

One Health Insurance Plan Makes Sense (1PLAN)

Data and Sources

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Quick Facts

Money Currently Wasted on Health Care in the U.S.

\$3000 is wasted per person per year.
\$250 is wasted per person per month.
\$2 out of \$5 spent on health care is wasted.
\$2.4 trillion is spent on health care per year.
\$910 billion is wasted on health care per year.
38% of total health care expenditures is wasted.
16% of GDP is spent on health care per year.
6% of GDP is wasted on health care per year.

Money That Will Be Wasted in the Future on Health Care in the U.S.

You will waste at least \$45000 in the next 10 years on health care.
You will work 1 year out of the next 10 years to pay for health care waste.
Your health care costs will be 94% higher in 10 years.
The cost of most other things will rise 30% due to inflation.

People Currently Uninsured in the U.S.

1 out of 6 people do not have health insurance.
47 million people are uninsured per year.

Deaths Due to Lack of Health Insurance in the U.S.

22,000 people die per year due to lack of health insurance.
60 people die per day from no health insurance.

Bankruptcies and Health Insurance

3 out of 5 bankruptcies are due to medical expenses.
62% of bankruptcies are due to medical expenses.
528,000 people file for bankruptcy per year because of medical expenses.
78% of medical bankruptcy filers had health insurance at the start of their illness.
Medical expense related bankruptcies cost the economy \$24 billion per year.

World Health Rankings

The U.S. ranks 49th out of 224 countries in life expectancy.
The U.S. ranks 45th out of 224 countries in infant mortality.

Methodology for Calculating Estimated 1PLAN Cost Savings

The following is a description of the methodology used for calculating the cost savings realized by switching to 1PLAN:

Comparison of G7 health care expenditures as a percentage of GDP:

A comparison was made between the U.S. and the other G7 countries using 2006 health expenditures as a percentage of GDP. The G7 countries: U.S., Canada, U.K., Japan, France, Germany and Italy were used, because they have a similar standard of living to the U.S., and with the exception of the U.S., they all have universal health insurance/care systems. Percentage of GDP was used, because this most closely represents real expenses in each country. The year 2006 was used, because this was the most recent comprehensive data for this comparison.

In 2006, U.S. health expenditures as a percentage of GDP were 15.3%, while the average of the other six countries was 9.5%. In comparing these two percentages, 9.5% is 38% lower than 15.3%; in other words, if the U.S. matched their GDP health care expenditures to the rest of the G7 countries, it would spend 38% less than it does now.

Calculation of estimated cost savings:

Using the 2008 U.S. data of a GDP of \$14.6 trillion, health expenditures of \$2.4 trillion, and a population of 304 million combined with the 2006 G7 comparison calculation of 38%, the following figures were calculated: U.S. total health care waste per year (\$2.4 trillion x 38%): \$912 billion. U.S. per person health care waste per year (\$912 billion / 304 million people): \$3000. The year 2008 had the most recent comprehensive data for these calculations. We believe that using the GDP percentage from 2006 creates a conservative 1PLAN cost savings estimate because newer (though not-yet-complete) data suggests that the U.S. continues to spend an increasing percentage of GDP on health care compared to other G7 countries.

An attempt at fairness and objectivity:

We acknowledge that data varies between sources and from year to year and that there is a likelihood of inconsistent methodologies between sources. Additionally, we acknowledge that the conclusions presented here could be calculated using a variety of different methodologies. To mitigate these effects on our conclusion, we sought middle ground by considering these data and calculations in what seemed the most fair and objective manner. This data could be skewed to make the cost savings appear significantly more or less than what has been presented here. For example: If we compared the actual G7 purchasing power parity (PPP) cost per person, we could conclude that the U.S. could save 54% or \$1.296 trillion on health expenditures. Alternately, if we excluded the three lowest G7 health spending countries, we could conclude that the U.S. could save 31% or \$744 billion on health expenditures. Instead, we choose to calculate estimates that seemed to be a reasonable average between high and low extremes.

