

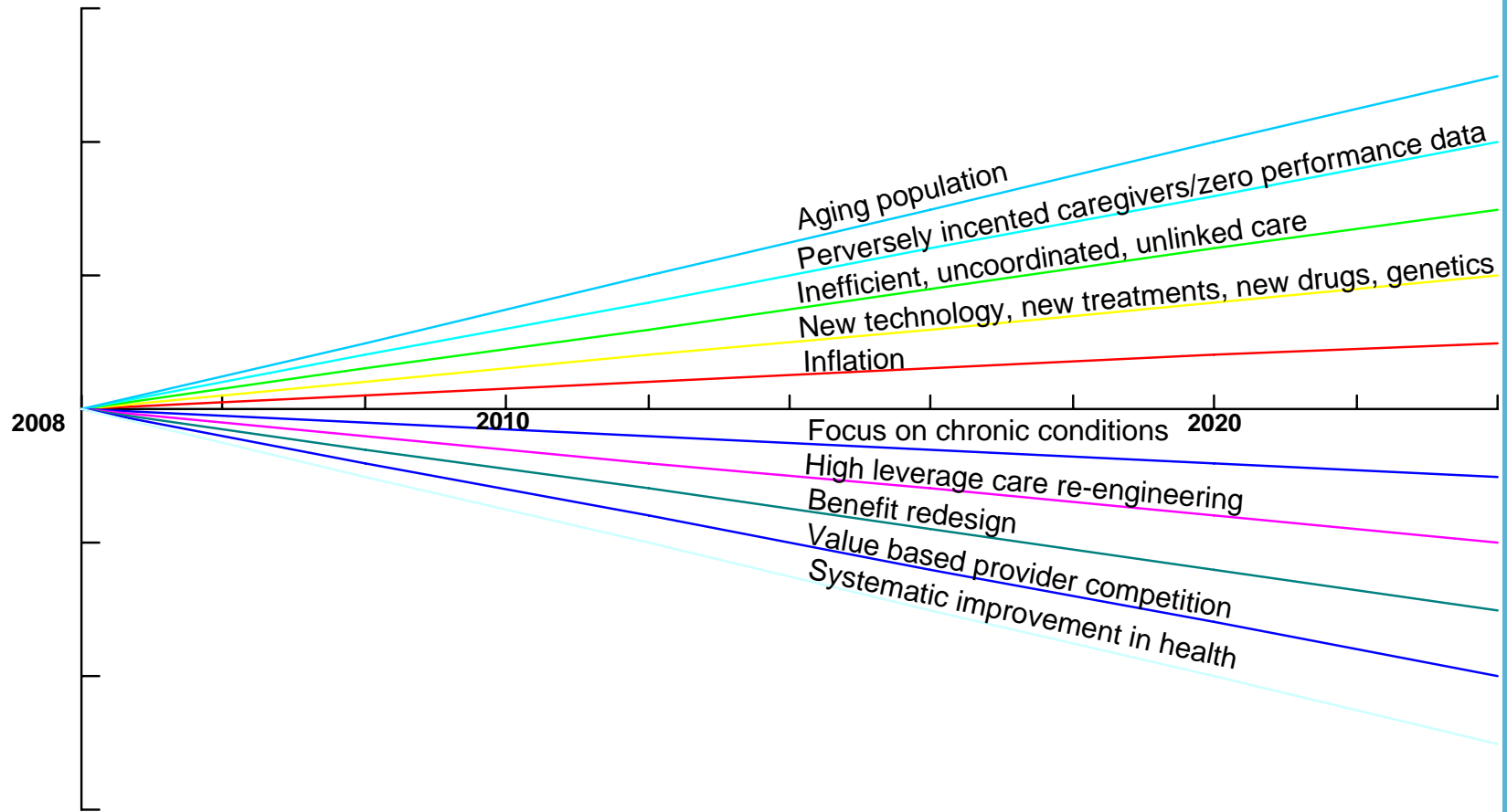
Health Care Reform Now!

George C. Halvorson

Chairman and CEO, Kaiser Permanente

February 19, 2008

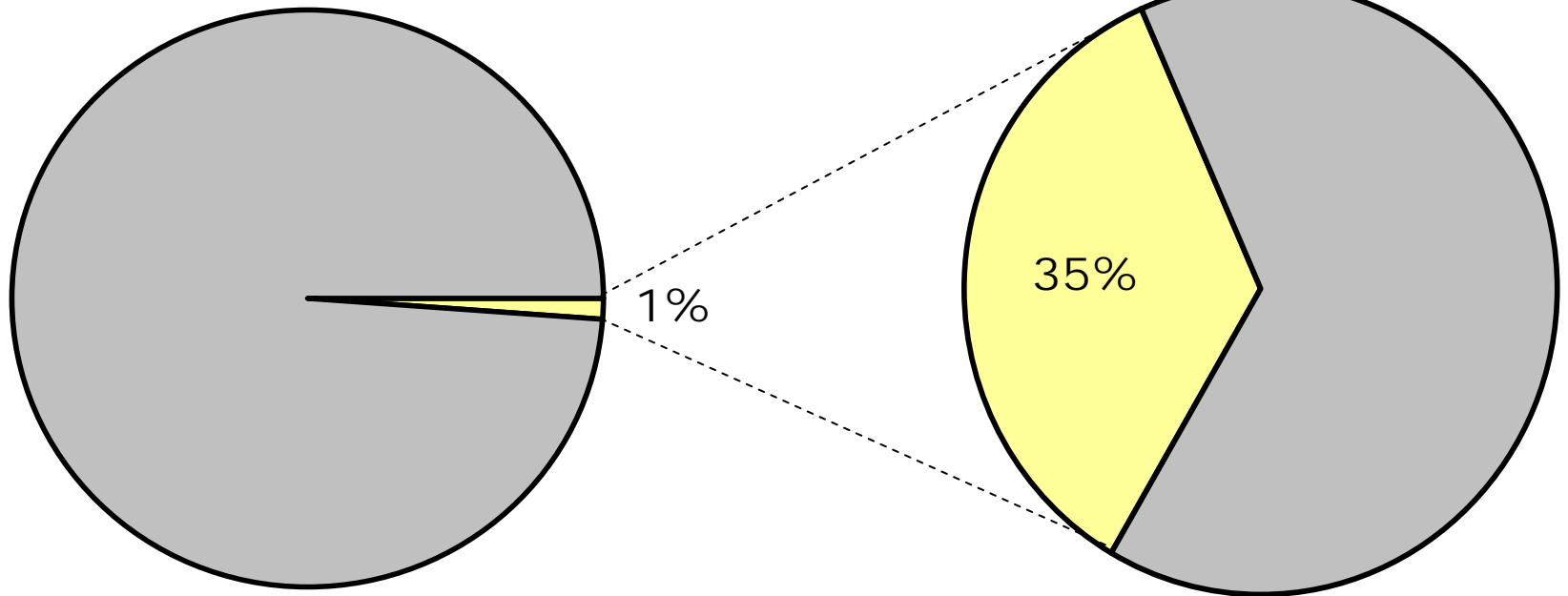
Cost Drivers and Mitigators For American Health Care



