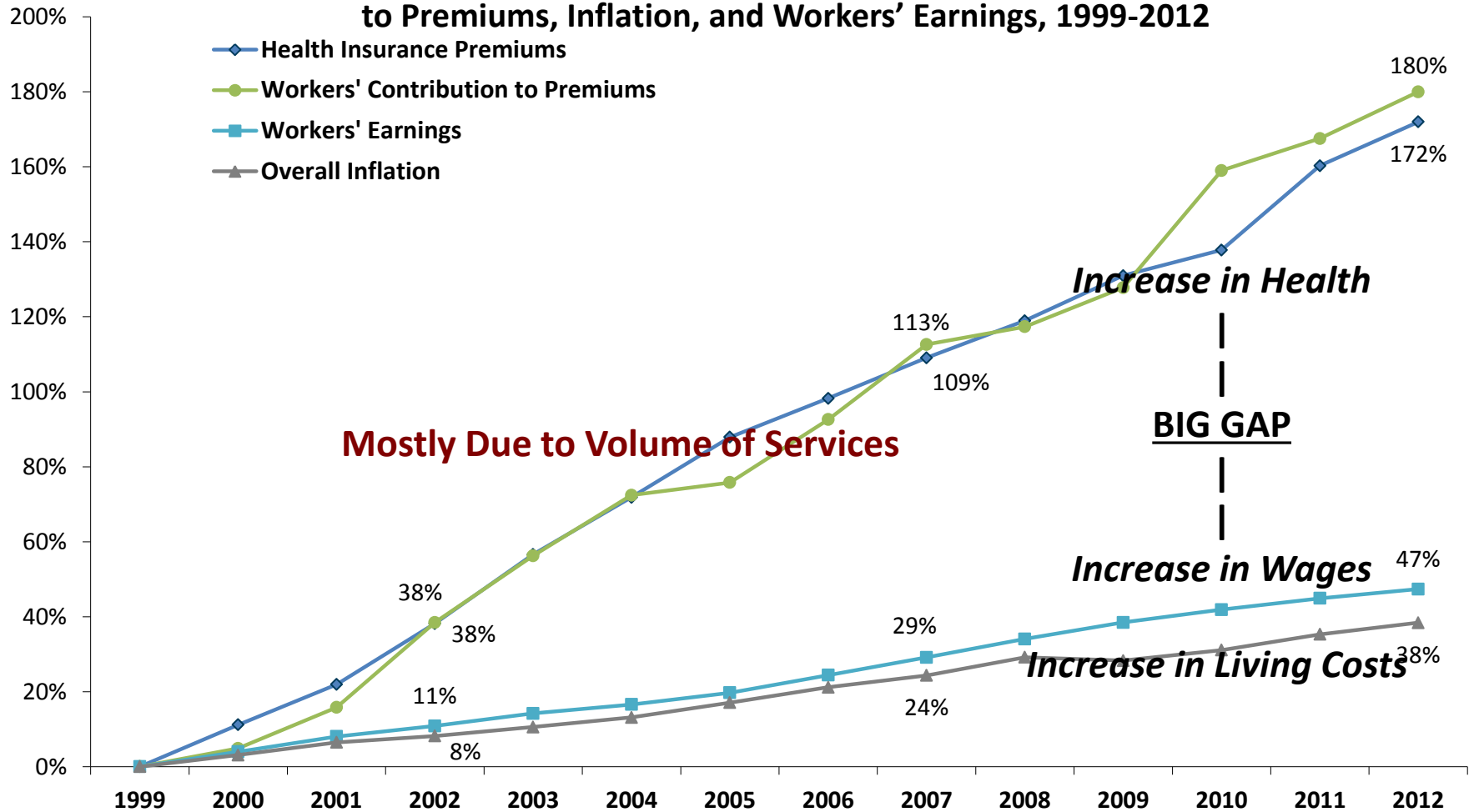


Illustrations of **Five Observations On Healthcare Policy and Delivery**

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1. The driver for most of our healthcare system problems is its cost and what we get for it.

