

Focus Group Slides

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

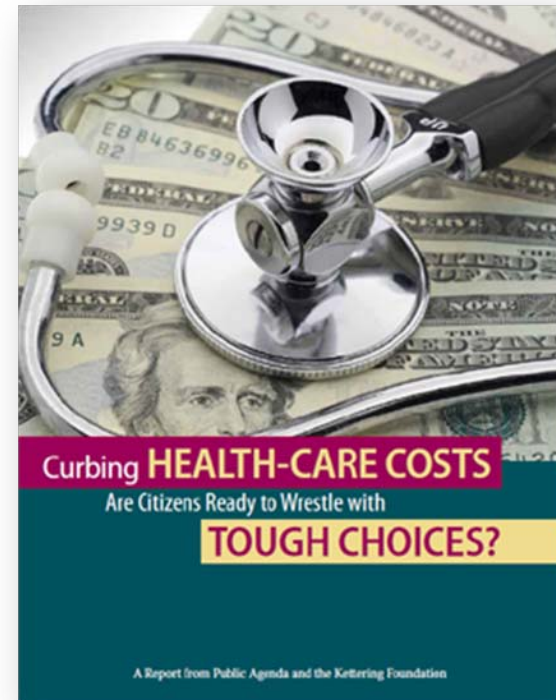
2013

Introduction - Customization

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.

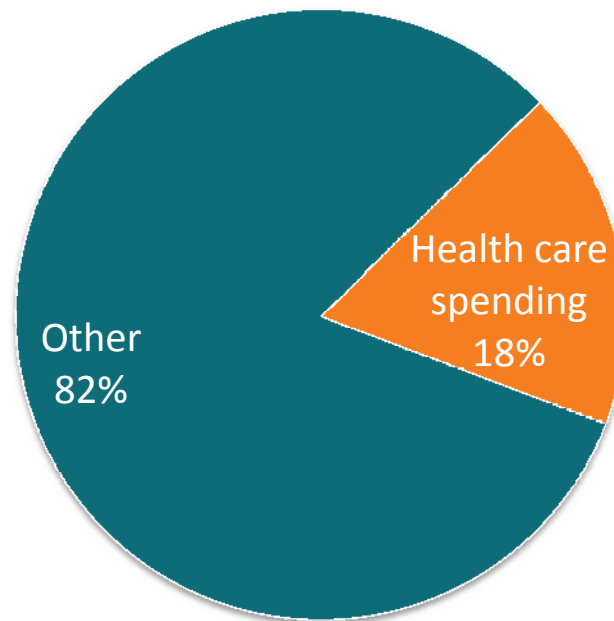
The research resulted in the forthcoming report: "Curbing Health-Care Costs: Are Citizens Ready to Wrestle with Tough Choices?"

