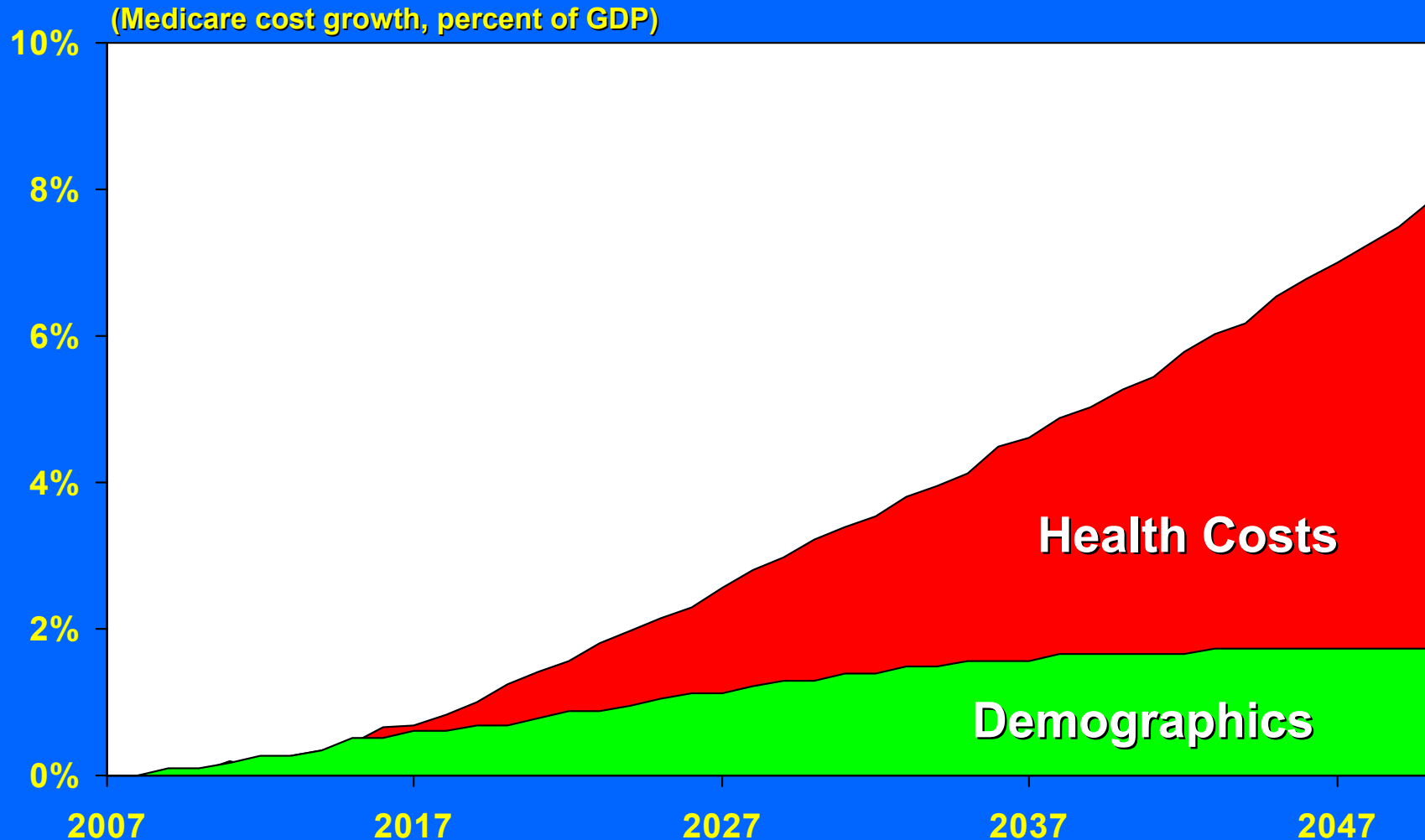
