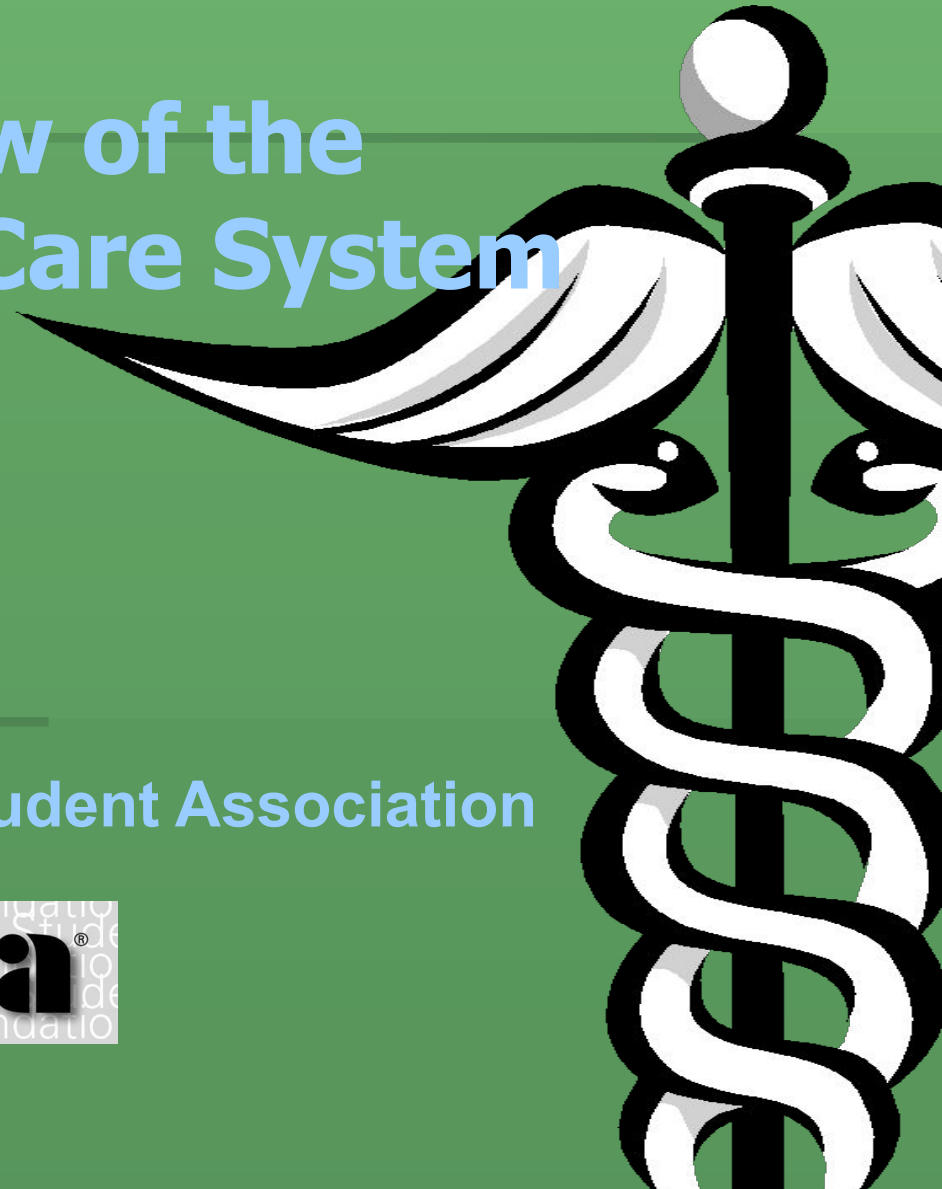


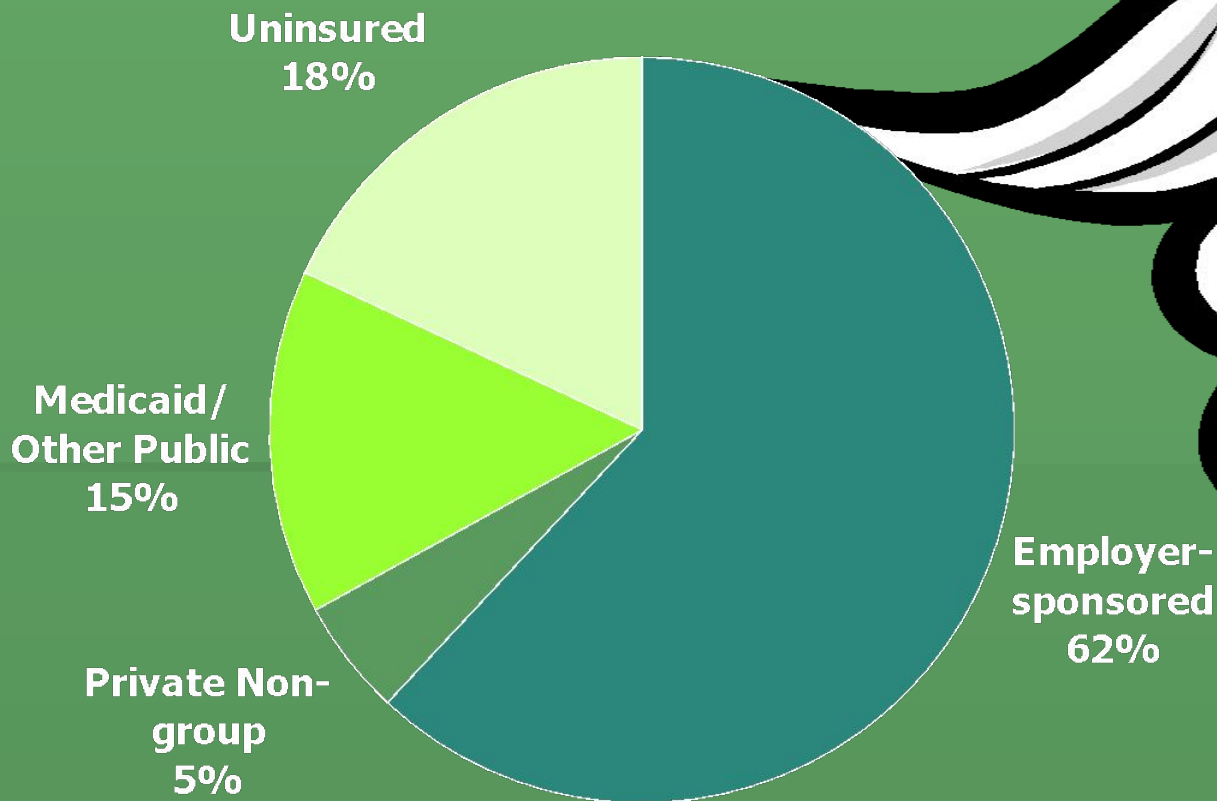
Overview of the U.S. Health Care System

American Medical Student Association



Coverage

Health Insurance Coverage of the Non-elderly Population, 2003



Source: Kaiser Commission on Medicaid and the Uninsured (KCMU) and Urban Institute analysis of the March 2004 Current Population Survey

