

## **How Can Our Nation Conserve and Distribute Health Care Resources Effectively?**

**Summary of a Position Paper Approved by the Board of Regents, January 2011**

### **Why Is It Important to Conserve Health Care Resources Effectively?**

Health care spending in the United States has been growing at unsustainable rates, and there has been increasing pressure to control health care costs. This creates a need to make decisions on the quality and quantity of health care resources that are available; however, these decisions often result in inequitable treatment and frequently lack transparency.

Achieving a national consensus on how best to use health care resources effectively, efficiently, and rationally should distinguish between medical *rationing*, in which decision makers determine which scarce medical resources are provided and who receives them, and *rational* decision making, by which judicious choices are made among clinically effective alternatives. Rationing can result in denial of care, whereas choosing among clinically effective alternatives focuses on using medical evidence to provide appropriate and effective care to create better health outcomes.

### **How Do We Conserve Health Care Resources?**

Conserving health care resources involves making informed decisions about the quality and quantity of health care services in a way that promotes positive health outcomes. Because the supply of health care resources is limited, they must be carefully allocated in order to achieve the most effective care.

### **Key Findings and Recommendations from the Paper**

ACP recommends the following:

- Sufficient resources should be devoted to developing needed data on clinical outcomes and cost effectiveness of medical interventions, and there should be a transparent and publicly acceptable process for making health resource allocation decisions based on these data.
- The public, patients, physicians, insurers, payers, and other stakeholders should have opportunities to provide input on health resource allocation decision-making at the policy level.
- Multiple criteria should be considered in determining priorities for health care resources, and allocation decisions should be in accord with societal values, should not discriminate against categories of people, and be flexible enough to address variations in regional and population-based needs.
- Individuals should play an essential role in making their own informed decisions. Accordingly, they should be provided with information about different treatments, private insurers could vary patient cost-sharing levels to reflect the value of different services, and health care professionals should not be obligated to provide unnecessary or inappropriate services.
- Medical liability reforms are needed to decrease the practice of defensive medicine.

- Resource allocation process and priority setting should be periodically reviewed to reflect evolving medical and societal values and changes in evidence.

### **For More Information**

This issue brief is a summary of *How Can Our Nation Conserve and Distribute Health Care Resources Effectively and Efficiently?* The full paper examines various means of conserving health care resources, including review of the Oregon Health Plan, the Veterans Administration Health System, and analysis of resource allocation mechanisms used in eight other countries. It is available at

[http://www.acponline.org/advocacy/where\\_we\\_stand/policy/health\\_care\\_resources.pdf](http://www.acponline.org/advocacy/where_we_stand/policy/health_care_resources.pdf).