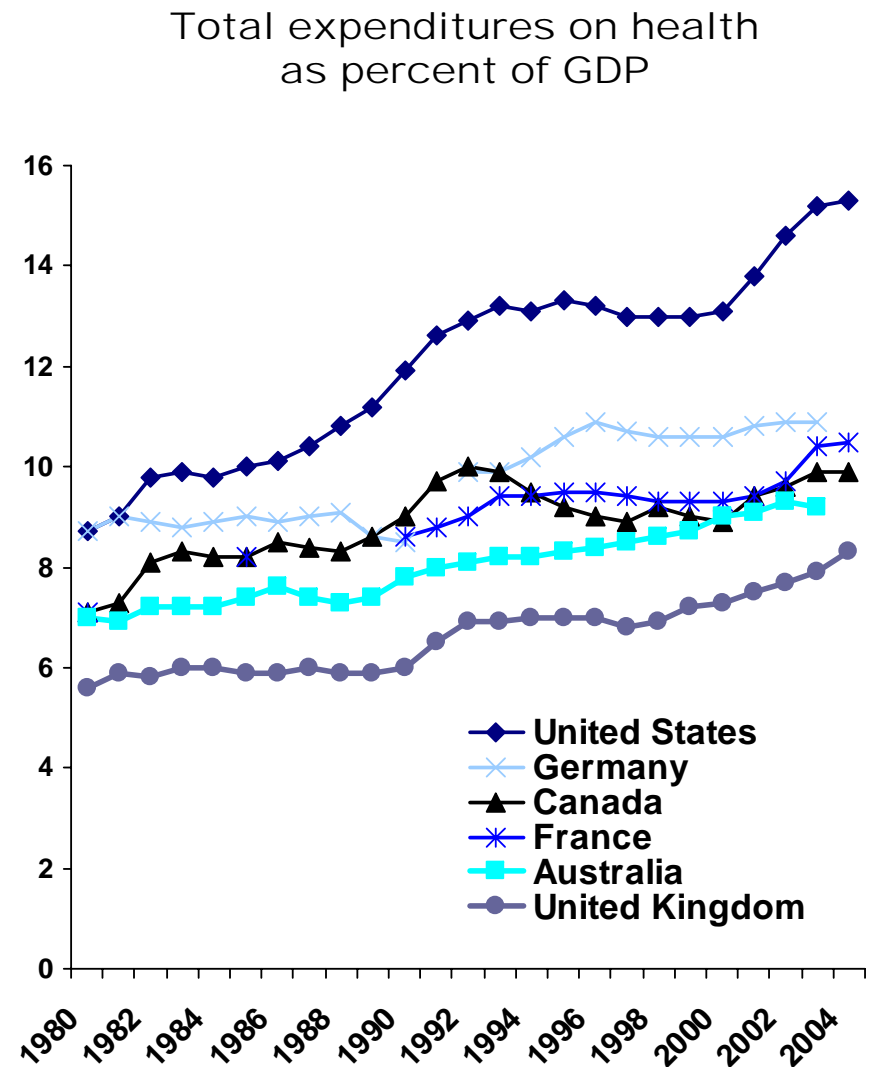
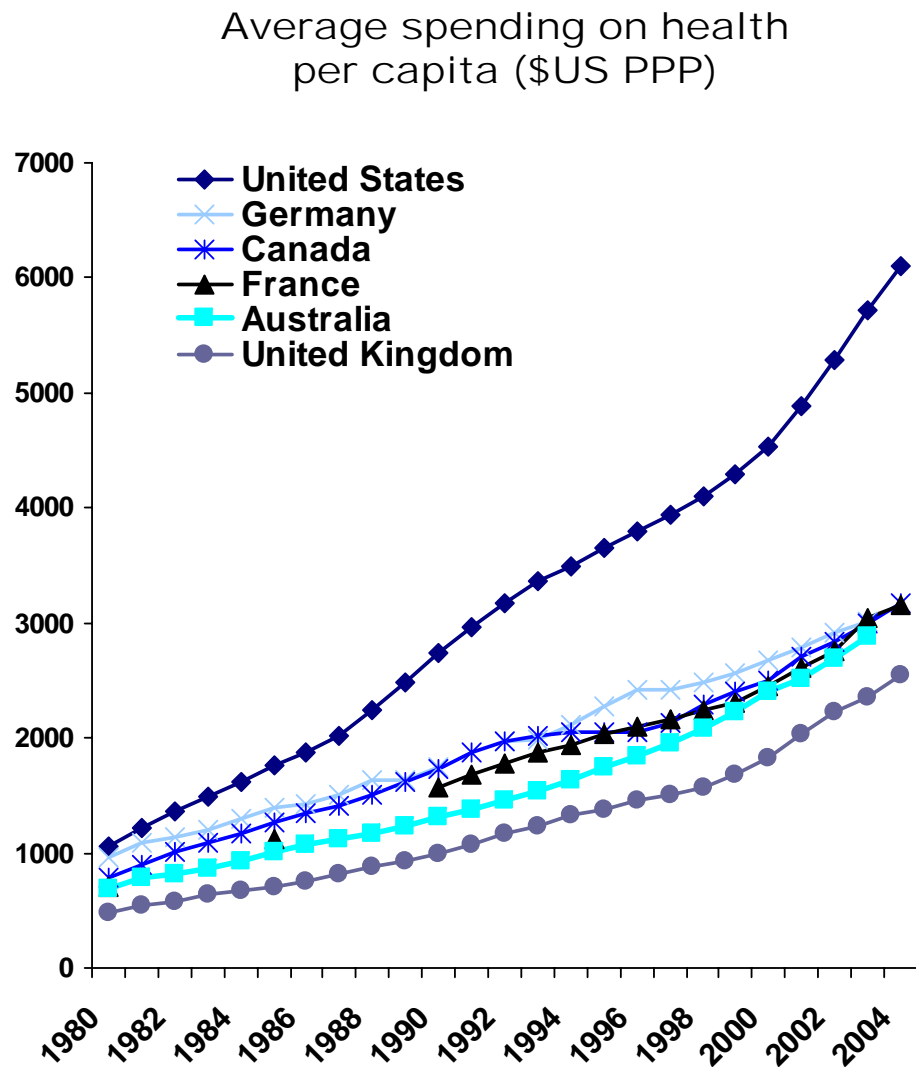


