

The High Cost of Health Care

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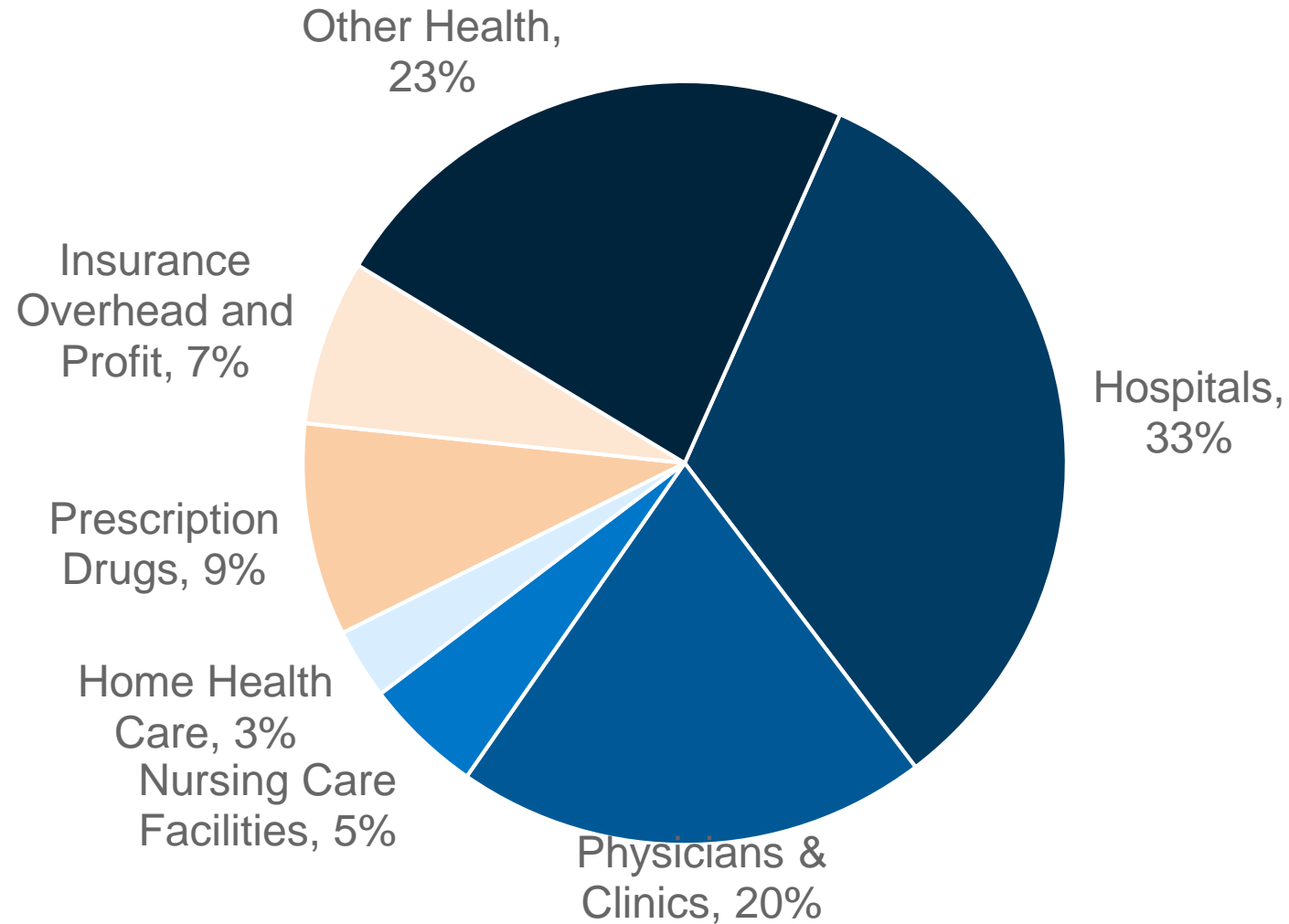
Assembly Committee on Health
February 25, 2020



Filling the need for trusted information on national health issues.

Figure 1

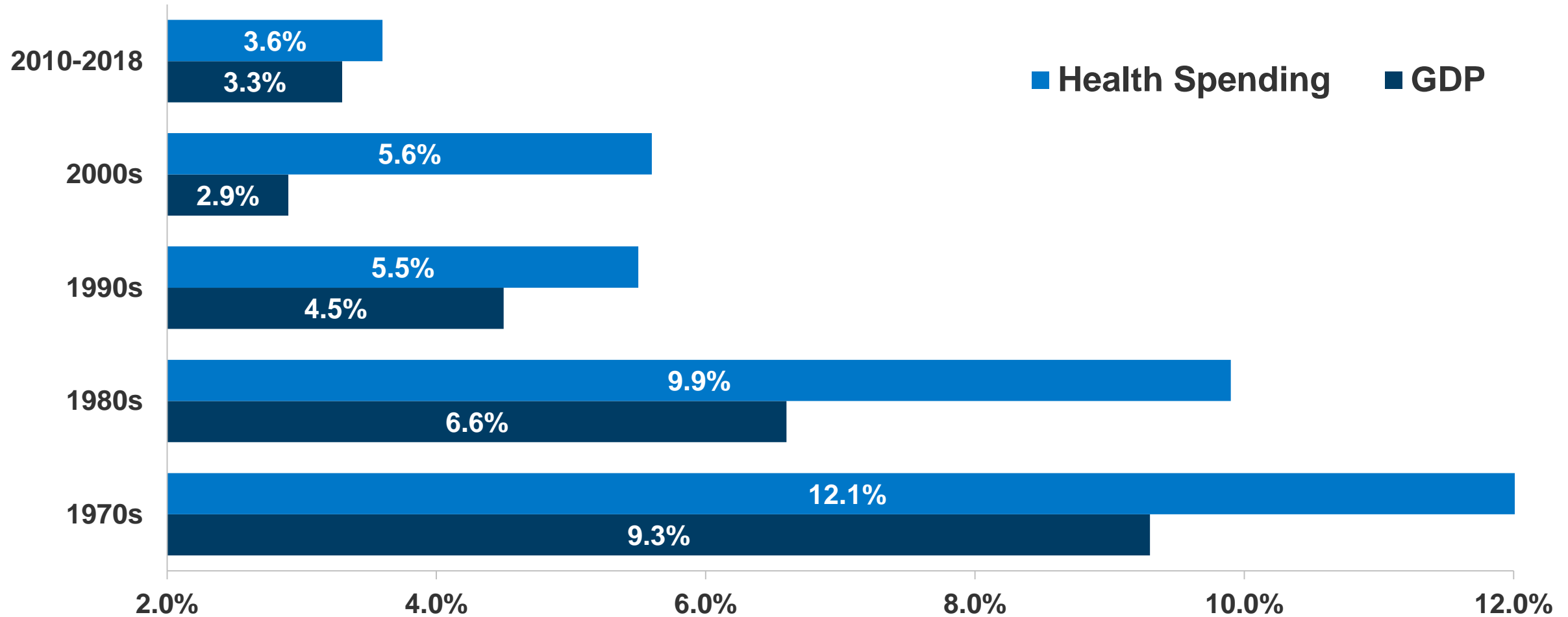
Distribution of \$3.6 Trillion in National Health Spending (2018)



