
Healthcare Town Hall

Gabrielle Giffords
U.S. Representative
May 26, 2009



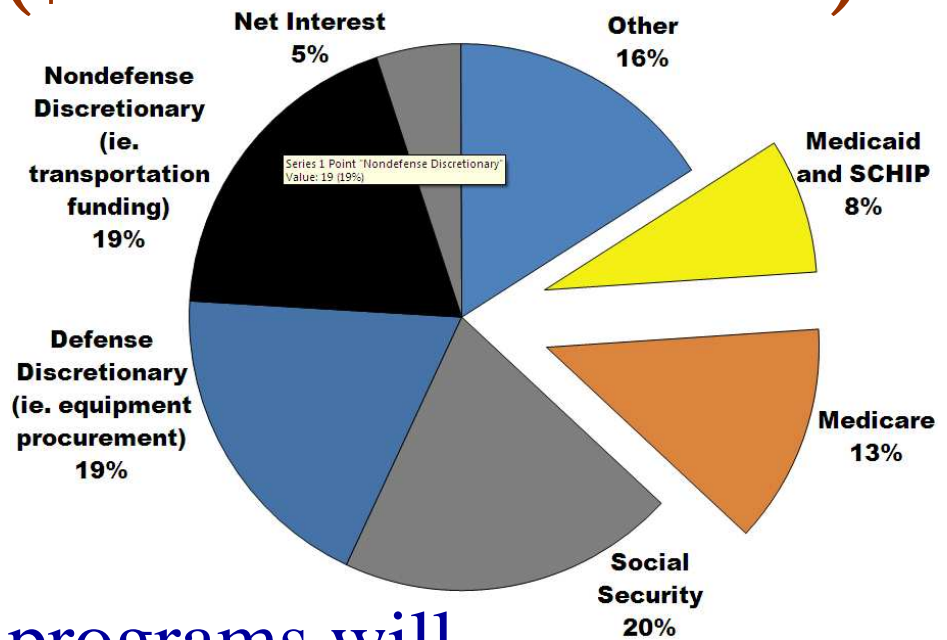
U.S. Economic Challenges

- **JOB LOSSES:** 598,000 in January. Total job loss since the recession began in December 2007 has climbed to 3.6 million, the largest 13-month job loss on record.
- **UNINSURED:** In 2007, there were 45.7 million Americans without insurance. With increased job loss in 2008, that number is expected to increase for 2008.
- **ECONOMY IN RECESSION:** The Gross Domestic Product fell 3.8% in the final quarter of 2008.



