



Health Costs and Financing: Challenges and Strategies

Vital Directions for Health and Health Care: Priorities for

2021

Vitals 5 affordability

Health care spending continues to grow at an unsustainable rate. Even for those with insurance coverage, health care is increasingly unaffordable. Roughly half of U.S. adults have delayed or avoided seeking care due to costs.

Equity. Persistent inequities in health care access and outcomes owing to race, gender, ethnicity, sexual orientation, and socioeconomic status have been made painfully obvious during the COVID-19 pandemic, which has taken an unacceptably high and disparate toll on underserved communities and people of color.

Policy Priorities

1. Expand insurance coverage.
 - The Secretary of Health and Human Services should develop alternative pathways to insurance coverage.
 - State governors should create opportunities for expanded coverage.
2. Accelerate the transition to value-based care.
 - The Administrator of the Centers for Medicare and Medicaid Services should increase the adoption of advanced value-based payment models, align payment models with equity, stabilize independent primary care providers, broaden value-based insurance design, strengthen Medicare Advantage, and enforce regulations that promote interoperability.
 - State governors should expand value-based care in Medicaid.
3. Advance home-based care.
 - The Administrator of the Centers for Medicare and Medicaid Services should formalize changes to telehealth reimbursement and develop reimbursement models for home-based care.
4. Improve the affordability of drugs and other therapeutics.
 - The Commissioner of the Food and Drug Administration should reduce barriers for generic and

Ultimately, these steps by policymakers will help ensure every American has equal access to affordable health care.