

The Schaeffer Initiative for Innovation in Health Policy

YEAR I REPORT:

February 1, 2016 – January 31, 2017

BROOKINGS

USC Schaeffer

Leonard D. Schaeffer Center
for Health Policy & Economics

“The Schaeffer Initiative gives us the basis to build on a promising bicoastal partnership with a world-class university, enhancing both institutions’ ability to play a significant role in improving health policy in the United States.”

— STROBE TALBOTT
President, Brookings Institution

“This new partnership will accelerate the development of evidence-based policies that are needed to successfully implement change in both the public and private sectors, evaluate results, and understand the implications for the nation’s health and economy.”

— LEONARD D. SCHAEFFER

Table of Contents

INTRODUCTION	2
STRATEGIC APPROACH	3
INFLUENCE ON HEALTH POLICY	10
LEADERSHIP AND STAFF	12
PUBLICATIONS	14
CONCLUSION	16

The Leonard D. Schaeffer Initiative for Innovation in Health Policy is committed to developing innovative policy solutions to our nation's most pressing health care challenges. The rising costs and uneven quality of health care in the United States continue to rank among the nation's most imminent domestic policy challenges. To achieve its mission, the Schaeffer Initiative analyzes and develops policies to address problems in health care.

The Schaeffer Initiative for Innovation in Health Policy is a partnership between the Center for Health Policy at the Brookings Institution and the Schaeffer Center for Health Policy & Economics, a partnership between the Price School of Public Policy and the School of Pharmacy at the University of Southern California (USC). This initiative aims to combine the policy expertise of the Center for Health Policy at Brookings with the data and analytic strengths of the USC Schaeffer Center to produce evidence-based policy guidance on health policy issues. Paul Ginsburg, Director of Public Policy at the USC Schaeffer Center and Leonard D. Schaeffer Chair at the Center for Health Policy at Brookings, directs the Initiative.

The Schaeffer Initiative is focused on three areas:

- Charting the Course for Medicare
- Assessing the Affordable Care Act (ACA) and Providing Recommendations for Future Health Reform
- Maximizing the Value of Innovation in Drugs and Devices

The first year of the Schaeffer Initiative has been incredibly successful in guiding and informing the health policy debate.



Strategic Approach

Drawing on the strengths of the Center for Health Policy at Brookings and the Schaeffer Center at the University of Southern California, the Schaeffer Initiative for Innovation in Health Policy has developed a collaborative work strategy that promotes health care reforms that improve quality and value. This approach supports the Initiative's capacity to put forth practical policy solutions that aim to strengthen the U.S. health care system.

USC and Brookings staff and leadership are actively involved in the collaboration, and the Schaeffer Initiative for Innovation in Health Policy has been a model partnership. With appointments at both USC and Brookings, Schaeffer Initiative Director Paul Ginsburg is able to actively foster collaboration between the two organizations.

Brookings and USC together determine topics to address, potential authors, and strategy. Schaeffer Initiative events and publications are co-branded, and outreach regularly highlights the partnership. Events feature scholars from both the USC Schaeffer Center and Brookings. There have also been many direct collaborations between Brookings scholars and USC Schaeffer Center faculty, including multiple co-authored papers and blogs.

Specifically, described in greater detail below, Brookings and USC experts have directly collaborated on:

- The biweekly *Essential Scan*, which summarizes the latest in health policy research
- Three blogs as part of the *Schaeffer Initiative Health Policy Solutions: Suggestions for the New Administration and Congress* series, including work from Jason Doctor, Dana Goldman, and Erin Trish
- Two white papers on Medicare Advantage, for which Erin Trish has led the data analysis and contributed her expertise, alongside John Bertko, Paul Ginsburg, Steve Lieberman, and Loren Adler
- A Schaeffer Initiative forthcoming publication in the *Journal of Health Politics, Policy and Law* on the Medicaid Best Price Rule, co-authored by USC Schaeffer Center's Darius Lakdawalla and two academic experts recruited by Brookings

Additionally, going forward:

- Dana Goldman will be collaborating with Rachel Sachs on an upcoming white paper detailing how to encourage new uses for old drugs
- Erin Trish and Loren Adler are undertaking joint research on the prevalence of surprise balance billing and the impacts of policy solutions
- USC Schaeffer and Brookings experts are collaborating on an event in June, *Rents in the Pharmaceutical Supply Chain: Policy Prescriptions*

WHITE PAPERS

The focus of our work strategy is to produce useful, comprehensive policy recommendations and analysis. To date, researchers with the Schaeffer Initiative have authored four white papers: *Solving Surprise Medical Bills*, *Building a Better ‘Cadillac’*, *Making Health Care Markets Work: Competition Policy for Health Care*, and *Innovative Contracting for Pharmaceuticals and Medicaid’s Best Price Rule*.