Other calculations:

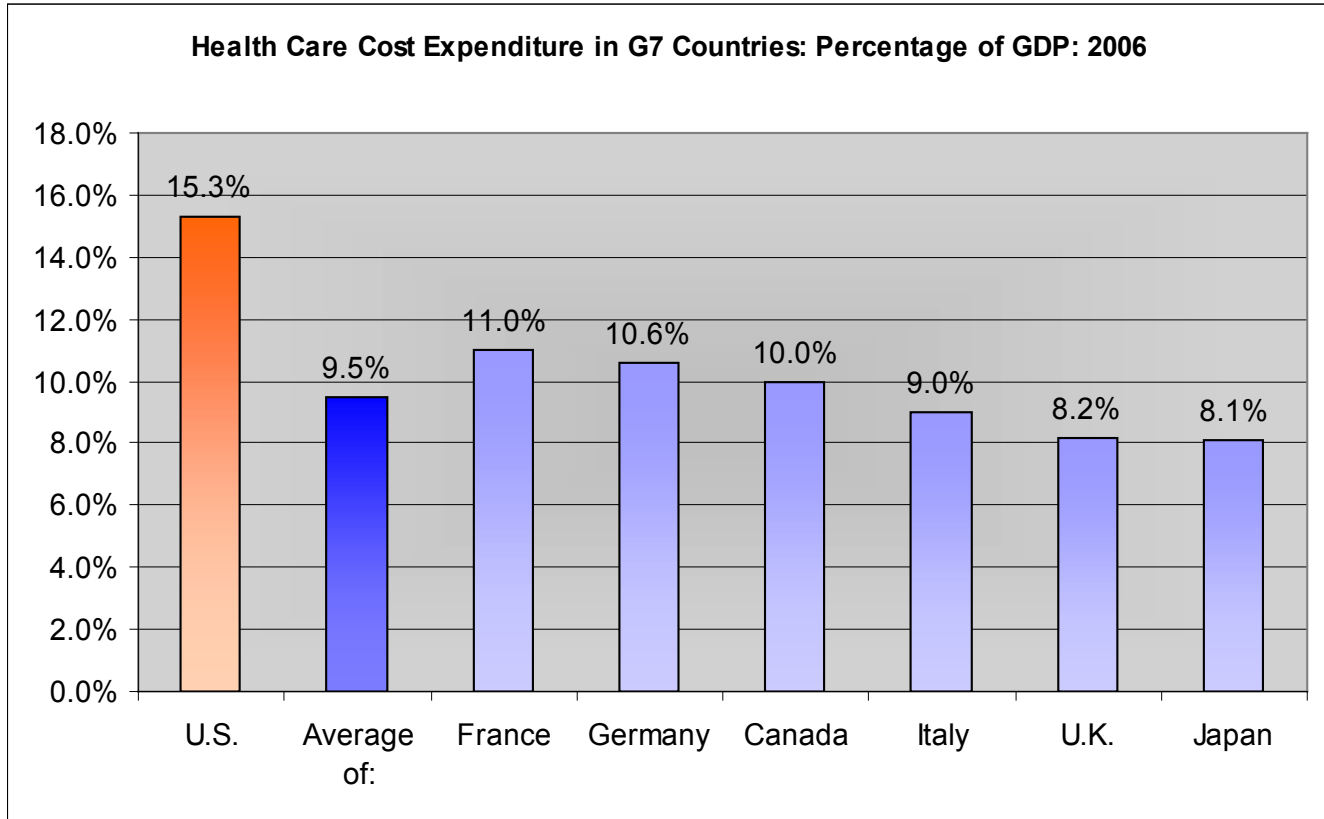
Simple math was used for the other calculations. For example, in the U.S. in 2007, there were 412,165 medical related bankruptcies averaging \$44,622 each. Hence, the total estimated cost to the economy (number of bankruptcies x average cost of each bankruptcy) was \$23,578,994,458.

Rounding:

For the purpose of making this information accessible in different ways, some of the calculations have been rounded. For example, the statement "\$2 out of \$5 spent on health care is wasted." says that 40% is wasted, which in this context is roughly the same thing as 38%.