Figure ES-1. International Comparison of Spending on Health, 1980-2004

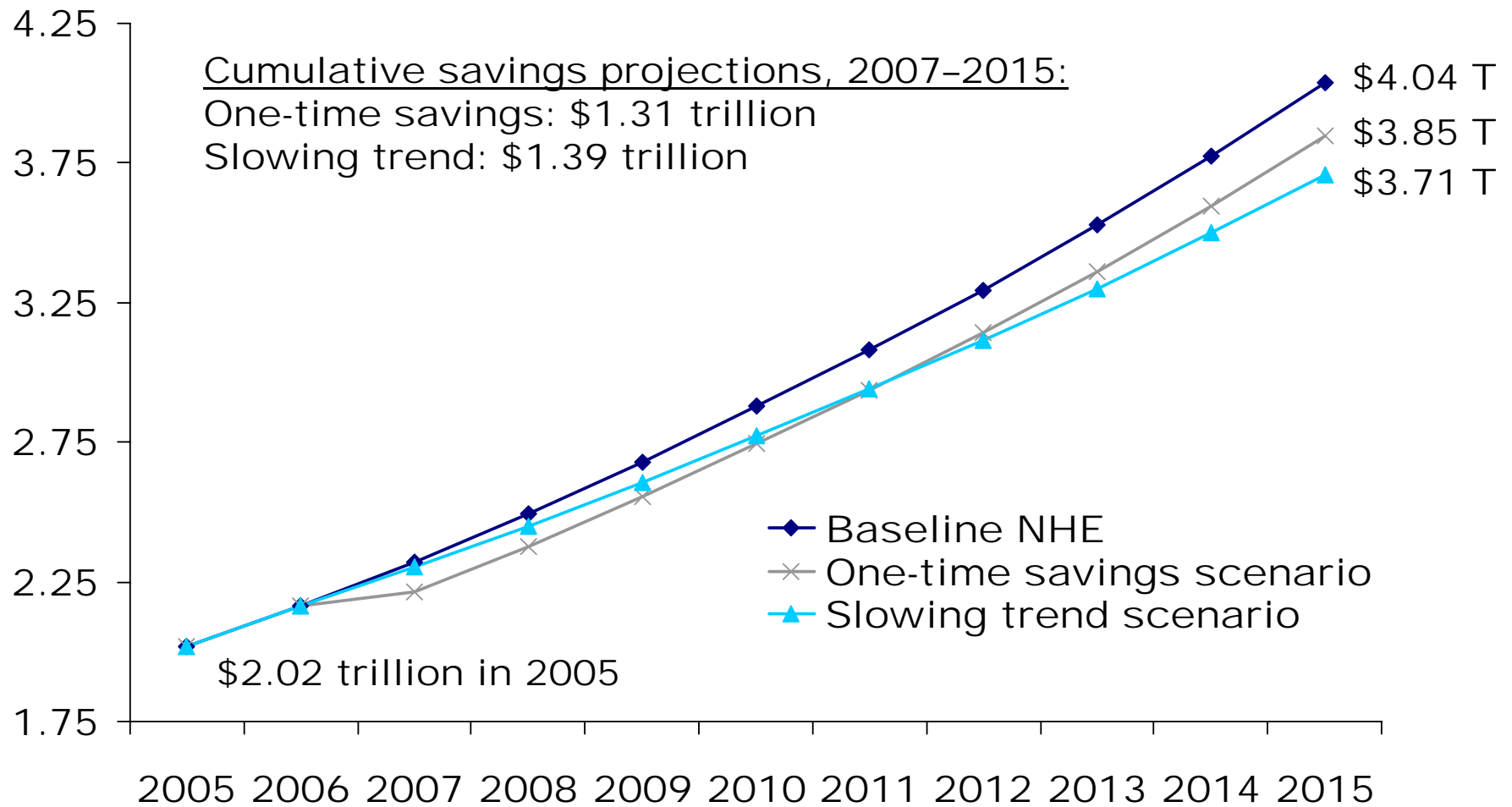


Data: OECD Health Data 2005 and 2006.

Source: Commonwealth Fund National Scorecard on U.S. Health System Performance, 2006.

Figure ES-2. Growth in National Health Expenditures (NHE) Under Various Scenarios

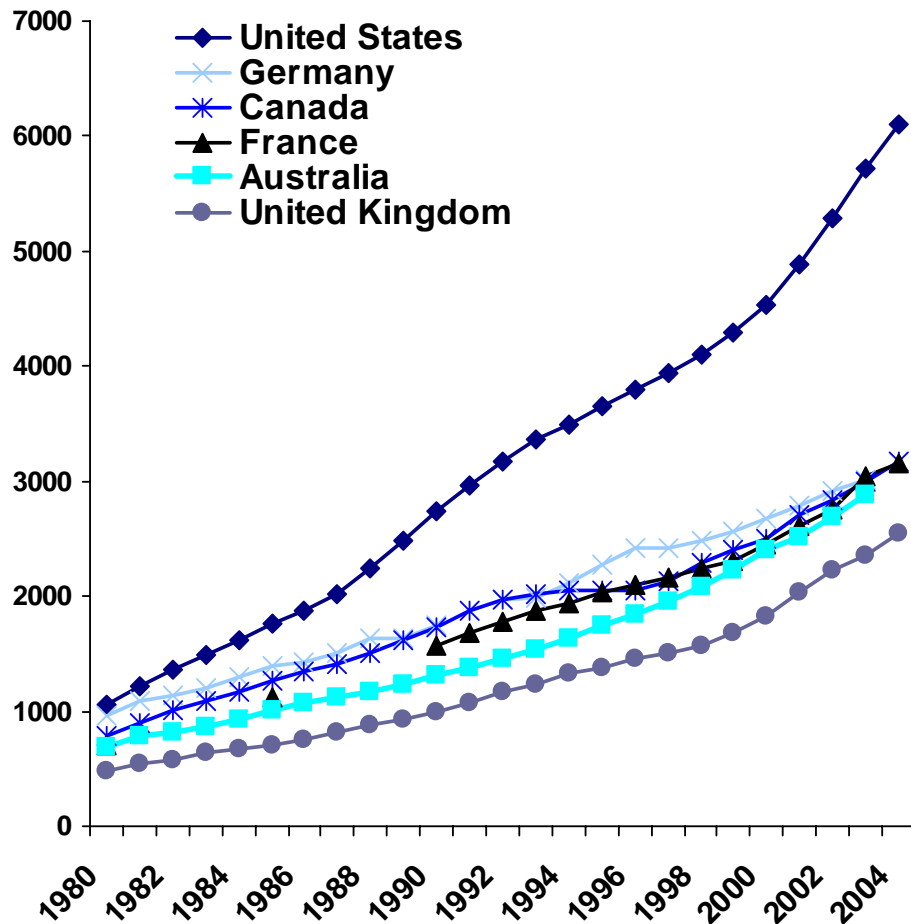
NHE, in trillions of dollars



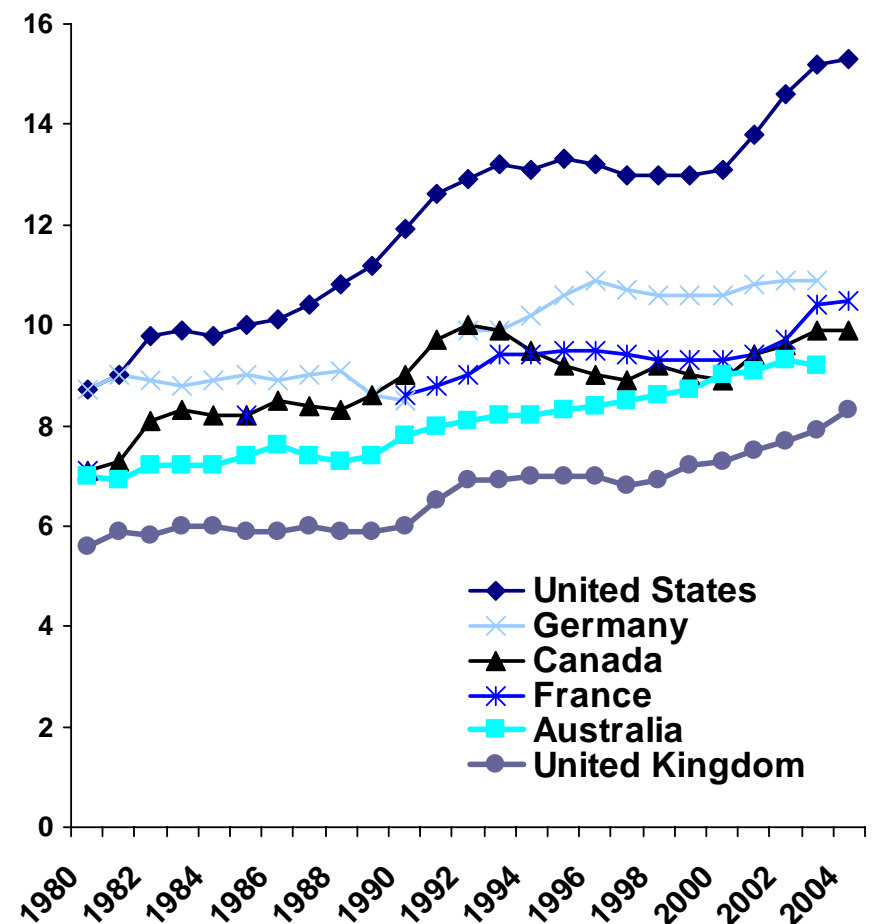
Source: Based on C. Borger et al., "Health Spending Projections Through 2015: Changes on the Horizon," *Health Affairs* Web Exclusive (Feb. 22, 2006):w61-w73.

