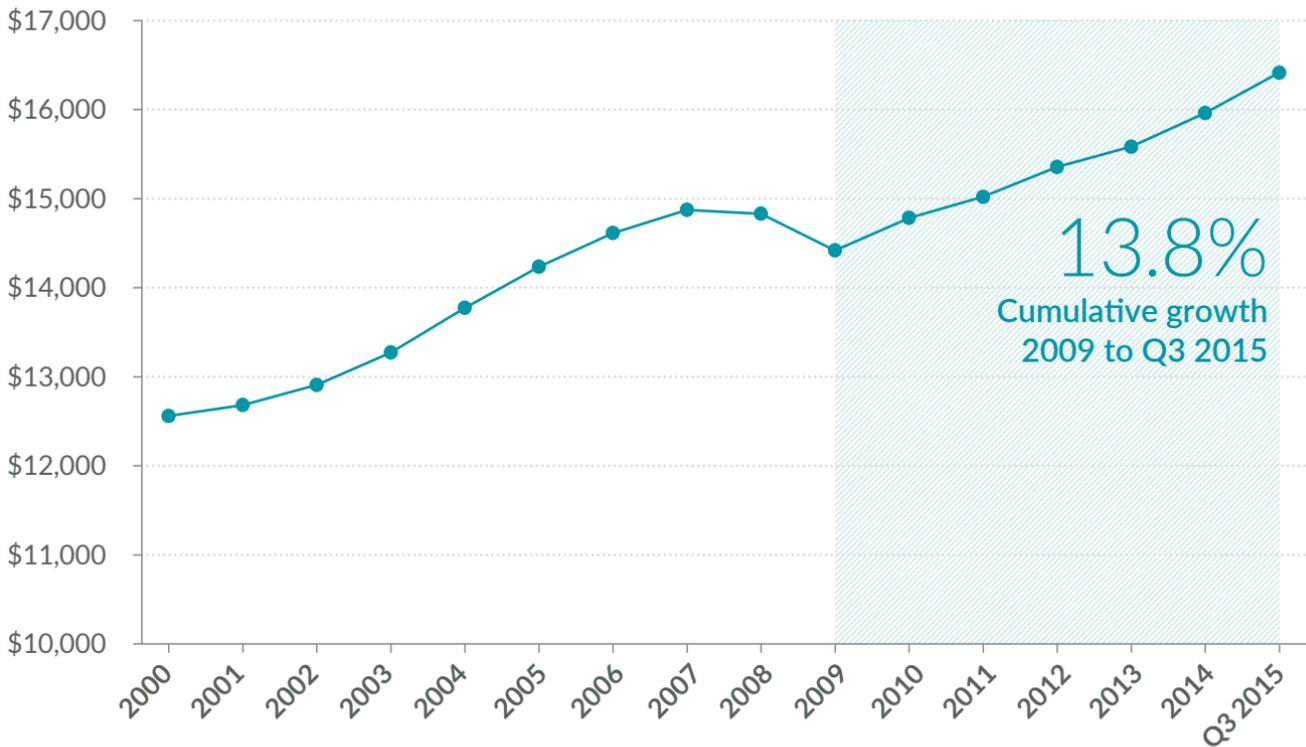


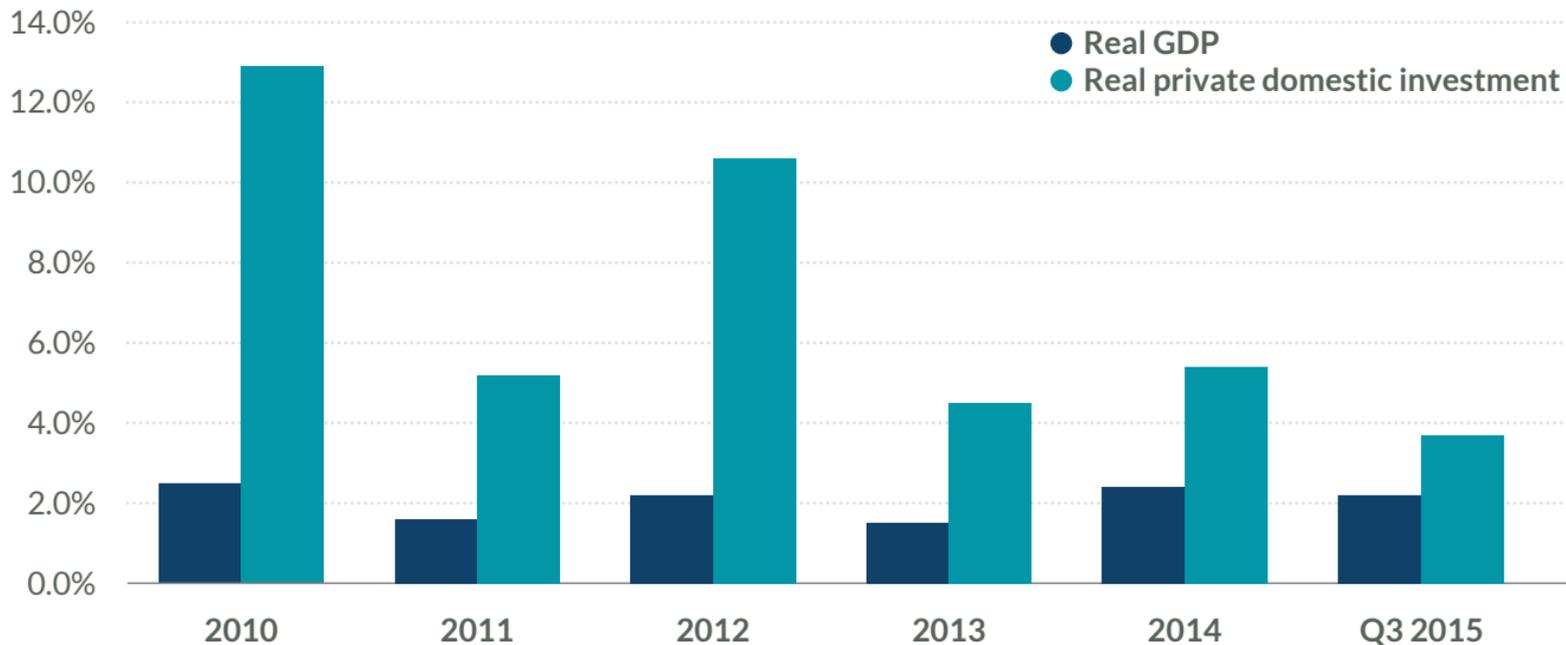
Steady U.S. Economic Growth After a Severe Recession