Solving Surprise Medical Bills

This project represents the model of what the Schaeffer Initiative strives to accomplish. Led by Mark Hall, a non-resident Senior Fellow at Brookings, with the collaboration of Paul Ginsburg, Steve Lieberman, and research staff at Brookings, in a white paper, the authors provided a comprehensive background and scope of the issue, reviewed the pros and cons of potential policy solutions, and provided policy recommendations. The paper was released in conjunction with a well-attended public event at Brookings that included Neeraj Sood from the USC Schaeffer Center, and an op-ed that appeared in *Fortune*.

Following publication, the team has continued to release shorter pieces detailing federal legislative and administrative solutions on the *Health Affairs* and Brookings blogs, mentioned in further depth below, and has plans for future shorter pieces down the road for continued impact and visibility. The *Health Affairs* blog was shared widely by HHS and House Ways & Means Minority staff, and has generated significant interest from Congressional and Administration staff.

Loren Adler, Paul Ginsburg, and/or Mark Hall have advised numerous legislative staff on the issue of surprise balance billing, including for sponsors of Senate and House bill—Senator Bill Cassidy (R-LA) and Representative Lloyd Doggett (D-TX), respectively—both Republican and Democratic House Ways and Means staff, House Energy and Commerce Majority staff, and Senate Finance Minority staff. Loren Adler and Paul Ginsburg briefed roughly 20 health staff at the HHS Office of the Assistant Secretary of Planning and Evaluation and met with top White House health policy staff at National Economic Council on March 1, 2017 to discuss legislative and administrative policy options to address the problem.

Additionally, Mark Hall and Loren Adler, along with Ben Ippolito from the American Enterprise Institute, led a briefing on Capitol Hill for 40 Congressional staff, discussing surprise balance billing and answering questions.



Building a Better ‘Cadillac’

Since the passage of the ACA, the so-called Cadillac tax on premiums for high-cost, employer-sponsored insurance has been one of its most controversial pieces. This paper explores various modifications of the Cadillac tax that preserve its potential to contain costs and increase federal revenues,

but also make it more acceptable politically. The project benefitted from existing research relationships—it was a collaboration between Henry Aaron, a Brookings Senior Fellow, Paul Ginsburg, and two Senior Fellows from the Urban Institute, Linda Blumberg and Stephen Zuckerman.



Making Health Care Markets Work: Competition Policy for Health Care

Another paper written in collaboration with outside researchers, this white paper details actionable policy solutions to encourage health care provider competition and limit anti-competitive consolidation. The paper comes out of a private roundtable meeting of 40 leading experts on the topic co-hosted by Brookings and the American Enterprise Institute, and is co-authored by Martin Gaynor from Carnegie Mellon University, Farzad Mostashari of Aledade, Inc. (and former

National Coordinator for Health Information Technology at HHS), and Paul Ginsburg. The white paper was published the week of March 13, shortly after the release of a *JAMA Viewpoint* by the same three authors.

Given the authors and subject matter, the policy recommendations will be disseminated widely, and staff will follow up with executive and legislative staff in the coming months.

Innovative Contracting for Pharmaceuticals and Medicaid’s Best Price Rule

In an arranged collaboration between USC Schaeffer Center’s Darius Lakdawalla and law professors Nicholas Bagley (University of Michigan) and Rachel Sachs (Washington University of St. Louis), this project produced a journal article forthcoming in the *Journal of Health Politics, Policy and Law*. The article details precisely how the Medicaid Best Price Rule does and does not inhibit the use of different innovative prescription drug pricing schemes, and provides specific recommendations to overcome the barriers presented

by the rule. The project benefitted greatly from combining Lakdawalla’s economics training and drug industry knowledge with Bagley’s and Sachs’ legal, policy, and regulatory expertise.

The authors and Schaeffer Initiative staff will plan meetings with and utilize the recommendations to advise CMS, FDA, and legislative staff. Senate Finance Committee and CMS staff have already inquired about the work and initial discussions have taken place.

Upcoming Papers

The Schaeffer Initiative also has three white papers set to be released in the coming months. Two detail potential improvements to Medicare Advantage policy, in conjunction with USC Schaeffer’s Erin Trish, and one proposes improvements to transparency in the drug distribution chain led by Paul Ginsburg and Steve Lieberman. The paper on drug distribution transparency will be released at a Schaeffer Initiative event on June 14, which will also highlight Neeraj Sood’s

work on the rents received by different actors in the drug distribution chain.

Multiple additional projects are in the earlier stages, including one direct collaboration between USC Schaeffer Center faculty and Brookings-affiliated researchers to propose policy recommendations to encourage new uses for old prescription drugs.

TARGETED SHORTER PIECES

Over the past year, researchers with the Schaeffer Initiative authored 24 blogs, comment letters, testimonies, and journal submissions that address timely topics such as the ACA debate, Medicare delivery system reform, and other health policy debates.

