



# **BUILDING A BETTER HEALTH CARE SYSTEM**

## **PhRMA'S PATIENT-CENTERED AGENDA**

[PHRMA.ORG/BETTERWAY](https://www.phrma.org/betterway)

# INTRODUCTION

A once-in-a-century global pandemic has reinforced the value of the scientific advances America's innovative and indispensable biopharmaceutical industry makes possible.

The breakthroughs in vaccine research and therapeutics to combat COVID-19 are built on a collaborative ecosystem that drives scientific discovery.

As Americans get vaccinated and we start to recover from this crisis, we need to build on

what we've learned from COVID-19 and other challenges. Our top priority is lowering barriers between our medical innovations and patients who need them.

America's biopharmaceutical industry is ready to do our part. We are willing to work with all stakeholders to deliver a stronger, more resilient, affordable and equitable health care system for all.

*Common-sense, patient-centered reforms built on three core goals will help ensure everyone benefits from America's engine of innovation and gets the care they need and deserve.*

**1**

## **END THE PANDEMIC & BUILD A MORE RESILIENT SYSTEM.**

Our first order of business is to end the COVID-19 pandemic. We must also prepare for the challenges ahead. To do so, we need more of the innovation and discovery that led to COVID-19 vaccines and a stronger scientific delivery system from top to bottom.

**2**

## **MAKE MEDICINES MORE AFFORDABLE.**

Every reform must pass a simple test: Does it benefit the patient and protect future innovation? Temporary fixes based on political rhetoric are destabilizing and counterproductive – only sustainable, patient-centered solutions will help those most in need.

**3**

## **BUILD A MORE JUST, EQUITABLE HEALTH CARE SYSTEM.**

COVID-19 and the disproportionate impact it has had on Black and Brown communities has shown us that the time to fix inequities in our health care system is now. Communities of color must receive the highest quality of care. Every patient deserves the opportunity to make rational and informed decisions about their own care.



# **END THE PANDEMIC AND BUILD A MORE RESILIENT HEALTH CARE SYSTEM**

# END THE PANDEMIC AND BUILD A MORE RESILIENT HEALTH CARE SYSTEM

The COVID-19 pandemic has reaffirmed the value of science and the importance of a robust innovation ecosystem that drives scientific advances to the benefit of patients and society.

We have seen incredible progress in the fight against the COVID-19 pandemic. America's unique research and development (R&D) ecosystem provided the opportunity for the industry to quickly build on knowledge gained from years of experience with viruses such as MERS, SARS and influenza to develop safe and effective treatments and vaccines for COVID-19 at an unprecedented speed.

Essential for responding to public health threats are globally diverse and resilient supply chains for biopharmaceuticals and other medical items and public policies that enhance the health care system's ability to respond quickly, whether due to a pandemic, an antibiotic-resistant superbug or other natural or public health disaster.

COVID-19 has also demonstrated that we need a health care system that works better for all patients and is better prepared for future public health emergencies. The substantial challenges faced by states and local public health authorities in testing, treating and vaccinating Americans during the pandemic highlights key infrastructure gaps in our health care system that need to be addressed. Resilient health care systems have the depth, flexibility and foresight to respond to emerging health challenges and provide equitable access to necessary health care items and services. This pandemic reinforces the need for a long-term vision and strategy and infrastructure investments to support a more robust response to future crises.

*We commit to helping end the current pandemic and support policies that will create a more resilient health care system for the future.*

- 1. END THE PANDEMIC**
- 2. ENHANCE SUPPLY CHAIN CAPACITY**
- 3. INVEST IN PANDEMIC PREPAREDNESS AND PLANNING**
- 4. ADDRESS RISING ANTIMICROBIAL RESISTANCE**

# 1

## *End the pandemic*

The biopharmaceutical industry remains committed to doing everything we can to help bring the current pandemic to an end as quickly as possible.

