

CT Insurance Dept. \* Office of the Healthcare Advocate \* Office of Health Strategy

# Healthcare Cost Drivers Solutions Forum

*February 3, 2023*

State Legislative Office Building, Hartford, CT

Opening Remarks: Ted Doolittle



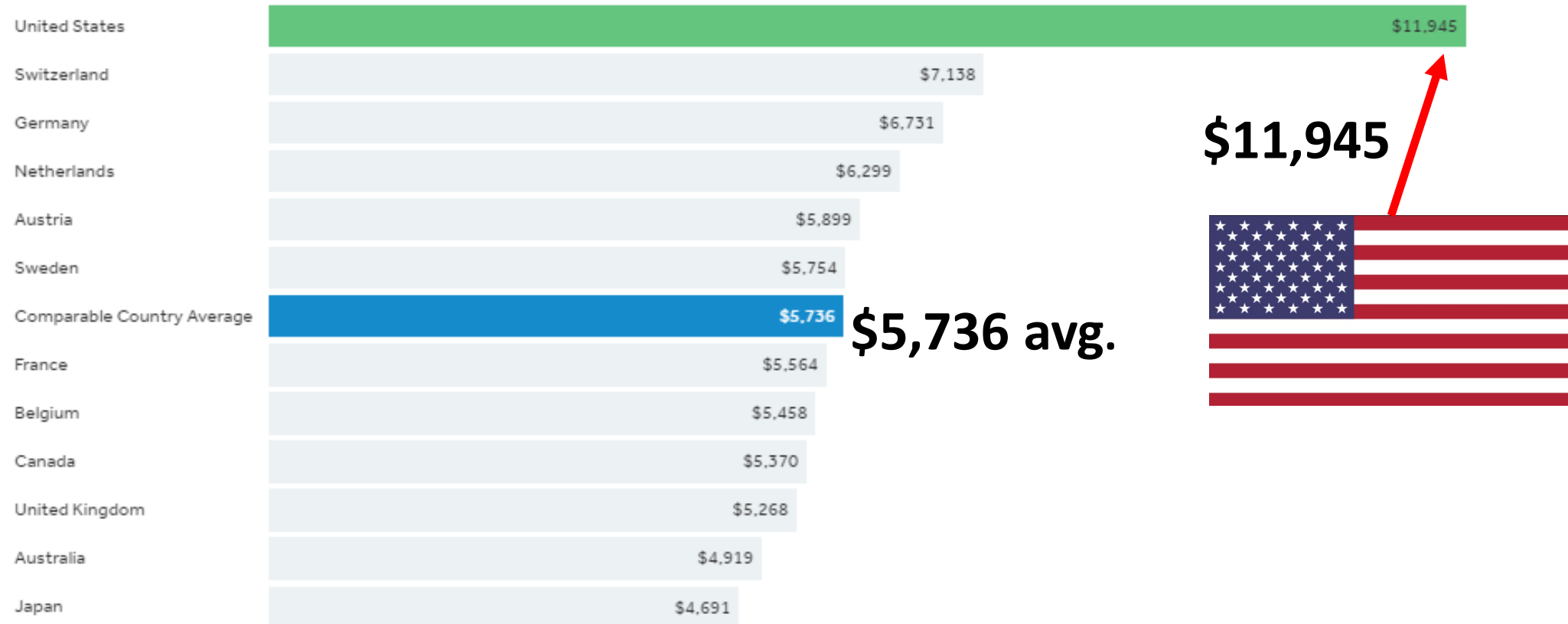
Office of the  
Healthcare  
Advocate  
STATE OF CONNECTICUT