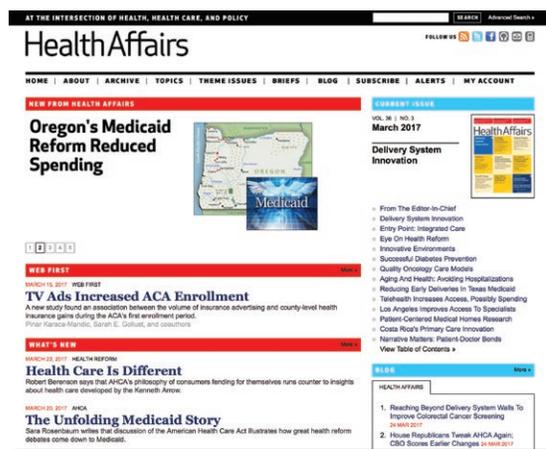
Some of these are part of an ongoing project to provide guidance to lawmakers during the rulemaking process for the Medicare Access and CHIP Reauthorization Act (MACRA) and subsequent delivery system reform efforts. In conjunction with Kavita Patel, a Brookings Nonresident Fellow and member of the Physician-Focused Payment Model Technical Advisory Committee (PTAC) established by MACRA, Schaeffer Initiative researchers wrote multiple blogs and submitted a comment letter on a proposed rule that dissected the impacts of MACRA implementation and made recommendations on how to better support providers' transition to alternative payment models, many of which have been subsequently adopted or addressed. Researchers also authored a blog evaluating the merits and missed opportunities in one of the Centers for Medicare and Medicaid Services' newer payment reforms, the Comprehensive Primary Care Plus (CPC+) program, and are in the process of writing a piece that argues for the continuation of mandatory bundled payment programs under the new administration.

To inform the fast-moving ACA debate, the Schaeffer Initiative has published several analyses and recommendations. Loren Adler and Paul Ginsburg first published a blog in *Health Affairs* finding that ACA premiums in 2016 were 20 percent below CBO's original projections, which became *Health Affairs*' 5th most-read blog in 2016 and was cited in the Economic Report of the President and in an HHS ASPE Research Brief.

In December, Adler and Ginsburg detailed how little money will be left to pay for an ACA replacement if the law's taxes are first repealed. One of the most read publications on our website with 8,200 page views, this blog attracted significant media attention and has since permeated the debate, with multiple Republican lawmakers now expressing a desire to keep the ACA's taxes in place. Also impacting discussions around ACA reform, the bipartisan group of Alice Rivlin, Loren Adler, and Stuart Butler penned a longer blog explaining why repealing the ACA without simultaneously replacing it likely would have disastrous consequences and outlining a handful of potentially productive reforms lawmakers could instead enact, receiving 8,700 views. Months later, encouraged by President Trump's statements and other analyses, it now

appears that Republicans have abandoned repealing the ACA without having a replacement in the same bill.

Most recently, new Schaeffer Initiative Fellow, Matt Fiedler, published two ACA-related blogs. The first takes a look at the relationship between 2017 ACA enrollment data and premium increases, finding almost no correlation, which along with other evidence presented makes the strong case that the ACA is not in a so-called "death spiral." The second argues that tightening the paperwork requirements for ACA special enrollment periods, as proposed in a recent administration rule, may be shortsighted and could actually leave insurers' with a sicker risk pool. Fiedler also authored a comment letter on the proposed rule to make this case.



When particularly policy-relevant academic research is published by USC Schaeffer Center faculty, Brookings staff are beginning to use blog posts to highlight what the findings mean for ongoing health policy debates. The first such blog, based on Medicare Advantage research published in *Health Affairs* by Neeraj Sood, was co-authored by Paul Ginsburg and Loren Adler.

Paul Ginsburg co-authored a re-envisioning of the framework for payment reform with Harvard's Michael Chernew, Urban Institute researchers, and Catalyst for Payment Reform's Suzanne Delbanco, which seems to have influenced CMS' Learning Action Network to put together a workgroup

to reconsider their framework. The joint white paper was published simultaneously to a blog in *Health Affairs*.

Ginsburg also published an Invited Commentary in *JAMA Internal Medicine* on alternative consumer-oriented approaches to cost containment. Additionally, he has two papers awaiting publication at the *New England Journal of Medicine*. One, to be published on March 16, describes shortcomings in Medicare's relative payment rates for different hospital DRGs and outlines how CMS could make use of sophisticated accounting data from selected hospitals to make the rates more accurate, an approach used in Germany. For the other,

revisions have been submitted for a NEJM Health Policy Report on physician payment policy. Lastly, a research paper on how provider payment rates from Medicare Advantage plans differ from those in traditional Medicare and from commercial insurers, written with Erin Trish and Geoffrey Joyce, both faculty at the USC Schaeffer Center for Health Policy & Economics, is under review at *JAMA Internal Medicine*.

Erin Trish and Loren Adler are also in the early stages of research on the prevalence and impacts of surprise balance billing.

Schaeffer Initiative Health Policy Solutions

Starting at the beginning of 2017 the *Schaeffer Initiative Health Policy Solutions: Suggestions for the New Administration and Congress* series was launched. Combining the expertise of USC and Brookings, the series of blogs provides concrete policy advice on ACA reform, provider and insurer competition, Medicare reform, prescription drug pricing, and public health.

