



## HEALTH CARE BY THE NUMBERS

### HEALTH CARE & FAMILIES

#### WHY WE NEED REFORM

- Since 2000, employer-sponsored health insurance premiums have more than doubled - a rate three times faster than cumulative wage increases.
- The average cost of an employer-based family insurance policy in 2008 was \$12,680, which was nearly the annual earnings of a full-time minimum wage job.
- Since 1987, the cost of the average family health insurance policy has risen from 7% of median family income to 17%.
- In the past year, 53% of Americans say their household cut back on health care due to cost concerns.
- In 2007, 60% of bankruptcies were reported to be related to medical costs.
- Premiums are high, in part, because of a “hidden insurance tax” of more than \$1,000 added onto every family policy that covers the cost of care for those without insurance.
- At least 46 million Americans are uninsured - more than 85% of whom are in working families. Without wellness and preventive care, families suffer, and their care drives up costs throughout the system.

#### THE COST OF INACTION – WITHOUT REFORM

- Family premiums are projected to increase an average of \$1,800 each year.
- The number of the uninsured will reach 61 million by 2020.
- With employers unable to afford rising health care costs, our country could see an additional 3.5 million people unemployed and without benefits in the next 4 years.

### HEALTH CARE & BUSINESS

#### WHY WE NEED REFORM

- As a result of crushing health care costs, American businesses are losing their ability to compete in the global marketplace. The burden is particularly heavy on small businesses.
- Small business premiums have risen 129% since 2000.
- 28 million uninsured Americans are small business owners, employees, and their families - 60% of our nation’s entire uninsured population.
- In 2008, 38% of small companies offered health coverage, compared with 41% in 2007 and 61% in 1993.

- On average, small businesses pay up to 18 percent more than large firms for the same health insurance policy.
- An employee of a small business is 50 percent more likely to lose job-based coverage than an employee of a large business.

#### THE COST OF INACTION – WITHOUT REFORM

- According to a Hewitt Associates survey, 19% of all U.S. businesses plan to halt providing health care benefits to their employees in the next three to five years.
- Small businesses are projected to lose \$52.1 billion in profits to high health care costs over the next ten years.
- About 10% of small companies are considering ending their employee health coverage plans over the next year, compared with 3% of small businesses in 2005.

## HEALTH CARE & THE ECONOMY

#### WHY WE NEED REFORM

- The United States spent approximately \$2.2 trillion on health care in 2007, or \$7,421 per person. This comes to 16.2% of GDP, nearly twice the average of other developed nations
- Since the recession began, an estimated 4 million additional Americans have lost their health insurance – and are currently losing coverage at an average of 10,680 workers each day.
- The economic consequences of uninsurance are enormous, with an estimated lost productivity of roughly \$76 to \$152 billion in a year.
- Annually, federal and state governments pay 75% of the \$56 billion in uncompensated care provided to the uninsured.

#### THE COST OF INACTION – WITHOUT REFORM

- By 2018, national health care expenditures are expected to reach \$4.4 trillion—more than double 2007 spending; By 2025, one in every four dollars in our nation’s economy will be spent on health care.
- The proportion of spending attributable to Medicare and Medicaid in the health system is expected to rise from 4 percent of GDP in 2007 to 19 percent of GDP in 2082, making it the principle driving force behind rising federal spending in the decades to come.
- National health expenditures are expected to increase faster than the growth in GDP: between 2008 and 2018, the average increase in national health expenditures is expected to be 6.2 percent per year, while the GDP is expected to increase only 4.1 percent per year.