care costs are too high and still rising in America, with an endless flow of medical bills that too often sends individuals and their families deep into medical debt from which they might never fully recover.<sup>2,3</sup>

Americans' experiences with health care vary widely depending on their race, their economic status and where they live, with many people struggling to access the care they need to get and stay healthy.<sup>4,5</sup> At the same time, employers and policymakers at both the state and national level are dealing with a crisis of out-of-control health care spending.<sup>6</sup>

For all the money that our nation and its people spend on health care, Americans are generally dissatisfied with the care they receive — especially given how much it costs them — and in many parts of this country, they lack access to the services they need.<sup>7</sup> And although they may not like to hear it, studies show that people in the United States have worse health outcomes than people in other advanced countries around the world<sup>8,9,10</sup>

### People in America Have Worse Health Outcomes Due to Health Care Industry Consolidation



72,000 DEATHS PER YEAR FROM HOSPITAL-ACQUIRED INFECTIONS

*Compared with other advanced countries*



HIGHEST RATES OF INFANT MORTALITY



HIGH RATES OF PREVENTABLE DEATHS FROM HEALTH SYSTEMS FAILING TO PROVIDE TIMELY & EFFECTIVE CARE

For the health care industry, though, business is booming. Big health care corporations have been able to game the system to kill market competition and avoid transparency or accountability for providing high-quality, affordable care.<sup>11,12</sup> Our health care system is operating against the best interests of the people it is supposed to serve and is only serving to enrich those at the very top.<sup>13,14,15</sup>

If we want to create an America where everyone has a chance to live a long, healthy life, we have to tackle the fundamental, underlying issues of a health care system that focuses on a fee-for-service profit motive rather than the people it is meant to serve.<sup>16</sup> That means doctors should be talking to one another instead of forcing people to navigate a complicated health care system on their own on top of handling a difficult or life-threatening illness.<sup>17,18</sup> It means people should be able to go to the doctor when they need to. It means people should be getting high-quality care at a cost they can afford regardless of how much money they make, the color of their skin or where they live.

### **Research and polling show that policymakers can win big if they seize this opportunity now and take action**

With People First Care's vision for payment reform, we can bring down health care costs and address corporate bad actors in our health care system. If we do that, we can improve people's health and make sure that families and individuals in America can access affordable, quality care they want and need, regardless of color, gender or ZIP code. (For a more in-depth discussion of payment reform, refer to the following papers by Families USA: [Our Health Care System Has Lost Its Way: Why U.S. Health Care Is Unaffordable and Low Quality](#) and [Bleeding Americans Dry: The Role of Big Hospital Corporations in Driving Our Nation's Health Care Affordability and Quality Crisis](#).) We need to reorient how we access and pay for health care so that patients are at the center of everything and businesses are rewarded for keeping people healthy instead of encouraged to order more tests to drive up profits. When that happens, consumers will be healthier and more financially stable, and businesses will thrive.

