Focus Group Slides

Curbing Health Care Costs: Are Citizens Ready to Wrestle with Tough Choices

2013
These slides were used in a 2013 research study, conducted by Public Agenda together with The Kettering Foundation, examining the public’s perspectives on the nation’s health care spending crisis and on policy approaches to cutting health care costs.

The research resulted in the forthcoming report: “Curbing Health-Care Costs: Are Citizens Ready to Wrestle with Tough Choices?”

http://www.publicagenda.org/pages/curbing-health-care-costs
Health care spending in the U.S. as a percentage of all economic activity, 2010

Spending on health care in the US as a percent of all economic activity, over time

Focus Group Slide #3

National health expenditures per capita, 1960-2010

All health care expenditures in the United States by type, 2010

- Hospital Care, $814, 31%
- Physician/Clinical Services, $516, 20%
- Prescription Drugs, $259, 10%
- Other Personal Health Care, $384, 15%
- Other Health Spending, $408, 16%
- Nursing Care Facilities & Continuing Care Retirement Communities, $143, 5%
- Home Health Care, $70, 0.03
- Other Health Spending, $408, 16%
- Prescription Drugs, $259, 10%
- Other Personal Health Care, $384, 15%
- Hospital Care, $814, 31%
- Other Health Spending, $408, 16
- Nursing Care Facilities & Continuing Care Retirement Communities, $143, 5%
- Home Health Care, $70, 0.03


Percent Distribution of National Health Expenditures by Source of Funds, 2010

- Private health insurance: 33%
- Medicare, Medicaid and other public insurance programs: 39%
- Out-of-pocket: 12%
- Other: 16%

Comparison of increases in health insurance premiums, people's contributions to premiums, people's earnings and inflation, 2000-2010


Focus Group Slide #7

Budget of the federal government, 2011

- Social Security: 20%
- Medicare, Medicaid & CHP: 21%
- Safety Net Programs: 13%
- Interest on Debt: 6%
- Defense & Intl Security Assistance: 20%
- All others: 20%

Total expenditure on health care per person, US DOLLARS, 2010

Focus Group Slide #9

Life expectancy in top 55 countries and political entities

Source:
Diabetes lower extremity amputations per 100,000 population, 2009

Source:
Medicare expenditures per beneficiary by hospital referral region, 2008

**El Paso**

$7,663  
Average annual Medicare costs per enrollee, 2007  
93.2  
CMS Hospital Compare Quality Score

**McAllen**

$14,044  

| El Paso and McAllen are similar demographically, in terms of their populations health & health risks, and in terms of health care supply. |

The Price of a Hip Replacement vary greatly among 12 Top-Ranked Hospitals

Overall health care spending is high and rising fast for a number of reasons...

- **Waste**
  Over treatment, mistreatment, overpricing, fraud & abuse – waste is a financial black hole that is common across the country.

- **Fee-for-service payment**
  Most doctors are paid for every service and treatment they provide, which encourages them to provide more (and more expensive) treatments.

- **Inflated prices**
  Doctors, hospitals & medical companies often charge significantly more for services & drugs than they are worth.

- **Patient expectations**
  Americans are used to more tests & treatments than are necessary; even for minor issues, patients often expect doctors to use all available technology, “just to be safe.”

- **Chronic diseases are more common & often mismanaged**
  Patients often do not take care of their conditions, & their doctors are often not organized enough to make sure they do.

- **Aging population**
  Older Americans use the most health care, & the number of older Americans is on the rise.

- **Advances in technology**
  New, more expensive technology is emerging every day, & doctors will use it – even if it isn’t always necessary.

- **More insured people**
  Insured people use the health care system more than uninsured people. Today, more Americans are insured than in the past – and very soon, millions more will be insured for the first time.