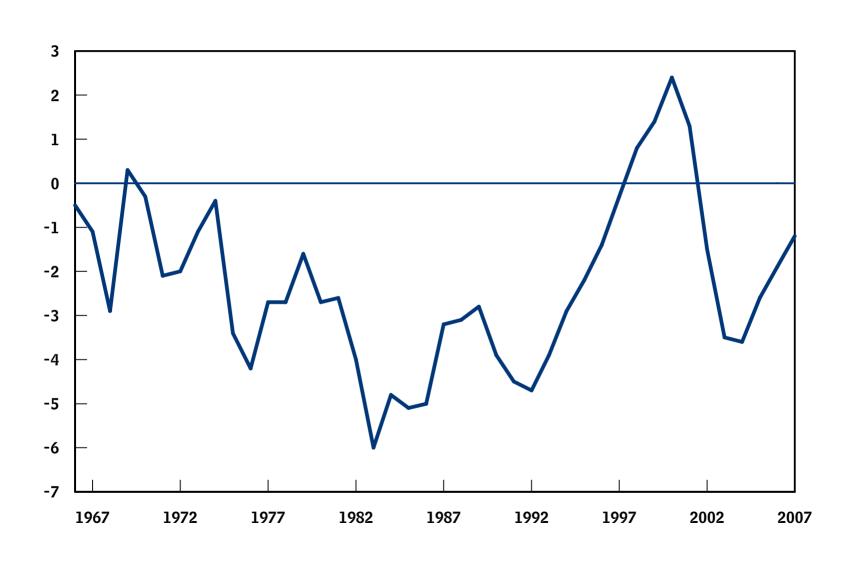
# The Long-Term Budget Outlook

**December 13, 2007** 



### The Total Deficit or Surplus as a Percentage of GDP, 1966 to 2007



### Projected Spending and Revenues Under CBO's Long-Term Budget Scenarios

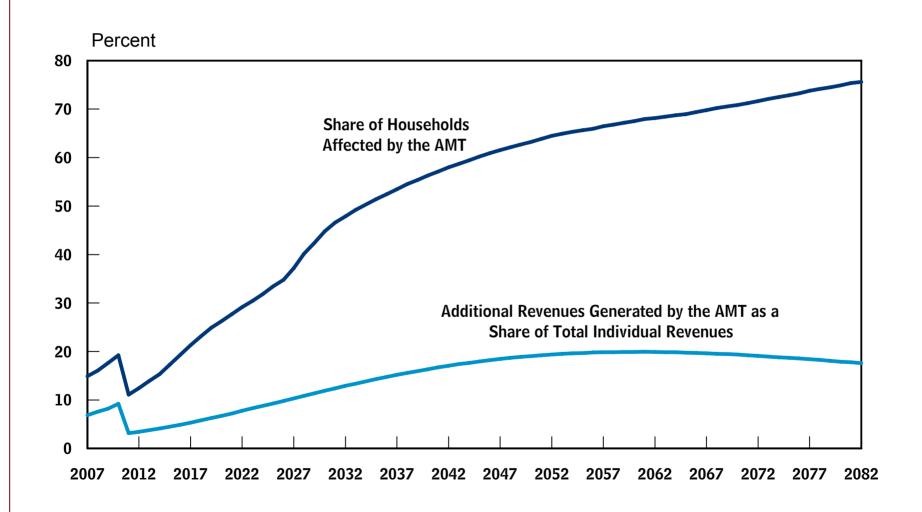
#### Percentage of Gross Domestic Product

	2007a	2030	2050	2082	
	Extended-Baseline Scenario				
Federal Spending	20.0	22.4	28.1	43.6	
Primary Spending	18.2	21.8	25.7	32.5	
Revenues	18.8	21.4	23.5	25.5	
	Alternative Fiscal Scenario				
Federal Spending	20.0	29.0	41.8	75.4	
Primary Spending	18.2	24.2	28.3	35.3	
Revenues	18.8	18.9	19.4	20.9	

