

JAMA: Reform Proposals from Seven National Policy Centers and Stakeholder Coalitions Endorse V-BID

October 23, 2013- Over the past year, diverse policy centers and stakeholder coalitions including the Bipartisan Policy Center, Brookings Institution, The Commonwealth Fund, Kaiser Family Foundation, National Coalition on Health Care, Partnership for Sustainable Health Care, and Urban Institute presented plans for reforming the US health care system. In a recent [JAMA analysis](#) of proposals from these respected organizations, Value-Based Insurance Design (V-BID) and value-based payment reform were unanimously included as key elements for sustainable health care. Administrative efficiency, spending limits, and Medicare reforms were also identified. The inclusion of V-BID in each proposal demonstrates the growing multi-stakeholder and bipartisan political consensus among experts that V-BID is essential to a high-performing health care delivery system.

Table. Policy Comparisons

Policy ^a	Organization						
	Bipartisan Policy Center	Brookings Institution	The Commonwealth Fund	Kaiser Family Foundation ^b	National Coalition on Health Care	Partnership for Sustainable Health Care	Urban Institute
Value-based payment reform	✓	✓	✓	✓	✓	✓	✓
Value-based insurance design	✓	✓	✓	✓	✓	✓	✓
Efficient administration and markets							
Administrative/information technology	✓	✓	✓	✓	✓	✓	
Antitrust	✓	✓	✓	✓		✓	
Medical malpractice	✓	✓	✓	✓	✓	✓	
Evidence-based benefits	✓			✓	✓	✓	
Work force	✓	✓	✓		✓	✓	
Broad reforms							
Medicare structural reforms	✓		✓	✓			✓
Taxes	✓	✓		✓			✓
Caps	✓	✓		✓			

^a Value-based payment reform: rewarding quality and better outcomes over volume of unit services. Value-based insurance design: benefit designs incentivizing patient choice of higher-quality treatments, clinicians, and hospitals and choice of healthier lifestyles and adherence to effective treatment. Administrative/information technology: improvements that reduce costs. Antitrust: ensure healthy competition in local health care markets. Medical malpractice: liability policy improvement. Evidence-based benefits:

paying for demonstrated clinical effectiveness. Work force: policies promoting provider efficiencies. Taxes: federal tax exemption changes enhancing insurance competition. Caps: total dollar limits, or targets with overspending consequences.

^b Kaiser Family Foundation's January 2013 report presents an array of policy options without specific recommendations.

Policy Comparisons Table, The Journal of the American Medical Association

Developed by a multi-disciplinary team at the University of Michigan, the [premise](#) of Value-Based Insurance Design (V-BID) is to reduce barriers to high-value health services and providers and discourage the use of low-value health services and providers. By basing consumer cost-sharing on the clinical value - not the price - of services, payers can actively engage consumers in seeking high-value care and foster more regular conversations with providers regarding low-value services.

Dr. Mark Fendrick, V-BID Center Director, is available for comments and questions at 734-647-9688 or vbidcenter@umich.edu. To learn more about V-BID, please see our [infographic](#).

The University of Michigan Center for Value-Based Insurance Design (V-BID Center) leads in research, development, and advocacy for innovative health benefit plans. For more information, please [visit our website](#) and [sign up](#) to receive our newsletter.