Figure 1. International Comparison of Spending on Health, 1980-2004

Average spending on health per capita (\$US PPP)



Total expenditures on health as percent of GDP

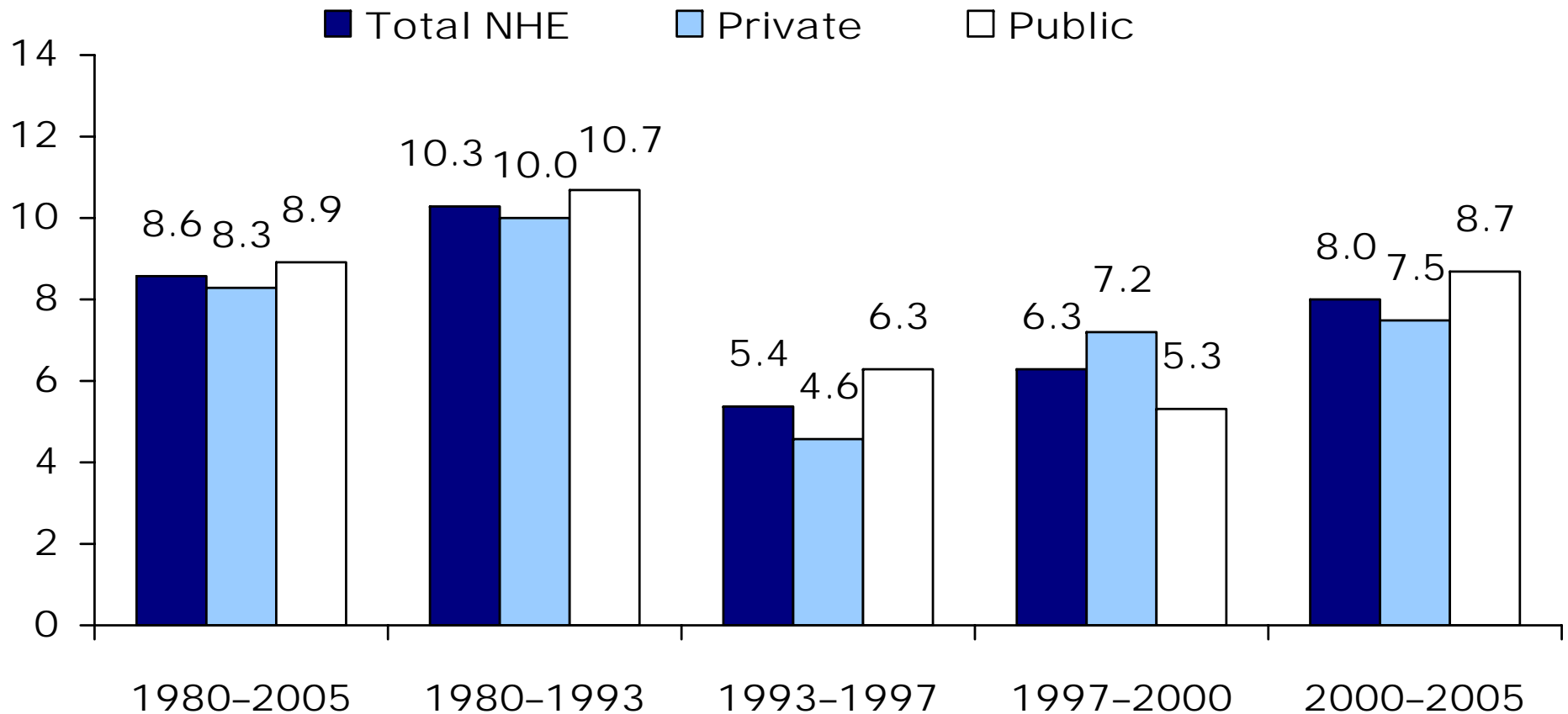


Data: OECD Health Data 2005 and 2006.

Source: Commonwealth Fund National Scorecard on U.S. Health System Performance, 2006.

Figure 2. Growth in National Health Expenditures:
Private, Public, and Total Expenditures, 1980-2005

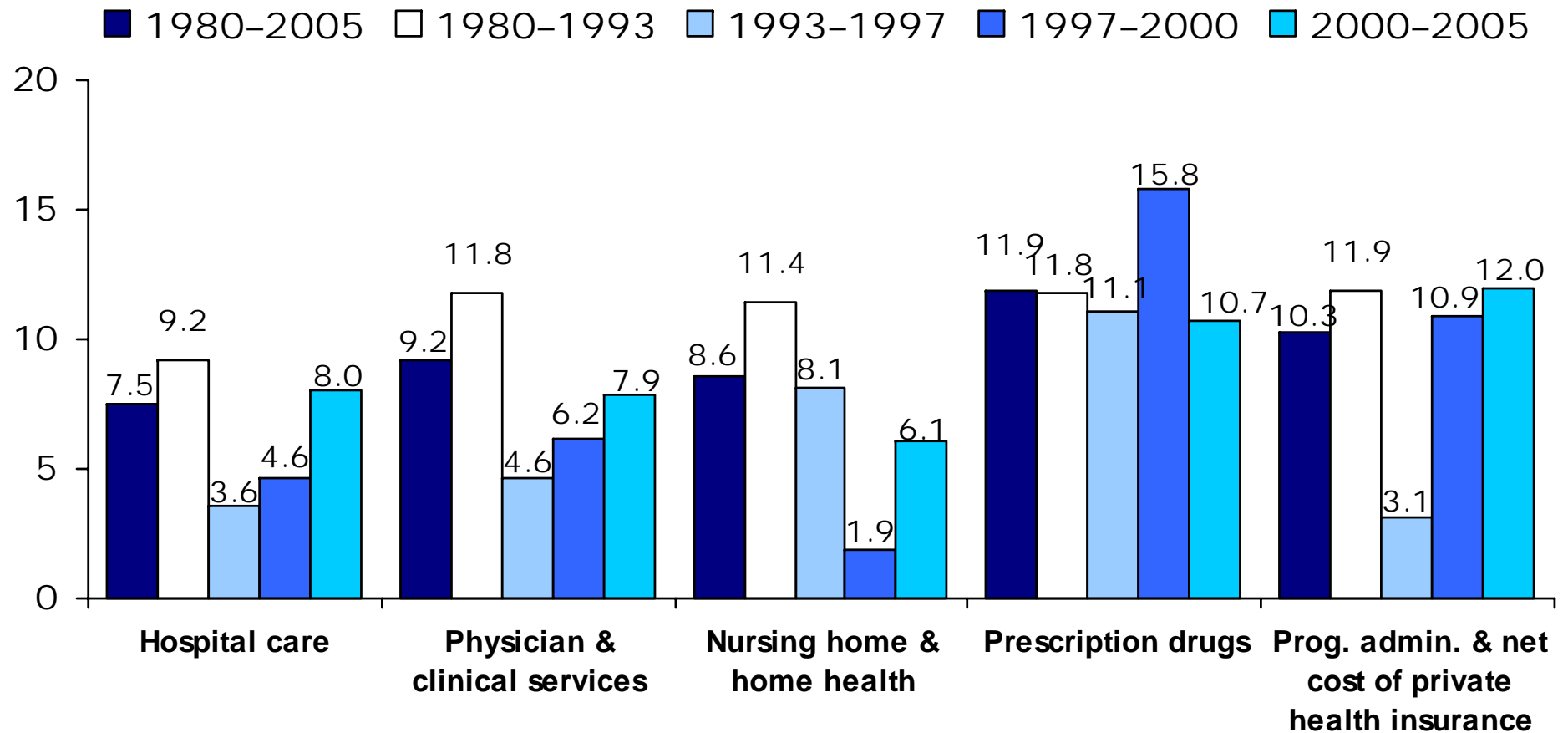
Average annual percent growth in health expenditures



