

ISSUES BY THE NUMBERS

OBAMACARE

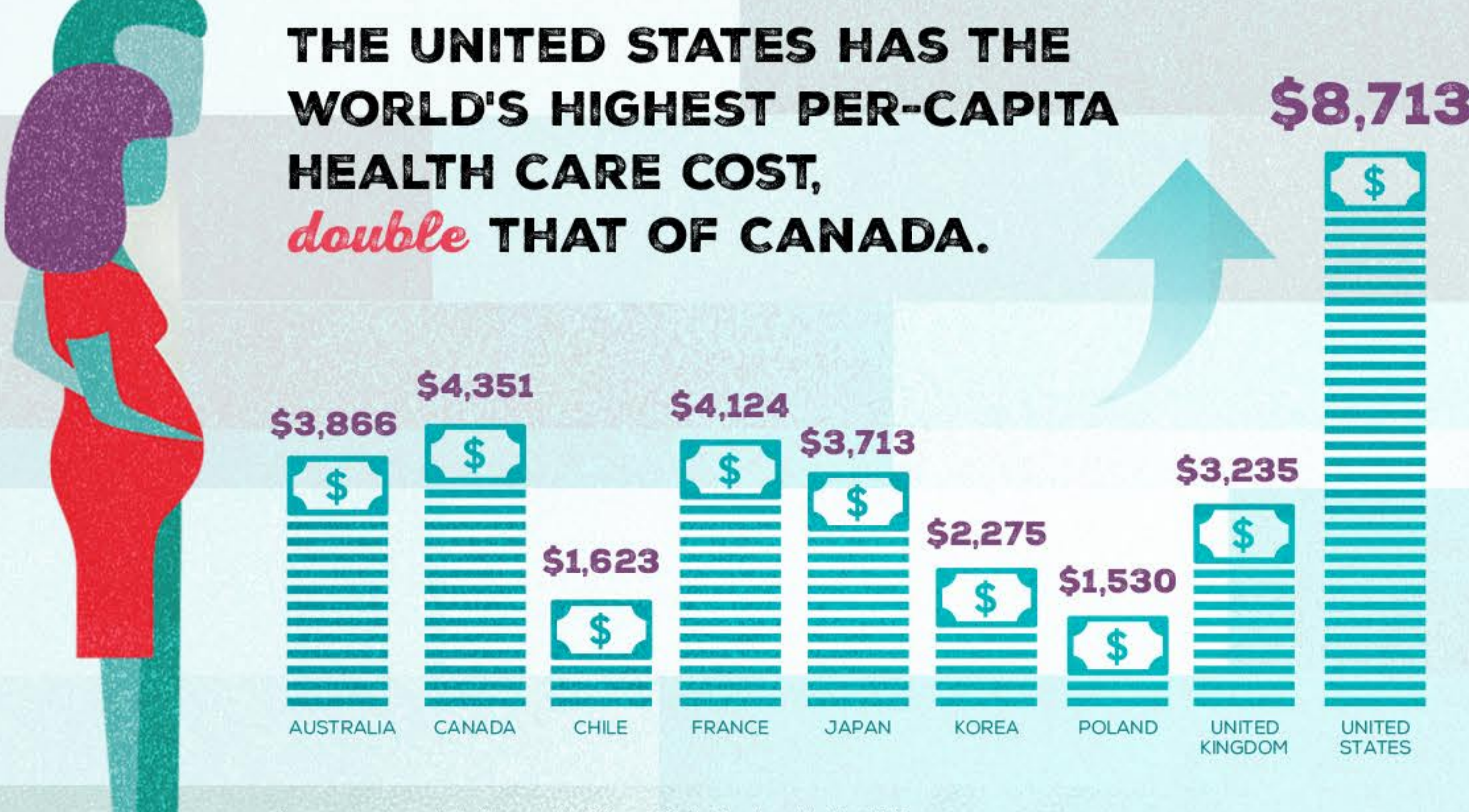
AND THE *changing* HEALTH CARE LANDSCAPE

CURRENT HEALTH CARE TRENDS

The Affordable Care Act's (2010) remaining provisions will take effect against a backdrop of shifting patterns in US health care costs and coverage.

