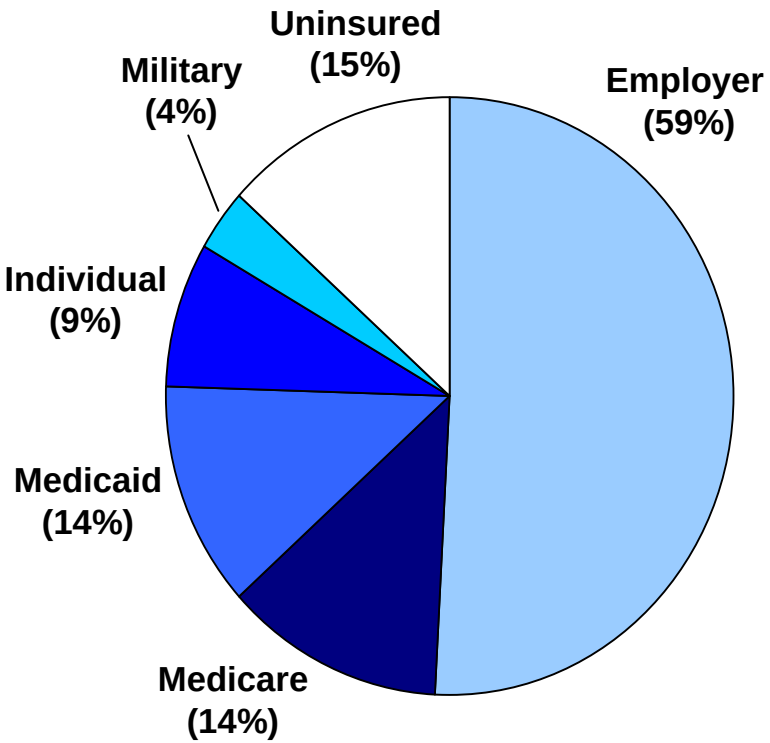
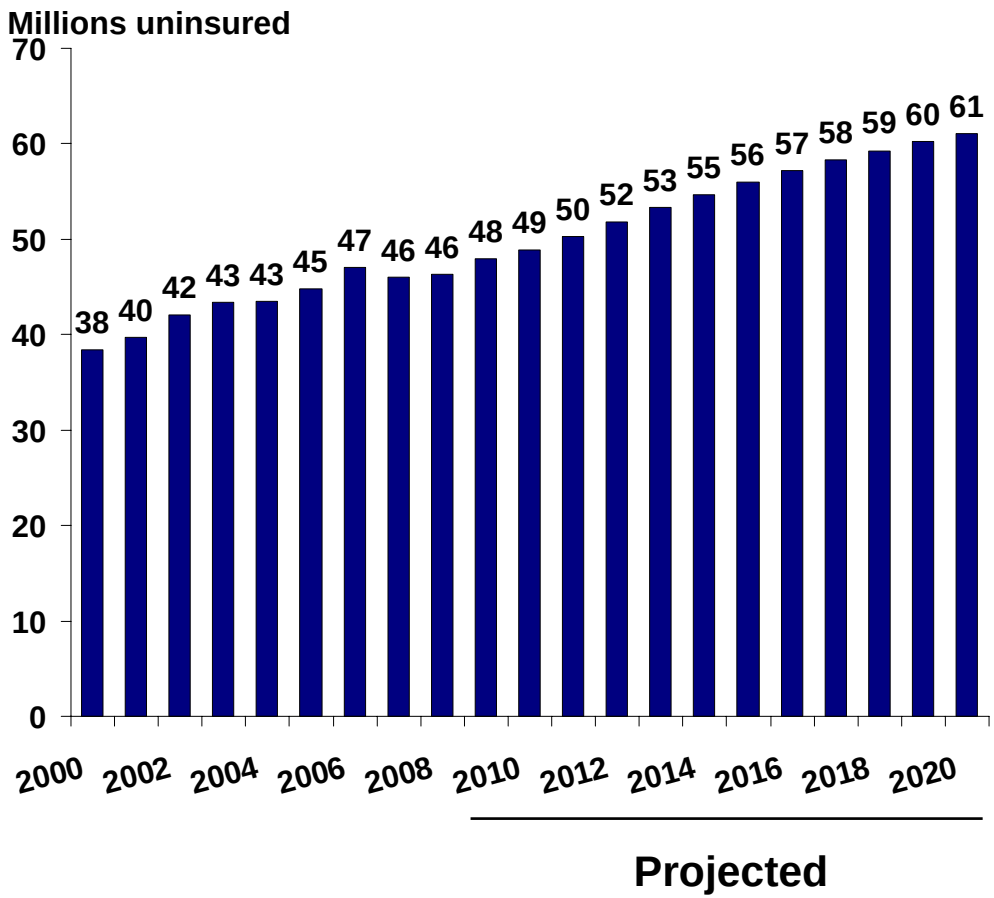
Figure 1. Health Insurance Coverage and Uninsured Trends

46.3 Million Uninsured, 2008



Total population

Uninsured Projected to Rise to 61 million by 2020



Data: Analysis of the U.S. Census Bureau, Current Population Survey Annual Social and Economic Supplement 2001–2009; projections to 2020 based on estimates by The Lewin Group.
Source: K. Davis, *Changing Course: Trends in Health Insurance Coverage, 2000–2008*, Hearing on "Income, Poverty, and Health Insurance Coverage: Assessing Key Consensus Indicators of Family Well-Being in 2008," Joint Economic Committee, U.S. House of Representatives, September 10, 2009.

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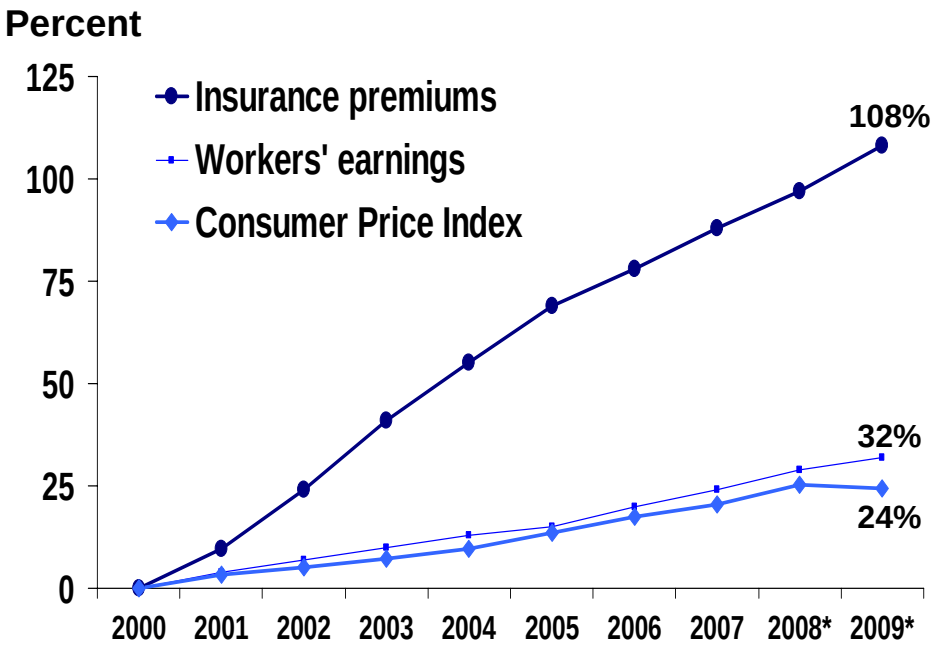
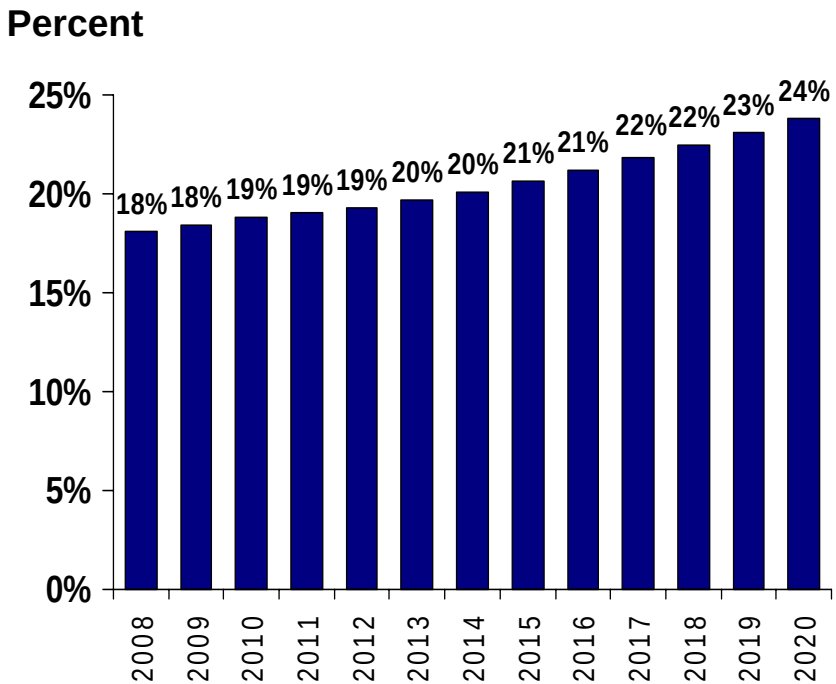
Figure 2. Premiums Rising Faster Than Inflation and Wages

Cumulative Changes in Components of U.S. National Health Expenditures and Workers' Earnings, 2000–2009



Projected Average Family Premium as a Percentage of Median Family Income, 2008–2020



* 2008 and 2009 NHE projections.

Data: Calculations based on M. Hartman et al., "National Health Spending in 2007," *Health Affairs*, Jan./Feb. 2009 and A. Sisko et al., "Health Spending Projections through 2018," *Health Affairs,* March/April 2009. Premiums, CPI and Workers' earnings from Henry J. Kaiser Family Foundation/Health Research and Educational Trust, *Employer Health Benefits Annual Surveys, 2000–2009*.

Source: K. Davis, *Why Health Reform Must Counter the Rising Costs of Health Insurance Premiums,* (New York: The Commonwealth Fund, August 2009).

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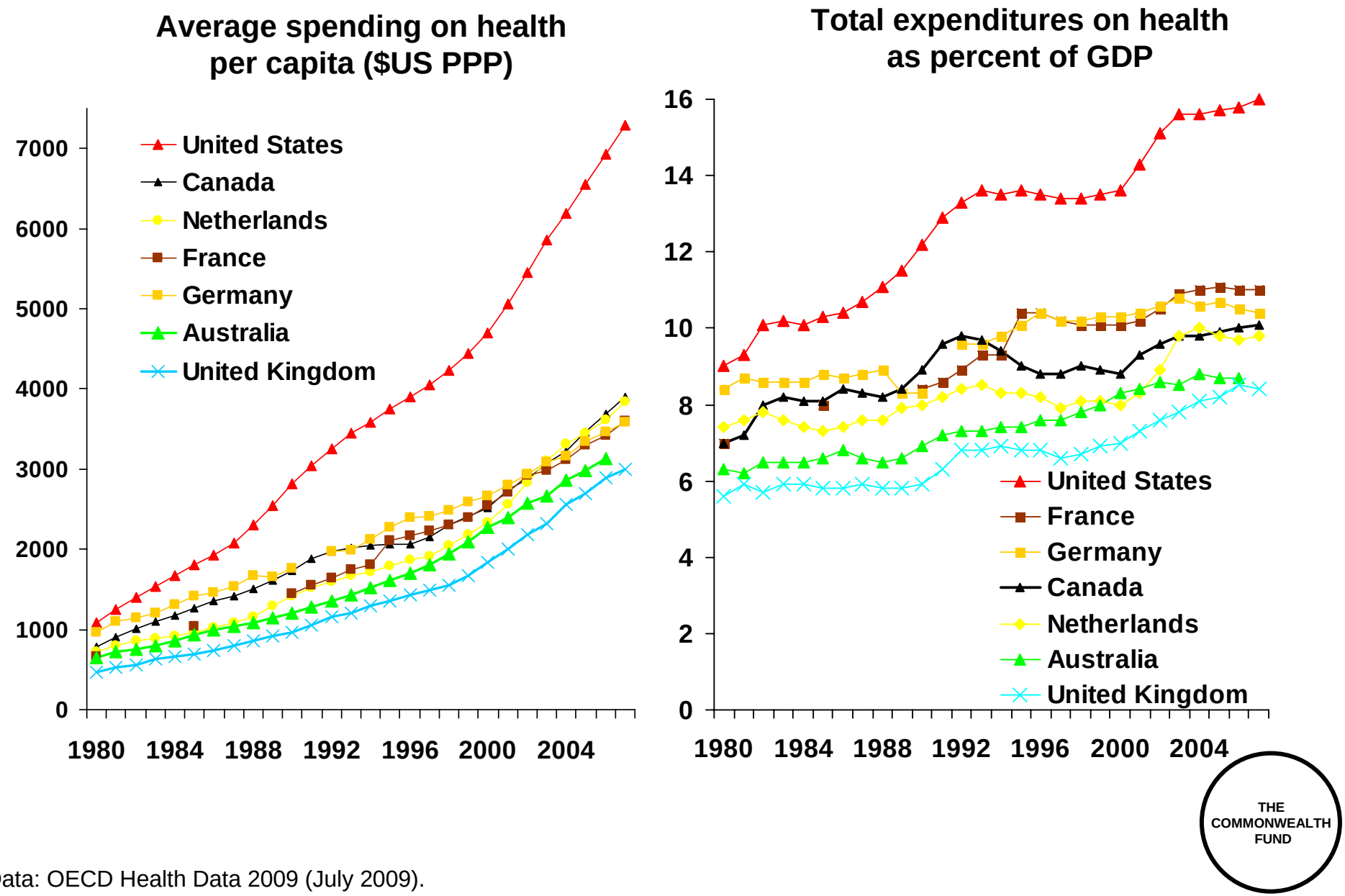
Figure 3. International Comparison of Spending on Health, 1980–2007



