

NRF Vision for Health Care Reform

The retail industry employs one out every five workers in today's economy and is an important source of health coverage for our associates and their dependents. The industry is eager to assist in efforts to improve the quality, cost and access to health coverage. Americans deserve better value for our collective health care dollar. The National Retail Federation supports the following principles to help reform our nation's health care system:

- [Improve Health Care Quality](#)
- [Lower Health Care Costs](#)
- [Increase Access to Coverage](#)
- [State Insurance Market Reform](#)

Improve Health Care Quality—we need better value (defined as the quality and cost of care) from our health care system. We spend more than any other country but lag behind other countries in leading health care indicators.

- Promote the implementation of health information technology as quickly as possible to transform health care administration from paper to interoperable electronic records. This will allow health care professionals to better coordinate care and also make timely clinical information available to health care professionals to help reduce medical errors and avoid duplicative or unnecessary procedures.
- Promote the development of an interoperable, electronic Personal Health Record that can be used by licensed health care professionals in any setting and can be used by patients to transfer their medical history as they move from plan to plan.
- Encourage the use of evidence-based medical standards wherever possible.
- Encourage the availability of comparative health cost and quality information (e.g. transparency). Encourage the availability of this information in easy-to-understand consumer guides.
- Encourage a team-based approach to medicine with the patient as an active participant in managing his or her health. (Electronic medical records can help).
- Encourage quality-based payment programs (a.k.a. value-based purchasing) and other payment reforms to encourage the highest quality integrated care.
- Facilitate the reporting of information through financial incentives for providers.

Lower Health Care Costs—the key to making health coverage more accessible is in reducing its cost. NRF believes effective measures to improve health care service delivery and reduce costs must be a first and central focus of health care reform at any level.

- Support initiatives that serve to engage consumers in managing their health and shopping for high quality and lower cost health care services when needed.
- Promote initiatives to promote wellness within the workforce and better manage and prevent chronic illness conditions.
- Preserve the federal ERISA law to help employers sponsor uniform benefits across state boundaries.
- Permit the medical management of covered benefits (including mental health benefits) to help provide necessary and equitable coverage.

- Enact medical liability reforms to reduce the downstream costs of medical litigation. Reforms should clearly differentiate process failure, human error, negligence and malpractice, including errors caused by obsolete processes and practices.
- Continually work to eliminate waste and inefficiencies in the health care system.
- Establish a “no tolerance” position on fraud and abuse by health care service providers and consumers alike.
- Encourage participation in local and regional reform coalitions that align themselves with broader national initiatives that are consistent with this vision.

Increase Access to Coverage—reducing the cost of health coverage will help many more businesses and individuals gain access. Increasing access will spread insurance risk and help reduce overall costs. In addition, NRF recommends the following steps:

- Consider requiring individuals to obtain health insurance coverage. Encourage but do not require businesses to offer employees access to coverage.
- Consider voluntary coverage options for part-time workers that emphasize wellness and prevention coverage and help protect against catastrophic health expenses.
- Consider group purchasing or other risk-pooling programs to increase access to coverage for small businesses and individuals. Encourage access to state, regional or national high risk pools or carriers of last resort for the medically uninsurable.
- Consider tax credits for individuals or small businesses to help make coverage more affordable.
- Consider creating personal health savings accounts to accumulate personal savings and voluntary contributions from one or more employers, along with public subsidies or credits and individual funds to help pay for health insurance premiums.
- Add additional flexibility to Health Savings Accounts (HSAs) to make them more attractive to businesses and individuals. Allow Health Reimbursement Arrangements (HRAs) and Flexible Spending Accounts (FSAs) to more effectively coordinate with HSAs. Allow FSA funds to roll over from year to year.

State Insurance Market Reform—in order to encourage more affordable access to state-regulated insurance coverage, NRF recommends the following principles:

- Help reduce the complexity and cost of coverage by encouraging lawmakers to refrain from passing benefit coverage mandates, employer mandates or mandatory employer contributions.
- Consider setting a sunset date for existing coverage mandates or allowing the coexistence of lower-cost benefit coverage alternatives.
- Consider more flexible plan designs (especially for part-time workers) that emphasize wellness and prevention coverage and help protect against catastrophic health expenses.
- Encourage states to maintain access to high risk pools or carriers of last resort for the medically uninsurable.
- Consider less restrictive rating reforms to encourage younger employees to obtain coverage and thus promote more equitable generational cross-subsidization.