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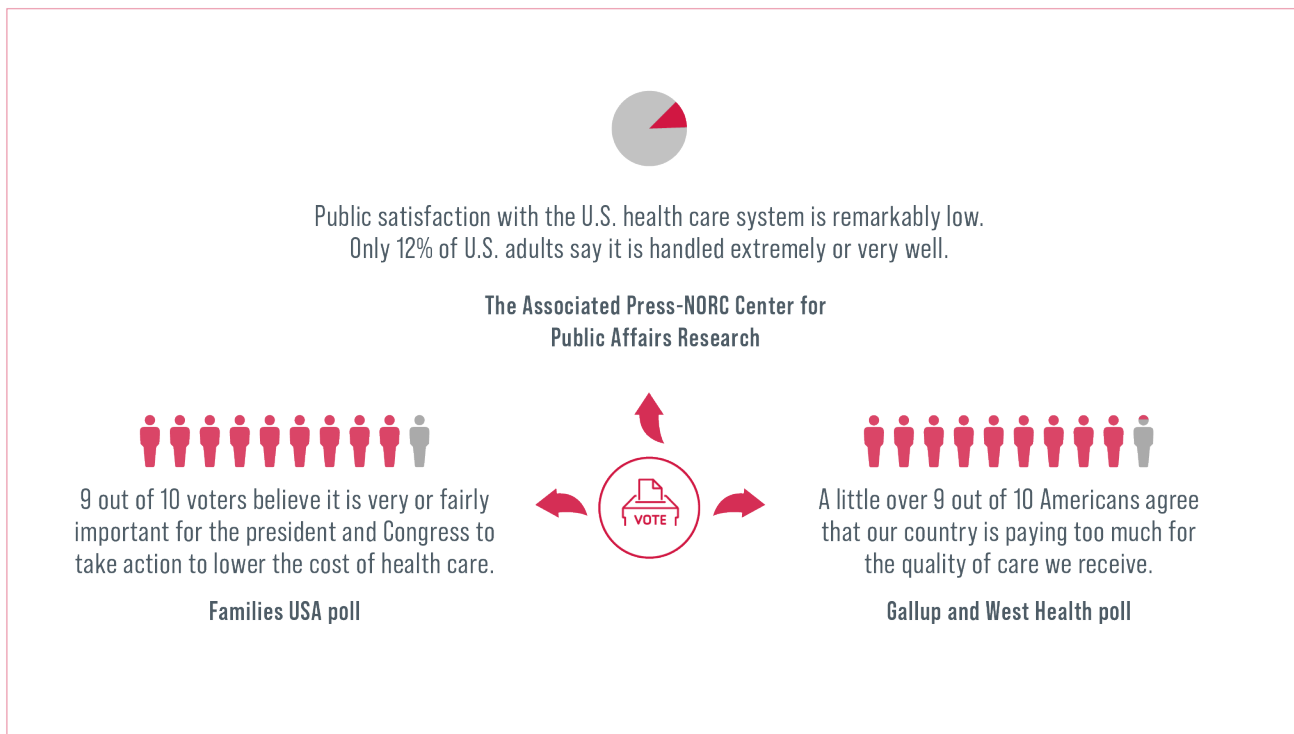
## The opportunity

Poll after poll shows that health and health care are still among the top motivating issues on the minds of U.S. voters.<sup>19,20,21</sup> Even with everything else happening in this country in 2022, Americans still recognize that health care is too expensive and that Congress has an obligation to fix it.<sup>22,23</sup>

Recent polling by Families USA found that 90% of voters believe it is very important or fairly important for the president and Congress to take action to lower the cost of health care.<sup>24</sup> A separate poll by Gallup and West Health found that 93% of Americans agree that our country is paying too much for the quality of health care we receive, and more than half of adults in that same poll said that their most recent health care experience was not worth the cost.<sup>25,26</sup>

In short, voters in America believe the cost of health care is too high, the quality of care they receive is too low, and, most importantly, they believe that it is incumbent on the government to fix it.<sup>27,28</sup> When it comes to health care reform, voters have bought in and are ready to see

## Polls Show Americans Are Overwhelmingly Dissatisfied With Both the Care They Receive and the Cost They Pay for It



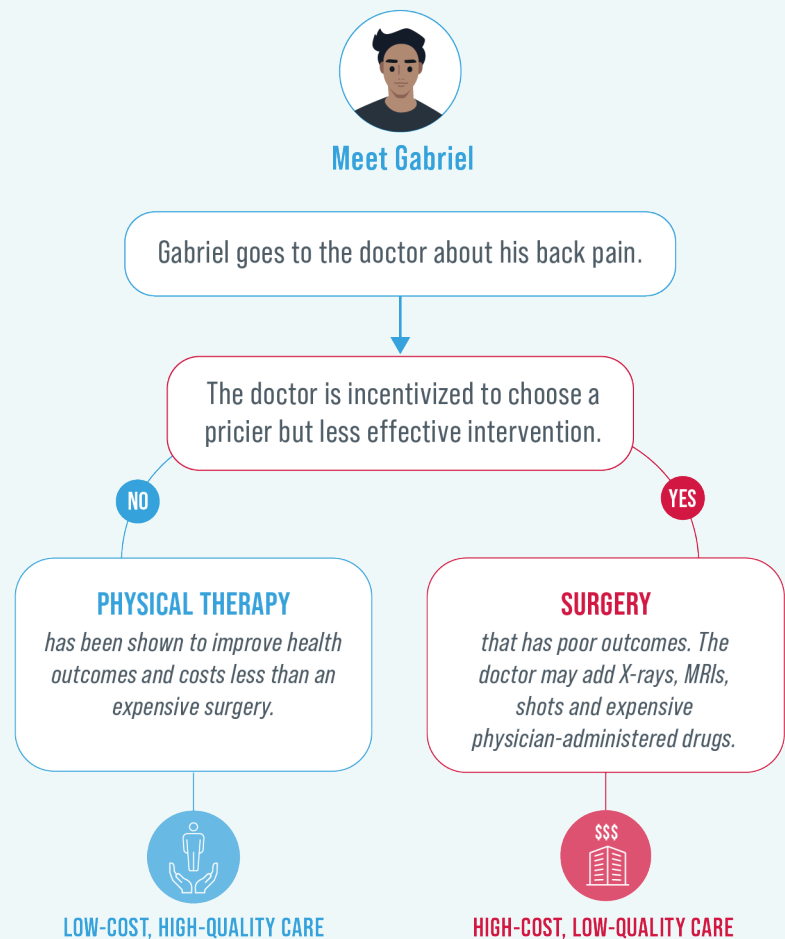
meaningful solutions at both the state and federal levels. Policymakers have an opportunity now to capitalize on this momentum and move forward on an issue that can address the key concerns of the public, while also reining in our nation’s out-of-control health care spending and improving health outcomes and equity. With payment reform, we can accomplish all of those goals.