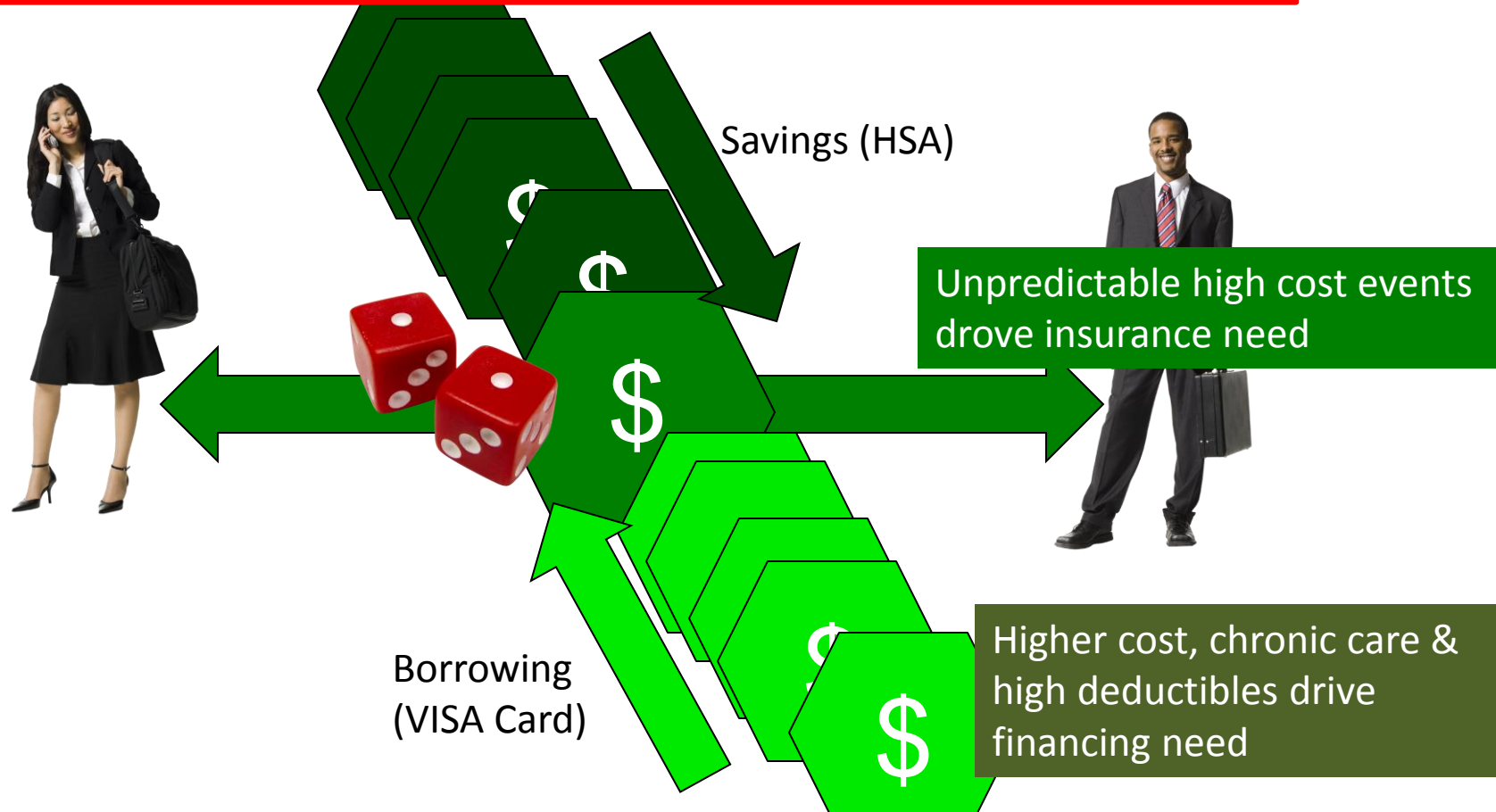
Cumulative Increases in Health Insurance Premiums, Workers' Contributions to Premiums, Inflation, and Workers' Earnings, 1999-2012



SOURCE: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2012. Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation (April to April), 1999-2012; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 1999-2012 (April to April).