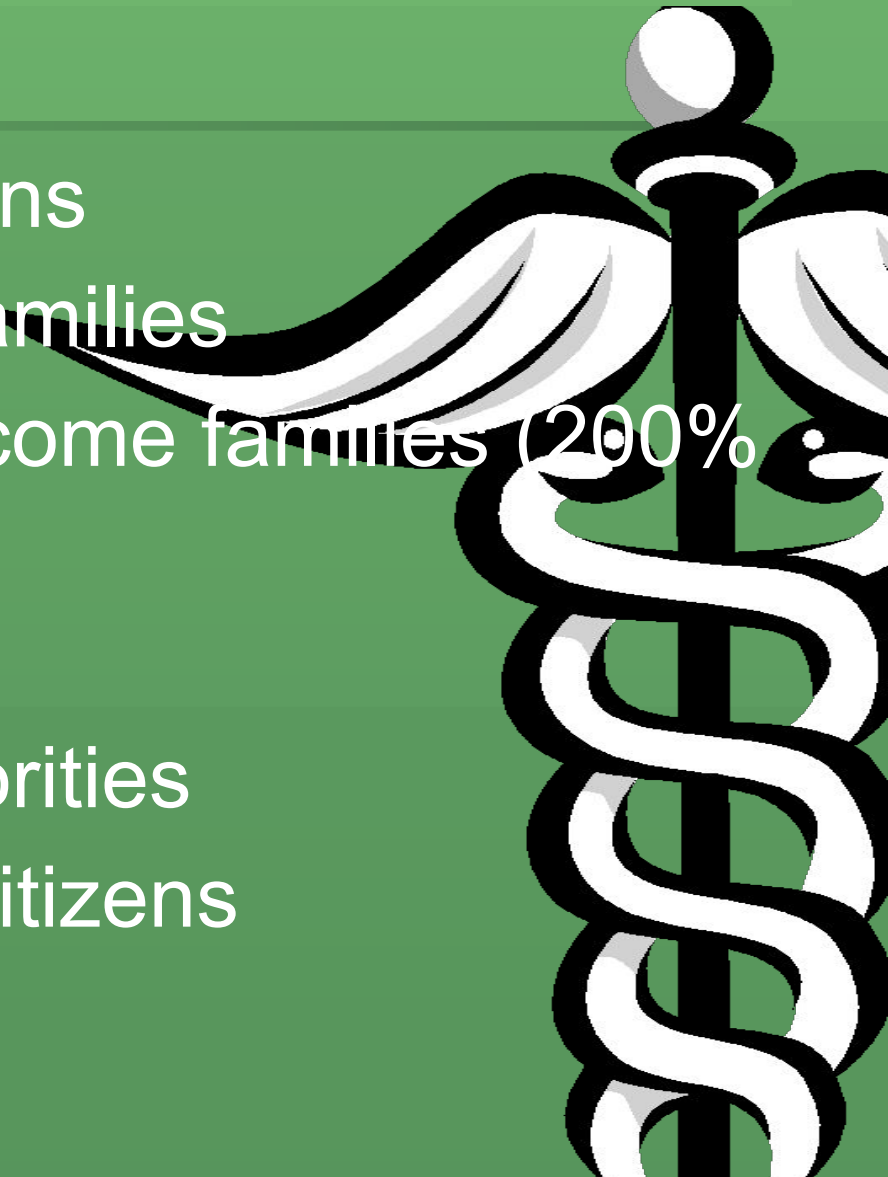


Profile of the uninsured

- 47.0 million Americans
- 81% from working families
- 52-59% from low-income families (200% FPL)
- 80% are adults
- 50% are ethnic minorities
- 79% are American citizens

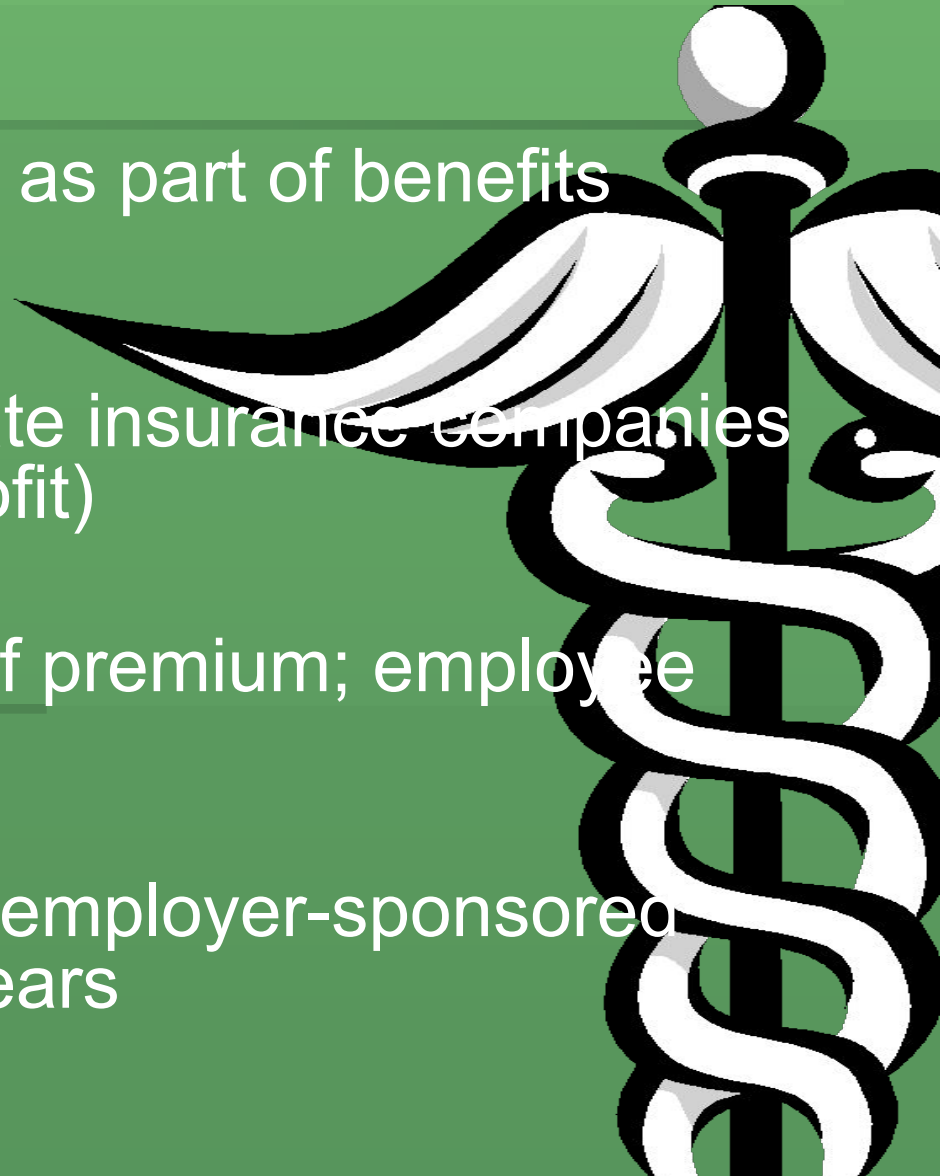
Source: Kaiser Commission on Medicaid and the Uninsured

Source: US Census Bureau



Employer-sponsored insurance

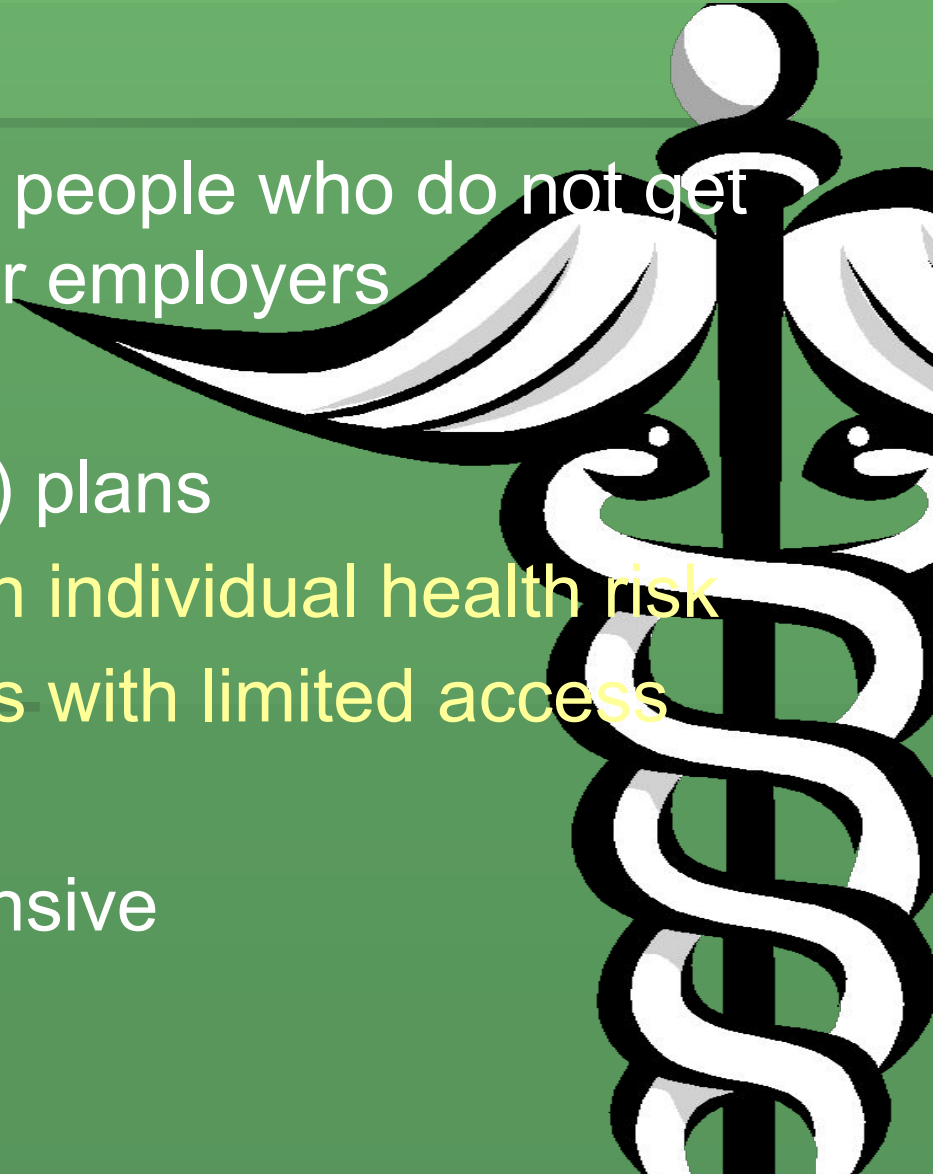
- Offered by employers as part of benefits package
- Administered by private insurance companies (for-profit and non-profit)
- Employer pays bulk of premium; employee pays remainder
- Significant erosion of employer-sponsored insurance in recent years