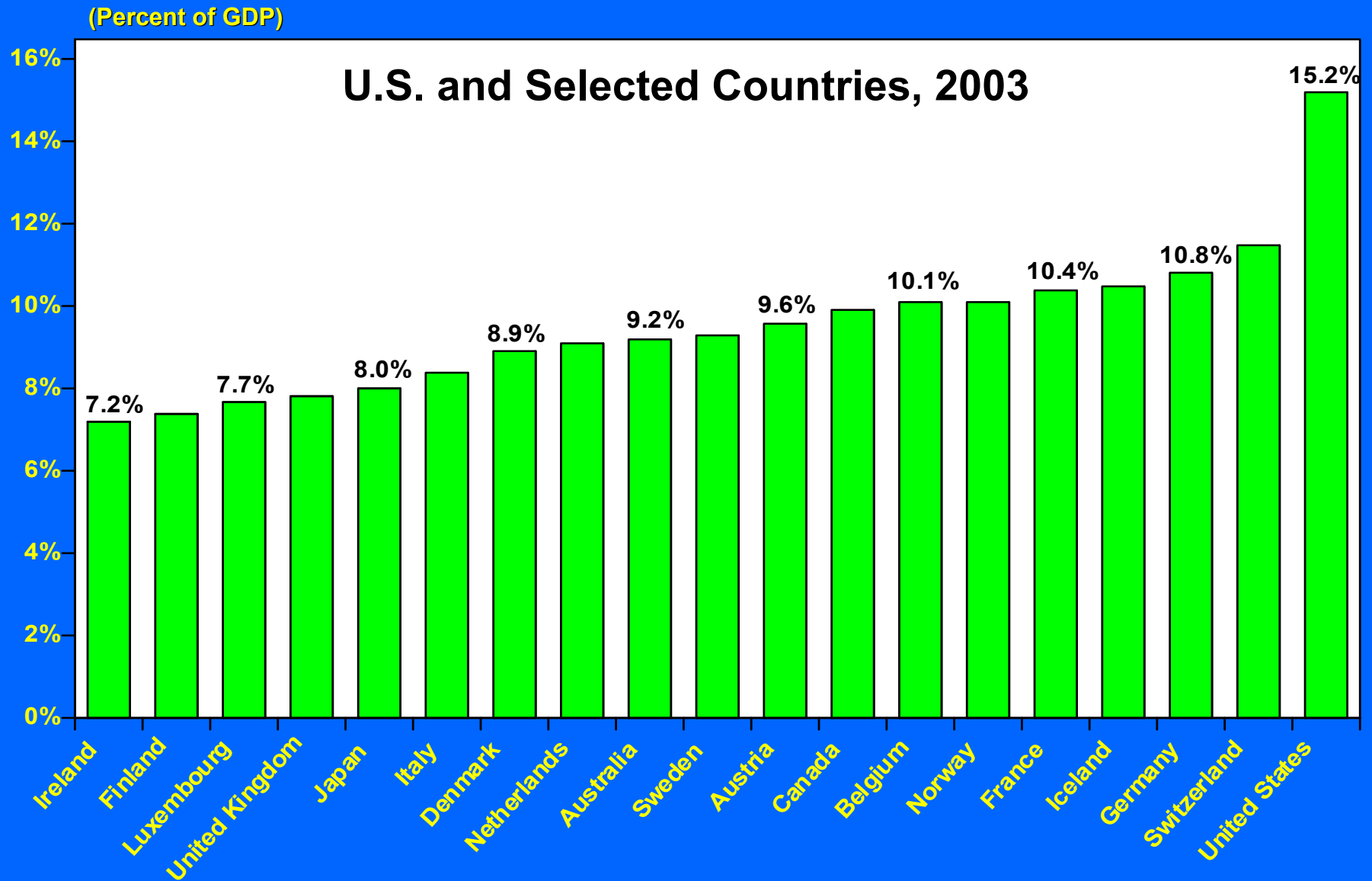