US HEALTH CARE SPENDING

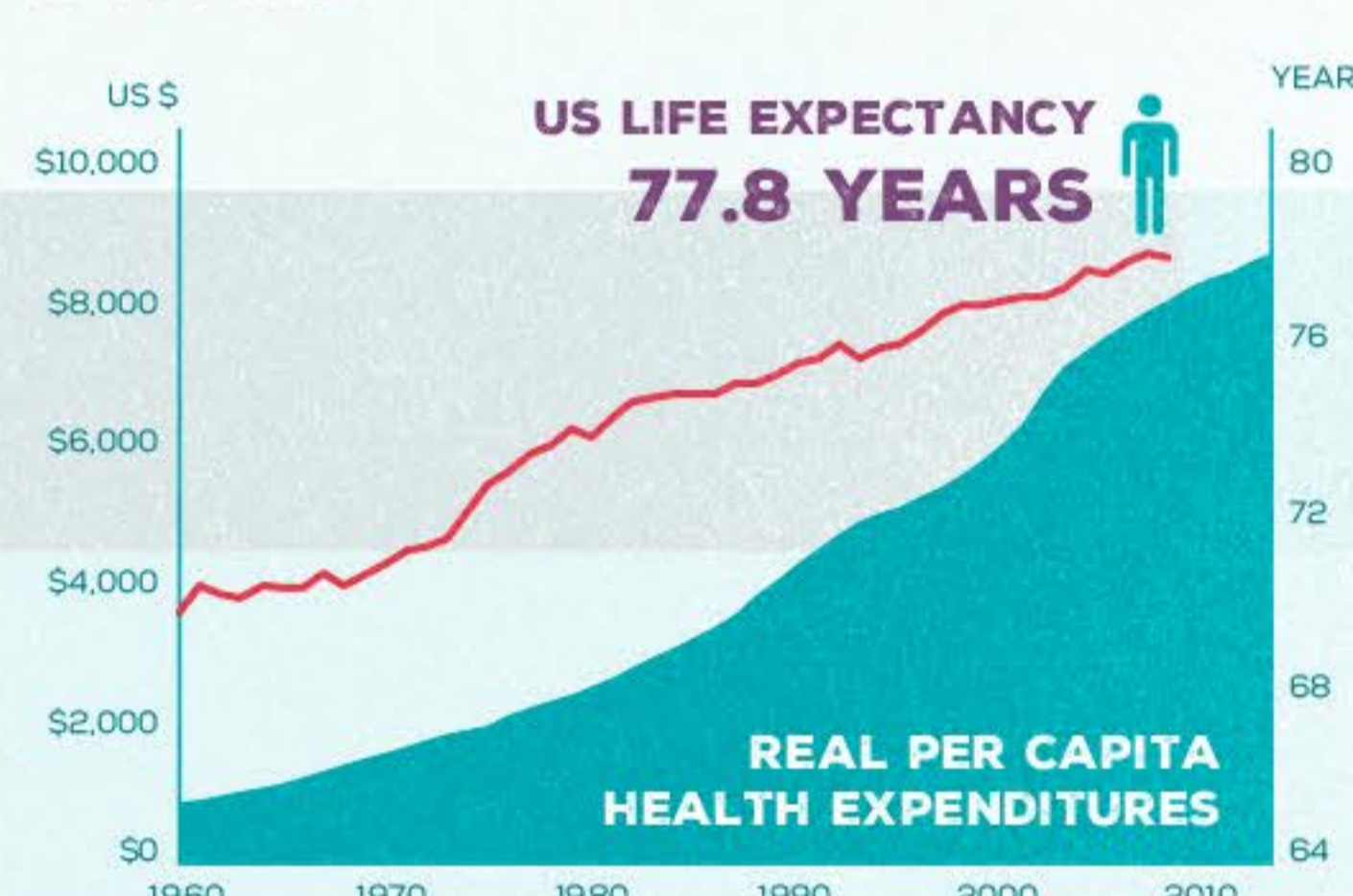
THE UNITED STATES HAS THE WORLD'S HIGHEST PER-CAPITA HEALTH CARE COST, *double* THAT OF CANADA.



Figures represent per-capita health care costs in 2013 except for Australia, whose data is from 2012. Source: Organisation for Economic Co-operation and Development, "OECD Health Statistics 2015," July 7, 2015, <http://stats.oecd.org/Index.aspx?DataSetCode=SHA>.