SOURCE: KFF analysis of CMS data

Figure 2

National Health Spending Growth Has Slowed Over Time

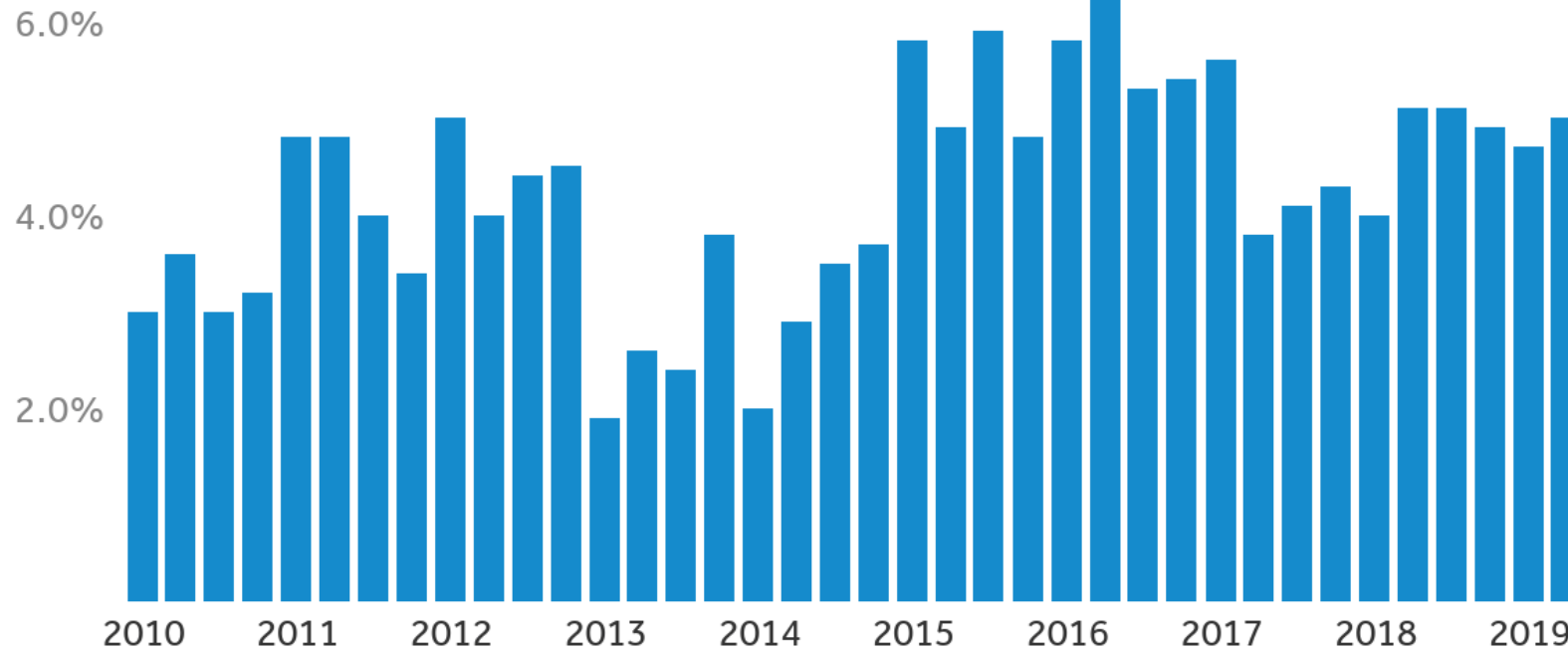


SOURCE: KFF analysis of National Health Expenditure (NHE) data

Figure 3

Health Spending Growth Has Accelerated in Recent Years

Year over year growth in health services spending by quarter, 2010 - 2019



Source: Kaiser Family Foundation analysis of Quarterly Services Survey

Peterson-KFF
