

Healthcare Cost Dilemma

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Healthcare expenditure paradox

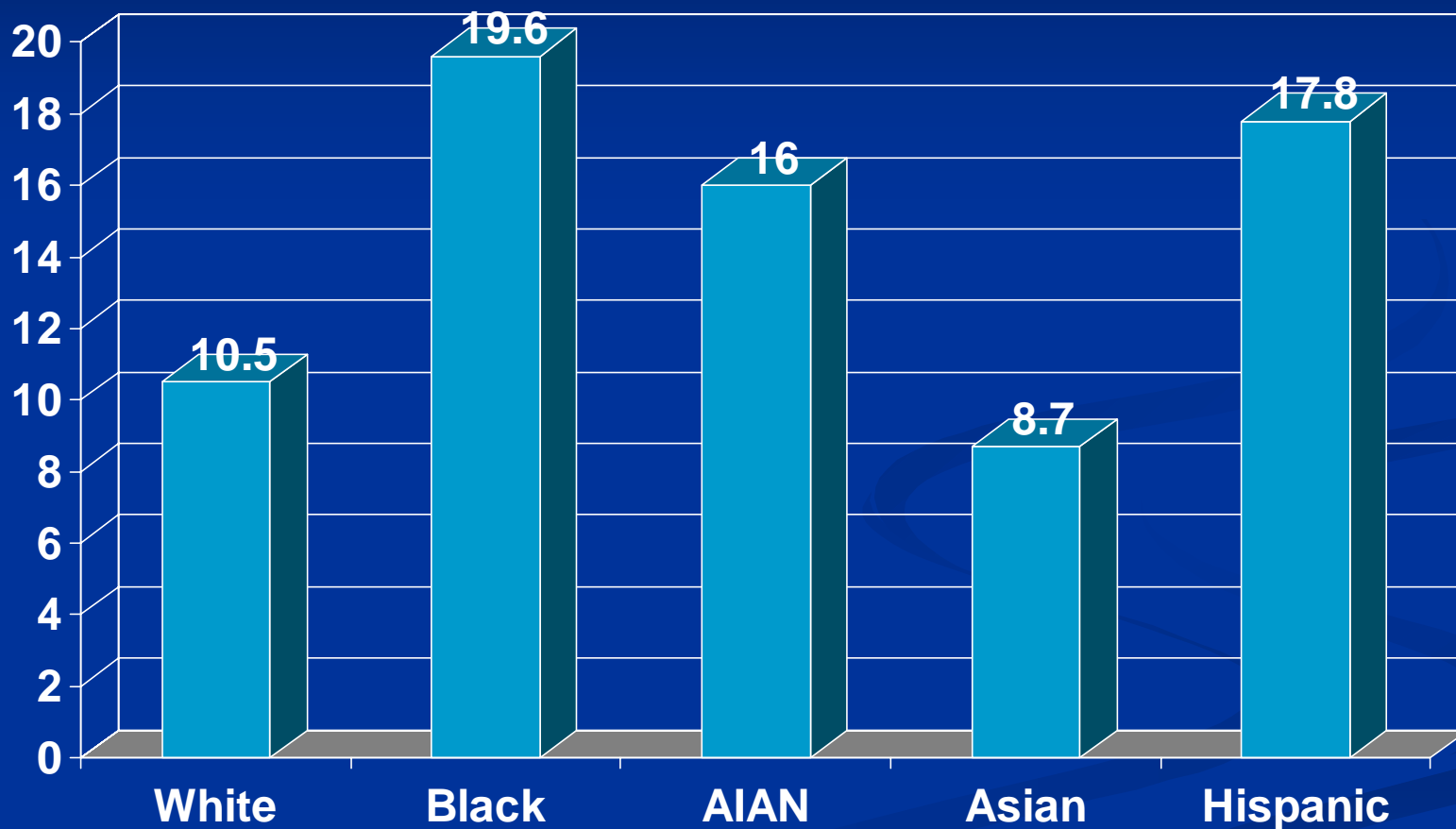
- Despite health disparities because of disparities in healthcare, minorities spend less per capita on healthcare than whites.