INCREASING COSTS AND FLATTENING LIFE EXPECTANCY

This trend is moving in the wrong direction

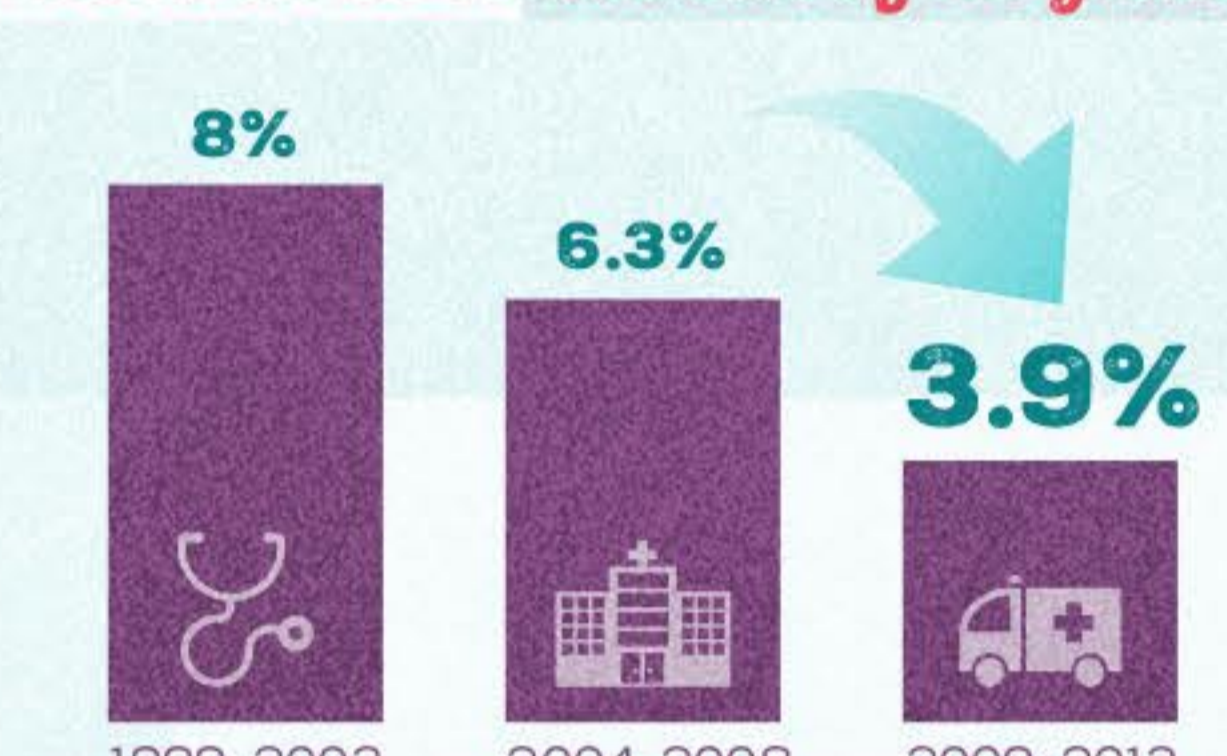


Source: Centers for Medicare and Medicaid, Bureau of Economic Analysis, Bureau of the Census.

While life expectancy at birth is over 80 years in most of the industrialized nations in the Organization for Economic Co-operation and Development, the OECD groups the United States with countries such as Chile and the Czech Republic that have a life expectancy of under 79 years. In 1970, US life expectancy was one year above the OECD average; it is now more than one year below the average.

US HEALTH CARE SPENDING AS A PERCENT OF GDP ANNUAL AVERAGES

One trend is positive: Growth in US health care spending has slowed over the last few years



SINCE 2009, US HEALTH CARE SPENDING AS A PERCENT OF GROSS DOMESTIC PRODUCT (GDP) HAS **HELD STEADY AT 17.4 PERCENT.**

Figures represent average annual growth in US health care spending during each period. Source: Center for Medicare and Medicaid, "National health expenditures," December 2014.

