

Exhibit ES-1. Net Impact of Path Recommendations on National Health Expenditures Compared with Current Projection, 2010–2020 (in billions)

	Total NHE	Private Employers	State & Local Governments	Households	Federal Budget
Total Payment Reforms	-\$1,010	-\$170	-\$10	-\$82	-\$749
Enhanced payment for primary care	-\$71	-\$28	-\$2	-\$11	-\$30
Encouraged adoption of Medical Home model	-\$175	-\$25	-\$13	-\$36	-\$101
Bundled payment for acute care episodes	-\$301	-\$75	-\$4	-\$11	-\$211
Correcting price signals					
• High-cost area updates	-\$223	-\$64	-\$3	-\$29	-\$127
• Prescription drugs	-\$76	+\$22	+\$12	+\$5	-\$115
• Medicare Advantage	-\$165	\$0	\$0	\$0	-\$165

Data: Estimates by The Lewin Group for The Commonwealth Fund.

Source: The Lewin Group, *The Path to a High Performance U.S. Health System: Technical Documentation* (Washington, D.C.: The Lewin Group, 2009).

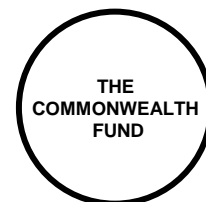
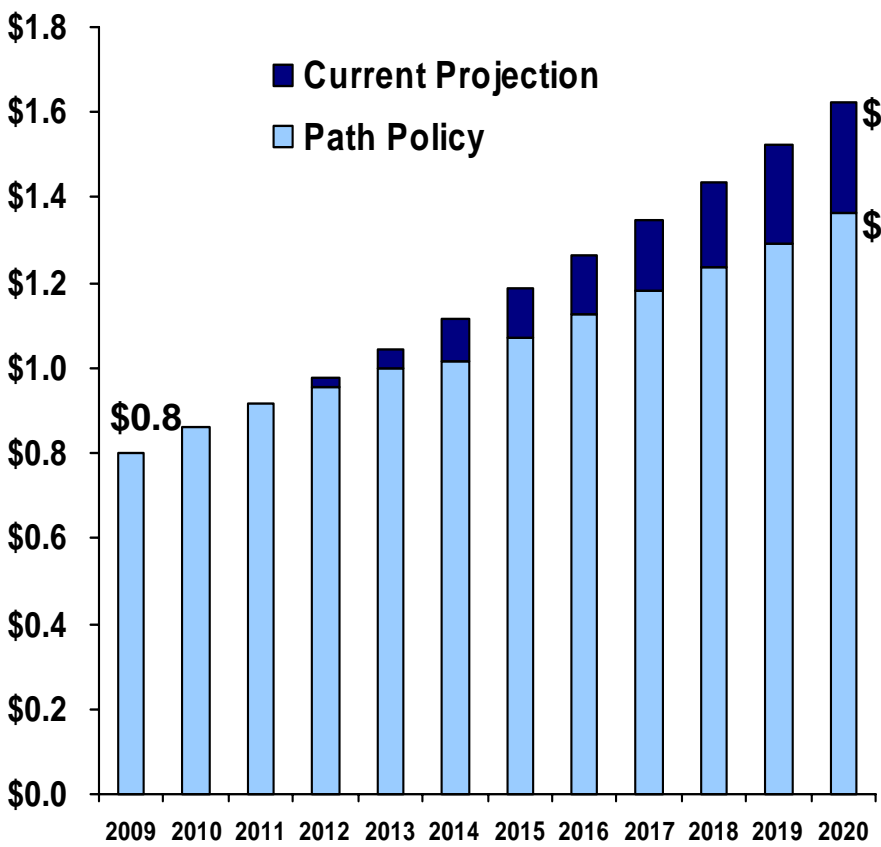
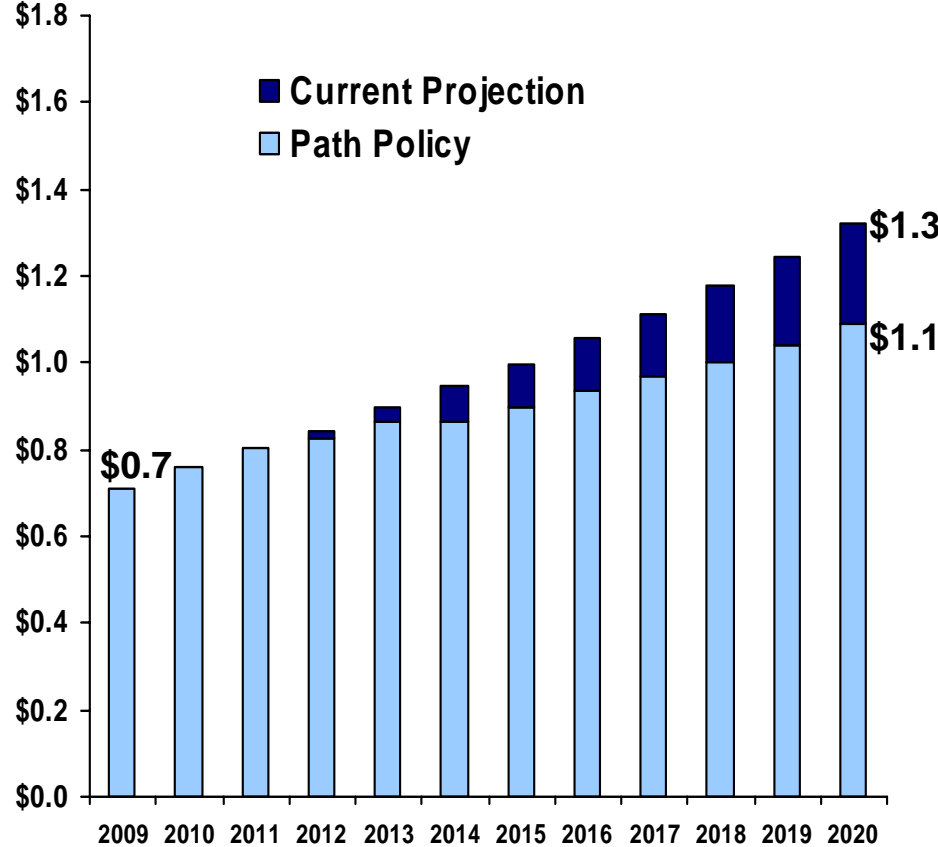


Exhibit ES-2. Total National Health Expenditure Growth for Hospitals and Physicians, Current Projections and with Policy Changes, 2009–2020

Hospital Expenditures (trillions)



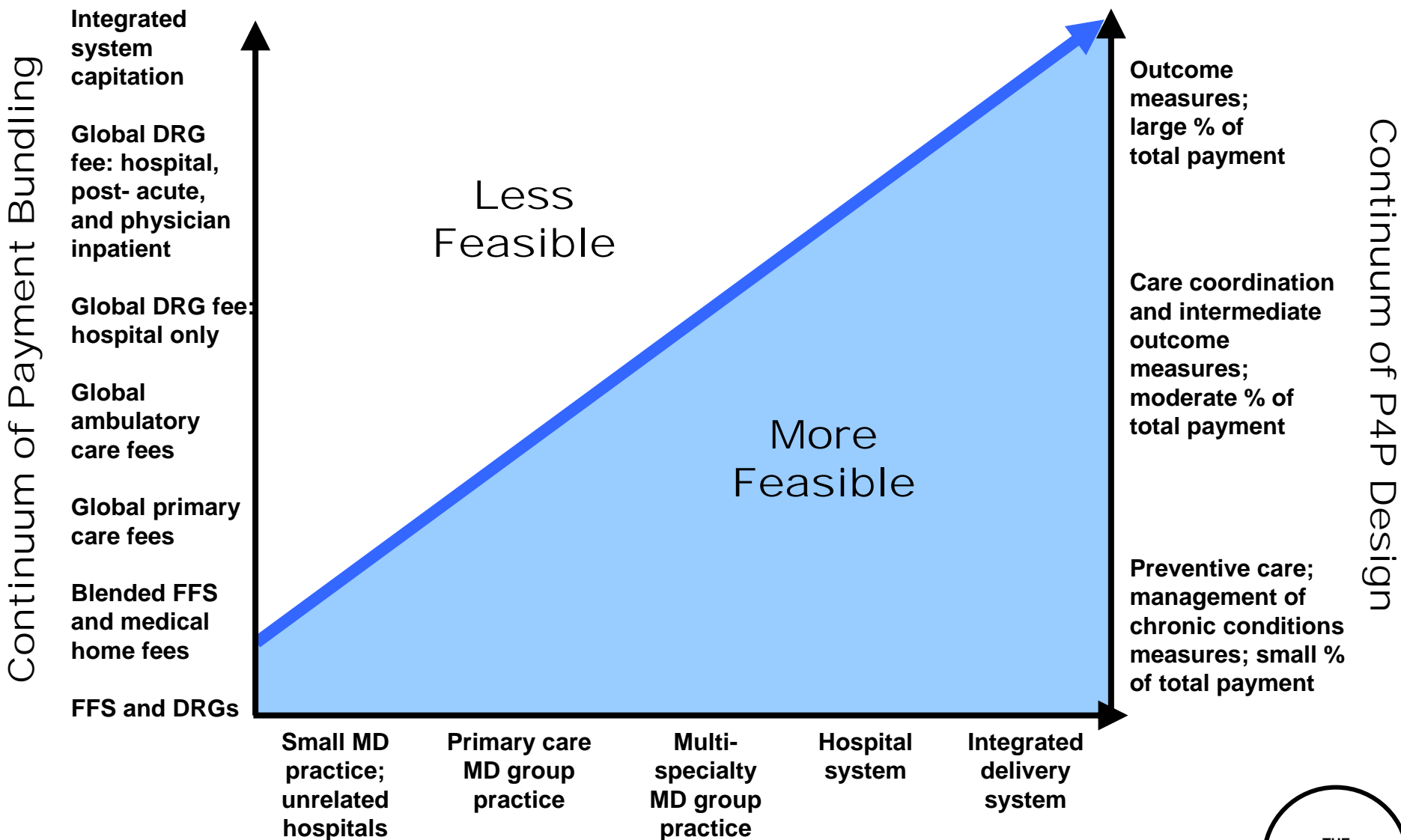
Physician Expenditures (trillions)