Health Disparities

	Heart Disease	Hyper-tension	Asthma	Cancer	Diabetes
Asians	6.7	19.4	7.8	3.6	6.5
Blacks	10.3	31.5	11.6	3.9	11.4
Hispanics	8.3	20.3	7.8	3.9	9.8
Native Americans	13.0	25.5	9.1	9.2	13.6
Whites	12.6	21.3	11.3	8.4	6.7

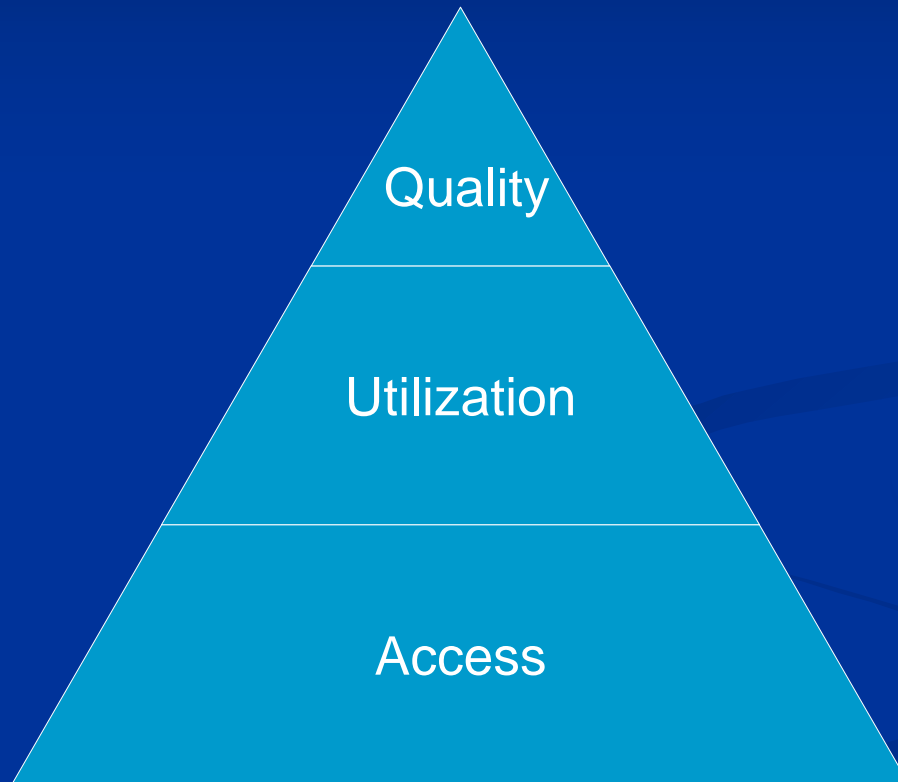
Source: National Health Interview Survey, 2005 Tables 2,4,6 & 8.

Percent of Adults Who Reported They Were in Poor or Fair Health, by Race/Ethnicity, 2005



Source: CDC NHIS 10(232) table 21.