Health System Tracker



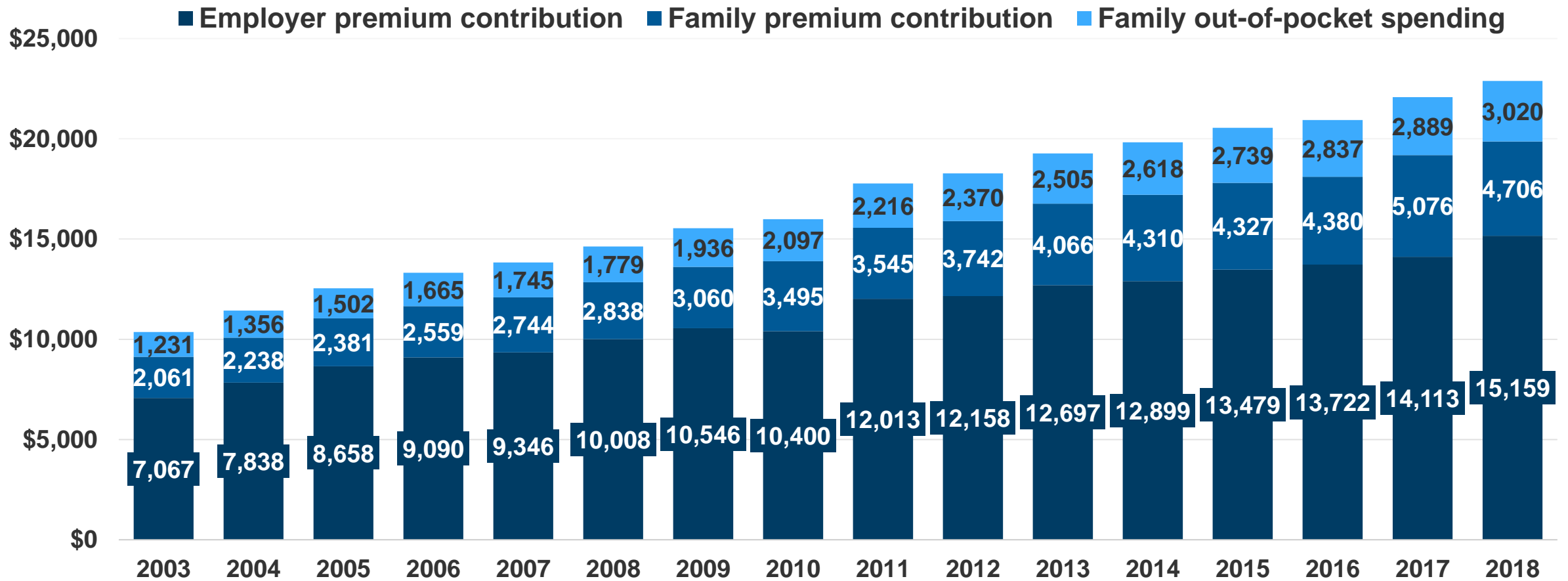
Figure 4

Health Insurance Premiums are Somewhat Higher in California Than the Rest of the Country (2018)



Figure 5

Average Total Health Spending Under Large Employer Coverage Tops \$22,000

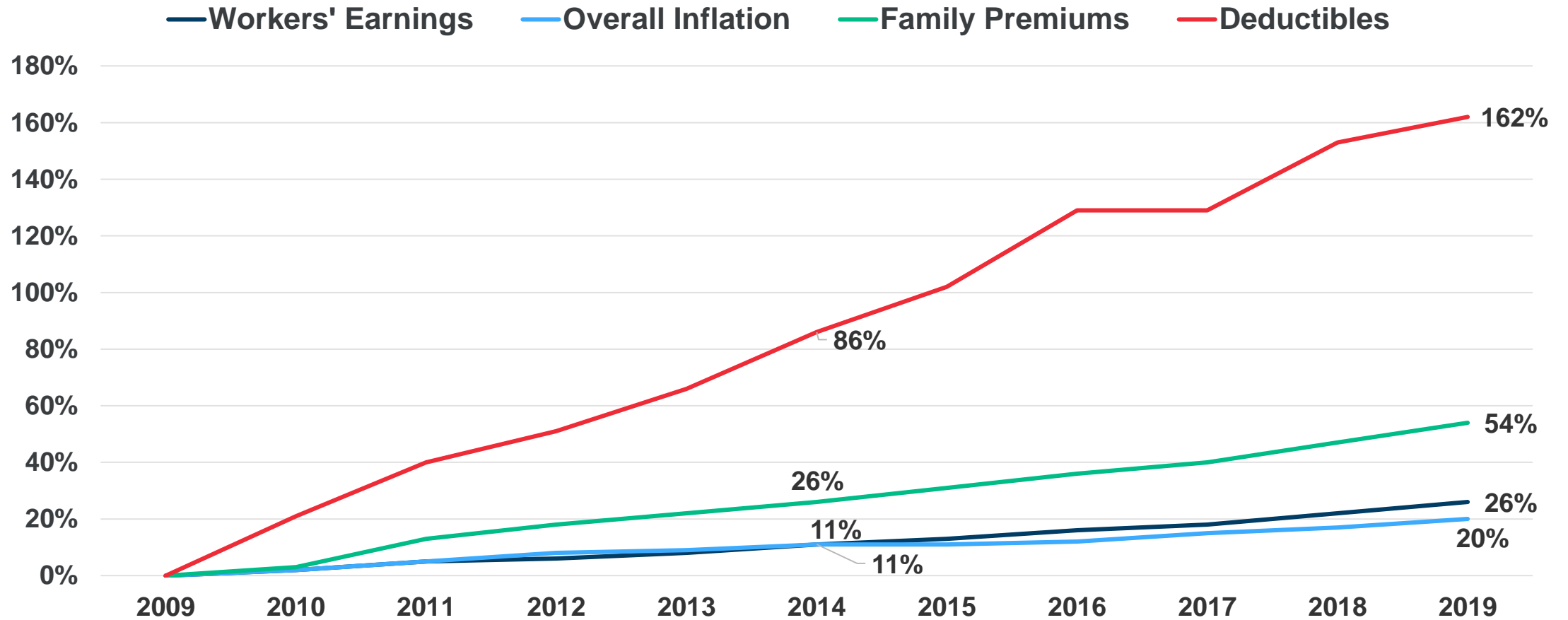


NOTE: Out-of-pocket costs are inflated from 2017 to 2018 because data are not yet available. Large firms have one thousand or more employees.