<http://www.publicagenda.org/pages/curbing-health-care-costs>



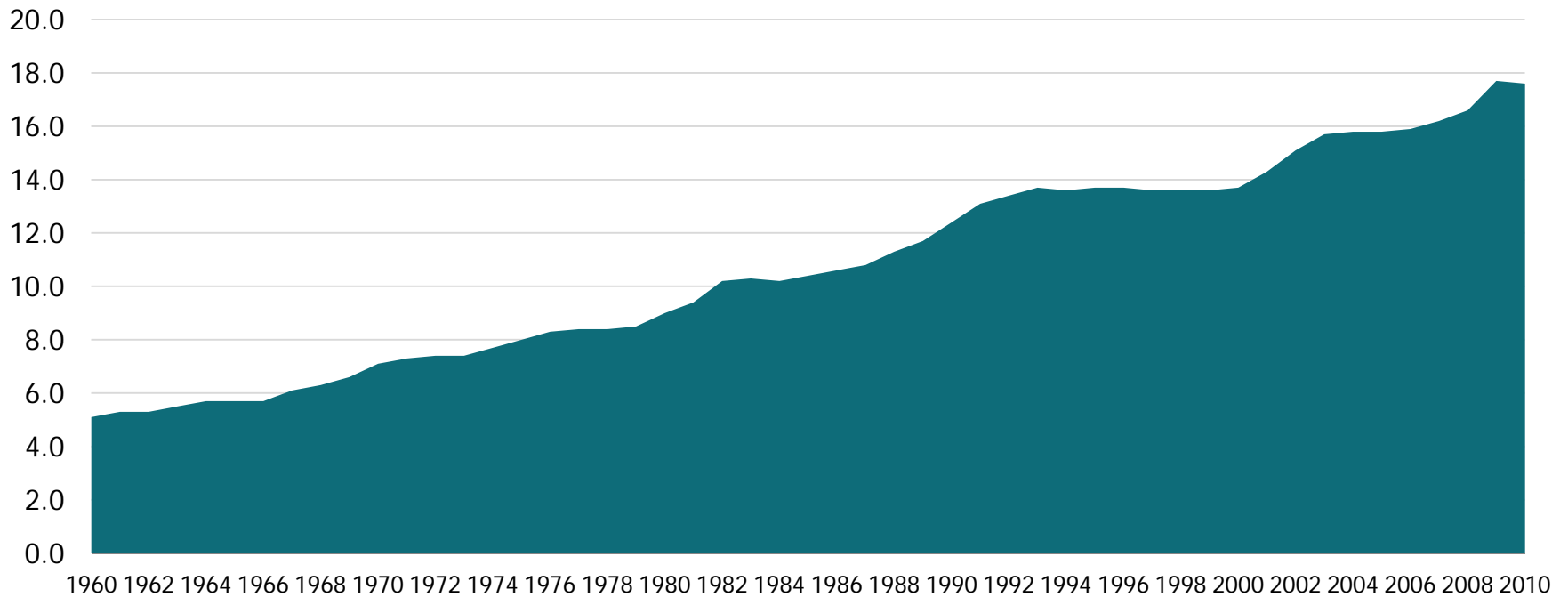
Focus Group Slide #1

Health care spending in the U.S. as a percentage of all economic activity, 2010



Focus Group Slide #2

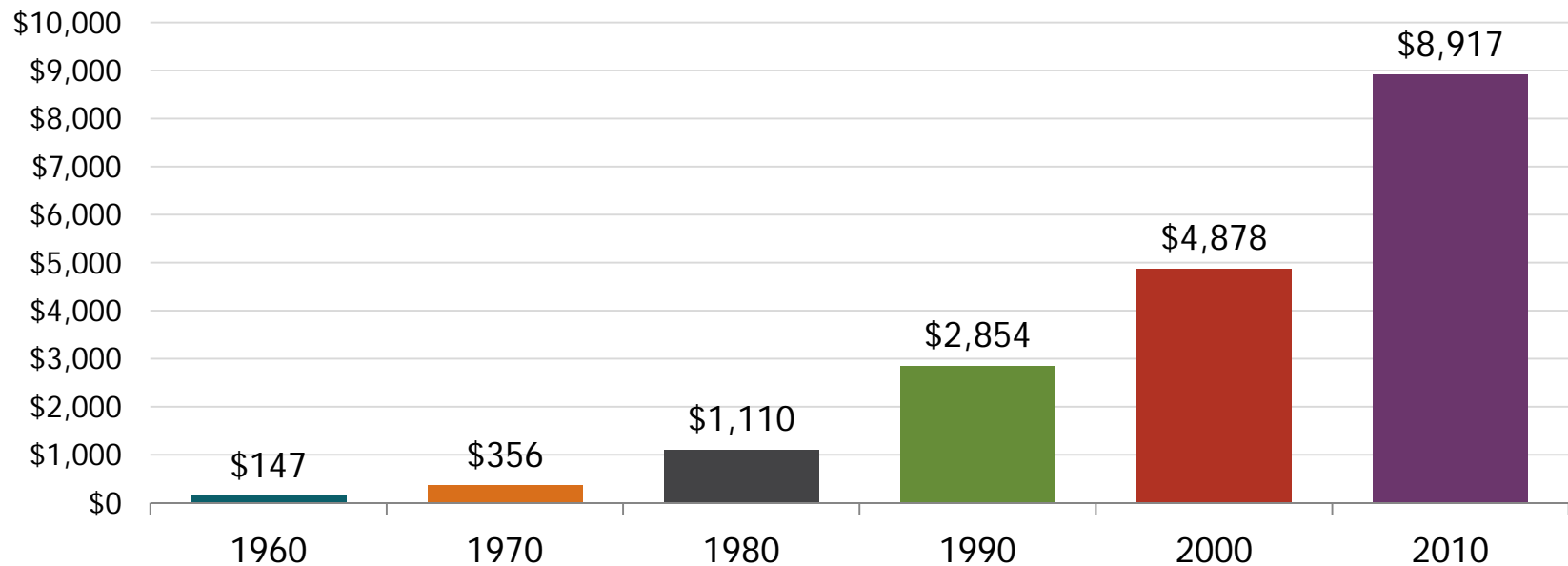
*Spending on health care in the US
as a percent of all economic activity, over time*



Source: Organization for Economic Co-operation and Development, "OECD Health Data 2012," Retrieved October 2012.

