

# MAKING HEALTH CARE MORE AFFORDABLE

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## OVERVIEW

The rising cost of health care. It ranks among the top issues of concern to Americans. It is a frequent news headline. And it will remain front and center as costs continue to climb. A recent government report predicts that spending on health care will reach 20 percent of the nation's Gross Domestic Product by 2016.

Why? There are as many reasons as there are health care conditions. The graying of America is a contributing factor. People's health care needs become more complex as they age. Also, more than half of Americans suffer from a chronic condition such as heart disease, diabetes or arthritis, significantly adding to the nation's health care tab. Roughly 80 percent of all health care dollars spent in America goes to just 20 percent of its people, most of whom have a chronic condition.

Providing top-notch health care requires resources, from salaries for qualified, trained nurses, physicians and other caregivers, to investments to help keep up with the demand for pharmaceuticals, new technologies and upgrades to facilities.

And because the nation's system of paying for health care is disjointed and disparate, millions of Americans find themselves without health insurance, or are covered by plans that don't do enough to cover the care they need. Who pays when people who don't have coverage and can't pay for their care get sick or injured? Everyone else, which is a key reason costs have risen across the board, including for those who do have insurance.

The U.S. devotes more money to health care per citizen than any other industrialized nation, and many question whether that investment is reflected in a system that often is difficult to navigate and impossible to afford without insurance.

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What's often ignored in this conversation is the enormous benefit to people's lives that America's investment in health care brings. Is getting people out of the hospital and back to work and back to their families worth the investment in new technologies and drugs and staff? Is the fact that health care provides millions of jobs and trillions of dollars of economic activity relevant? For people who have experienced first-hand health care's medical miracles, or its role as the economic anchor in so many communities, the answer is clearly "yes."

Our health care system is at a crossroads. Improving the affordability of care will take a real effort by everyone—insurers, hospitals, businesses, physicians, nurses, employers and individuals. It will involve personal responsibility, better stewardship of health resources and innovative ways to transform care for an aging and increasingly diverse population. At the same time, we must recognize the tremendous good that is accomplished as a result of our investment in health care. As the hub of health care in a community, hospitals play a critical role in all of these factors. The materials in this packet help define the challenges of making health care affordable, as well as areas where progress can and is being made.