



Adding Insult to Injury

Nationalized health care will cost Illinois 169,000 jobs, \$4,418 per person, and shrink the state economy by 5.1 percent

The Problem

Over the past 50 years, America's health care expenditures have made a dramatic shift from the private sector to the public sector, and total out-of-pocket expenditures have been plummeting as a share of total health expenditures. This has resulted in a growing government health care wedge that separates effort from reward, patients from providers, and causes prices to rise dramatically.

None of the health care "reforms" offered by Congressional Democratic leaders will address the growing health care wedge and its role in rising health care costs. Many of these "reforms" will actually make things worse. **Adding insult to injury, they will also cost Illinois 169,000 jobs—and \$4,418 for each person in the state.**

The Democratic Congress's current health care plan will increase federal government health expenditures by an estimated \$1.0 trillion over 10 years, with the following consequences:

- **Illinois jobs will be lost.** Lower economic growth will reduce total employment growth by 3.9 million jobs nationally and by 169,000 in Illinois.
- **Illinois families will be saddled with a massive financial burden.** The current net present value of funding the Democratic Congress's health care reform will be \$4,418 for every person in Illinois, on top of their current health care and tax burdens, for no increase in services. This comes to a total net present value of \$57.0 billion in total costs that Illinois residents will have to bear.
- **State-based costs will go up.** As part of the total bill for the current health care plans, the net present value of all Illinois state government expenditures through 2019 that will occur as a result of a federal health care reform is \$6.7 billion, or a \$518 bill for every man, woman, and child in Illinois. This

includes the additional Medicaid burden in the current House plan.

- **All Americans will pay.** As part of the total bill, the net present value of all additional federal government expenditures through 2019 that will occur as a result of the current health care proposal is \$1.2 trillion, or a \$3,900 bill for every person in the U.S.
- **Federal spending will go up.** Total federal spending will be 5.6 percent higher than what would have been otherwise by 2019.
- **Medical inflation will creep up faster than necessary.** Medical price inflation will increase by 5.2 percent above what it would have been otherwise by 2019.
- **The economy will suffer.** U.S. economic growth will shrink in 2019 by 4.9 percent for the nation and 5.1 percent in Illinois.

Our Solution

Congress should focus on a patient-centered approach to health care reform that would begin with individual ownership of insurance policies, leveraging Health Savings Accounts, allowing the interstate purchasing of insurance, reforming tort liability laws, and reducing the number of mandated benefits insurers are required to cover. The majority of Medicaid spending should be reallocated into simple vouchers for low-income individuals to purchase their own insurance. Unnecessary scope-of-practice laws should be eliminated to allow non-physician health care professionals to practice to the extent of their education and training. (Learn more at PatientCenteredReform.com.)

Why This Works

Government-centric health care would put a higher cost burden on nearly everyone. A patient-centered health care approach would address the health concerns of Americans by giving them individual control over their health decisions.

Health reform advocates who honestly seek to help people beat illness and stay healthy should open their minds to the alternative ideas of patient-centered reforms that save money, reward individuals for good health decisions, and focus on doctors, patients, and quality care.