U.S. Health Care Expenditure Comparisons in "G7" Countries

Health Care Expenditure Comparisons in G7 Countries: Percentage of GDP									
	U.S.	Average of:	France	Germany	Canada	Italy	U.K.	Japan	SOURCE
2006	15.3%	9.5%	11.0%	10.6%	10.0%	9.0%	8.2%	8.1%	1
2000	13.2%	8.7%	10.1%	10.3%	8.8%	8.1%	7.1%	7.7%	1



Health Care Expenditure Comparisons in G7 Countries: Average Cost Per Person (AER)									
	U.S.	Average of:	France	Canada	Germany	U.K.	Italy	Japan	SOURCE
2006 (US\$@2006 AER)	\$6,719	\$3,413	\$3,937	\$3,917	\$3,718	\$3,332	\$2,813	\$2,759	1
2000 (US\$@2000 AER)	\$4,570	\$2,133	\$2,193	\$2,080	\$2,371	\$1,782	\$1,547	\$2,827	1

AER = Average Exchange Rate: Average exchange rate of a currency over the course of a year

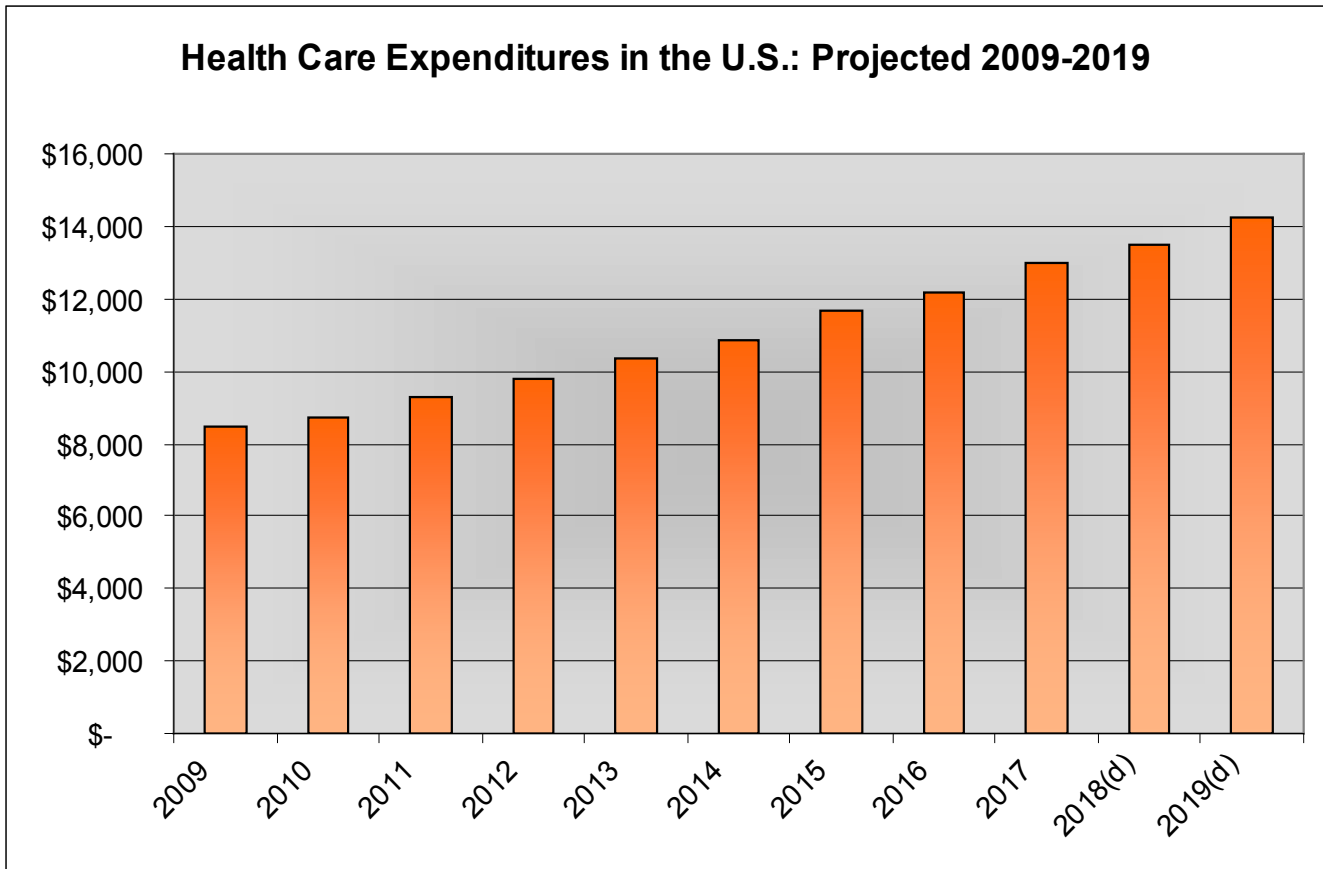
Health Care Expenditure Comparisons in G7 Countries: Average Cost Per Person (PPP)									
	U.S.	Average of:	Canada	Germany	France	U.K.	Italy	Japan	SOURCE
2006 (US\$@2006 PPP)	\$6,719	\$3,098	\$3,673	\$3,465	\$3,420	\$2,815	\$2,631	\$2,581	1
2000 (US\$@2000 PPP)	\$4,570	\$2,267	\$2,514	\$2,670	\$2,542	\$1,846	\$2,061	\$1,967	1

