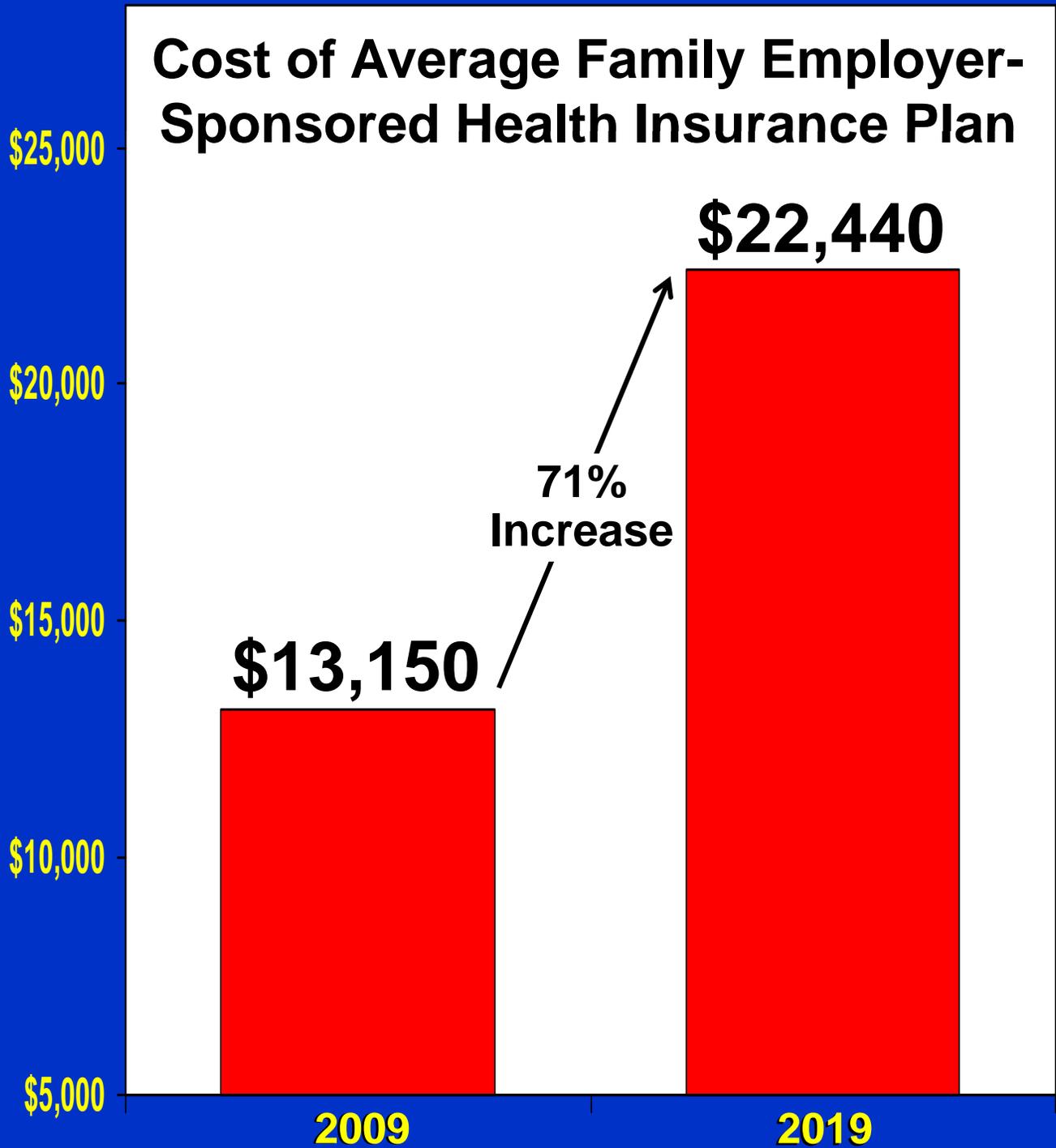


# Premiums Projected to Continue Rising on American Families

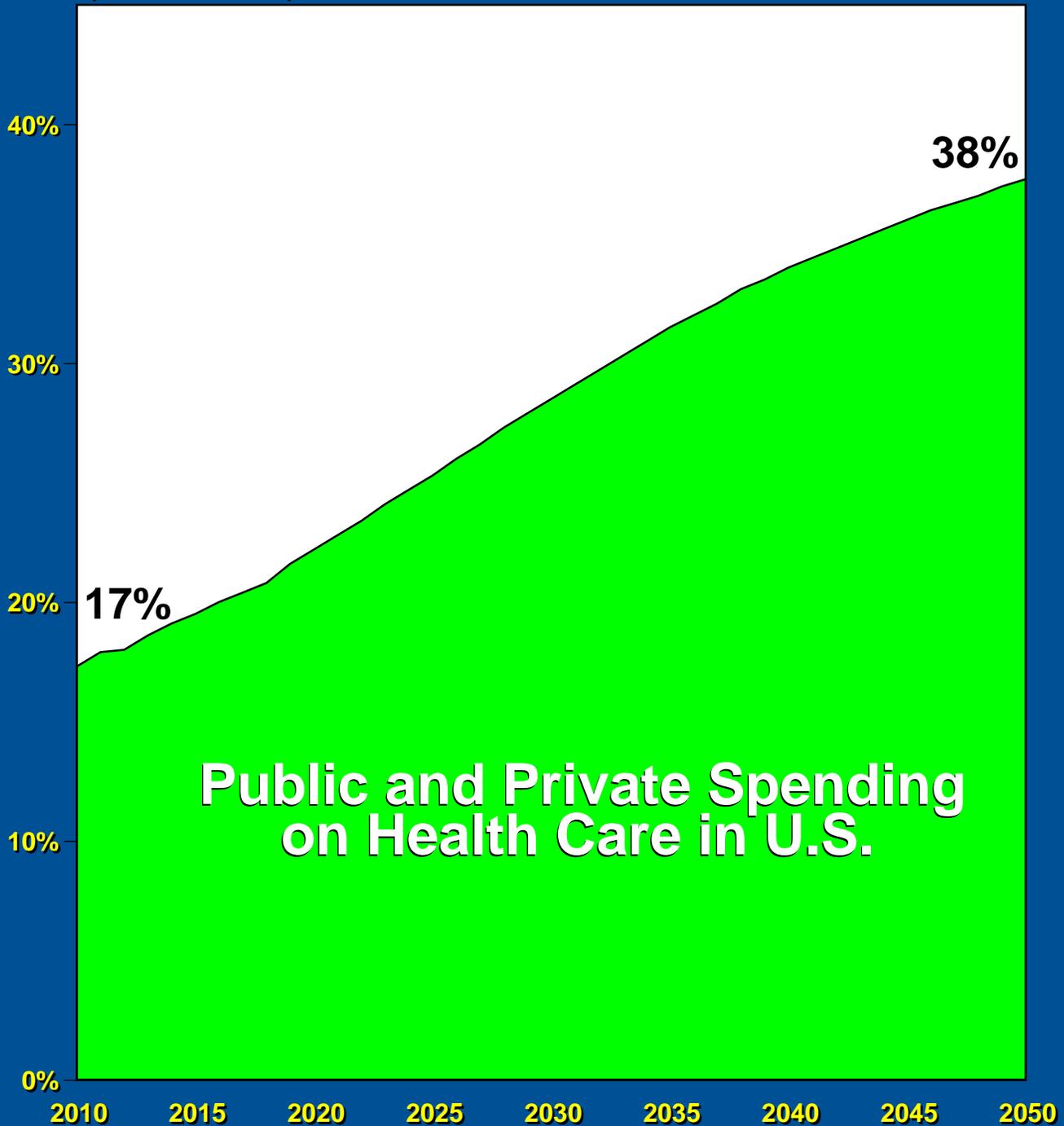


Source: David Cutler, Harvard University

Note: Total employee and employer contribution.

# Total Health Expenditures as Percent of GDP

(Percent of GDP)