Data: OECD Health Data 2009 (July 2009).

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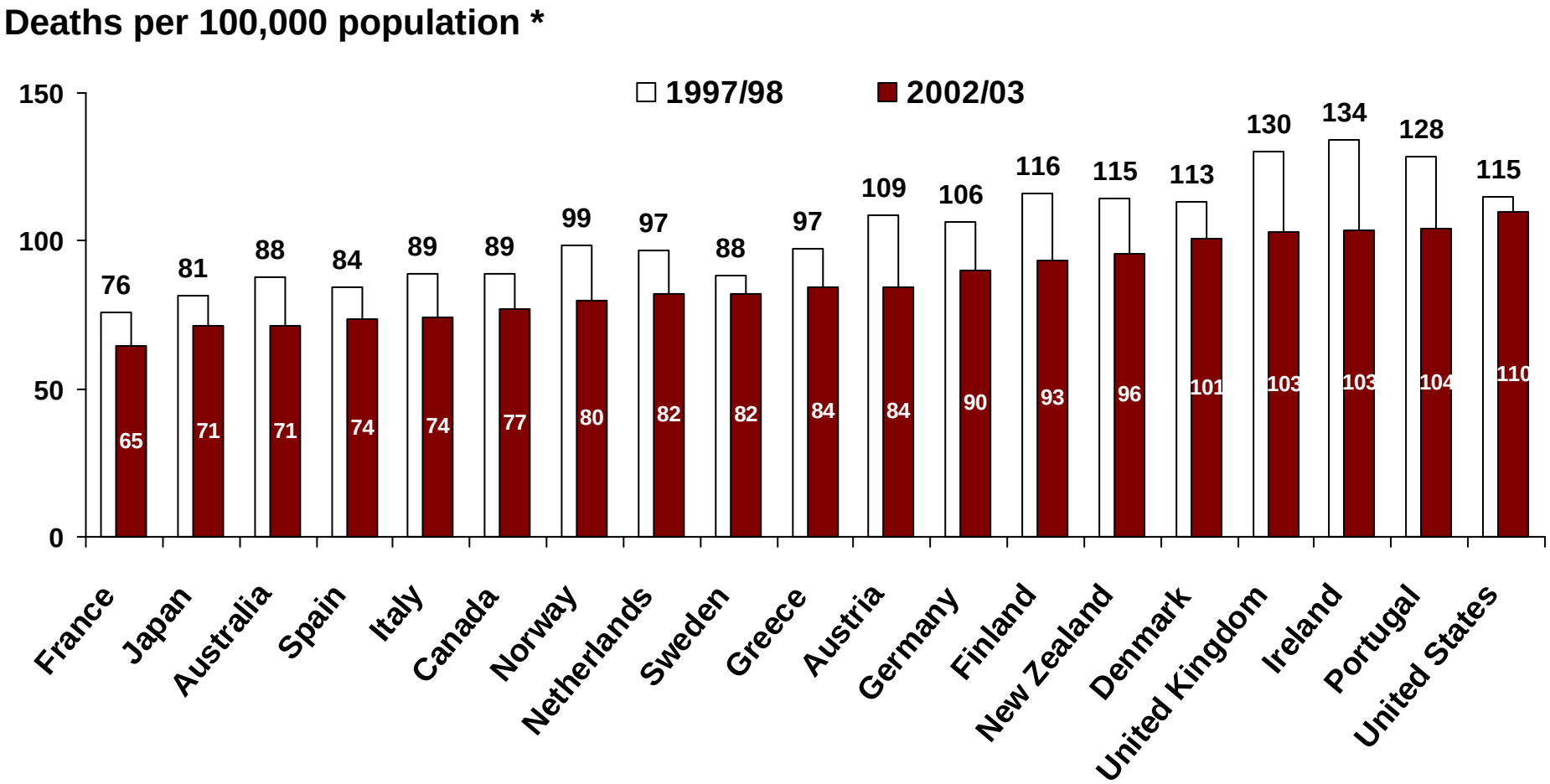
Figure 4. Mortality Amenable to Health Care
U.S. Rank Fell from 15 to Last out of 19 Countries



* Countries' age-standardized death rates before age 75; from conditions where timely effective care can make a difference. Includes: Diabetes, asthma, ischemic heart disease, stroke, infections screenable cancer.
Data: E. Nolte and C. M. McKee, "Measuring the Health of Nations," Health Affairs, Jan/Feb 2008).

Source: The Commonwealth Fund Commission on a High Performance Health System, *Why Not the Best? Results from the National Scorecard on U.S. Health System Performance, 2008*, (New York: The Commonwealth Fund, July 2008).

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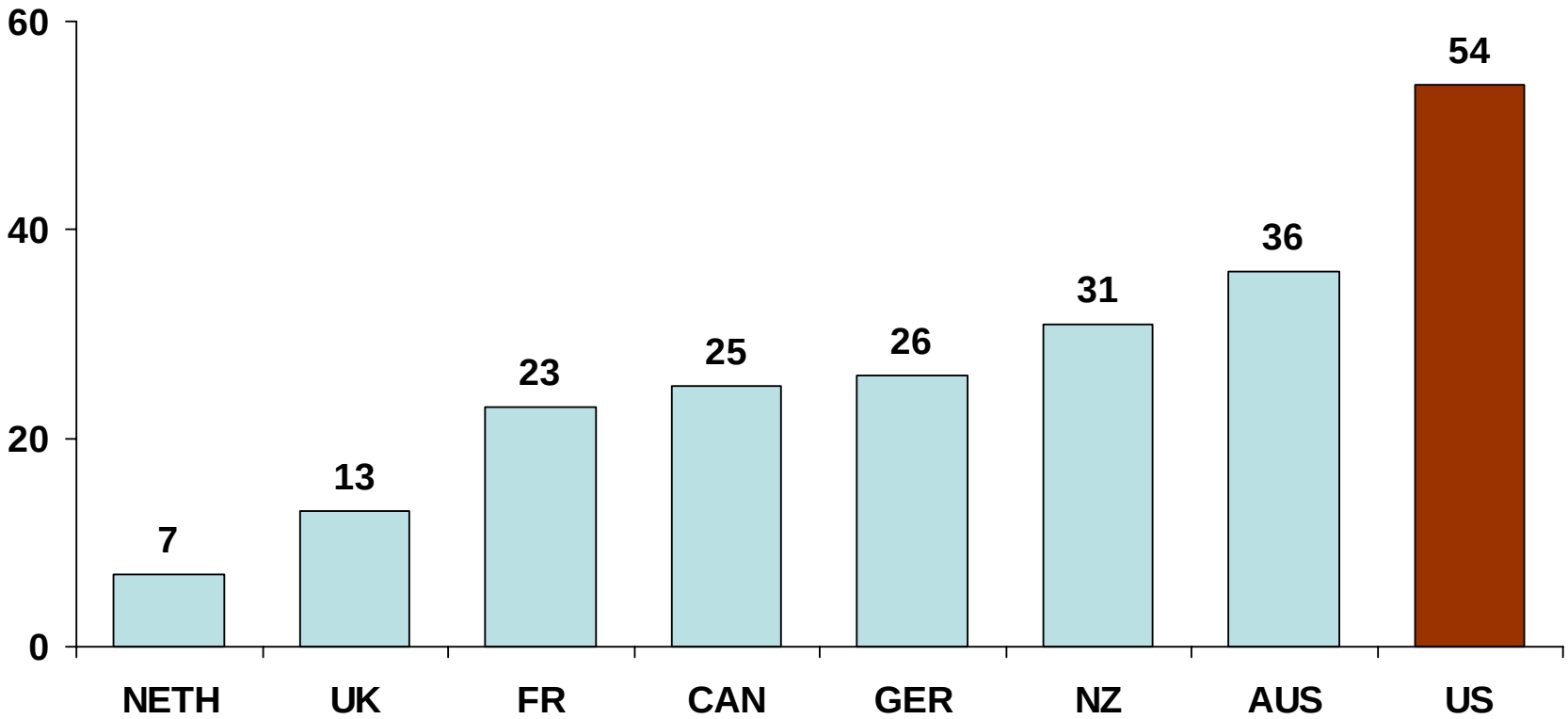
Figure 5. Cost-Related Access Problems Among the Chronically Ill, in Eight Countries, 2008

Base: Adults with any chronic condition

Percent reported access problem due to cost in past two years*



* Due to cost, respondent did NOT: fill Rx or skipped doses, visit a doctor when had a medical problem, and/or get recommended test, treatment, or follow-up.

Data: The Commonwealth Fund International Health Policy Survey of Sicker Adults (2008).

Source: C. Schoen et al., "In Chronic Condition: Experiences of Patients with Complex Healthcare Needs in Eight Countries, 2008," *Health Affairs* Web Exclusive, Nov. 13, 2008.