PPP = Purchasing Power Parity: Series from 2005 International Comparison Project est. by the World Bank

U.S. Health Care Expenditures

Health Care Expenditures in the U.S.: Projected 2009-2019				
	Total(a)	Population(b)	Per capita(c)	SOURCE
2009	\$2.6	307	\$8,469	2
2010	\$2.7	310	\$8,710	2
2011	\$2.9	313	\$9,265	2
2012	\$3.1	316	\$9,810	2
2013	\$3.3	319	\$10,345	2
2014	\$3.5	322	\$10,870	2
2015	\$3.8	325	\$11,692	2
2016	\$4.0	328	\$12,195	2
2017	\$4.3	331	\$12,991	2
2018(d)	\$4.5	334	\$13,473	2
2019(d)	\$4.8	337	\$14,243	2

(a) = trillions \$US@2009 (b) millions (c) = US\$@2009 (d) = 2018, 2019 est. via data trend



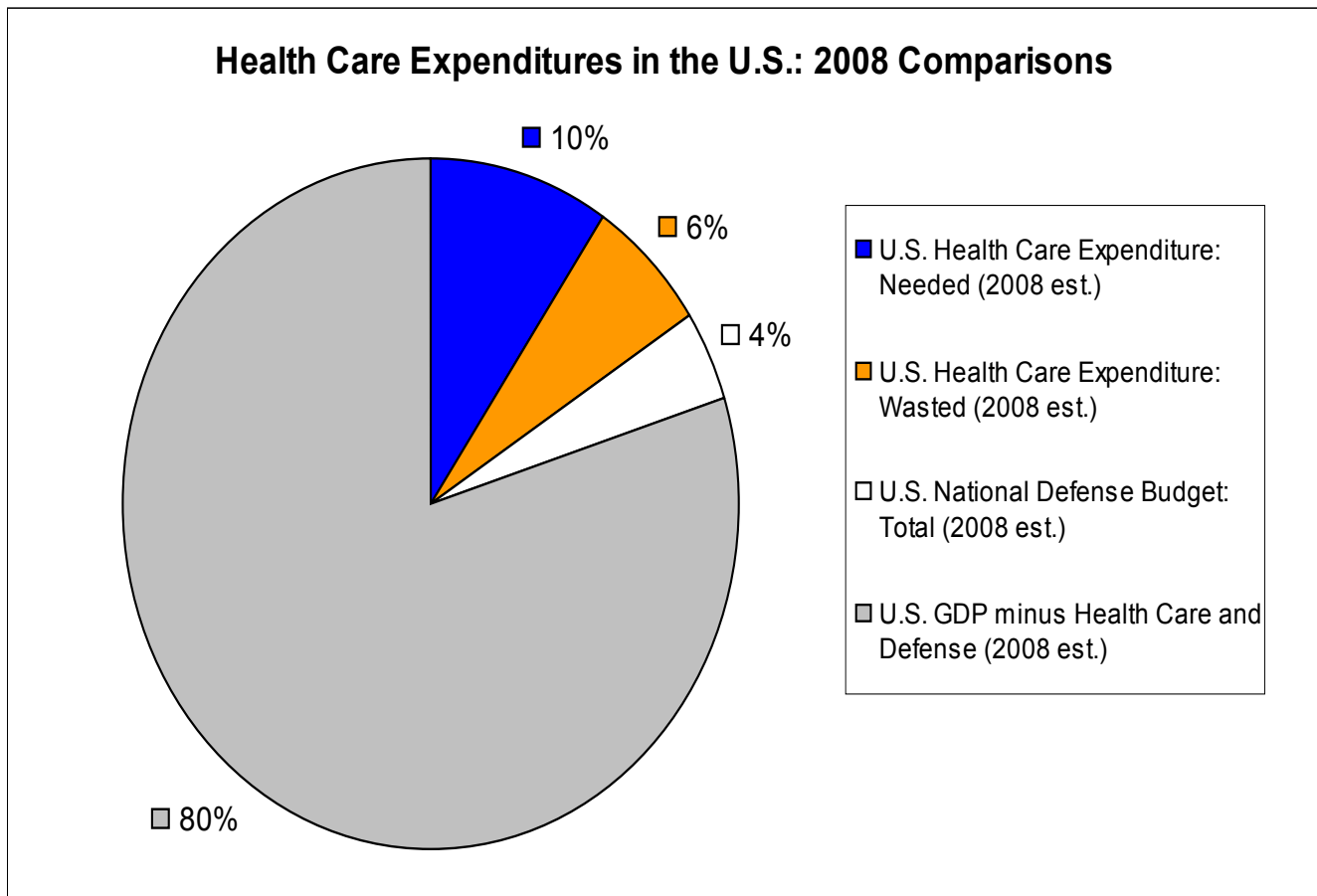
Health Care Expenditures in the U.S.: Past						
	Total(a)	GDP(a)	Population(b)	% of GDP	Per capita(c)	SOURCE
2000	\$1.40	\$9.80	282	14.3%	\$4,965	2
2006	\$2.10	\$13.20	299	15.9%	\$7,023	2
2008 (est.)	\$2.40	\$14.61	304	16.4%	\$7,895	2 & 3