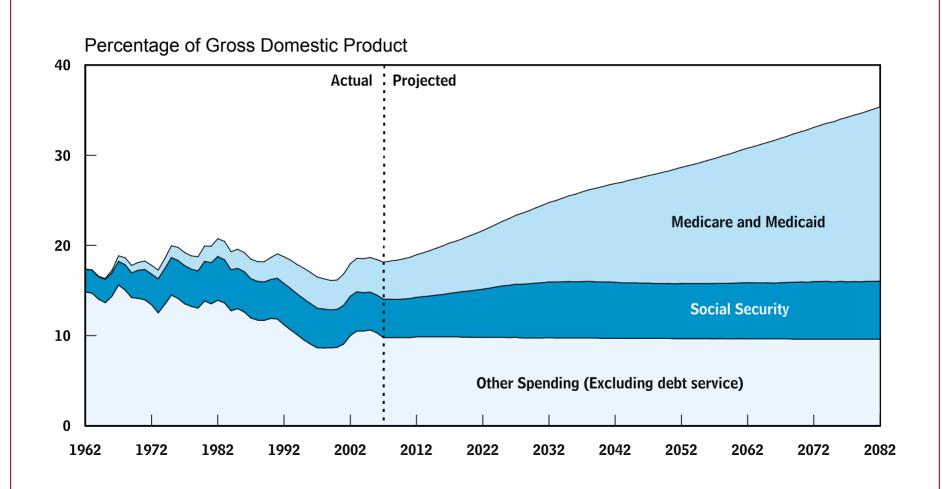
a. Fiscal year actual



## The Impact of the Alternative Minimum Tax on Individual Income Tax Revenues Under CBO's Extended-Baseline Scenario

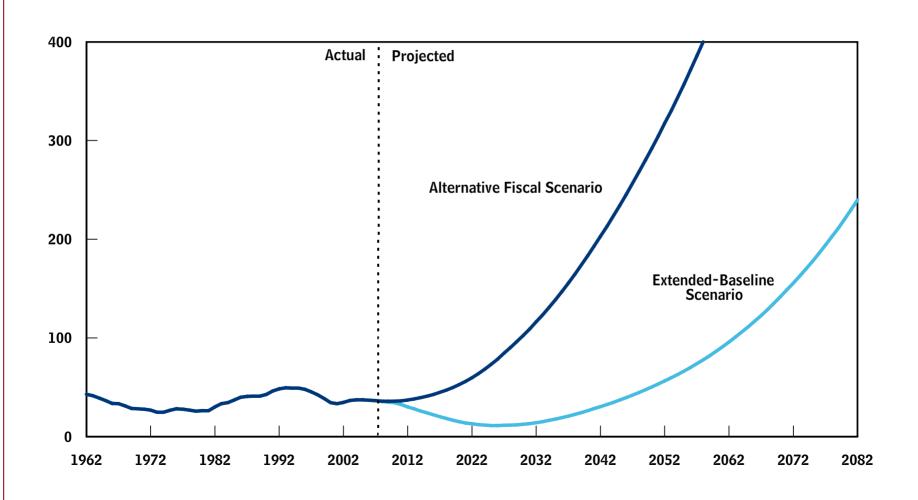


### Federal Spending Under CBO's Alternative Fiscal Scenario





#### Federal Debt Held by the Public as a Percentage of Gross Domestic Product Under CBO's Long-Term Budget Scenarios





### Federal Fiscal Imbalance Under CBO's Long-Term Budget Scenarios

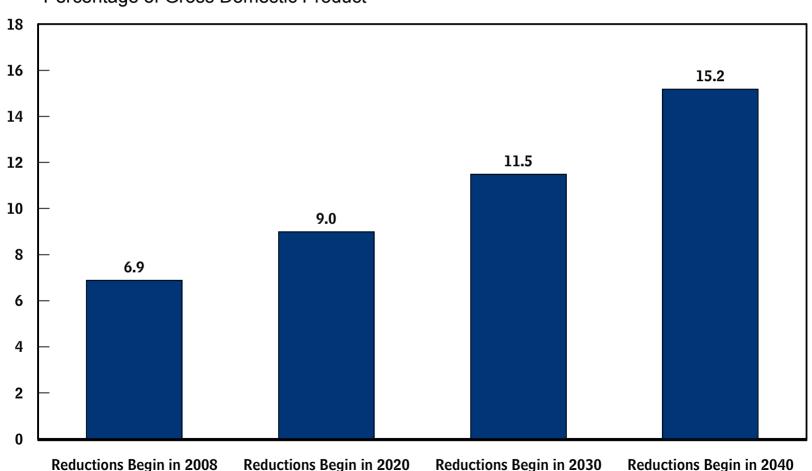