Source: A. Catlin et al., "National Health Spending in 2005: The Slowdown Continues,"
Health Affairs, Jan./Feb. 2007 26(1):142-53.

Figure 3. Health Expenditure Growth 1980–2005 for Selected Categories of Expenditures

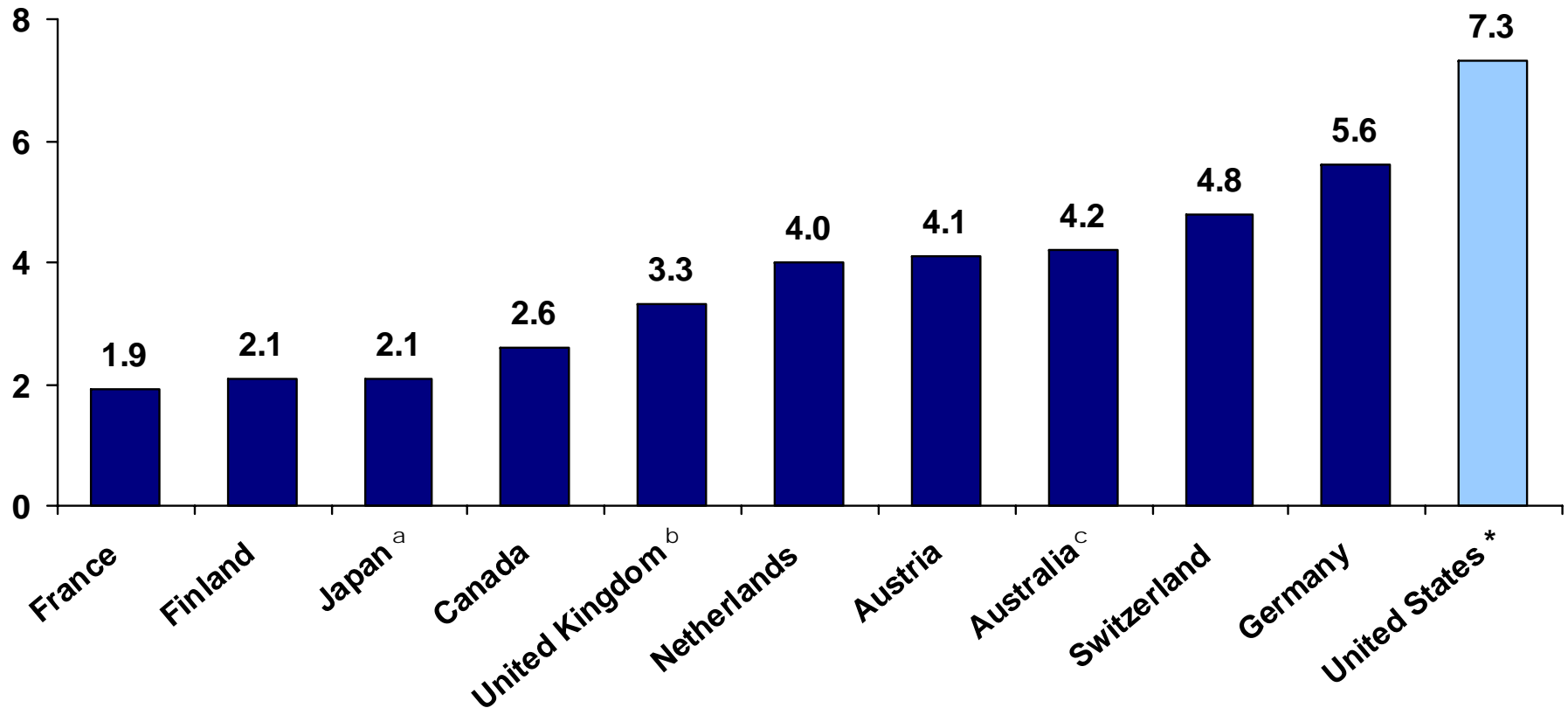
Average annual percent growth in health expenditures



Source: A. Catlin et al., “National Health Spending in 2005: The Slowdown Continues,” *Health Affairs*, Jan./Feb. 2007 26(1):142–53.

Figure 4. Percentage of National Health Expenditures Spent on Health Administration and Insurance, 2003

Net costs of health administration and health insurance as percent of national health expenditures