Cost Distribution of Care

Population

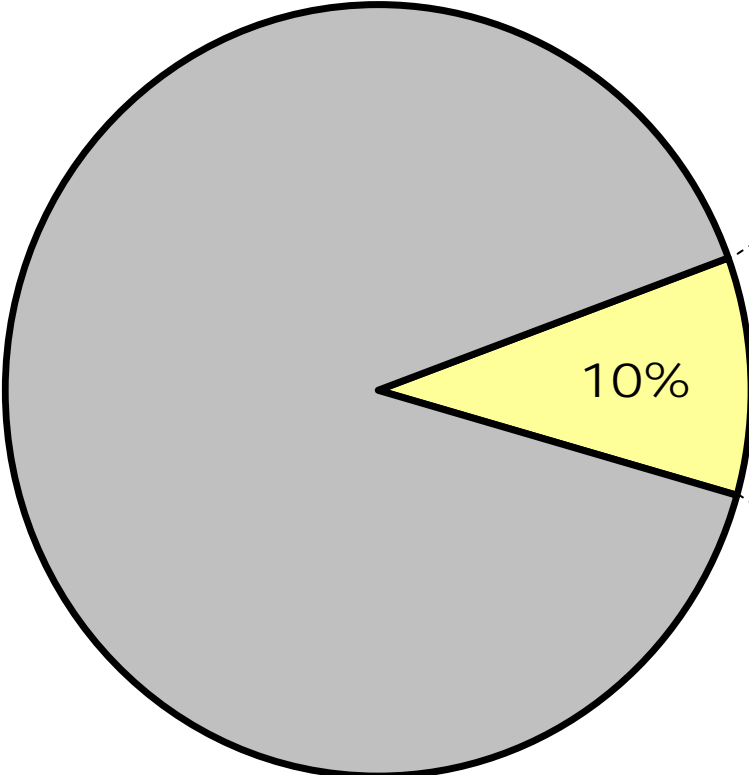
Cost



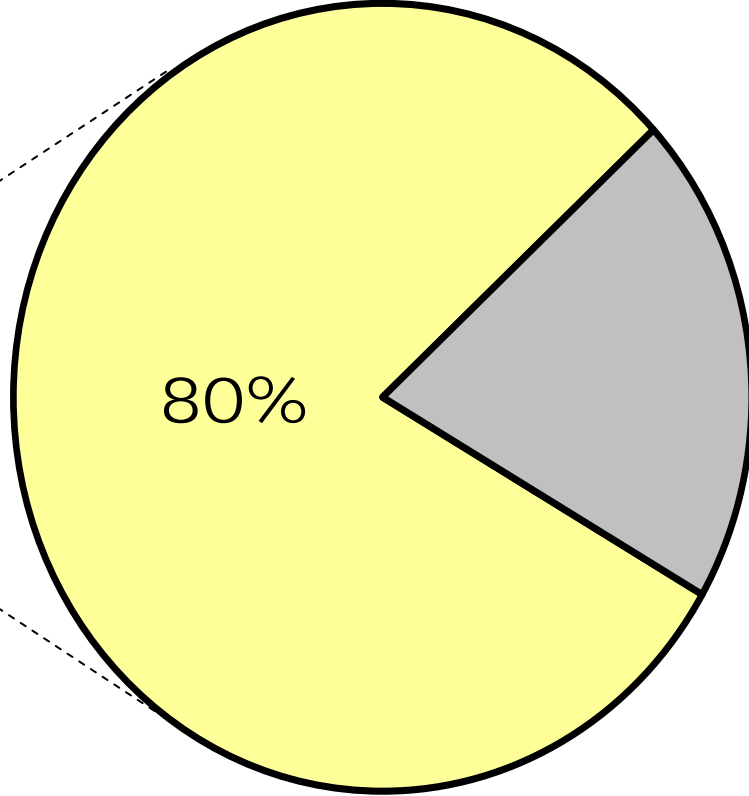
\$300 per month average cost

Break even cost insuring one percent: \$12,000 per month

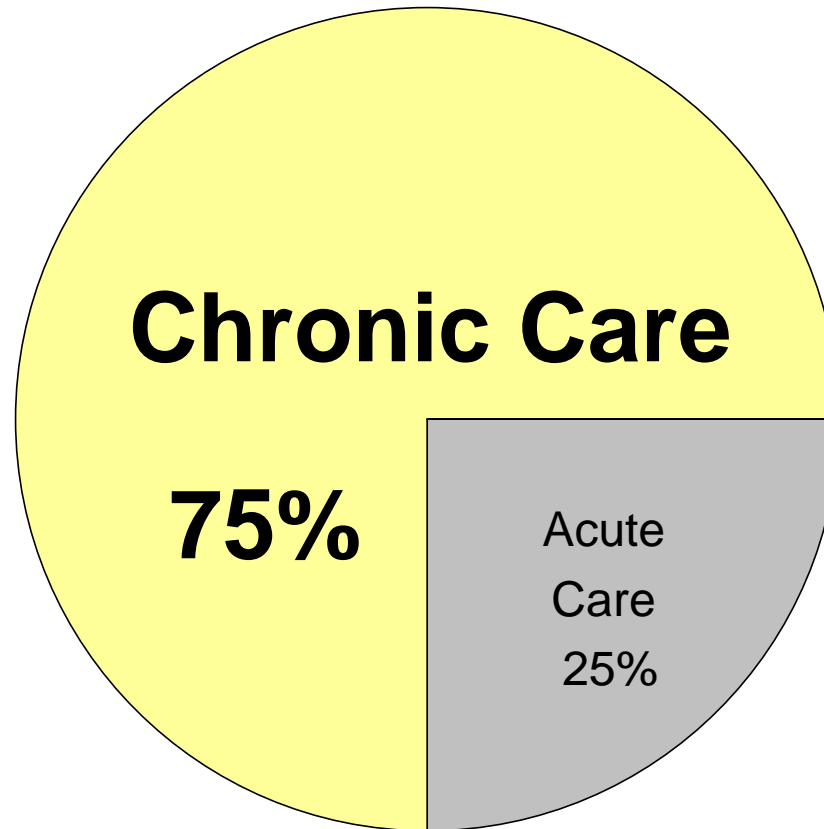
U.S. Population



U.S. Care Costs