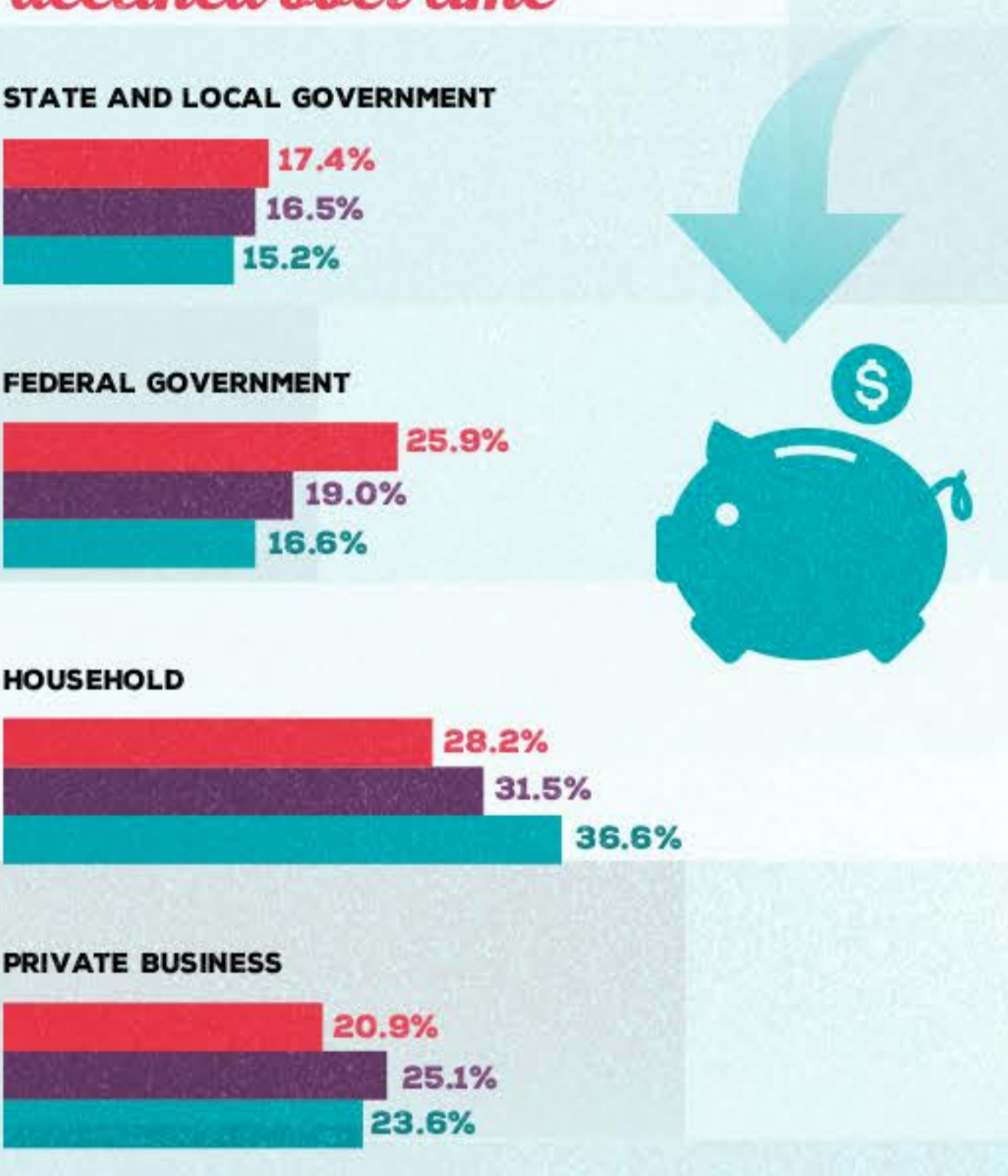
PAYING FOR HEALTH CARE



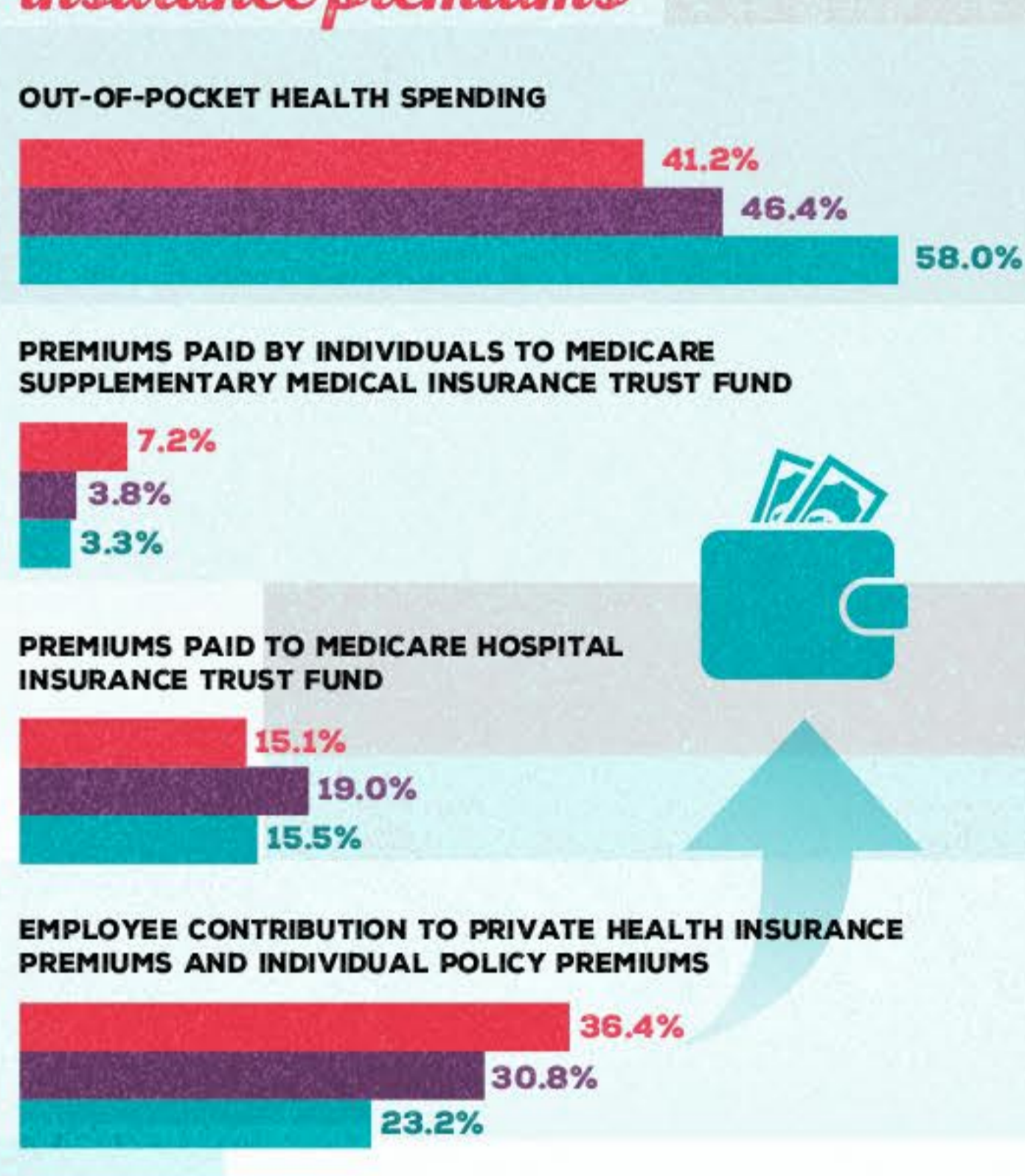
NATIONAL HEALTH EXPENDITURES

Health care is unique among consumer goods and services in the separation that exists between payers, decision makers, and ultimate beneficiaries. However, this situation is changing, even for insured patients, as more plans now carry higher co-pays and/or deductibles.