# Session I Recap

**The U.S. spends more on  
healthcare than other  
wealthy nations.**

## On average, other wealthy countries spend about half as much per person on health than the U.S.

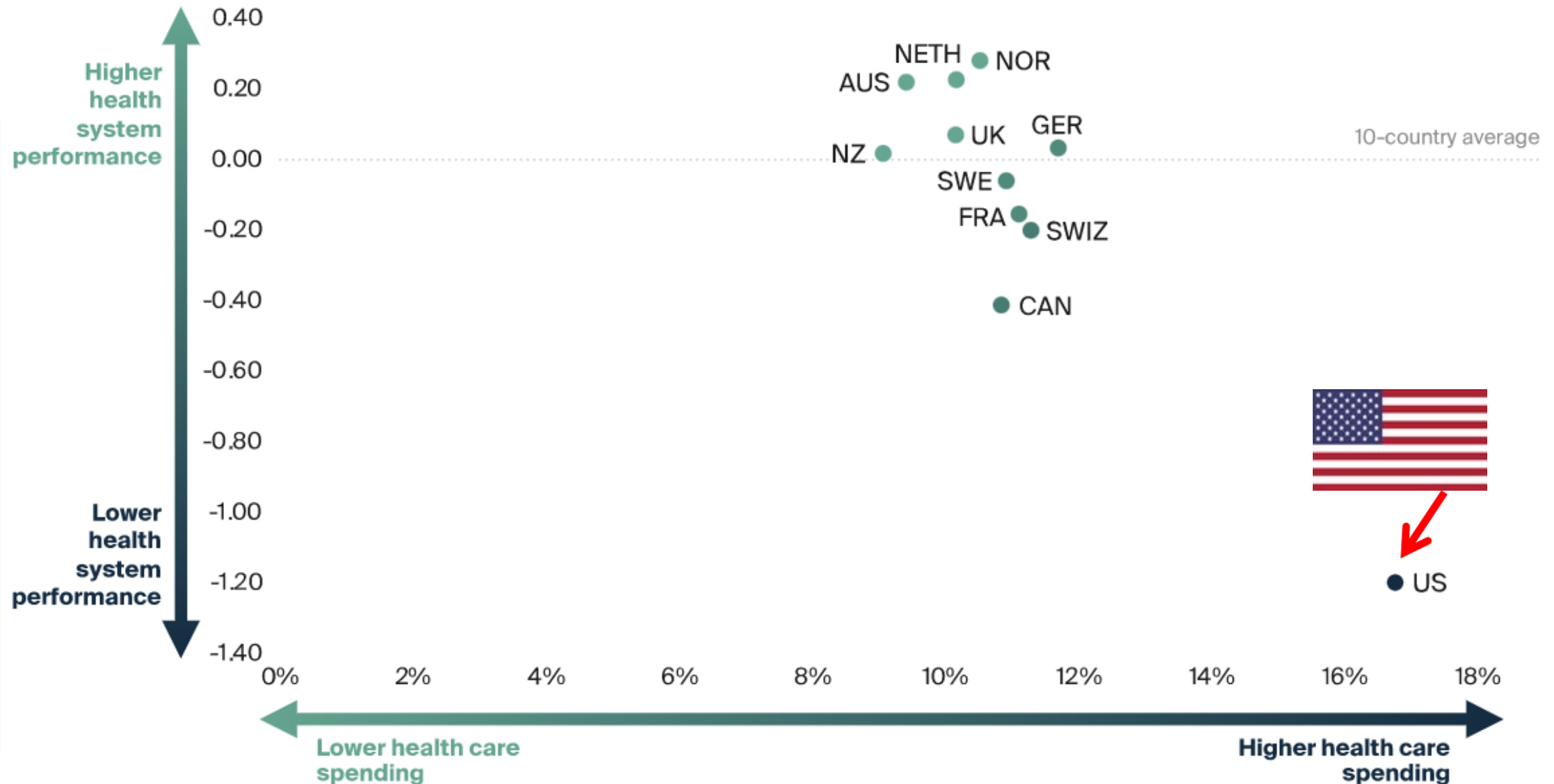
Health consumption expenditures per capita, U.S. dollars, PPP adjusted, 2020 or nearest year



Notes: U.S. value obtained from National Health Expenditure data. Data from Australia, Belgium, Canada, Japan and Switzerland are from 2019. Data for Australia, France, and Japan are estimated. Data for Austria, Canada, Germany, Netherlands, and Sweden are provisional. Health consumption does not include investments in structures, equipment, or research.