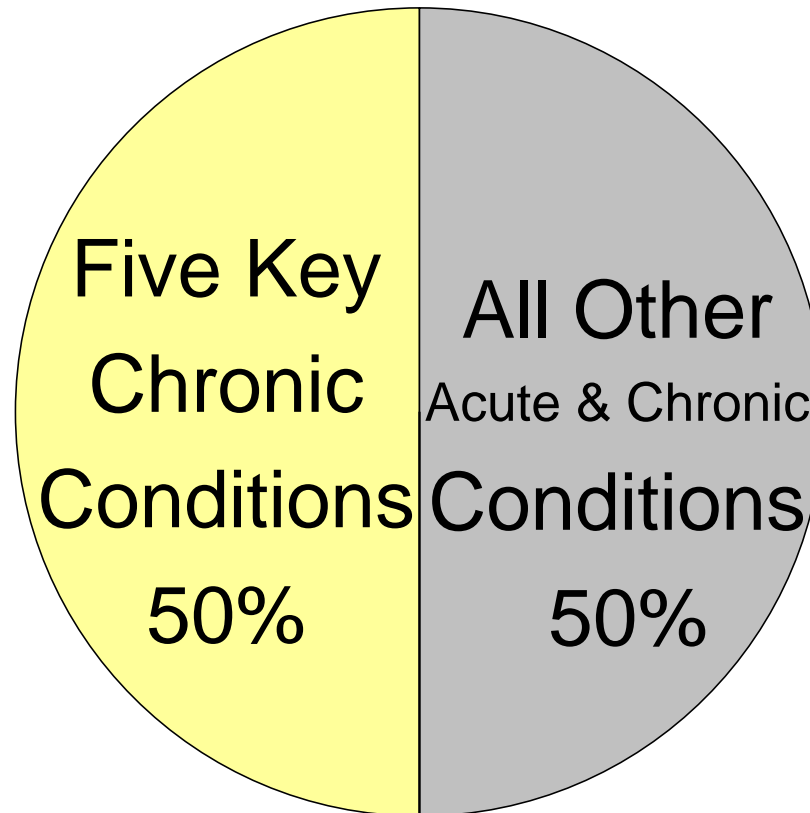


Total Cost of Care In America



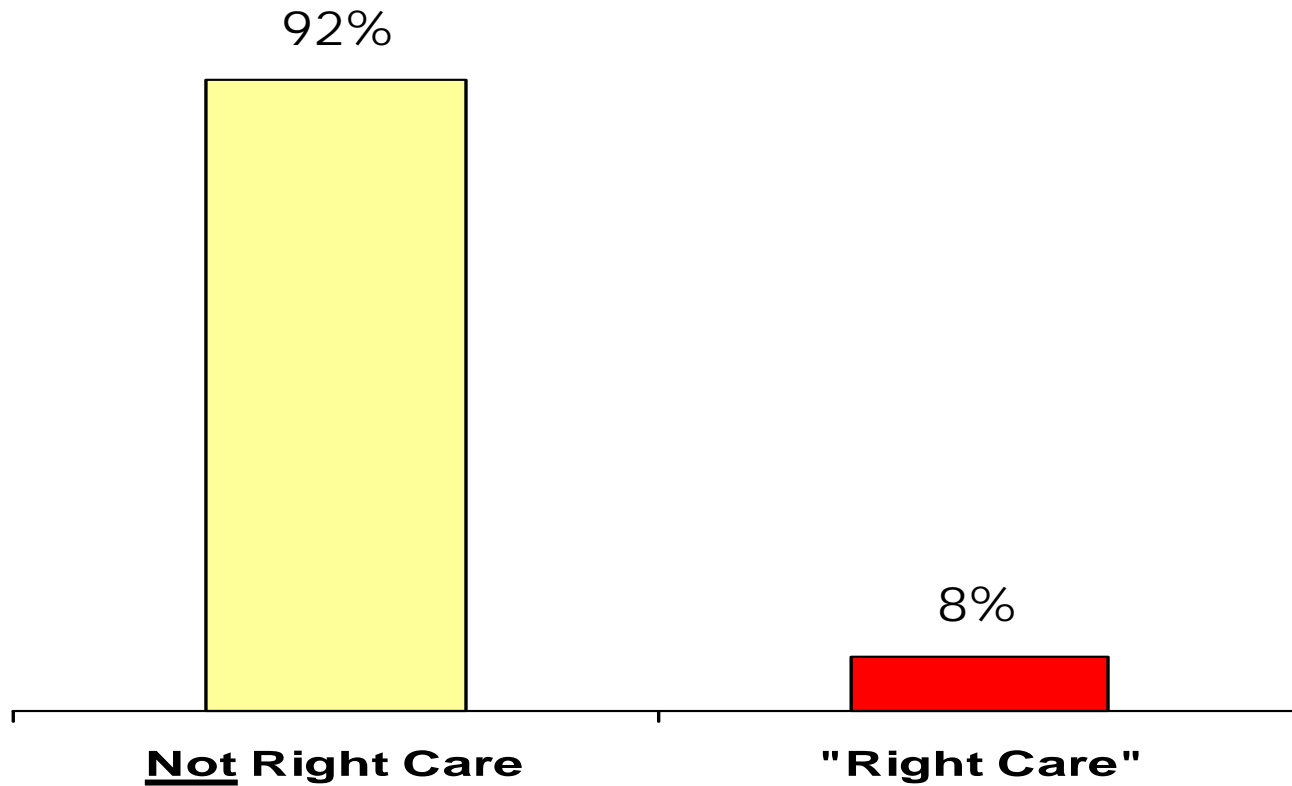
Chronic Care vs. Acute Care

Total Cost of Care in America

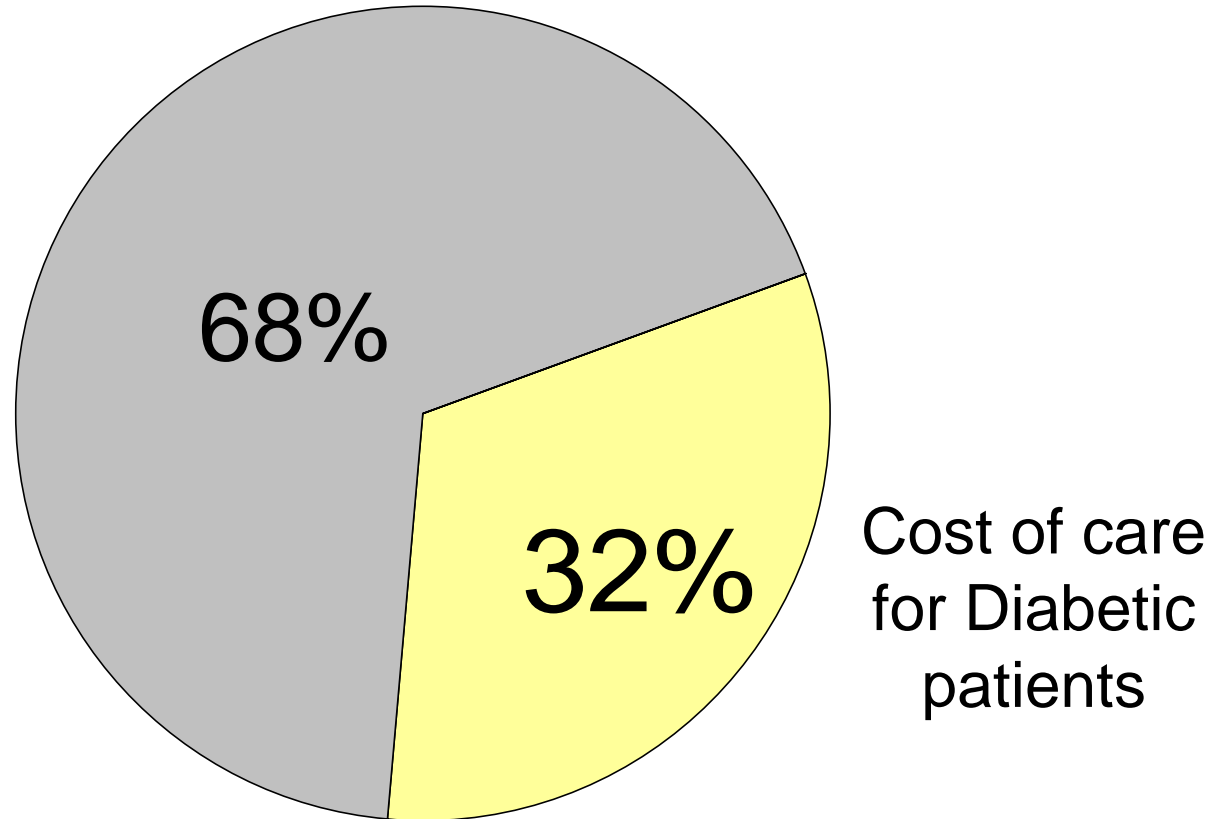


Top Five Chronic Conditions

Percent of American Diabetics Receiving "Right" Care

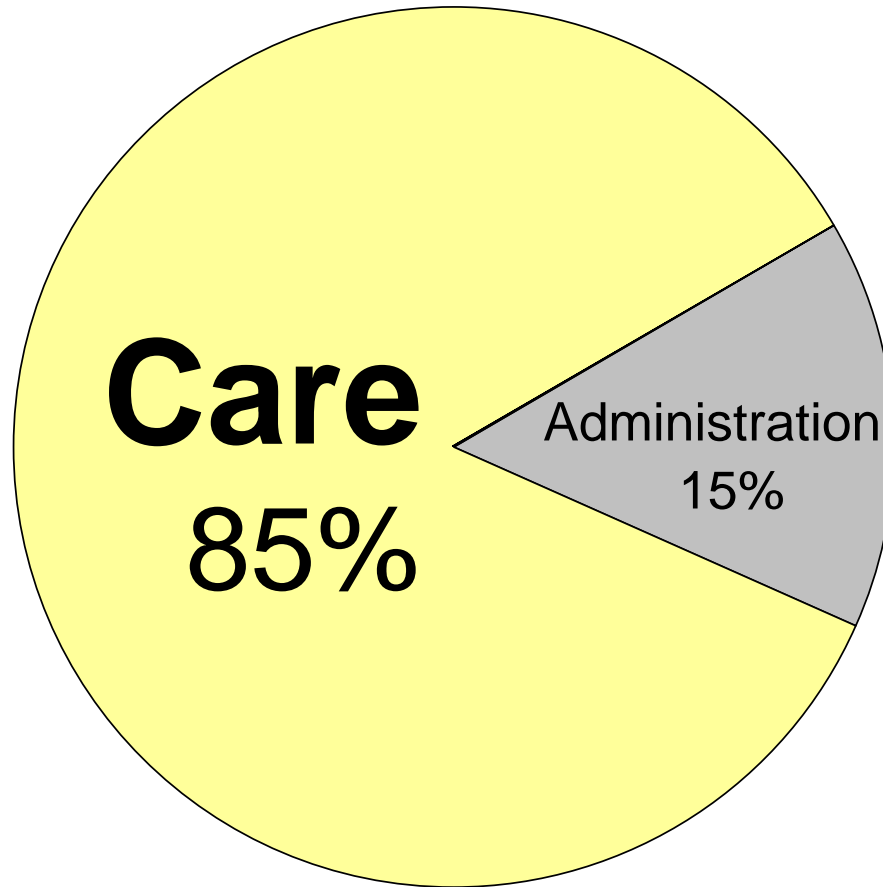