The share of health expenditures paid by households have declined over time



Of the amount that households spend, more goes toward insurance premiums

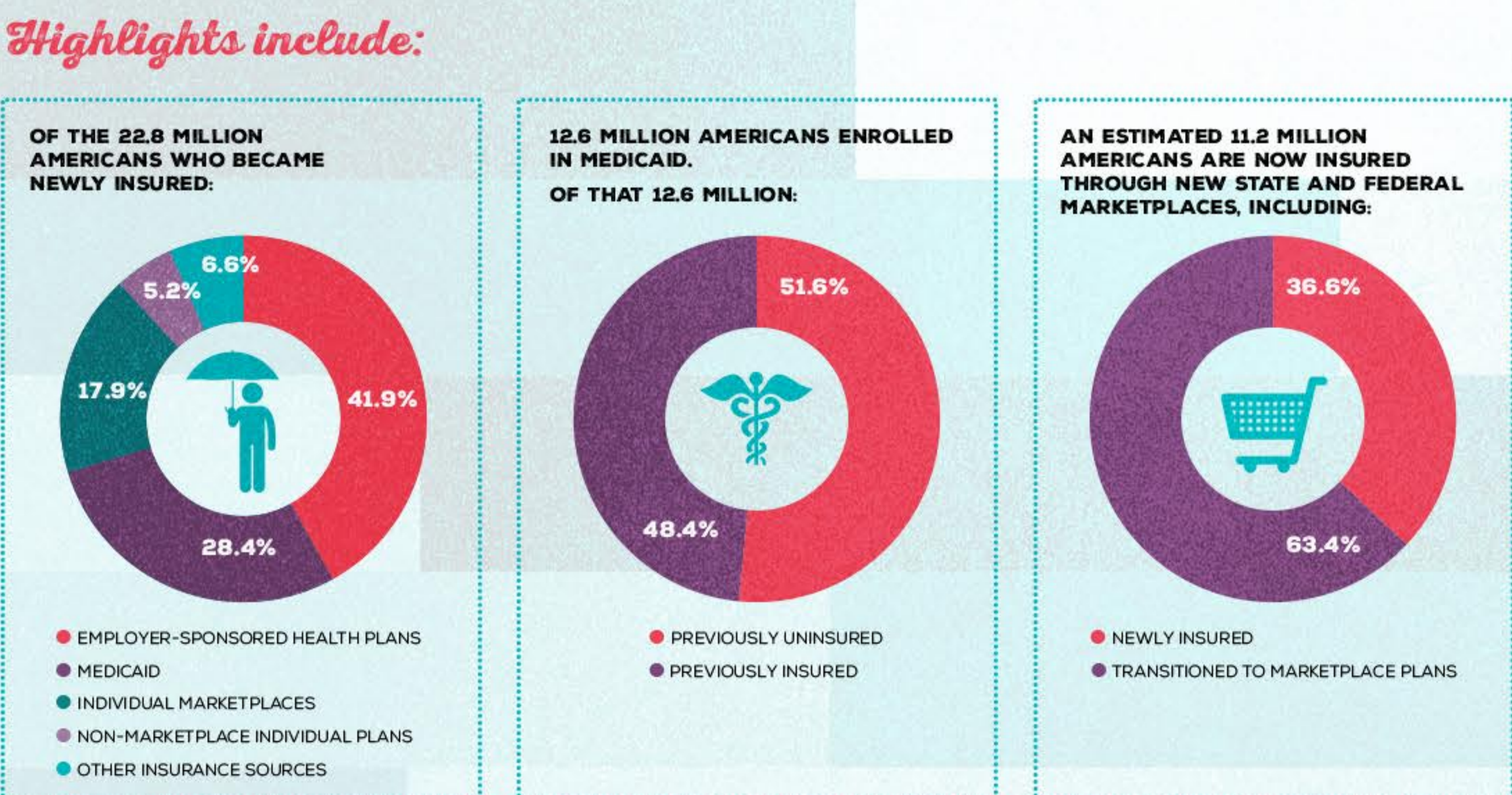


Source: Centers for Medicare and Medicaid Services.

ACCORDING TO A STUDY BY THE RAND CORPORATION, BETWEEN SEPTEMBER 2013 AND FEBRUARY 2015:

22.8 MILLION AMERICANS BECAME NEWLY INSURED AND 5.9 MILLION LOST COVERAGE, FOR A NET GAIN OF **16.9 MILLION MORE INSURED.**

Highlights include:

