



## Joint Statement on Entitlement Reform

### Introduction

The American Cancer Society, American Diabetes Association and American Heart Association advocate for the interests and rights of patients, survivors and families affected by four of the nation's most prevalent, deadly and costly chronic diseases: cancer, diabetes, heart disease and stroke. Together, they exact an enormous toll upon our nation and its people, accounting for untold suffering and approximately two-thirds of all deaths in the United States, and approximately \$700 billion in direct and indirect economic costs each year.

The Medicare and Medicaid programs are literally a lifeline for many of our seriously or chronically-ill Americans—especially the elderly, the poor and disabled. Every day, they rely on these safety net programs to fill prescriptions, keep up with life-saving prevention services, or see a doctor to treat their conditions and keep them from worsening or recurring.

Our organizations are steadfast and united in the belief that we cannot allow funding for vital health programs like Medicare and Medicaid to be cut to the point that they can no longer deliver their intended benefits to those who so desperately need them. Cost-shifting to patients, consumers, states and businesses is no real answer and ignores the real problems at the heart of our health care system.

Together, we must improve and promote value and quality in federal health care programs and together, we must seek cost savings and efficiencies throughout our entire health care system. However, it is incumbent upon all of us to ensure that all patients suffering from these and other chronic diseases continue to have access to the quality, meaningful and affordable health care they deserve and need. That should be the real focus of entitlement reform.

### The scope of the problem

Nearly 26 million Americans have diabetes and approximately 14 million of them receive their health coverage through Medicare and Medicaid. In addition, another 79 million Americans have pre-diabetes which places them at high-risk of developing type 2 diabetes in the near future. A disproportionate number of people with diabetes—and those at high-risk—are low-income and/or older Americans.

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Over 1.5 million Americans are diagnosed with cancer every year and there are 13 million cancer patients alive today. Half of all of these individuals receive their health coverage through Medicare. Medicaid also covers 25 percent of all children diagnosed with cancer.

Approximately 81 million Americans have heart disease, stroke, or some other form of cardiovascular disease (CVD). About 42 percent of Medicare beneficiaries have a heart condition and 12 percent have had a stroke. More than 16 million adults with Medicaid coverage have a history of CVD.

### **Our principles for entitlement reform**

- The long term sustainability of our federal health programs is essential to our patient population.
- The impact on patients—particularly those most vulnerable—must be the central focus in any discussion of health policy reform.
- Entitlement reform should focus on improving the value of health care—rather than merely shifting costs from the public to the private sector or from the government to beneficiaries.
- Significant cost savings and improvements in health outcomes are possible through changes that promote prevention and coordinated care and reward higher quality.
- Efforts to reduce the deficit must not focus solely on spending cuts, and funding for research and prevention should remain a priority.

### **Our organizations would oppose proposals that:**

- Reduce patients' access to quality, affordable health care.
- Reduce prevention programs and benefits that mitigate the burden of chronic diseases.
- Impose arbitrary caps or across the board cuts.
- Provide unfettered discretion to states in the use of their Medicaid dollars.
- Significantly increase out of pocket costs that would create more financial burdens for seriously ill and low-income patients.

### **Our organizations could consider supporting proposals that:**

- Change existing financial incentives in the delivery system to reward quality and value by incentivizing and promoting appropriate and cost-effective care, including prevention and wellness interventions, and reducing the use of unnecessary tests and services.
  - Promote the delivery of coordinated care by a team of health care professionals, particularly for high cost patients with complex or comorbid illnesses.
  - Make appropriate use of new health information technology.
  - Reduce errors, fraud, and administrative overhead.
  - Increase consumer access to information about health care quality and cost to enable informed health care decisions.
  - Promote models of care that best ensure patient access to quality chronic disease care.
  - Aggressively implement effective delivery system reform pilots and expand those demonstrations that are shown to improve quality and reduce cost.
  - Promote the appropriate use of generic medications.
  - Promote the use of palliative care for patients with serious illnesses starting at the point of diagnosis.
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