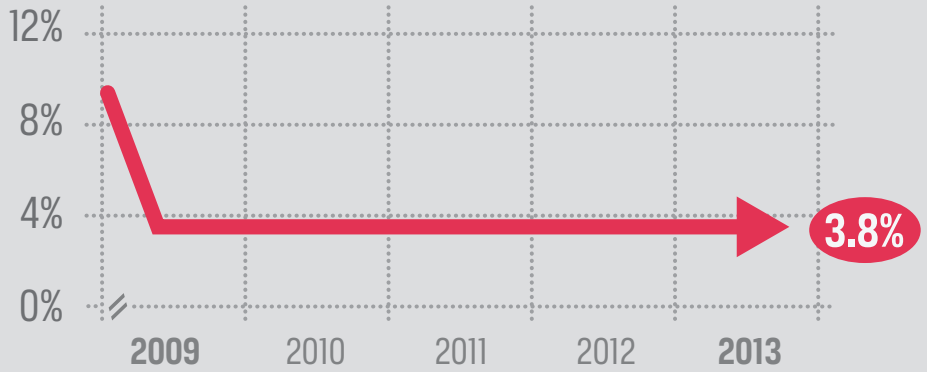
Bending the Health Care Cost Curve… Historic Savings by the Numbers

4 Years of Historic Low Growth



National Health Expenditure Growth

Structural Changes Drive Success

- Hospital Readmission Rates Declining
- Transition towards integrated care systems
- Insurance Plan Redesign
- Expanded EHR use and investment in Health IT
- New care & payment models

KEY FINDING

$900 BILLION

IN ADDITIONAL MEDICARE SAVINGS OVER NEXT 10 YEARS

Experts Say

Growth in spending for the fee-for-service portion of Medicare has slowed markedly ***apparently not because of the financial turmoil and recession but becuase of other factors affecting the behavior of beneficiaries and providers.***

CBO

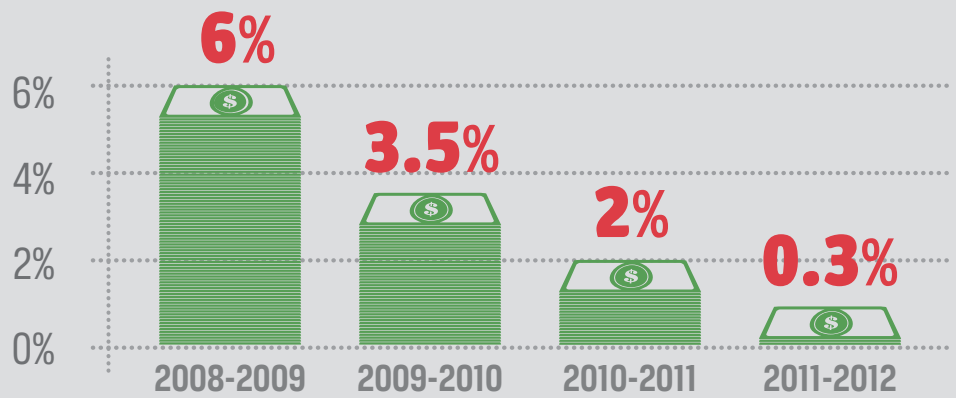
*There are f***orces in motion that could keep cost increases significantly lower** *than they have been historically.*

David Cutler, Harvard University

The current slowdown is the result of more than just the recession…. ***Rather, the slowdown appears to reflect 'structural" changes in the United States health care system.***

WH Council of Economic Advisers

Near Zero Growth: Medicare Hospital Spending Per Beneficiary



Medicare Per Beneficiary Hospital Spending Growth SOURCE: MEDPAC

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