**To continue to make progress against the pandemic, the industry commits to the following steps.**

### **EXPAND COLLABORATION WITH OUR PUBLIC AND PRIVATE SECTOR PARTNERS.**

The industry will continue to drive coordination, collaboration and joint problem-solving across the R&D, manufacturing and distribution ecosystem to fight the pandemic. There are currently multiple treatments and vaccines authorized by the U.S. Food and Drug Administration and global regulatory agencies for use against COVID-19, and one medicine is approved for the treatment of COVID-19. That would not have been possible without the policy and regulatory framework that exists in the United States, including our intellectual property laws, which foster an unprecedented level of collaboration between research-based biopharmaceutical companies, governments around the globe, multilateral organizations, nongovernmental institutions and many others.

### **EXPAND MANUFACTURING CAPACITY.**

The industry will continue to find ways to accelerate the expansion of manufacturing capacity, particularly for authorized COVID-19 vaccines. Many companies are already working with other manufacturers worldwide with the appropriate expertise, technical capabilities and facilities and have entered into a growing number of partnerships and licensing agreements to speed up the production and distribution of safe and effective vaccines.

### **ENSURE AFFORDABILITY AND ACCESS.**

The industry commits to working with governments and insurers to ensure that when new treatments and vaccines are authorized or approved, they are covered, reimbursed and affordable for the people who need them.

### **SUPPORT EDUCATIONAL EFFORTS.**

The industry is directly supporting educational efforts to increase awareness of and confidence in the safety of COVID-19 vaccines and treatments, including driving educational efforts among health care providers and patients, particularly in underserved and vaccine hesitant communities.

## 2

## *Enhance supply chain capacity*

The COVID-19 pandemic has demonstrated the critical importance of globally diverse biopharmaceutical manufacturing supply chains to respond to crises and has highlighted the potential negative impacts of nationalistic supply chain policies. Over the course of the pandemic, biopharmaceutical manufacturers and suppliers have ramped up manufacturing to unprecedented levels.

**The pandemic has also reinforced the urgency of addressing key infrastructure gaps to enhance manufacturing in the United States with policies that will aid in these efforts.**

### **FOSTER COLLABORATION.**

The unprecedented collaboration among biopharmaceutical companies, government agencies and others in the public and private sector has been the key to our collective fight against COVID-19. Our unique innovation ecosystem has made the United States a global bioscience leader and is built on policies that encourage the public and private sectors to play complementary roles in drug discovery and development. Public policies must continue to support this environment and avoid policies that could impede collaboration and progress through massive cuts to innovation investment or erosion of critical intellectual property protections.

### **ADDRESS GAPS IN THE STEM WORKFORCE.**

There remains an urgent need to address the long-term gaps in America's science, technology, engineering and math (STEM) programs to grow the 21st century workforce. This is critical to meet current and future biopharmaceutical R&D and manufacturing needs and strengthen America's innovation economy. To address this gap and broaden participation in STEM fields to groups that are historically underrepresented, we support robust public and private investment in STEM training and education through grants, direct educational support and training programs.

### **ADVANCE R&D AND MANUFACTURING INFRASTRUCTURE.**

The United States competes with other countries that are seeking to sustain and grow a robust biopharmaceutical presence. The industry supports public policies, including tax and other targeted incentives, to foster continued investments in innovation in advanced manufacturing technologies and platforms in the United States.

### 3

## *Invest in pandemic preparedness and planning*

Numerous studies have highlighted the need for improved policies, procedures, capabilities and strategies to improve overall pandemic preparedness at the local, state and federal levels.

**We need to create a robust, long-term national preparedness strategy and strengthen policies and health care systems to prevent and respond to outbreaks and pandemics.**

#### **SAFEGUARD PUBLIC HEALTH.**

Ensure public health leadership, coordination and workforces are in place to support the health system's response in times of emergency, including last mile distribution of medical countermeasures.