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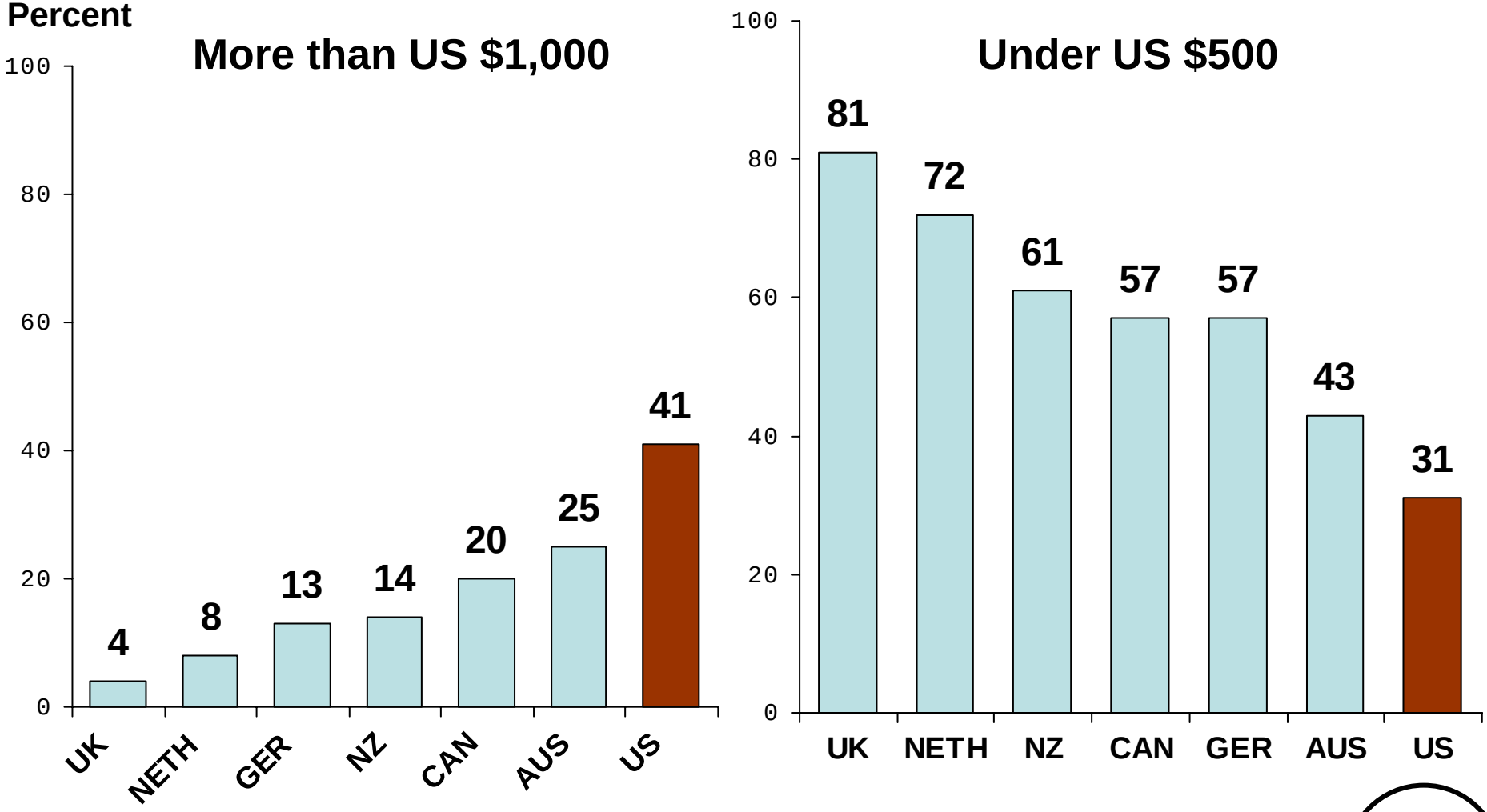
Figure 6. Out-of-Pocket Medical Costs in Past Year, 2008

Base: Adults with any chronic condition

Percent



Data: 2008 Commonwealth Fund International Health Policy Survey of Sicker Adults
Source: C. Schoen et al., "In Chronic Condition: Experiences of Patients with Complex Healthcare Needs in Eight Countries, 2008", *Health Affairs* Web Exclusive, November 13, 2008.

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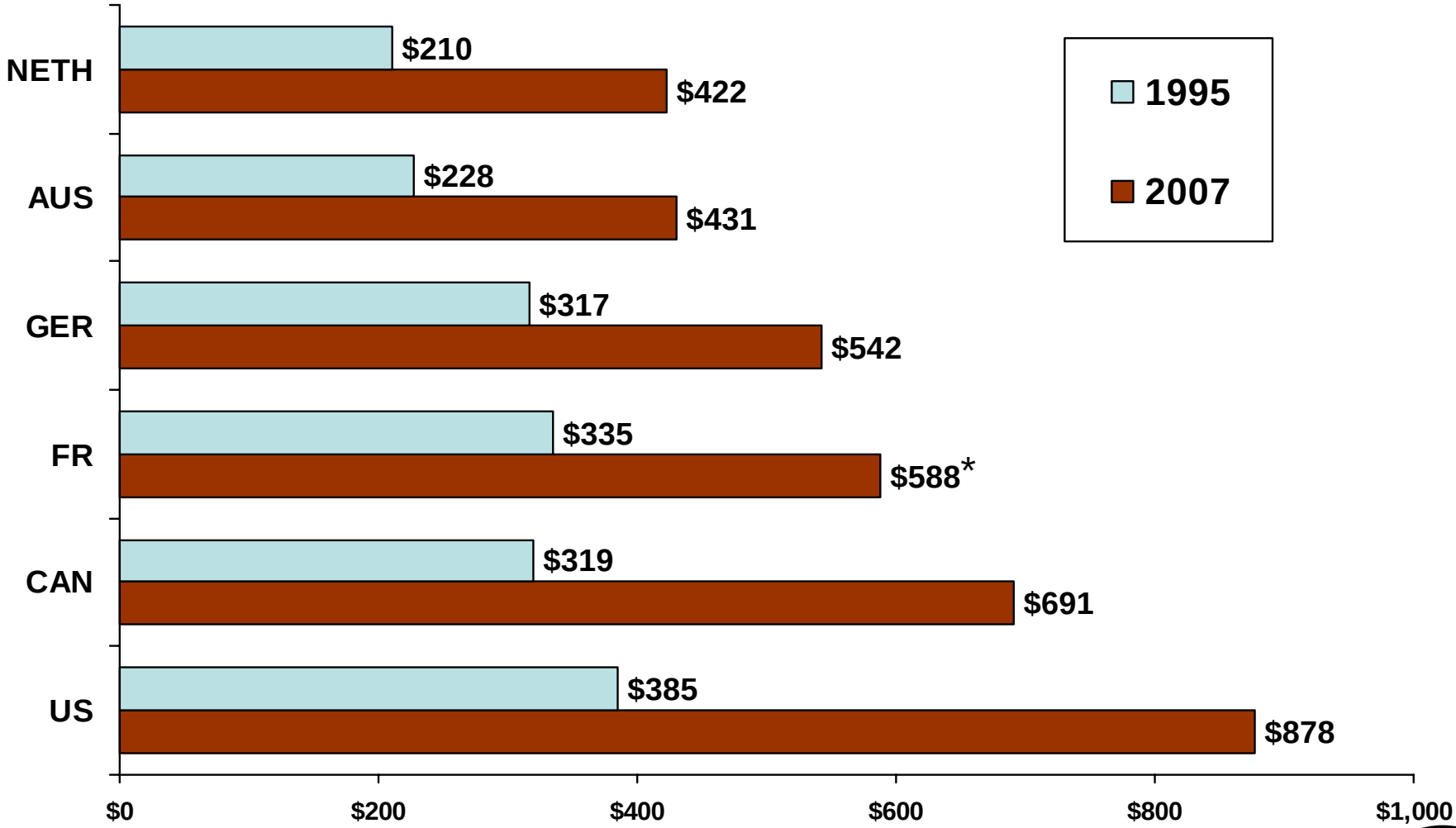
Figure 7. Pharmaceutical Spending per Capita: 1995, 2007
Adjusted for Differences in Cost of Living



*2006

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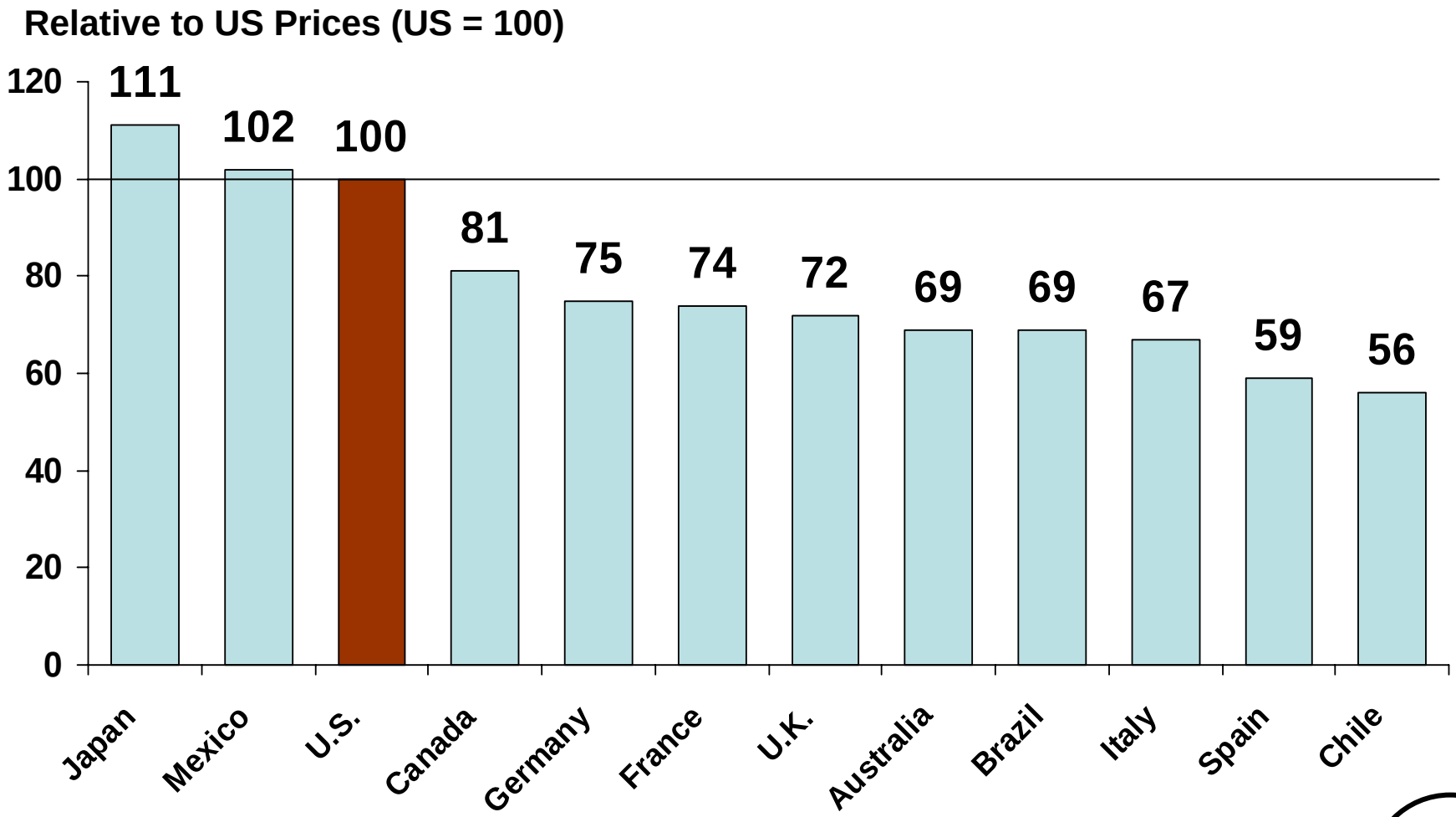
Source: OECD Health Data 2009.

Figure 8. Pharmaceutical Price Indices, 2005
Manufacturer Prices at Exchange Rates



Data: World Development Indicators, 2005; and authors' calculations based on data from IMS Health MIDAS database, 2005.

Source: P.M. Danzon and M.F. Furukawa, "International Prices And Availability Of Pharmaceuticals In 2005," *Health Affairs*, 27, no. 1 (2008): 221-233.