**U.S. healthcare is excellent in some areas, but overall is not better quality than other wealthy nations.**

# Wealthy Nations – Health System Performance vs. Healthcare Spending

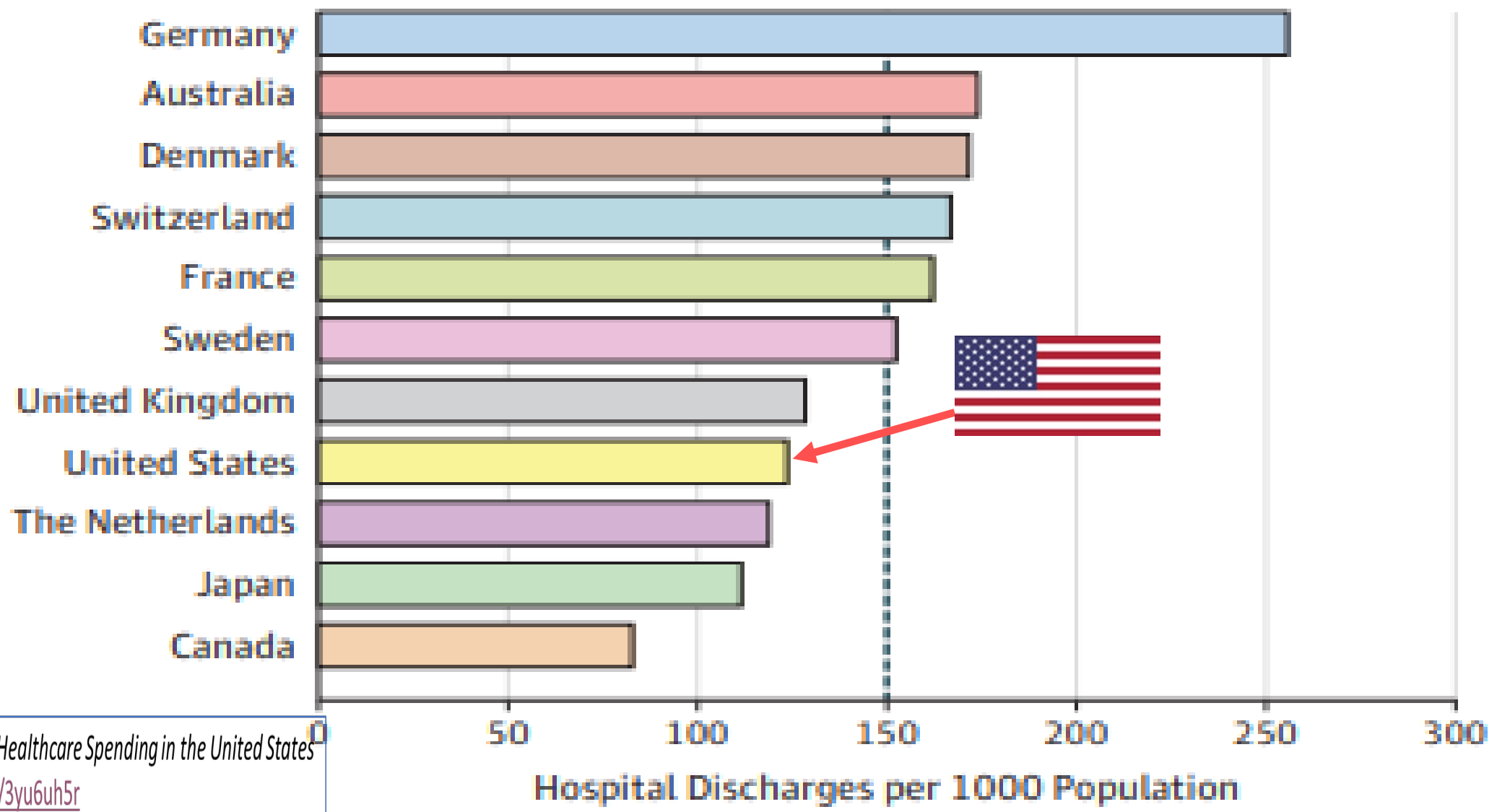


Source:  
*Schneider, et al, Mirror, Mirror 2021: Reflecting Poorly, Commonwealth Fund, Aug. 2021*  
<https://doi.org/10.26099/01DV-H208>

Note:  
Healthcare spend as a percent of GDP. OECD data for 2019. Performance scores based on standard deviation from 10-country average.