(a) = trillions \$US@2009 (b) millions (c) = US\$@2009

U.S. Health Care Expenditures (Cont.)

Health Care Expenditures in the U.S.: Projected 2010-2019 - Calculations		
		SOURCE
Health care spending percentage increase 2010-2019 (real pct. w/o inflation)	63.5%	2
Health care spending percentage increase 2010-2019 (pct. w/ 3% inflation/year)	93.5%	2
Money avg. U.S. resident will spend on health ins. in next 10 years (US\$@2009)	\$113,594	2
Money avg. U.S. resident will waste on health ins. in next 10 years (US\$@2009)	\$45,438	2
Average per capita yearly income (2009 est.) (US\$@2009 @ PPP)	\$46,400	3

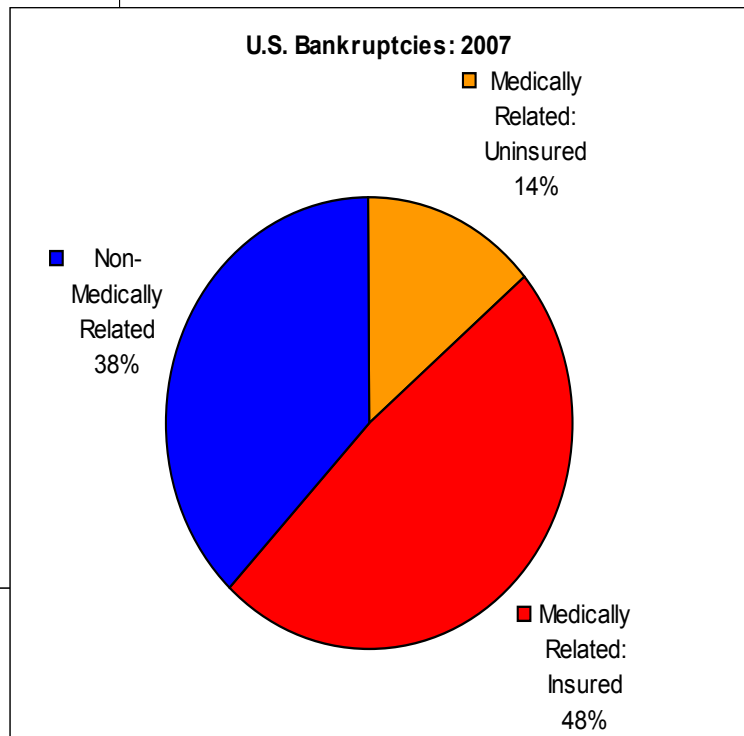
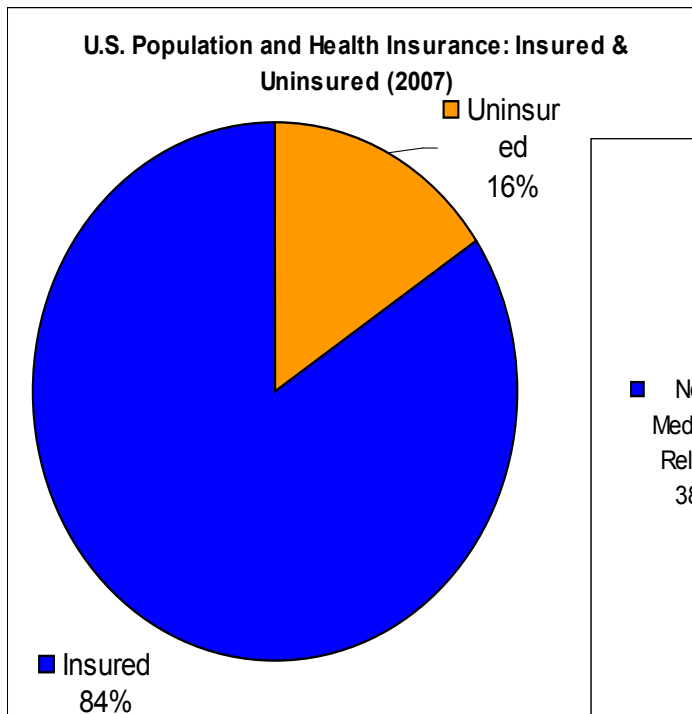
Health Care Expenditures in the U.S.: 2008 Comparisons		
	billions (US\$@2009)	SOURCE
U.S. health care expenditure: Total (2008 est.)	\$2,400	2
U.S. health care expenditure: Needed (2008 est.)	\$1,400	1 & 2
U.S. health care expenditure: Wasted (2008 est.)	\$912	1
U.S. National Defense Budget: Total (2008 est.)	\$616	2
U.S. GDP (2008 est.)	\$14,610	3



U.S. Residents and Health Insurance: Comparisons, Facts, Deaths and Bankruptcies

U.S. Residents and Health Insurance: Comparisons and Facts

		SOURCE
U.S. population: Without health insurance(2007)	47 million	2
U.S. population: With health insurance (2007)	255 million	2
U.S. population: Total (2007)	302 million	2
Percentage of U.S. population without health insurance (2007)	15.6%	2
Deaths resulting from lack of health insurance (2006)	22,000	4