Focus Group Slide #3

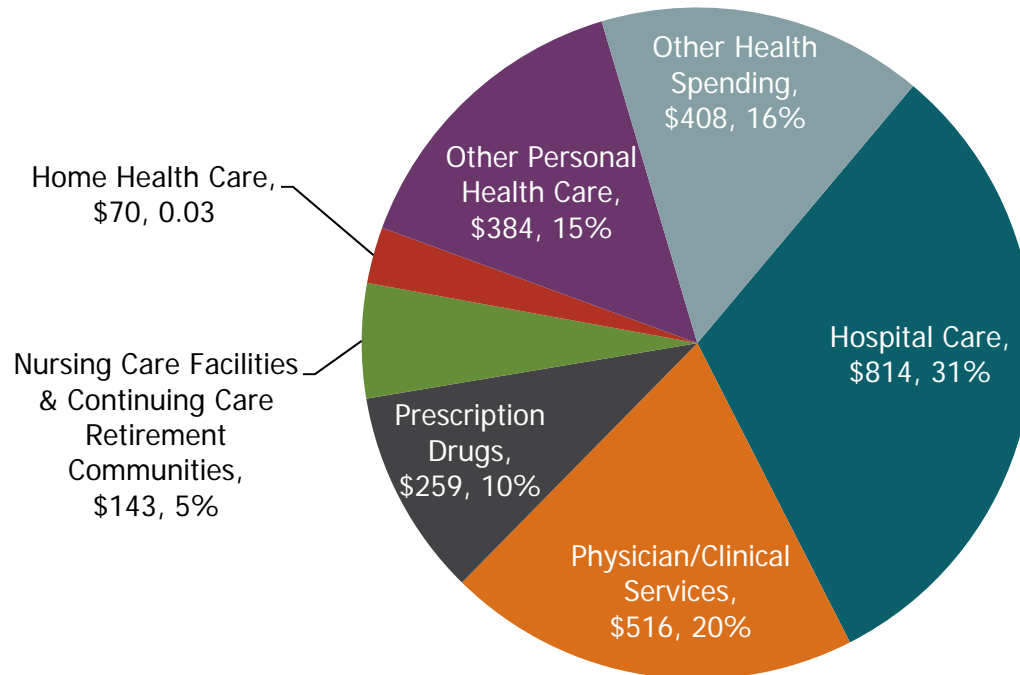
National health expenditures per capita, 1960-2010



Source: CMS, "Table 1: National Health Expenditures; Aggregate and Per Capita Amounts, Annual Percent Change and Percent Distribution: Selected Calendar Years 1960-2011," <http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/downloads/tables.pdf>.

Focus Group Slide #4

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

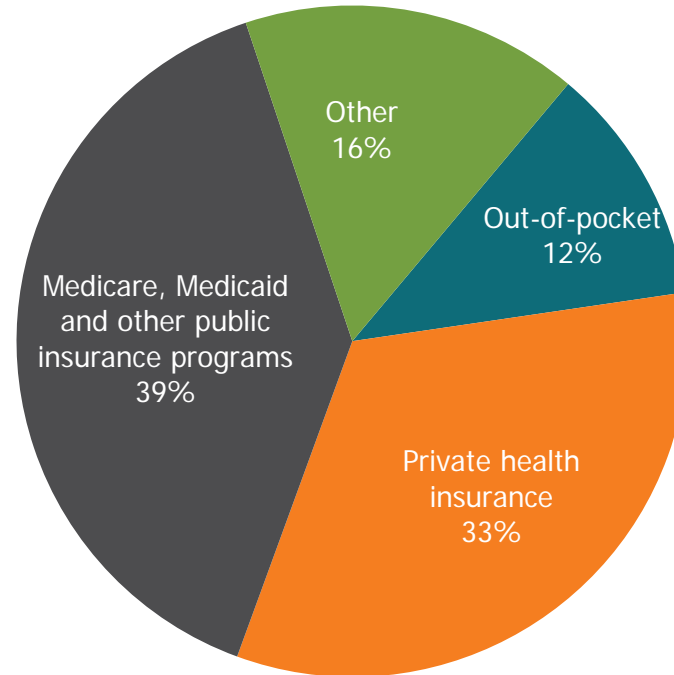


Source: Kaiser Family Foundation, "Health Care Costs: A Primer" (May 2012), <http://kaiserfamilyfoundation.files.wordpress.com/2013/01/7670-03.pdf>.

Kaiser Family Foundation calculations using NHE data from Centers for Medicare and Medicaid Services, Office of the Actuary, National Health Statistics Group, at <http://www.cms.hhs.gov/NationalHealthExpendData/>(see Historical; National Health Expenditures by type of service and source of funds, CY 1960-2010; file nhe2010.zip).