**The U.S. does not use more  
healthcare.**

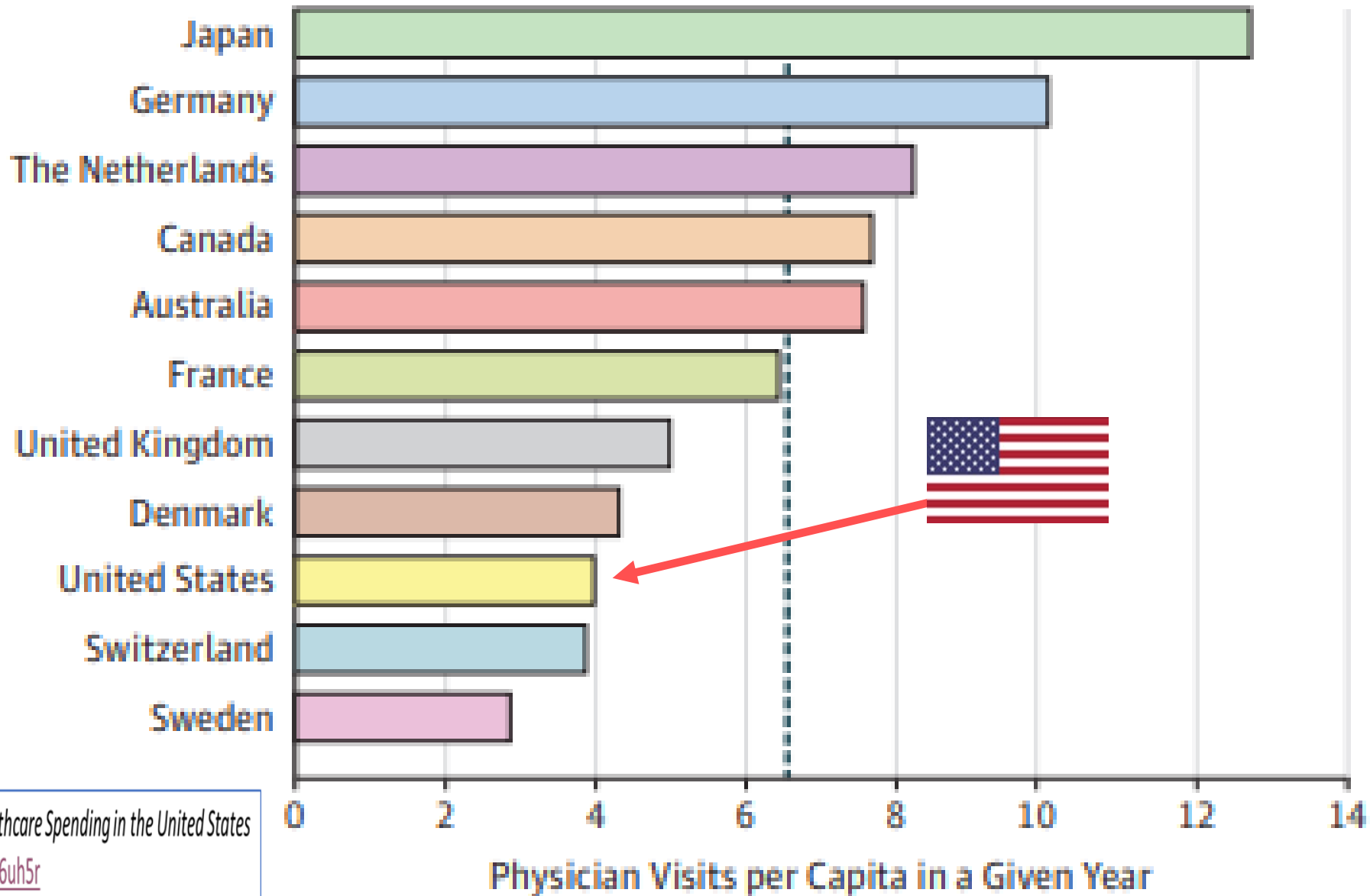
**A** Hospital discharges



Papanicolas, et al., *Healthcare Spending in the United States*  
<https://tinyurl.com/3yu6uh5r>