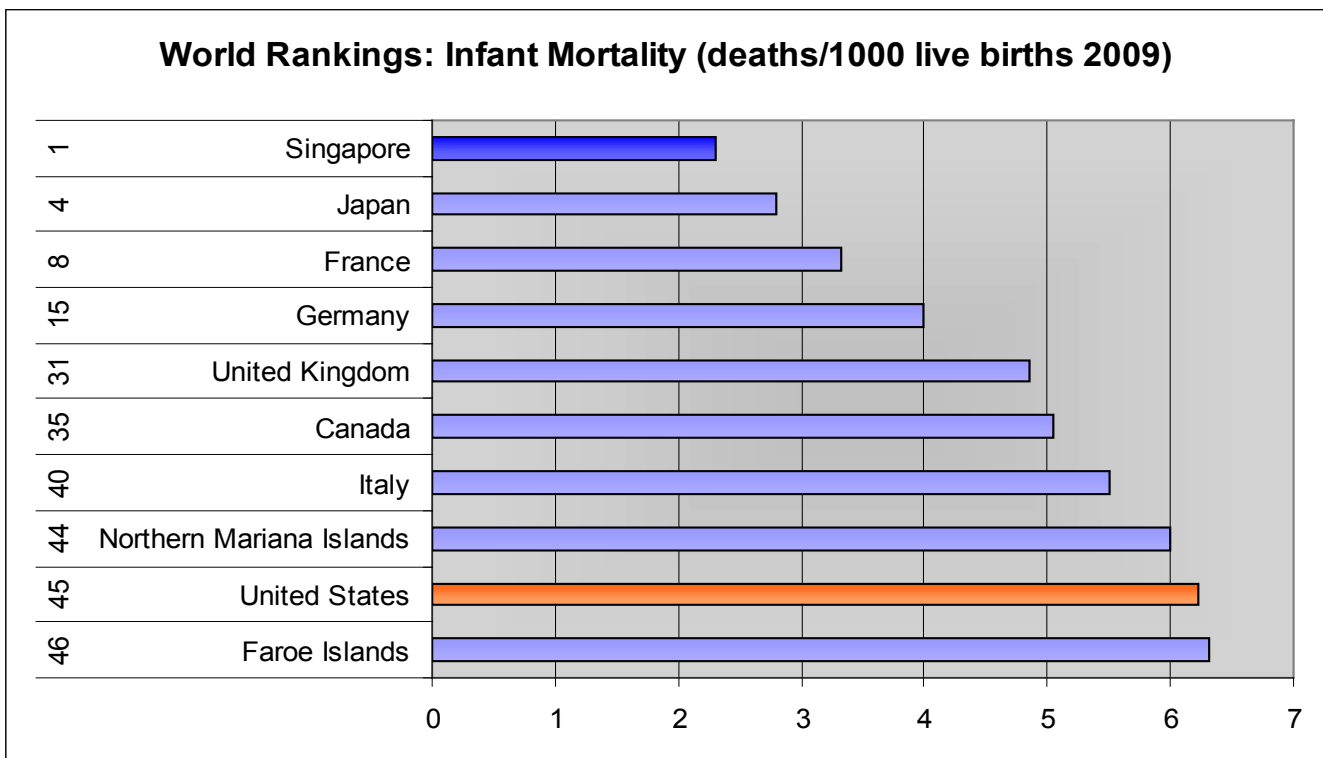