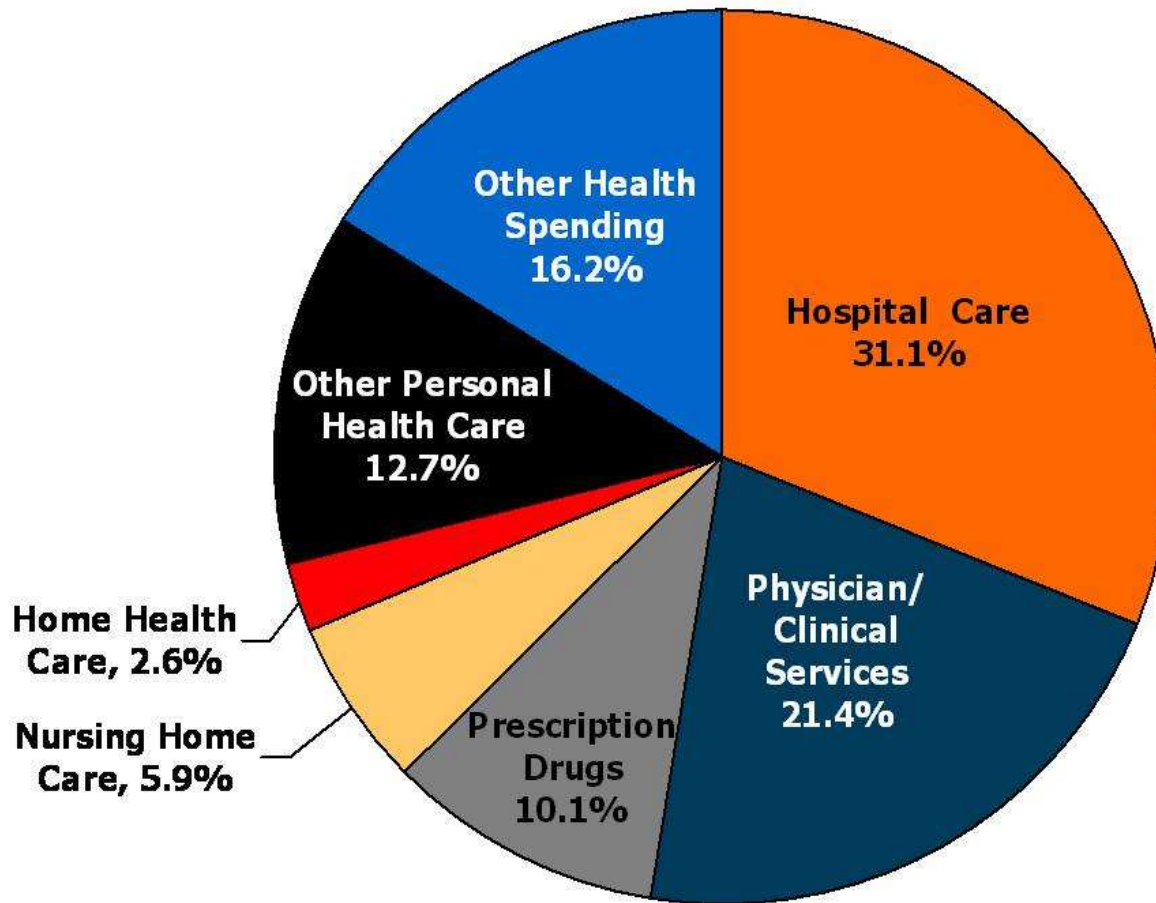
U.S. Healthcare Spending – % Federal Revenues (\$2.4 trillion tax dollars)

- Over 20% of all federal tax dollars today go to Medicare, SCHIP and Medicaid.
- Together entitlement programs will reach 100% of all expected revenue by 2040 if the costs of healthcare are not lowered and the system is not reformed.



U.S. Healthcare Spending

Distribution of Expenditures, by Type of Service



Note: Other Personal Healthcare includes, for example, dental and other professional health services, durable medical equipment, etc. Other Health Spending includes, for example, administration and net cost of private health insurance, public health activity, research, and structures and equipment, etc.

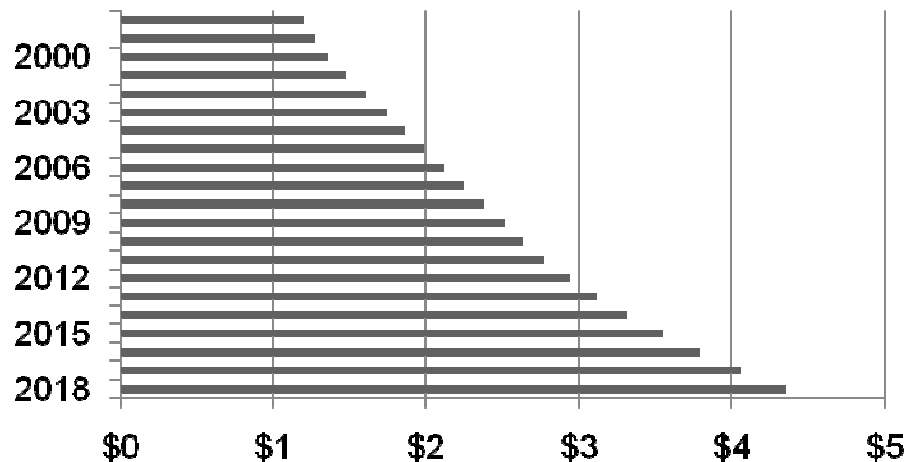


Source: Kaiser Family Foundation calculations using NHE data from Centers for Medicare and Medicaid Services, Office of the Actuary, National Health Statistics Group

U.S. Healthcare Spending % Gross Domestic Product (GDP)

- Last year, the U.S. spent over \$2.4 trillion on healthcare – 16.6% of our GDP.
- Without reform, our healthcare spending will grow to \$4.4 trillion within a decade – over 20% GDP.