Erin Trish's post on the importance of risk adjustment in any ACA replacement generated significant interest from and

communication with Congressional staff, in particular its argument that deregulating the ACA's essential health benefit requirement would make functioning risk adjustment nearly impossible. This may have played a role in the latest House ACA replacement bill leaving the essential health benefit requirements of the ACA intact.

The Essential Scan

The Essential Scan, jointly produced by the USC Schaeffer Center and Brookings, is a biweekly review of novel health services and health care payment research that draws out the health care policy implications from their findings. The email is now sent to a growing list of 913 researchers and interested observers, and continues to receive very high open rates. The most recent Scan had an open rate of 35 percent and a click rate of 12.8 percent. The web version of *The Essential Scan* subsequently posted to Brookings' website also receives an average of 200 page visits.



CONFERENCES

The Schaeffer Initiative has utilized Brookings' reputation and connections to a wide variety of stakeholders to help organize well-received public conferences and private roundtables. In addition to hosting Advisory Board meetings for the USC Schaeffer Center for Health Policy & Economics, the Schaeffer Initiative has hosted five conferences and one panel at a widely-attended conference:



Chronic Care: Getting Complexity and Cost under Control

In June 2016, the Schaeffer Initiative hosted Senator Ron Wyden of Oregon, Senate Finance Committee Ranking Member, to deliver a keynote address on legislative solutions to improve outcomes and improve care coordination for Medicare patients with multiple chronic conditions. Introduced by Leonard Schaeffer, Senator Wyden outlined his thinking about how the Medicare program can more effectively address the challenges of chronic disease and teased his upcoming bipartisan legislation to improve chronic disease management. Brookings and outside experts provided reaction to Senator Wyden's presentation.

In-person attendees	Media attendees	Webcast live views
110	4	331

2016 Medicare Trustees Report: One Year Closer to IPAB Cuts

Also in June 2016, the Schaeffer Initiative hosted *The 2016 Medicare Trustees Report: One Year Closer to IPAB Cuts?*, a conference hosted jointly with the American Enterprise Institute to discuss the key findings by the Medicare trustees. The event opened with a keynote address from CMS' Chief Actuary, Paul Spitalnic, followed by a panel of experts from Brookings, AEI, and Heritage discussing the potential consequences of the report and policy actions that might be taken to improve the program's fiscal condition. Panelists focused on reforms that could extend the life of Medicare's Trust Fund and the likelihood that Independent Payment Advisory Board (IPAB) cuts will be triggered in 2017.

In-person attendees	Media attendees	Webcast live views
71	3	417

Protecting Patients from Surprise Medical Bills

As mentioned above, the Surprise Medical Bills paper was released in conjunction with a public event, one of the most highly attended of our public conferences. Kicked off by Leonard Schaeffer, the event consisted of a presentation of the paper and two expert panels. The first panel consisted of industry stakeholders from various health sectors, including a representative from Anthem, Consumers Union, Cedars-Sinai Medical Center, and the American Society of Anesthesiologists. The solution to balance bills will be found by striking a balance between the needs of providers, hospitals, insurers, and consumers, so perspectives from all these stakeholders are essential in any conversation on this issue. The second panel included policy experts, including a representative from the White House, and discussed detailed solutions that could be embraced to reduce balance billing and resolve disputes over reimbursement for out-of-network care.

In-person attendees	Media attendees	Webcast live views
115	4	502

Wall Street Comes to Washington

Now in its 21st year, Paul Ginsburg's signature roundtable event brings together Wall Street analysts from brokerage and investment management firms who cover health insurers and health care providers, especially hospitals, to discuss recent industry developments that have relevance to federal health policy. By bridging the worlds of Wall Street and Washington, the event provides policymakers a better understanding of how health care markets work and how they react to health care policies. The 2016 conference, which took place after the election, explored broad market trends shaping health care and how the political climate affects the outlook for health care companies. Analysts discussed how the prospect of ACA repeal or reform is viewed by hospitals and insurers, and the difficulty of pursuing financing for new efforts amid such high policy uncertainty. The event included equity analysts from Mizuho Securities USA, Goldman Sachs, and Leerink Partners.

In-person attendees	Media attendees	Webcast live views
90	6	425

Purchaser Innovations and Policy Summit

In partnership with the American Enterprise Institute, the event looked at the lessons learned from four large employers with innovative features of their employee health plans, including health savings accounts, bundled payments, accountable care organizations, and reference pricing, and discussed the applicability of such innovations for federal health reform. The event included representatives from Wells Fargo, Walmart, Boeing, and CalPERS, as well as Representative Michael Burgess and health policy experts from Brookings, AEI, Pacific Business Group on Health, Leavitt Partners, the Association of American Medical Colleges, and others.