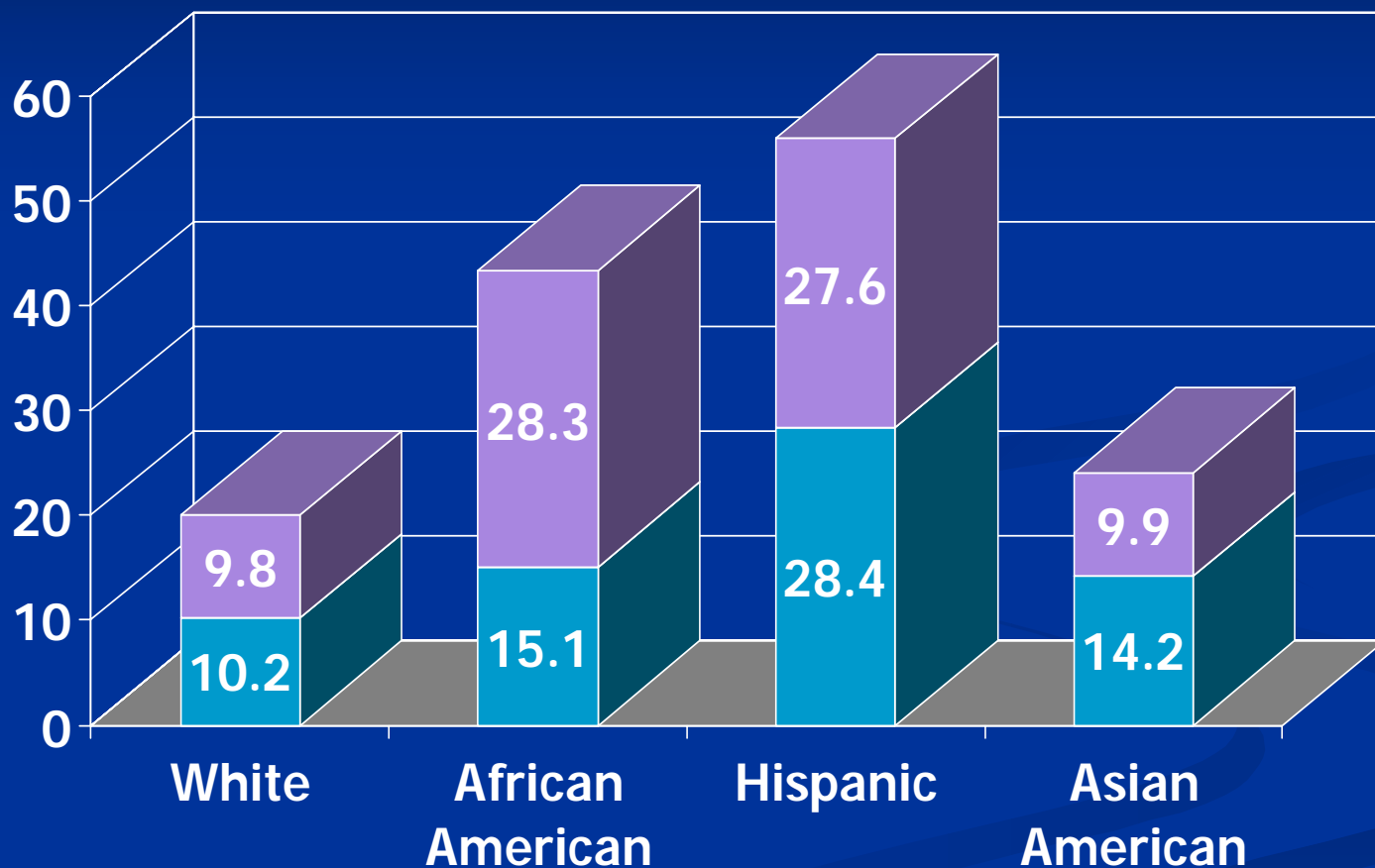
Healthcare Disparities Has 3 Dimensions



Major Sources of Disparities in Access

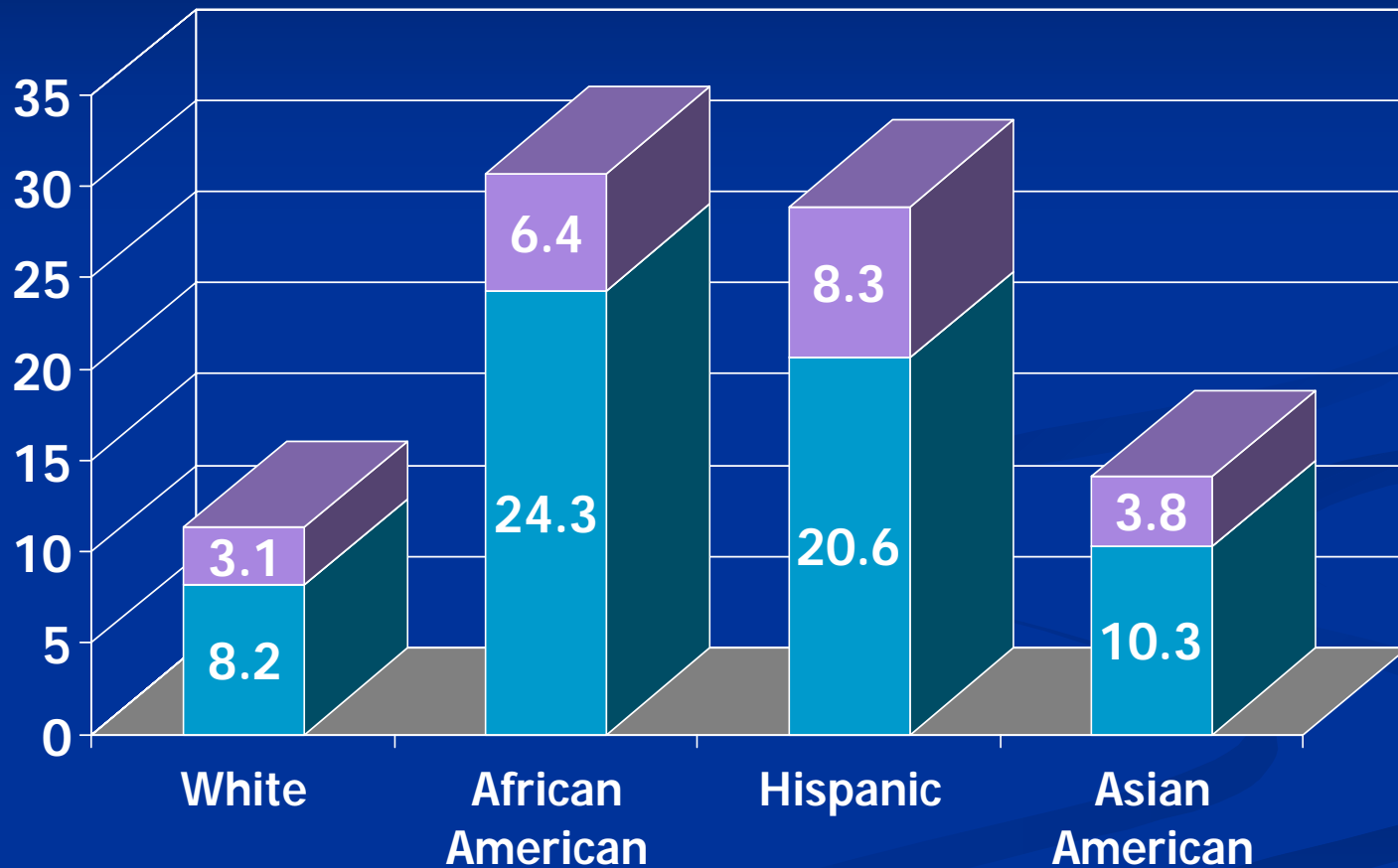
- Insurance
- Income
- Geography

Non-Elderly African Americans and Hispanics are Most Likely to be Uninsured or Publicly Covered



Source: Author's calculations using MEPS 2005