National Health Expenditures, Actual and Projected Growth, 1998-2018 (Trillions)



Comparing U.S. Health Spending to Other Developed Nations

- U.S. health spending as a share of GDP in 2006 (16.6%) was considerably higher than other developed countries, including:
 - Canada - 10.0%
 - France - 11.0%
 - Germany - 10.6%
 - Japan - 8.1%
 - United Kingdom - 8.4%
 - Switzerland was a distant second to the U.S., devoting an estimated 11.3% of GDP to health care.



Arizona's Healthcare Challenges

- **19.6%** of Arizona residents are uninsured.
- **77%** of the uninsured have **at least one person in the family working** either fulltime or part-time.
- Arizona has **219 physicians per 100,000 population**, well below the national average of **279**.

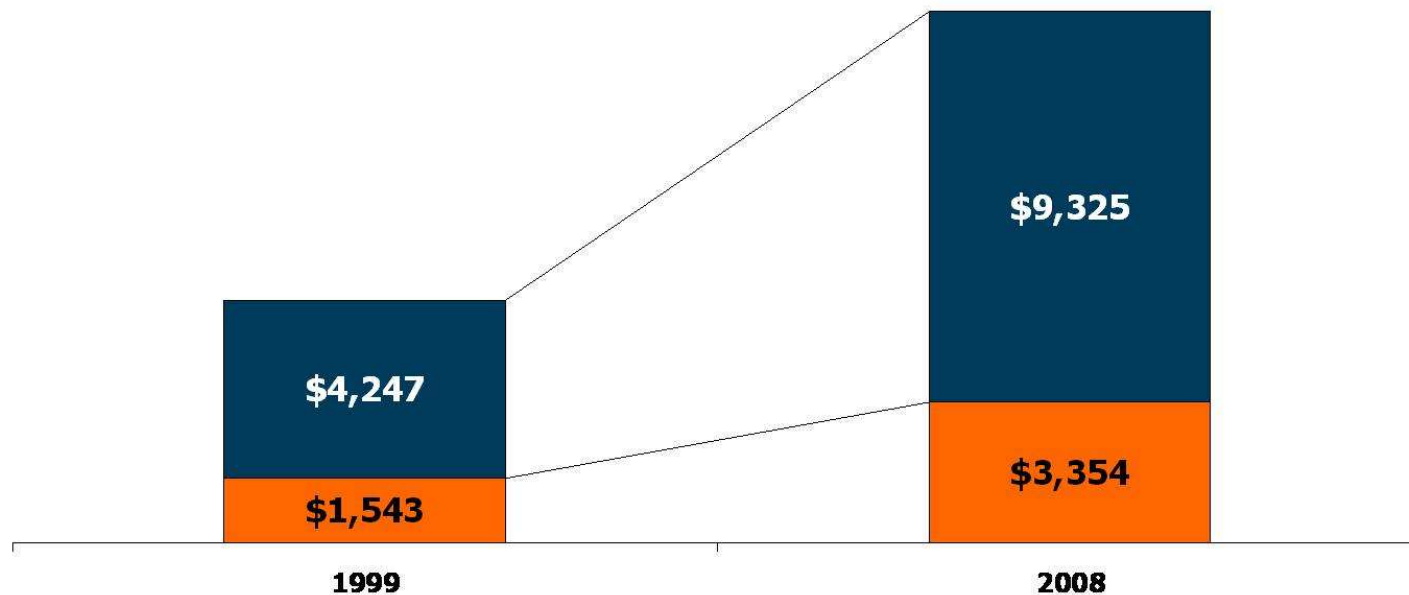


Arizonan's Health Insurance Costs

- Over the past 8 years, our families have seen their health insurance premiums **increase 3.5 times faster than their wages** – premiums increased 81.1% while wages grew by 23.2%.
- Without reform, Arizonans' health insurance premiums will **increase from 7% to 15.5% of their income** by 2016.