Inflation-adjusted GDP (billions)



Annual Inflation-Adjusted Growth in U.S. Economy and Private Investment, 2010 to 2015

Inflation-adjusted growth (percent)

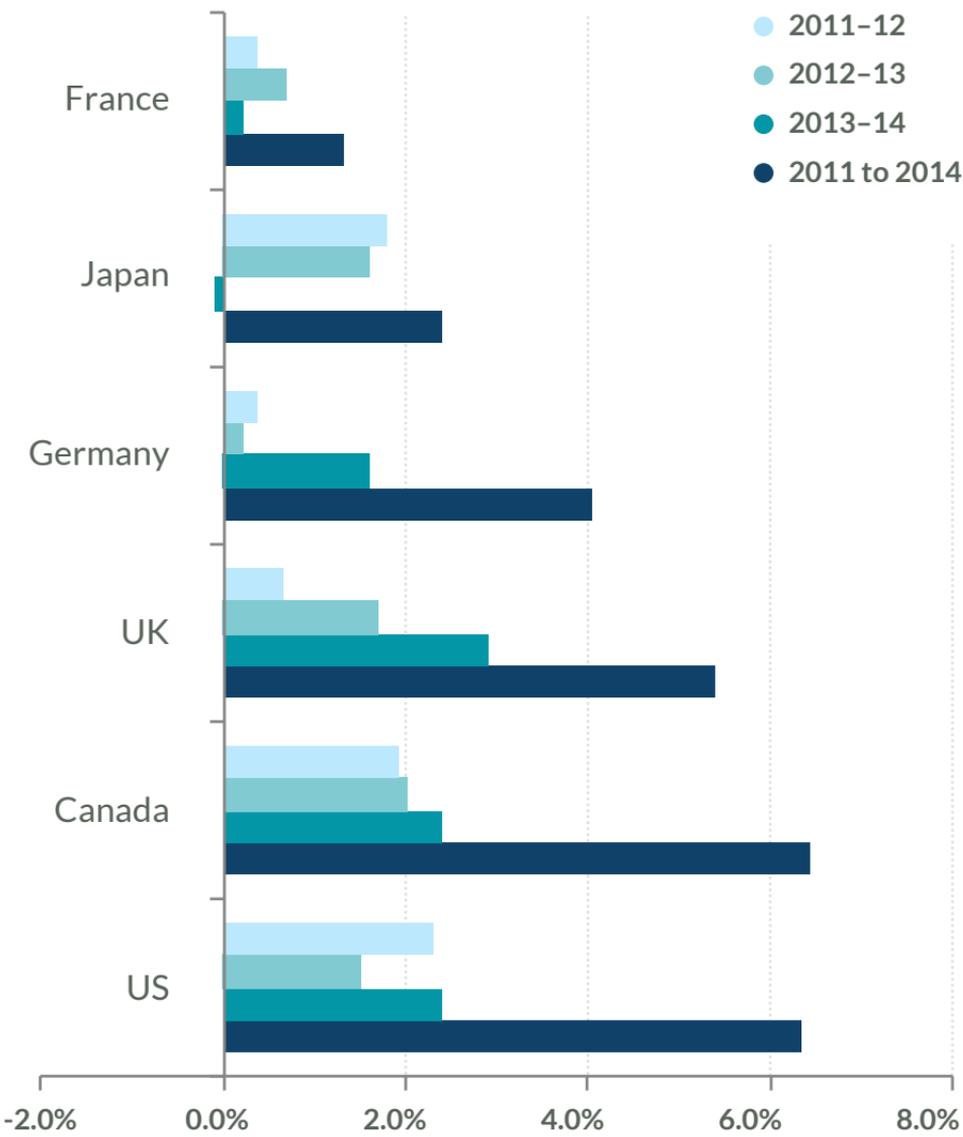


Source: U.S. Bureau of Economic Analysis. Inflation-adjusted. Dec. 22, 2015.

Notes: GDP = gross domestic product. Annual rate 2010 to 2014; Q3/Q3 2014/15 annual.

U.S. Economic Growth Rivals or Exceeds Other High-Income Countries

Real GDP growth rates, 2011-14



Source: World Bank database; accessed Sept. 2015.

Real GDP = Inflation-adjusted gross domestic product. U.S. GDP is revised.

U.S. Jobs Up More than 13 Million Since 2010, 5 Million Above Pre-Recession Peak

Total nonfarm employment to December 2015 (millions)