SOURCE: KFF Analysis of IMB MarketScan Commercial Claims and Encounters Database and KFF Employer Health Benefits Survey, 2018; Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2017

Figure 6

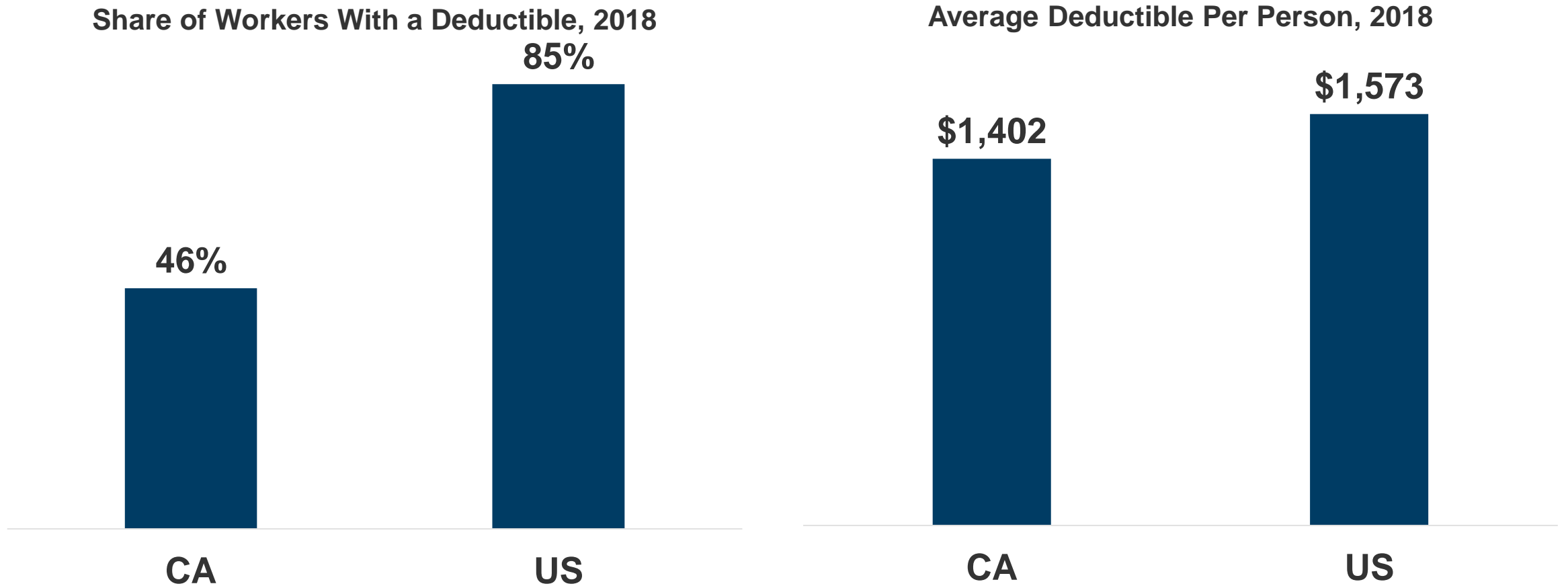
Family Premiums and Deductibles Have Outpaced Inflation, and Worker Earnings



Source KFF Employer Health Benefits Survey, 2018-2019; Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2009-2017.
Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation (April to April), 2009-2019;
Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 2009-2019 (April to April).

Figure 7

Deductibles in Employer Plans are Less Common in California and Somewhat Lower



Source: Kaiser Family Foundation and California Healthcare Foundation employer surveys.