Data: Estimates by The Lewin Group for The Commonwealth Fund.
 Source: The Lewin Group, *The Path to a High Performance U.S. Health System: Technical Documentation* (Washington, D.C.: The Lewin Group, 2009).



Exhibit 1. Interrelation of Organization and Payment



Source: A. Shih, K. Davis, S. Schoenbaum, A. Gauthier, R. Nuzum, and D. McCarthy, *Organizing the U.S. Health Care Delivery System for High Performance* (New York: The Commonwealth Fund, Aug. 2008).

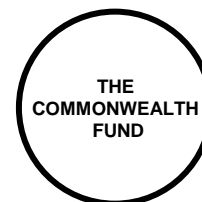
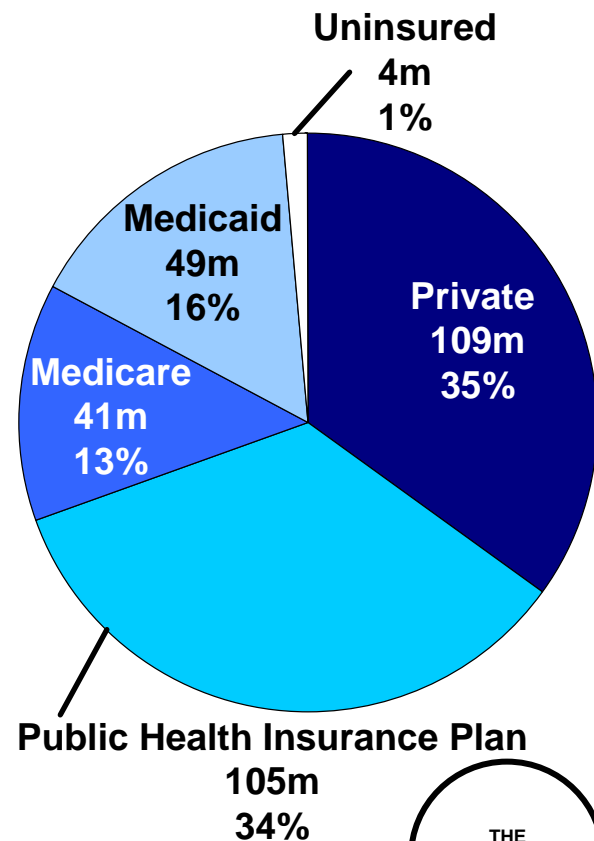
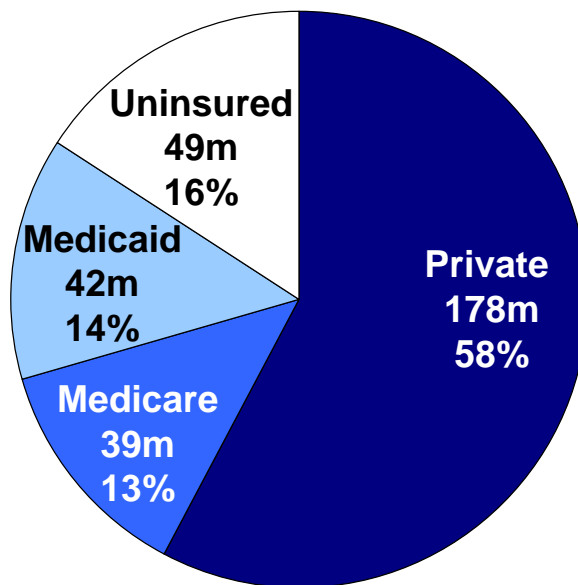
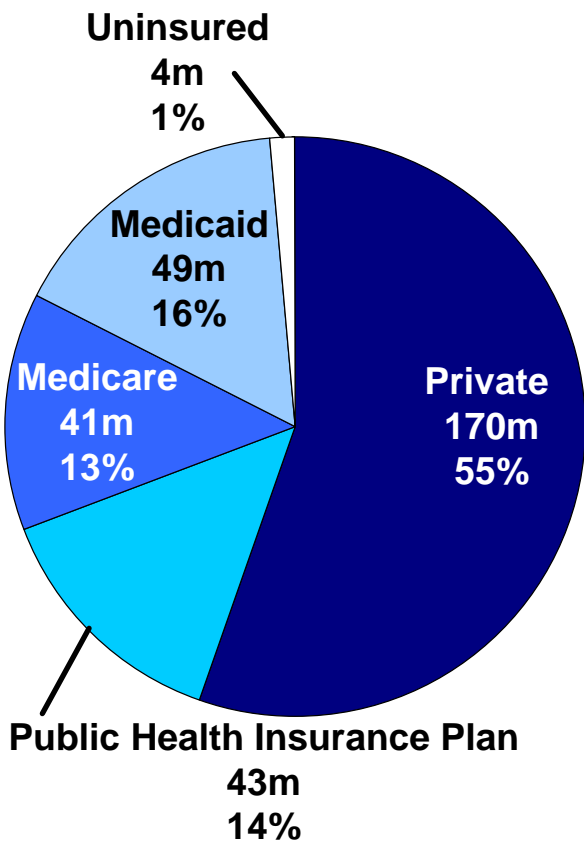


Exhibit 2. If Insurer Premium Trend Continues, Public Health Insurance Plan Enrollment Will Grow: Distribution of Coverage by Primary Source Under Current Law (2010) and Path Framework (Small Firms in 2010, All Firms in 2014)

**Path Framework,
Small Firms (2010)**

Current Law (2010)