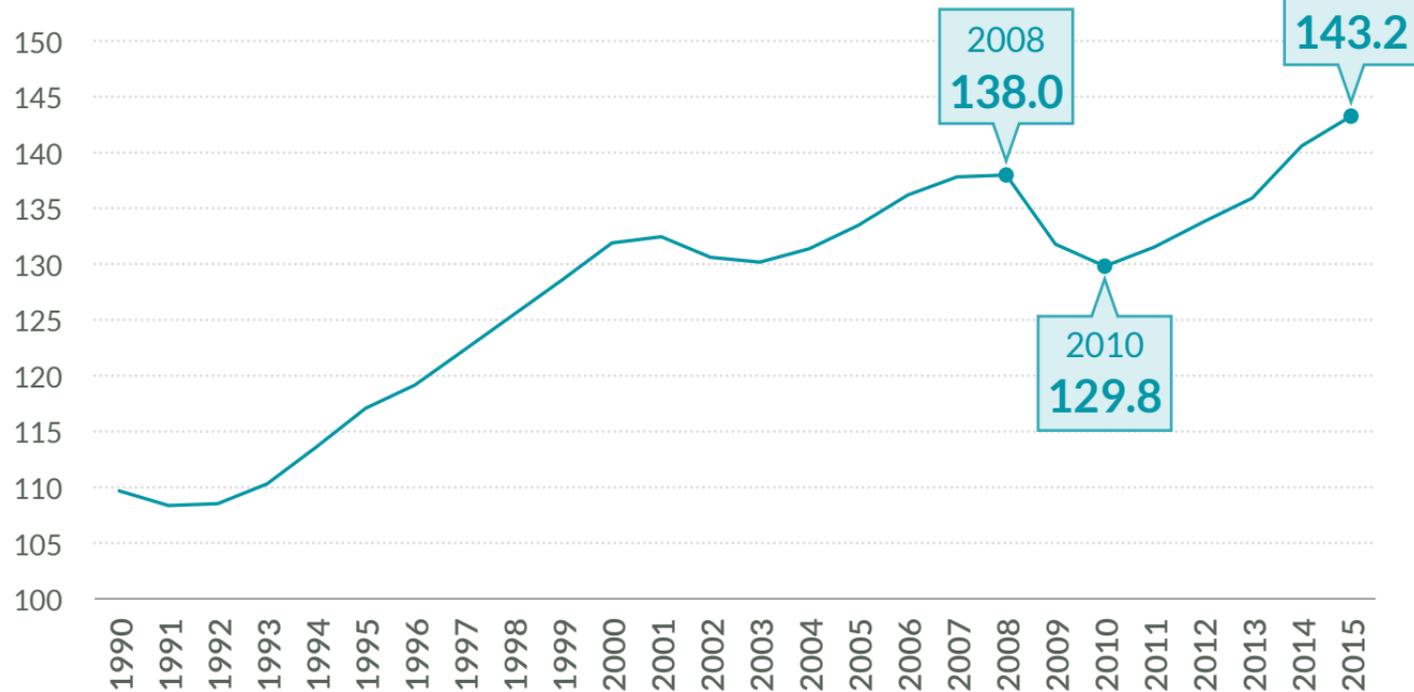


Exhibit 5

Unemployment Rate Drops from 9.9% to 5% by 2015

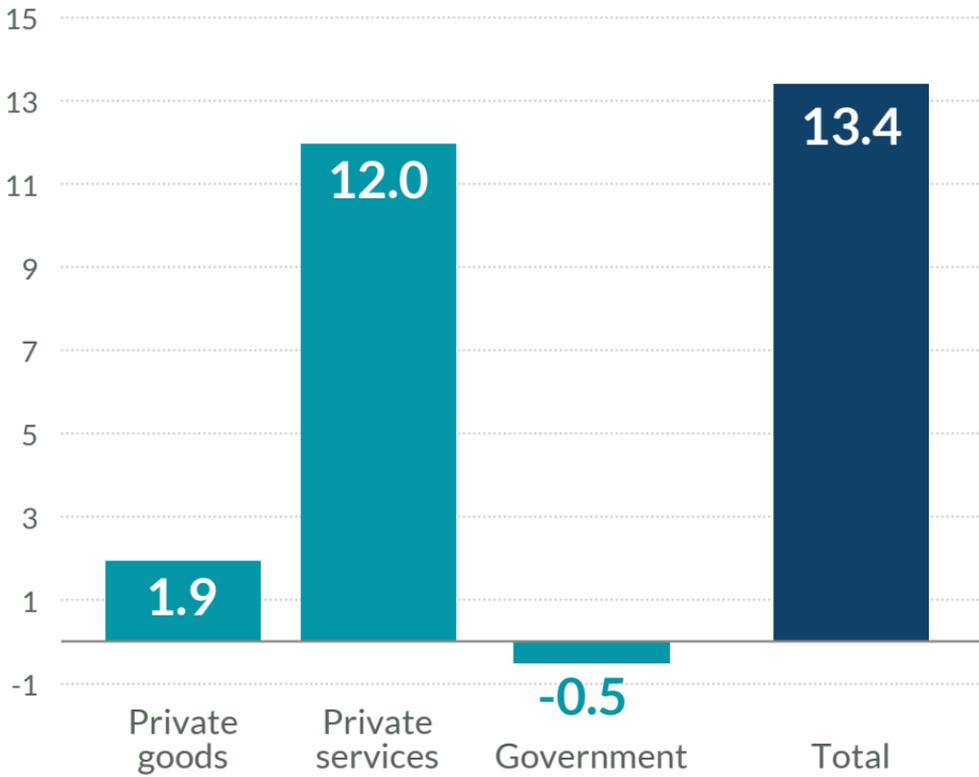
U.S. unemployment rate (percent)



Exhibit 6

U.S. Private Jobs Increased by Nearly 14 Million, While Public Employment Declined

Change in employment, March 2010 to December 2015 (millions)



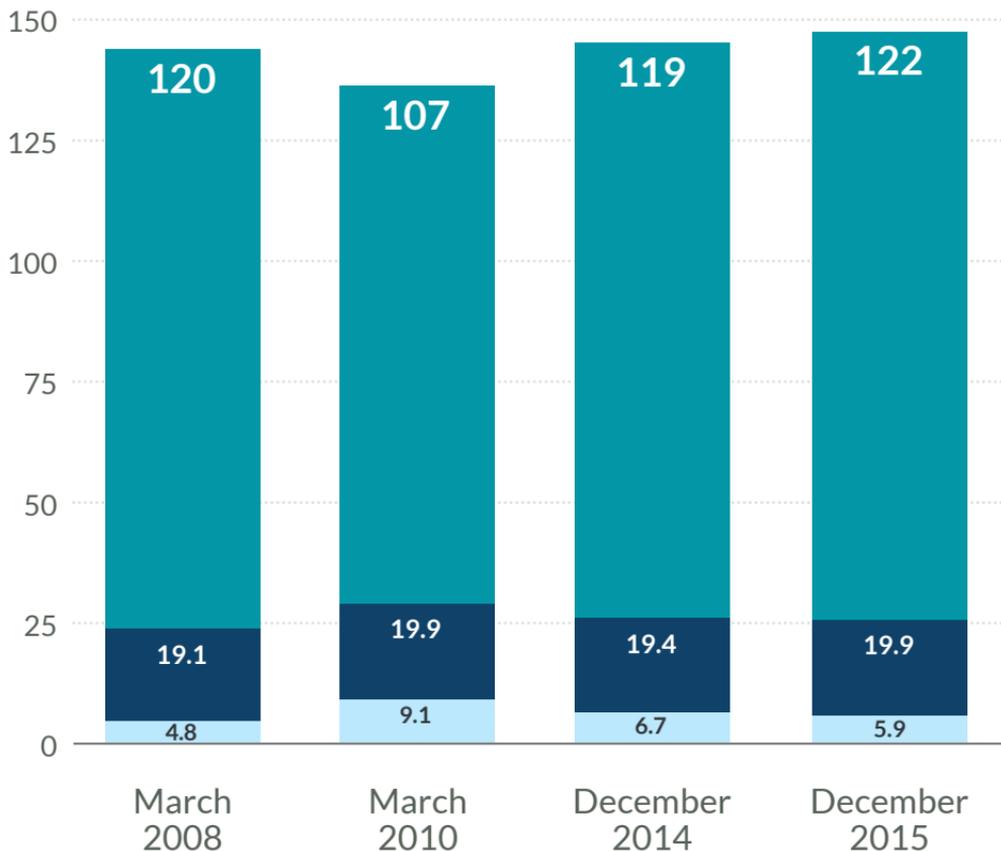
Source: U.S. Bureau of Labor Statistics. Nonfarm employment, seasonally adjusted. Released Jan 8, 2016.