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Figure 9. Cost Sharing and Protection Mechanisms for Outpatient Prescription Drugs in Six European Countries, 2008

Country	Outpatient prescription drugs	Exemptions	Annual caps on out-of-pocket spending
Denmark	*Deductible*: DKK520 ($93) per 12-month period. *Co-insurance*: varies depending on 12-month drug costs above the deductible; DKK520-1,260 ($225): 50%; DKK1,260-2,950 ($526): 25%; >DKK2,950 ($526): 15%.	Children <18. People with very low income and terminally-ill people can apply for financial assistance. The reimbursement rate may be increased for some very expensive drugs.	*Chronically-ill people*: DKK 3,805 ($678).
England	*Co-payment*: £7.10 ($10) per prescription.	Children <16, people aged 16-18 in full-time education, people aged 60 or over, people with low income, pregnant women and women who have given birth in the last 12 months; war pensioners, people with certain medical conditions and disabilities, prescribed contraceptives, drugs administered by a GP or at a walk-in centre, drugs for treatment of sexually-transmissible infections.	*Annual pre-payment certificate*: £102.50 ($147).
France	*Co-insurance*: 0% for highly effective drugs; 35%, 65% and 100% for drugs of limited therapeutic value. *Non-reimbursable co-payment*: €0.50 ($0.6) per prescription.	*Co-insurance*: People receiving invalidity and work injury benefits, people with one of 30 chronic or serious conditions (for that condition only), low income people. *Non-reimbursable co-payments*: Children <18 and low income people.	*Non-reimbursable co-payments*: €50 ($66) per person per year for all health care, not just prescription drugs.
Germany	*Co-insurance with minimum and maximum co-payment:* 10% of the cost of drugs priced between €50 ($66) and €100 ($130), with a minimum of €5 ($6.5) and a maximum of €10 ($13) per prescription, plus costs above a reference price (about 7% of drugs).	Children <18. No charge for drugs that are at least 30% below the reference price (around 40% of drugs).	*For all cost sharing*: 2% of household income (1% for chronically-ill people). Household income is calculated as lower for dependants.
Netherlands	None.	N/A	N/A
Sweden	*Deductible*: SEK900 ($105) in a 12-month period. *Co-insurance*: varies depending on 12-month drug costs above the deductible; SEK900-1,700 ($198) – 50%; SEK1,700-3,300 ($384) – 25%; SEK3,300-4,300 ($500) – 10%; >SEK4,300 ($500) – 0%.	None.	*12-month cap*: SEK4,300 ($500).

Source: S. Thompson and E. Mossialos, *Primary Care and Prescription Drugs: Coverage, Cost Sharing and Financial Protection in Six European Countries*, (New York: The Commonwealth Fund, forthcoming 2009).

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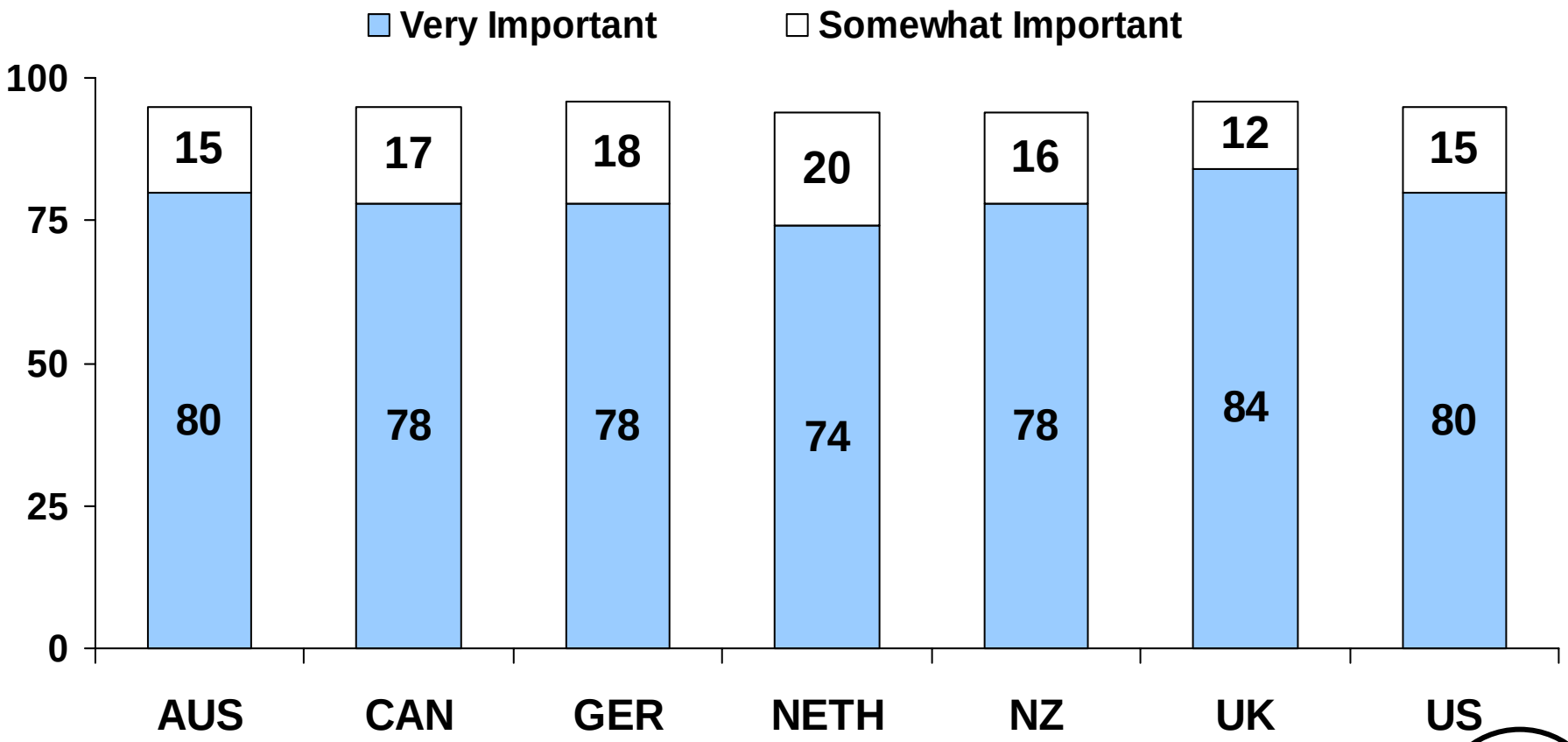
Figure 10. Strong Public Support for Having A "Medical Home": Accessible, Personal, Coordinated Care

When you need care, how important is it that you have one practice/clinic where doctors and nurses know you, provide and coordinate the care that you need?

Percent very or somewhat important



Source: 2007 Commonwealth Fund International Health Policy Survey. C. Schoen, et al. "Toward Higher Performance Health Systems: Adults' Experiences in Seven Countries, 2007," *Health Affairs* Web Exclusive, Oct. 31, 2007.

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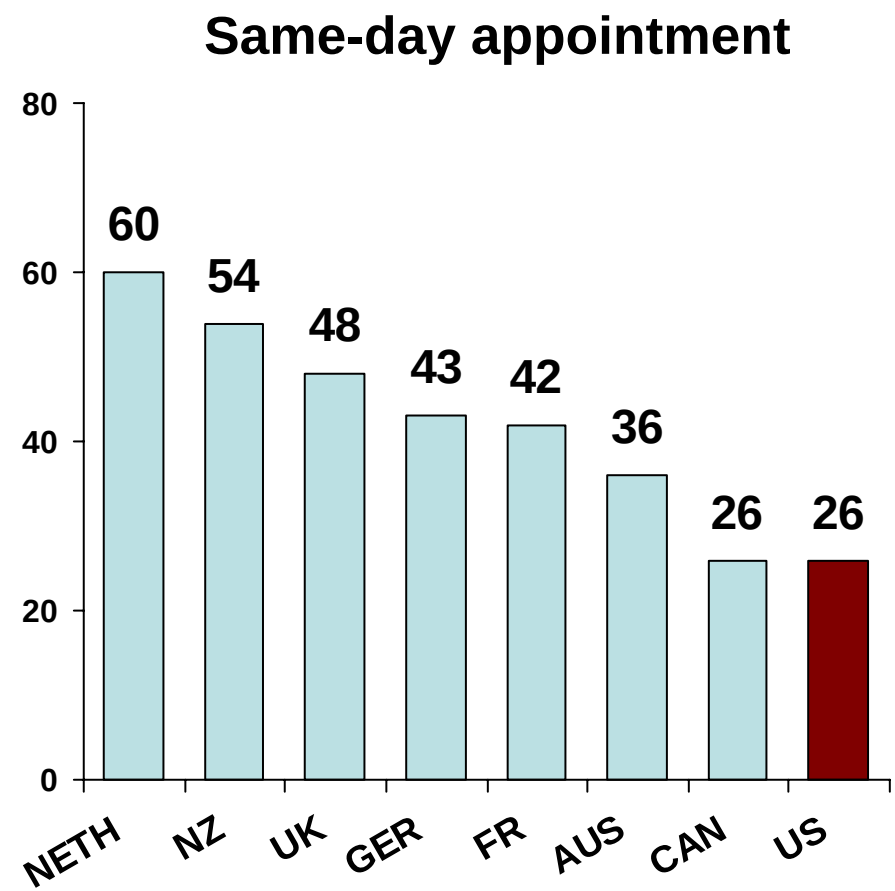
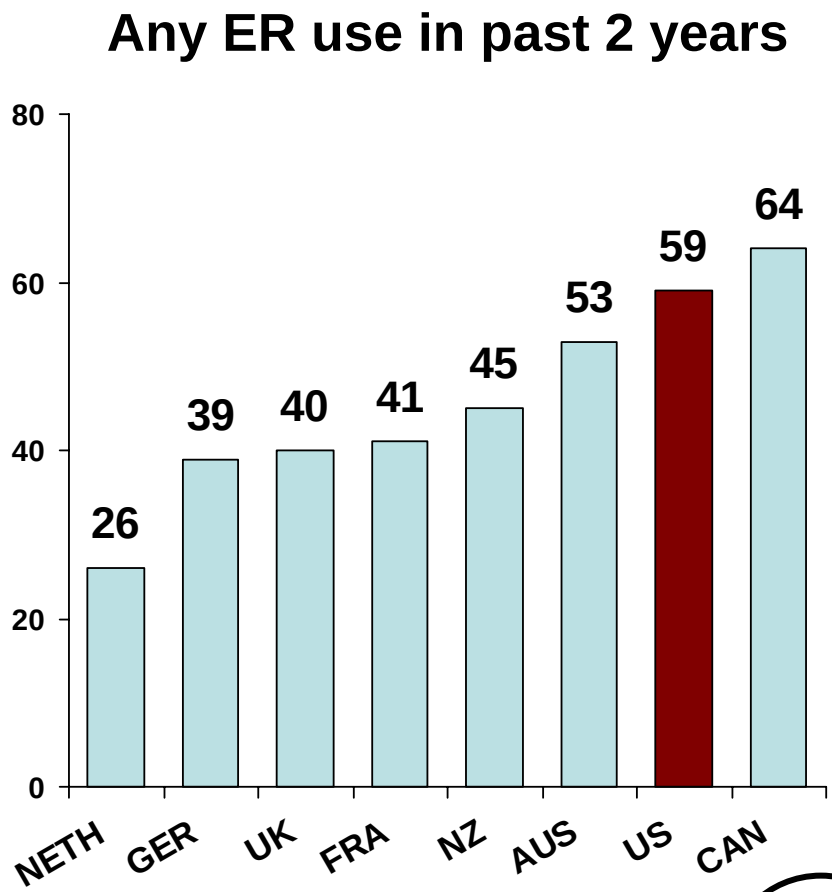
Figure 11. Access to Doctor When Sick or Needed Care, 2008

Base: Adults with any chronic condition

Percent





Data: 2008 Commonwealth Fund International Health Policy Survey of Sicker Adults
Source: C. Schoen et al., "In Chronic Condition: Experiences of Patients with Complex Healthcare Needs in Eight Countries, 2008", *Health Affairs* Web Exclusive, November 13, 2008.

