# THE 25% PROBLEM

## 25% OF EVERY HEALTH CARE DOLLAR PROVIDES ZERO VALUE TO PATIENTS

## THAT'S $73 BILLION WASTED IN CALIFORNIA EVERY YEAR

## THE CRISIS IN NUMBERS

Health spending **has tripled since 2000** — far outpacing wages and inflation.

A family health plan costs **$23,000 a year** — that's 25% of what most families earn.

**50%+ of Californians** now skip or delay care due to costs.

## WHERE DOES THE 25% GO?

**Administrative waste:** Red tape and paperwork

**Excessive profits:** Unfair pricing without competition

**Preventable illness:** Conditions caught too late

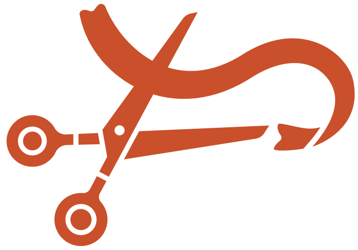
California Health Care Foundation

# WHAT ARE THE SOLUTIONS?

**Set a speed limit on costs:**

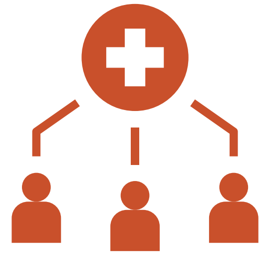

California's Office of Health Care Affordability (OHCA) is setting targets to slow the growth in health care costs.

**Cut the red tape:**



Health plans can streamline prior authorization and other administrative processes.

**Share information better across health care providers:**



A statewide data exchange will help reduce administrative costs.

**Stop unfair pricing:**

California could take more steps to regulate health care mergers to ensure they don't drive prices up.

**Invest in primary care:**

Make sure more Californians get the basic care they need to stay healthy in the first place.

## THE BOTTOM LINE:

Health care should help people get healthy — not drain their bank accounts. To make health care more affordable for everyone, we must get better at cutting out that 25% of costs that don't help patients.

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