#### Percentage of Gross Domestic Product

Projection Period	Revenues	Outlays	Fiscal Gap		
	Exte	Extended-Baseline Scenario			
25 Years (2008–2032)	20.2	19.5	-0.7		
50 Years (2008–2057)	21.3	21.9	0.6		
75 Years (2008–2082)	22.1	23.8	1.7		
	Alternative Fiscal Scenario				
25 Years (2008–2032)	18.6	21.4	2.8		
50 Years (2008–2057)	18.8	24.1	5.2		
75 Years (2008–2082)	19.2	26.1	6.9		



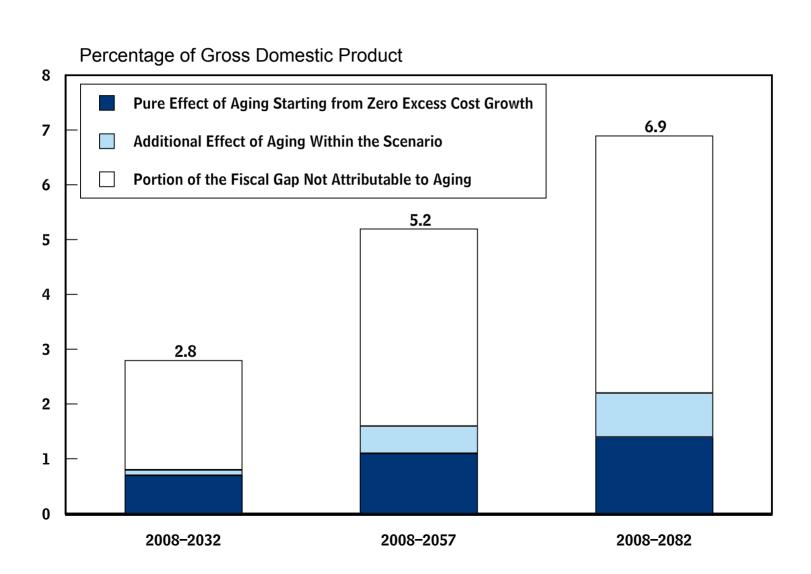
### Reductions in Noninterest Spending Needed to Close the Fiscal Gap in Various Years Under CBO's Alternative Fiscal Scenario