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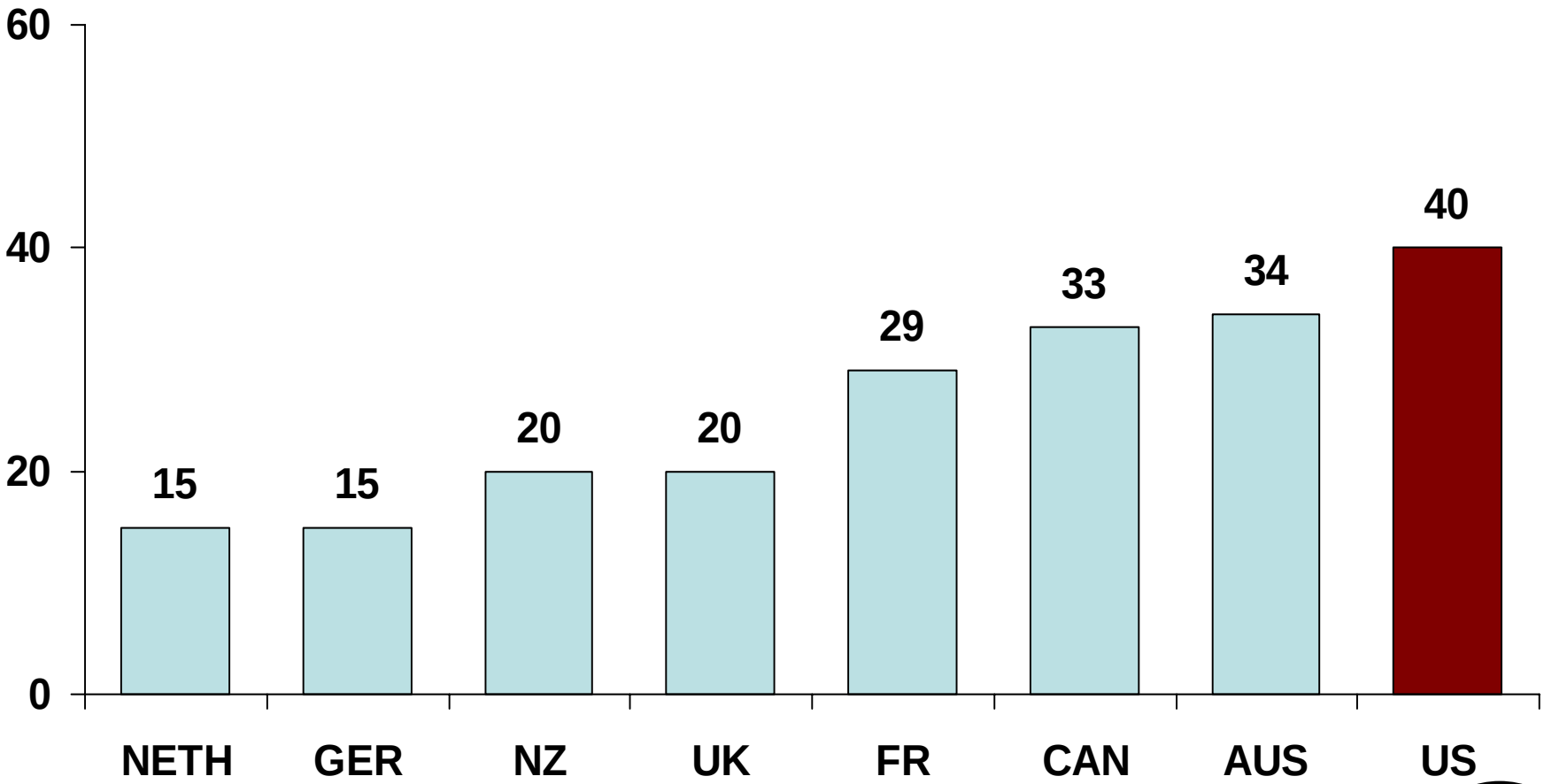
Figure 12. Difficulty Getting Care After Hours Without Going to the Emergency Room

Base: Adults with any chronic condition who needed after-hours care

Percent reported *very difficult* getting care on nights, weekends, or holidays without going to ER



Data: 2008 Commonwealth Fund International Health Policy Survey of Sicker Adults
Source: C. Schoen et al., "In Chronic Condition: Experiences of Patients with Complex Healthcare Needs in Eight Countries, 2008", *Health Affairs* Web Exclusive, November 13, 2008.

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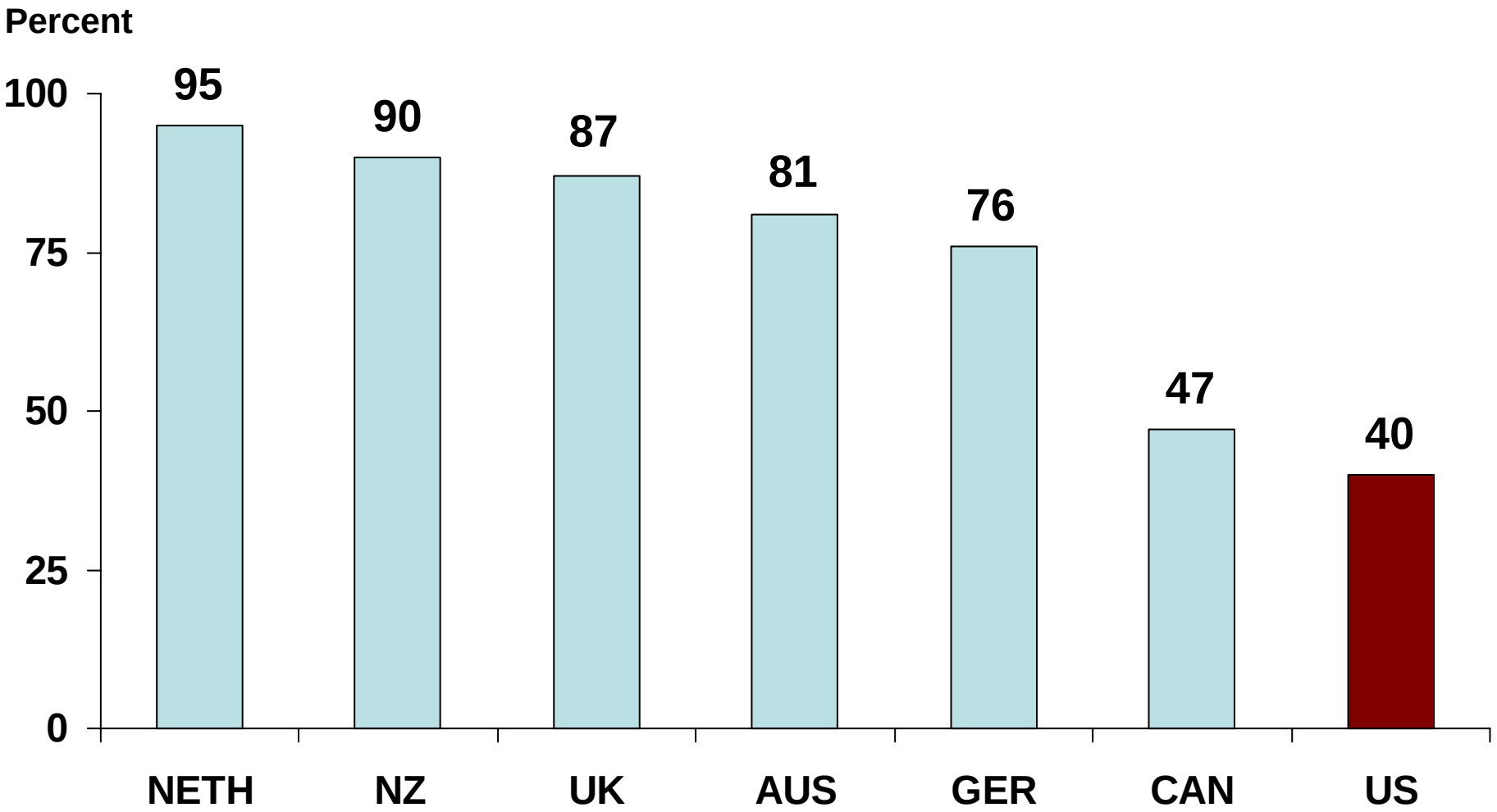
Figure 13. Primary Care Doctors: Practice Has Arrangement for After-Hours Care to See Nurse/Doctor, 2006



Data: 2006 Commonwealth Fund International Health Policy Survey of Primary Care Physicians.
Source: Schoen et al., "On The Front Lines of Care: Primary Care Doctors' Office Systems, Experiences, and Views in Seven Countries," *Health Affairs* Web Exclusive, Nov. 2, 2006.

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Figure 14. U.S. Chronically Ill Patient Experiences: Access, Coordination & Safety, 2008

Base: Adults with any chronic condition

Percent reported in past 2 years:	AUS	CAN	FR	GER	NETH	NZ	UK	US
Access problem due to cost*	36	25	23	26	7	31	13	54
Coordination problem**	23	25	22	26	14	21	20	34
Medical, medication, or lab error***	29	29	18	19	17	25	20	34

*Due to cost, respondent did NOT: fill Rx or skipped doses, visit a doctor when had a medical problem, and/or get recommended test, treatment, or follow-up.

**Test results/records not available at time of appointment and/or doctors ordered test that had already been done.

***Wrong medication or dose, medical mistake in treatment, incorrect diagnostic/lab test results, and/or delays in abnormal test results.

Data: 2008 Commonwealth Fund International Health Policy Survey of Sicker Adults
Source: C. Schoen et al., "In Chronic Condition: Experiences of Patients with Complex Healthcare Needs in Eight Countries, 2008", *Health Affairs* Web Exclusive, November 13, 2008.

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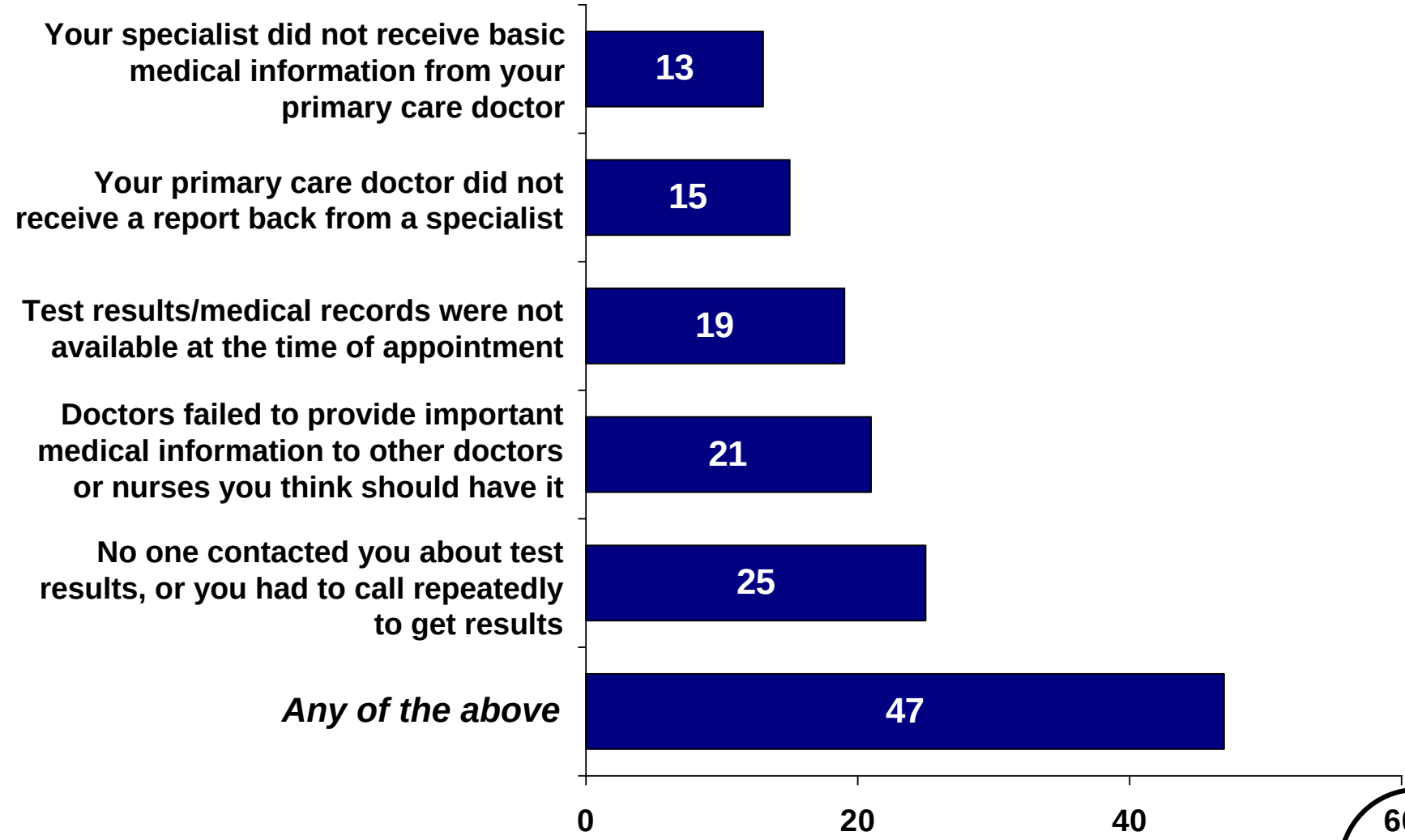
Figure 15. Poor Coordination: Nearly Half of U.S. Adults Report Failures to Coordinate Care