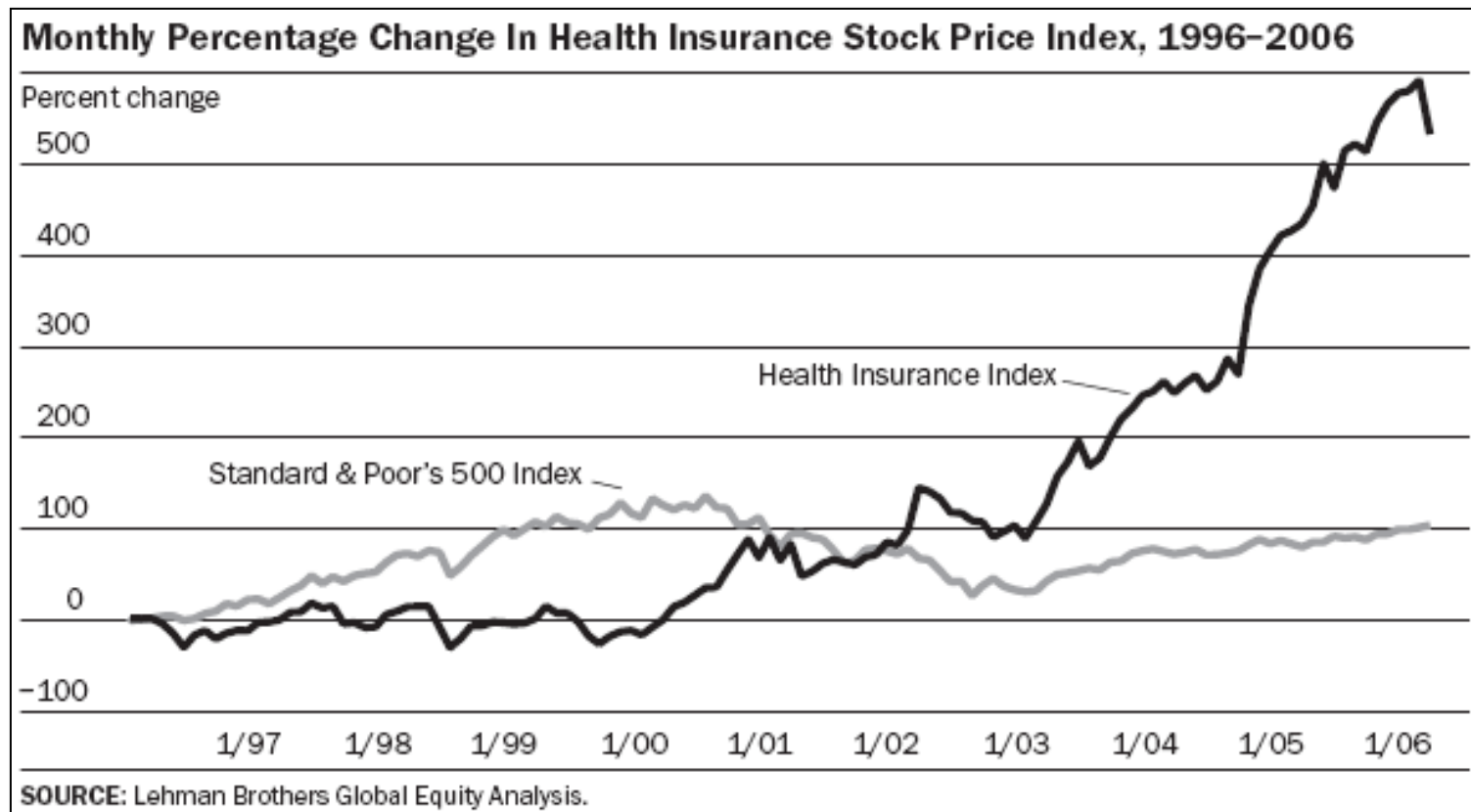
^a 2002 ^b 1999 ^c 2001

^{*} Includes claims administration, underwriting, marketing, profits, and other administrative costs; based on premiums minus claims expenses for private insurance.

Data: OECD Health Data 2005.

Source: Commonwealth Fund National Scorecard on U.S. Health System Performance, 2006.

Figure 5. Monthly Percentage Change in Health Insurance Stock Price Index, 1996–2006



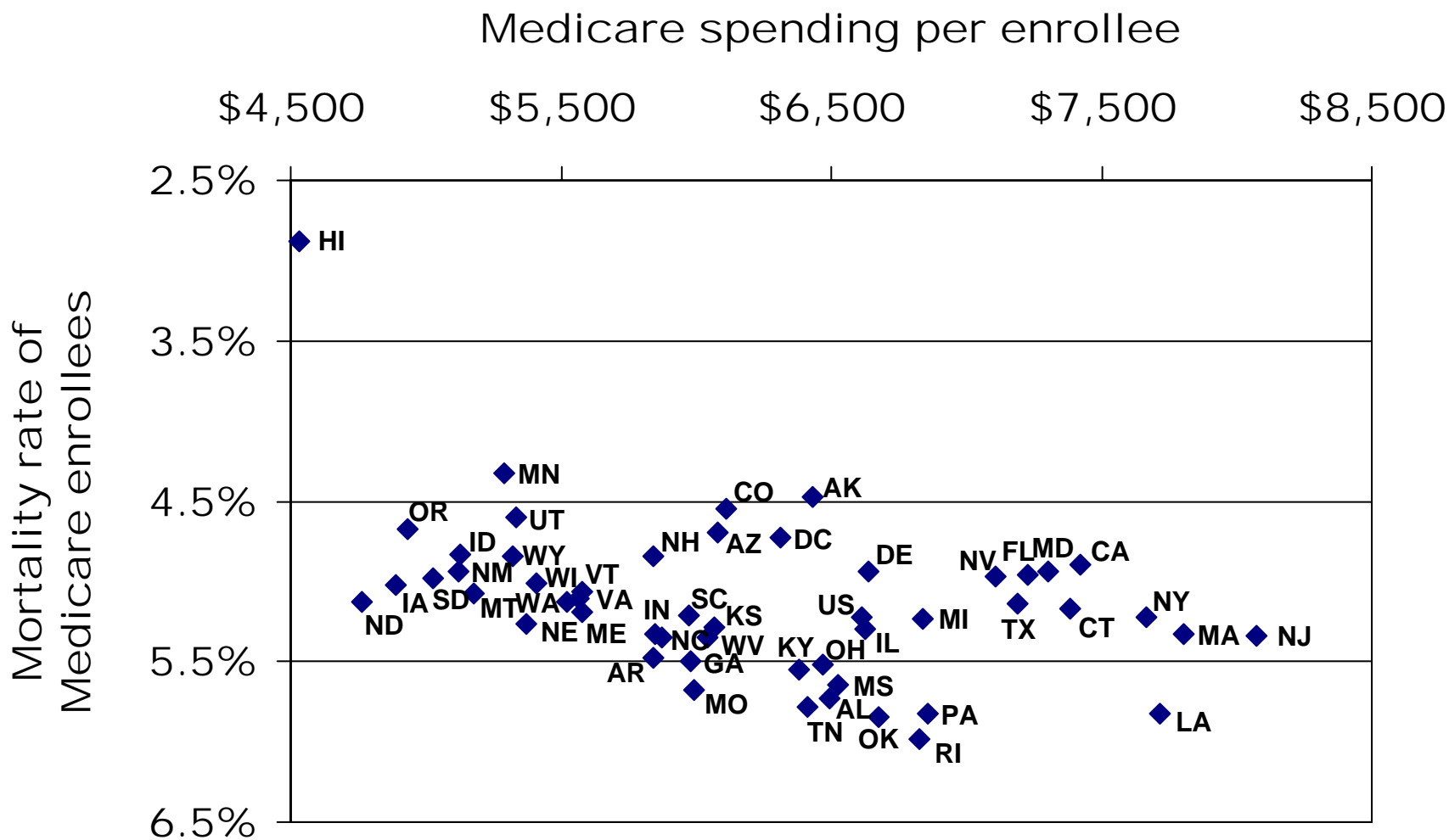
Source: J.C. Robinson, "The Commercial Health Insurance Industry in an Era of Eroding Employer Coverage," *Health Affairs*, Nov.–Dec. 2006 25(6):1475–86.

Figure 6. Health Expenditures for Selected Type of Services, 2000–2015

TOTAL	2000	2005	<i>Projected</i>	
			<i>2010</i>	<i>2015</i>
Billions	\$1,353.3	\$1,987.7	\$2,879.4	\$4,031.7
Percent GDP	13.8%	16.0%	18.0%	20.0%
BY TYPE OF SERVICE				
Hospital care	\$417.0	\$611.6	\$882.4	\$1,230.9
Physician & clinical services	288.6	421.2	610.7	849.8
Other professional services (dental, etc.)	138.2	200.5	292.6	411.5
Nursing home care	95.3	121.9	160.5	216.8
Home health care	30.5	47.5	72.3	103.7
Prescription drugs	120.8	200.7	299.2	446.2
Other medical products	49.5	58.1	69.1	83.1
Program admin. & net cost of private health insurance	81.2	143.0	210.6	289.8
Investment	88.8	126.8	191.3	268.9

Source: A. Catlin et al., "National Health Spending in 2005: The Slowdown Continues," *Health Affairs*, Jan./Feb. 2007 26(1):142–53; C. Borger et al., "Health Spending Projections Through 2015: Changes on the Horizon," *Health Affairs* Web Exclusive (Feb. 22, 2006):w61–w73.