Focus Group Slide #5

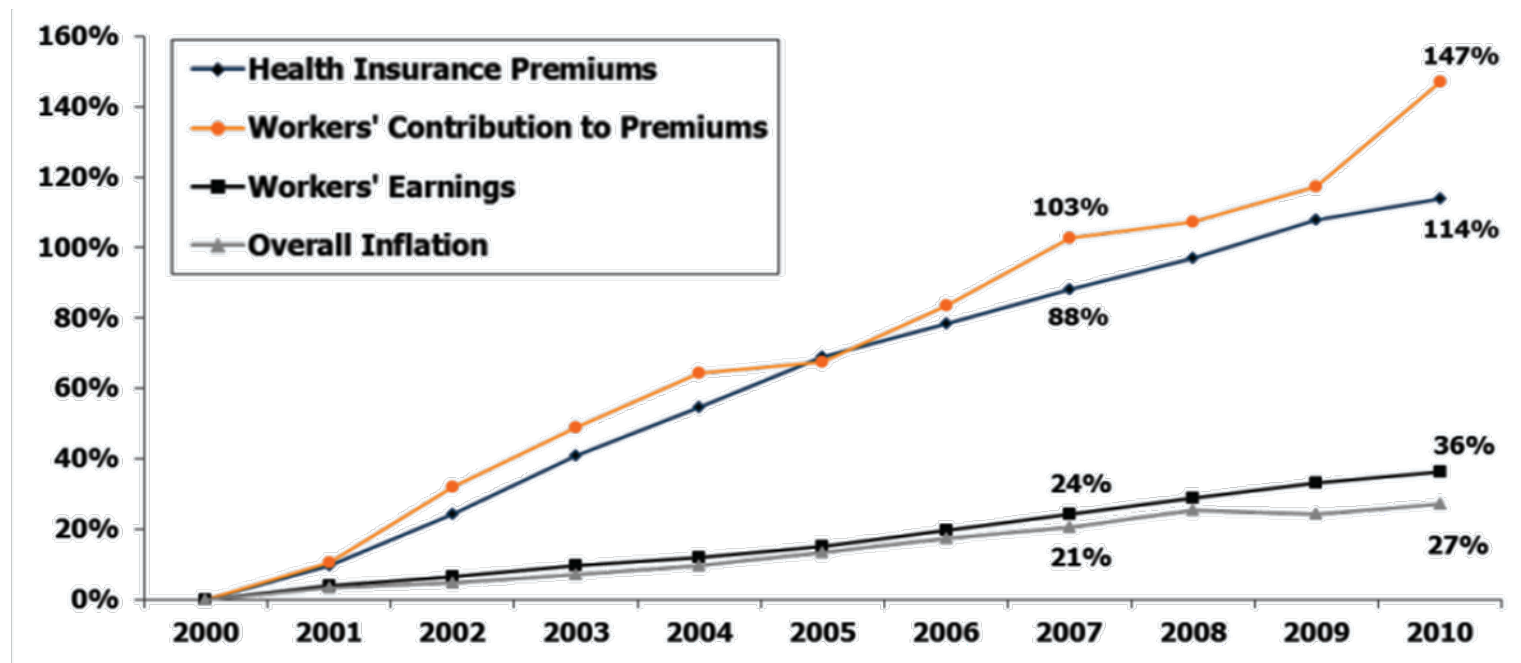
Percent Distribution of National Health Expenditures by Source of Funds, 2010



Source: CMS, "Table 1: National Health Expenditures; Aggregate and Per Capita Amounts, Annual Percent Change and Percent Distribution: Selected Calendar Years 1960-2011," <http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/downloads/tables.pdf>.

Focus Group Slide #6

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

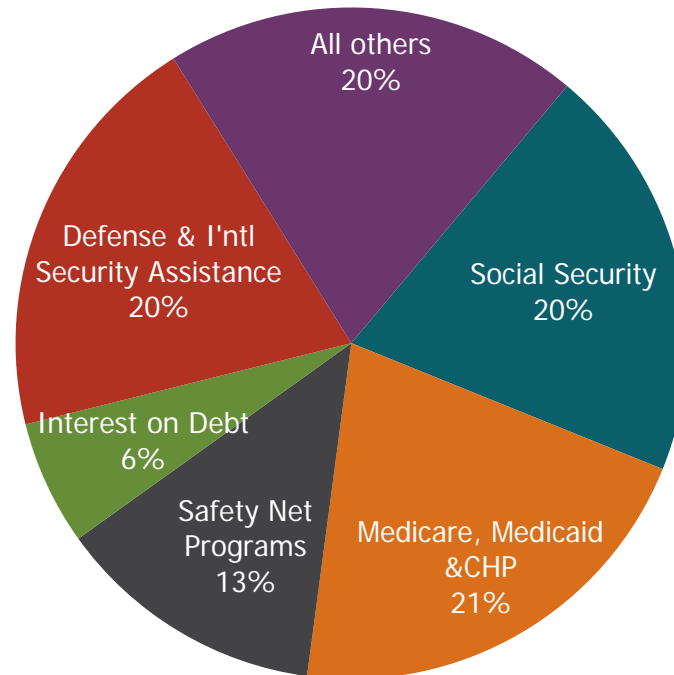


Source: Kaiser Family Foundation, "Health Care Costs: A Primer" (May 2012), <http://kaiserfamilyfoundation.files.wordpress.com/2013/01/7670-03.pdf>.