Percent U.S. adults reported in past two years:



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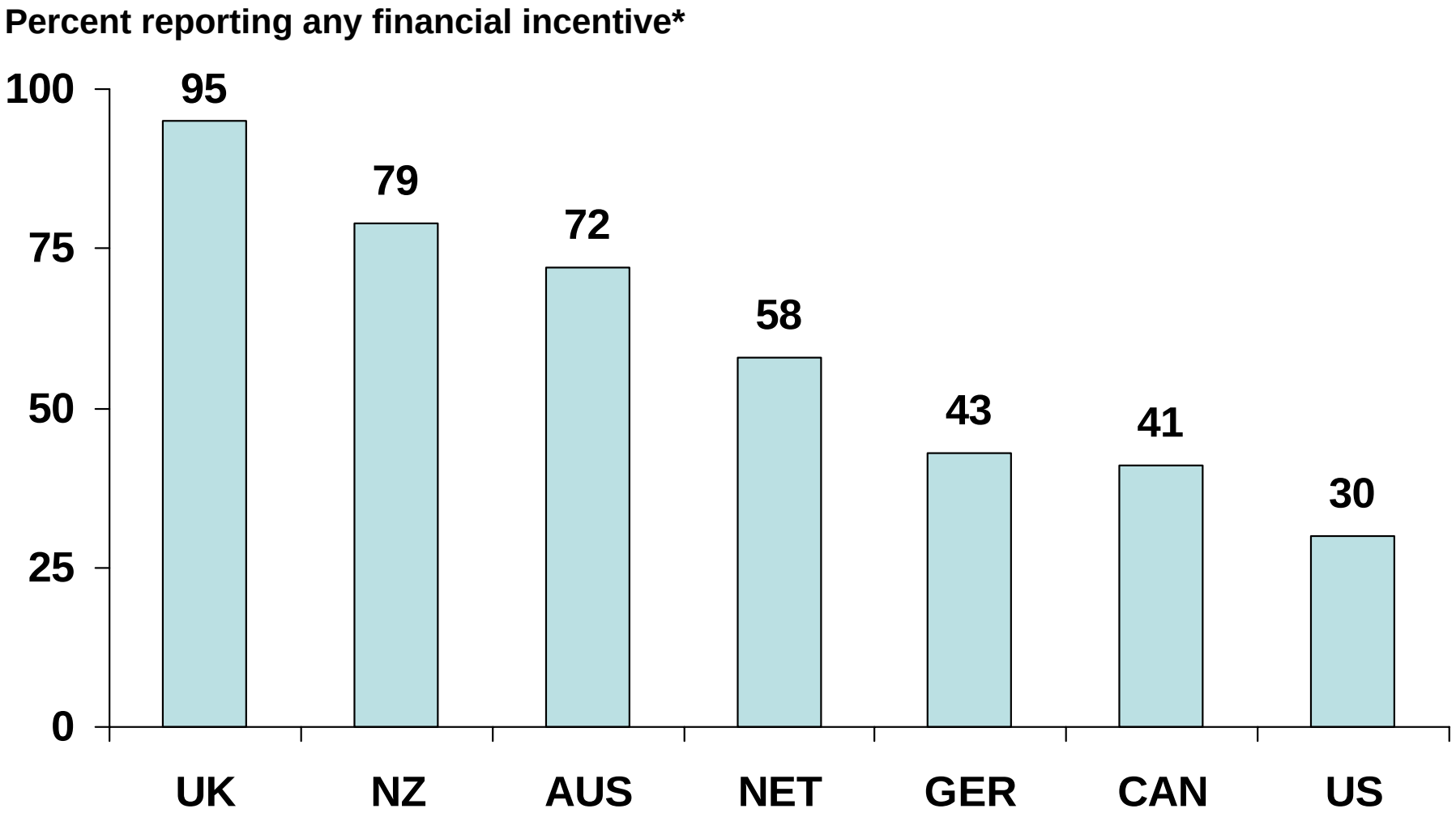
Source: Commonwealth Fund Survey of Public Views of the U.S. Health Care System, 2008.

Figure 16. Cost Sharing Arrangements and Protection Mechanisms for Outpatient and Inpatient Care in Six European Countries, 2008

Country	GP visit	Outpatient specialist visit	Inpatient care	Exemptions	Annual cap on out-of-pocket spending
Denmark	None.	None.	None.	N/A	N/A
England	None.	None.	None.	N/A	N/A
France	*Co-insurance*: 30% with gate keeping or 50% *Non-reimbursable co-payment*: €1 ($1.3) per visit	*Co-insurance*: 30% with gate keeping or 50% *Non-reimbursable co-payment*: €1 ($1.3) per visit	*Co-insurance*: 20%. *Non-reimbursable co-payment*: €16 ($21) per day up to 31 days per year.	*Co-insurance*: People receiving invalidity and work injury benefits; people with one of 30 chronic or serious conditions (for that condition only); low income people; some surgical interventions. *Non-reimbursable co-payments*: Children <18 and low income people.	*Non-reimbursable co-payments*: €50 ($66) for all health care including prescription drugs.
Germany	*Co-payment*: €10 ($13) for the first visit per quarter and subsequent visits without referral.	*Co-payment*: €10 ($13) for the first visit per quarter and subsequent visits without referral.	*Co-payment*: €10 ($13) per inpatient day up to 28 days per year.	Children <18 (all cost sharing) and people who choose gatekeeping (doctor visits).	2% of household income (1% for people with chronic conditions). Household income is calculated as lower for dependants.
Netherlands	None.	*Deductible*: €150 ($199) per year.		Children <18, GP services, mother and child care, preventive care dental care for <22.	None.
Sweden	*Co-payment*: SEK100-150 ($12-18) per GP visit.	*Co-payment*: SEK200-300 ($24-36) per specialist or emergency department visit.	*Co-payment*: Up to SEK80 ($10) per day in hospital.	Children <20 in most counties.	Adults: SEK900 ($109) for health services.

Source: S. Thompson and E. Mossialos, *Primary Care and Prescription Drugs: Coverage, Cost Sharing and Financial Protection in Six European Countries*, (New York: The Commonwealth Fund, forthcoming 2009).

Figure 17. Primary Care Doctors' Reports of Any Financial Incentives Targeted on Quality of Care, 2006



* Receive of have potential to receive payment for: clinical care targets, high patient ratings, managing chronic disease/complex needs, preventive care, or QI activities

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

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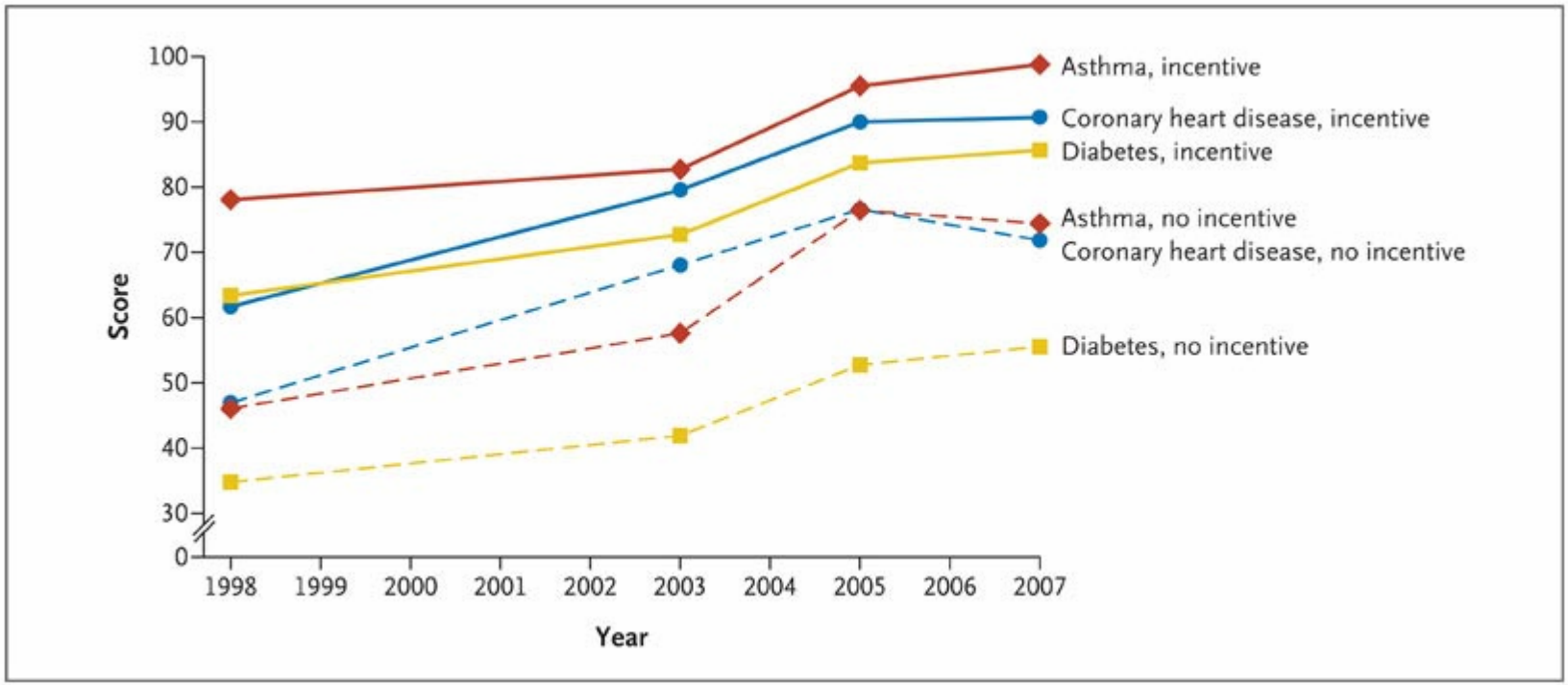
Figure 18. Effects of Pay-for-Performance on the Quality of Primary Care in England



Mean Scores for Clinical Quality at the Practice Level for Aspects of Care for Coronary Heart Disease, Asthma, and Type 2 Diabetes That Were Linked with Incentives and Aspects of Care That Were Not Linked with Incentives, 1998–2007.

Quality scores range from 0% (no quality indicator was met for any patient) to 100% (all quality indicators were met for all patients).

Source: S. Campbell et al., "Effects of Pay for Performance on the Quality of Primary Care in England," *N Engl J Med* 2009;361:368-378.

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Figure 19. Disease Management in Germany

- Conditions: Diabetes, COPD, coronary heart disease, breast cancer
- Funding from government to 200+ private insurers (sickness funds)
  - Insurers receive extra risk-adjusted payments to cover patients with these conditions
  - Insurers pay primary care docs to enroll eligible patients into programs & provide periodic reports back to the docs (the closest to coordination)
  - Patients: reduced cost sharing if enrolled
  - Care guideline protocols plus patient education
  - Country-wide evaluation of results

Barmer Ersatzkasse diabetic patients, Type 1 and Type 2	Disease Management Program Participants	Non-participants
n=	80,745	79,137
Hospitalization due to stroke (per 1,000 males)	8.8	12.7
Hospitalization due to stroke (per 1,000 females)	7.8	12.4
Need for amputations (per 1,000 males)	5.6	9.1
Need for amputations (per 1,000 females)	1.8	4.7
At least one eye exam (per 1,000 patients)	780	538

Source: K. Lauterbach, “Population-based Disease Management Programs in the German Health Care System,” Presented at The Commonwealth Fund 2007 International Symposium on Health Care Policy, Nov. 1, 2007.