Medicare Diabetes Expense

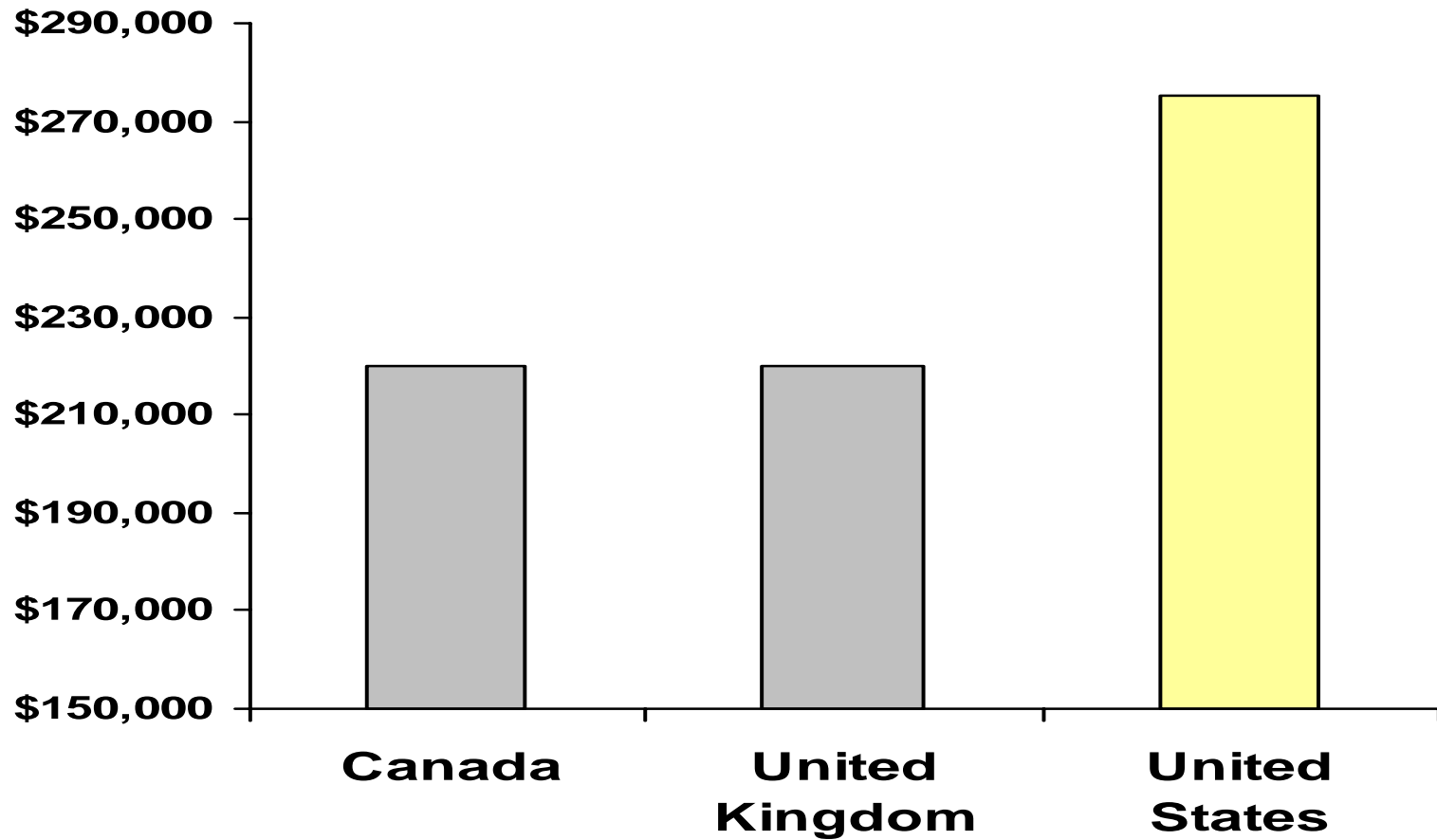


As a Portion of Total
Medicare Costs

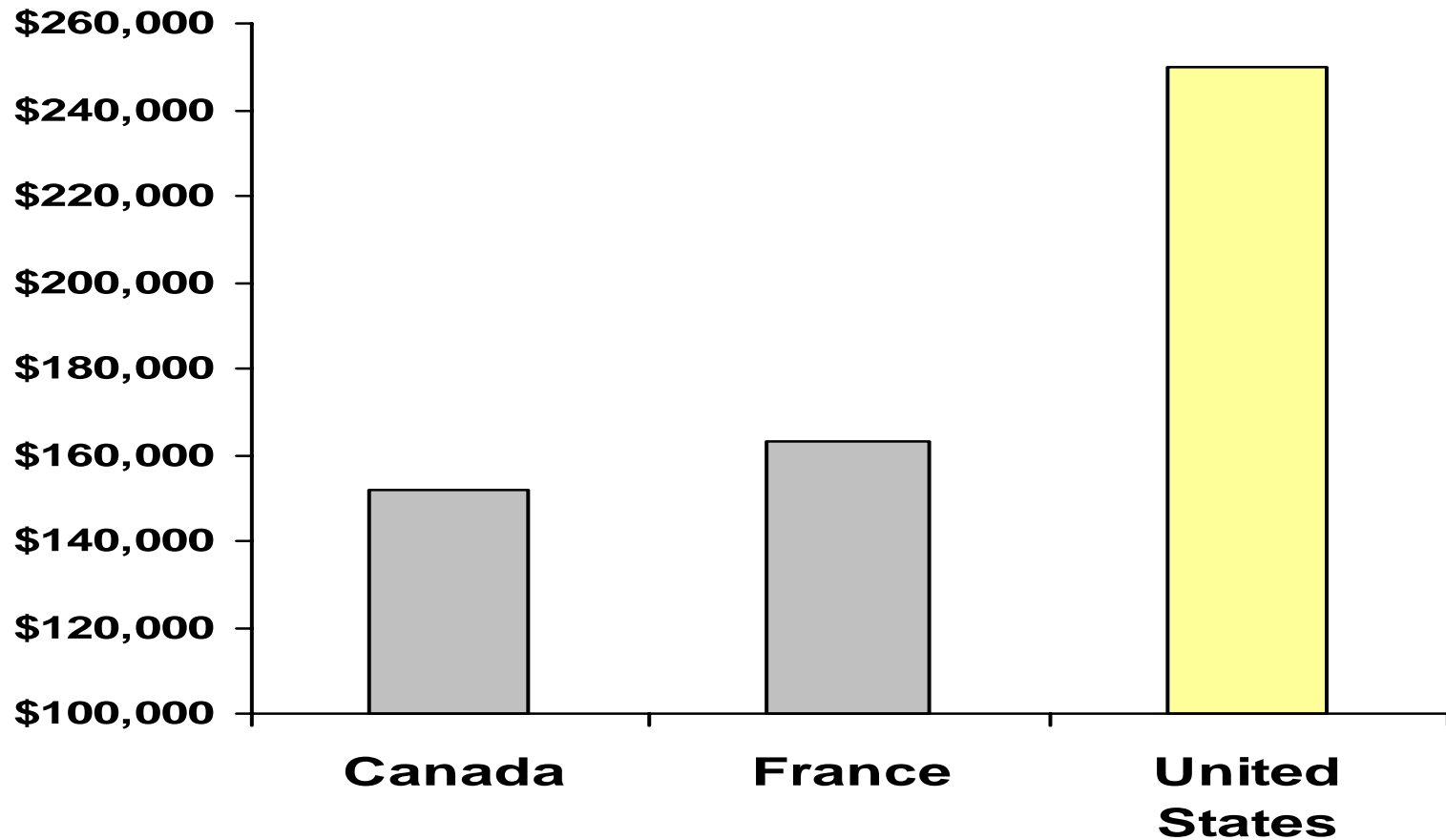
U.S. Health Care Costs



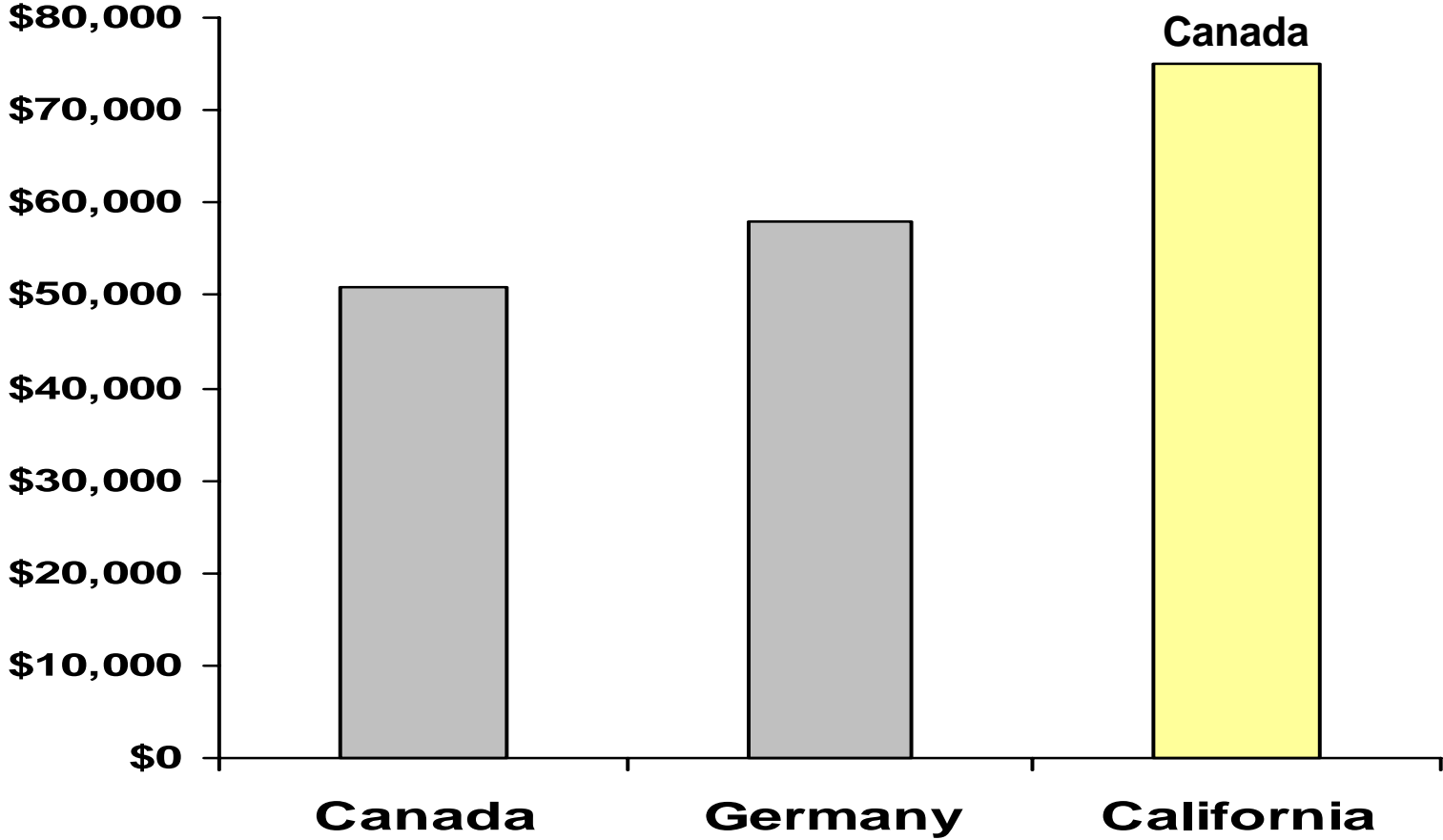
Obstetrician Income



Medical Specialist Income

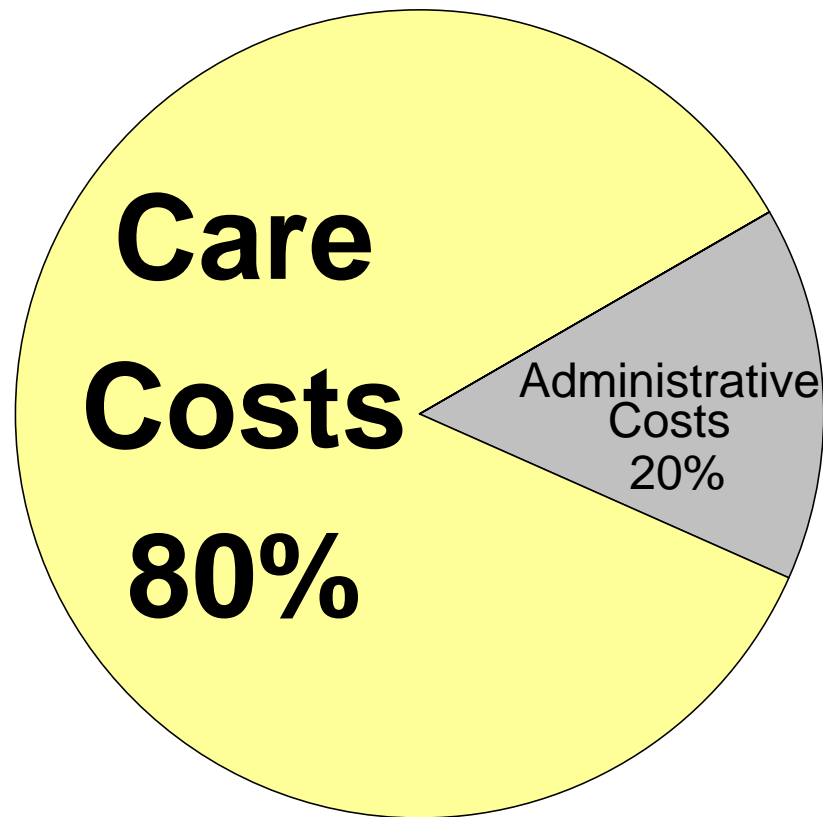