Figure 7. States with Higher Medicare Spending per Enrollee Do Not Have Lower Rates of Mortality, 2003



Source: Data from *The Dartmouth Atlas of Health Care*, www.dartmouthatlas.org.

Figure 8. Costs of Care for Medicare Beneficiaries with Multiple Chronic Conditions, by Hospital Referral Regions, 2001

	<i>Average annual reimbursement</i>					<i>Ratio of percentile groups</i>	
	Average	10th percentile	25th percentile	75th percentile	90th percentile	90th to 10th	75th to 25th
All 3 conditions (Diabetes + CHF + COPD)	\$31,792	\$20,960	\$23,973	\$37,879	\$43,973	2.10	1.58
Diabetes + CHF	\$18,461	\$12,747	\$14,355	\$20,592	\$27,310	2.14	1.43
Diabetes + COPD	\$13,188	\$8,872	\$10,304	\$15,246	\$18,024	2.03	1.48
CHF + COPD	\$22,415	\$15,355	\$17,312	\$25,023	\$32,732	2.13	1.45

CHF = Congestive heart failure; COPD = Chronic obstructive pulmonary disease.

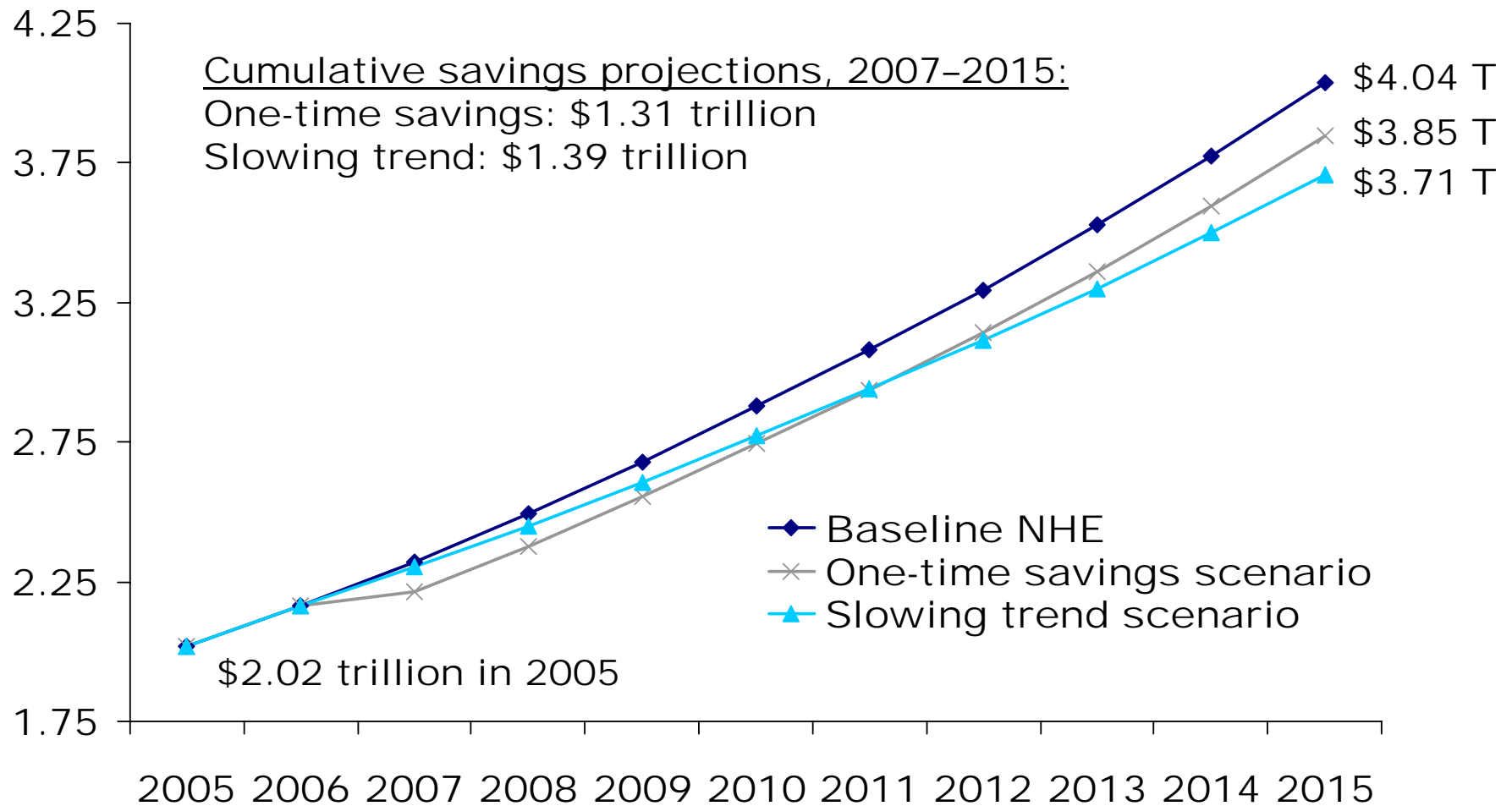
Data: G. Anderson and R. Herbert, Johns Hopkins University analysis of 2001

Medicare Standard Analytical Files (SAF) 5% Inpatient Data.

Source: Commonwealth Fund National Scorecard on U.S. Health System Performance, 2006.