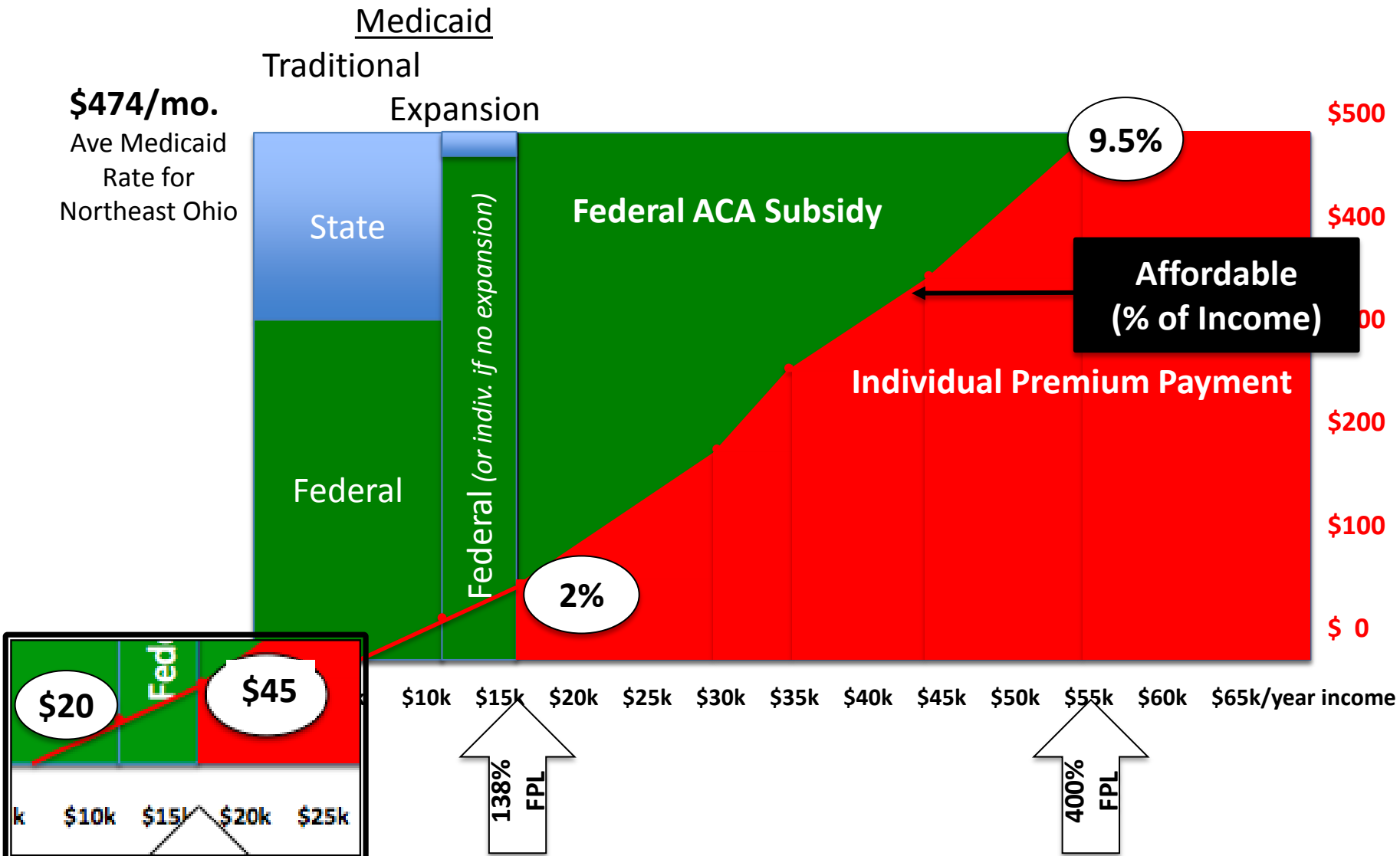
3. We typically have confused *financing* of ongoing predictable healthcare expenses with *insuring* against unpredictable events.