Average Health Insurance Premiums and Worker Contributions for Family Coverage, 1999-2008



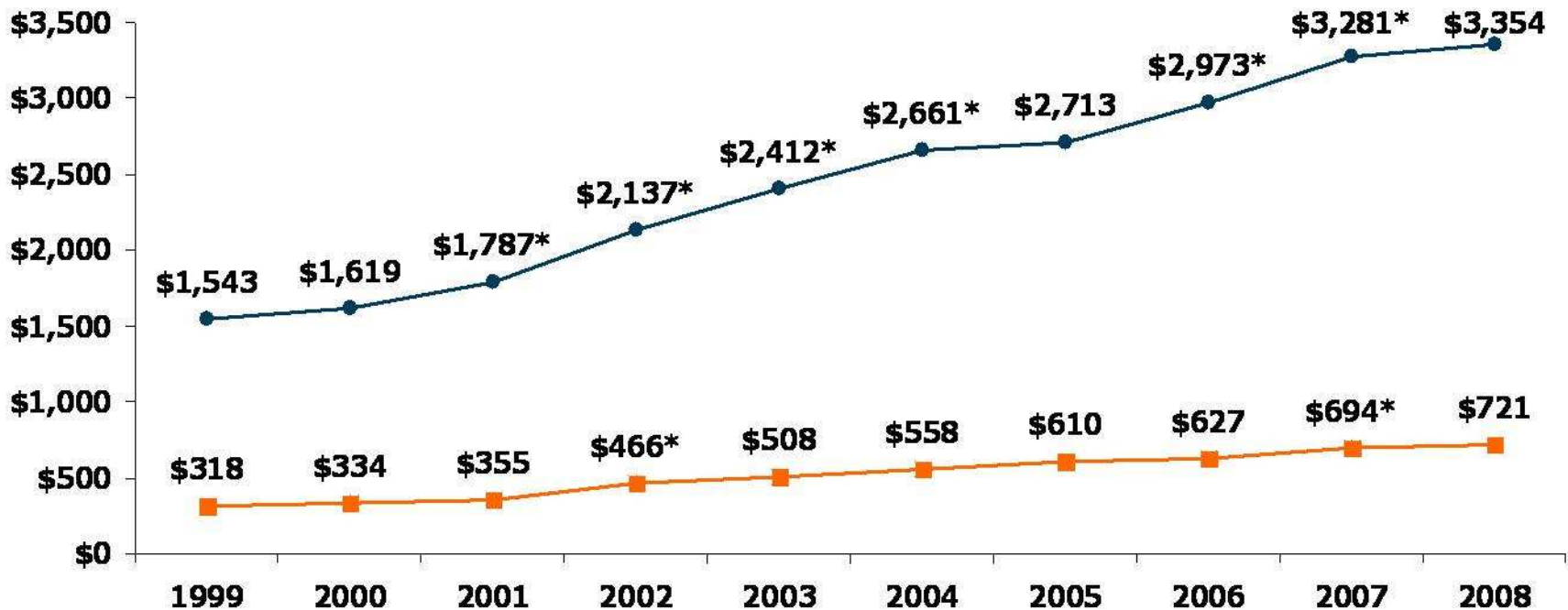
Note: The average worker contribution and the average employer contribution do not add to the average total premium due to rounding.

■ Employer Contribution
■ Worker Contribution



Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2008.

Average Annual Worker Premium Contributions, 1999-2008



• According to U.S. Census Bureau, Median Household Income increased by one percent, from \$60,764 to \$61,355, from 1999-2008

*Estimate is statistically different from estimate for the previous year shown ($p < .05$).



Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2008.

Families' Healthcare Challenges

Every day in America...

- **Employers change the health plans they offer** because of costs and force families to choose a different doctor.
- Families' health plan **benefits are eroded** when they can't afford higher premiums, co-pays and deductibles.
- Needed **doctor's visits, medications, and treatments are skipped** because families can't afford the costs.
- Families are confronted with **completely losing their health insurance** because their employer can no longer afford to offer any health insurance benefits.



Goals for Healthcare Reform

- Reduce *costs* for families, businesses and government;
- Protect people's *choice* of doctors, hospitals and health plans; and
- Assure affordable, *quality healthcare for all Americans.*





- For more information regarding the reform of our nation's health care system, please visit:

www.giffords.house.gov