In-person attendees	Media attendees	Webcast live views
152	4	686

How Investors are Looking at Health Care

Although not a Schaeffer Initiative Event, Paul Ginsburg organized and moderated a panel discussion of venture capital investors in health care at the plenary lunch session at AcademyHealth's National Health Policy Conference. The investors discussed where they are placing bets and what might happen to the myriad new companies started on the heels of the ACA. Approximately 700 attended and it received rave reviews. The session and Ginsburg's role had been suggested by Dana Goldman, who served on the program committee for the meeting. Ginsburg consulted with Schaeffer Center Advisory Board member Bob Kocher on potential panelists and questions.

Influence on Health Policy

The Schaeffer Initiative for Innovation in Health Policy and its experts have proven to be a resource for numerous Congressional and Administration staff, including advisors to key health committees and Congressional leadership. Schaeffer Initiative experts have been at the forefront of policy and budget discussions by providing public testimony, convening Hill briefings, educating policymakers, and providing commentary and recommendations through traditional media, academic literature, blogs, op-eds, and events.

CONGRESSIONAL AND ADMINISTRATION INTERACTION

Schaeffer Initiative experts have frequent interaction with policymakers in the Administration and Congress, and have influenced the health policy debate. Over the past year, our experts have met with:

- Both parties' staff of the four major health care committees in Congress
- Speaker of the U.S. House of Representatives, Paul Ryan, and his staff
- Staff for Senator Bill Cassidy (R-LA), Representative Lloyd Doggett (D-TX), and Representative Michelle Lujan-Grisham (D-NM) on surprise balance billing
- Staff from a handful of other Congressional offices on various topics
- New Trump Administration staff in the Department of Health and Human Services
- Mark Hall and Loren Adler hosted a joint Hill briefing for dozens of staff with the American Enterprise Institute (AEI) on Solving Surprise Medical Bills
- Paul Ginsburg and Loren Adler discussed policy development with staff from the Office of Management and Budget (OMB) and Council of Economic Advisors (CEA)
- Paul Ginsburg and Loren Adler were called in to brief roughly 20 staff in the Office of the Assistant Secretary for Planning and Evaluation (ASPE) at the Department of Health and Human Services
- Dana Goldman advised Speaker Ryan's staff on high-risk pools

In addition:

- Paul Ginsburg and Loren Adler met with Trump Administration staff at the National Economic Council on surprise balance billing
-

STATE LAWMAKER INTERACTION

In addition to interacting with federal lawmakers, Paul Ginsburg has also worked with state authorities in California and Massachusetts. Specifically, in March 2016, Ginsburg testified before the California Senate on health care market consolidation, and in 2017 served as an expert before Massachusetts' Special Commission on Hospital Price Variation, where he commented on subcommittee recommendations being considered by the Commission.



POLICY IMPACT

With the reach and influence of Brookings and USC experts, the Schaeffer Initiative work impacts policy at many levels. Of the issues we research, there have been several developments at the local, state, and federal levels incorporating our recommendations and analyses. We have seen some movement on surprise medical bills in Congress and in the states (New Jersey and New Mexico), the need to keep the ACA's taxes in any replacement, bipartisan collaboration to warn against repeal before replace, and movement away from eliminating the ACA's protections against catastrophic costs. Our research was also cited in the Economic Report of the President and ASPE Research Briefs. Last year, Schaeffer Initiative Director Paul Ginsburg was appointed to the Medicare Payment Advisory Commission (MedPAC), an independent congressional agency that advises the U.S. Congress on issues affecting the Medicare program such as payment considerations, access to care, and quality of care.

MEDIA IMPACT

Experts through the Schaeffer Initiative are sought after by the media for insight on salient, timely analysis of health policy developments, as well as on general health policy issues. Over the past year, we have had about 700 media mentions or quotes referencing our events, research, and experts in *The New York Times*, *Washington Post*, *Wall Street Journal*, *POLITICO*, *CNBC*, *NPR*, *Bloomberg*, *The Hill*, *Los Angeles Times*, *The Atlantic*, and others. Our Schaeffer Initiative work continues to be a fixture in the daily *POLITICO Pulse*. A selection of mentions includes:

- *Not Even Insurance Companies Want Obamacare Repealed* – Emma Grey Ellis (*WIRED*)
- *Alice Rivlin Sees a Sensible Agreement on Obamacare* – (Bloomberg Media)
- *If Republicans Repeal Health Law, Paying for a Replacement Could Be Tough* – Julie Rovner (*NPR*)
- *How to Fix (or Wreck) Obamacare: Advice for Tom Price* – Reed Abelson and Margot Sanger-Katz (*The New York Times*)
- *Better Off Before Obamacare?* – Olga Khazan (*The Atlantic*)
- *Despite Fears, Affordable Care Has Not Uprooted Employer Coverage* – Reed Abelson (*The New York Times*)

Leadership and Staff



Under the leadership of Director **Paul Ginsburg**, the Schaeffer Initiative for Innovation in Health Policy is thriving. Ginsburg has a long relationship with Brookings and has been at the Schaeffer Center since 2014. Under Ginsburg's direction, the Schaeffer Initiative is currently comprised of nine resident and nonresident scholars based at Brookings, six USC Schaeffer faculty, Associate Director **Loren Adler**, and multiple research and operations staff. Their expertise covers a broad range of health care issues, including payment reform models, insurance markets, provider competition, Medicare policy, and drug and pharmaceutical policy.

