

# THE 25% PROBLEM

25% OF EVERY HEALTH CARE DOLLAR PROVIDES ZERO VALUE TO PATIENTS  
THAT'S \$73 BILLION WASTED IN CALIFORNIA EVERY YEAR

## THE CRISIS IN NUMBERS



Health spending **has tripled since 2000** – far outpacing wages and inflation.



A family health plan costs **\$28,000 a year** – that's more than 25% of what an average California family earns.



**50%+** of Californians now skip or delay care due to costs.

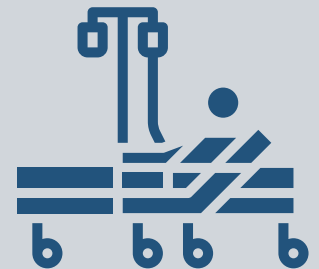
## WHERE DOES THE 25% GO?



**Administrative waste:**  
Red tape and paperwork



**Excessive profits:**  
Unfair pricing without competition



**Preventable illness:**  
Conditions caught too late



California Health Care Foundation

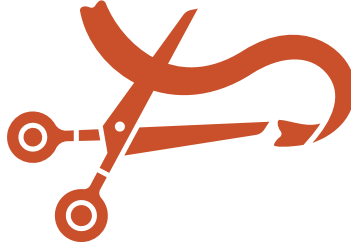
# WHAT ARE THE SOLUTIONS?

## Set a speed limit on costs:



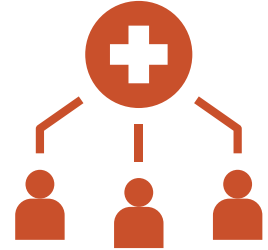
California's Office of Health Care Affordability (OHCA) is setting targets to slow the growth in health care costs.

## Cut the red tape:



Health plans can streamline prior authorization and other administrative processes.

## Share information better across health care providers:



A statewide data exchange will help reduce administrative costs.

## Stop unfair pricing:



California could take more steps to regulate health care mergers to ensure they don't drive prices up.

## Invest in primary care:



Make sure more Californians get the basic care they need to stay healthy in the first place.

## THE BOTTOM LINE:

Health care should help people get healthy – not drain their bank accounts. To make health care more affordable for everyone, we must get better at cutting out that 25% of costs that don't help patients.

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