Percent of Persons Who Are Poor or Near Poor by Race/Ethnicity, 2006



Source: Table 6 CPS P60-233

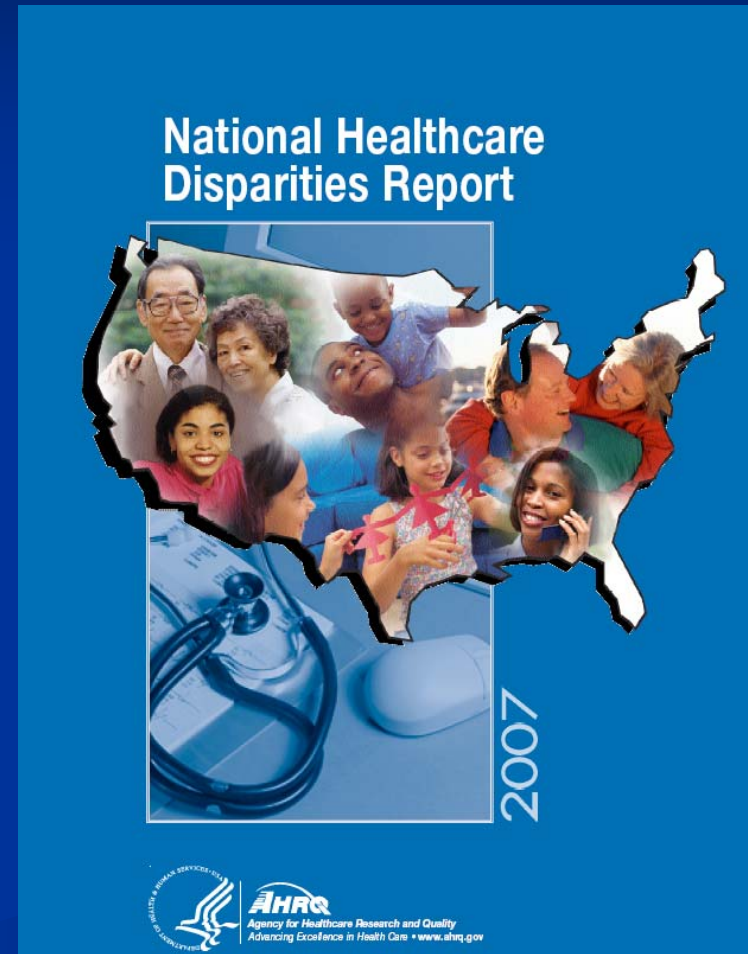
- The Economics Disparities Drive the Geographic Disparities

Disparities in Utilization

- Usual of Care
- Site of Care
- Frequency of Care
- Use of Specialists
- Use of Non-Physician Providers
- Use of Prescribed Medicine