Dana Goldman is the Leonard D. Schaeffer Chair and a Distinguished Professor of Pharmacy, Public Policy, and Economics at the University of Southern California, where he directs the Schaeffer Center for Health Policy & Economics. Goldman plays an integral role in the Initiative from helping to guide research and event development to writing for the Initiative's Health Policy Solutions Series. The author of over 200 articles and book chapters, he is a health policy advisor to the Congressional Budget Office, the Fred Hutchinson Cancer Institute, Covered California, and several health care companies. He is a member of the board of directors for the International Society for Pharmacoeconomics and Outcomes Research and the American Society of Health Economists, and also an elected member of the National Academy of Medicine (formerly the Institute of Medicine).

In 2016, we welcomed **Mark Hall** as a Nonresident Senior Fellow, and he led the Schaeffer Initiative's Surprise Medical Bills work and is undertaking a new project on network

adequacy. Hall is the director of the Health Law and Policy Program at Wake Forest University's School of Law, where he is also the Fred D. & Elizabeth L. Turnage Professor of Law. He is one of the nation's leading scholars in the areas of health care law, public policy, and bioethics.

Steven Lieberman and **Kavita Patel** have both been fellows for Brookings Center for Health Policy for a long time before the Schaeffer Initiative, and we were lucky to have them continue their work with us. Lieberman is an expert on health care policy, analyzing reimbursement, budgetary, economic, and strategic issues. He is President of Lieberman Consulting, Inc. and Senior Advisor to the Bipartisan Policy Center. He held senior positions at OMB and CBO. His work for us includes assistance on our Surprise Medical Bills project, delivery system reform efforts, both forthcoming Medicare Advantage white papers, and the ongoing project on transparency in the drug distribution chain. Dr. Patel is a practicing primary care internist at Johns Hopkins Medicine. She also served in the Obama Administration as director of policy for the Office of Intergovernmental Affairs and Public Engagement in the White House. Her work for us has been focused on changes related to MACRA, along with other research on delivery system reform.

In February 2017, we welcomed **Matthew Fiedler** as a new fellow in the Center for Health Policy, following his service as Chief Economist for the Council of Economic Advisers. At CEA, he oversaw work on the creation and operation of the Health Insurance Marketplaces, health insurance regulation, Medicaid expansion, Medicare and private payment reform efforts, the Cadillac tax, and analyzed trends in health care costs and health insurance coverage.

Henry Aaron is the Bruce and Virginia MacLaury Chair and Senior Fellow in Economic Studies. Dr. Aaron served as Assistant Secretary for Planning and Evaluation at the Department of Health, Education, and Welfare; was a Guggenheim Fellow at the Center for Advanced Studies in the Behavioral Sciences at Stanford University; and chaired the 1979 Advisory Council on Social Security. His areas of expertise include Medicare, Medicaid, and Social Security, the political process, reform of the Affordable Care Act and beyond, and disability insurance. Aaron led work on and co-authored a Schaeffer Initiative white paper proposing

ideas to reform the ACA's so-called "Cadillac tax" on high-cost employer health plans.

Stuart Butler is a Senior Fellow in Economic Studies. He is a member of the editorial board of *Health Affairs*, a member of the Board on Health Care Services of the Institute of Medicine and of the Advisory Group for the Academy of Medicine's Culture of Health Program. Dr. Butler was previously at the Heritage Foundation, as Director of the Center for Policy Innovation and as Vice-President for Domestic and Economic Policy Studies. His expertise includes reform of the Affordable Care Act and beyond, long-term care, community hubs and intermediaries to improve health care delivery and outcomes, social determinants of health, and health financing and cost control. He has co-authored two pieces for the Schaeffer Initiative Health Policy Solutions series, one with Alice Rivlin and Loren Adler on reforming the ACA and another with Dayna Matthew Bowen on moving forward public health initiatives.

Jason Doctor is Director of Health Informatics in the USC Schaeffer Center and an Associate Professor in the USC School of Pharmacy. His research centers on decision-making in healthcare and health informatics. Doctor specializes in behavioral economics and the use of choice architecture to affect policy in health and medicine. In other research, he has studied computational approaches to detecting medical errors and has established methods for representing preferences and values for health. Doctor's work on the use of nudging physicians toward better antibiotic prescribing has been cited by the CDC, considered for implementation by four state health departments and Public Health England, and presented to stakeholders including the NIH.