Individual insurance

- Purchased directly by people who do not get coverage through their employers
- Non-group (individual) plans
 - Premiums based on individual health risk
 - High-risk individuals with limited access
- Administratively expensive



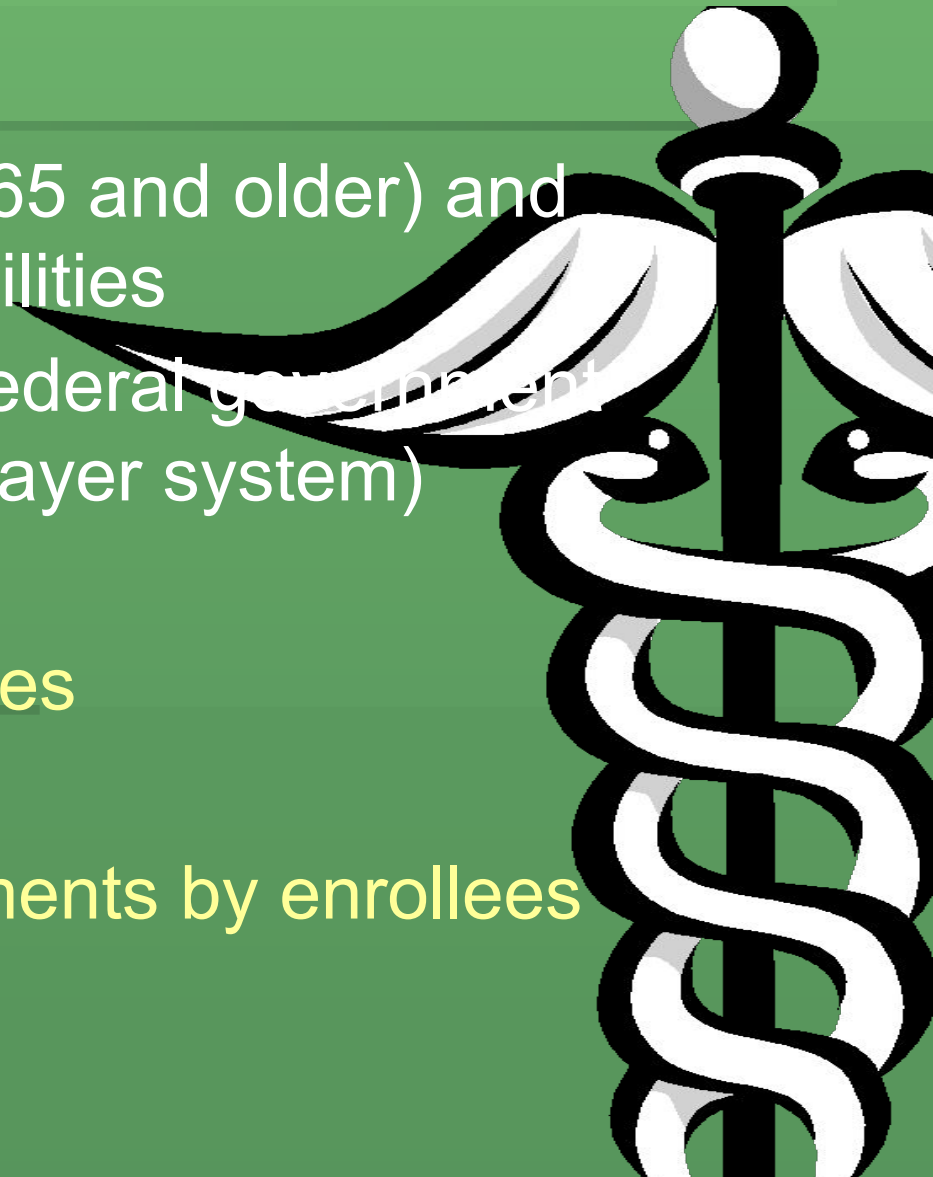
Medicare

- Covers elderly (ages 65 and older) and non-elderly with disabilities
- Administered by the federal government (essentially a single-payer system)
- Financed through:

Federal income taxes

Payroll taxes

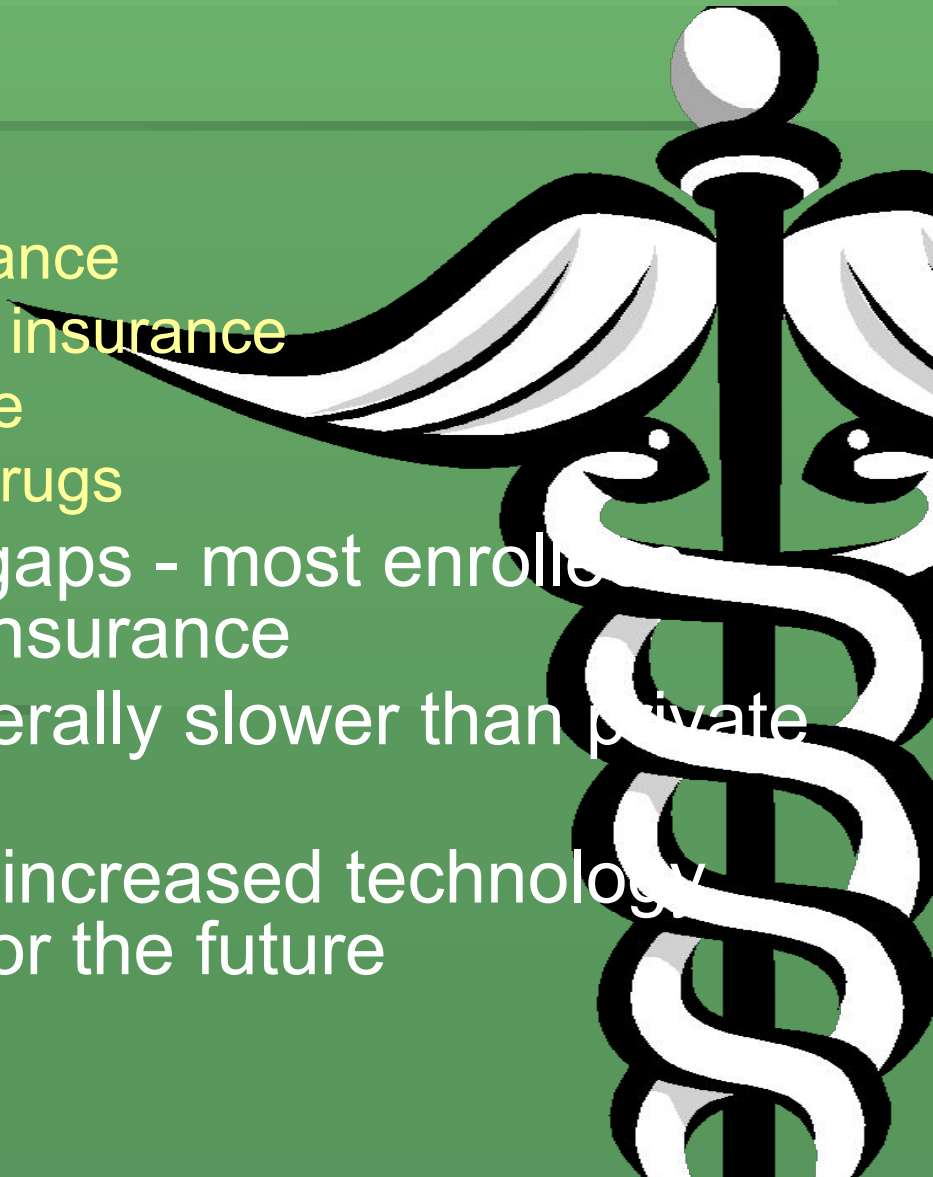
Out-of-pocket payments by enrollees





Medicare

- Four parts:
 - Part A – hospital insurance
 - Part B – supplemental insurance
 - Part C – managed care
 - Part D – prescription drugs
- Significant coverage gaps - most enrollees obtain supplemental insurance
- Spending growth generally slower than private insurance
- Aging population and increased technology presents challenges for the future





Medicaid

- Covers certain low-income individuals; not every poor person is covered!
- Administered by state governments
- Often out-sourced to non-government administrators
- Financed jointly by the state and federal government, etc.
- Benefits are fairly comprehensive, but many providers won't take care of Medicaid patients



State Children's Health Insurance Program (S-CHIP)

- Supplements Medicaid by covering low-income children who are ineligible for Medicaid
- Administered and financed similarly to Medicaid
- Similar problems to Medicaid:
 - Low reimbursement rates → some providers refuse to accept S-CHIP
 - Under-enrollment
 - Eligibility varies by specific populations and states