#### **MODERNIZE DATA AND REPORTING INFRASTRUCTURE.**

We must modernize our existing data and reporting infrastructure at the local, state and federal levels. These policies must focus on expanding our ability to detect, identify, model, track and mitigate emerging infectious diseases. We must also improve our existing infrastructure to allow for collection of more complete demographic information, including race and ethnicity, to help better understand and address ongoing inequities in how different communities are battling COVID-19 and future health emergencies.

#### **DEVELOP A VISION FOR THE STRATEGIC NATIONAL STOCKPILE AND SUPPLY CHAIN RESILIENCY.**

The Strategic National Stockpile is the country's national repository of antibiotics, vaccines, chemical antidotes, antitoxins and other critical medical supplies. A clear vision and strategy that encompasses the Strategic National Stockpile as well as alternative approaches to ensuring supply chain continuity – such as creating incentives for surge manufacturing capacity – is needed to ensure we are better prepared to respond to COVID-19 and a host of other chemical, biological, radiological and nuclear threats, as well as infectious diseases such as smallpox and Ebola.

## 4

### *Address rising antimicrobial resistance.*

After decades of successfully treating infectious diseases and pathogens, the antimicrobial medicines we rely on now face the growing threat of antimicrobial resistance, or AMR. To try and stop the rapid growth of resistant pathogens, stakeholders have used monitoring and stewardship programs, thereby limiting the potential market for antimicrobials by design.

Unfortunately, during the COVID-19 pandemic the problem of increasing antimicrobial resistance has been exacerbated by doctors desperate to save hospitalized patients who have used large amounts of antimicrobial medicines and are at risk for secondary bacterial and fungal infections caused by ventilators or weakened immune systems. Experts around the world agree that, due to the challenging market dynamics, the current pipeline of antimicrobial products to address this growing crisis is insufficient.

**Comprehensive policy solutions are needed to help ensure a sustainable pipeline for new treatment, including advancing payment reforms that remove disincentives for appropriate use of antimicrobial medicines and creating incentives to promote the development of new antimicrobial treatments and rapid diagnostics.**





# MAKE MEDICINES MORE AFFORDABLE

# MAKE MEDICINES MORE AFFORDABLE

The COVID-19 pandemic has laid bare that for too many Americans, our health care system is not working as it should and needs to change. Medical innovation has made the United States a world leader in the discovery of new medicines, vaccines and cutting-edge therapeutics. But that innovation only makes a difference if what we create can help the people who need it.

Many patients face significant challenges accessing and affording quality health care – including prescription medicines. While we have made strides in reducing the number of Americans without insurance over the last decade, cost remains a barrier for many, even among those with insurance.

We have traditionally evaluated and tracked the “cost” of health insurance based on premiums alone. This obscures the fact that growth in out-of-pocket costs for many people with commercial insurance have outpaced growth in health plan costs in recent years, while at the same time, premiums continue to rise. Patients are paying more for their insurance and getting less.

Right now, many of the sickest patients are burdened with most of the costs. Through an endless web of high deductibles, expanded cost sharing, coverage exclusions and narrow formularies, insurers are increasingly standing between patients and the care they need.

We all need to do better. Insurance needs to work like insurance – it needs to spread costs broadly across all who are insured and pay for care when people are sick. Patients need lower out-of-pocket costs without reducing health care choice, quality or access.

We are willing to do our part. As an industry, we support ways to enhance competition to drive lower costs. Our companies also continue to make assistance available to those who are having trouble accessing and affording their medicines.

We propose the following policy solutions to make medicines more affordable and the system work better for patients.

*We support public policies to make medicines more affordable.*

- 1. MODERNIZE MEDICARE**
- 2. MAKE INSURANCE WORK LIKE INSURANCE**
- 3. PROTECT THE SAFETY NET**
- 4. END MISALIGNED INCENTIVES AND ENHANCE COMPETITION**

# 1

## *Modernize Medicare*

Medicines are covered by Medicare through two separate programs – Medicare Part B and Medicare Part D. Part D provides coverage for medicines at retail or mail order pharmacies. Part B covers medications administered by a physician, like injected or infused chemotherapy medications, in locations such as hospital outpatient departments, physician offices, patients’ homes and dialysis centers.