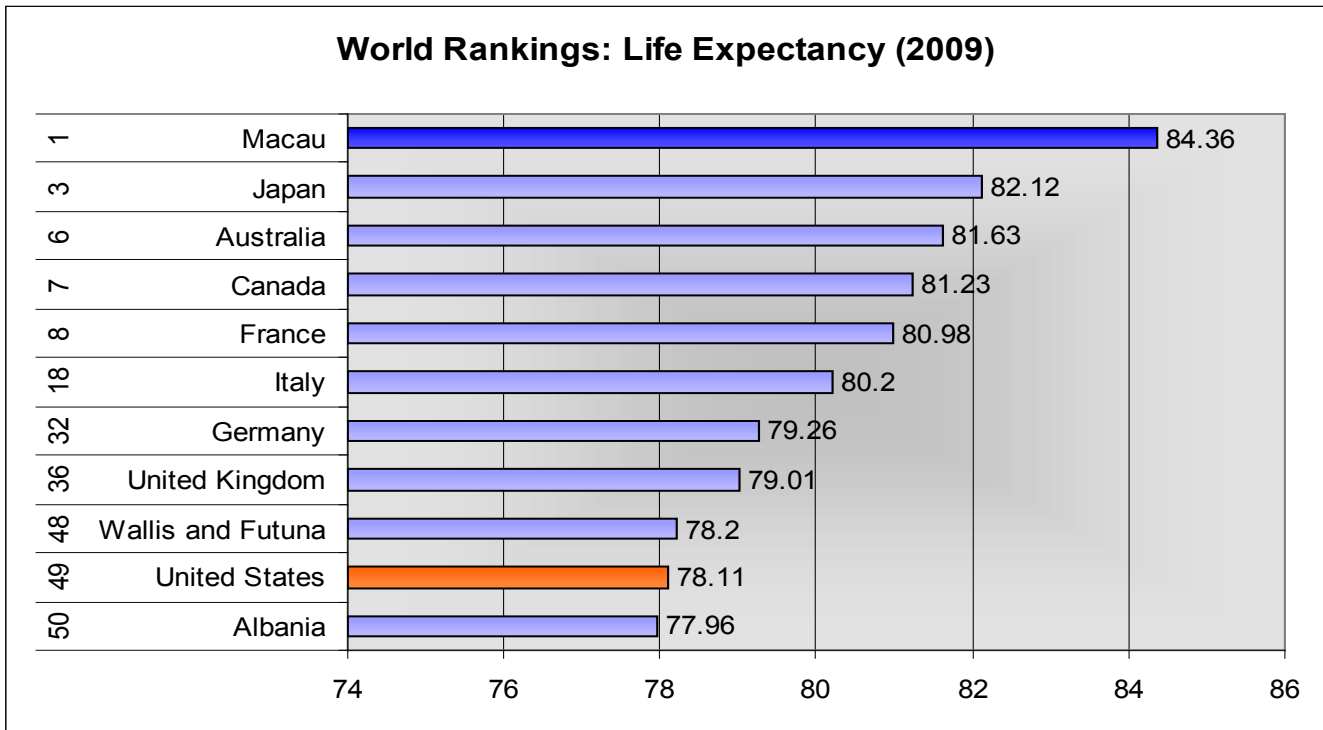