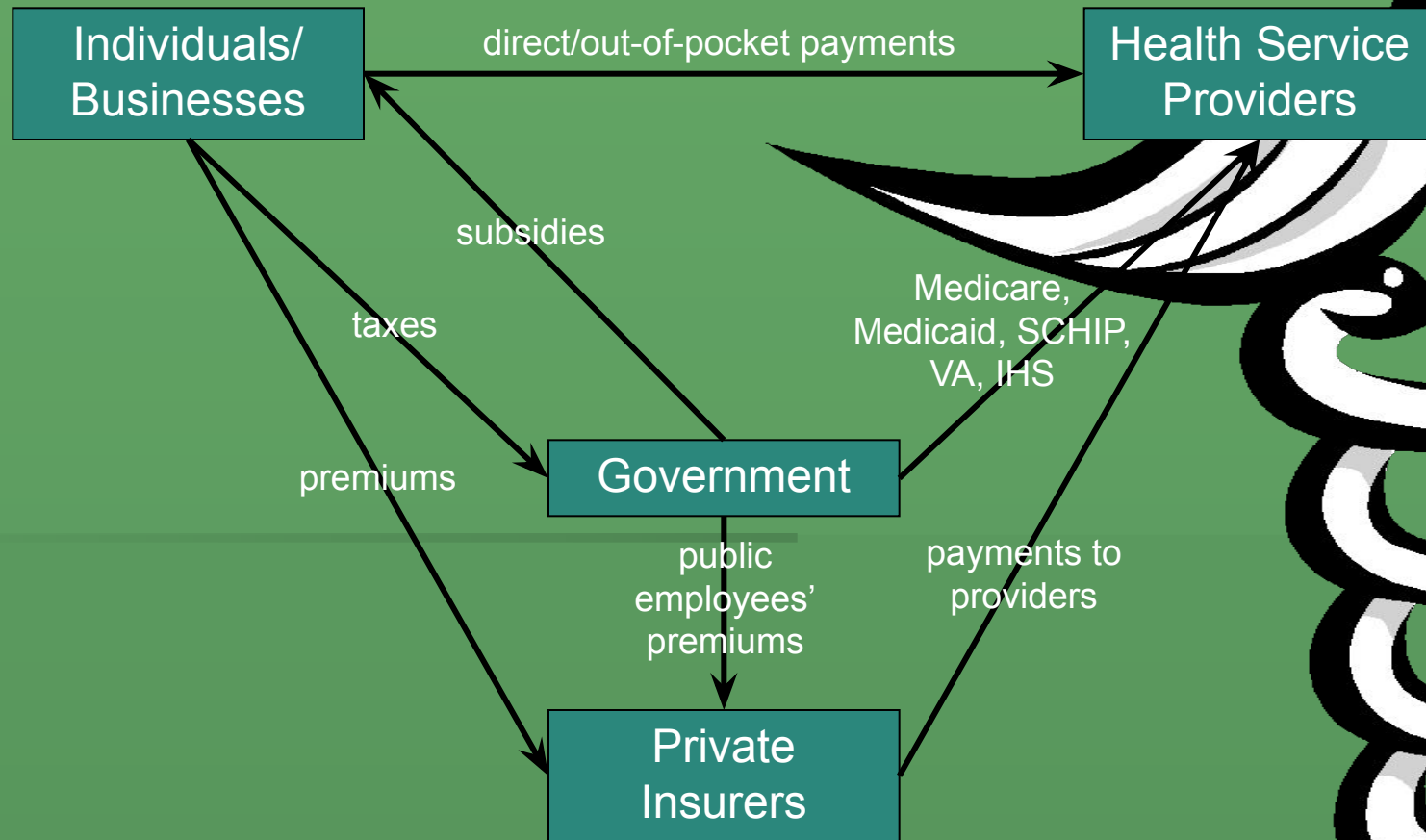


Other public insurance programs

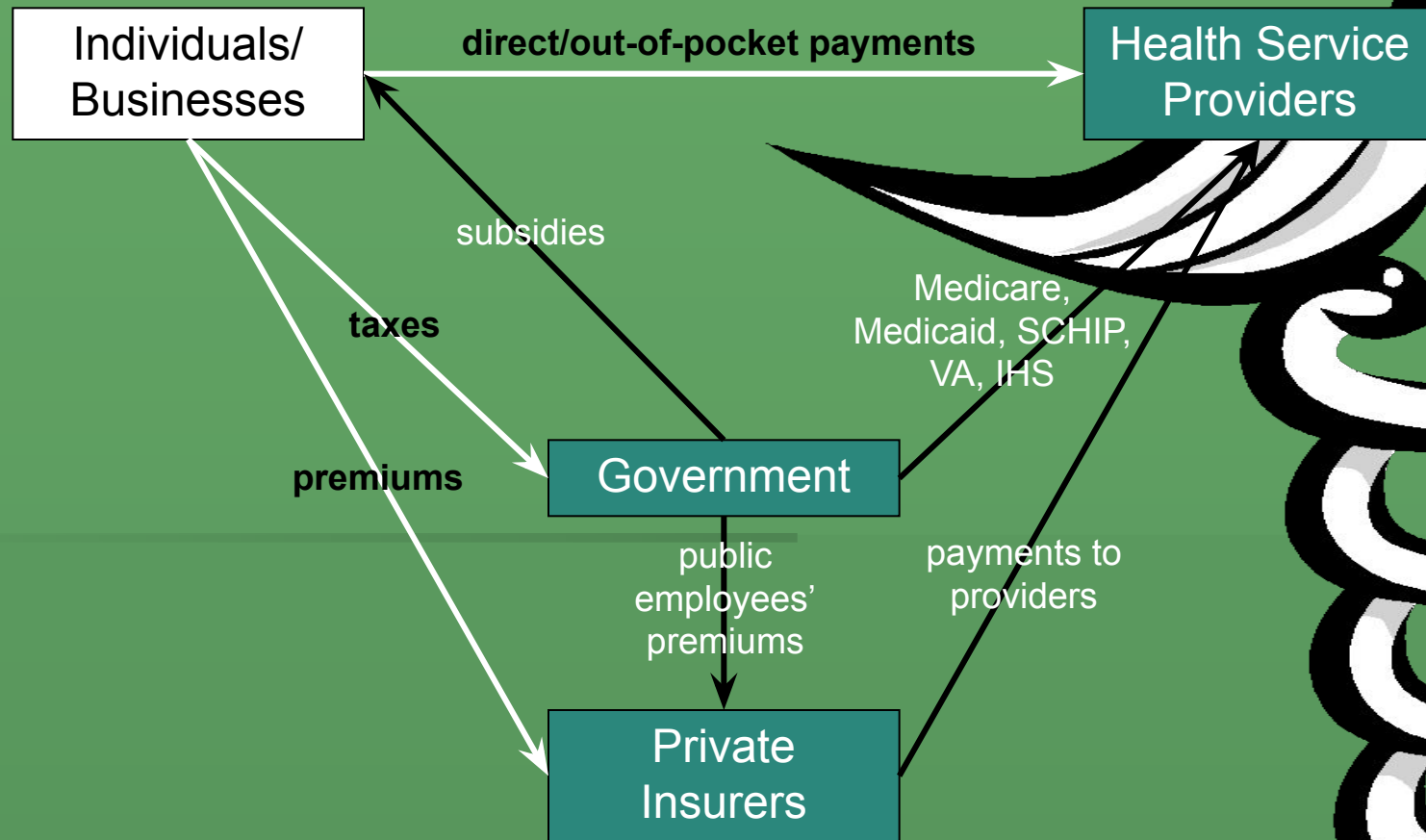
- Veterans Health Administration
 - Health benefits plan available to all veterans
 - Services delivered through VA health care facilities (“socialized medicine”)
 - Financed by the federal government
- Indian Health Service