**There are practical solutions to modernizing Medicare drug coverage.**

### **IMPROVE AFFORDABILITY IN MEDICARE PART D.**

Part D could work better and be made fairer by improving affordability and predictability for beneficiaries who face high out-of-pocket costs for their medicines. Improvements to Part D must be done the right way, with targeted and measured reforms.

#### **> Cap annual out-of-pocket costs.**

Most patients with commercial insurance coverage already benefit from an annual limit on out-of-pocket costs. But this is not the case for seniors and those with disabilities in Part D. We need to cap annual out-of-pocket costs in Part D.

#### **> Lower cost sharing and make it more predictable.**

We should lower the amount of cost sharing seniors and people with disabilities have to pay in Part D and spread their cost sharing across the year to give more predictability and peace of mind about what they’ll pay each month at the pharmacy.

#### **> Share savings at the pharmacy counter.**

The rebates and discounts pharmaceutical manufacturers negotiate with Part D health insurance plans often are not directly used to lower beneficiary out-of-pocket costs. We must ensure these savings are passed on to seniors and people with disabilities at the pharmacy counter.

### **REDUCE COSTS IN MEDICARE PART B.**

Part B covers a wide range of medical services, including medicines administered by a physician (usually by injection or infusion). These medicines typically are advanced therapies, such as complex biologics, that have played a major role in transforming the outlook

for patients with serious and life-threatening diseases like cancer, rheumatoid arthritis, hemophilia, macular degeneration and rare genetic disorders. The market-based system used to reimburse providers for medicines they administer (called the average sales price – or ASP – methodology) has successfully managed costs and assured robust and timely access to these medicines for beneficiaries. However, we believe more can be done to strengthen this system.

**> Institute a market-based adjustment in Part B.**

We support reforms that enable Medicare and Medicare beneficiaries to benefit more from the lower prices negotiated by large commercial purchasers in the market, while protecting physician care quality and patient access. Under this approach, manufacturers would provide a price concession to Medicare, called a “market-based adjustment,” based on prices that fall below the ASP. This reform would achieve savings for the government and beneficiaries while protecting access to medicines and provider reimbursement, with significant savings for the approximately 10% of seniors and people with disabilities on Medicare who lack supplemental insurance and are responsible for 20% of the costs of their care – including medicines covered under Part B. For these beneficiaries, it could lower their out-of-pocket costs by hundreds or even thousands of dollars a year.



Out-of-pocket costs for the sickest continue to soar despite a dramatic slowdown in medicine prices and spending.

**Biopharmaceutical companies support fixing the health care system so it works better for patients by making insurance work like it ought to work.**

#### **COVER MORE MEDICINES FROM DAY ONE.**

Insurers are increasingly requiring people to pay high deductibles before receiving coverage of their medicines. This can lead to people rationing their medicine or not taking it at all and suffering devastating consequences to their health. People managing chronic health conditions should not have to pay a deductible at the pharmacy counter. Instead, they should have at least some of their medicines covered by their insurance from day one.

#### **MAKE COST SHARING MORE PREDICTABLE.**

High and unpredictable cost sharing is a barrier to prescription medicine access, especially for patients with chronic, disabling or life-threatening conditions who shoulder the largest share of the burden. Insurers' increasing use of coinsurance – where patients are charged a portion of the full list price of a medicine – can leave patients with sticker shock at the pharmacy counter. One potential solution is to encourage the use of fixed-dollar copays instead of coinsurance. Placing a limit on the maximum amount a patient will be asked to pay per prescription, per month and/or annually would also help.

#### **MAKE COUPONS COUNT.**

Due to high out-of-pocket costs, people are increasingly turning to manufacturer cost sharing assistance to help them afford their medicines. In some cases, health insurance companies do not allow the assistance manufacturers provide to patients to count toward deductibles or other out-of-pocket limits, meaning people could be paying thousands more at the pharmacy than they should be. We need to end this practice and ensure that people get the full benefit of the programs meant to help them afford their medicines.