Figure 9. Growth in National Health Expenditures (NHE) Under Various Scenarios

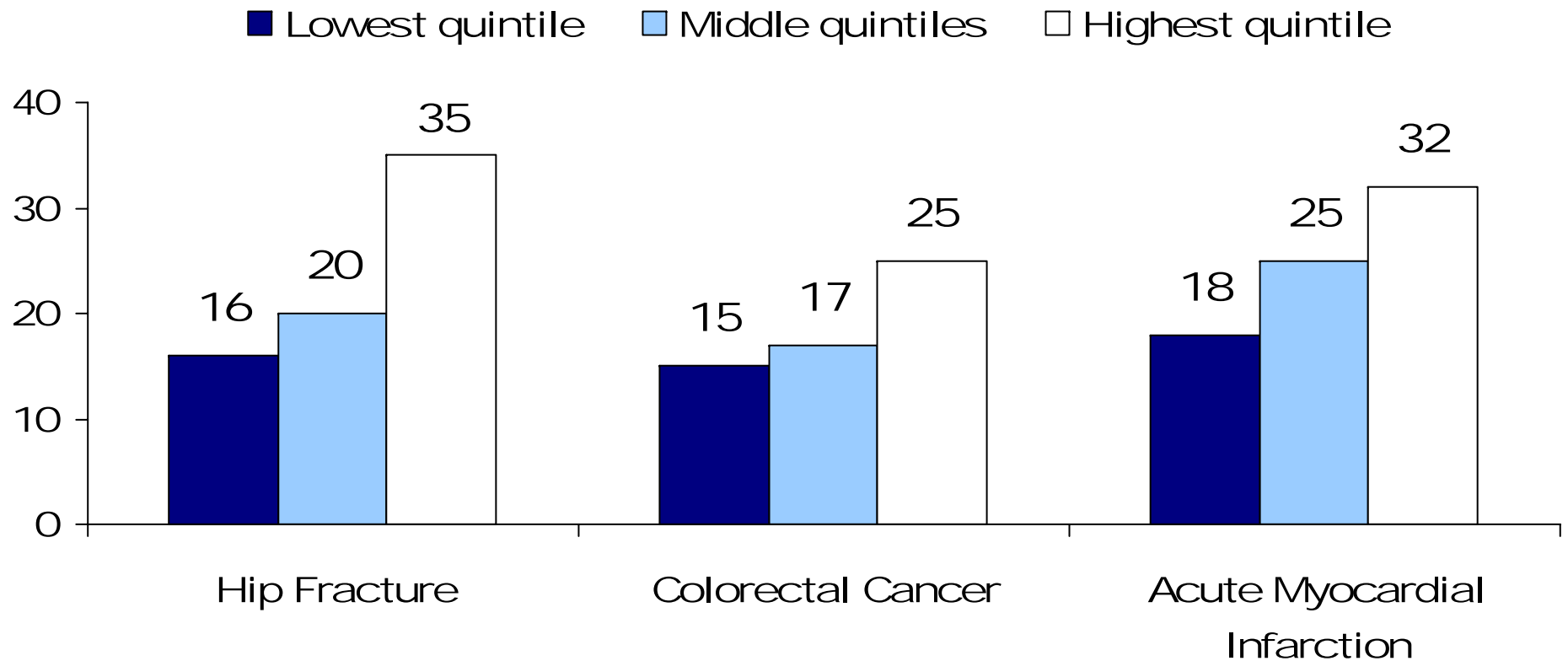
NHE, in trillions of dollars



Source: Based on C. Borger et al., "Health Spending Projections Through 2015: Changes on the Horizon," *Health Affairs* Web Exclusive (Feb. 22, 2006):w61-w73.

Figure 10. Percent of Different Physicians Seen by Patients in Academic Medical Centers Varies

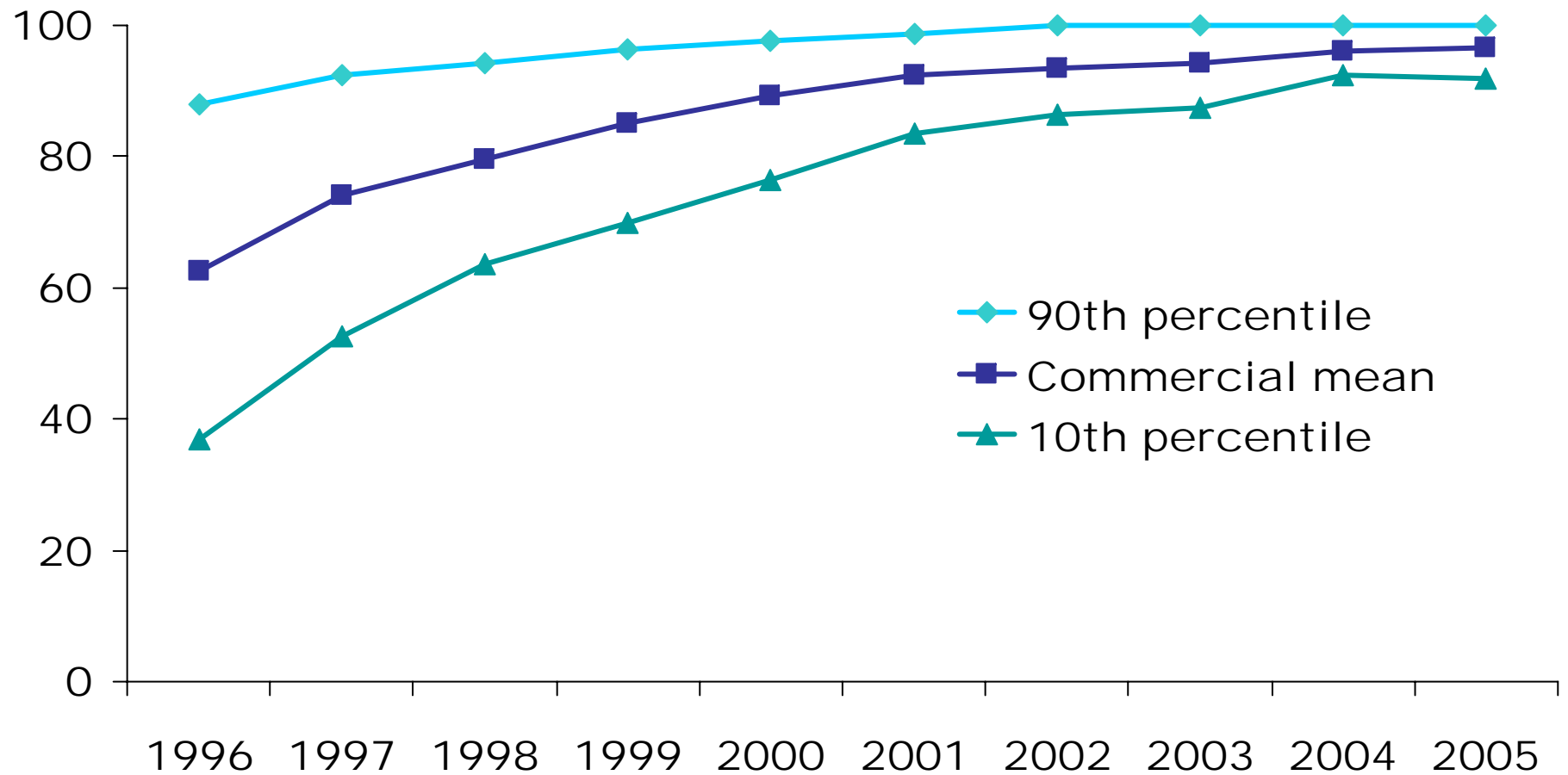
Average percentage of patients seeing 10+ different physicians in first year of care within AMC hospitals



Note: Quintiles of practice intensity (“treatment groups”) corresponded closely to regional differences in price and to illness-adjusted Medicare spending.

Source: E.S. Fisher et al., “Variations in the Longitudinal Efficiency of Academic Medical Centers,” *Health Affairs* Web Exclusive (Oct. 7, 2004):var-19–var-32.