Exhibit 7

Full-Time Jobs Account for All Net Job Growth from March 2010 to End of 2015

People employed (millions)

- Full time
- Part time, choice
- Part time, economic reason



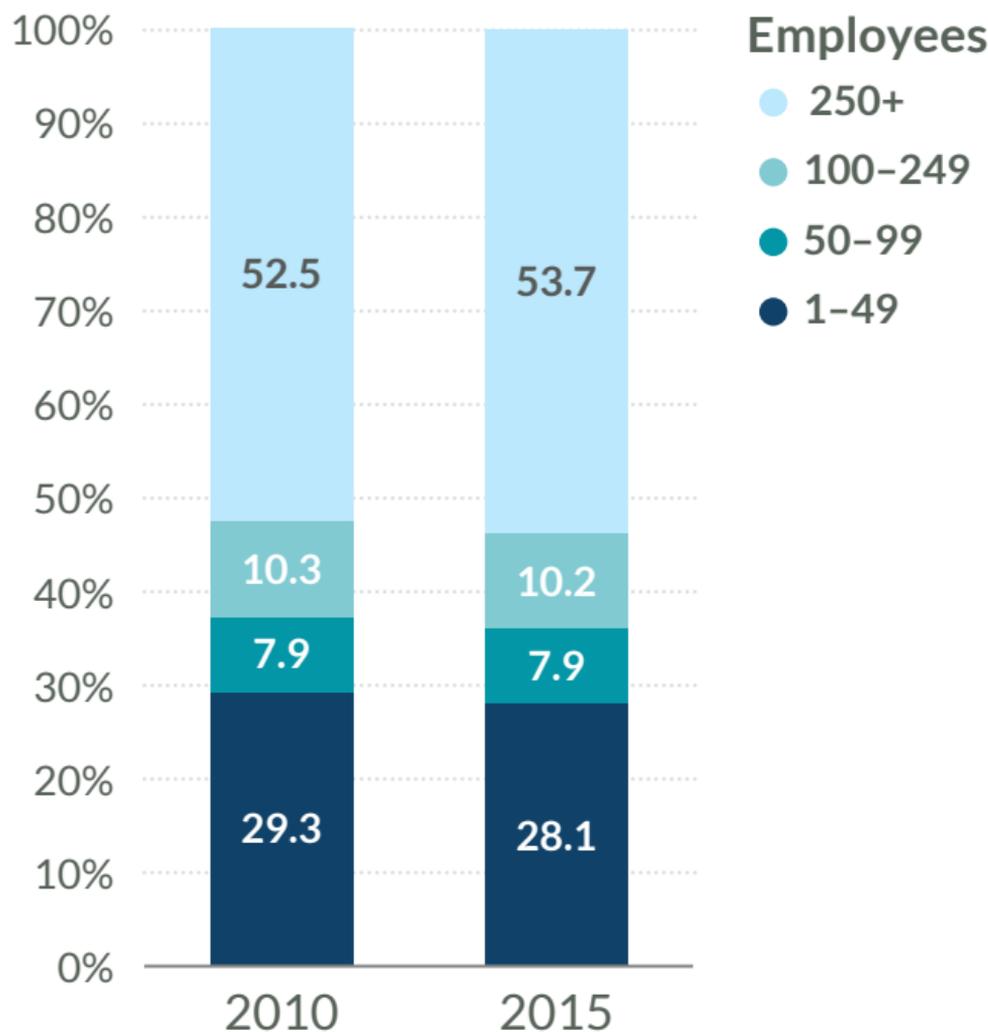
Source: U.S. Bureau of Labor Statistics. Household series, nonfarm employment, seasonally adjusted, Release Jan 2016.

Notes: Part-time work is 34 hours or less. "Part-time economic reason" includes unable to find full-time work or poor business conditions.

Exhibit 8

Job Growth Has Been Similar for Firms of All Sizes

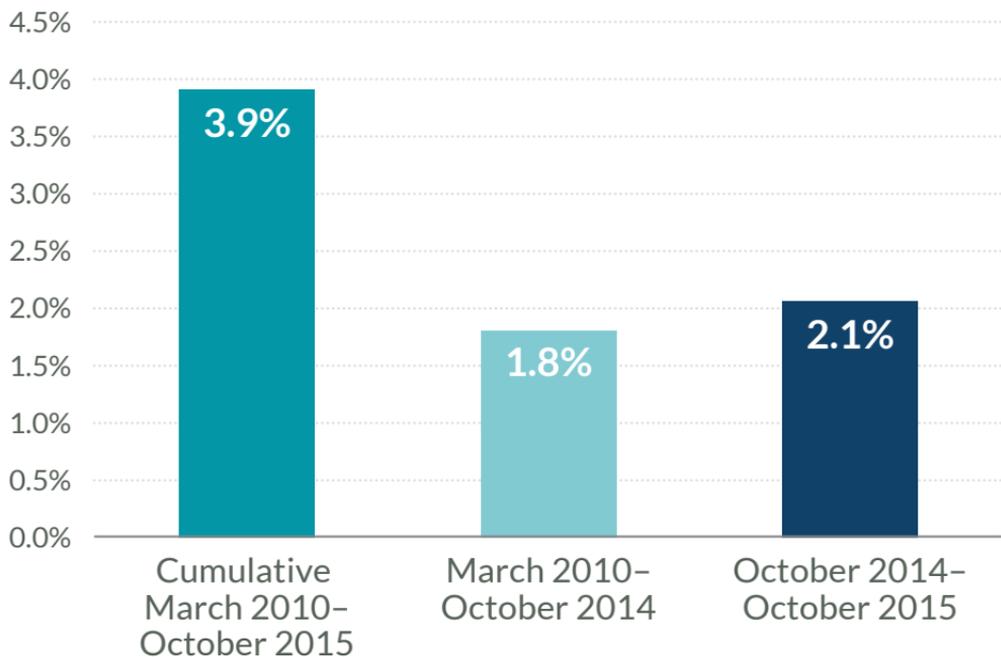
Percent distribution of private jobs, by number of employees