#### **SHARE THE SAVINGS.**

Rebates and discounts that pharmaceutical companies pay to health insurance companies, middlemen like pharmacy benefit managers, the government and others reduce the list prices of brand medicines by 40%, on average. Just like in Medicare Part D, these rebates and discounts often don't reach commercially insured patients at the pharmacy counter, particularly for patients with high deductibles and coinsurance. If insurance companies and middlemen don't pay the full price for medicines, patients shouldn't have to either. These rebates and discounts should be shared with patients at the pharmacy counter.

### 3

## *Protect the safety net*

There are critical programs in place to ensure that the most vulnerable among us can access the medicines and care they need

**It is crucially important that we protect care for the more vulnerable and ensure the safety net works for patients.**

### **PRESERVE 340B.**

While the 340B program was originally created to serve as a safety net for low-income and uninsured patients, today it is the second largest government prescription program (second only to Medicare Part D) and generates billions in profits for some hospitals and for-profit pharmacies with little to no transparency into where the money is going. We must pursue policies that preserve 340B for patients that need it through greater oversight and transparency into the program to ensure that hospitals and other entities are using the discounts to serve needy patients and not siphoning resources away from patients. This could help put the program back on solid footing by curbing program abuses and preventing further manipulation.

### **MAINTAIN COVERAGE OF MEDICINES IN MEDICAID.**

Medicaid provides health coverage for the most vulnerable Americans, including children, the elderly and people living with disabilities. The Medicaid Prescription Drug Rebate Program requires drug manufacturers to provide substantial price concessions for medicines in exchange for guaranteed coverage of a manufacturer's medicines. In recent years, several states have proposed demonstrations and waivers that would give them the authority to restrict access to or deny medically necessary treatments through closed formularies. At a time when many Americans are facing increased health and economic challenges, state and federal policymakers must reject demonstrations and waivers that reduce Medicaid coverage of needed medicines.

## 4

## *End misaligned incentives and enhance competition*

We support enhancing affordability for patients by improving competition in the market and ensuring that incentives are based on the service provided, not the price of a medicine.

### **END MISALIGNED INCENTIVES.**

Middlemen like pharmacy benefit managers negotiate large rebates from biopharmaceutical companies on behalf of insurers and employers. But rather than getting paid based on the services they provide, their compensation and fees are often tied to the list price of a medicine. This raises serious questions about whether these middlemen are more focused on the size of rebates than on achieving the lowest costs for patients. Fees for pharmacy benefit managers and other entities in the supply chain must be tied to the services they provide – not calculated as a percent of medicine prices – so that patients aren't left paying more for their medicine and lining these companies' pockets.

### **ENHANCE COMPETITION.**

Healthy competition is the right way to bring costs down and get more treatments in the hands of patients who need them. When the biopharmaceutical industry competes on innovation, developing more and better treatment options for various conditions, patients win by having more treatment options and lower costs. Robust, competitive markets for generic and biosimilar medicines will play an increasingly important role in supporting affordable care. That is why we strongly support policies that foster this competitive market while also providing needed incentives for continued biopharmaceutical innovation.

#### **> Address patent settlements.**

The industry supports addressing patent settlements at the federal level to ensure generic, biosimilar and innovator companies can resolve patent litigation and allow generic and biosimilar medicines to enter the market prior to expiration of innovators' patents without applying new policies retroactively to previous agreements or restricting companies' ability to enter into pro-competitive agreements in the future.

#### **> Tackle product hopping.**

We support policies that tackle actions referred to as "product hopping," where such actions are anticompetitive, in a way that ensures continued improvement to products that bring new benefits for patients and addresses potential anticompetitive behavior.

#### **> Support the biosimilar marketplace.**

The industry agrees there is a need to expand education of providers and patients about biosimilars to increase awareness of additional options for patients, increase competition in the marketplace and allow for lower costs.