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Focus Group Slide #7

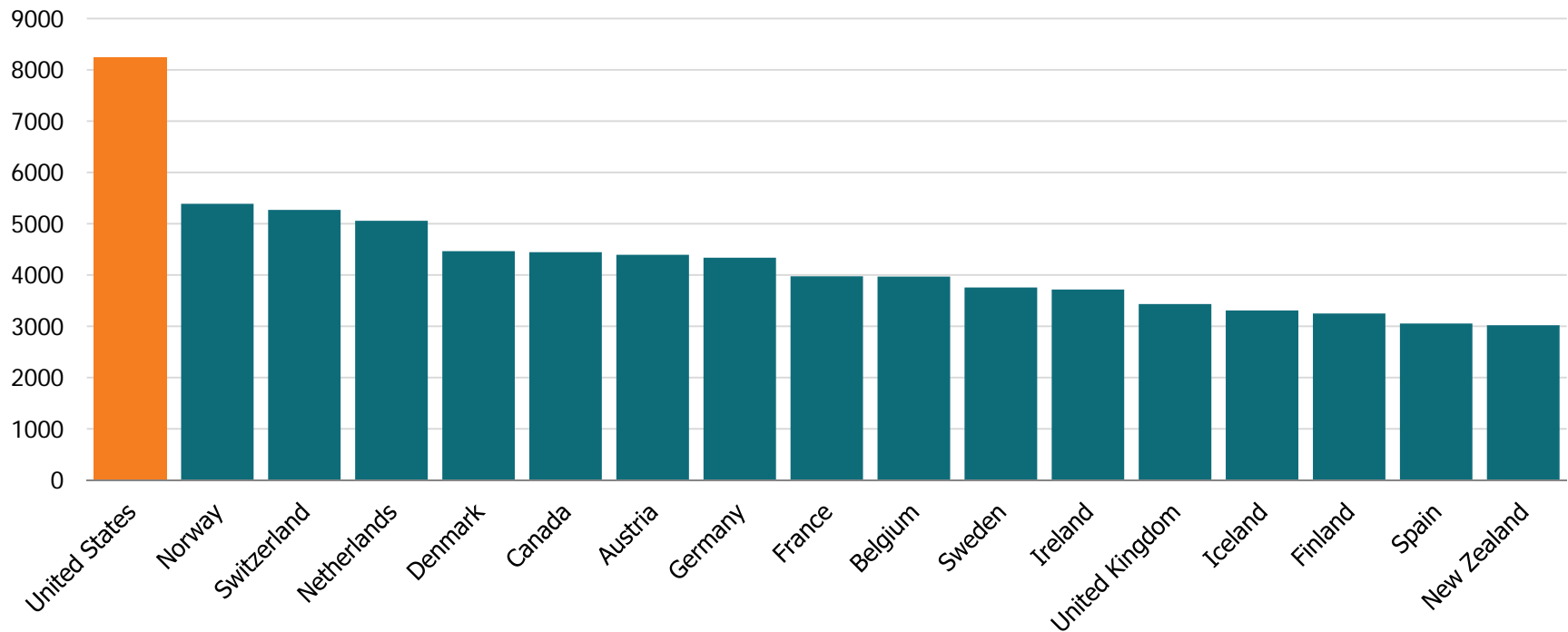
Budget of the federal government, 2011



Source: Center on Budget and Policy Priorities, "Policy Basics: Where Do Our Federal Tax Dollars Go?" (April 2013), <http://www.cbpp.org/cms/?fa=view&id=1258>. Data from the Office of the Management and Budget, FY 2013 Historical Tables, 2011 data.