Source: U.S. Bureau of Labor Statistics. Business Employment Dynamics through Q1 2015. Modified Nov 2015. Distribution of private sector employees by firm size.

Little Growth Seen in Inflation-Adjusted Average Weekly Wages, but 2015 Pace Picks Up

Change in real weekly wages (percent)

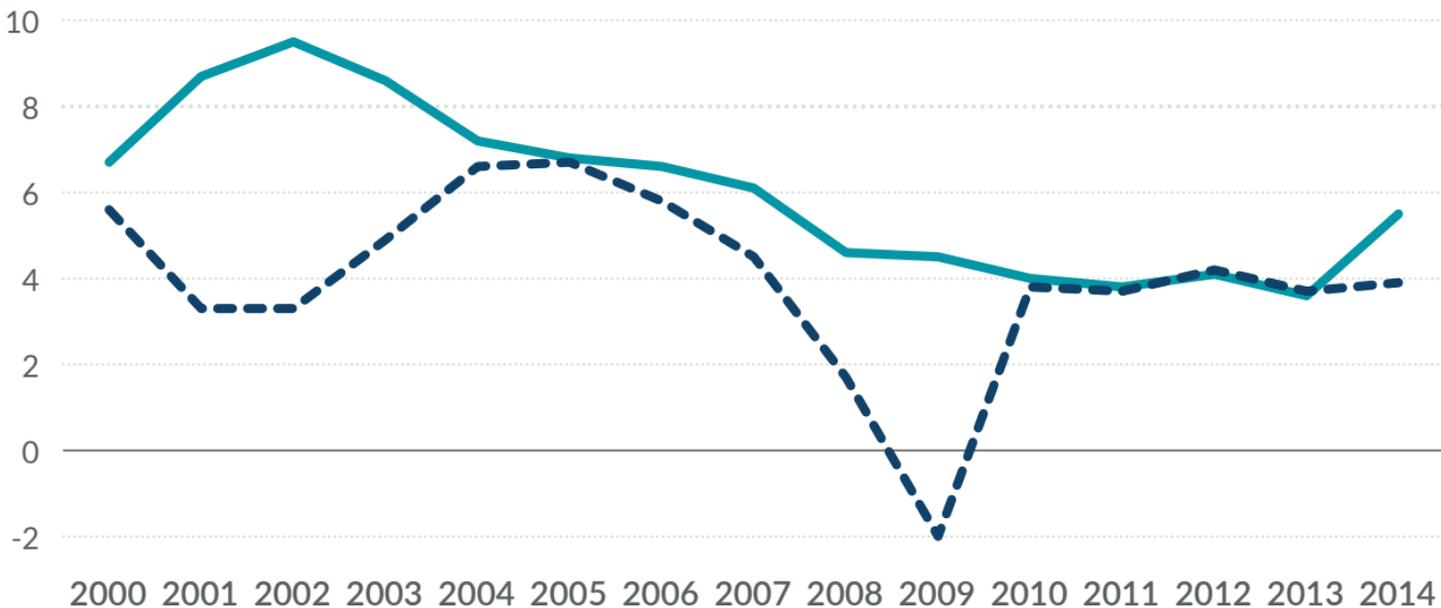


Source: U.S. Bureau of Labor Statistics. Real weekly earnings, seasonally adjusted for private nonfarm employment. Series uses urban consumer price index to adjust wages for inflation. Data released Nov. 17, 2015.

Annual Health Spending Growth Slows to Rate of GDP Growth for Four Years (2010–13), But Rises in 2014

Percent change (annual)

—●— NHE - - - GDP



NHE = national health expenditures.

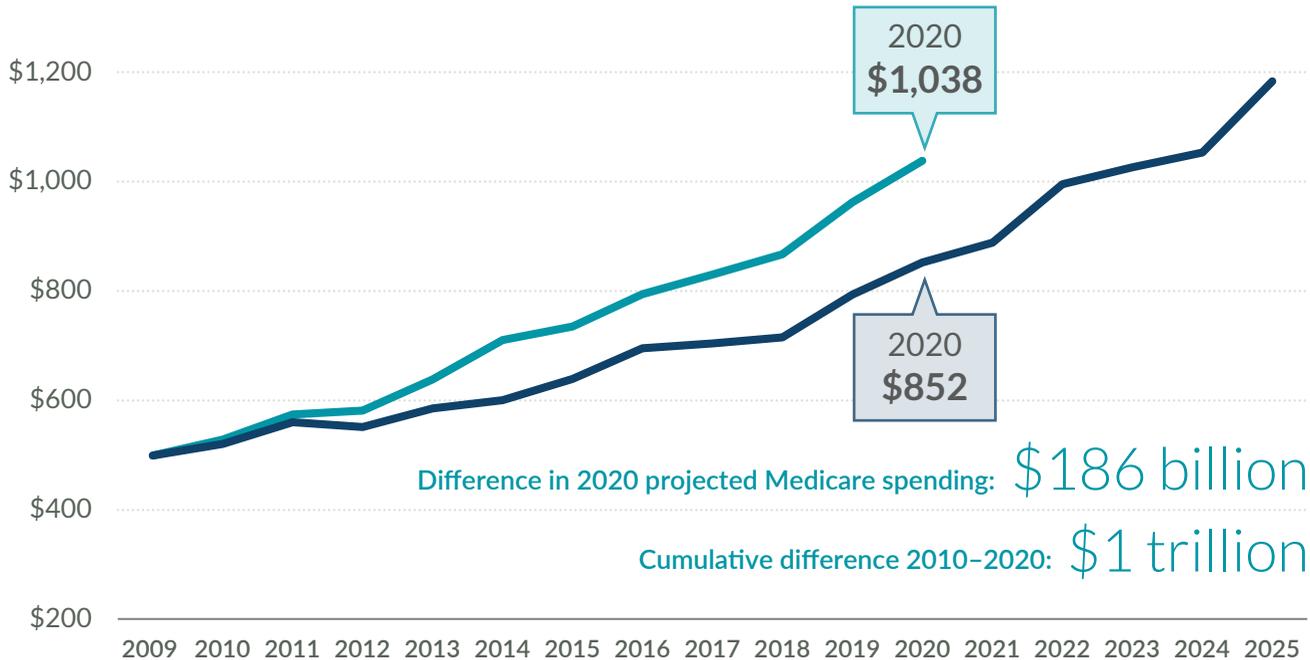
Source: Centers for Medicare and Medicaid Services, Historic and Projected National Health Expenditures. Updated July 2015.