Figure 20. Innovations in Access "After-Hours" Early Morning, Nights and Weekends

- Denmark
  - County wide physician cooperatives with phone and visit center
  - Computer connections to medical records
  - Reduce physician workload
- Netherlands
  - 2000/2003: Cooperatives evening to 8 AM and weekends; Nurse led with physician available
  - House calls for emergencies
  - Reduce physician workload and use of emergency rooms
- United Kingdom
  - Some cooperatives developing; walk-in centers
  - 24 Hour Help Line: NHS Direct
- Australia: After-hours primary care program
- Multiple points of access: email, electronic medical records

Source: Grol et al., "After-Hours Care In The U.K. Denmark, and the Netherlands: New Models," *Health Affairs* Web Exclusive, Nov./Dec. 2006; Schoen et al., "On the Front Lines of Care," *Health Affairs* Web Exclusive, Nov. 2, 2006.

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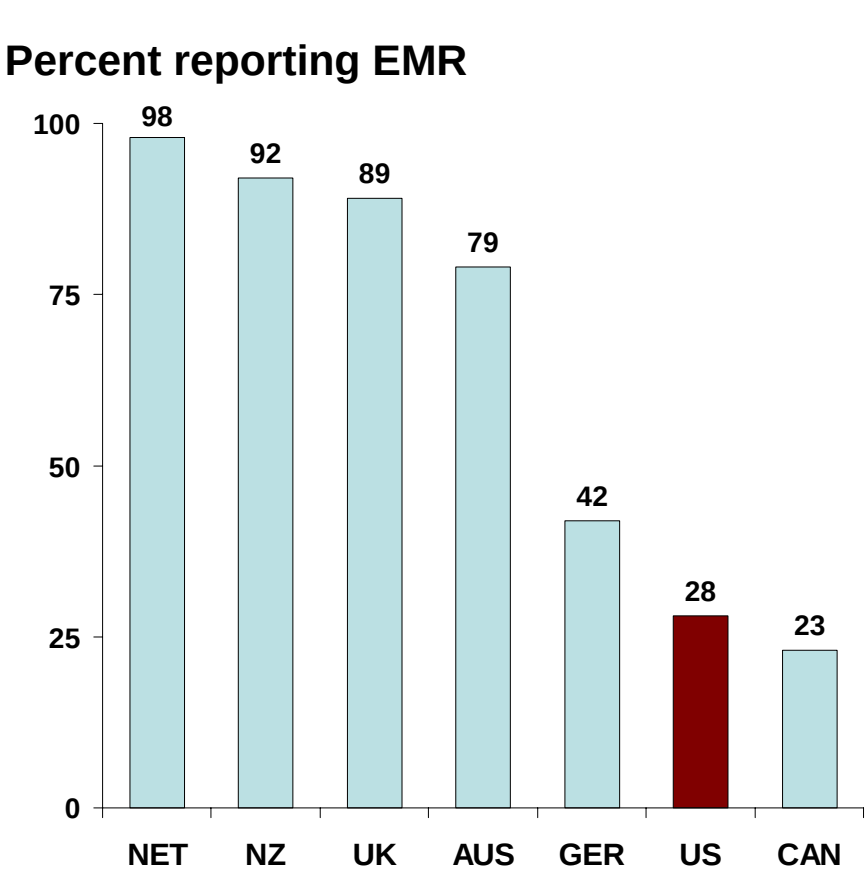
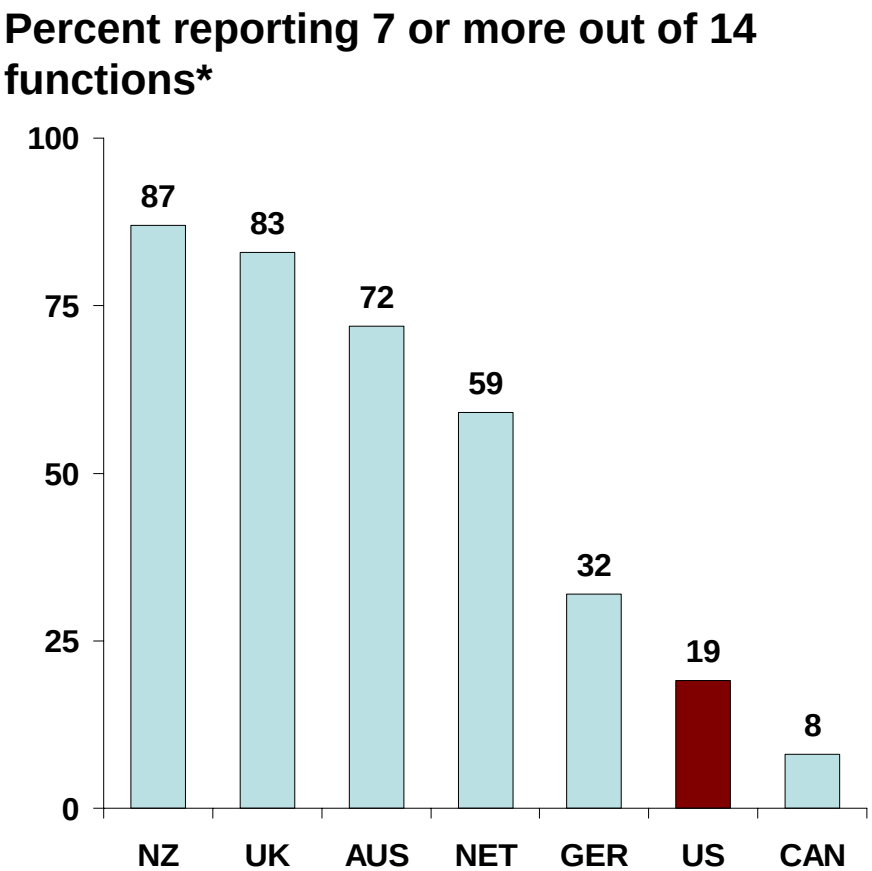
Figure 21. Only 28% of U.S. Primary Care Physicians Have Electronic Medical Records; Only 19% Advanced IT Capacity, 2006





*Count of 14: EMR, EMR access other doctors, outside office, patient; routine use electronic ordering tests, prescriptions, access test results, access hospital records; computer for reminders, Rx alerts, prompt tests results; easy to list diagnosis, medications, patients due for care.

Data: 2006 Commonwealth Fund International Health Policy Survey of Primary Care Physicians.
Source: Schoen et al., "On the Front Lines of Care," *Health Affairs* Web Exclusive, Nov. 2, 2006.

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Figure 22. MedCom – The Danish Health Data Network Messages/Month

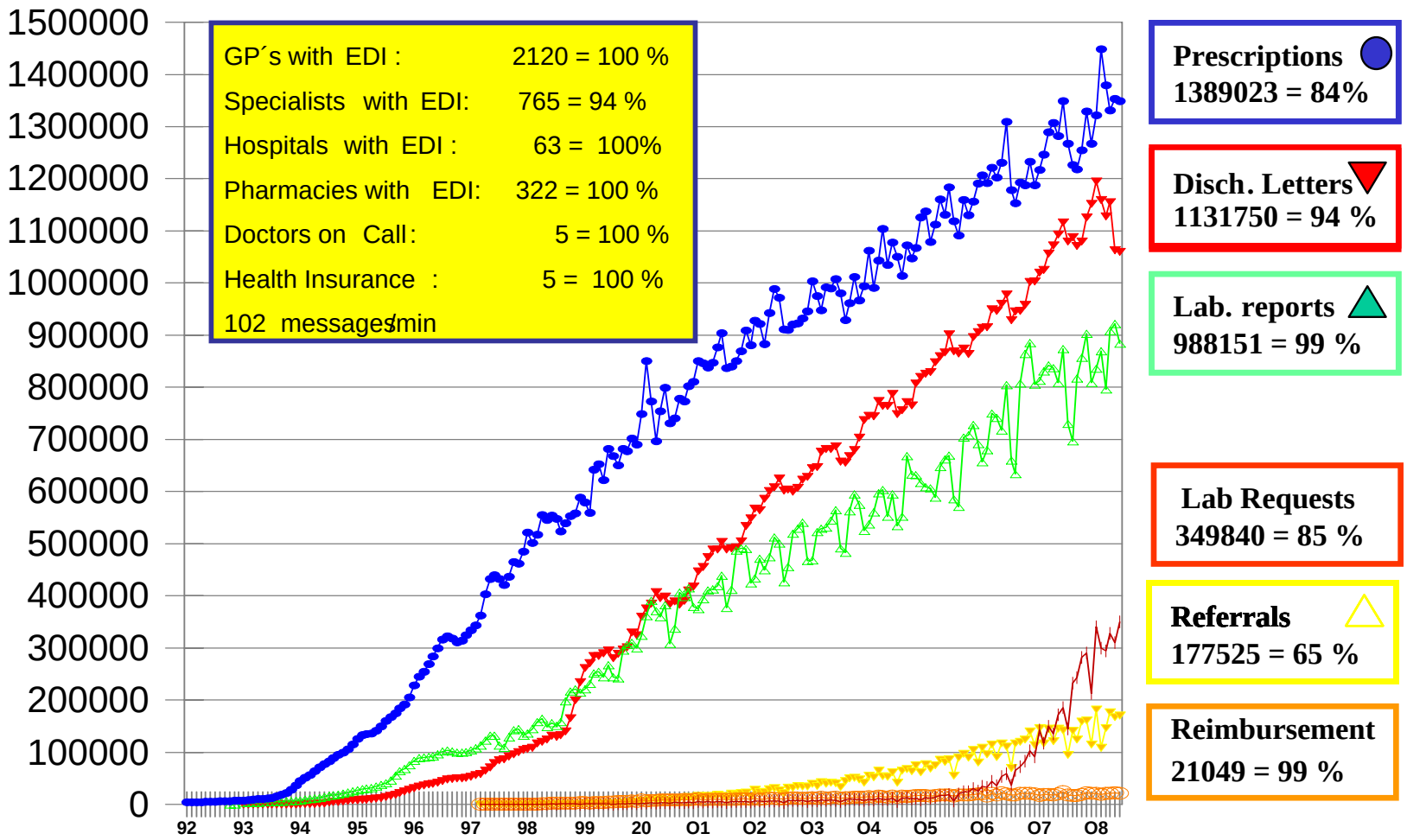

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Figure 23. Why Invest in E-Health? Registries? Denmark Physicians and Patients Example

- **Doctors:**
  - **50 minutes saved per day in GP practice**
  - **Information ready when needed**
  - **Telephone calls to hospitals reduced by 66%**
  - **E-referrals, lab orders**
  - **Patient e-mail consultation, Rx renewal**
- **Patients:**
  - **Reduced waiting times, greater convenience**
  - **Info about treatments, number of cases**
  - **Patients access to own data**
  - **Preventive care reminders**
  - **Information about outcomes**

Source: I. Johansen, “What Makes a High Performance Health Care System and How Do We Get There? Denmark,” Presentation to the Commonwealth Fund International Symposium, November 3, 2006.

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Figure 24. National Quality Benchmarking in Germany

Size of the project:

- **2,000 German Hospitals (> 98%)**
- **5,000 medical departments**
- **3 Million cases in 2005**
- **20% of all hospital cases in Germany**
- **300 Quality indicators in 26 areas of care**
- **800 experts involved (national and regional)**

Ideas and goals:

→ **define standards (evidence based, public)**

→ **define levels of acceptance**

→ **document processes, risks and results**

→ **present variation**

→ **start structured dialog**

→ **improve and check**

Source: C. Veit, "The Structured Dialog: National Quality Benchmarking in Germany," Presentation at AcademyHealth Annual Research Meeting, June 2006.