Focus Group Slide #8

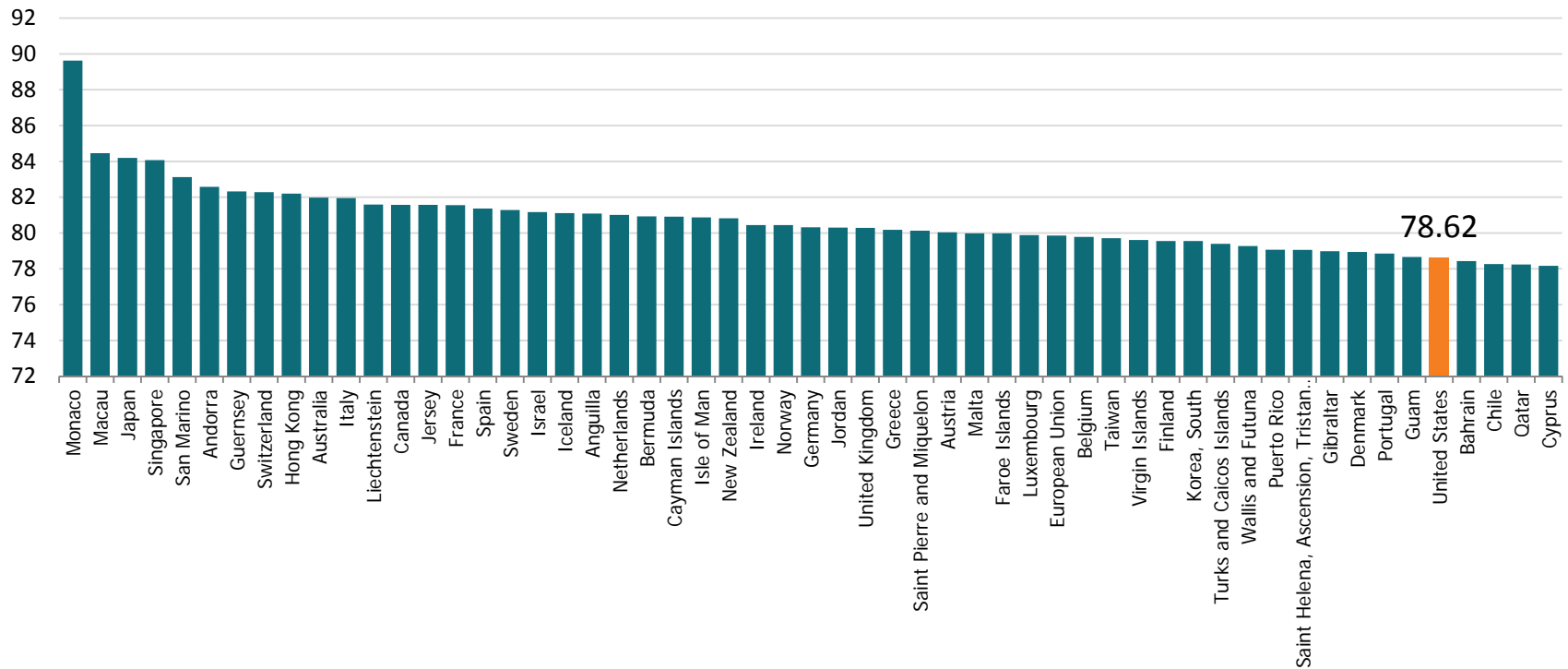
*Total expenditure on health care per person,
US DOLLARS, 2010*



Source: Organization for Economic Co-operation and Development, "OECD Health Data 2012," Retrieved October 2012.

Focus Group Slide #9

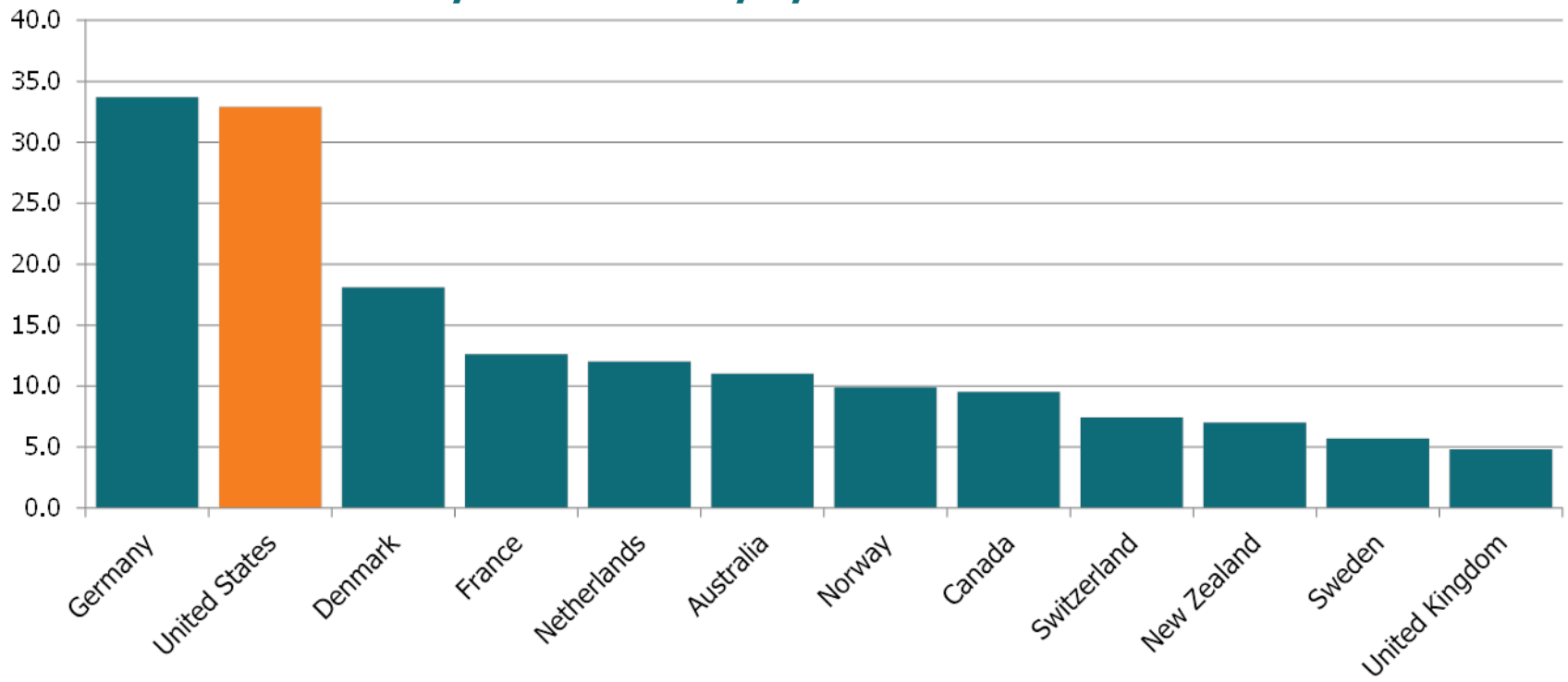
Life expectancy in top 55 countries and political entities