# **BUILD A MORE JUST, EQUITABLE HEALTH CARE SYSTEM**

# BUILD A MORE JUST, EQUITABLE HEALTH CARE SYSTEM

The disproportionate impact of the COVID-19 pandemic on Black and Brown communities and the continued hateful attacks on communities of color are the latest in a long history of systemic injustices and racism that put a spotlight on the need for a more equitable society.

The biopharmaceutical industry strongly believes that diversity, equity and inclusion are

essential to the discovery of new medicines and for access to treatment for people of all ethnic and racial backgrounds. That means taking a more active role through our own actions as an industry as well as supporting public policies that address health disparities and working together with the broader health care sector to create a more just and equitable U.S. health care system for everyone.

*We commit to industry action and to supporting policies that will build a more just, equitable health care system.*

- 1. IMPROVE CLINICAL TRIAL DIVERSITY AND EXPAND OPPORTUNITY IN OUR INDUSTRY**
- 2. INVEST IN RIGOROUS DATA AND MEASUREMENT**
- 3. ADDRESS INEQUITIES IN USE OF MEDICINE**
- 4. ALIGN INCENTIVES WITH EQUITY GOALS**



# 1

## *Improve clinical trial diversity and expand opportunity in our industry*

America's biopharmaceutical companies have committed to pushing for necessary, positive and long-term change to better address the needs of diverse communities

**Our industry's commitment to building a more equitable health care system includes two areas of focus.**

### **IMPROVE CLINICAL TRIAL DIVERSITY.**

The industry released first-ever, industry-wide principles on clinical trial diversity that seek to build trust with Black and Brown communities and eliminate the systemic barriers to clinical trial participation. At the core of these principles is the need for the industry to better serve historically underserved populations. By committing to enhancing diversity in clinical trial populations, we can better reflect the patients that will use the new therapy or medicine being studied and help reduce health care disparities. To do so, the principles seek to build trust and acknowledge past wrongs, reduce barriers to clinical trial access, use real-world data to enhance information on diverse populations beyond product approval and enhance information sharing about diversity and inclusion in clinical trial participation.

### **BUILD A DIVERSE WORKFORCE AND EXPAND ECONOMIC OPPORTUNITY.**

The industry is committed to building a workforce that represents the diverse communities that we serve now and in the future. This starts with having open and honest conversations about racial equity and what it means to have a culture of inclusion and calls for improving recruitment and hiring a qualified workforce that is more diverse from the entry level to the board room. We must also plan for future workers and create better pathways to biopharmaceutical industry jobs for people of color by investing in STEM and other curricula that serve underrepresented students. And we must focus on diversifying our business practices to better invest in communities of color and serve as an engine for economic change in all communities.

## 2

### *Invest in the data infrastructure needed to assess disparities and measure progress*

Without available and accurate data, it is difficult to appropriately define the issues driving health inequities. The current lack of disaggregated data related to race, ethnicity, language and ethnically diverse populations means we will continue to see higher rates of negative health outcomes for people of color. This contributes to our nation's inability to knock down health barriers and underscores the need to implement change that works to reverse health disparities in the United States that are deeply rooted in systemic racism and the devaluing of Black and Brown lives.

**Our industry supports policies to enhance data collection among diverse communities, including quantifying how programs, practices and policies impact the health of Black and Brown individuals, families and communities.**

#### **IMPROVE HEALTH DISPARITIES DATA COLLECTION AND REPORTING FOR COVID-19 AND OTHER DISEASES.**

COVID-19 illuminated critical gaps in the level of information being collected on race, ethnicity and health, which has contributed to inequities in the distribution and use of COVID-19 vaccines and therapeutics. As we continue to assess the disparate impact of COVID-19 on communities of color, missing information related to race, ethnicity, language and social determinants of health contributes to health care access barriers and underscores the need to reverse health disparities in the United States. We support policies to increase the collection and reporting of health outcomes by race and ethnicity and other correlates of health disparities associated with COVID-19 and other diseases. We also support collecting more detailed data for ethnically diverse populations, such as Native Americans and Asian Americans, who represent a broad range of cultures and backgrounds, including Hawaiian, Burmese, Korean and Japanese populations, while maintaining the confidentiality and security of any data collected.