Darius Lakdawalla holds the Quintiles Chair in Pharmaceutical Development and Regulatory Innovation at the USC School of Pharmacy. Lakdawalla's work focuses on the economic risks to health, medical innovation, regulatory policy, organization of health care markets and comparative effectiveness and outcomes research. His work has been funded by the National Institute of Aging, the National Institute of Child Health and Human Development and the National Bureau of Economic Research.

Alice Rivlin has been a scholar at Brookings between her various stints in the public sector since the 1950s. She has been Assistant Secretary for Planning and Evaluation at the Department of Health Education and Welfare, Founding Director of the Congressional Budget Office, Director of the Office of Management and Budget, and Vice Chair of the Federal Reserve Board. She is engaged in the work of the

Schaeffer Initiative as a trusted adviser, a panelist at events, and as a scholar on ACA issues.

John Romley is an economist in the Schaeffer Center at USC where he is also an associate professor in the Price School of Public Policy and the School of Pharmacy. Romley was the co-investigator on an AHQR-funded study that identified, categorized and evaluated efficiency measures in health care. His recent work has included an assessment of competition among hospitals in quality of care and patient satisfaction, the value of family-provided medical care of children with special needs and the impact of peer vaccination decisions on individual vaccination decisions.

Neeraj Sood is Director of Research at the USC Schaeffer Center and the Vice Dean for Research at the USC Price School of Public Policy. His work has focused on the economics of innovation, HIV/AIDS, health care financing, and global health, and has been published in several peer-reviewed journals in economics, medicine and health policy. He has testified frequently on health policy issues and his work has also been featured in several media outlets including *The New York Times*, *Washington Post*, *U.S. News and World Report*, and *Scientific American*.

Louise Sheiner is Senior Fellow and Policy Director of the Hutchins Center on Fiscal and Monetary Policy and affiliated with the Center. She has served in the Federal Reserve; as Deputy Assistant Secretary for Economic Policy at the Treasury Department; as Senior Staff Economist for the Council of Economic Advisers; and at the Joint Committee on Taxation. Her expertise includes health spending and other fiscal issues, the cost of health care, the health care sector—productivity and efficiency, and Medicare and aging. She is engaged with the Schaeffer Initiative as a trusted advisor.

Erin Trish, Assistant Research Professor at the USC Price School of Public Policy, has worked extensively for the Schaeffer Initiative as a key member of the team. She is leading data analysis for two Initiative white papers on Medicare Advantage, and regularly assists for data analysis for other projects. Recently, Trish published a blog on improving risk adjustment in the individual market for the Schaeffer Initiative Health Policy Solutions Series. And going forward, she is collaborating with Loren Adler on surprise balance billing research.

Publications

WHITE PAPERS

Refining the framework for payment reform (September 22, 2016) – The Urban Institute, Paul Ginsburg, Divvy K. Upadhyay, Michael E. Chernew, Robert A. Berenson, Roslyn Murray, Stuart Guterman & Suzanne F. Delbanco

Solving surprise medical bills (October 13, 2016) – Brookings Institution, Paul Ginsburg, Mark Hall, Steve Lieberman, Loren Adler, Caitlin Brandt & Margaret Darling

Why repealing the ACA before replacing it won't work, and what might (December 13, 2016) – Brookings Institution, Alice Rivlin, Loren Adler & Stuart Butler

Building a Better Cadillac Tax (January 4, 2017) – Henry Aaron, Paul Ginsburg, Linda J. Blumberg, Stephen Zuckerman

JOURNAL ARTICLES

Consumer-Oriented Approaches to Cost Containment (September 2016) – *JAMA Internal Medicine*, Paul Ginsburg

Making Health Care Markets Work: Competition Policy for Health Care (March 2, 2017) – *JAMA Viewpoint*, Martin Gaynor, Farzad Mostashari, and Paul B. Ginsburg

Improving Hospital Incentives with Better Cost Data (March 16, 2016) – *New England Journal of Medicine*, Paul B. Ginsburg and Merle Ederhof

Innovative Contracting for Pharmaceuticals and Medicaid's Best Price Rule (forthcoming) – *Journal of Health Politics, Policy, and Law*, Nicholas Bagley, Darius Lakdawalla, and Rachel Sachs

Health Policy Report: Physician Payment Reform: Progress to Date (forthcoming) – *New England Journal of Medicine*, Paul B. Ginsburg and Kavita K. Patel

BLOGS / COMMENT LETTERS / TESTIMONY

Health care market consolidations: Impacts on costs, quality, and access (March 16, 2016) – *Testimony before the California Senate Committee on Health*, Paul Ginsburg

Physician payment in Medicare is changing: Three highlights in the MACRA proposed rule that providers need to know (May 4, 2016) – *Brookings Institution*, Caitlin Brandt, Kavita Patel, Margaret Darling, and Paul Ginsburg

CMMI's new Comprehensive Primary Care Plus: Its promise and missed opportunities (May 31, 2016) – *HealthAffairs Blog*, Kavita Patel, Margaret Darling, and Paul Ginsburg