Source: CIA, "World Factbook: COUNTRY COMPARISON – LIFE EXPECTANCY AT BIRTH," <https://www.cia.gov/library/publications/the-world-factbook/rankorder/2102rank.html>

Focus Group Slide #10

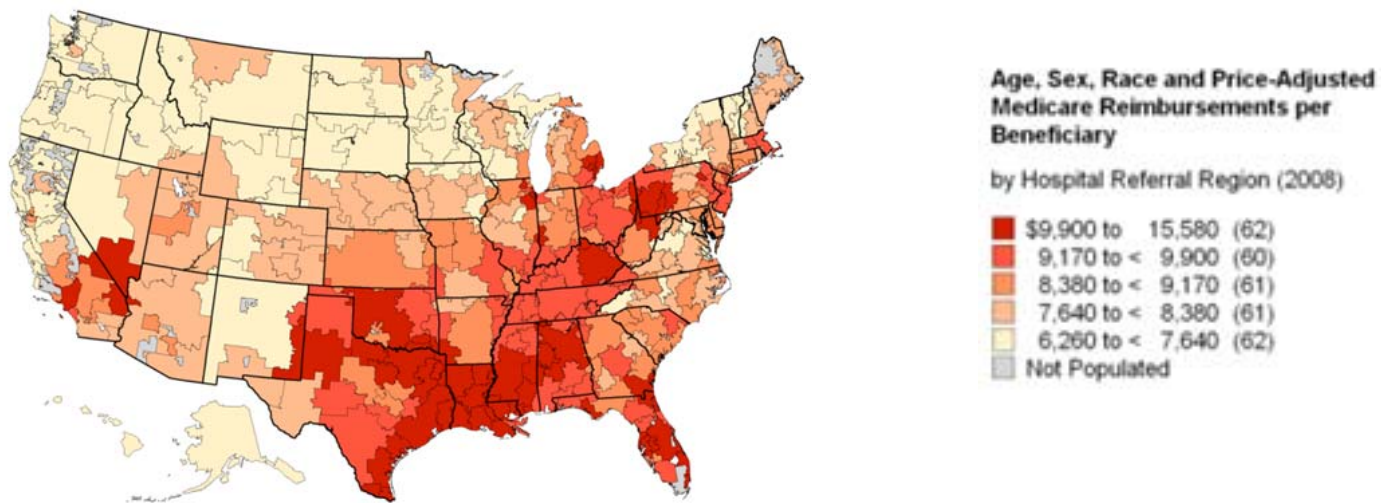
Diabetes lower extremity amputations per 100,000 population, 2009



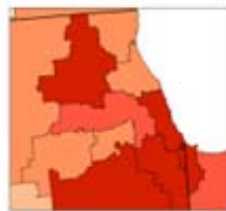
Source:
 The Commonwealth Fund, "Multinational Comparisons of Health Systems Data, 2012" (November 2011). Data from OECD, 2011.

Focus Group Slide #11

Medicare expenditures per beneficiary by hospital referral region, 2008



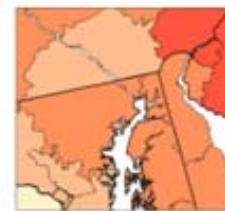
San Francisco



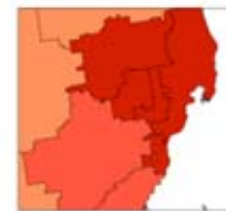
Chicago



New York



Washington-Baltimore



Detroit

Source: Jonathan S. Skinner, Daniel J. Gottlieb, Donald Carmichael, "A New Series of Medicare Expenditure Measures by Hospital Referral Region: 2003-2008," Dartmouth Atlas of Healthcare (June 2011), http://www.dartmouthatlas.org/downloads/reports/PA_Spending_Report_0611.pdf.