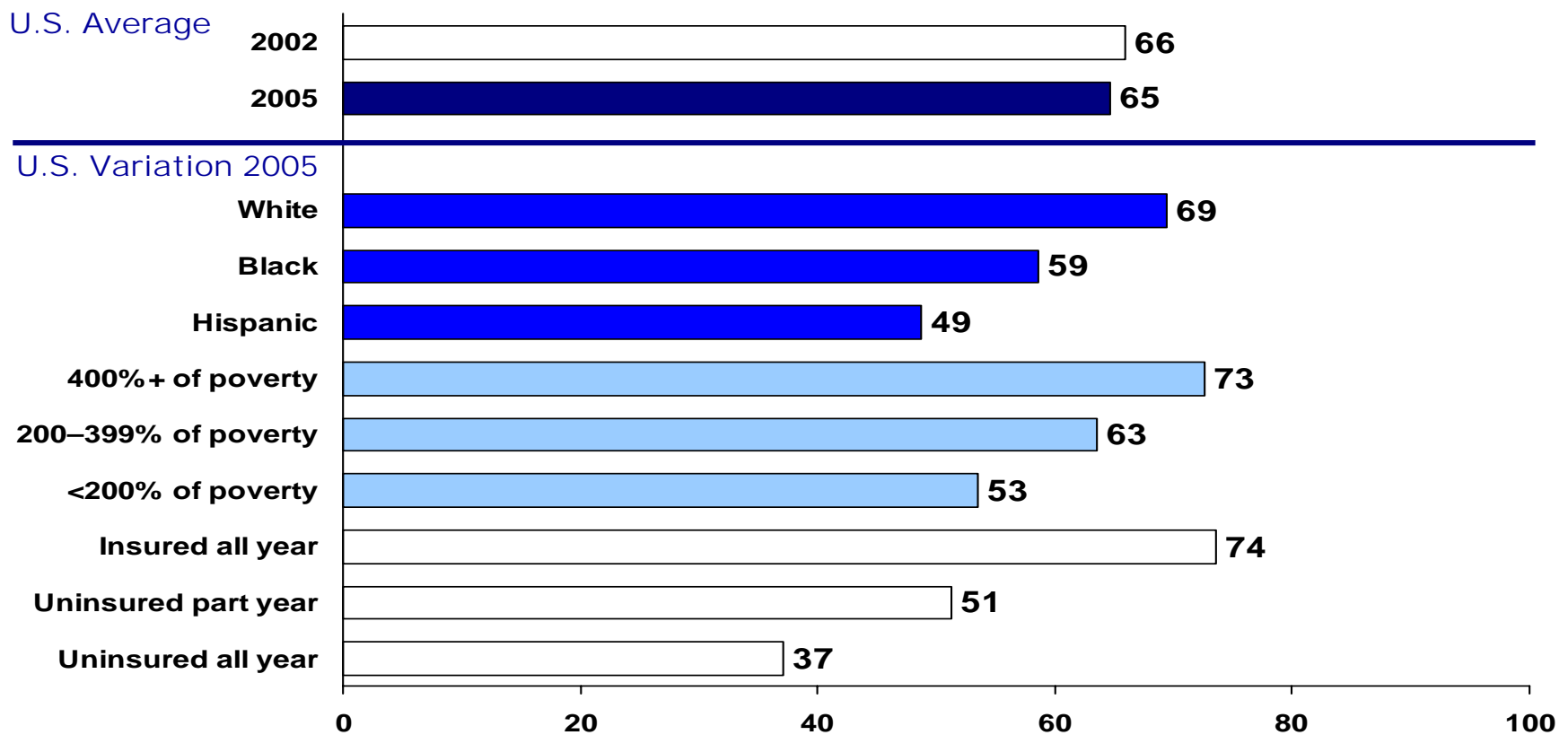
**Path Framework,
All Firms (2014)**



Source: The Lewin Group, *The Path to a High Performance U.S. Health System: Technical Documentation* (Washington, D.C.: The Lewin Group, 2009).

Exhibit 3. Adults with an Accessible Primary Care Provider

Percent of adults ages 19–64 with an accessible primary care provider*



* An accessible primary care provider is defined as a usual source of care who provides preventive care, care for new and ongoing health problems, and referrals, and who is easy to get to.

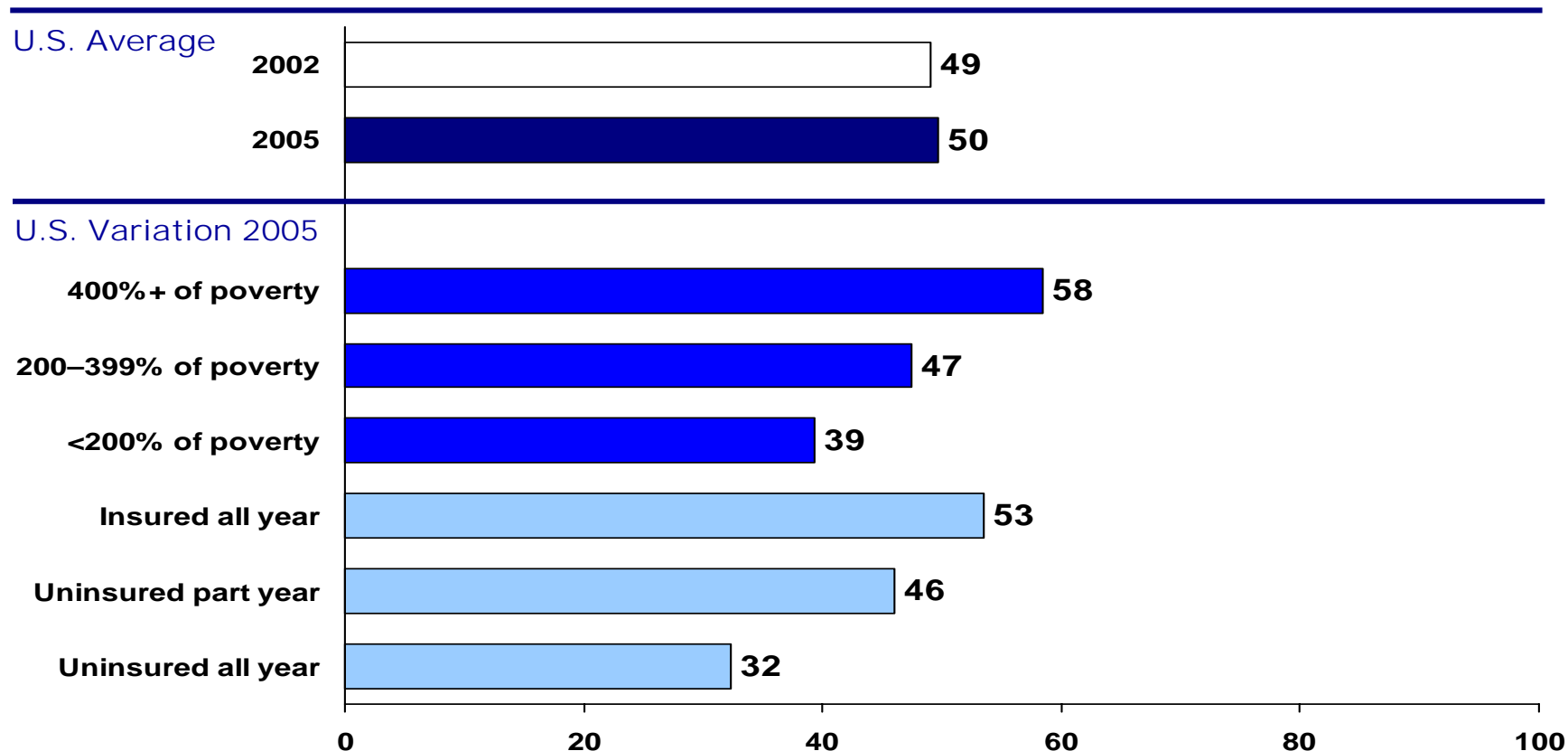
Data: B. Mahato, Columbia University analysis of Medical Expenditure Panel Survey.

Source: Commonwealth Fund National Scorecard on U.S. Health System Performance, 2008.



Exhibit 4. Receipt of Recommended Screening and Preventive Care for Adults

Percent of adults (ages 18+) who received all recommended screening and preventive care within a specific time frame given their age and sex*



* Recommended care includes seven key screening and preventive services: blood pressure, cholesterol, Pap, mammogram, fecal occult blood test or sigmoidoscopy/colonoscopy, and flu shot. Data: B. Mahato, Columbia University analysis of Medical Expenditure Panel Survey.

Source: Commonwealth Fund National Scorecard on U.S. Health System Performance, 2008.