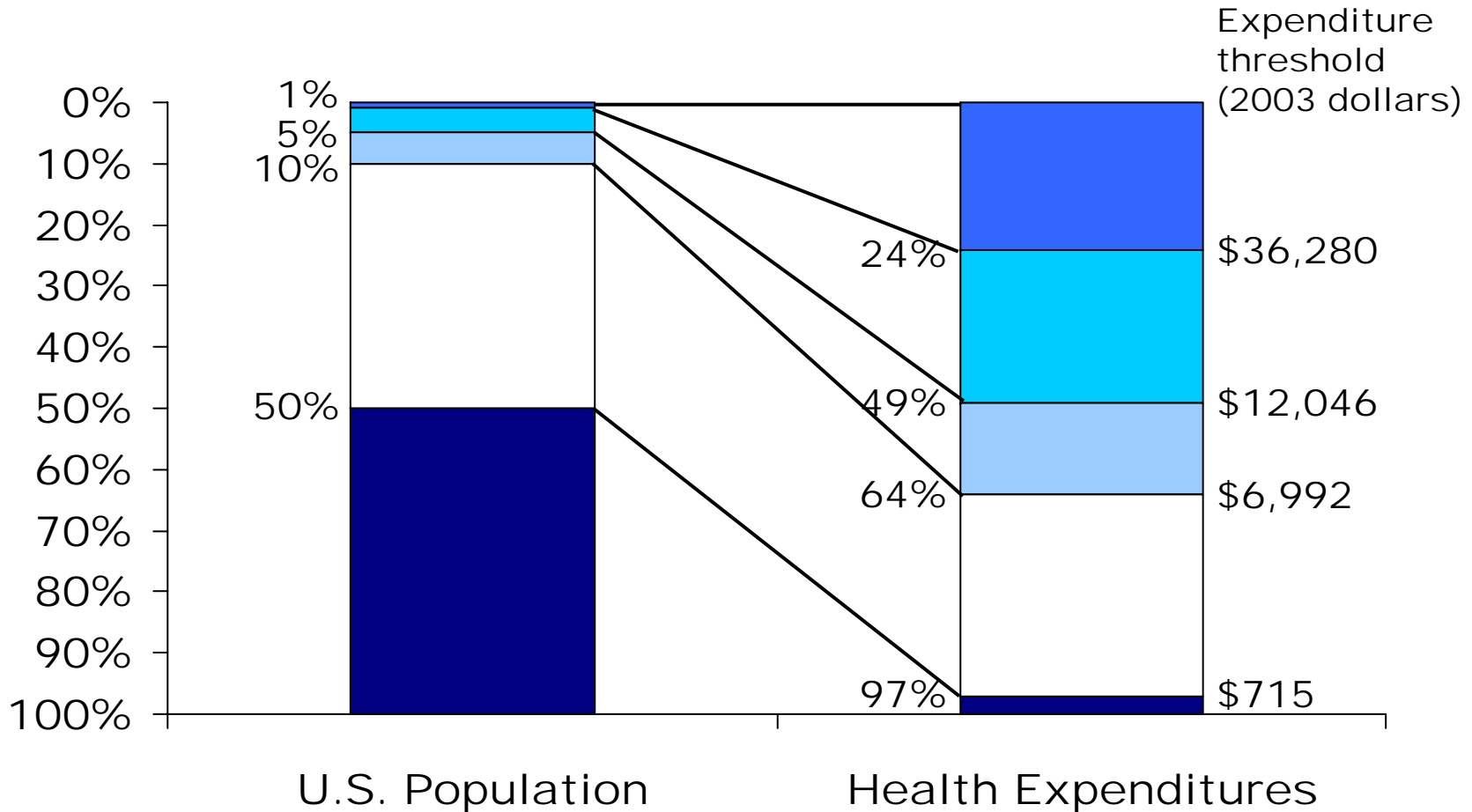
Figure 11. Improvements in Use of Beta Blockers After a Heart Attack



Source: National Committee for Quality Assurance, *The State of Health Care Quality: 2006* (Washington, D.C.: NCQA, 2006).

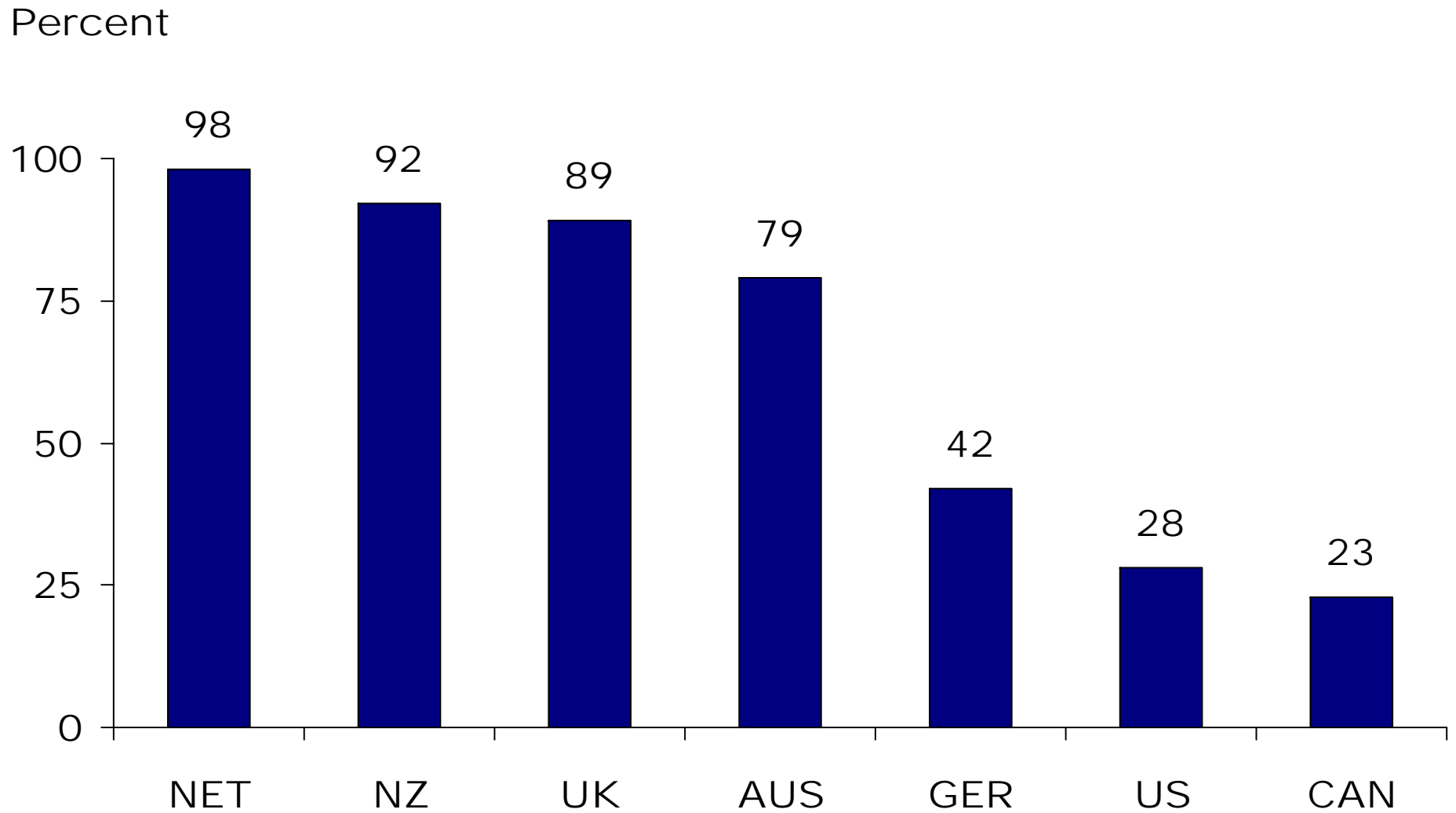
Figure 12. Health Care Costs Concentrated in Sick Few— Sickest 10 Percent Account for 64 Percent of Expenses

Distribution of health expenditures for the U.S. population,
by magnitude of expenditure, 2003



Source: S. H. Zuvekas and J. W. Cohen, "Prescription Drugs and the Changing Concentration of Health Care Expenditures," *Health Affairs*, Jan./Feb. 2007 26(1):249–57.

Figure 13. Primary Care Doctors Use of Electronic Patient Medical Records, 2006



Source: 2006 Commonwealth Fund International Health Policy Survey of Primary Care Physicians.