Comparative Nursing Salaries



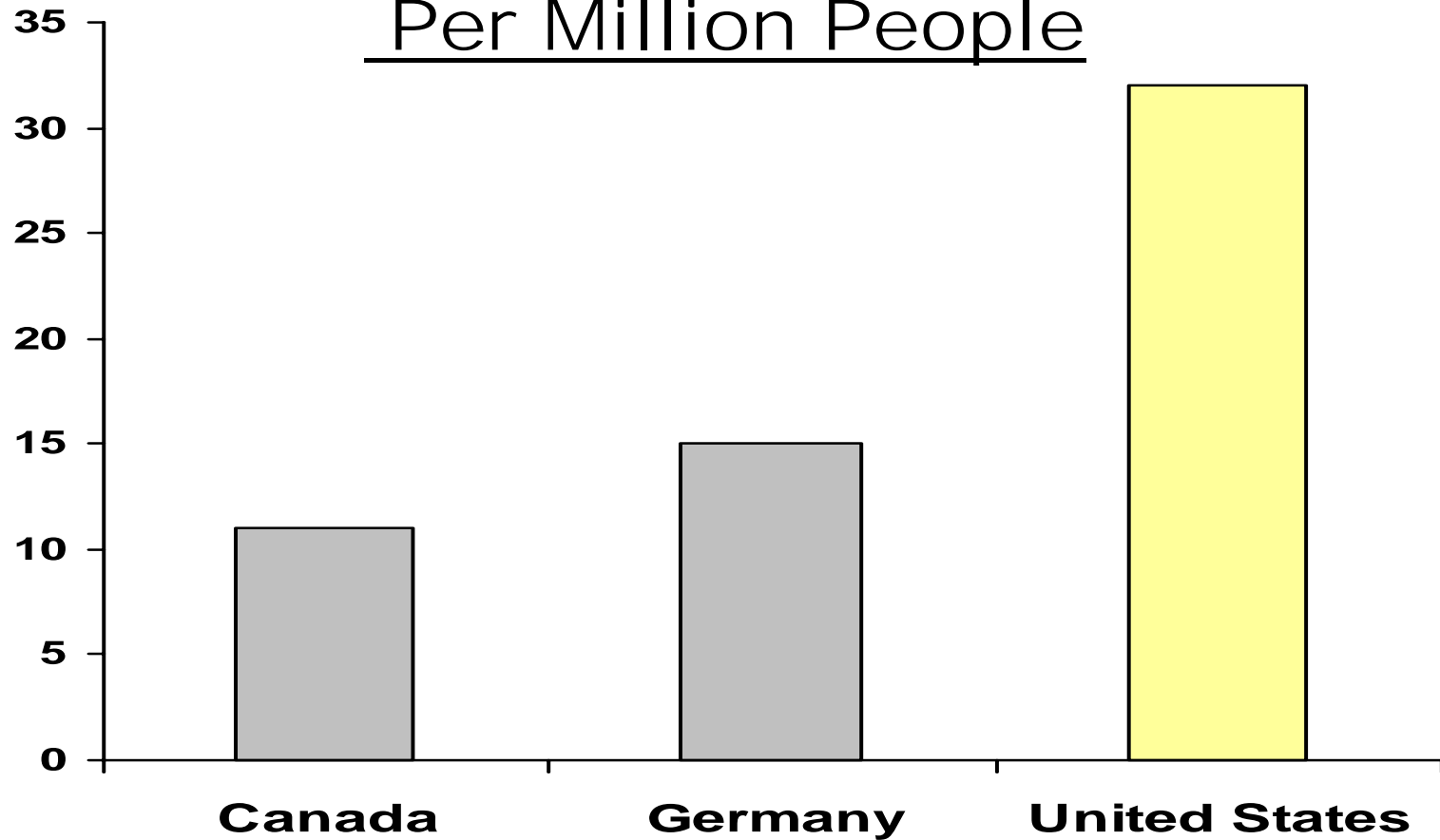
Source: OECD, BLS

Cost Differences -
U.S. versus Canada



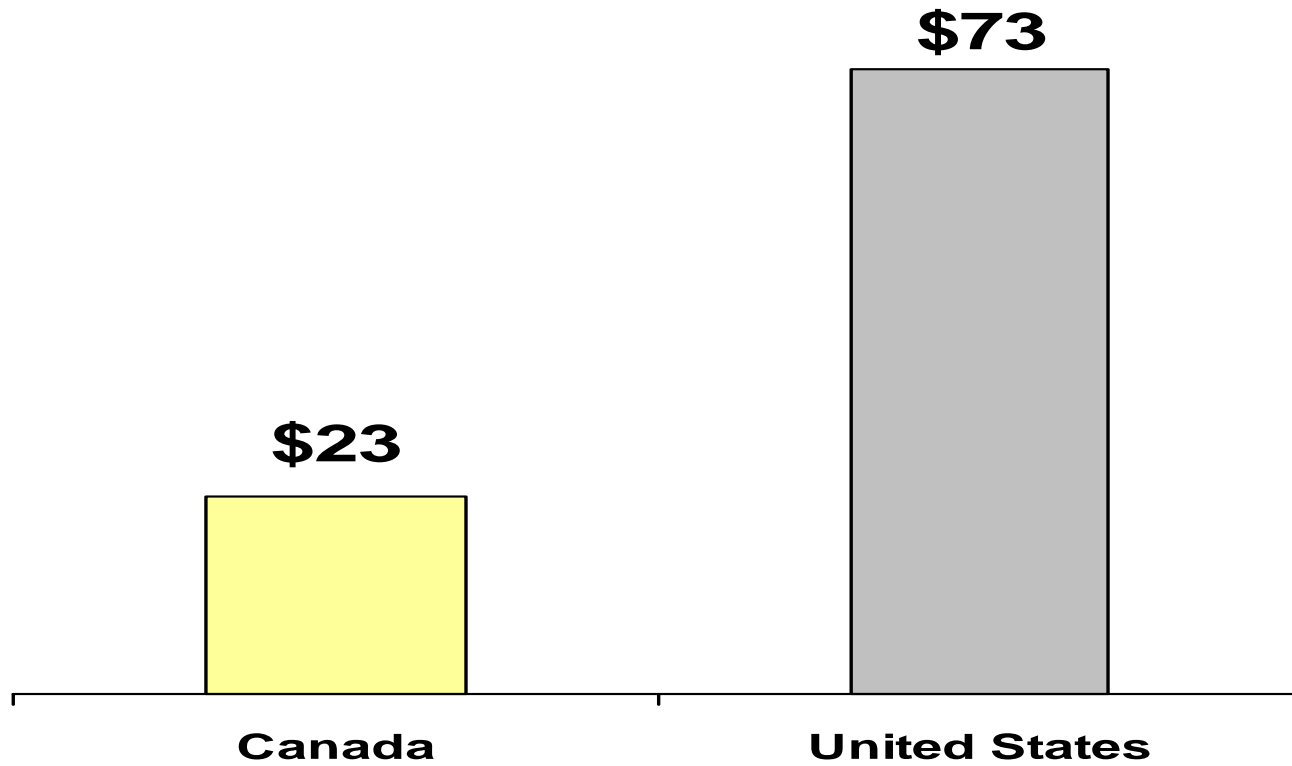
Number of CT Machines

Per Million People

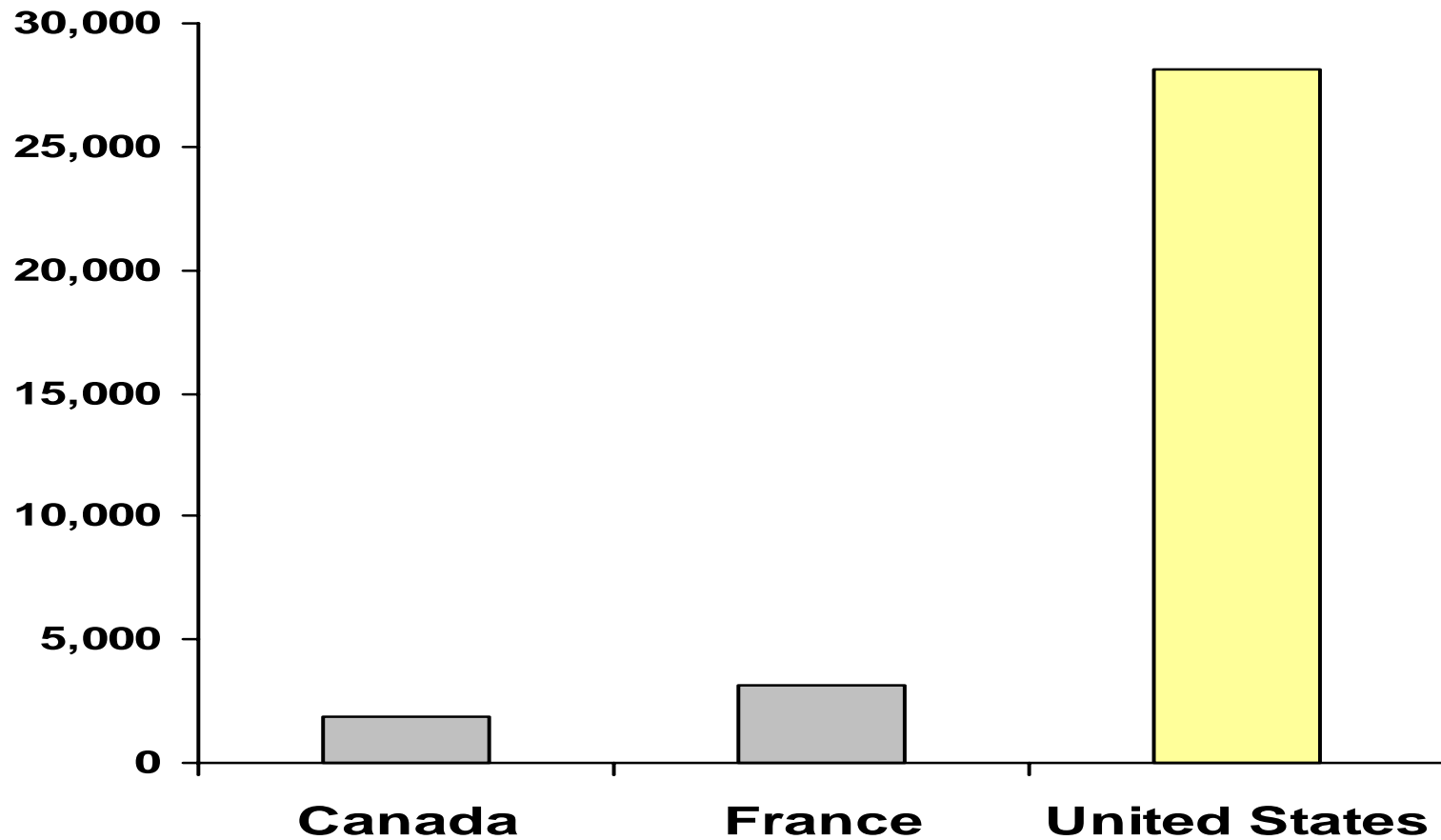


Source: OECD

Office Visit Fee