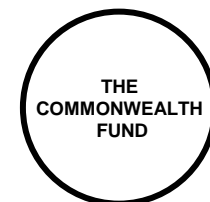
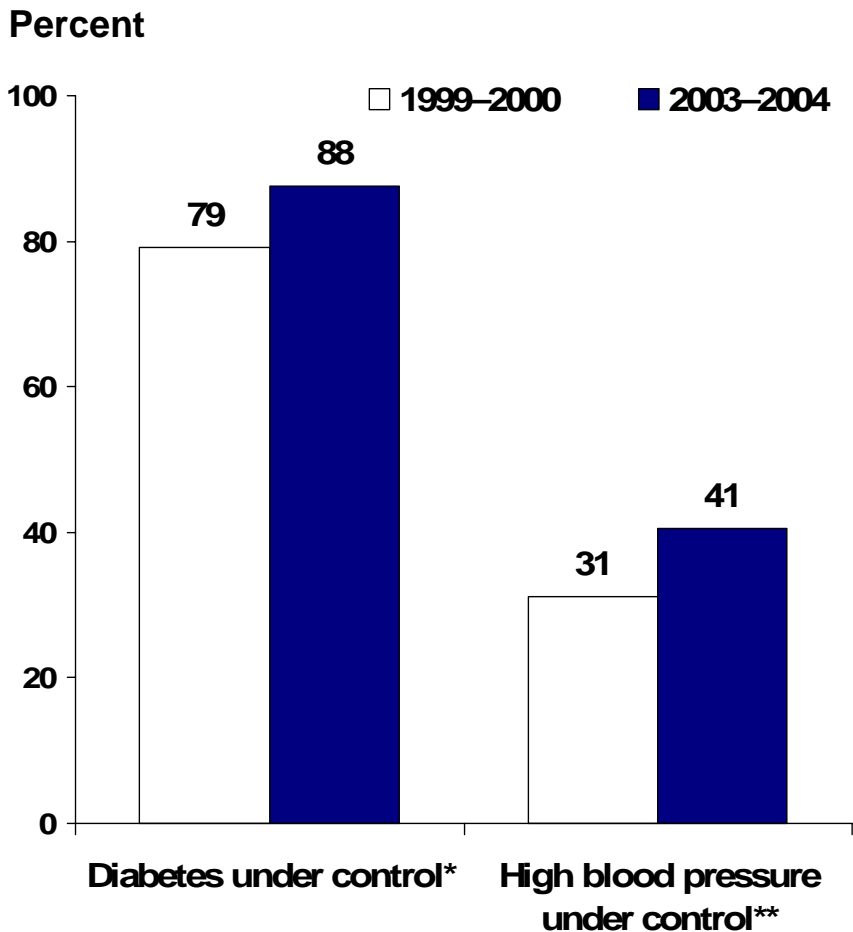
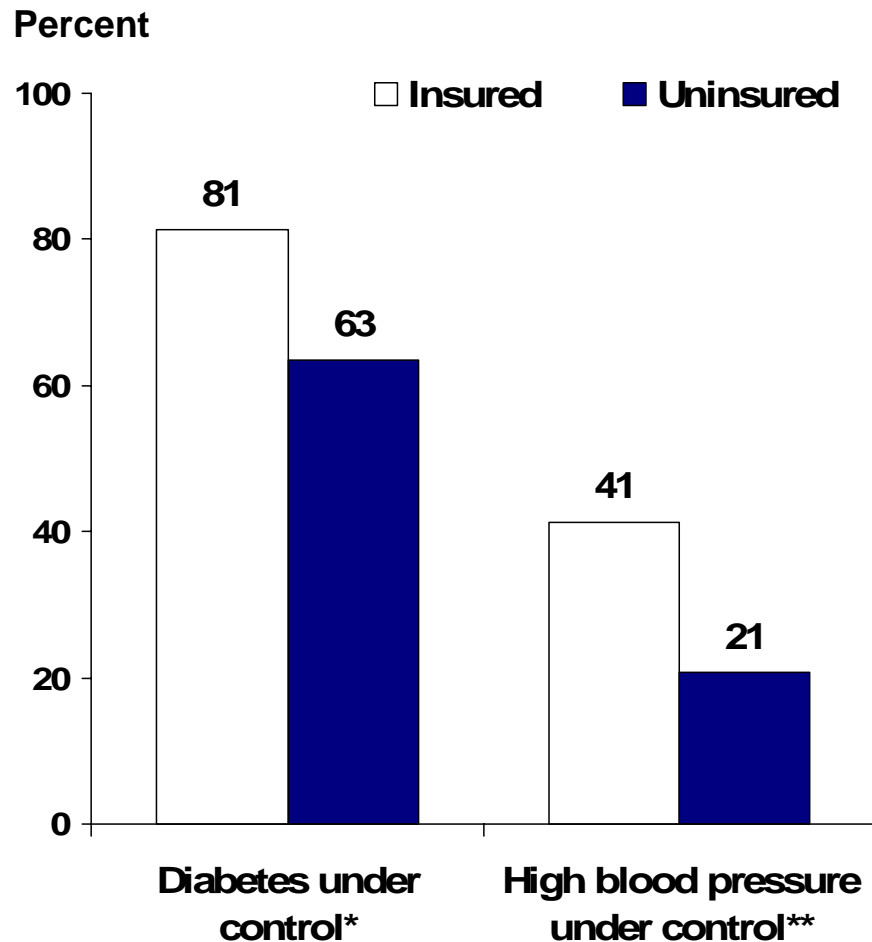


Exhibit 5. Chronic Disease Under Control: Diabetes and Hypertension

National Average



By Insurance, 1999-2004



* Refers to diabetic adults whose HbA1c is <9.0.

** Refers to hypertensive adults whose blood pressure is <140/90 mmHg.

Data: J. McWilliams, Harvard University analysis of National Health and Nutrition Examination Survey.

Source: Commonwealth Fund National Scorecard on U.S. Health System Performance, 2008.

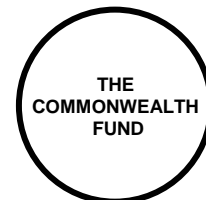


Exhibit 6. Costs of Care for Medicare Beneficiaries with Multiple Chronic Conditions, by Hospital Referral Regions, 2001 and 2005

		Average annual reimbursement					Ratio of percentile groups	
		Average	10th percentile	25th percentile	75th percentile	90th percentile	90th to 10th	75th to 25th
All 3 conditions (Diabetes + CHF + COPD)								
	2001	\$31,792	\$20,960	\$23,973	\$37,879	\$43,973	2.10	1.58
	2005	\$38,004	\$25,732	\$29,936	\$44,216	\$53,019	2.06	1.48
Diabetes + CHF								
	2001	\$18,461	\$12,747	\$14,355	\$20,592	\$27,310	2.14	1.43
	2005	\$23,056	\$16,144	\$18,649	\$26,035	\$32,199	1.99	1.40
Diabetes + COPD								
	2001	\$13,188	\$8,872	\$10,304	\$15,246	\$18,024	2.03	1.48
	2005	\$15,367	\$11,317	\$12,665	\$17,180	\$20,062	1.77	1.36
CHF + COPD								
	2001	\$22,415	\$15,355	\$17,312	\$25,023	\$32,732	2.13	1.45
	2004	\$27,498	\$19,787	\$22,044	\$31,709	\$37,450	1.89	1.44

CHF = Congestive heart failure; COPD = Chronic obstructive pulmonary disease.
 Data: G. Anderson and R. Herbert, Johns Hopkins University analysis of Medicare Standard Analytical Files (SAF) 5% Inpatient Data.

Source: Commonwealth Fund National Scorecard on U.S. Health System Performance, 2008.

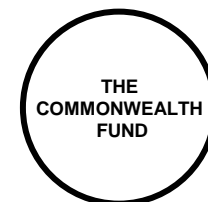
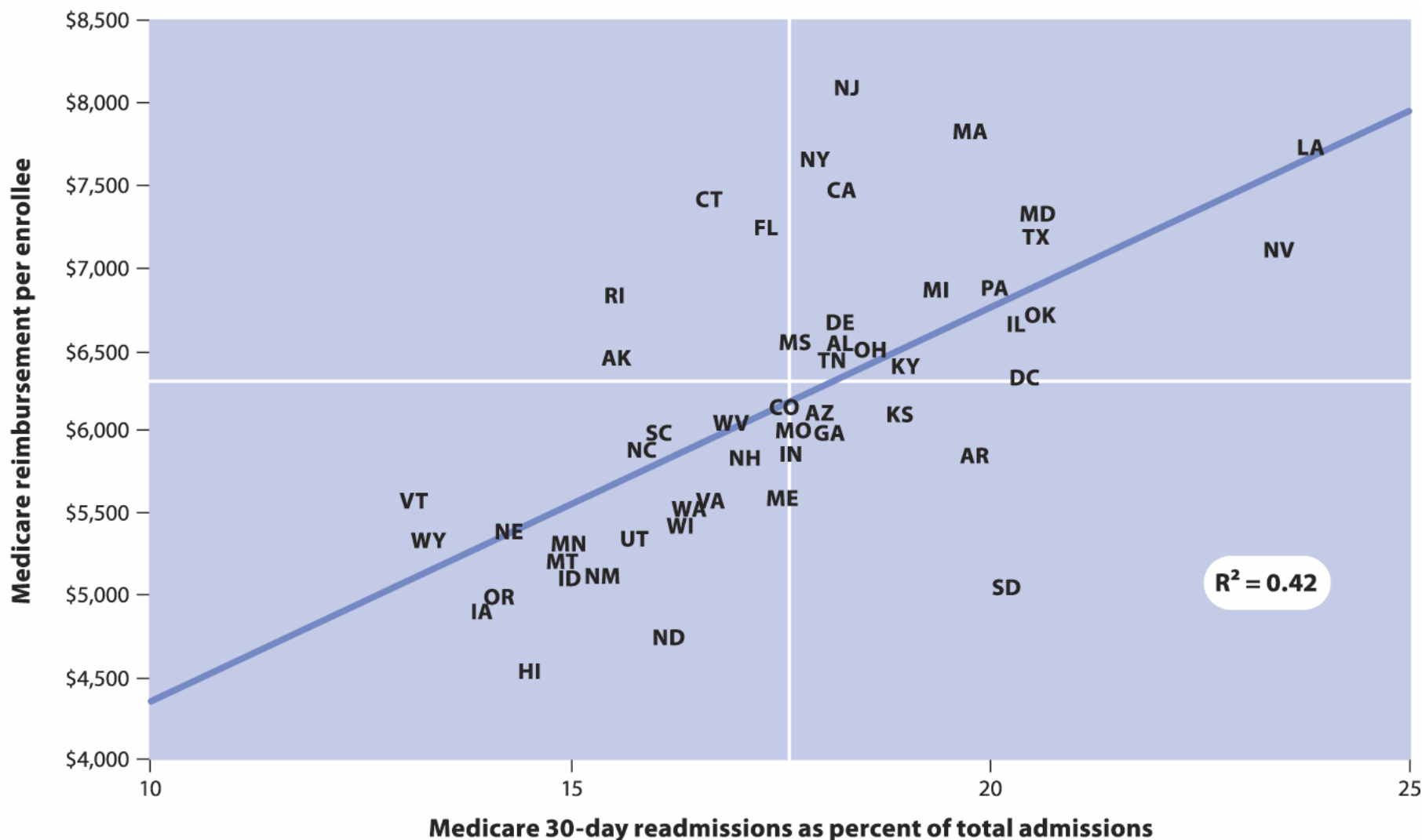