U.S. Bankruptcy and Health Insurance

		SOURCE
Medical bankruptcies as percentage of total (2007) (78% had health ins.)	62.1%	5
Percentage of medical bankruptcies where filers had health insurance	78.0%	5
Total medical bankruptcies (2007)	528,416	5
Medical bankruptcies where filers had health insurance (2007)	412,165	5
Total bankruptcies (2007)	850,912	5
Average cost of medical bankruptcy (2007)	\$44,622	5
Cost of medical bankruptcies to U.S. economy (2007)	\$23,578,994,458	5

U.S. Health Rankings

U.S. Health Rankings: 2009		
	Country Ranking	SOURCE
U.S. ranking in world: Life expectancy (2009 est.)	49 of 224	3
U.S. ranking in world: Infant mortality (2009 est.)	45 of 224	3



Sources

1: World Health Organization (WHO) - World Health Statistics 2009

Main site: <http://www.who.int/whosis/whostat/2009/en/index.html>

2: U.S. Census: The 2009 Statistical Abstract

Main site: <http://www.census.gov/compendia/statab/>

Projected health expenditures: <http://www.census.gov/compendia/statab/2009/tables/09s0124.pdf>

GDP: <http://www.census.gov/compendia/statab/2009/tables/09s0645.pdf>

Past population: <http://www.census.gov/compendia/statab/2009/tables/09s0002.pdf>

Projected population: <http://www.census.gov/compendia/statab/tables/09s0010.pdf>

Uninsured: <http://www.census.gov/prod/2007pubs/p60-233.pdf>

Military spending: <http://www.census.gov/compendia/statab/2010/tables/10s0459.pdf>

3: CIA - World Fact Book

Main site: <https://www.cia.gov/library/publications/the-world-factbook/>

Life Expectancy: <https://www.cia.gov/library/publications/the-world-factbook/rankorder/2102rank.html>

Infant Mortality: <https://www.cia.gov/library/publications/the-world-factbook/rankorder/2091rank.html>

Per Capital Income & GDP: <https://www.cia.gov/library/publications/the-world-factbook/geos/us.html>

4: Deaths resulting from lack of health insurance

Institute of Medicine: <http://www.iom.edu/CMS/3809/4660/4333.aspx>

Urban Institute: http://www.urban.org/UploadedPDF/411588_uninsured_dying.pdf

5: Bankruptcy: Percentage caused by medical bills and percentage that had insurance

American Journal of Medicine: <http://www.amjmed.com/article/S0002-9343%2809%2900404-5/abstract>

Physicians for a National Health Program: http://www.pnhp.org/new_bankruptcy_study/Bankruptcy-2009.pdf

Harvard/Business Week: http://www.businessweek.com/bwdaily/dnflash/content/jun2009/db2009064_666715.htm

CNN: <http://www.cnn.com/2009/HEALTH/06/05/bankruptcy.medical.bills/>

Total bankruptcies: <http://www.abiworld.org/AM/Template.cfm?Section=Home&TEMPLATE=/CM/ContentDisplay.cfm&CONTENTID=51696>

Terms

G7 = Seven countries: U.S., Canada, U.K., Japan, France, Germany and Italy that meet to discuss economic policies

GDP = Gross Domestic Product: market value of the Nation's output of goods and services in current and real terms

PPP = Purchasing Power Parity: series resulting from the 2005 International Comparison Project estimated by the World Bank

AER = Average Exchange Rate: average exchange rate of a currency over the course of a year

US\$@YYYY = United States dollars valued at the year listed