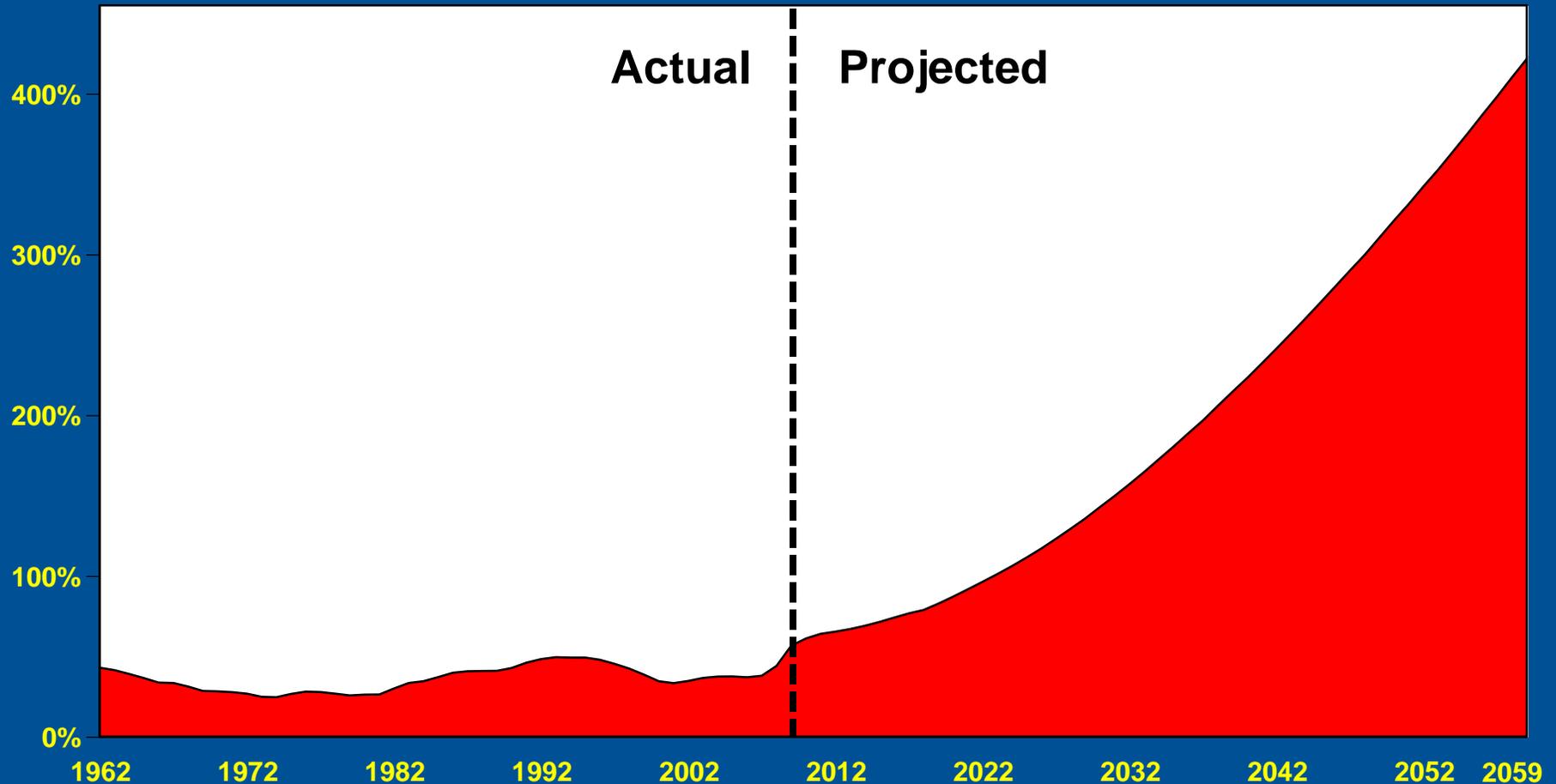


Source: CBO Long-Term Budget Outlook, June 2009

Note: Health spending under CBO's alternative fiscal scenario.

