



*As a physician, Jay Buckey has worked in public, private and Veteran's Affairs Hospitals. He understands the issues our health care system is facing, and he's committed to securing medical coverage for all Americans -- without sacrificing quality.*

## Policy Perspective: Health Care

**Americans need health care insurance that is both affordable and portable.** Our health insurance system, which is based primarily on employers' health plans, isn't keeping up with the changing needs of our economy.

For example:

- If people change jobs, they may lose their health insurance for weeks or months. And job turnover rates are increasing: baby boomers born 1957 -1964 held an average of 10.5 different jobs from ages 18 to 40.<sup>1</sup>
- The average length of unemployment between jobs has been steadily climbing, too. In 2004, the average length of unemployment was up to 20 weeks.<sup>2</sup>
- In 2006, 43.6 million people in the United States had no insurance and 55 million lacked insurance for at least part of the year.<sup>3</sup> More than 130,000 of those people live in New Hampshire: 1 out of every 10 New Hampshire residents does not have insurance, including 20,000 children in our state.<sup>4</sup>
- Roughly one-fourth of workers have not been offered coverage by their employer, and half of these remain uninsured.<sup>5</sup>

Also, despite spending more on health care than any nation in the world--over \$5,000 per person annually--the United States has lower life expectancy than the U.K., Germany, France, Italy, Canada, and Sweden. Each of those countries spends at least 40% **LESS** per capita on health care than the United States.<sup>6</sup>

The high cost of our system affects our ability to compete economically. American companies are burdened with insurance costs that are many times that of their foreign competitors.<sup>7</sup> Much of the growing cost of health care comes from increases in administrative costs. Administrative costs now account for about 31% of health care spending in the United States.<sup>8</sup> The number of administrators has risen approximately 2500% since 1970 while the number of doctors has risen less than 200% in the same time.<sup>9</sup> While soaring health care costs threaten workers' livelihoods and companies' competitiveness, CEOs of for-profit health insurance companies are doing better than ever. In 2004, the CEO of UnitedHealth made \$124 million in 2004; Coventry's CEO made \$25.4 million and Aetna's CEO made \$22.2 million.<sup>10</sup>

As your Senator, I will work to reform health care so that we can reduce administrative overhead and provide flexible, affordable health care insurance for all Americans.

Paid for by Buckey For Senate

<sup>1</sup> "Number of Jobs Held, Labor Market Activity, and Earnings Growth Among the Youngest Baby Boomers: Results From a Longitudinal Survey," (2006), United States Bureau of Labor Statistics <<http://www.bls.gov/news.release/pdf/nlsoy.pdf>>

<sup>2</sup> John Leland, "For Unemployed, Wait for New Work Grows Longer," *New York Times*, January 9, 2005.

<sup>3</sup> National Center for Health Statistics. (2007) Centers for Disease Control and Prevention.

<sup>4</sup> State Health Access Data Assistance Center. The State of Kids' Coverage. University of Minnesota. Retrieved from <http://coveringkidsandfamilies.org/press/docs/2006StateofKidsCoverage/pdf>.

<sup>5</sup> Insuring America's Health: Principles and Recommendations. Board of Health Care Services, Institute of Medicine (2004)

<sup>6</sup> Organization for Economic Cooperation and Development (OECD) Health Indicators 2005.

<sup>7</sup> Maynard, Micheline. Retiree's Health Costs Loom Over U.A.W. Talks. *New York Times*, July 19, 2007, A1 & A19.

<sup>8</sup> Woolhandler, S. et al., Costs of Health Care Administration in the United States and Canada. *New England Journal of Medicine*, 349:768-75, 2003.

<sup>9</sup> Bureau of Labor Statistics: NCHS: and analysis of CPS.

<sup>10</sup> Physicians for a National Health Plan referencing Modern Healthcare on 8/1/05 and *New York Times* 4/3/05.