Disparities in Quality

- Effectiveness
- Patient Safety
- Timeliness
- Patient Centeredness



National Healthcare Disparities Report 2007

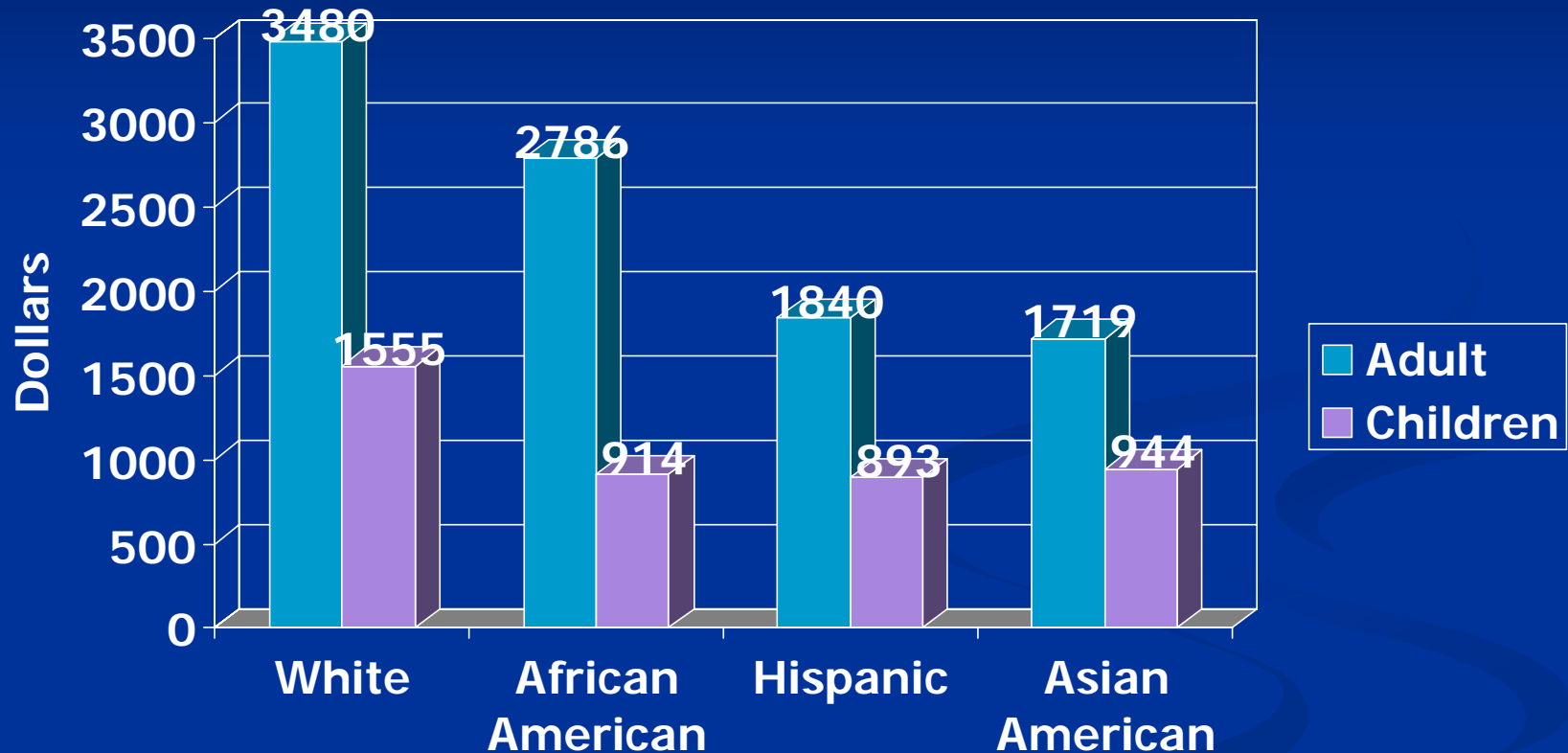
Findings on Quality of Care

- African Americans had poorer quality of care compared to whites for many measures (18 of 42 core report measures)
- Hispanics had poorer quality of care compared to Whites for many measures (23 of 38 core report measures)
- Asians have similar or better quality care than whites (8 of 30 core report measures)

Understanding Disparities in Quality

- Disparities in Processes of Care Instead of Disparities in Patient Outcomes
- Use of Low Quality Providers

Minority Spend Less Per Capita On Health Care Than Whites



Source: Author's Calculations using the MEPS 2005

Despite Their Greater Need for Healthcare Minorities Spend Less on Healthcare

- After controlling for age, health status, SES, insurance coverage, location –
- African American and Hispanic Adults Spend 20 percent less than Whites.
- Asian Adults Spend 10 percent less than Whites.

A Problem with Numbers

16%

47 million

38 million

A difficult solution

- To solve our problem with numbers, we are going to have to say 'YES' and 'NO' at the same time.
- YES – we are going to make healthcare accessible and affordable to all Americans even minorities and low income persons
- NO – we are not going to let you spend healthcare dollars on any and everything regardless of its effectiveness