

U.S. Health Care Reform Principles

Johnson & Johnson supports health care reform that addresses access, improves the long-term sustainability of the U.S. health care system and, at the same time, builds on the best aspects of our system including incentives for medical progress. We support the *Patient Protection and Affordable Care Act* and believe it is appropriate for all health care industry stakeholders to play a role to ensure affordable and quality health care. Johnson & Johnson supports:

Expanded access to coverage.

The U.S. health care system provides the highest quality, most cutting-edge care for those who can afford it, but low-income individuals and their families often lack access. We support a private-public system that includes market-based approaches to assure coverage of all Americans.

Incentives to encourage the prevention and management of chronic disease.

Chronic disease and obesity are drivers of health care costs. Incentives to implement effective prevention, wellness and obesity programs, as well as reimbursement that rewards better health outcomes are vital components of a sustainable health care system.

A focus on eliminating disparities in care.

In addition to providing subsidies to make coverage more affordable, policies that address the lack of equitable access to care among Americans of different ethnic and socioeconomic groups are critical to improving the overall health of Americans. This includes strategies to increase health literacy and the diversity of the health professional workforce.

Comparative effectiveness research focused on outcomes not cost.

A major driver of costs in U.S. health care is variation in care due to the absence of evidence. We support comparative effectiveness research that has as its principal purpose improving individual patient care and not limiting access to treatment options or developing one-size-fits-all care.

Improvements in the efficiency and affordability of the system.

Growth of chronic disease, lack of evidence to support care and reimbursement incentives that increase volume rather than the value of care are fueling cost growth. Incentives for integrated care, connected health information approaches, as well as administrative simplification can help reduce costs. These will be more effective than government price controls or drug importation, approaches that threaten to undermine innovation, but do not reduce overall costs.