Figure 8

Premiums Vary Tremendously Throughout the State

Lowest-Cost Bronze Plan Premiums in Covered California For a 40 Year-Old, 2020

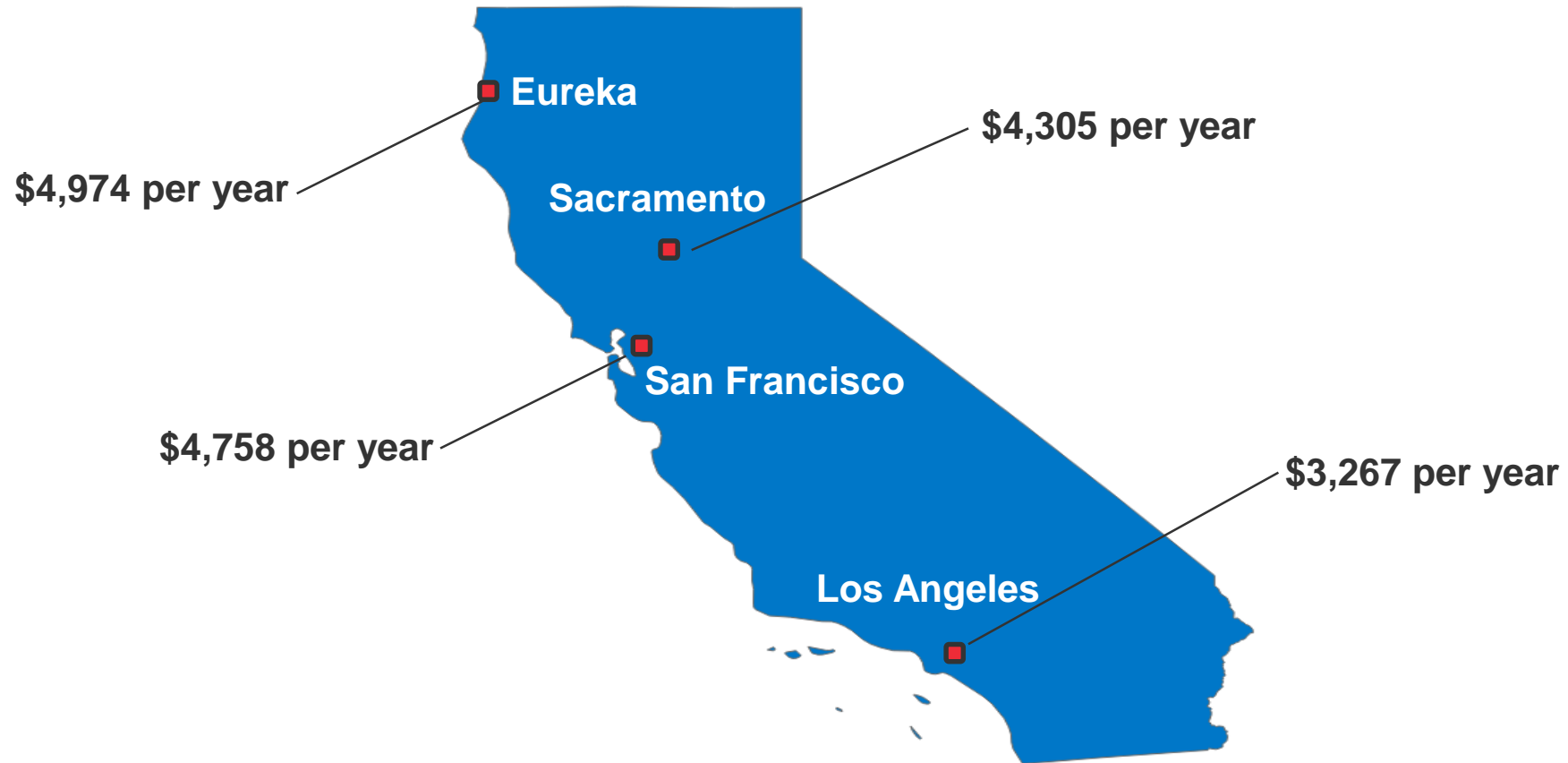
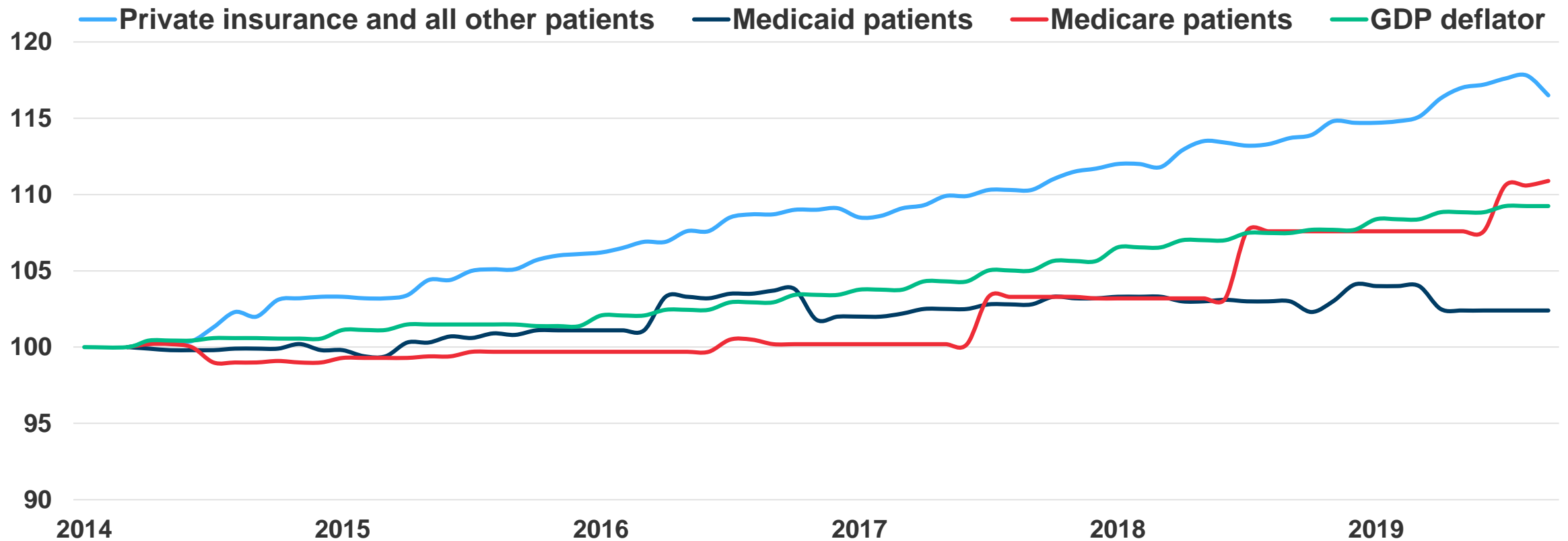


Figure 9

Prices for Inpatient Hospital Care Have Grown Rapidly for Privately Insured Patients