# Rising Health Care Costs Driving Medicare Cost Growth



Source: CBPP projections based on CBO data.

# Total Health Expenditures as a Share of GDP



Source: Organization for Economic Co-operation and Development, October 2006

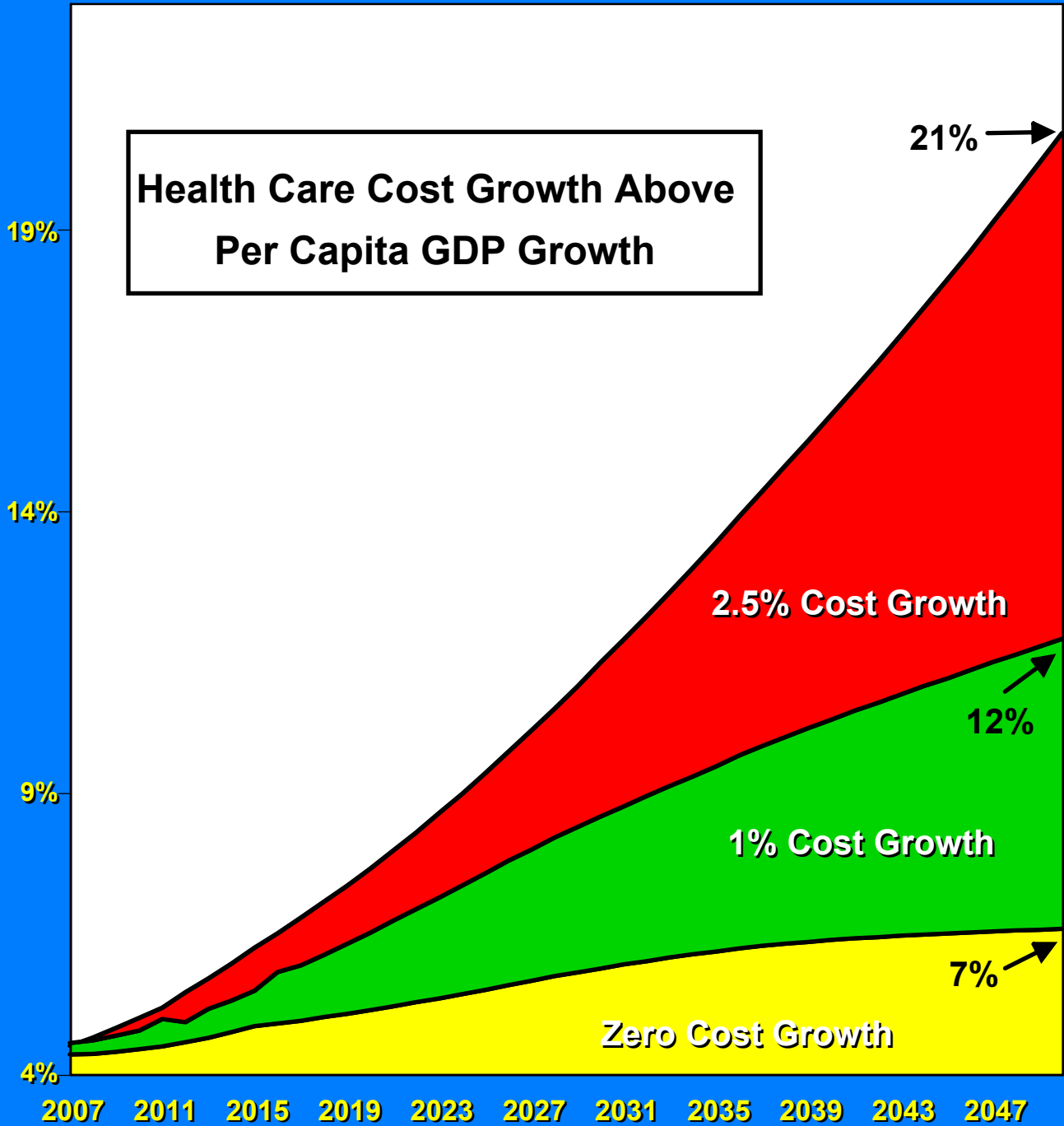
# **Reform of Medicare and Medicaid Requires Overall Health Care Reform**

**“[F]ederal health spending trends should not be viewed in isolation from the health care system as a whole.... Rather, in order to address the long-term fiscal challenge, it will be necessary to find approaches that deal with health care cost growth in the overall health care system.”**

**– Government Accountability Office Comptroller  
General David Walker  
Testimony before House Budget Committee  
February 2005**

# Slowing Growth in Health Care Costs Produces Dramatic Savings in Medicare and Medicaid

(Medicare/Medicaid Spending as % of GDP)



Source: CBO