Exhibit 7. Medicare Reimbursement and 30-Day Readmissions by State



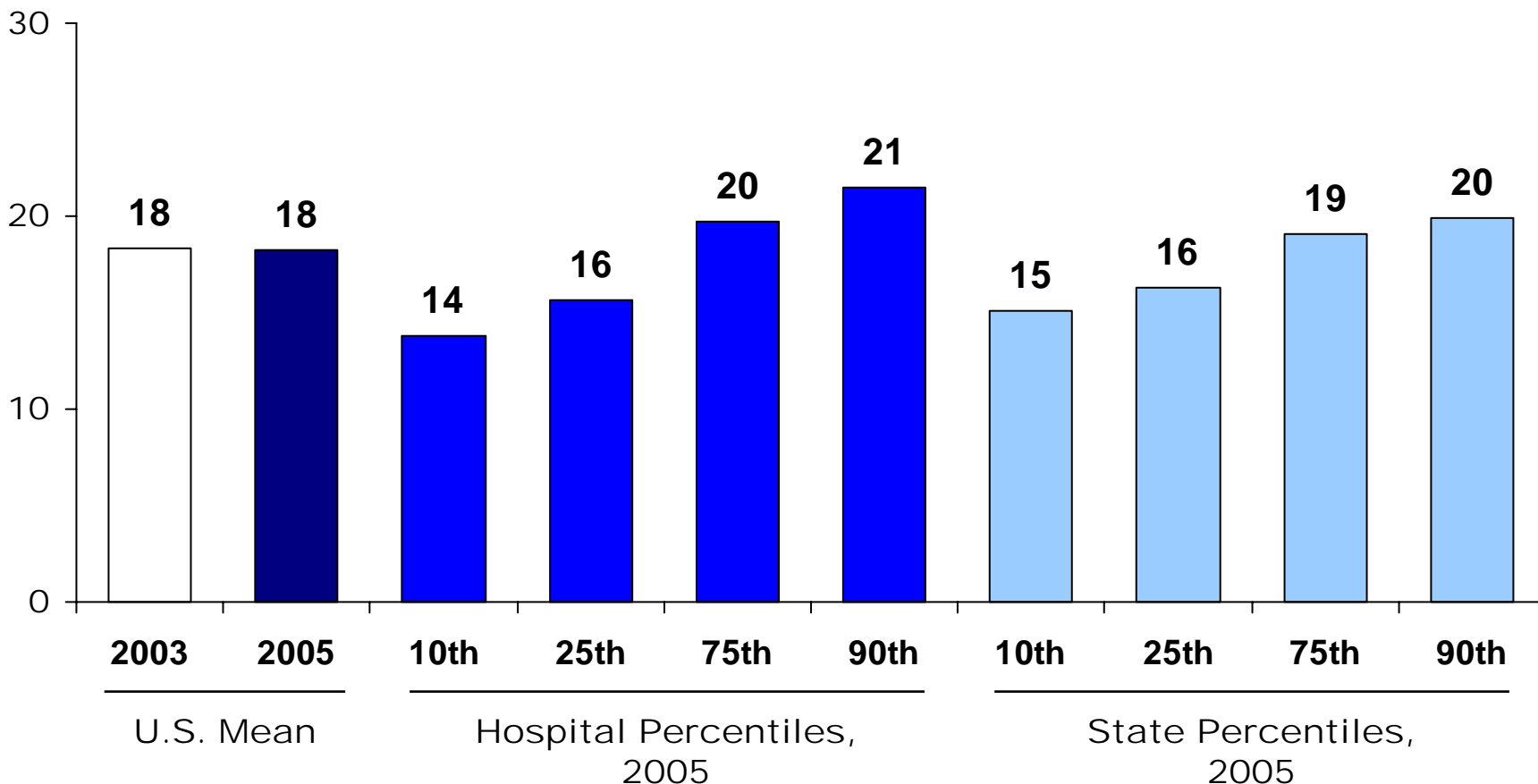
$R^2 = 0.42$



Source: Commonwealth Fund National Scorecard on U.S. Health System Performance, 2008.

Exhibit 8. Medicare Hospital 30-Day Readmission Rates

Percent of Medicare beneficiaries admitted for one of 31 select conditions who are readmitted within 30 days following discharge*



* See report Appendix B for list of conditions used in the analysis.

Data: G. Anderson and R. Herbert, Johns Hopkins University analysis of Medicare Standard Analytical Files (SAF) 5% Inpatient Data.

Source: Commonwealth Fund National Scorecard on U.S. Health System Performance, 2008.

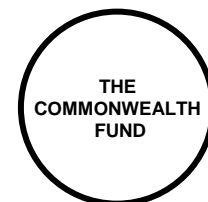
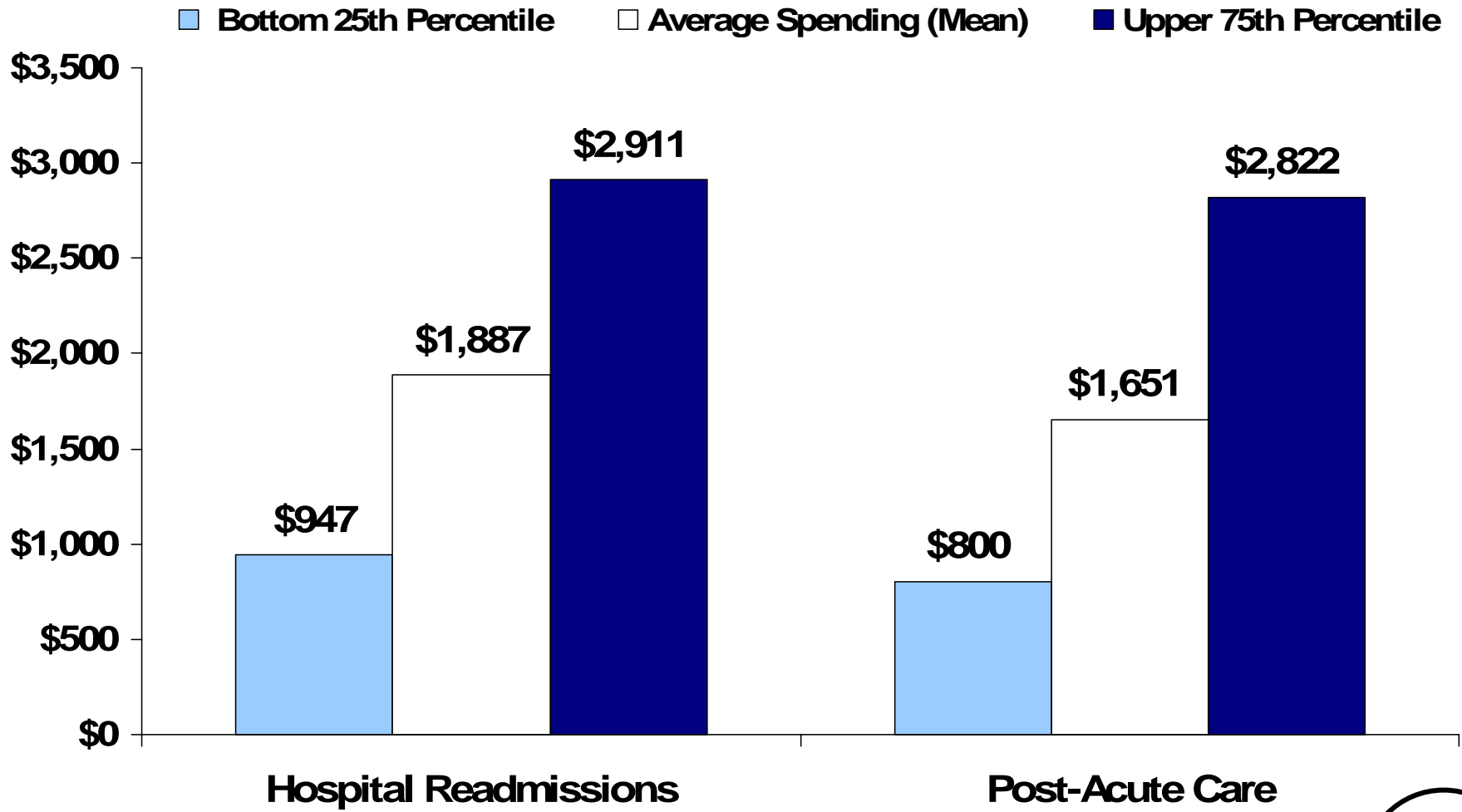