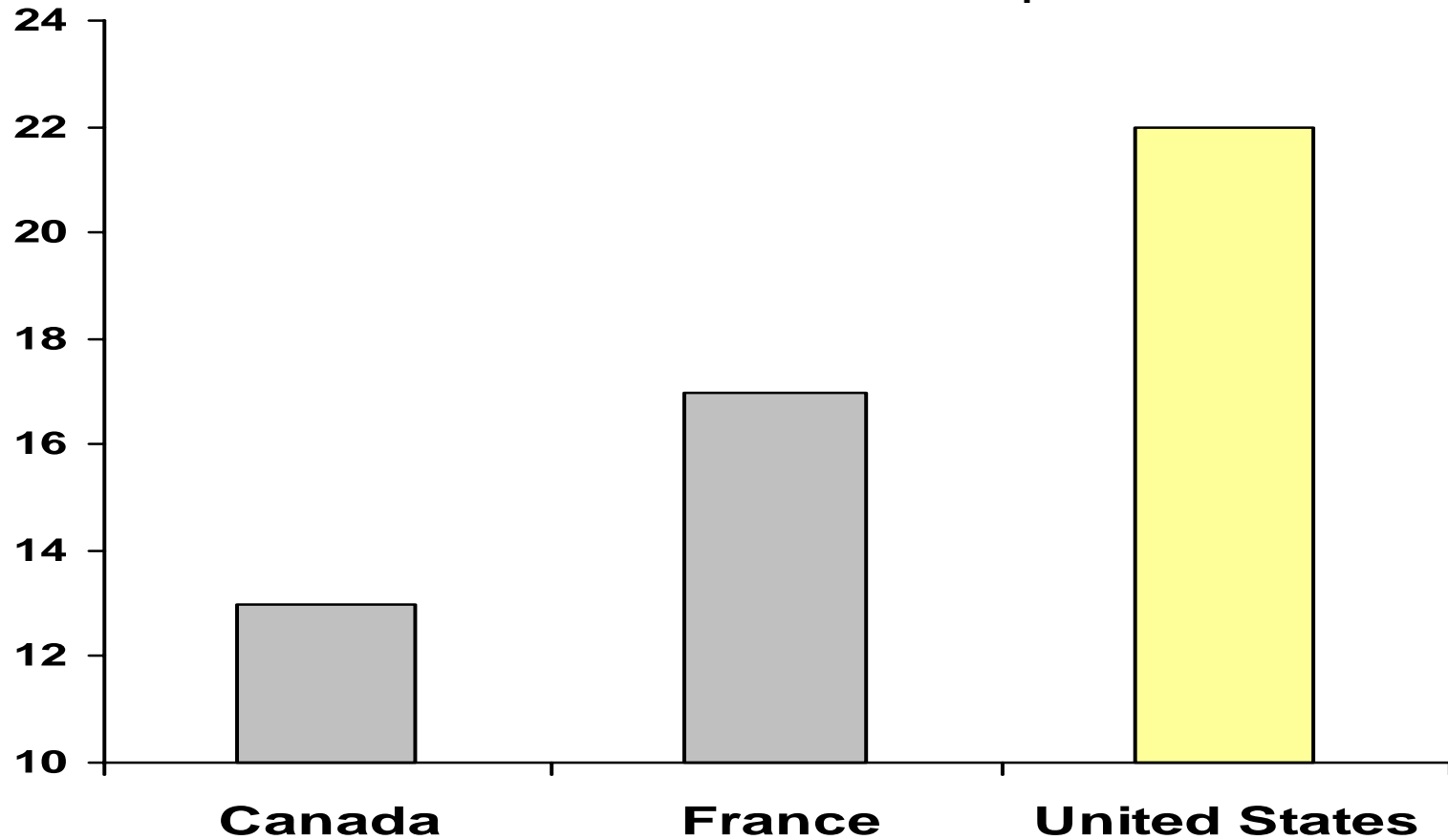


Total Transplants



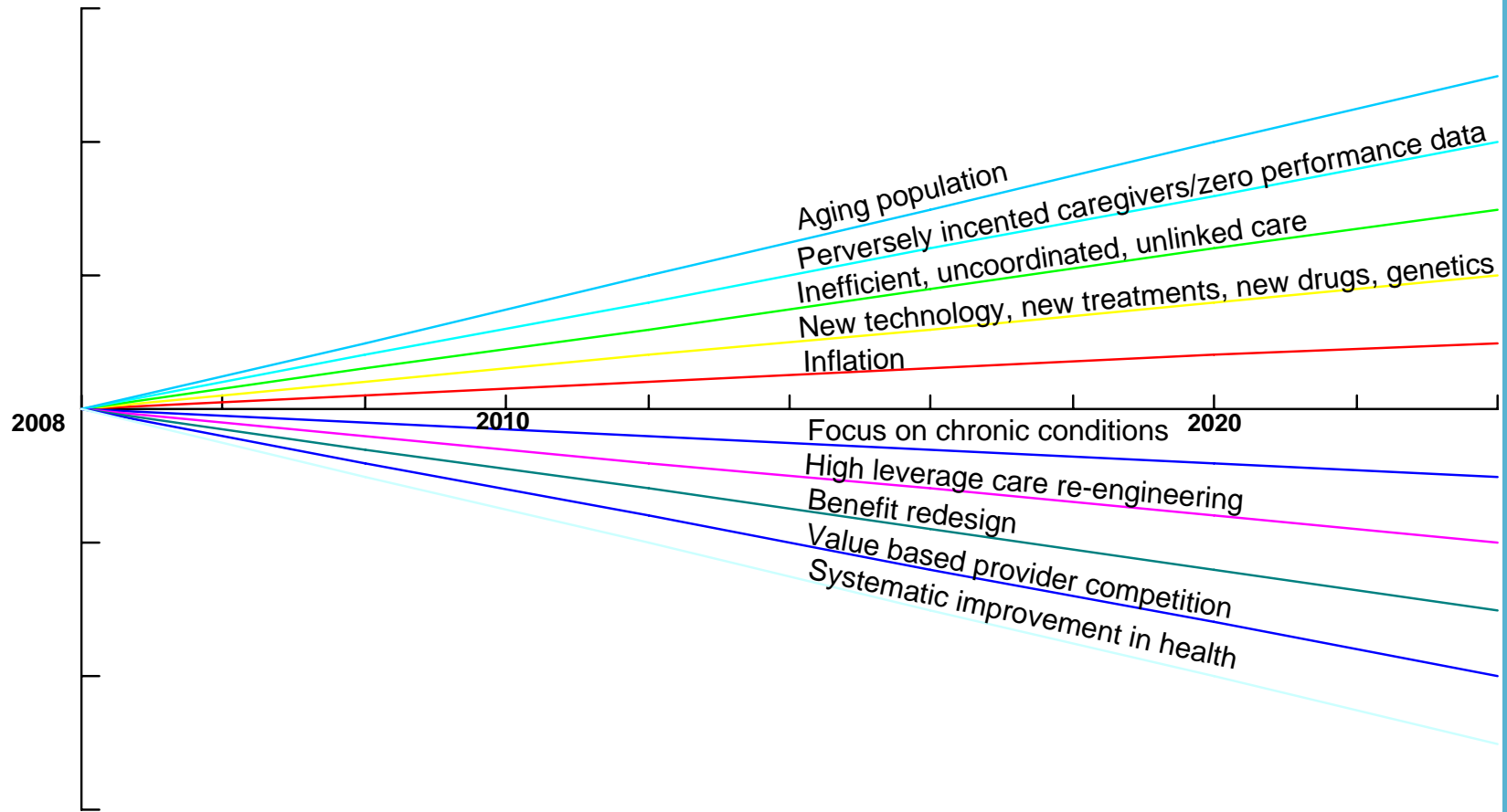
Source: OECD, BMJ

Liver Transplants Per Million People

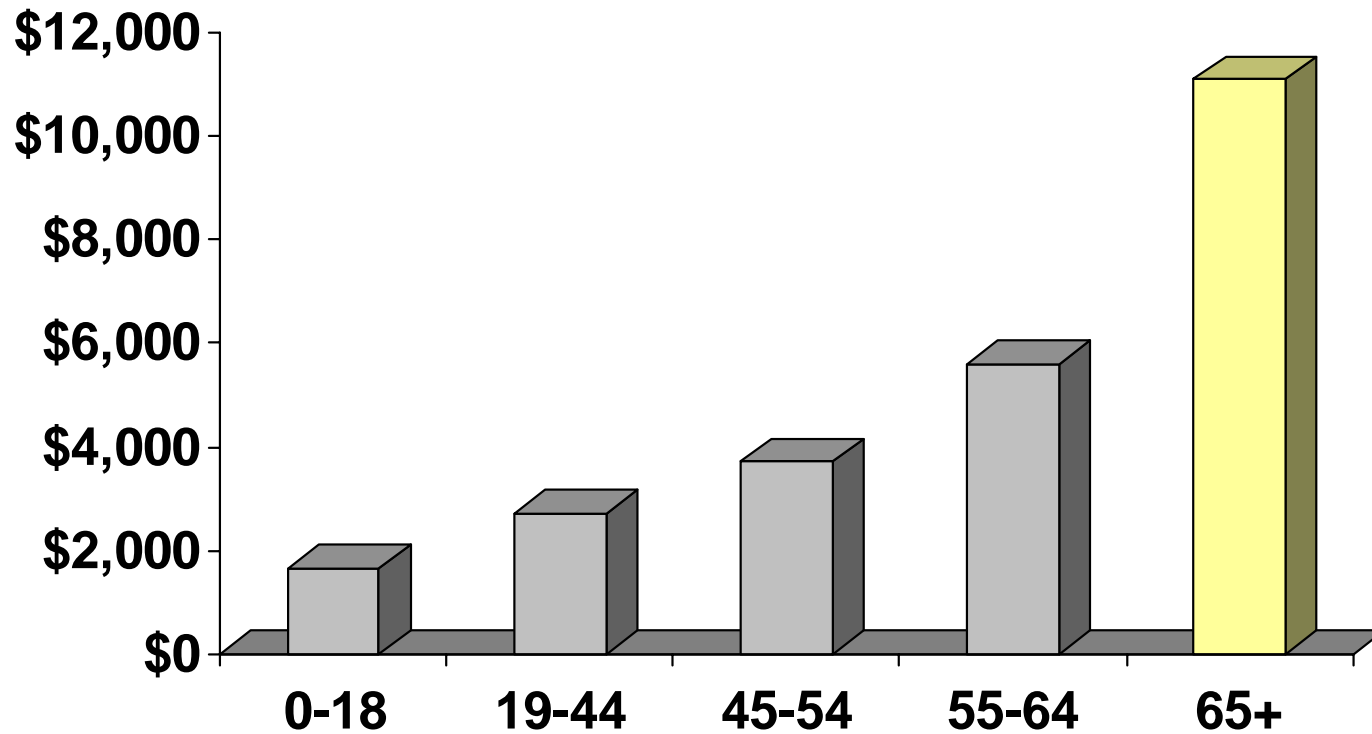


Source: OECD

Cost Drivers and Mitigators For American Health Care

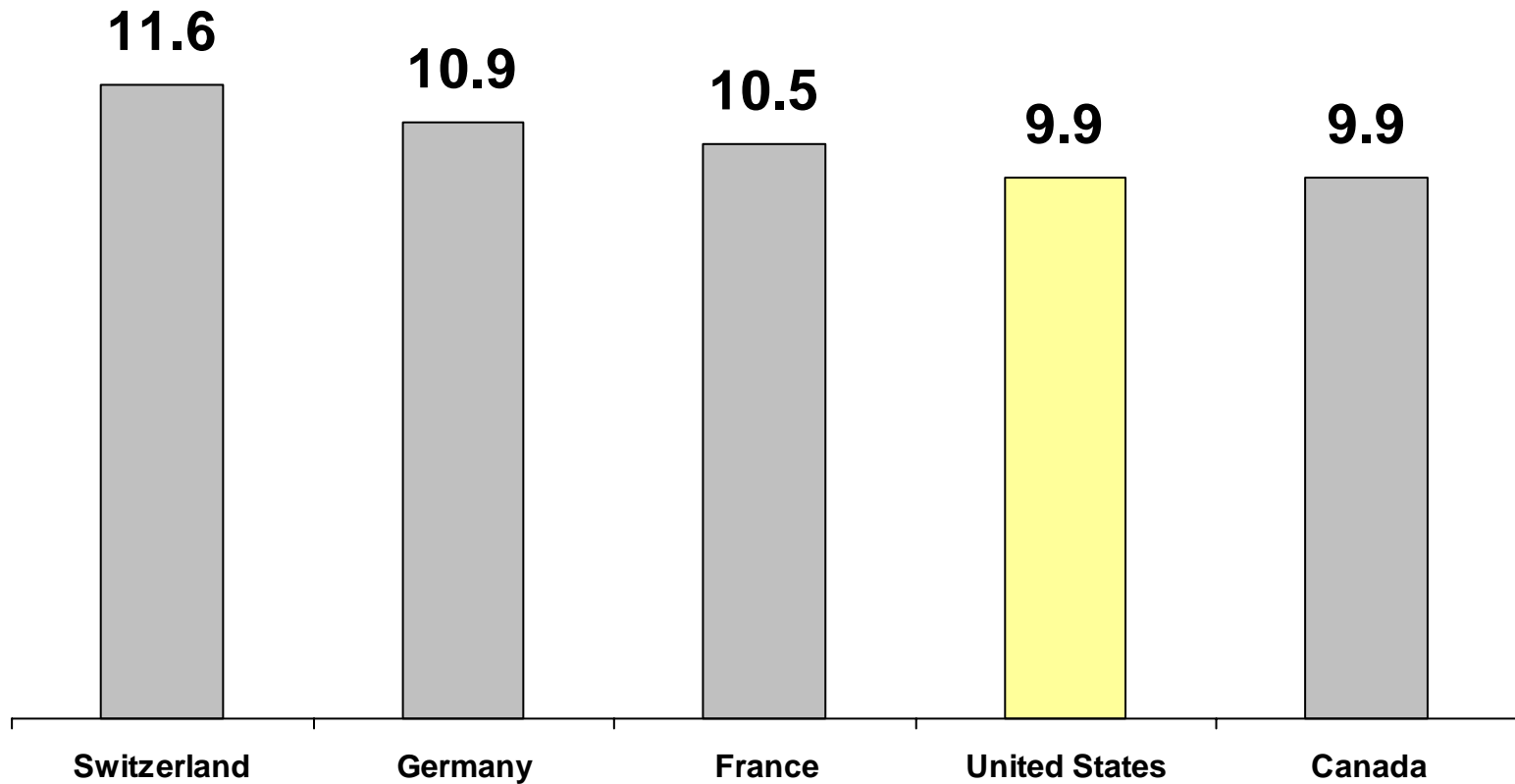


Per Capita Annualized Health Care Costs By Age Group



Source: CMS

Health Care Expenditures as Percentage of GDP Minus the Top 1% of American Patients



We Need

1) Focus

2) Tools

3) Health

The Cost Mitigators can offset the Cost Drivers and give us better care at a cost increase that approximates or beats inflation.

We just need to move the health care reform debate from rhetoric about subpoints to commitment about improved care.

Focus

(Community collaboration)

Tools

(Focused care registries fed by PHRs/claims data)

Health

(Smoking, transfats, fats, activity levels)

Cost Drivers and Mitigators For American Health Care