Lower 10-Year CBO Medicare Projections, August 2015 vs. January 2010

Projected Medicare spending (millions)

January 2010

August 2015



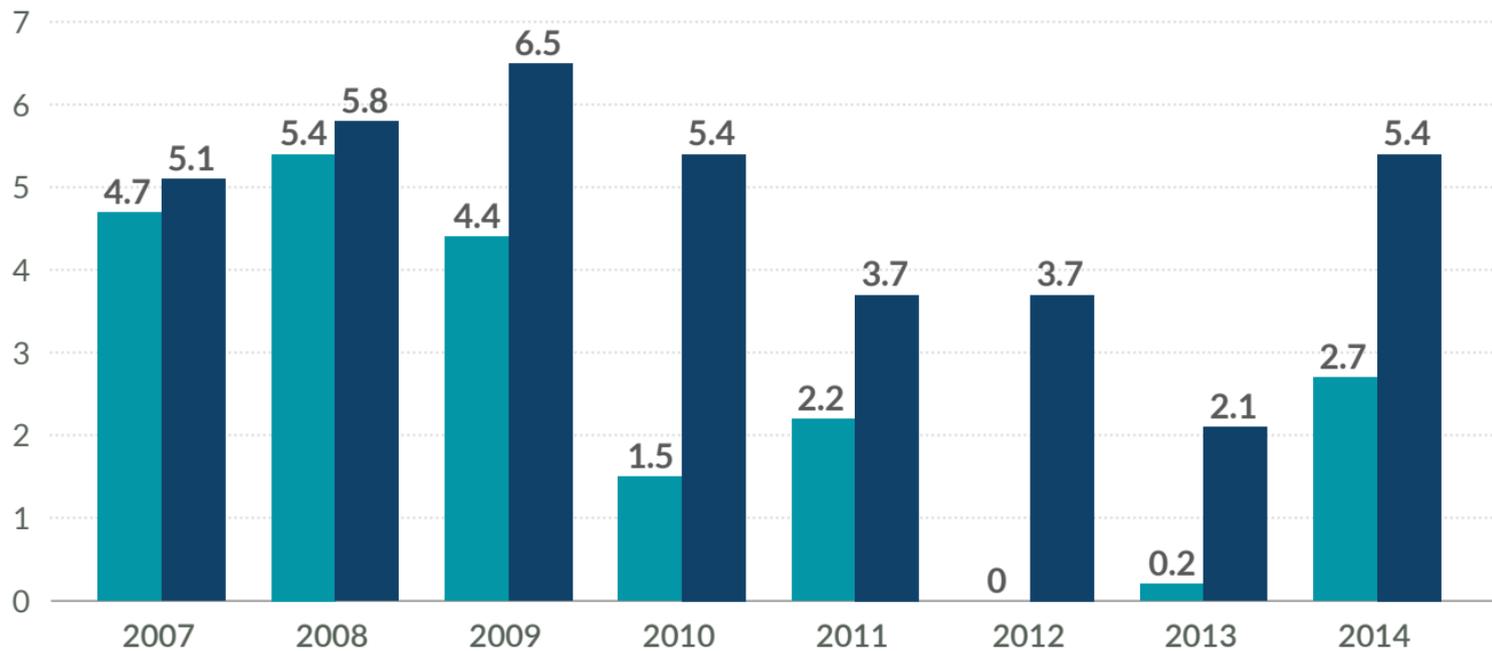
Difference in 2020 projected Medicare spending: \$186 billion