Exhibit 9. Average Risk-Adjusted Standardized Spending for Hospital Readmissions and Post-Acute Care After Coronary Artery Bypass, 2001–2003



Source: G. Hackbarth, R. Reischauer, and A. Mutti, "Collective Accountability for Medical Care—Toward Bundled Medicare Payments," *New England Journal of Medicine*, July 3, 2008 359(1):3–5.

Exhibit 10. Net Impact of Path Recommendations on National Health Expenditures Compared with Current Projection, 2010–2020 (in billions)

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Data: Estimates by The Lewin Group for The Commonwealth Fund.

Source: The Lewin Group, *The Path to a High Performance U.S. Health System: Technical Documentation* (Washington, D.C.: The Lewin Group, 2009).

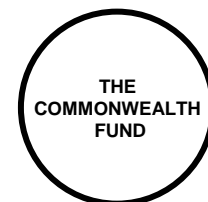
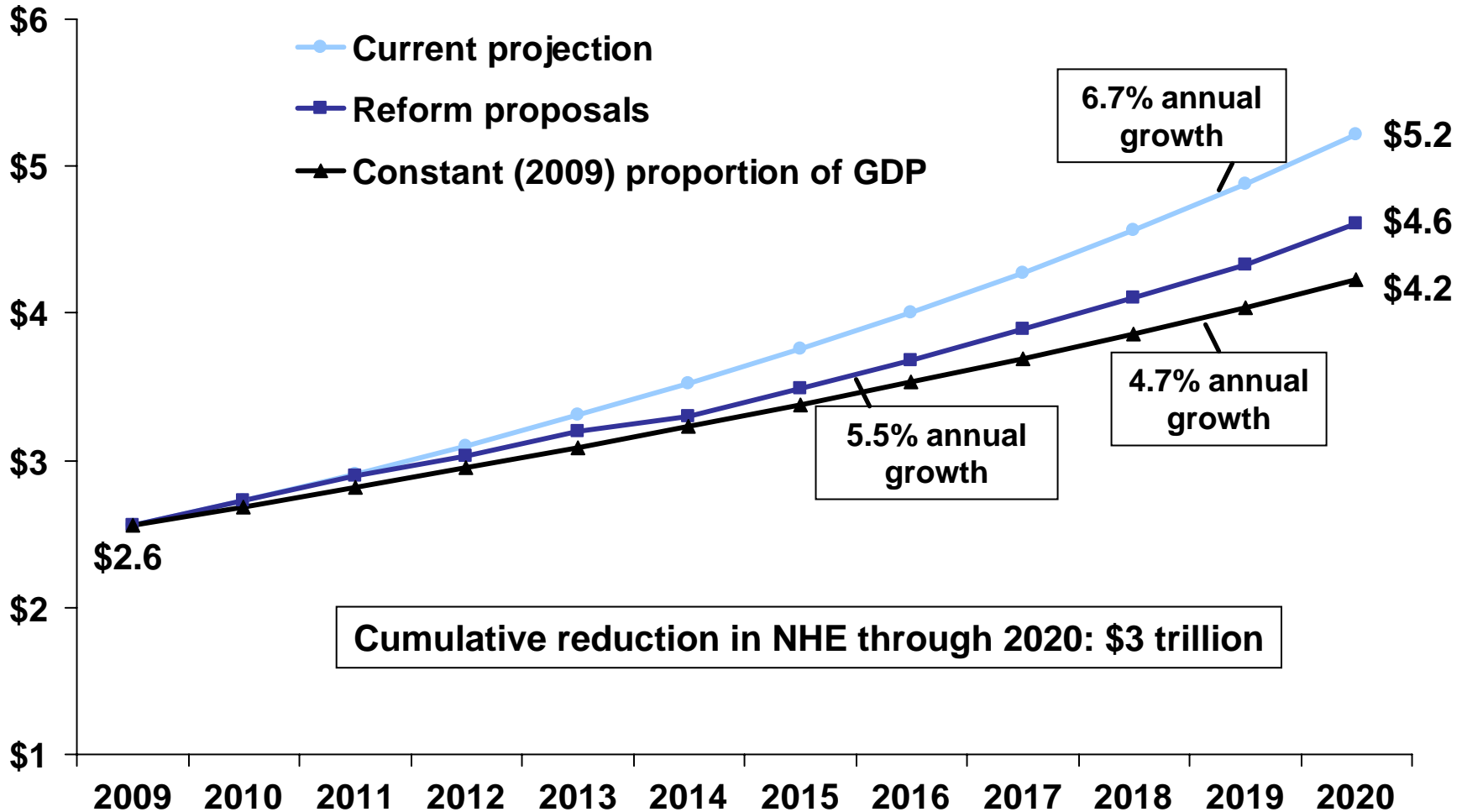


Exhibit 11. Total National Health Expenditures (NHE), 2009–2020

Current Projection and Alternative Scenarios

NHE in trillions



Note: GDP = Gross Domestic Product.

Data: Estimates by The Lewin Group for The Commonwealth Fund.

Source: The Commonwealth Fund Commission on a High Performance Health System, *The Path to a High Performance U.S. Health System: A 2020 Vision and the Policies to Pave the Way* (New York: The Commonwealth Fund, Feb. 2009).

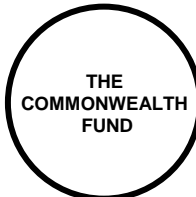
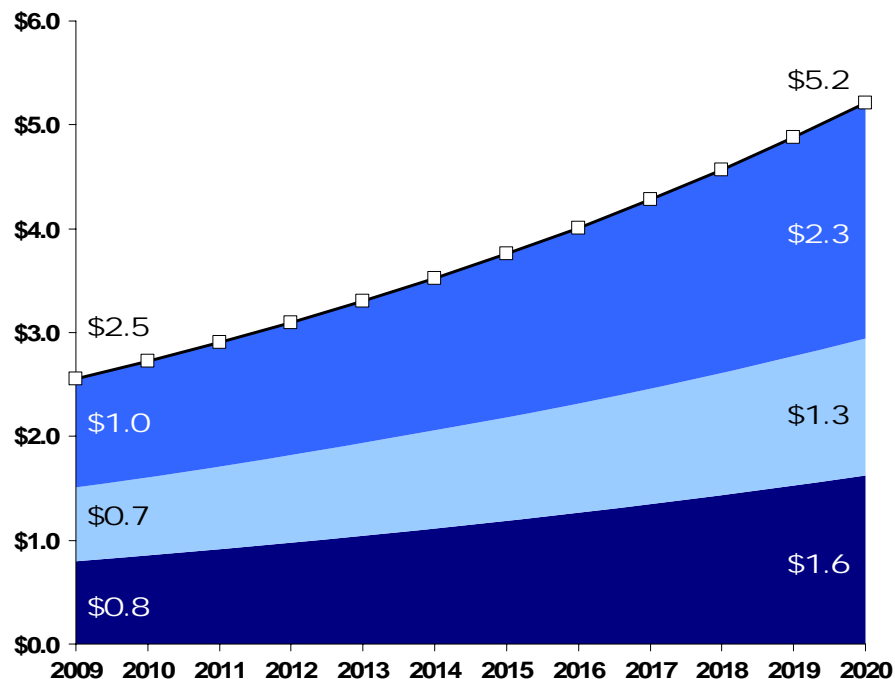


Exhibit 12. Total National Health Expenditure (NHE) Growth by Provider Group, Current Projections and with Policy Changes, 2009–2020