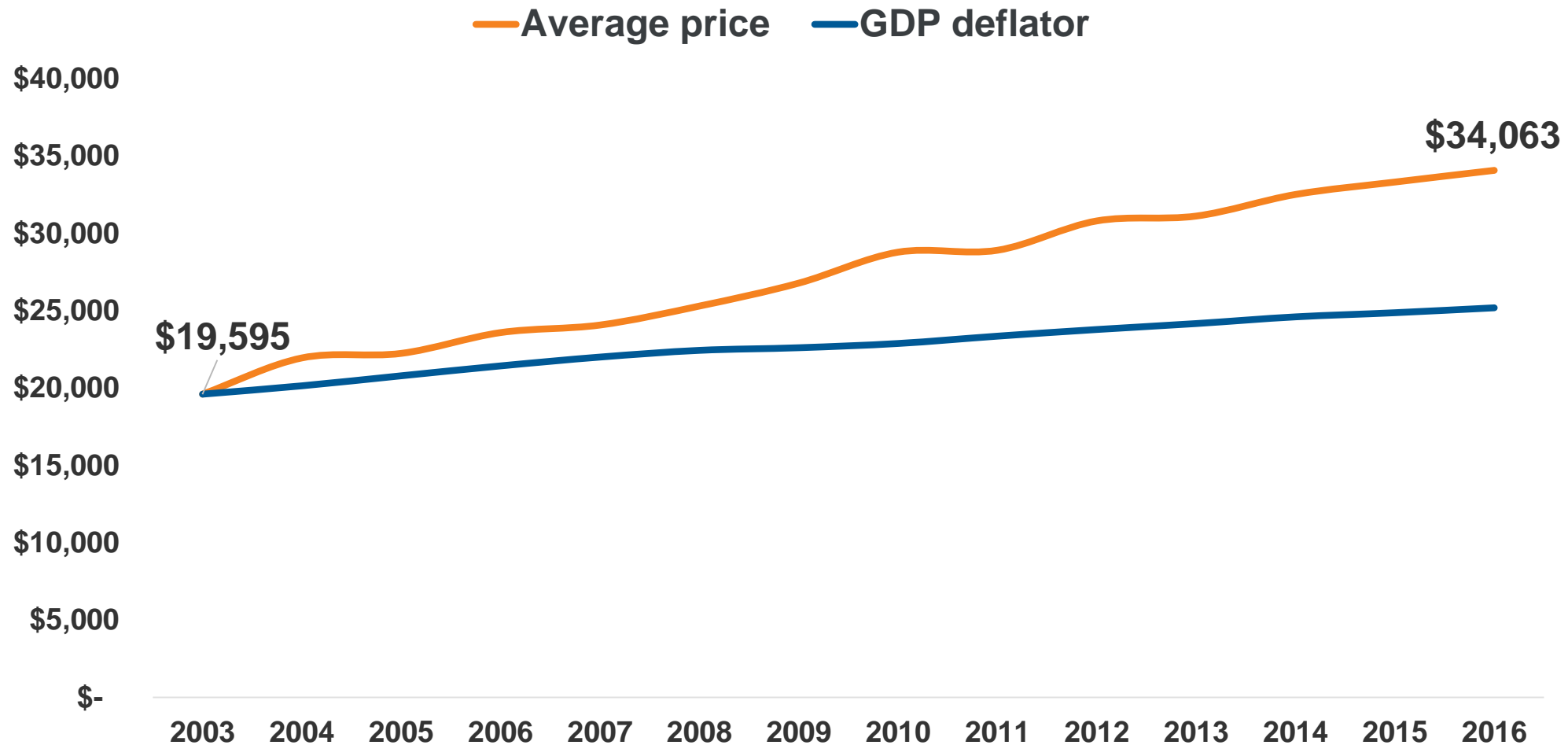
Producer price index for hospital inpatient care



Source: Federal Reserve Data

Figure 10

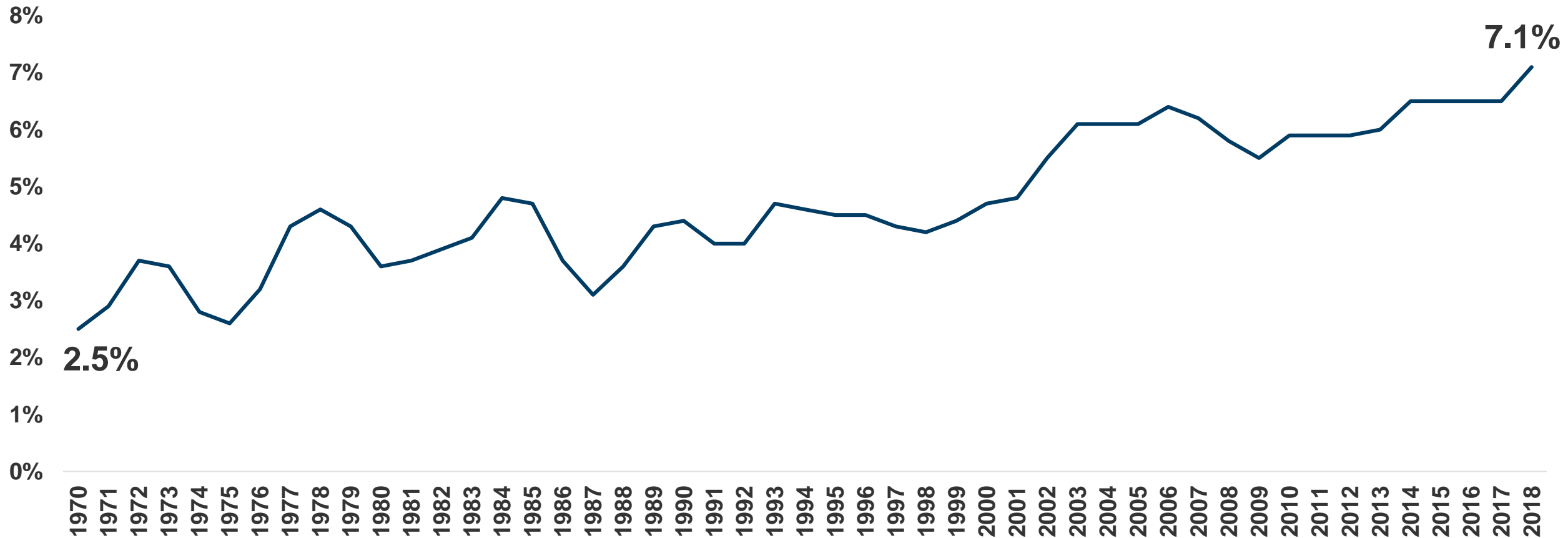
Average Price of a Knee Replacement Has Increased Much Faster Than Inflation



Source: Kaiser Family Foundation analysis of Truven MarketScan data, 2016

Figure 11

Share of Health Spending for Health Insurance Administrative Expenses Has Risen Over Time



Source: Kaiser Family Foundation analysis of National Health Expenditure (NHE) data from Centers for Medicare and Medicaid Services, Office of the Actuary, National Health Statistics Group

Figure 12

Half of Californians Have Postponed or Skipped Care Due to Cost, and Many Say This Made Their Health Condition Worse

Asked of the 51% who postponed or Skipped Care due to cost: Did any of the steps you took because of cost make your condition worse?