Cumulative difference 2010-2020: \$1 trillion

Marked Slowdown in Medicare and Private Spending Growth per Enrollee

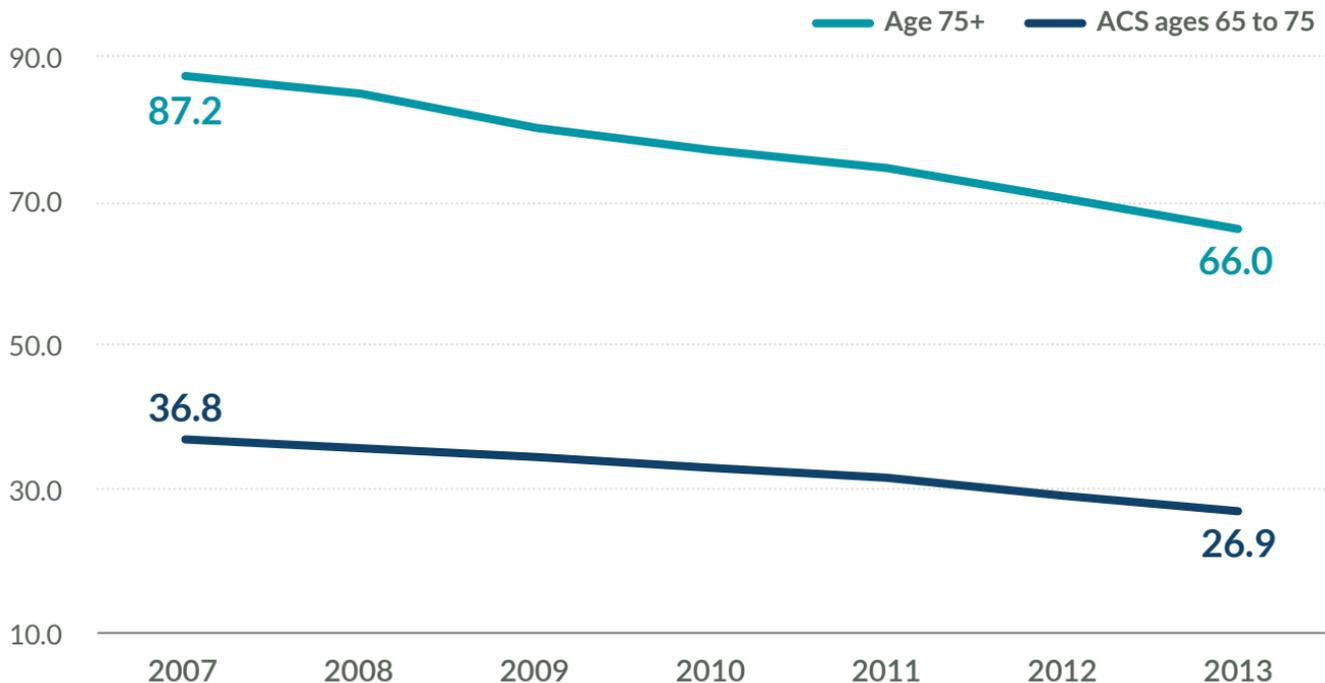
Percent change in spending growth per enrollee

- Medicare
- Privately insured



Medicare Hospital Admissions for Potentially Preventable Conditions Down 25 Percent

Ambulatory care-sensitive hospital admissions per 1,000 beneficiaries



Health Care Sector Gained 1.4 Million Jobs Since March 2010, Mainly in Ambulatory Care

● Ambulatory ● Hospital ● Nursing and residential

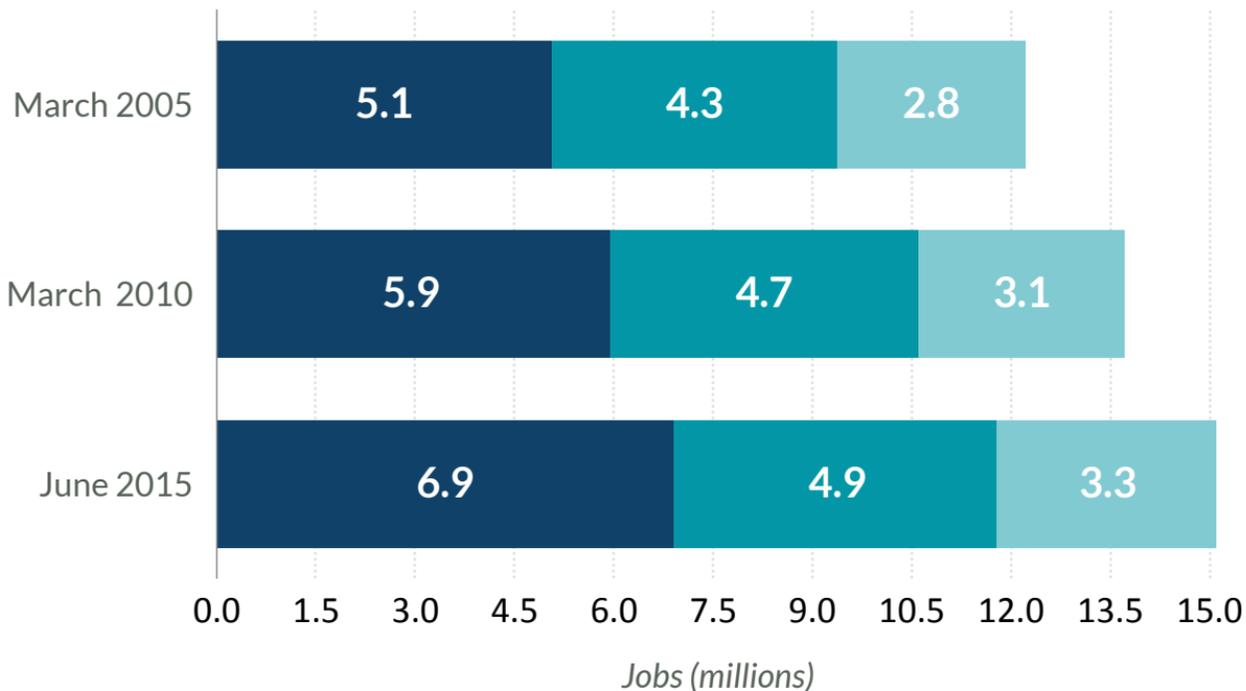
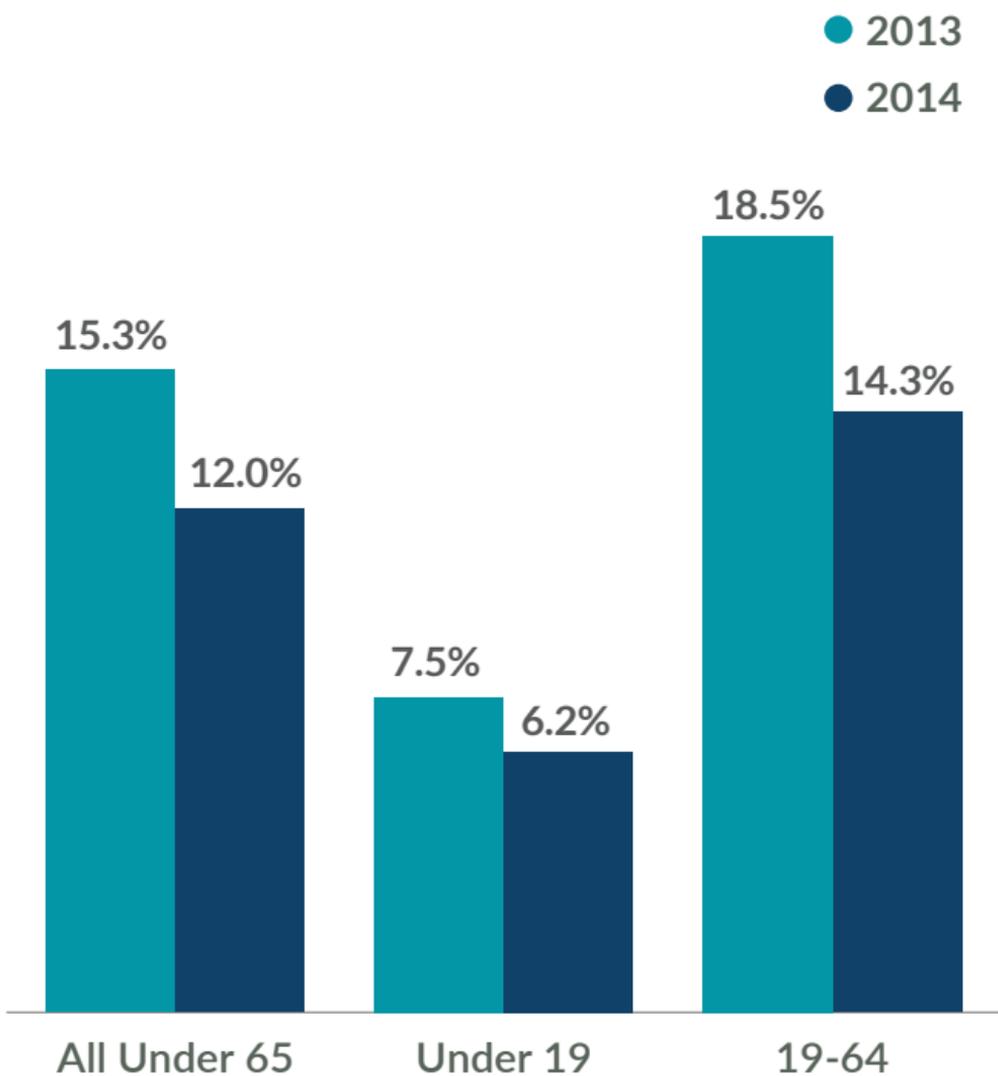