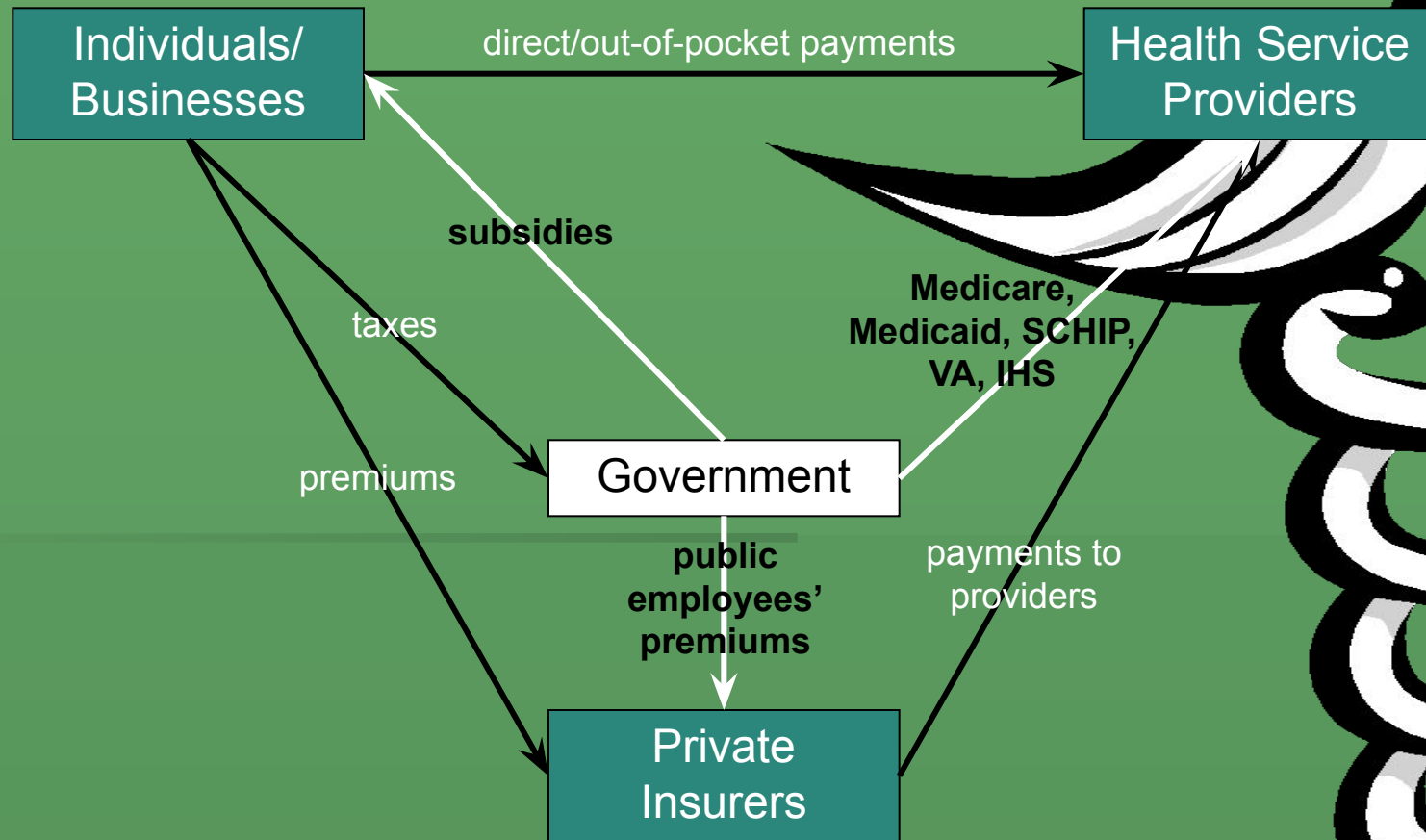
Financing



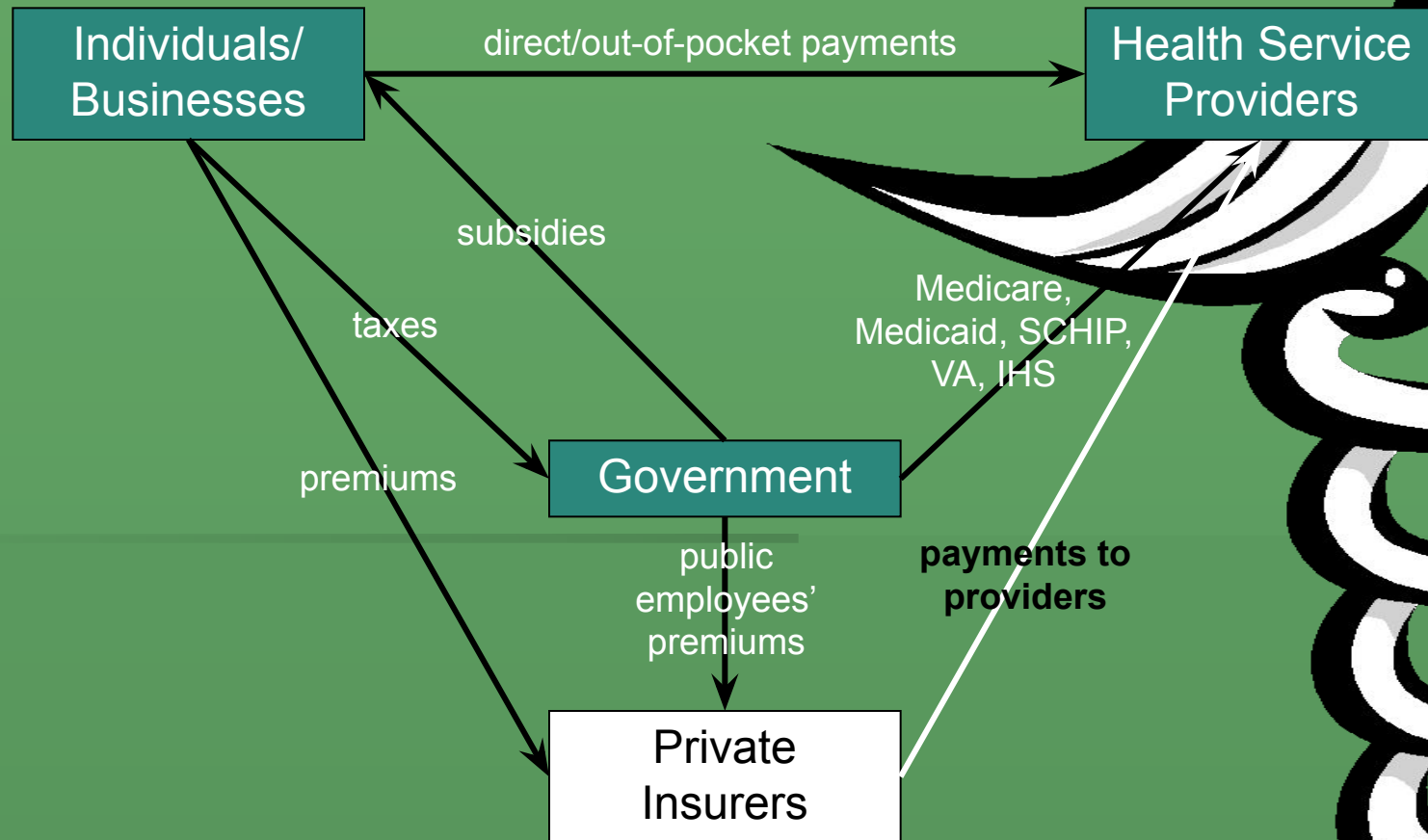
Financing



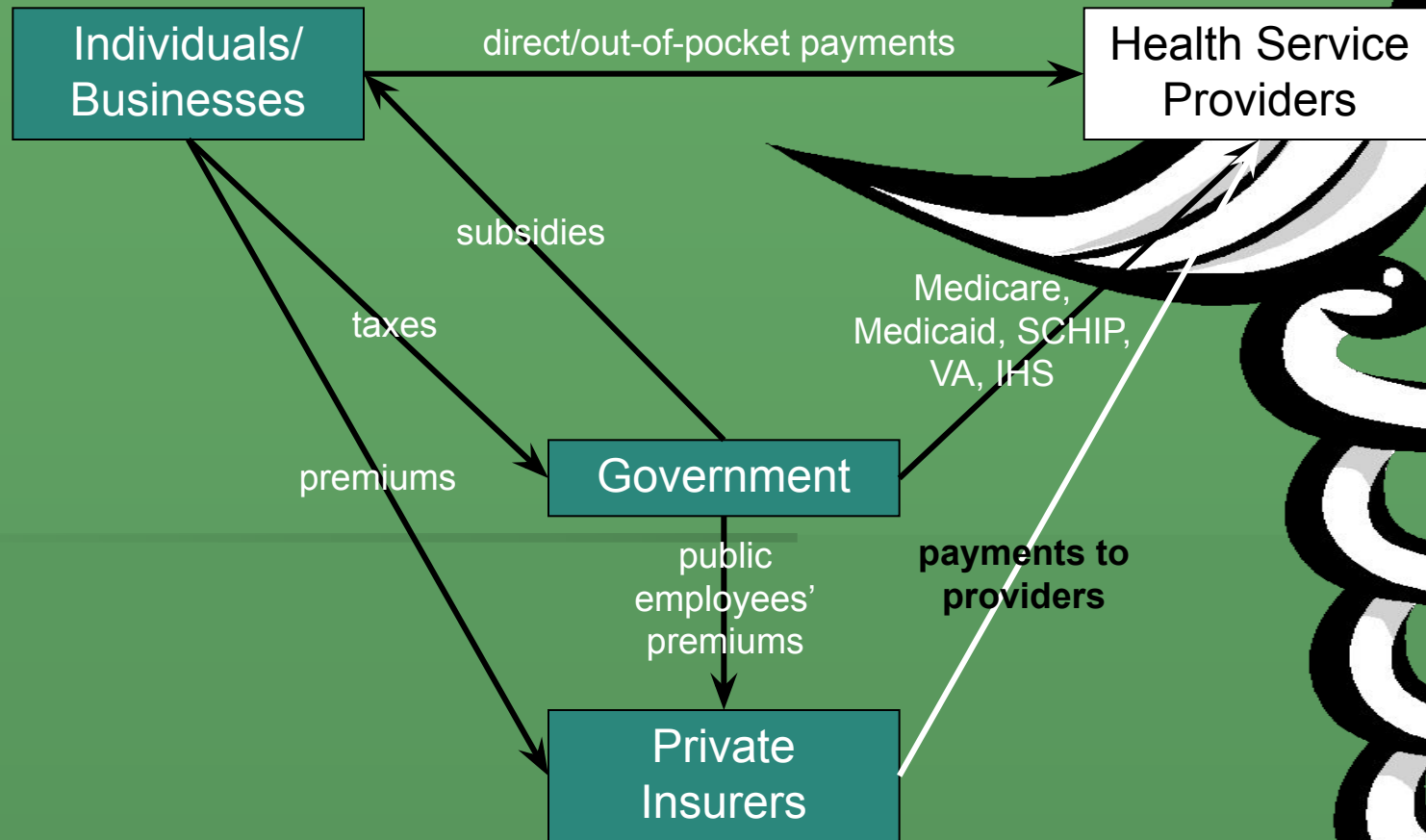
Financing



Financing

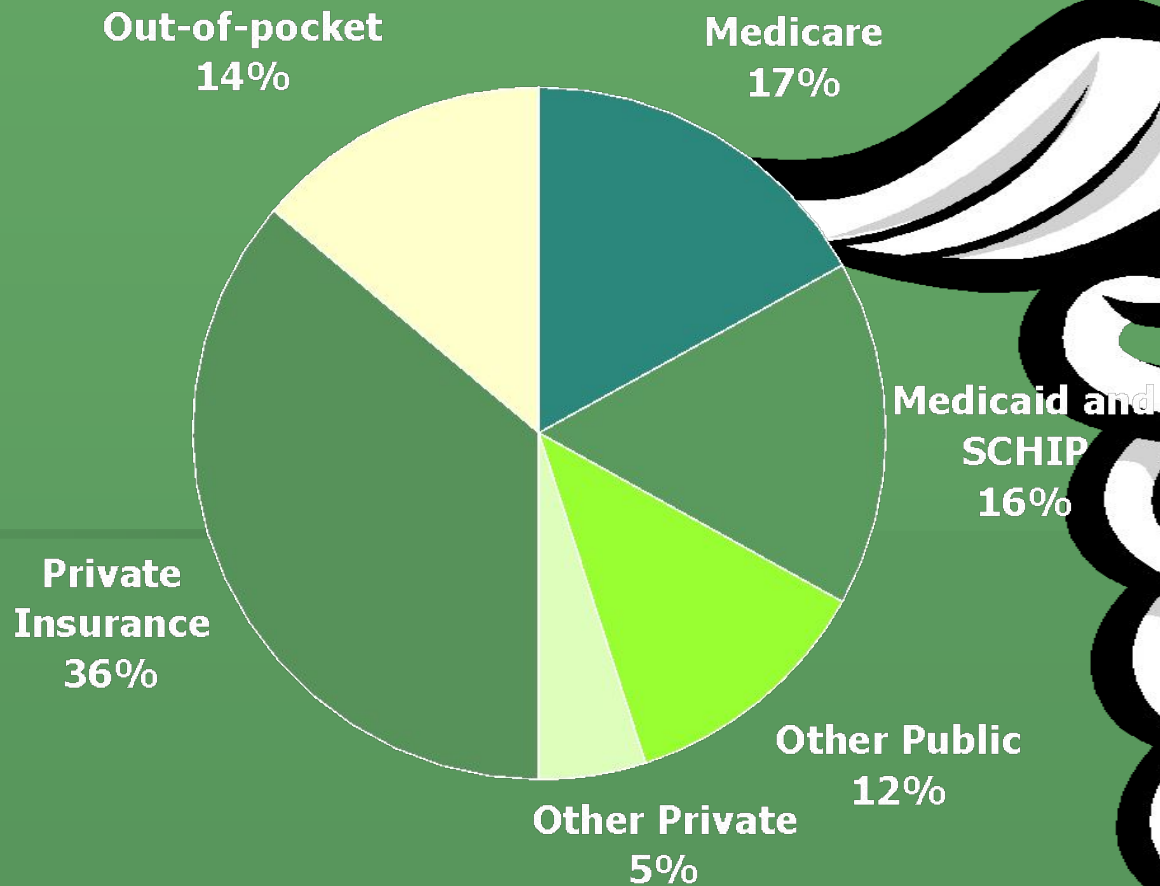


