



NEWS RELEASE

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For further information, contact:
Mary Mahon: (212) 606-3853 / mm@cmwf.org
cell phone (917) 225-2314
Bill Byrne: (212) 606-3826 / bkb@cmwf.org

IMPROVING QUALITY AND STREAMLINING ADMINISTRATION ARE KEYS TO AFFORDABLE HEALTH CARE FOR ALL, NOT SHIFTING COSTS TO PATIENTS

Washington, D.C., January 28, 2004—In invited testimony today before a Senate Committee, Karen Davis, president of The Commonwealth Fund, said the way to solve the problem of rising health care costs is to reduce medical errors and improve efficiency using modern information technology, not simply shifting costs from employers to workers or from government to the beneficiaries of public programs.

“Most fundamentally, we must act to achieve automatic and affordable health insurance for all, to ensure that the benefits of modern medicine are widely accessible, and to ensure that investment in health care contributes to economic growth and a healthier, more productive society,” said Davis at the Senate Committee on Health, Education, Labor, and Pensions hearing on “What’s Driving Health Care Costs and the Uninsured?”

In her testimony, “Making Health Care Affordable for All Americans,” Davis said that strategies such as consumer-driven health care are unlikely to address the fundamental causes of rising health care costs and in fact, are likely to have adverse consequences for patients, contributing to excessive financial burdens, particularly on poorer and sicker patients.

Davis outlined practical steps to reduce spiraling costs, including:

- Reducing medical errors and improving care coordination
- Public reporting of cost and quality data
- Paying for provider performance on quality and efficiency
- Development and promulgation of clinical guidelines and quality standards
- Better management of high-cost patients
- Improved administrative efficiency
- Automatic and affordable health insurance for all

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