AMERICAN CANCER SOCIETY STATEMENT OF PRINCIPLES
ON THE ROLE AND CONSIDERATION OF COSTS IN HEALTH CARE TREATMENT AND COVERAGE

The American Cancer Society is the nationwide community based voluntary health organization dedicated to eliminating cancer as a major health problem by preventing cancer, saving lives and diminishing suffering from cancer, through research, education, advocacy, and service. The American Cancer Society has set ambitious goals for significantly reducing the rates of cancer incidence and mortality along with measurably improving the quality of life for all people with cancer.

Background and Context

Previously, the Society adopted a Statement of Principles on What Constitutes Meaningful Health Insurance. However, the goal of adequate health insurance coverage for all Americans cannot be realistically achieved until we can contain costs. The United States has the most expensive health care system in the world, and the aging of the population and the continued advancement in medical technologies and pharmaceuticals will likely increase cost pressures in the near future. Yet, despite these extraordinary expenditures, Americans have not realized a concomitant rise in health care quality or wellness. Among industrialized countries, the U.S. ranks near the bottom of virtually all major health measures. Furthermore, the quality of care in the U.S. is uneven, varying significantly across the nation by geography, race and ethnicity, and socio-economic status.

The high and rapidly growing cost of the US health care system is unsustainable in the long run: health care costs are growing faster than the nation’s overall economy and personal income. The high costs have already made access to healthcare unaffordable for millions and threaten to do so for many more. Escalating costs represent a growing burden to business – especially small businesses. If the growth in health care costs goes unabated, private and public investments, including those in key areas of the economy such as education, science, infrastructure and defense, will undoubtedly have to be reduced.

To contain costs in the long-run, our nation’s health care system must be reoriented to emphasize wellness and healthy outcomes. We should manage outcomes, not set out to manage costs. Although there is disagreement on how to achieve that goal, there is a general recognition that incentives and approaches to delivery of health care have to be realigned to give greater focus to outcomes and patient well-being. The American Cancer Society needs to join this debate more directly for two reasons. First, concern about costs is a logical extension of the Society’s commitment to achieving meaningful access to quality care. The availability, affordability, and adequacy of health coverage for all Americans cannot realistically be achieved if the rising costs of care cannot be reasonably—and rationally--constrained.

Second, the Society has a unique perspective on health care costs. Cancer is often a very expensive and complicated condition to treat, and with the aging of the population and the onset of new cancer drugs, genetic tests, and medical procedures, the costs of cancer treatment could become even more expensive and complicated. Moreover, like many people battling chronic
disease, cancer patients frequently suffer complications from other diseases, yet too often the care needed for co-morbidities is poorly managed, giving rise to increased costs and inadequate care.

Given the public concern about access to care and ACS’ commitment to improvements in the nation’s health care system, the Society has an opportunity and a responsibility to educate the public by speaking openly and candidly about the costs of health care. Furthermore, by establishing a framework for addressing health care costs, we lay a foundation for better addressing changes in the health care delivery system that will better promote wellness and prevention of costly diseases like cancer and provide a basis for using our nation’s health care resources more equitably.

Below is the statement of the American Cancer Society on The Role and Consideration of Costs in Health Care Treatment and Coverage.
Statement of Principles

It is a fundamental principle of the American Cancer Society that the goal of the nation’s health care system should be to ensure well-being. The Society supports the following principles in addressing costs in the health care system:

- The high rate of health care cost growth needs to be controlled, but only in conjunction with increasing the value of what the nation gets for its health care dollar. A focus on costs alone is not sufficient or acceptable; the health care system needs to be reoriented toward achieving better health outcomes.

- Substantial changes need to be made to the financing and delivery of health care from the funding of medical education to reimbursement rates to incentives for both providers and individuals. Incentives in the health care system should be structured to promote the well-being of the patient by placing greater emphasis on prevention, early detection as well as greater utilization of evidence-based guidelines in the treatment of cancer and other serious medical conditions. Changes should be designed to:

  - Reduce overutilization and underutilization of healthcare services.
  - Encourage coordination across the continuum of quality care.
  - Promote prevention by including incentives for healthier behaviors by individuals.

- The health care system needs to develop and provide access to information for patients and providers (e.g., electronic medical records).

- Patients and providers should be aware of the costs and benefits of services and products used.

Evidence-based guidelines should be promoted and further developed to improve quality and reduce the unexplained variation of health care, but this should be done without unduly constraining the basic science and clinical research needed to discover better, more efficient treatments.

- Comparative-effectiveness of medical procedures, technologies, and pharmaceuticals and biologics should be promoted as a means of improving the treatment of critical health conditions.

  - Providers and patients should have knowledge of the relative value of services and products available.
  - Health plans, payers, and providers should promote the availability of comparative-effectiveness information to assist patients and providers in making more informed decisions about treatment and care.

- Since there is no clear path to containing costs and increasing health care value, a research program should be funded to develop and evaluate promising approaches to containing cost growth while improving the value the nation receives from its health care dollars. Topics that should be explored include:

  - Analysis of existing incentives and experimentation with alternative approaches for providers and consumers should be undertaken by governments, employers and other major purchasers of health care to better
understand the role incentives can play in altering medical practice and personal behavior toward achieving better medical outcomes and improving patient well-being. The costs and benefits of incentives should be explicitly measured

- Defining and developing medical home models and other approaches to ensuring the coordinated care and the full array of appropriate services are provided in the treatment of chronic condition patients.

- Examine the range of effects from the simple (e.g., can cash payments induce patients to lose weight and maintain the weight loss) to the more complex (e.g., how to enhance coordinated care for a cancer patient with co-morbidities).

- Government, academic institutions, and other entities with an interest in health should conduct or support research on ways to improve analytical and methodological techniques for synthesizing research results and bringing that information to providers and consumers rapidly in easily understandable terms as well as promoting greater utilization of the guidelines.

- We should ensure better data bases and new research to fill voids in the knowledge of effects on subpopulations.