Financing



Financing

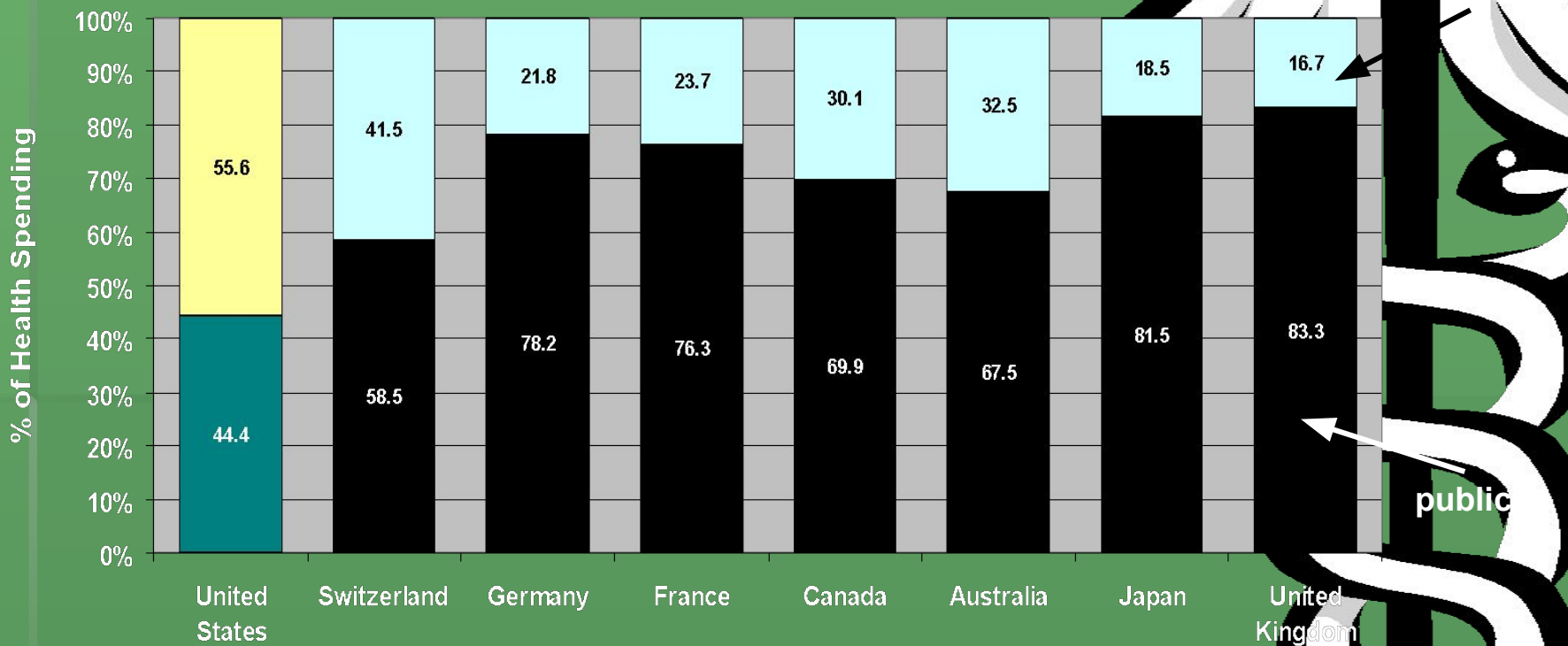
Where the Health Care Dollar Came From, 2003



Source: Centers for Medicare & Medicaid Services, Office of the Actuary,
National Health Statistics Group