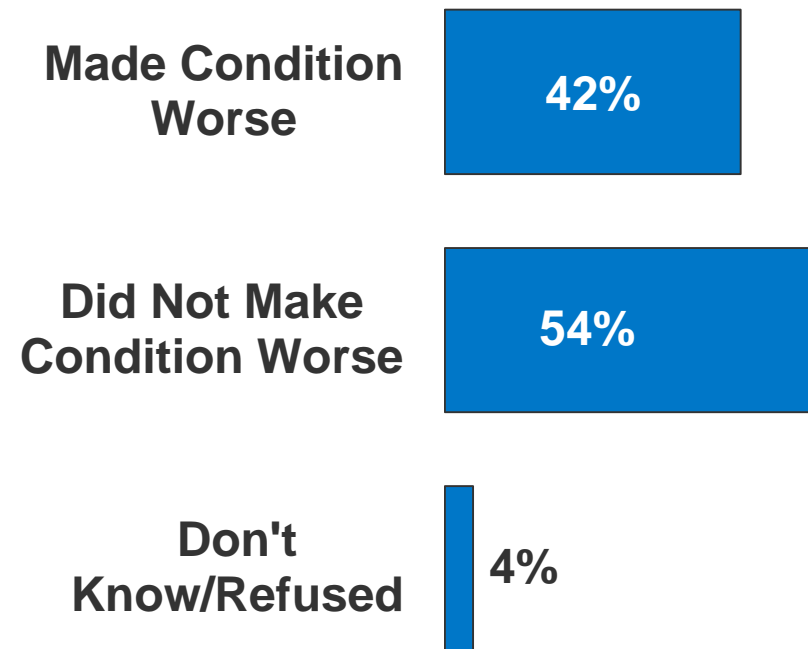
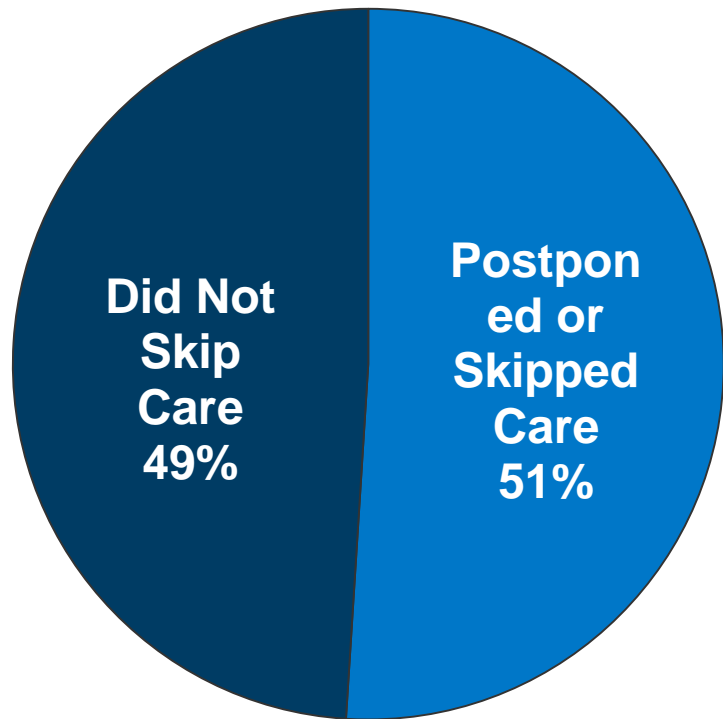
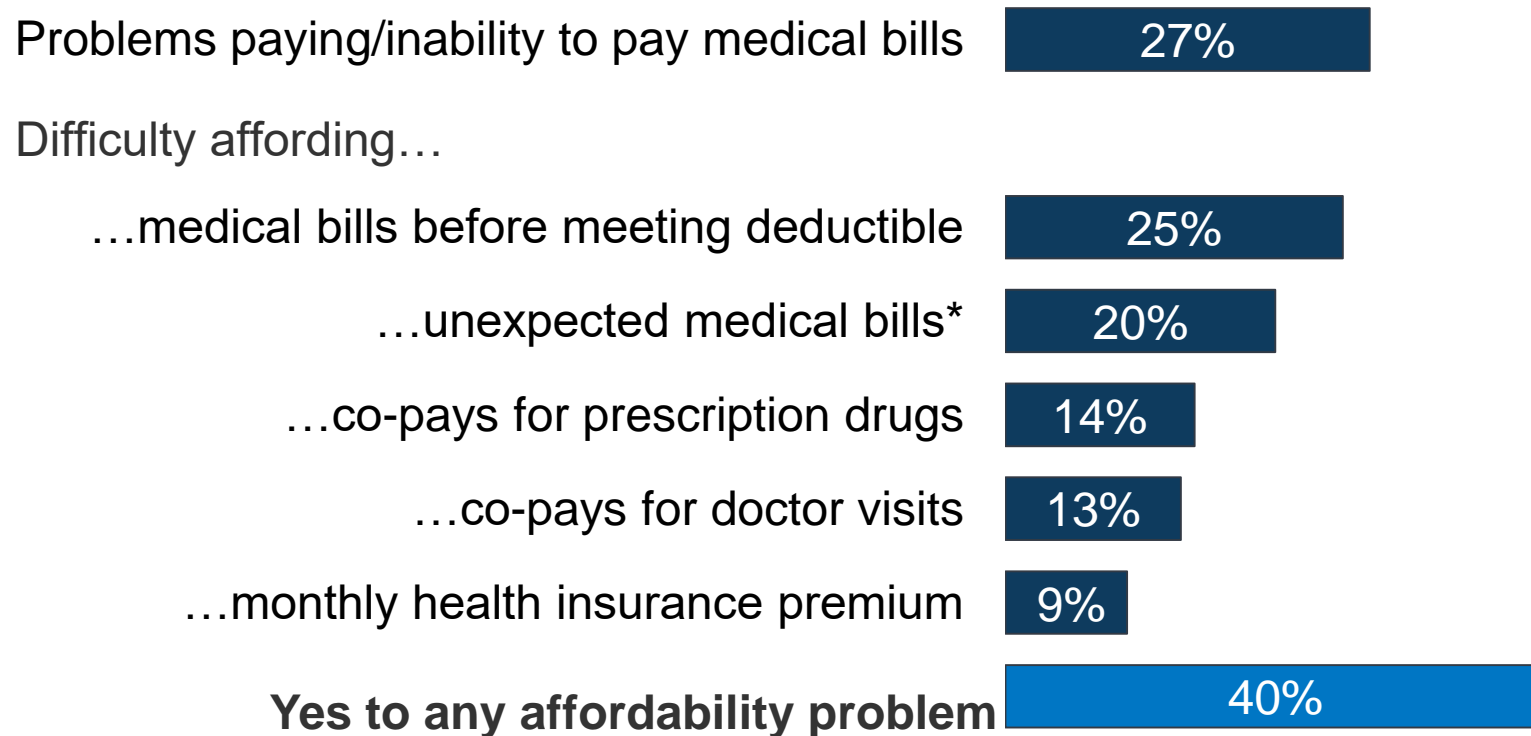


