Figure 1. Distribution of Health Insurance Coverage, New York State, 2004–2005

- **Uninsured**: 14%
- **Public**: 23%
- **Employer-sponsored**: 59%
- **Directly purchased**: 4%

16.5 million people

Note: Data include all persons below age 65.
Figure 2. Composition of New York’s Uninsured, 2004–2005

Note: Data include all persons below age 65. Data for the eligible but uninsured pertain to 2005; all other data are for 2004–05.
Figure 3. Why Are U.S. Health Care Expenditures High and Increasing More Rapidly than Incomes?

• National health spending expected to double over next 10 years—from $2 trillion to $4 trillion, rising from 16% to 20% of GDP

• New York has followed national trends

• Factors contributing to high and increasing costs without value (inefficient care)
  – Overuse, inappropriate use, duplication or ineffective care
  – Access barriers, lack of prevention, complications of disease
  – Payment and pricing incentives that reward doing more without consideration of value or quality/outcomes
  – Weak and undervalued primary care (vs. specialized care)
  – Inadequate information systems and information on what works
  – Poor care coordination
  – Safety concerns: adverse drug events, infections, etc.
  – High overhead costs: insurance administrative complexity

• Factors contributing to long-term trends—amenable to policy
  – New technologies without comparative information on clinical or cost effectiveness to guide decisions about adoption
  – Rising rates of chronic disease—public health
  – Few leverage points to encourage more efficient care
Figure 4

Medicare Reimbursement and 30-Day Readmissions by State, 2003

DATA: Medicare reimbursement – 2003 Dartmouth Atlas of Health Care; Medicare readmissions – 2003 Medicare SAF 5% Inpatient Data
SOURCE: Commonwealth Fund State Scorecard on Health System Performance, 2007
Figure 5. Modest Savings Accumulate: New York State Health Spending Under Alternative Scenarios

Cumulative savings projections, 2007–2015:
One-time savings of 5%: $94.4 billion
Slowing trend (1% off trend): $100.4 billion