Financing

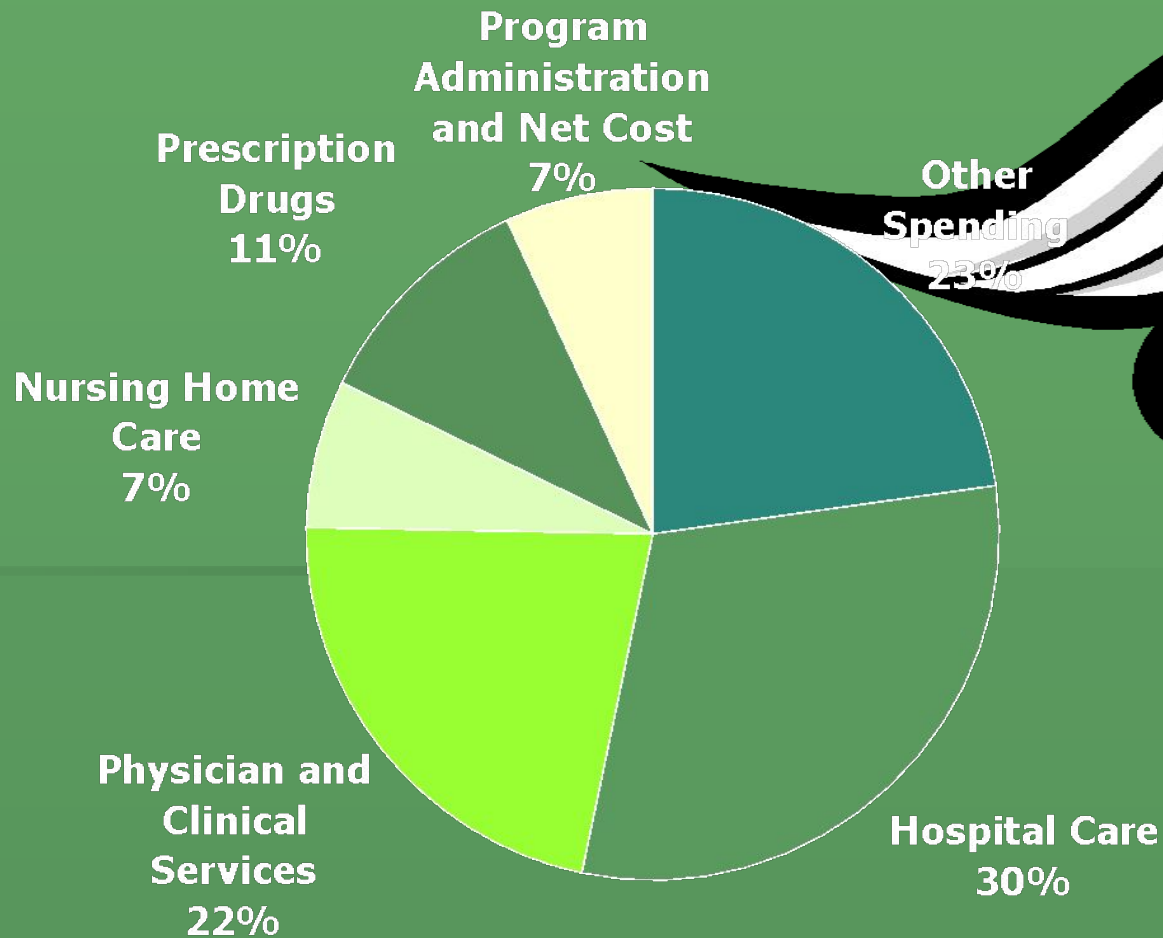
Public versus Private Spending, 2003



Source: OECD Health Data 2005

Financing

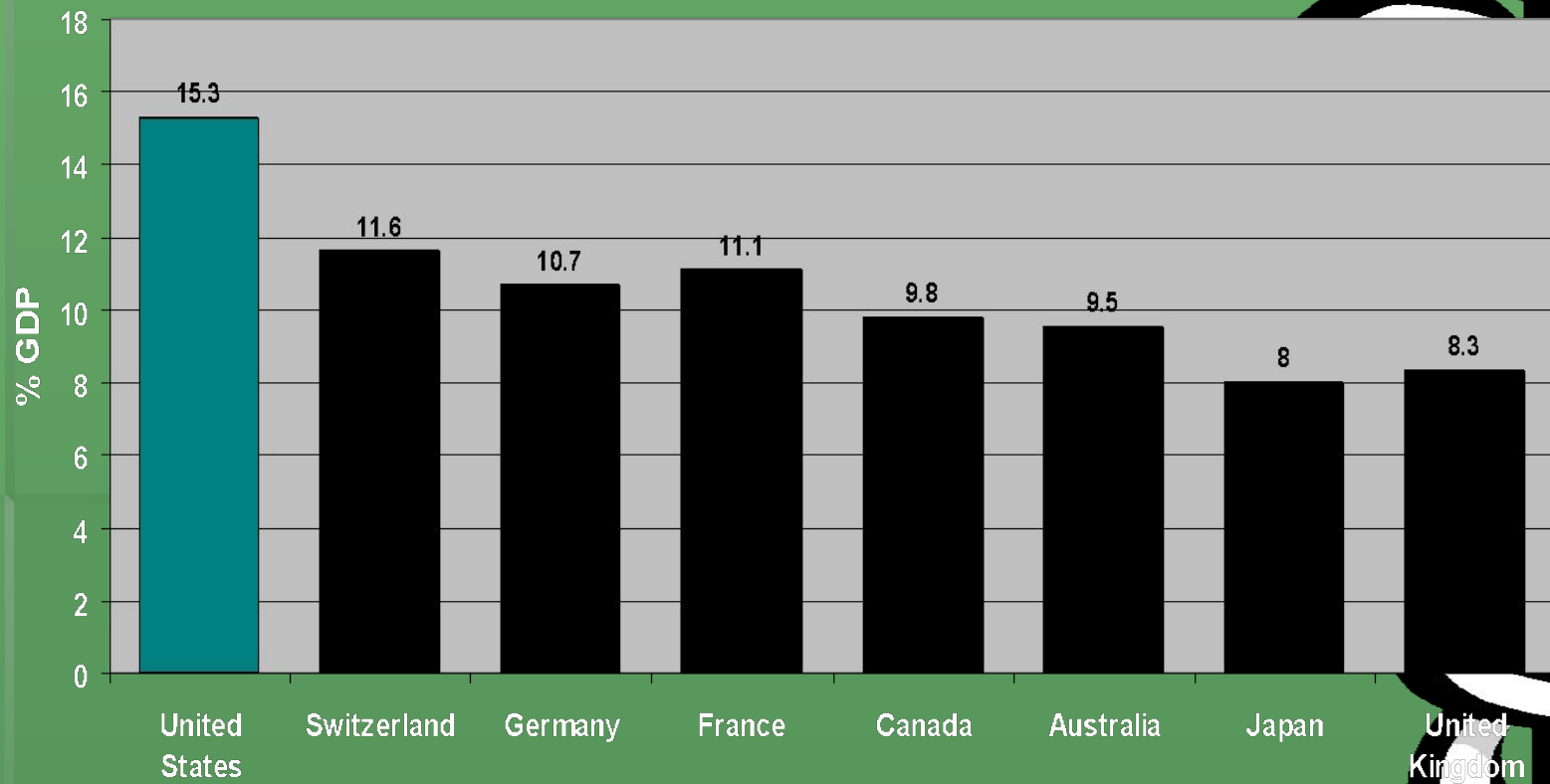
Where the Health Care Dollar Went, 2003



Source: Centers for Medicare & Medicaid Services, Office of the Actuary,
National Health Statistics Group