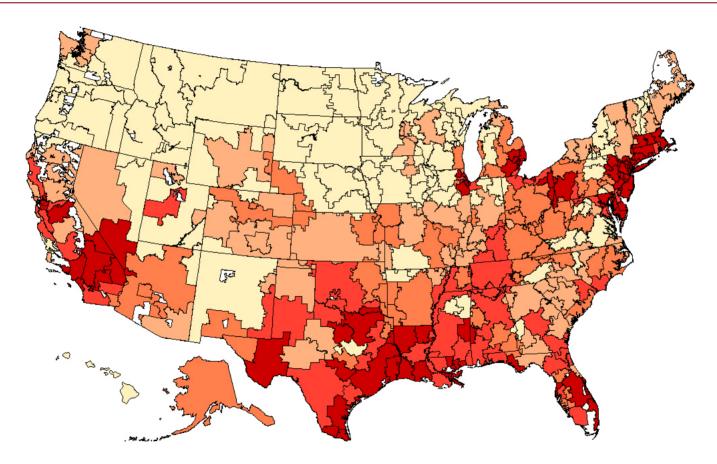


### **Contribution of Aging to the Fiscal Gap Under CBO's Alternative Fiscal Scenario**





### Medicare Spending per Capita in the United States, by Hospital Referral Region, 2003



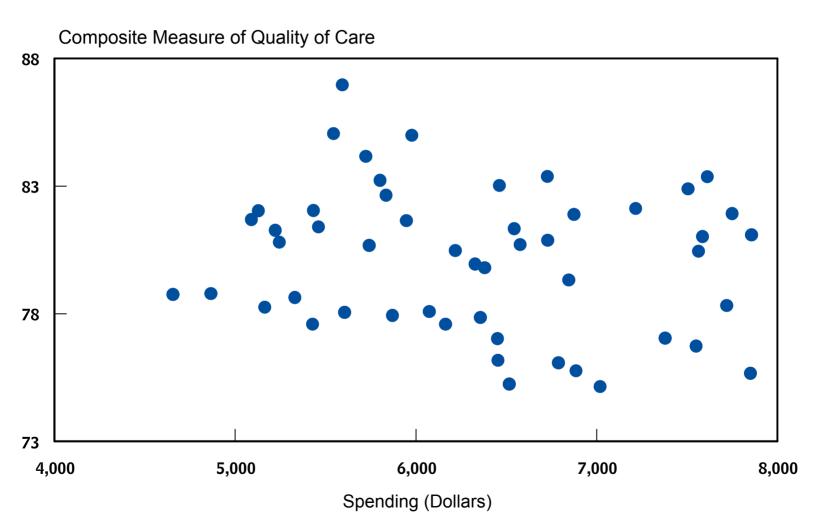
\$7,200 to 11,600 (74) 6,300 to <6,800 (55) 4,500 to <5,800 (72)

6,800 to < 7,200 (45) 5,800 to <6,300 (60) Not Populated

Source: www.dartmouthatlas.org.



### The Relationship Between Quality and Medicare Spending, by State, 2004



Source: Data from AHRQ and CMS.



### What Additional Services Are Provided in High-Spending Regions?



Reperfusion in 12 hours (Heart attack)
Aspirin at admission (Heart attack)
Mammogram, Women 65–69
Pneumococcal immunization (Ever)

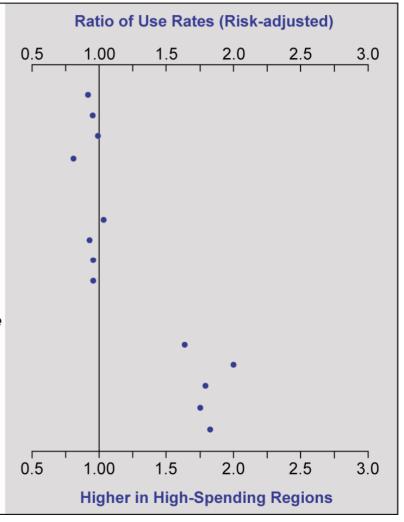
Discrete: Preference-Sensitive Care

Total hip replacement
Total knee replacement
Back surgery

CABG following heart attack

#### Care Delivery: Who / How Often / Where

Total inpatient days
Inpatient days in ICU or CCU
Evaluation and management (Visits)
Imaging



Source: Elliot Fisher, Dartmouth Medical School.

Diagnostic tests

### **Variations Among Academic Medical Centers**

Use of Biologically Targeted Interventions and Care-Delivery Methods Among Three of U.S. News and World Report's "Honor Roll" AMCs

	UCLA Medical Center	Massachusetts General Hospital	Mayo Clinic (St. Mary's Hospital)
Biologically Targeted Interventions: Acute Inpatient Care			
CMS composite quality score	81.5	85.9	90.4
Care Delivery—and Spending—Among Medicare Patients in Last Six Months of Life			
Total Medicare spending	50,522	40,181	26,330
Hospital days	19.2	17.7	12.9
Physician visits	52.1	42.2	23.9
Ratio, medical specialist / primary care	2.9	1.0	1.1

Source: Elliot Fisher, Dartmouth Medical School.