Focus Group Slide #12

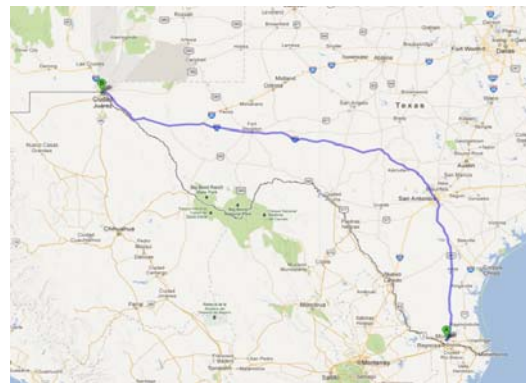
Healthcare: Spending and Quality in two Texas towns



El Paso

\$7,663

93.2



Average annual Medicare costs
per enrollee, 2007

CMS Hospital Compare Quality Score



McAllen

\$14,044

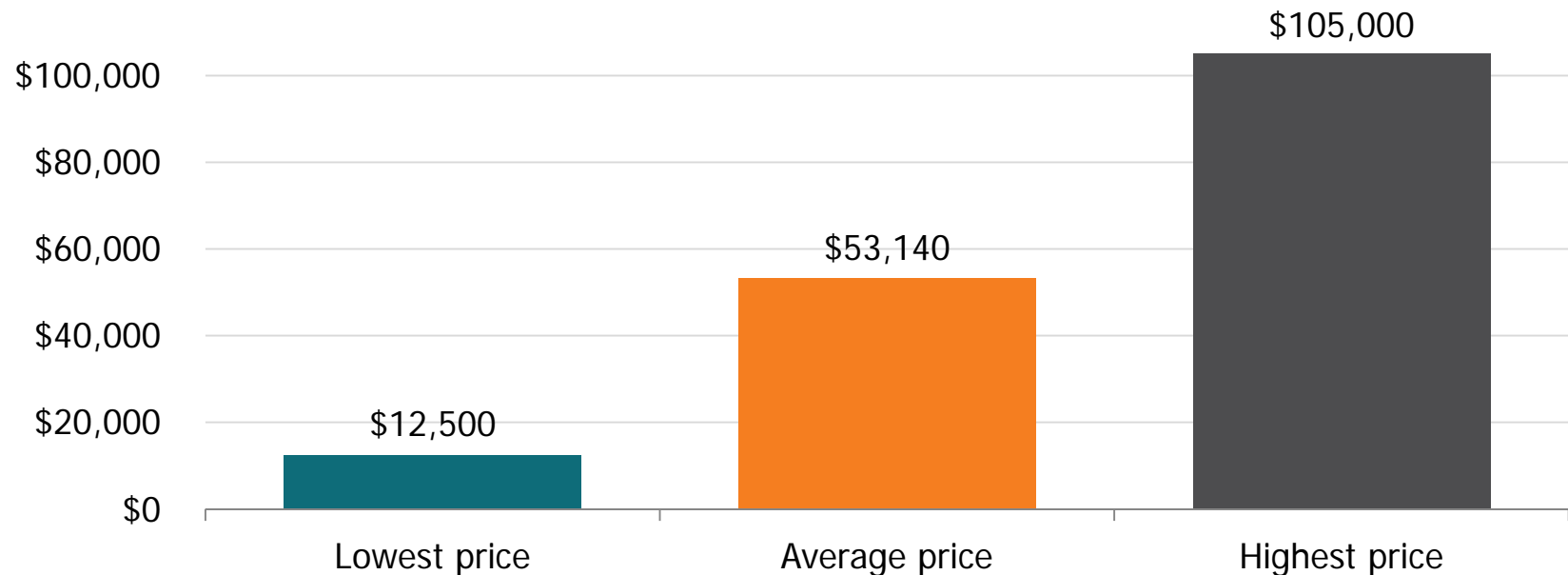
86.9

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

Source: Numbers reached using tools from the Dartmouth Atlas of Healthcare, <http://www.dartmouthatlas.org>. These two towns were originally featured in Atul Gawande's New Yorker article on price variation in the U.S. health care system, "The Cost Conundrum," published on June 1, 2009. The article can be found here: http://www.newyorker.com/reporting/2009/06/01/090601fa_fact_gawande.

Focus Group Slide #13

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



Source: Jaime A. Rosenthal, Xin Lu and Peter Cram, "Availability of Consumer Prices From US Hospitals for a Common Surgical Procedure," JAMA, 11 Feb 2013.

Focus Group Slide #14

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.