International perspective

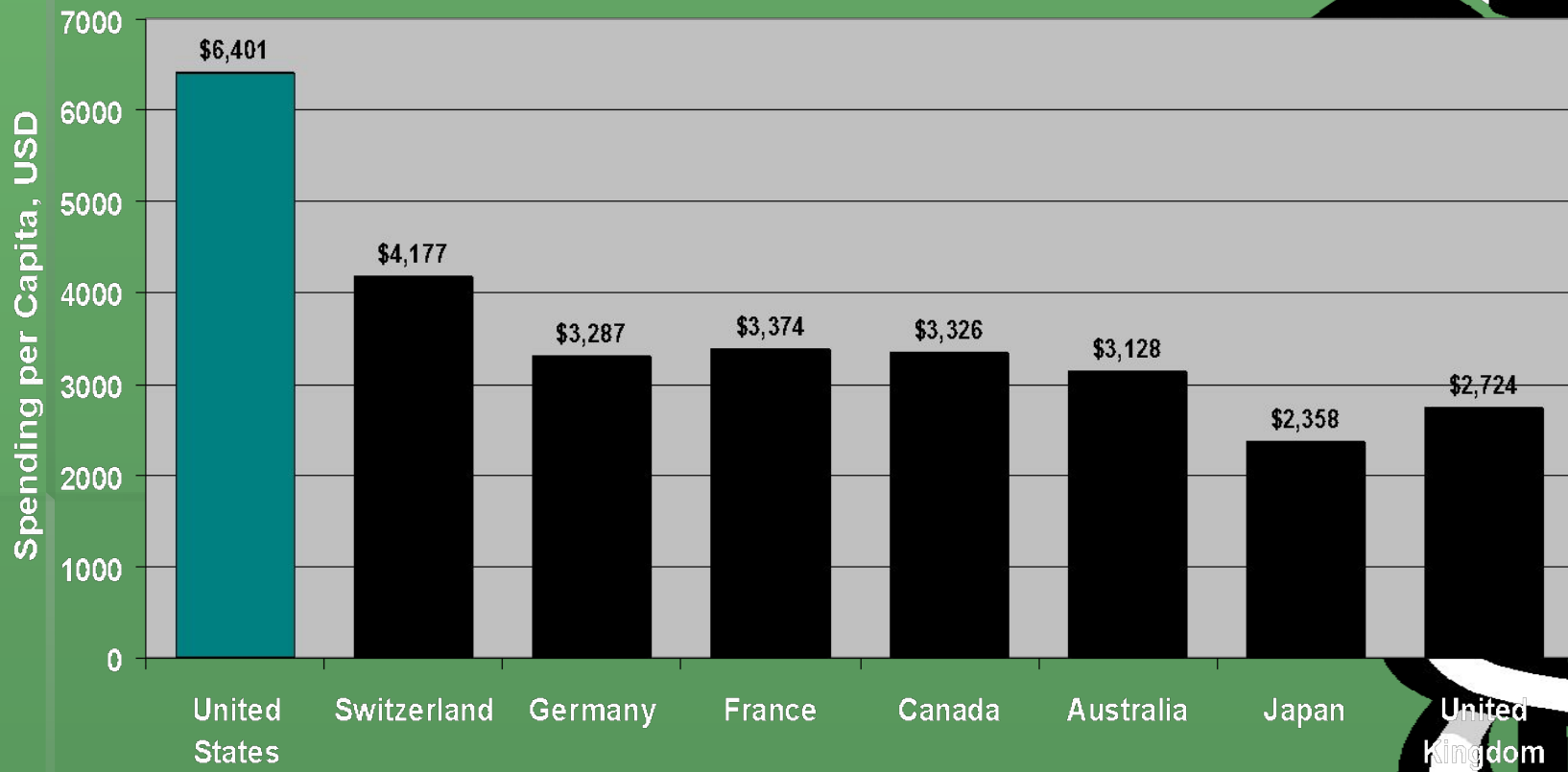
Total Spending on Health Care, 2005



Source: OECD Health Data 2007

International perspective

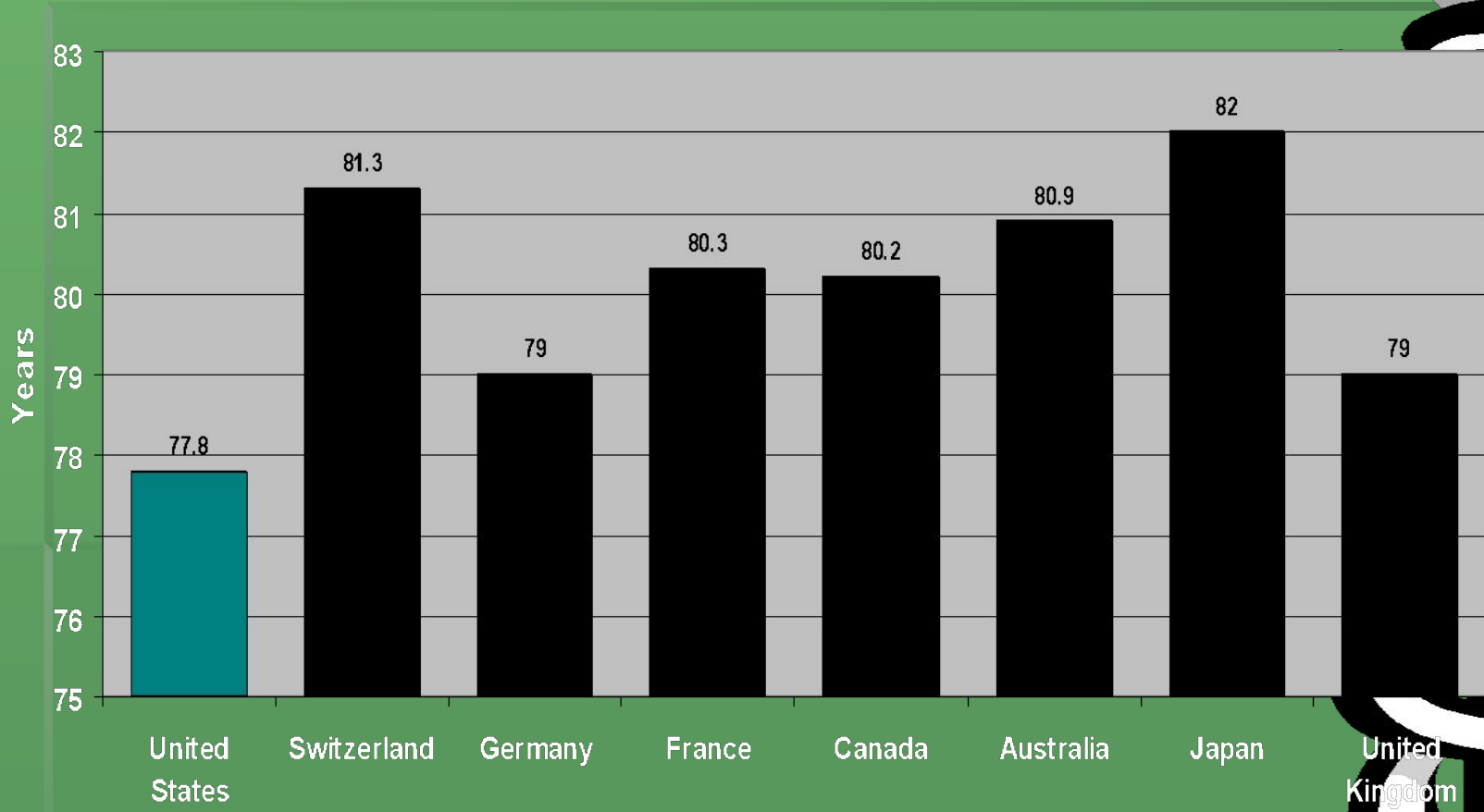
Health Care Spending per Capita, 2005



Source: OECD Health Data 2007

Health status and outcomes

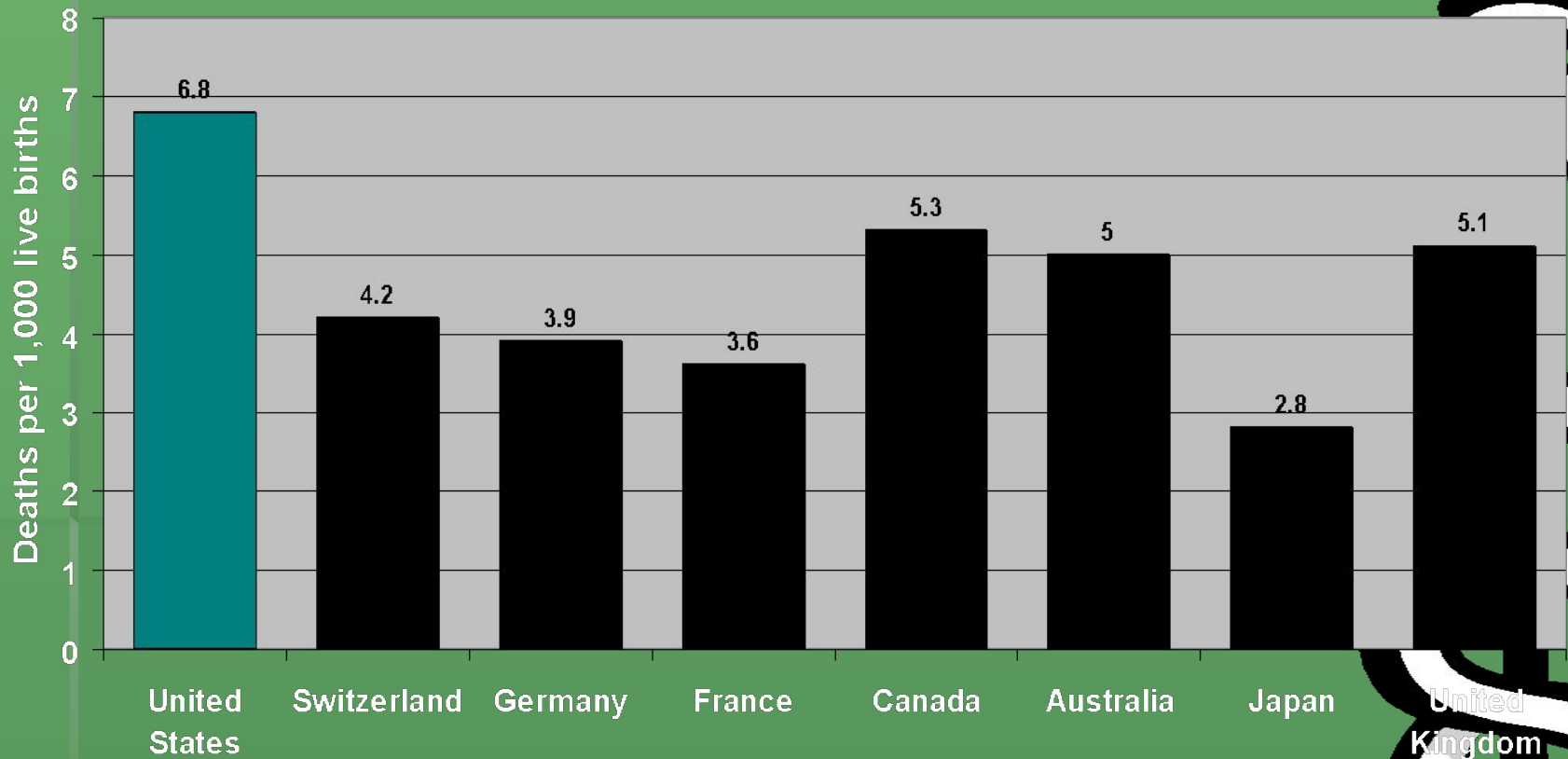
Life Expectancy at Birth, 2004-5



Source: OECD Health Data 2007




Health status and outcomes

Infant Mortality, 2004-5



Source: OECD Health Data 2007

The patchwork

individual	employer-s ponsored	Medicare	VA	employer-s ponsored	Medicaid
VA	Medicaid		employer-s ponsored	IHS	Medicare
employer-s ponsored		employer-s ponsored	Medicare		employer-s ponsored
Medicaid	Medicare	Medicaid	employer-s ponsored	Medicare	SCHIP