# Federal Debt Soars Under CBO Long-Term Budget Scenario

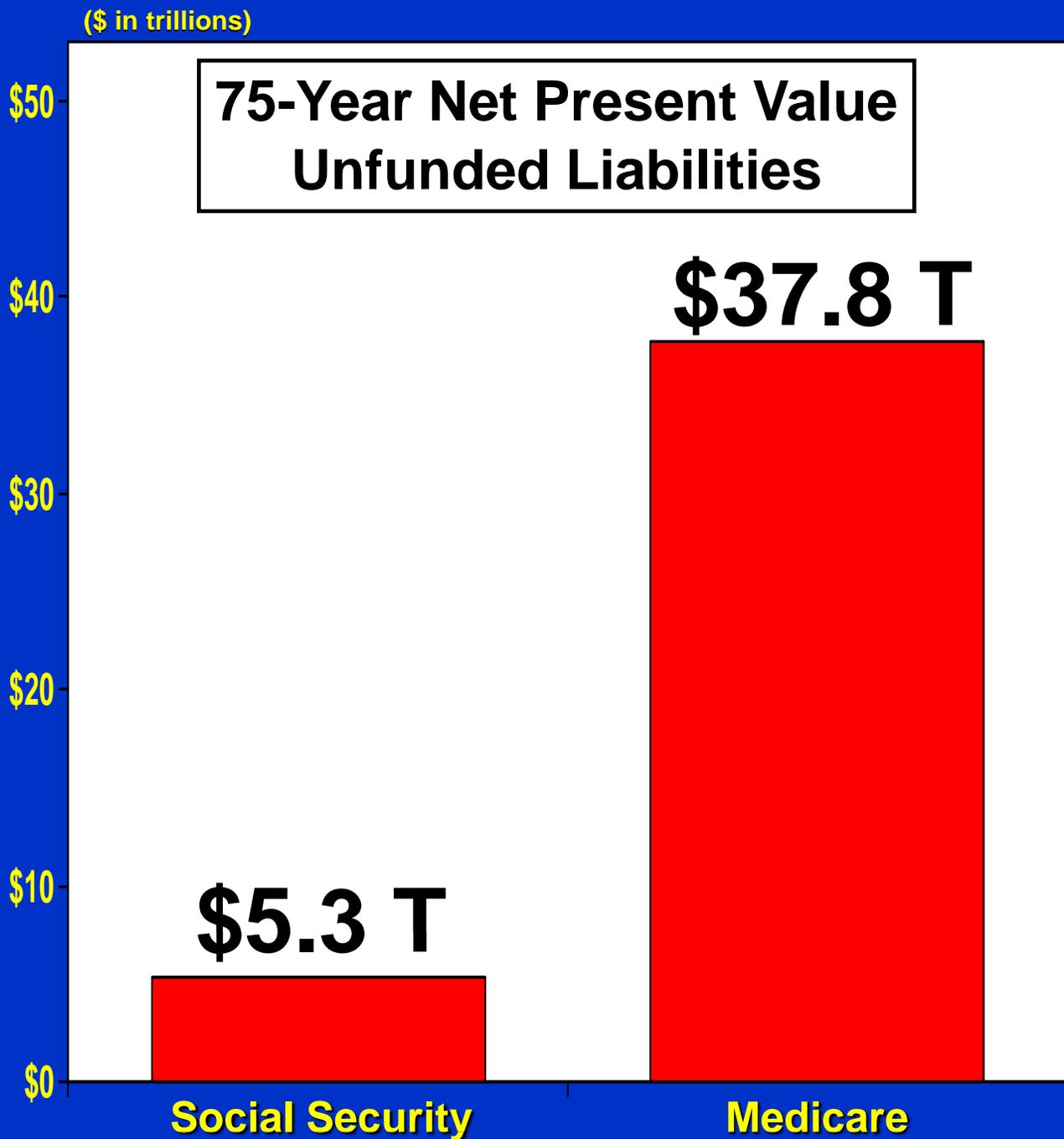
(Debt held by the public as a percent of GDP)