#### **ADVANCE REPORTING OF HEALTH DISPARITIES ACROSS FEDERAL HEALTH CARE PROGRAMS.**

The Centers for Medicare and Medicaid Services should harness the vast and rich data it houses on Medicare and Medicaid populations to publicly report information on disparities in disease prevalence, outcomes and use of medicines. Those data should be used to measure and report publicly disparities in use of and adherence to medicines and other health care services on a regular and timely basis.

### 3

## *Promote best practices to improve equity in health care screening, diagnosis and treatment*

Access to and appropriate use of medicines, as well as early screening and diagnosis, are central to forestall worsening preventable health complications. Yet, medicines are frequently not used as directed, leading to poor clinical outcomes, avoidable health care costs and lost productivity. These outcomes can be further exacerbated by place-based disparities. For example, regional disparities in the management of mental health, cancer and rare diseases have been well documented.

**The variation in access to and quality of care based upon geographic location heightens the need to target policies that advance health equity at the local level. As a starting point, we must address inequities in access to care that have been highlighted by the COVID-19 pandemic.**

### **COLLABORATE WITH COMMUNITIES HARDEST HIT BY COVID-19 TO IMPROVE EQUITY IN ACCESS TO TESTING AND TREATMENT, INCLUDING ACCESS TO THERAPEUTICS AND VACCINES.**

We believe addressing health inequities not only requires policy change but also connecting and learning from communities who are experiencing inequities, especially in areas where disparities have been exacerbated by COVID-19. We are in favor of directly supporting communities on the ground by empowering organizations and individuals to implement real-world solutions to address systemic barriers to the use of medicines and vaccines. Partnerships with these communities will seek to support outreach and ensure equitable access to testing and COVID-19 vaccines, as well as medicines to treat COVID-19 and other conditions where access to care has been disproportionately impacted by the pandemic. These efforts will aim to document best practices and to share lessons learned with other communities most disadvantaged in the pandemic.

## 4

### *Align incentives with equity goals*

The current system is not designed to promote delivery of health care that prioritizes equity.

**However, there are ample opportunities to advance equity for all patients by improving value and outcomes through appropriate incentives.**

#### **SUPPORT EQUITY-FOCUSED QUALITY METRICS.**

Quality measurement can support identification and quantification of disparities in health access, care delivery and outcomes. Quality measures can also create incentives to target improvements in health outcomes and, if designed and implemented appropriately, can encourage investment in disadvantaged and underrepresented patients. Equity-focused metrics should be applied in public and private health plans to encourage health systems, insurance companies and the government to more effectively prioritize disease management and health outcomes among communities of color. Existing quality measures should also be evaluated to ensure that they do not mask and/or worsen health disparities that lead to care stinting and are appropriately stratified or adjusted to recognize population differences.

#### **ENSURE EQUITABLE ACCESS TO MEDICINES.**

Communities of color are disproportionately affected by rising health care costs and eroding coverage. There are many existing policies that could more effectively benefit marginalized and disadvantaged communities with simple tweaks. For example, subsidy programs that are made available to patients should ensure that underrepresented and marginalized patients aren't left behind and are receiving benefits for which they are eligible and deserve. Also, too many low-income patients with insurance do not have coverage that prioritizes effective management or prevention of disease. Underinsurance or high out-of-pocket costs should not be a barrier to accessing medicines that are prescribed by physicians and known to be effective at preventing serious illness for diseases disproportionately affecting communities of color.



**BUILDING A BETTER HEALTH CARE SYSTEM: PhRMA'S PATIENT-CENTERED AGENDA**

**[PhRMA.ORG/BETTERWAY](http://PhRMA.ORG/BETTERWAY)**