Our health care system is broken, and we need to tackle the deep-rooted economic incentives that are bankrupting people without healing them and making it harder to address the inequities in our system. Doing the hard work of reforming these backward economic incentives will also make the system more equitable, creating new incentives that address underlying social determinants of health.

Payment reform is about moving toward a health care system that is designed to produce the highest-quality care for the lowest possible cost, not the highest possible profits for big corporations.<sup>29</sup> Corporate hospitals and health care systems have become big business — at

## An Example of Backward Economic Incentives

If someone goes to a doctor complaining about back pain, the doctor is incentivized to “run up the bill” to make money for the hospital and health care corporation. Physical therapy has been shown to improve health outcomes and is a lower-cost option than an expensive surgery, but it also generates less revenue for the hospital and health care corporation, so patients too often receive more expensive, unnecessary or even harmful health care. And, of course, these high-cost treatments drive up premiums and financial insecurity for patients, and they raise costs for taxpayers.



an unsustainable cost to all of us. While providers should be competing to keep people healthy or treating illness efficiently, they are instead focused on what is best for their bottom line and competing only for the biggest profits.<sup>30,31</sup>

We have seen this in the pharmaceutical industry, and the public has long been dissatisfied with Big Pharma’s way of doing business and the way it leaves Americans paying huge bills for medications they need, but that often do not produce better health outcomes.<sup>32,33,34,35</sup> Just like Big Pharma, big health care corporations are driving up prices at the expense of consumers, and the public is growing increasingly frustrated with paying more for low-quality care and worse health outcomes.<sup>36,37</sup>

Voters understand and are overwhelmingly supportive of the nonpartisan message that we need to hold big health care corporations accountable for rising prices and poor health outcomes.

This is a key tenet of payment reform, and the public is already strongly in favor of it, provided we message it the right way.



## Voters Support Holding Health Care Corporations Accountable



RANKED THE FOLLOWING STATEMENT AS A MAJOR CONCERN<sup>38</sup>

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*“Large health care systems are often run as businesses that focus on their bottom line rather than on what is best for the patient, which results in the elimination of less profitable types of care and the closing of hospitals in smaller and less affluent communities.”*

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Families USA Poll


## The concerns

Our polling and message research show that when voters understand this problem, they are fully on board with the need for payment reform as a solution.<sup>39,40</sup>

A concern is that, as it stands, most voters are not fully aware of how the backward incentives of our health care system are hurting them, and they are also not up to speed on what payment reform means or what it can accomplish.<sup>41</sup> This issue is often lost on the average voter and saved only for wonky, inside-the-Beltway staffers who do not make any effort to educate voters on the issue of health care system payment reform. The health care sector, meanwhile, uses this knowledge gap to further confuse consumers and push back against important and necessary reforms.

Take the recent victory on surprise medical bills for example. Just 16% of U.S. adults said they have seen or heard something about the No Surprises Act that banned many surprise medical bills.<sup>42</sup> But a quarter of adults polled said they have delayed or skipped medical care in 2022 for fear of receiving a surprise bill, despite the law taking effect in January.<sup>43</sup> At the same time, opponents are challenging the implementation of the No Surprises Act, and providers are trying to delay parts of the law that would require more transparency and accountability to their patients.