Insurance moves money across population pools as adverse events occur



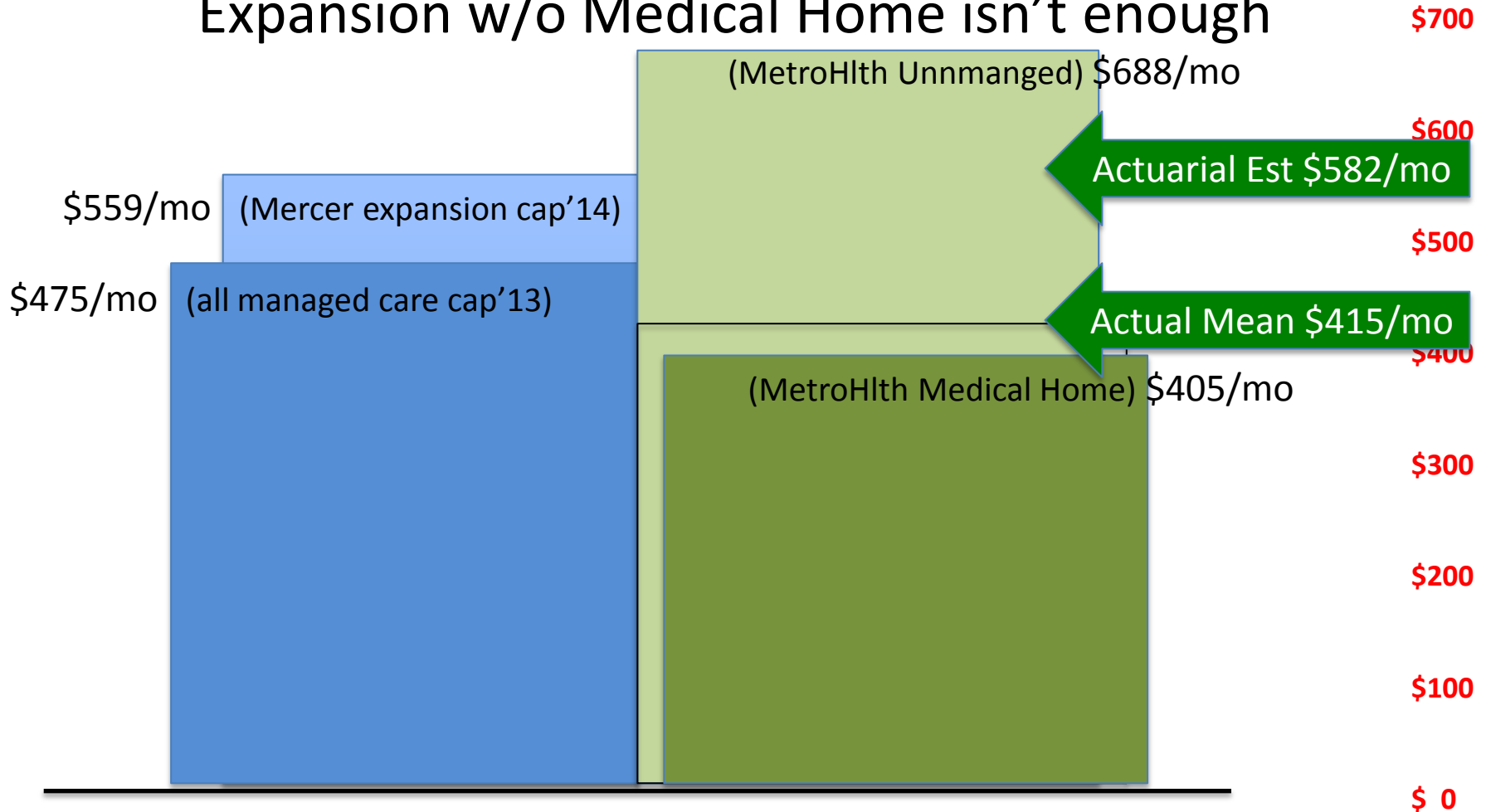
Financing moves money back and forth through time

4. Medicaid expansion along with subsidized policies purchased on the new exchange provides a glide path from full government support to self-purchased.



5. Insurance is only one barrier to a successful healthcare market with many other impediments to making it fully competitive and functional for patients and purchasers.

Expansion w/o Medical Home isn't enough



Savings under MetroHealth Plus:
 (2013 Medicaid Waiver in Cuyahoga Co.)

Actuarial Estimate - Mean Actual = \$582 - 415 (-29%)
Ave Mgd Care Cap - Mean Actual = \$475 - 415 (-13%)
Mercer Expan. Est. - Mean Actual = \$559 - 415 (-26%)