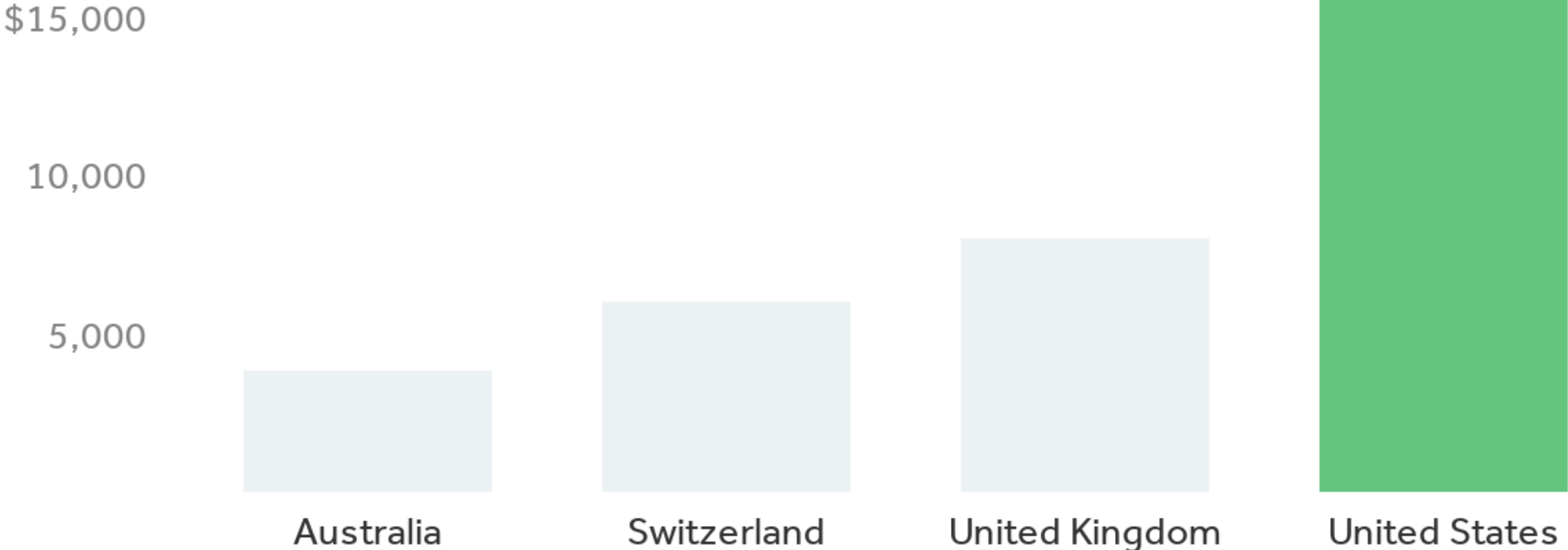
**B** Consultations<sup>a</sup>



Papanicolaos, et al., *Healthcare Spending in the United States*  
<https://tinyurl.com/3yu6uh5r>