Exhibit 15

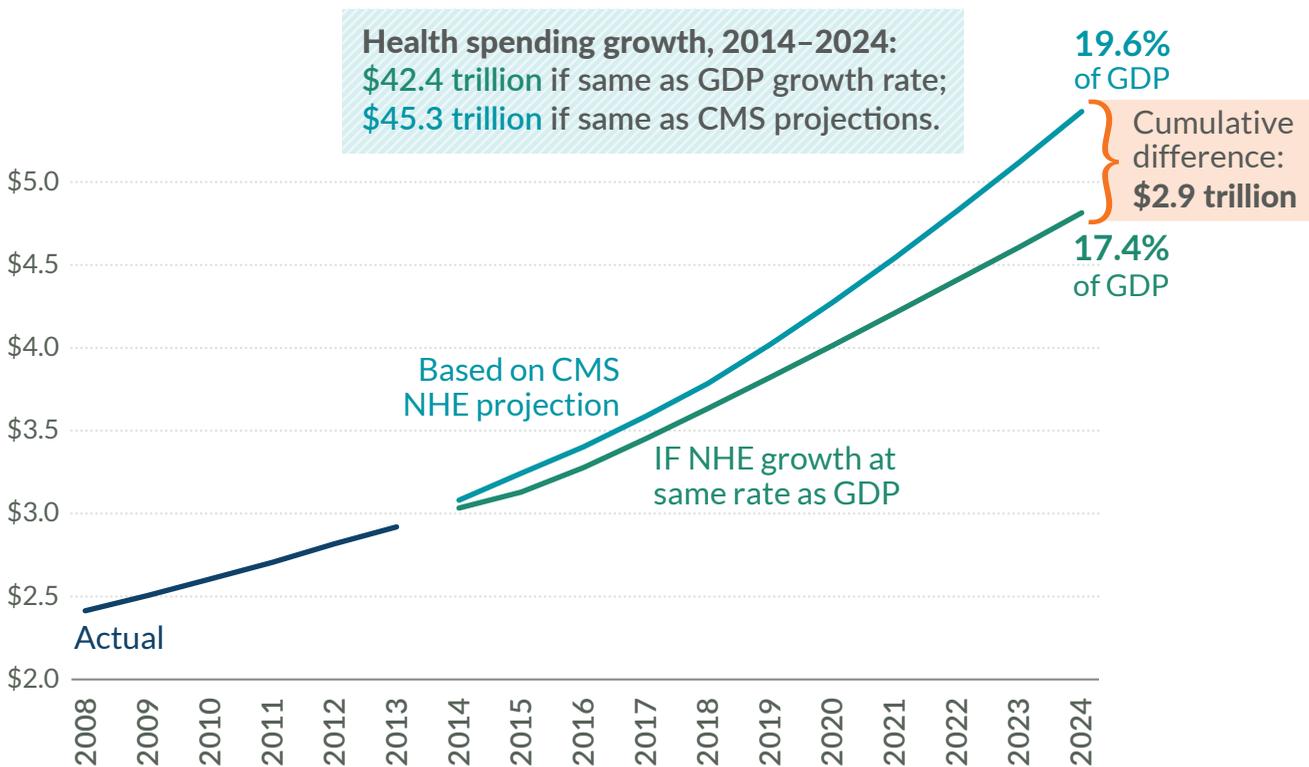
Sharp Drop in Uninsured in All Nonelderly Age Groups Following Affordable Care Act's Insurance Expansions



Source: U.S. Bureau of the Census, *Health Insurance Coverage in the U.S.: 2014*, Current Population Reports, Sept. 2015.

What if Future Increases in U.S. National Health Expenditures Are Limited to Rate of Economic Growth?

National health expenditures (trillions)



Source: Author’s analysis based on data from Centers for Medicare and Medicaid Services (CMS), Office of the Actuary, 2014–2024 National Health Expenditures (NHE), projected July 2015; <http://cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NationalHealthAccountsProjected.html>.