

More Money, But Not More Health

United States likes to boast that its health care is the best in the world. And superior state-of-the-art health care might be worth the expense, if it were creating superior health. But it doesn't.

According to a study in Health Affairs, the median OECD (Organization for Economic Cooperation and Development) member country spent 44 percent as much as the U.S. ("U.S. Health Care Spending in An International Context," May/June 2004, Reinhardt et al.) And we have virtually the same healthy life expectancy as the lower-cost countries. **We are not getting more from our superior health care system - we're just spending more.**

Why do we spend so much? Here are a few suggestions.

- ✓ **We have more money to spend on it.** Our country has higher Gross Domestic Product (GDP) per capita than other countries, and ability to pay is key to consuming more health care.
- ✓ **We pay more for the same health services.** Other high paying industries compete for workers, driving up salaries. Also, health care providers' charges are not centrally negotiated or controlled.
- ✓ **We are not willing to limit the care available.** This is true, even though the additional care may not add to our longevity or quality of life.

Other News . . .

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We recently completed an analysis for ClearPoint LLC for their client, Expedia, Inc. This was our second project for ClearPoint.