



Rx: Health Care FYI #1

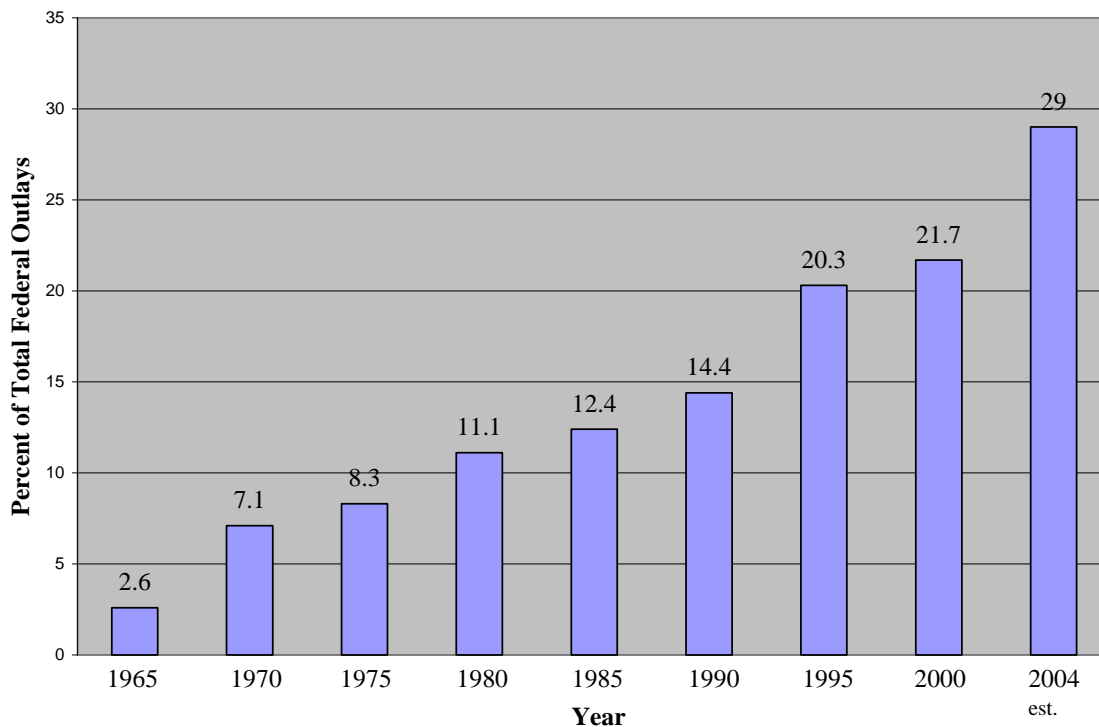
From: *Rep. Tim Murphy (PA-18)*

Subject: *Federal Spending For Health Care*

What we are spending:

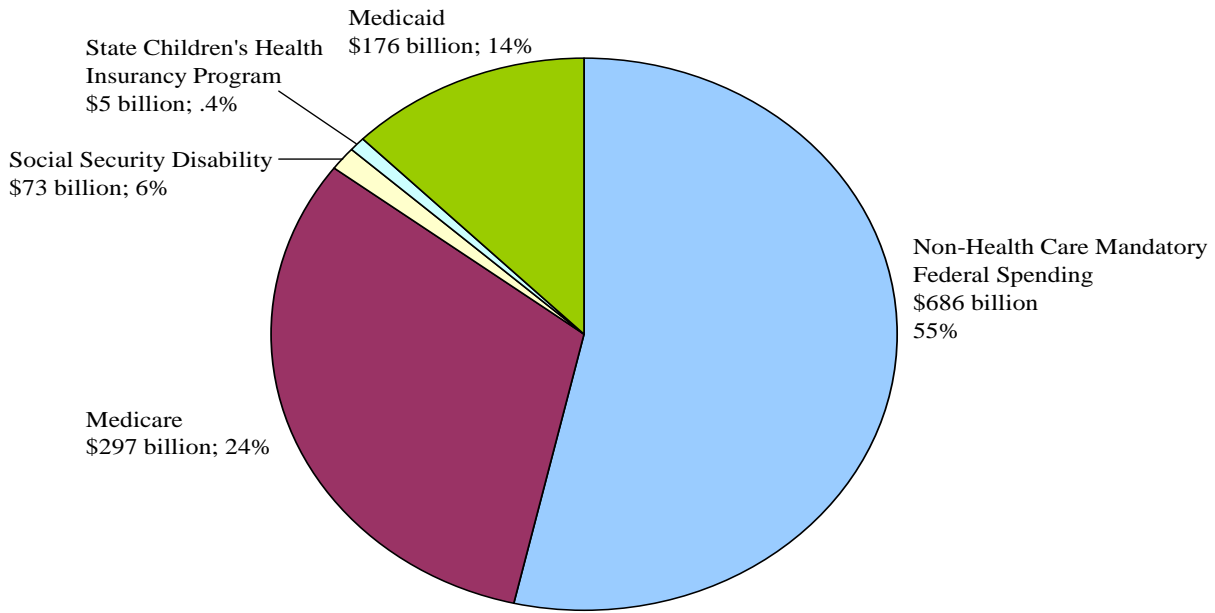
- *Federal outlays for health care are on the rise. Nearly one-third of all federal spending goes towards health care. (The following estimates are based on OMB historical budget tables and do not include payments for Social Security Disability.)*

Federal Health Care Spending



Nearly 45% of all mandatory spending is spent on health care. 15% of all discretionary funding is spent on health care. (Mandatory and Discretionary estimates are based on CBO and OMB data for actual spending estimates for FY 04.)

Mandatory Federal Health Care Spending



Wasted Federal Dollars:

- *Inappropriate Care:* Only 55% of our nation's patients are receiving the recommended care they need due to lack of preventative care such as adequate immunizations, appropriate medications, regular monitoring of blood sugar, cancer screening, cigarette-use counseling, and screening for problem drinking. (*RAND Corporation*)
- *Medication Errors:* 7,000 people die every year from medication errors alone with 44,000-98,000 every year from medical errors in hospitals. (*Institute of Medicine*)
- *Infections:* Hospital-acquired infections affect 5% to 10% of all patients and 2 million patients per year admitted to acute care facilities. (*Center for Disease Control*)
- *Unnecessary Hospitalizations:* One-third of child hospitalizations could be prevented through outpatient, preventive care service. Preventing these unnecessary hospital stays could save \$17 billion annually. (*American Academy of Pediatrics*)

The Federal Government Can Lead the Way To Reform Health Care by Shifting the Focus from "Who" Is Paying to "What" We Are Paying For:

- *Increase Patient Safety and Reduce Medical Costs:*
 - Doing nothing means out-of-control spending and thousands of fatalities.
 - The Federal Government must emphasize patient safety, not just tort reform.
 - The Federal Government needs to set the goal of zero errors for all health care providers.
 - Electronic Prescribing will substantially eliminate prescription errors, fatal drug-to-drug interactions and reduce administrative costs.
 - Electronic Medical Records will greatly reduce medical errors, misdiagnosis, unnecessary/redundant care, administrative and billing errors, and overall health care costs.

For further information or to join the 21st Century Health Care Caucus, contact Congressman Murphy's Health Care Legislative Assistant Michael Baxter at 225-2301 or Michael.Baxter@mail.house.gov.