When consumers are kept in the dark about the health care system, it is easier for big corporations and providers to take advantage, skirt the rules and charge higher prices for lower-quality care. Additionally, Families USA's own polling found that voters associated big health care systems and consolidated health care corporations with higher-quality, more accessible care, even though the opposite is true.<sup>44,45</sup>



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We must address the gap in public understanding of the issues with the U.S. health care system and work to inform consumers of this new (to them) idea about why our health care system is rigged against them and how we can fix it.

Another concern is that our opponents on this issue are big health care corporations and hospitals with a full war chest of money and powerful lobbyists. The U.S. is still in the midst of a global pandemic that has put health care workers and hospitals front and center for more than two years. News stories about hospitals running out of supplies and doctors and nurses working around the clock to save lives are fresh in the minds of most Americans. But these providers are very different from the C-suite executives who are responding to the broken incentives that ensure they make money regardless of whether patients are getting healthier. People need to understand the distinction between front-line health care providers and health care corporation executives before they can fully understand the need for health care system reform. The residual goodwill Americans have for health care workers from the pandemic's early days can make the path to reform an uphill battle, and we know that people are not antagonistic toward their own doctor or health care providers.

In today's health care system, however, the doctors and health care workers are too often beholden not to the patients who trust and need them, but to the big health care corporations that employ them and are built on fee-for-service models, which demand that providers bill their patients for every service, scan and visit, not focus on getting them healthy. Voters are already skeptical of big health care corporations and are supportive of government action to address corporate malfeasance by these large corporations, as long as we avoid indicting their doctor or care provider.

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## Payment Reform Messaging Tools

Research shows that when we talk to persuadable voters and policymakers about health care policies, we lose them when we jump into wonky talk too quickly or recite too many facts and figures. In reality, no matter the topic, our values and beliefs drive our responses on everything we encounter.

Specific phrases or words — or even the order in which words appear — light up our neural networks, those parts of our brains that house our associations, our memories, our emotions. When we hear new information, our brains immediately respond and place it in a context we can understand, not as stand-alone information but in association with our experiences. It happens in a nanosecond and determines whether people are open to or reject new ideas.

### *Proven tools to use when messaging about payment reform*



#### **Describe the issues in emotionally evocative ways**

Use familiar metaphors, striking examples and shared values, like fairness and common sense. For example, compare unfair hospital pricing practices to the unfair practices with which voters are already familiar, like price gouging by insurance and drug companies.



#### **Avoid indicting doctors, employers or small businesses**

Even though voters respond strongly to populist messages about corporate malfeasance by large health care corporations, voters often trust and have personal relationships with their doctors and front-line health care workers.



#### **Avoid unfamiliar language, long lists of facts and figures distant from voters' experiences, and government and industry acronyms and abbreviations**

Speak in normal, everyday language and share compelling stories that people will remember and pass on to others.



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## Conclusion

Changing the payment incentives of our health care system sounds like a daunting or even impossible task. In fact, it sounds more like the title of some long-forgotten senior thesis than a viable policy solution. But voters in America have long been ready for systemic change in our health care system, and that fact is reinforced with every election cycle that shows the cost of health care is still among the top concerns for both Democratic and Republican voters.

Payment reform can address the root cause of the inequities in our health care system, bring down prices for consumers and improve their health, and we know that the public is overwhelmingly supportive of these ideas and the government's role in making them a reality.

This is about ensuring that when big health care corporations make record profits they do it because they are getting people healthier, not driving people to take on insurmountable medical debt. It is about allowing doctors to spend as much time with each patient as they need to instead of treating as many patients as they can in an hour. It is about ensuring that providers are serving people fairly and that people of color or people in rural communities can access the care they need to live a healthy life with economic security. These statements are winning lines in a political stump speech, and they also align with People First Care's vision for payment reform. This can be a winning ballot box issue for policymakers willing to talk about it in the right way and be at the forefront of the future of health care.

## Endnotes

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*Our health care system has become so focused on dollars that it undermines the best interest of patients. We need to dramatically rethink how we deliver care so that the focus is on positive health outcomes for patients rather than an endless flow of bills.*

*People First Care is a series of publications over the coming year that addresses the systemic problems in health care payment and delivery that drive unaffordable, low-quality care and poor health, and lays a blueprint for reorienting the health care system to deliver health and affordable, high-quality care for all.*

***People First Care Series: Publication 3***

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