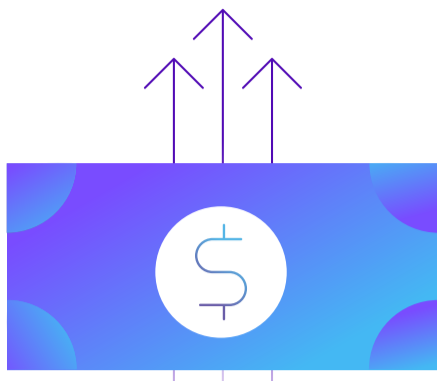


Better care and better costs are linked.

Healthcare costs are rising, but higher prices aren't translating to higher quality. We're spending more and getting less in return. That means patients aren't receiving the care they need, and patient populations aren't benefiting from healthcare innovations.



The rising cost of care

1

National health expenditures grew by **2.7% in 2021 to \$4.3 trillion.**¹⁰

4

Hospital expenditures grew by **6.4 %** in 2020.¹

2

The U.S. ranks **last overall** on access to care, administrative efficiency, equity, and healthcare outcomes.⁹

5

16.8% of the gross domestic product (GDP) in the U.S. was spent on healthcare.³

3

The U.S. spent **\$12,530 per person** on healthcare in 2020.¹

Where do we find healthcare waste?

\$102.4 billion to \$165.7 billion
Failure of care delivery.⁴

\$27.2 billion to \$78.2 billion
Failure of care coordination.⁴

Roughly 25% of healthcare spending **in the U.S. is considered wasteful.**¹¹

\$58.5 billion to \$83.9 billion
Fraud and abuse.⁴

\$75.7 billion to \$101.2 billion
Overtreatment or low-value care.⁴

Quality of care



78.6 years

is the average life expectancy in the U.S., two years lower than in other countries.⁶



62.6%

is the average survival rate in the U.S. for cervical cancer, the lowest in the world.⁶



More than

25%

of U.S. adults are diagnosed with two or more chronic conditions, more than any other country.⁶



40%

of Americans are obese, more than twice the global average.⁶



50%

more people in the U.S. are hospitalized for preventable diseases like diabetes and hypertension.⁶

Our perspective:

Better care at a lower cost is achievable



At Carelon, we believe that driving better care and reducing unnecessary spending are not separate strategies. In fact, they are deeply connected, and in many ways, they depend on each other. To make a significant impact on both, Carelon partners with today's most forward-thinking plans, joining forces to provide the right expertise, tools, and data to manage costs without sacrificing the value of outcomes or depth of care.

¹ National Library of Medicine: *Challenges and Opportunities Facing Medical Education* (accessed September 2023): <https://bit.ly/46Fkyn2>

² National Library of Medicine: *Challenges and Opportunities Facing Medical Practice* (accessed September 2023): <https://bit.ly/46Fkyn2>

³ Annals of Internal Medicine: *Allocation of Physician Time in Ambulatory Practice: A Time and Motion Study in 4 Specialties* (accessed September 2023): <https://bit.ly/3RVmh3Q>

⁴ Centers for Medicare & Medicaid Services: *National Health Expenditure Data Fact Sheet, 2021* (accessed September 2023): <https://bit.ly/3ZPxxf6>

⁵ Accenture: *The Hidden Cost of Healthcare System Complexity* (accessed September 2023): <https://bit.ly/46FvYbb>

⁶ National Center for Health Statistics: *Health Insurance Coverage: Early Release of Estimates From the National Health Interview Survey, 2021* (accessed September 2023): <https://bit.ly/3QeoV3o>

⁷ Gallup: *Record High in U.S. Put Off Medical Care Due to Cost in 2022* (accessed September 2023): <https://bit.ly/3PVh9d8>

⁸ Gallup: *Record High in U.S. Put Off Medical Care Due to Cost in 2022* (accessed September 2023): <https://bit.ly/3PVh9d8>

⁹ The Commonwealth Fund: *Mirror, Mirror 2021: Reflection Poorly. Health Care in the U.S. Compared to Other High-Income Countries* (accessed September 2023): <https://bit.ly/3QeoV3o>

¹⁰ American Medical Association: *Policy Research Perspectives* (accessed September 2023): <https://bit.ly/3PK47PG>

¹¹ JAMA Network: *Waste in the US Health Care System, Estimated Costs and Potential for Savings* (accessed September 2023): <https://bit.ly/45SszWW>