



## HEALTH CARE BY THE NUMBERS

### HEALTH CARE & FAMILIES

#### WHY WE NEED REFORM

- Since 2000, employer-sponsored health insurance premiums have more than doubled - a rate three times faster than cumulative wage increases.
- The average cost of an employer-based family health insurance policy in 2009 was \$13,375 – that’s \$1,115 a month - nearly the annual earnings of a full-time minimum wage job. Up from \$12,680 in 2008 and \$6,462 in 1996.
- Almost 75 percent of individuals looking for coverage on the individual market never bought a plan, with 61 percent citing premium cost as the primary reason.
- In 2007, 60% of personal bankruptcies were reported to be related to medical costs.
- Over 47 million Americans are uninsured. In 2008, 23 million uninsured were employed adults and 7.3 million were children.
- Families pay a “hidden insurance tax” of more than \$1,000 in additional premium costs each year to cover the cost of uncompensated care.
- Every minute, 8 people are denied coverage, charged a higher rate, or otherwise discriminated against because of a pre-existing condition.

#### THE COST OF INACTION – WITHOUT REFORM

- Family premiums are projected to increase an average of \$1,800 each year.
- The average family premium is projected to be \$23,842 in 2020.
- The number of the uninsured would reach 62.5 million by 2020, with the middle class becoming uninsured at a faster pace than other income levels
- With employers unable to afford rising health care costs, our country could see an additional 3.5 million people unemployed and without benefits in the next 4 years.
- Workers pay for the rising cost of health insurance through lower wages.

### HEALTH CARE & BUSINESS

#### WHY WE NEED REFORM

- American businesses are losing their ability to compete in the global marketplace due to rising health care costs. The burden is particularly heavy on small businesses.
- Small business premiums have risen 129% since 2000.
- 28 million uninsured Americans are small business owners, employees, and their families - 60% of our nation’s entire uninsured population.
- In 2008, 38% of small companies offered health coverage, compared with 41% in 2007 and 61% in 1993.
- On average, small businesses pay up to 18 percent more than large firms for the same health insurance policy.

- An employee of a small business is 50 percent more likely to lose job-based coverage than an employee of a large business.

### **THE COST OF INACTION – WITHOUT REFORM**

- By 2016, average health insurance premiums for an individual policy in a firm with less than 50 employees will be approximately \$6,700.
- Small businesses would lose \$52.1 billion in profits to high health care costs over the next ten years.
- Employer health care spending would increase by 90.8 percent between 2010 and 2020, increasing from \$430 billion in 2010 to \$820 billion.
- About 10% of small companies are considering ending their employee health coverage plans over the next year, compared with 3% of small businesses in 2005.
- Firms with less than 50 employees would see offers of health insurance drop from 41.1 % in 2010 to 33.4 % in 2020.
- 28% of employers plan to use spousal surcharges next year, up from 21% this year.

## **HEALTH CARE & THE ECONOMY**

### **WHY WE NEED REFORM**

- The United States spent approximately \$2.5 trillion on health care in 2009, or \$8,093 per person. This comes to 17.3% of GDP, nearly twice the average of other developed nations
- Since the recession began, an estimated 4 million additional Americans have lost their health insurance.
- The economic consequences of uninsurance are enormous, with an estimated lost productivity of roughly \$76 to \$152 billion in a year.
- Waste and inefficiencies in our health care system cost us \$800 billion per year.
- In 2009, the cost of uncompensated care was \$62.1 billion.

### **THE COST OF INACTION – WITHOUT REFORM**

- By 2019, national health care expenditures are expected to reach \$4.5 trillion—more than double 2007 spending.
- By 2025, one in every four dollars in our nation's economy will be spent on health care.
- The proportion of spending attributable to Medicare and Medicaid in the health system is expected to rise from 4.1 percent of GDP in 2007 to 6 percent of GDP in 2020, making it the principle driving force behind rising federal spending in the decades to come.
- Between 2009 and 2019, the average increase in national health expenditures is expected to be 6.1 percent per year, increasing faster than the projected GDP growth of 4.4 percent per year.
- Without reform the cost of uncompensated care would rise to \$141.4 billion.