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Figure 25. Benchmarking in the Netherlands

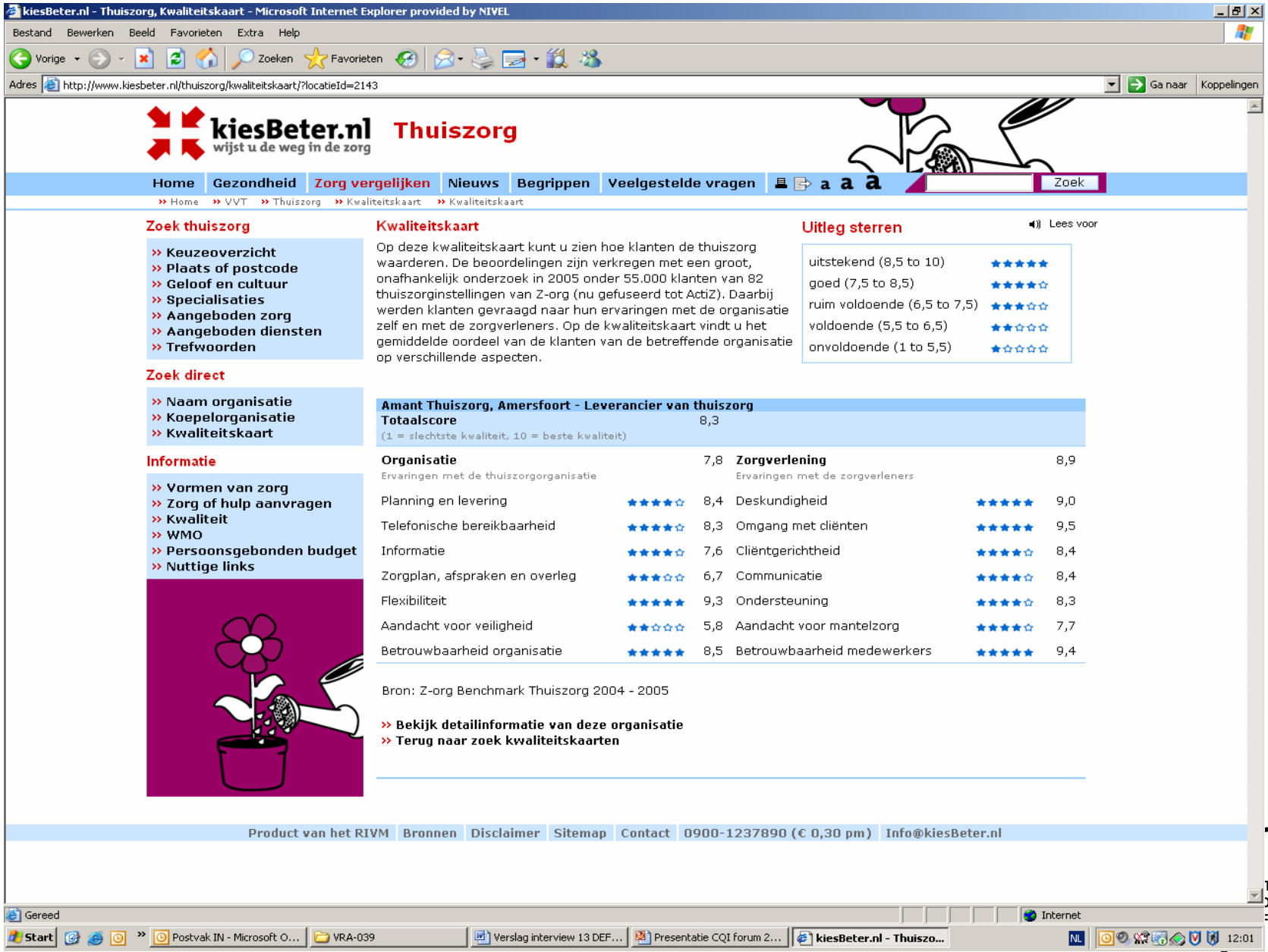

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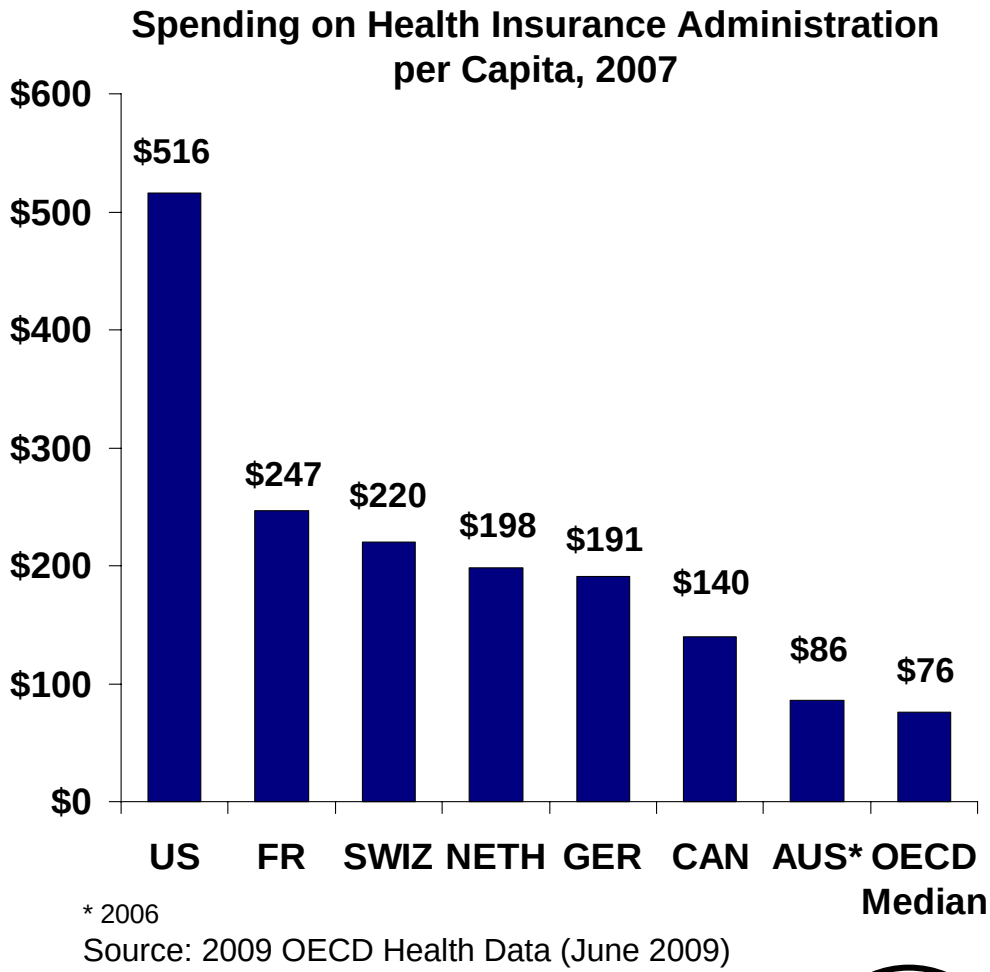
Figure 26. High U.S. Insurance Overhead: Insurance Related Administrative Costs

- **Fragmented payers + complexity = high transaction costs and overhead costs**
  - **McKinsey estimates adds $90 billion per year***
- **Insurance and providers**
  - **Variation in benefits; lack of coherence in payment**
  - **Time and people expense for doctors/hospitals**



* 2006

Source: 2009 OECD Health Data (June 2009)

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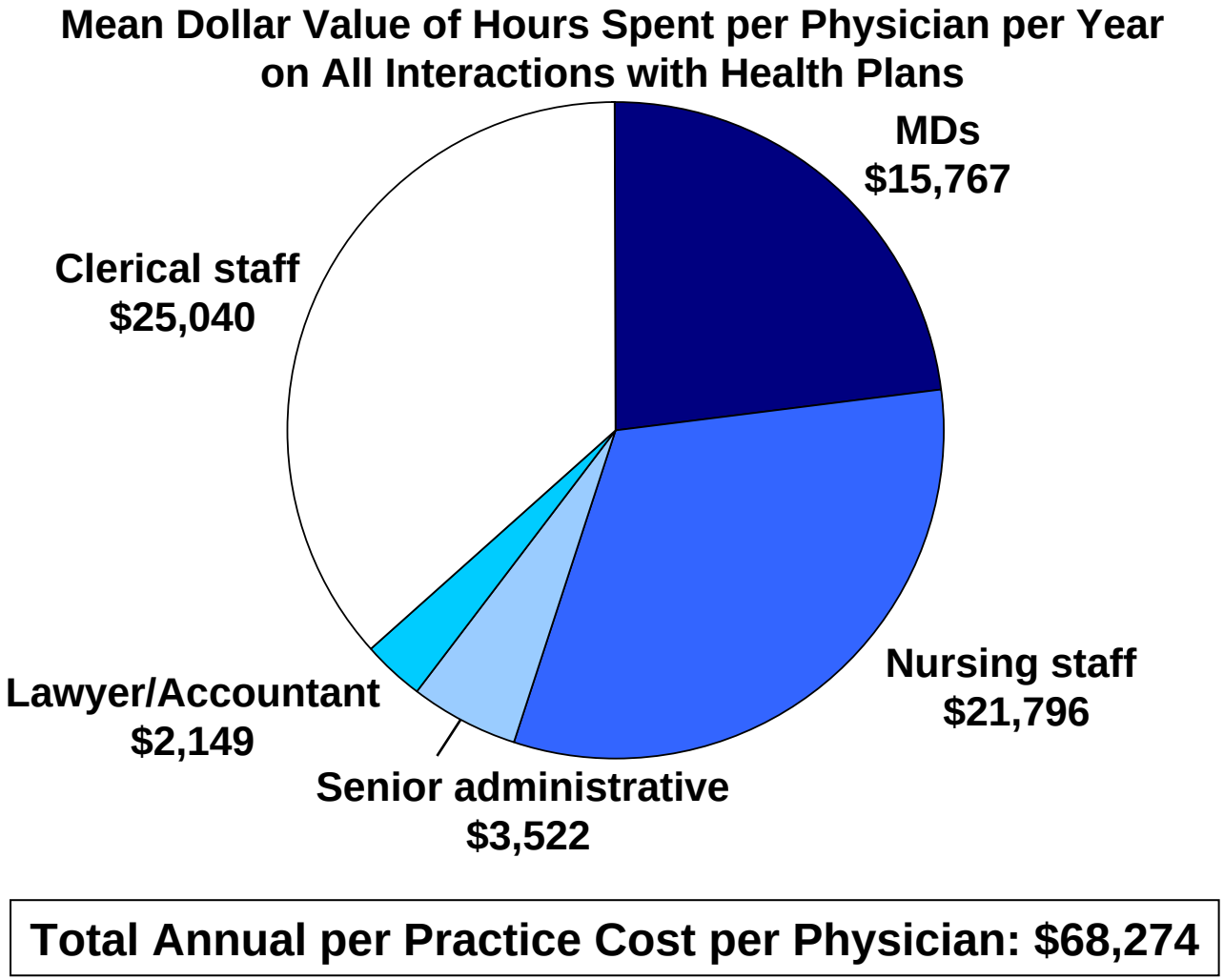
* McKinsey Global Institute, *Accounting for the Costs of U.S. Health Care: A New Look at Why Americans Spend More*, (New York: McKinsey Global Institute, Nov. 2008).

Figure 27. Complexity Drains Resources: Total Annual Cost to U.S. Physician Practices for Interacting with Health Plans Is Estimated at $31 Billion[1]



Total Annual per Practice Cost per Physician: $68,274

[1] Based on an estimated 453,696 office-based physicians.

Source: L. P. Casalino, S. Nicholson, D. N. Gans et al., "What Does It Cost Physician Practices to Interact with Health Insurance Plans?" *Health Affairs* Web Exclusive, May 14, 2009, w533–w543.

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Figure 28. Dutch Risk Equalization System: Calculation of Allocation to Health Plan from Risk Fund

In €'s / yr	Women, 40, jobless with disability income allowance, urban region, hospitalised last year for ostéoarthrite	Man, 38 , employed, prosperous region, no medication or hospitalisation last year neither any chronic disease
Age / gender	€ 934	€ 872
Income	€ 941	-/- € 63
Region	€ 98	-/- € 67
Pharmaceut. costgroup	-/- € 315	-/- € 315
Diagnostic costgroup	€ 6202	-/- € 130
From Risk Fund	€ 7800	€ 297

Source: G. Klein Ikkink, Ministry of Health, Welfare and Sport; Presentation to AcademyHealth Netherlands Health Study Tour on September 22, 2008, "Reform of the Dutch Health Care System."