How the money flows under MACRA (July 12, 2016) – *Brookings Institution*, Kavita Patel, Loren Adler, Margaret Darling, Paul Ginsburg, and Steve Lieberman

Medicare reforms that will improve care coordination for chronically ill patients (June 27, 2016) – *Brookings Institution*, Kavita Patel, Keith Fontenot, and Margaret Darling

5 takeaways from the 2016 Medicare Trustees Report (June 28, 2016) – *Brookings Institution*, Alice Rivlin and Loren Adler

Comments on CMS's proposed rule for implementation of MACRA provisions (June 28, 2016) – *Brookings Institution*, Kavita Patel and Paul Ginsburg

Obamacare premiums are lower than you think (July 21, 2016) – *HealthAffairs Blog*, Loren Adler and Paul Ginsburg

Refining The Framework For Payment Reform (September 19, 2016) – *HealthAffairs Blog*, Paul Ginsburg, Divvy K.

Upadhyay, Michael E. Chernew, Robert A. Berenson, Roslyn Murray, Stuart Guterman, and Suzanne F. Delbanco

How to get rid of surprise medical bills (October 13, 2016) – *Fortune*, Paul Ginsburg, Mark Hall, and Steve Lieberman

How the Department of Labor can help end surprise medical bills (December 14, 2016) – *Brookings Institution*, Mark Hall

Key takeaways from the final MACRA rule, plus remaining challenges (December 15, 2016) – *Brookings Institution*, Kavita Patel, Margaret Darling, and Paul Ginsburg

Paying for an ACA replacement becomes near impossible if the law's tax increases are repealed (December 19, 2016) – *Brookings Institution*, Loren Adler and Paul Ginsburg

Health insurance as assurance: The importance of keeping the ACA's limits on enrollee health costs (January 17, 2017) – *Brookings Institution*, Loren Adler and Paul Ginsburg

Why risk adjustment is a crucial component of individual market reform (January 25, 2017) – *Brookings Institution*, Erin Trish

What Medicare Advantage's success in delivering post-acute care means for Medicare reform (January 30, 2017) – *Brookings Institution*, Neeraj Sood, Loren Adler, Paul Ginsburg, and Margaret Darling

Stopping surprise medical bills: Federal action is needed (February 1, 2017) *HealthAffairs Blog*, Loren Adler, Mark Hall, Caitlin Brandt, Paul Ginsburg, and Steve Lieberman

New data on sign-ups through the ACA's marketplaces should lay "death spiral" claims to rest (February 8, 2017) – *Brookings Institution*, Matthew Fiedler

4 recommendations to advance Medicare delivery system reform (February 10, 2017) – *Brookings Institution*, Steve Lieberman, Margaret Darling, and Paul Ginsburg

Re-balancing medical and social spending to promote health: Increasing state flexibility to improve health through housing (February 15, 2017) – *Brookings Institution*, Stuart Butler, Dayna Bowen Matthew, and Marcela Cabello

Trump administration's proposed change to ACA special enrollment periods could backfire (February 17, 2017) – *Brookings Institution*, Matthew Fiedler

Comments on CMS' proposed rule for ACA market stabilization (March 7, 2017) – *Brookings Institution*, Matthew Fiedler

The Schaeffer Initiative for Innovation in Health Policy has fostered a comprehensive health policy agenda through wide-ranging activities that allow us to provide thought leadership, technical knowledge, and convening of top experts in the field and at all levels of government, which advance health care policy and reform. Building on the successes of our work in the first year of this unique partnership, we are actively pursuing a second-year agenda that will further our impact on the health policy challenges that face the U.S.

The Schaeffer Initiative for Innovation in Health Policy was established through a generous gift from Leonard D. Schaeffer. The Initiative also gratefully acknowledges support from Brookings, the USC Schaeffer Center, and GE Ventures and healthymagination.

Opportunities to help fund the expansion of the Initiative's reach and impact are available. These opportunities include support for:

- Operations and research
- Post-doctoral associates
- Data access
- Outreach efforts to policy and research communities, media and the public

With health care evolving at an unprecedented pace, the work of the Schaeffer Initiative has the potential to inform elected officials with evidence-based, thoughtful approaches to today's greatest health and health care challenges.

To learn more, contact:

Kukla Vera
USC Schaeffer Center
213.821.7978
kuklaver@usc.edu

Greg McGovern
Economic Studies at Brookings
202.797.6093
gmcgovern@brookings.edu

Schaeffer Initiative for Innovation in Health Policy

Paul Ginsburg, Director

paul.ginsburg@usc.edu

Loren Adler, Associate Director

LAdler@Brookings.edu

202.238.3511

The Brookings Institution

1775 Massachusetts Avenue, NW

Washington, DC 20036

USC Schaeffer Center for Health Policy & Economics

635 Downey Way

Verna and Peter Dauterive Hall - Suite 210

Los Angeles, CA 90089

BROOKINGS

USC Schaeffer

Leonard D. Schaeffer Center
for Health Policy & Economics