Figure 13

Four in Ten People with Employer Coverage Report Difficulty Affording Some Type of Health Care or Insurance Cost

Percent who say they or a family member experienced each of the following in the past 12 months:

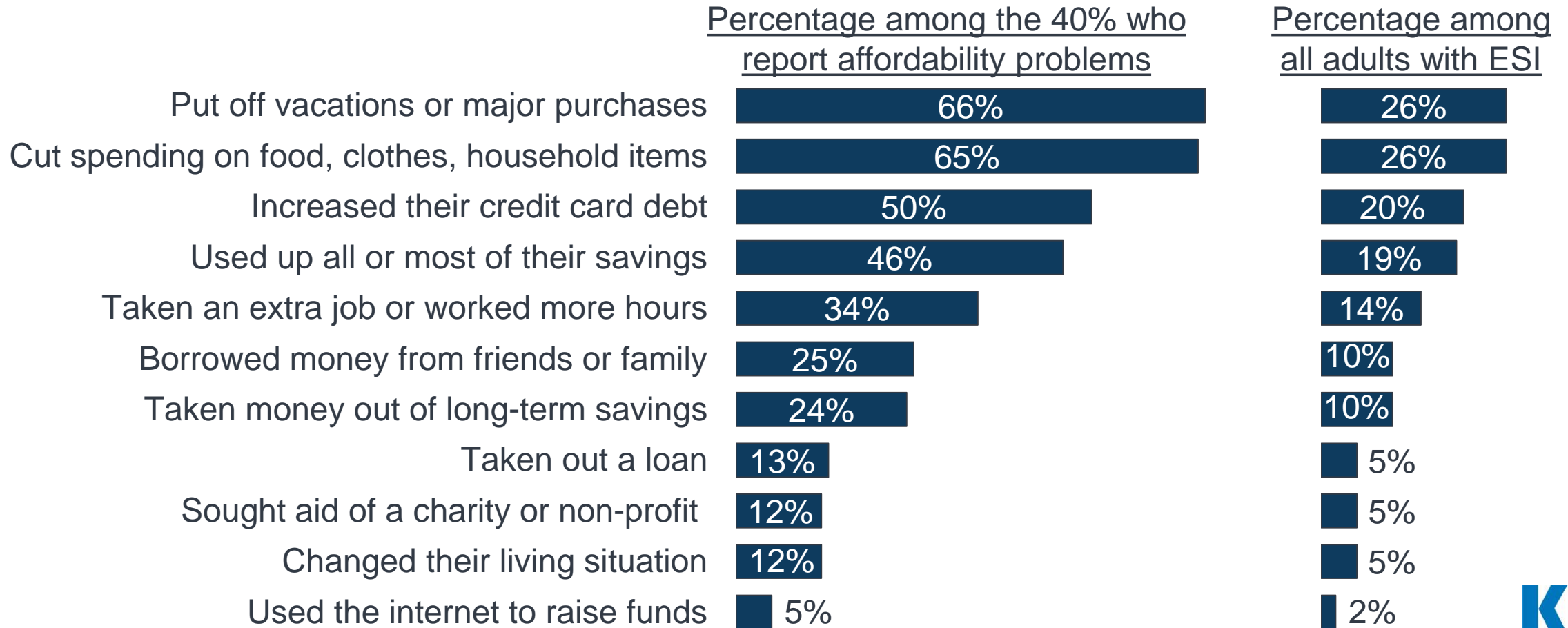


NOTE: *Unexpected medical bills include bills people thought would be covered, but the insurance company did not pay or paid less than expected.
SOURCE: KFF/LA Times Survey of Adults with Employer-Sponsored Health Insurance (Sept. 25-Oct. 9, 2018). See topline for full question wording.

Figure 14

Those with Employer Coverage Who Have Problems Affording Health Care Report Many Sacrifices to Pay Bills

Percent who report doing each in the past 12 months in order to pay for health care or insurance costs:



SOURCE: KFF/LA Times Survey of Adults with Employer-Sponsored Health Insurance (Sept. 25-Oct. 9, 2018). See topline for full question wording.