- Total NHE
- All other
- Physician & other professional
- Hospital

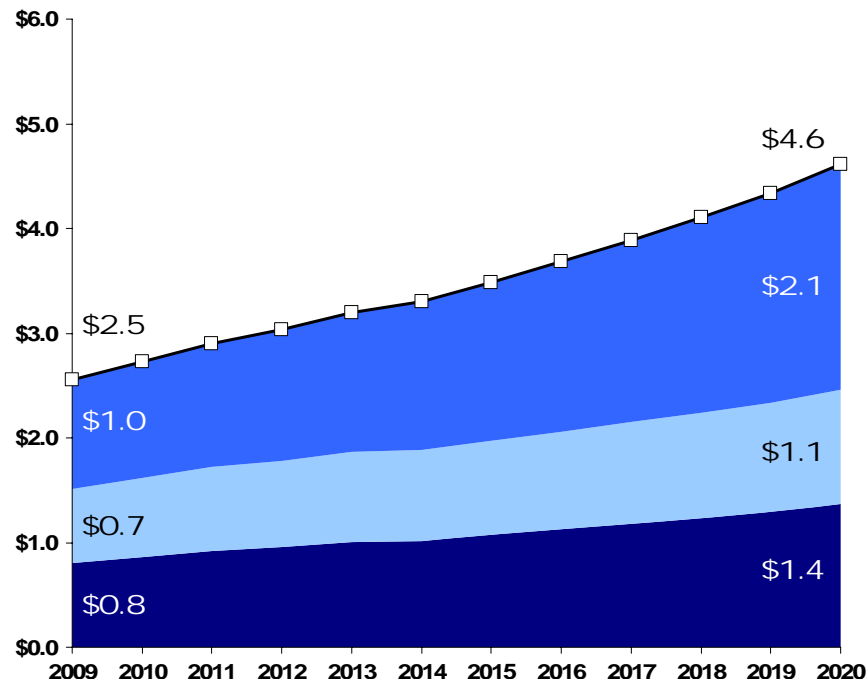
Projected Growth, Current Policy

Expenditure (trillions)



Revenue Growth with Path Policies

Expenditure (trillions)



Data: Estimates by The Lewin Group for The Commonwealth Fund.

Source: The Commonwealth Fund Commission on a High Performance Health System, *The Path to a High Performance U.S. Health System: A 2020 Vision and the Policies to Pave the Way* (New York: The Commonwealth Fund, Feb. 2009).

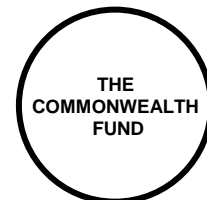
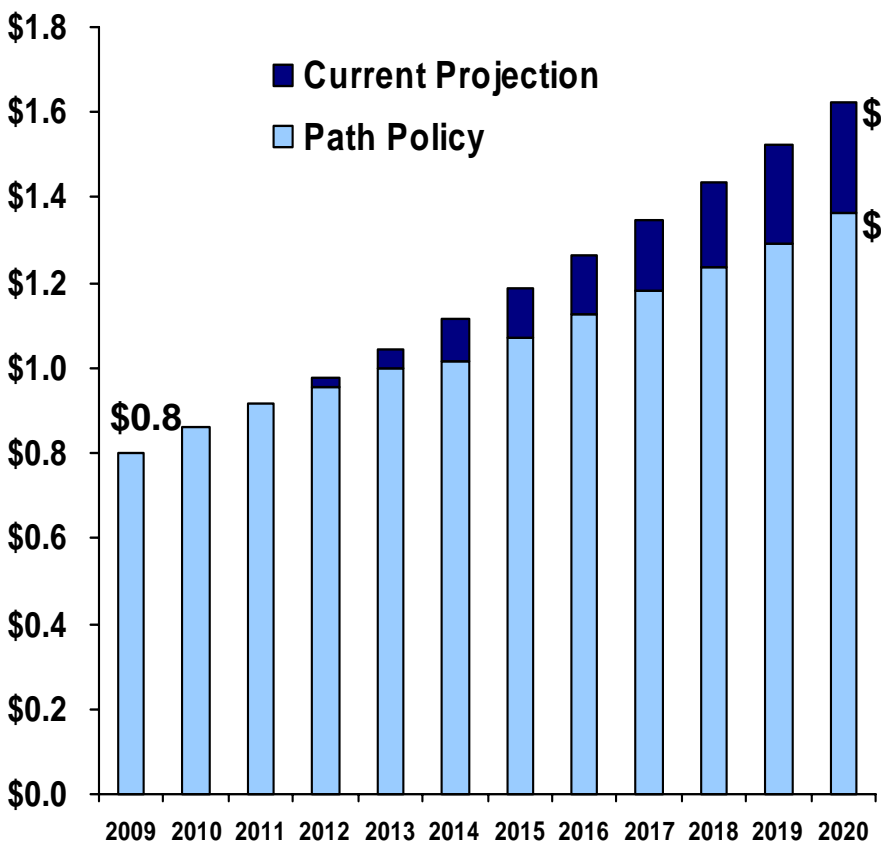
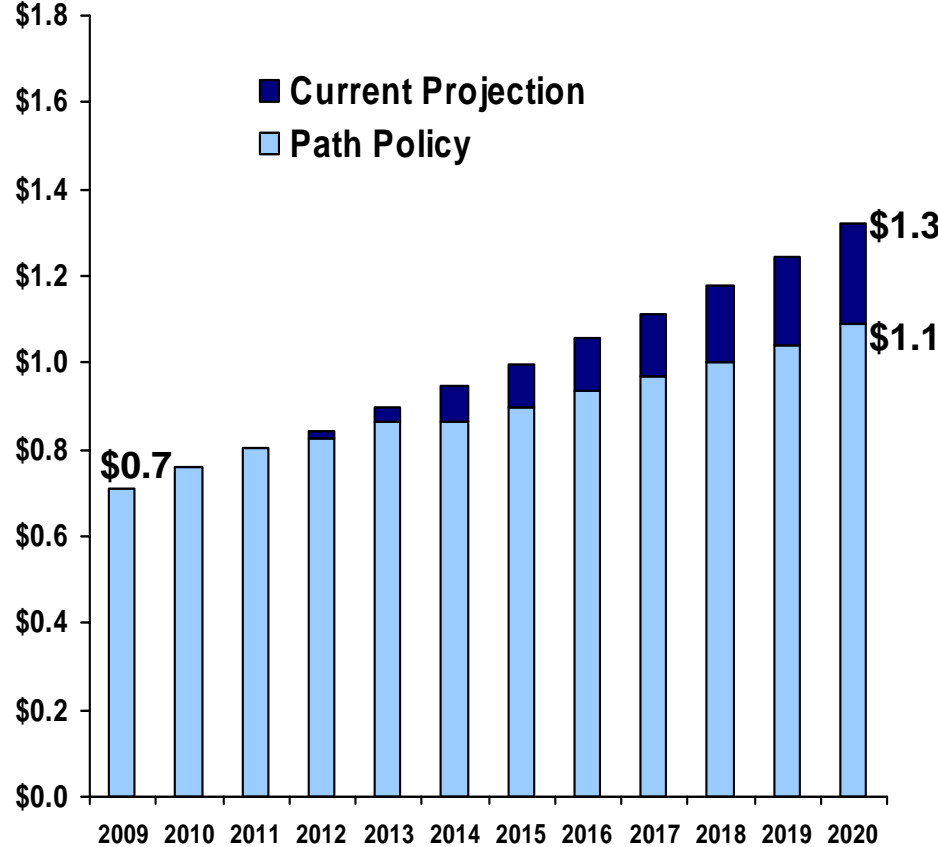


Exhibit 13. Total National Health Expenditure Growth for Hospitals and Physicians, Current Projections and with Policy Changes, 2009–2020

Hospital Expenditures (trillions)