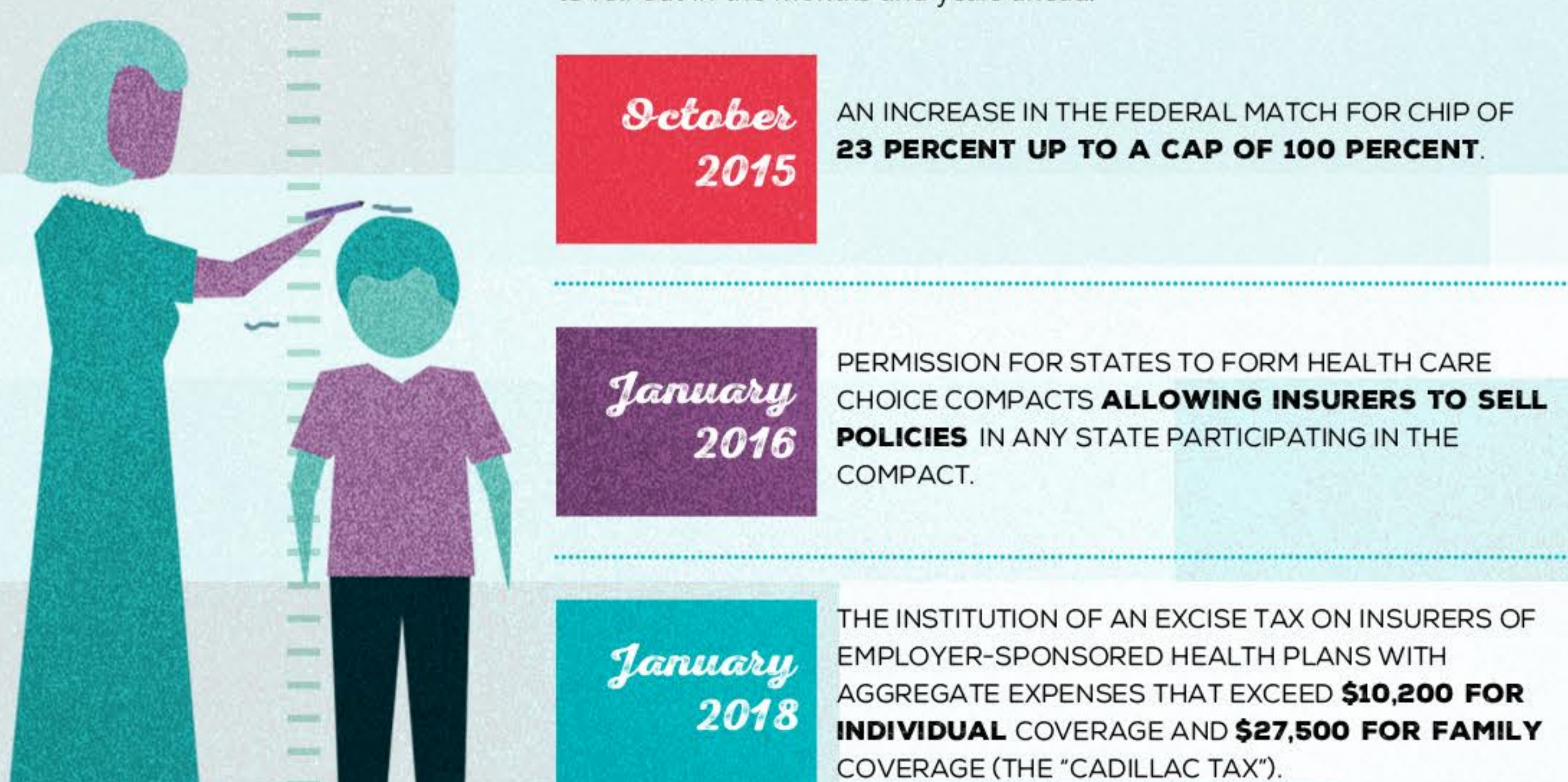


Source: Katherine Grace Garman, Christine Eibner, and Susan M. Paddock, "Trends in health insurance enrollment, 2013-15," RAND Corp., *Health Affairs* 34, No. 6 (June 2015), pp. 1044-48.

LOOKING FORWARD

THE ACA'S TOTAL IMPACT IS UNCLEAR

Various parts of the legislation that will affect costs and benefits will continue to roll out in the months and years ahead.



Source: Kaiser Family Foundation, "Health reform implementation timeline," <http://kff.org/interactive/implementation-timeline/>, accessed July 2, 2015.