



The Cost of Doing Nothing

Despite having 47 million uninsured Americans, the United States spends twice as much per capita on health care as other industrialized nations that provide health insurance to all their citizens. And yet, we lag behind those nations on all three indicators of healthy lives: high life expectancy, low preventable mortality and low infant mortality. In 2007, we spent \$2.39 trillion, or \$7,900 per capita, on health care and we are now projected to reach \$3.1 trillion by 2012. Our health care system is not only too expensive, it fails to provide us with the comprehensive, universal coverage that is taken for granted by the citizens of other industrialized nations – nations with whom we compete in a global market.

Much has been made about the one trillion dollars the Congressional Budget Office estimated the House health reform bill would cost. That Office has not studied the cost of maintaining the status quo. The Urban Institute and the Centers for Medicare and Medicare Services have and here is what they found:

- U.S. annual spending on health care will climb from \$2.39 trillion in 2008 to \$4.28 trillion in 2017. The number of uninsured will increase to at least 53.1 million by 2014 and to between 57.7 and 65.7 million by 2019.
- Under the best case scenario, over the next ten years, annual employer spending on health premiums will increase from \$430 billion to \$740 billion. Individual and family spending would go from \$326 billion to \$478 billion. Worst case puts these figures likely to be 20% higher.
- By 2019, the annual cost of non-elderly Medicaid and Chip would have grown from \$251 billion to between \$409 billion and \$520 billion. Costs for uncompensated care would have increased by at least 72% and as much as 128%. Increases in Medicaid, Chip, and uncompensated costs will lead to a considerable rise in taxes to pay for them.

The cost of doing nothing is the most expensive solution. Our citizens desperately need health care reform which will provide a system with a strong national public option and effective oversight. Failing that, we will have chosen the most costly path – leaving the present system in place.

Submitted by LWV-Arlington & LWV-Tarrant County