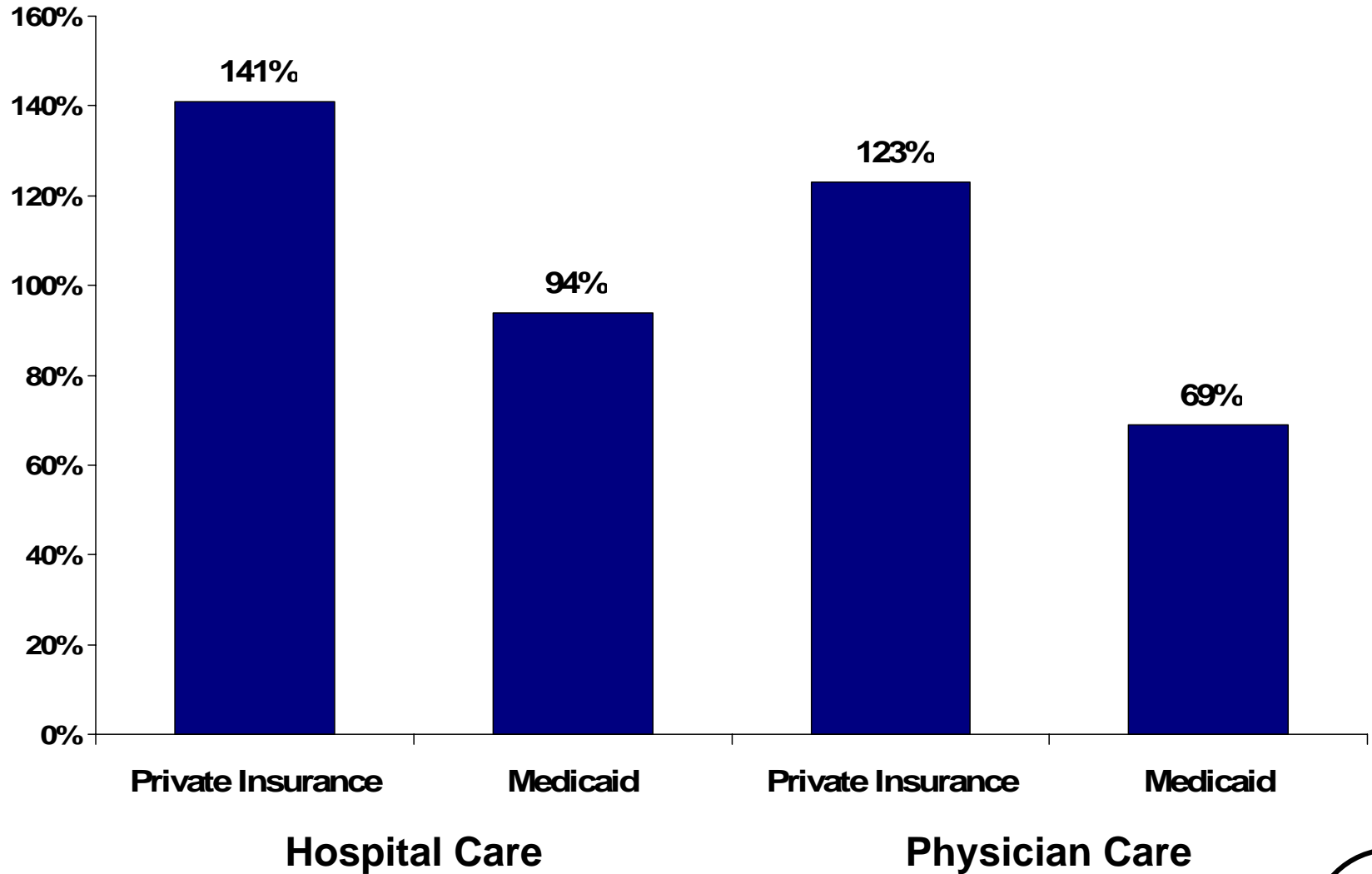
Physician Expenditures (trillions)



Data: Estimates by The Lewin Group for The Commonwealth Fund.
 Source: The Lewin Group, *The Path to a High Performance U.S. Health System: Technical Documentation* (Washington, D.C.: The Lewin Group, 2009).



Exhibit 14. Provider Payments as a Percent of Medicare Payments for Similar Services

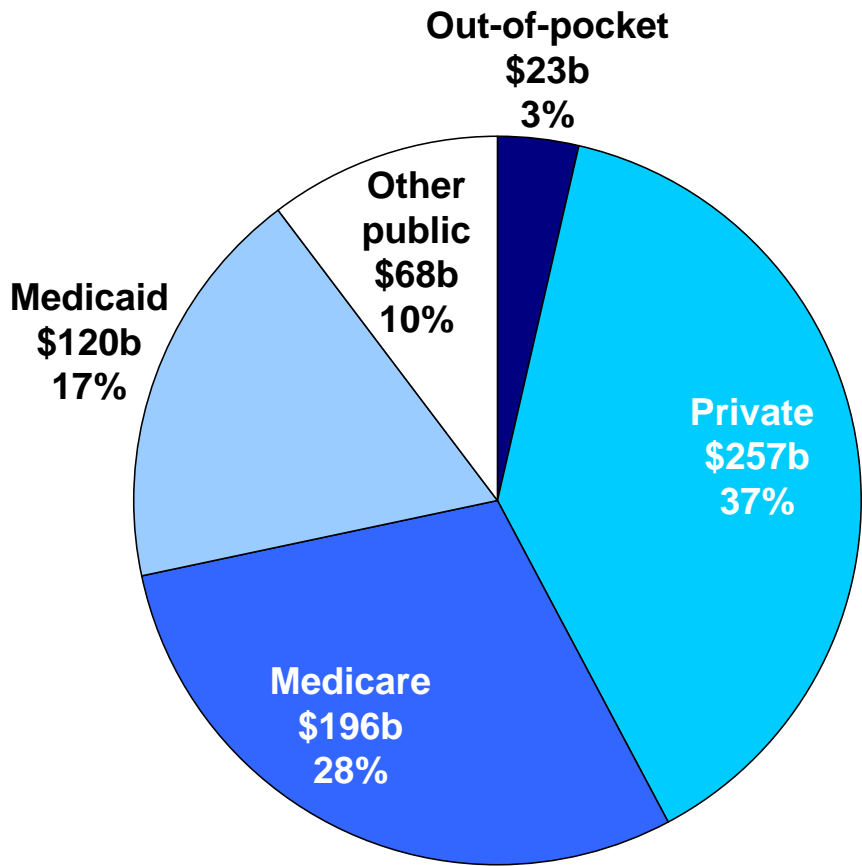


Data: American Hospital Association, MedPAC, Kaiser Family Foundation.

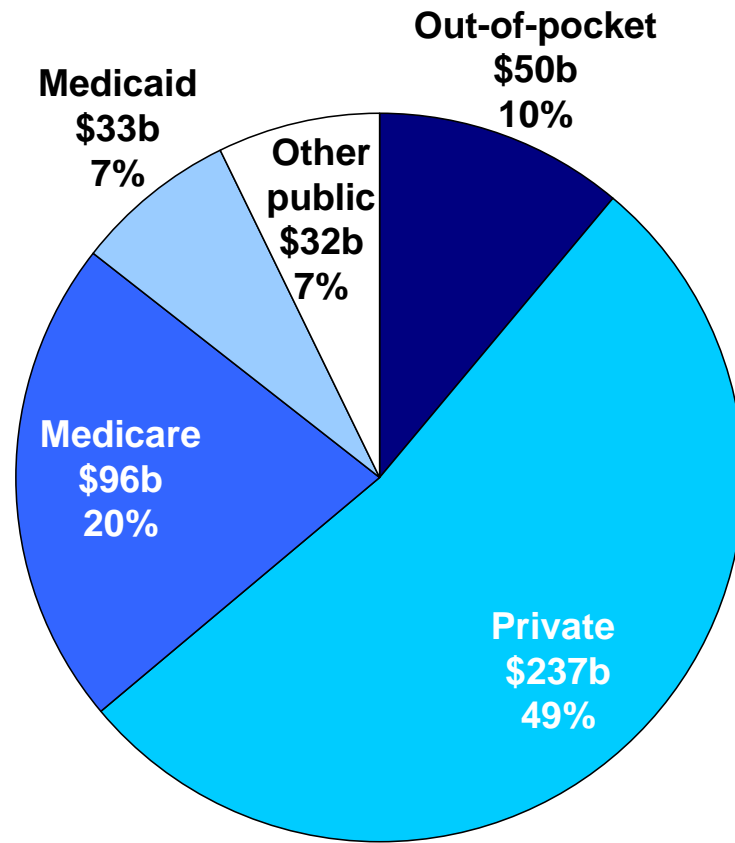
Source: The Lewin Group, *The Path to a High Performance U.S. Health System: Technical Documentation* (Washington, D.C.: The Lewin Group, 2009).



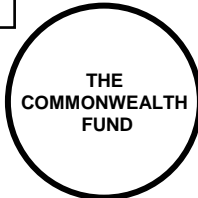
Exhibit 15. Expenditures for Health Services by Type of Service and Source of Funds, 2007 (billions)



Hospital Care
Total: \$697b



Physician and Clinical Services
Total: \$479b



Source: M. Hartman, A. Martin, P. McDonnell et al., "National Health Spending in 2007: Slower Drug Spending Contributes to Lowest Rate of Overall Growth Since 1998," *Health Affairs*, Jan./Feb. 2009 28(1):246-61.