Source: CBO Long-Term Budget Outlook, June 2009

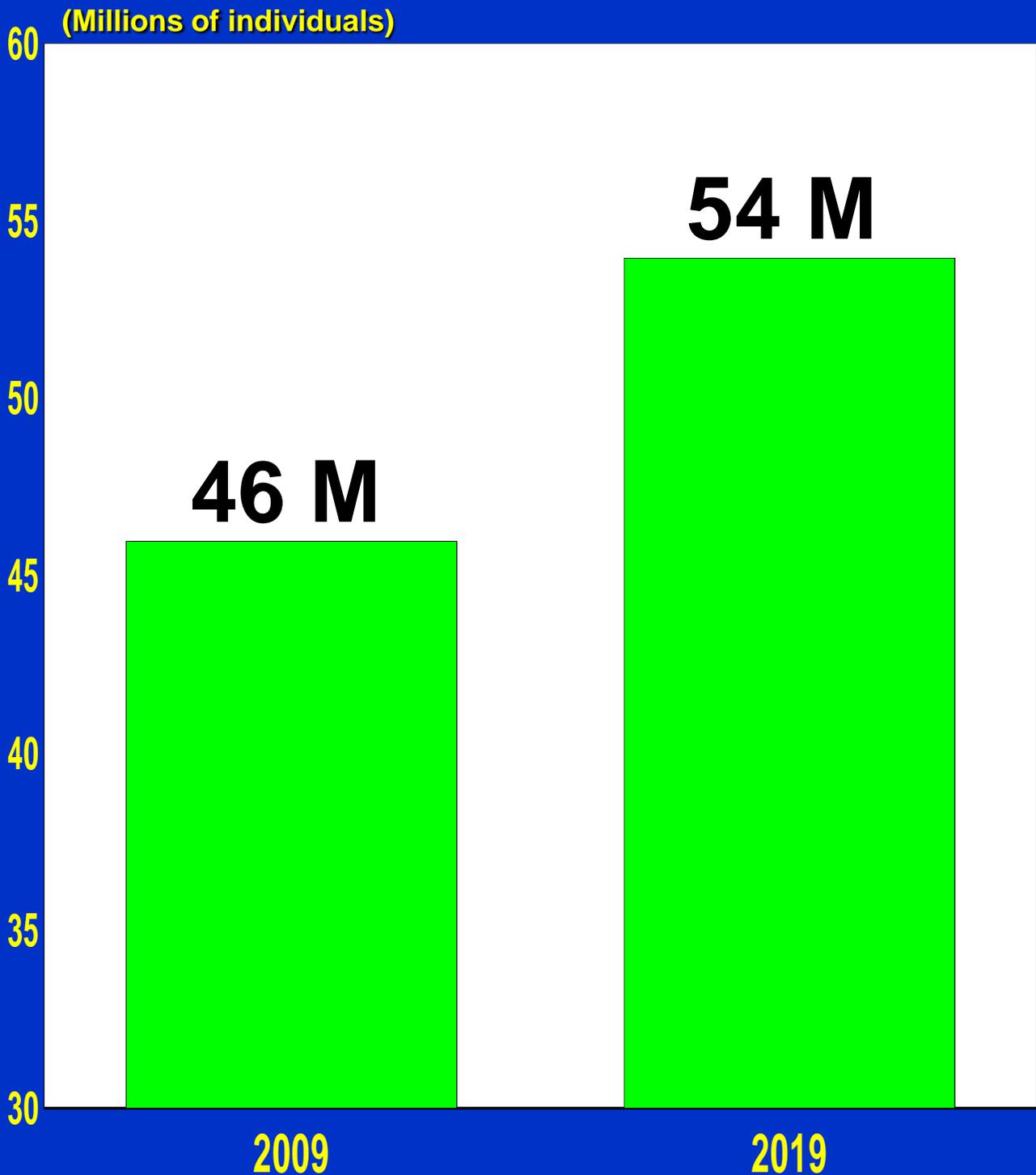
Note: CBO alternative fiscal scenario with tax cuts made permanent, AMT indexed for inflation, and Medicare physician payments growing with higher MEI rate.

# Health Care Costs Are Largest Unfunded Liability by Far



Source: Social Security and Medicare Trustees 2009 Annual Report

# Number of Uninsured Projected to Continue Rising



Source: CBO

# **U.S. Spends More on Health Care, But Does Not Get Better Results**

- **Ranked last among 19 industrialized countries in preventable deaths**
- **Shorter than average life expectancies compared to other industrialized nations**
- **One of the highest rates of medical errors**

# Key Elements of Baucus Health Care Reform Plan

- Promotes choice and competition
- Reduces deficits and controls costs
- Expands coverage
- Improves quality of care

# CBO Preliminary Estimate of Baucus Health Plan

By Fiscal Year, in Billions of Dollars

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010- 2014	2010- 2019
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## NET CHANGES IN THE DEFICIT<sup>1</sup>

Net Increase or Decrease (-)  
in the Budget Deficit

*	-4	-17	-25	-14	7	16	8	-3	-16	-61	-49
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Sources: Congressional Budget Office and staff of the Joint Committee on Taxation (JCT).

# **CBO on Baucus Health Plan Bending Long-Term Cost Curve**

**“... CBO expects that the proposal, if enacted, would reduce federal budget deficits over the ensuing decade [beyond 2019] relative to those projected under current law....**

**“... CBO anticipates that the proposal would probably continue to reduce budget deficits relative to those under current law in subsequent decades.”**

- CBO Preliminary Analysis of Baucus Health Reform Plan  
September 16, 2009**