**U.S. healthcare is more expensive because the underlying prices are higher.**

# Average price of appendectomy, 2014

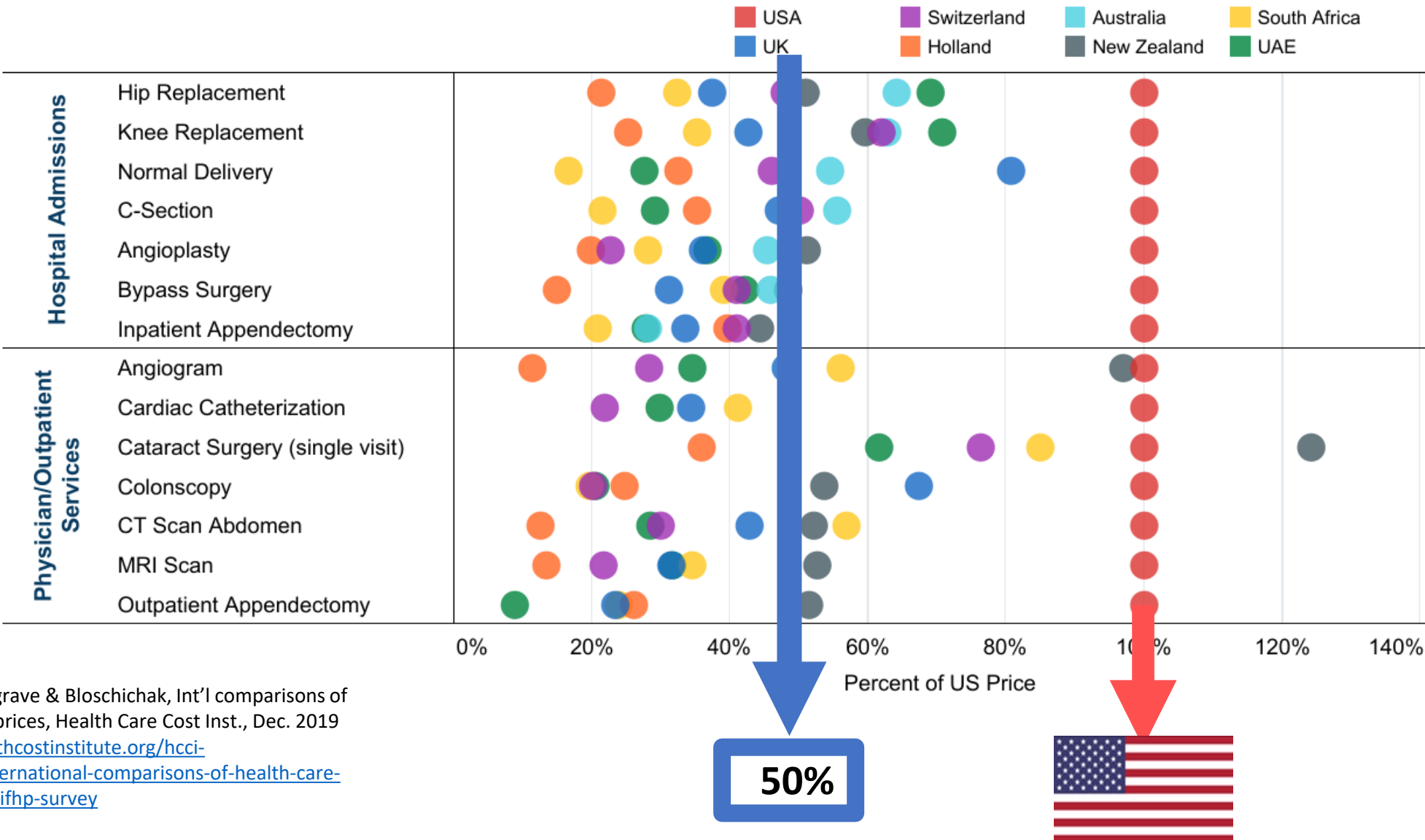


Note: Data for United States represents average cost in employer-sponsored plans. Data from Australia, Switzerland and the United Kingdom represent average private sector costs.

Source: Kaiser Family Foundation analysis of data from International Federation of Health Plans (2015), "2015 Comparative Price Report, Variation in Medical and Hospital Prices by Country"

# Private Health Insurance Prices in 8 Countries

Figure 1: Medical Prices in 2017 as a Percent of US Prices



Source: Hargrave & Bloschichak, Int'l comparisons of health care prices, Health Care Cost Inst., Dec. 2019  
<https://healthcostinstitute.org/hcci-research/international-comparisons-of-health-care-prices-2017-ifhp-survey>

**If we want affordable  
healthcare, we must find  
policy solutions that address  
underlying medical prices.**