

The Schuyler Center
135th Anniversary Celebration

The Landscape on Health Care

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NYS Demographics

- Total Population: 19.2 million
 - Age:
 - 25% under 18 years
 - 13% over 65 years
 - Race:
 - 68% white
 - 16% African American
 - 15% Hispanic
 - 5.5% Asian

Demographics

- 10% of New Yorkers are not citizens
- 19% have incomes below the federal poverty limit

NYS Causes of Death

1. Diseases of the heart
2. Cancer
3. Stroke
4. Respiratory Disease

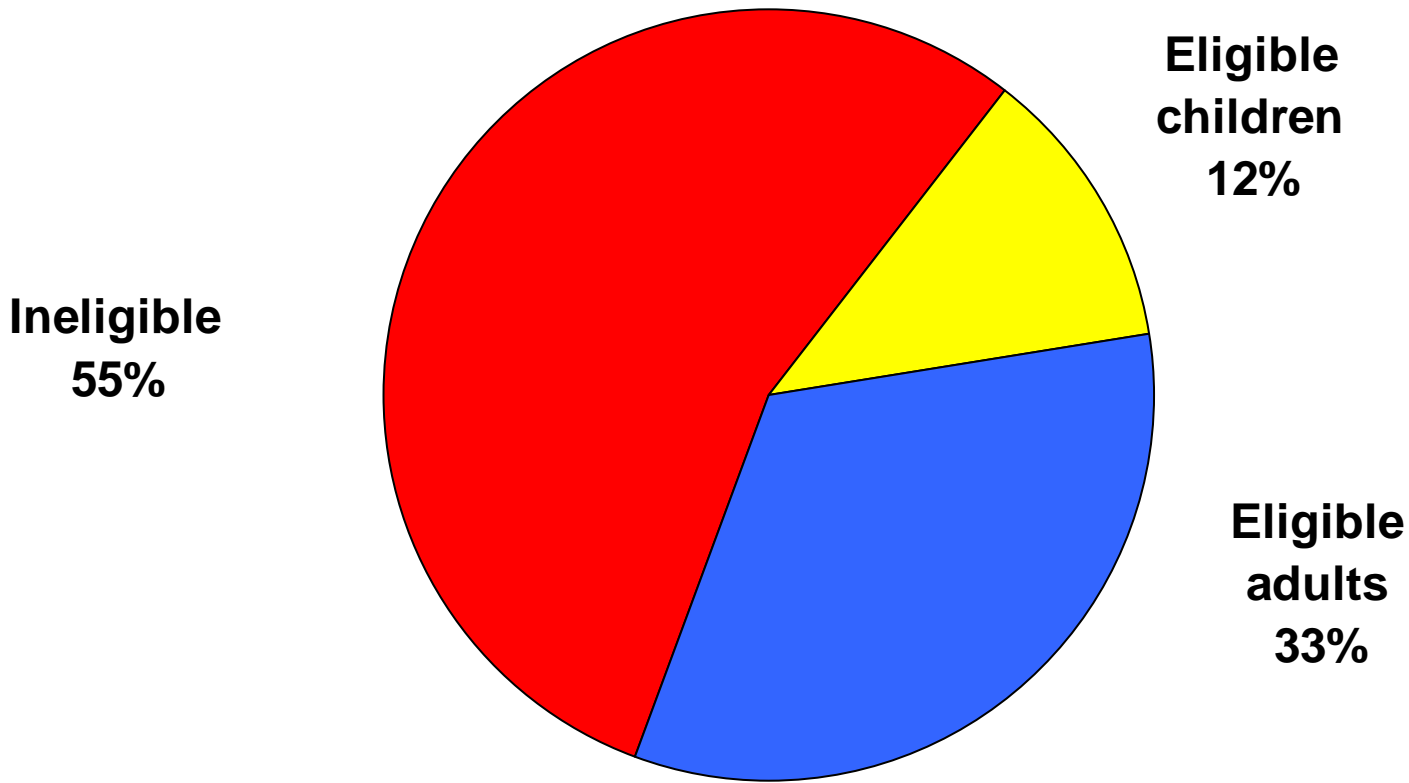
Health Status

- 57% of the adult population is obese
 - Up from 42 % in 1997
- 1.1 million adults have asthma
- 250,000 children have asthma
 - Leading cause for school absence
- 37% of New Yorkers self report as having poor mental health

Uninsured in New York, 2003-2004 – Summary

- 2.8 million uninsured in NYS (one in six)**
- 1.5 million uninsured in NYC (more than one in five)**
- The uninsured in New York State are largely:**
 - Low-income (63%)**
 - Adults (84%)**
 - Workers and their dependents (77%)**
 - Most uninsured workers did not have access to employer-sponsored insurance**
- Without increases in public health insurance coverage, uninsured rates would be higher.**

Nearly half (1.2 million) of the uninsured in New York State are eligible for public health insurance coverage.



2.8 million uninsured

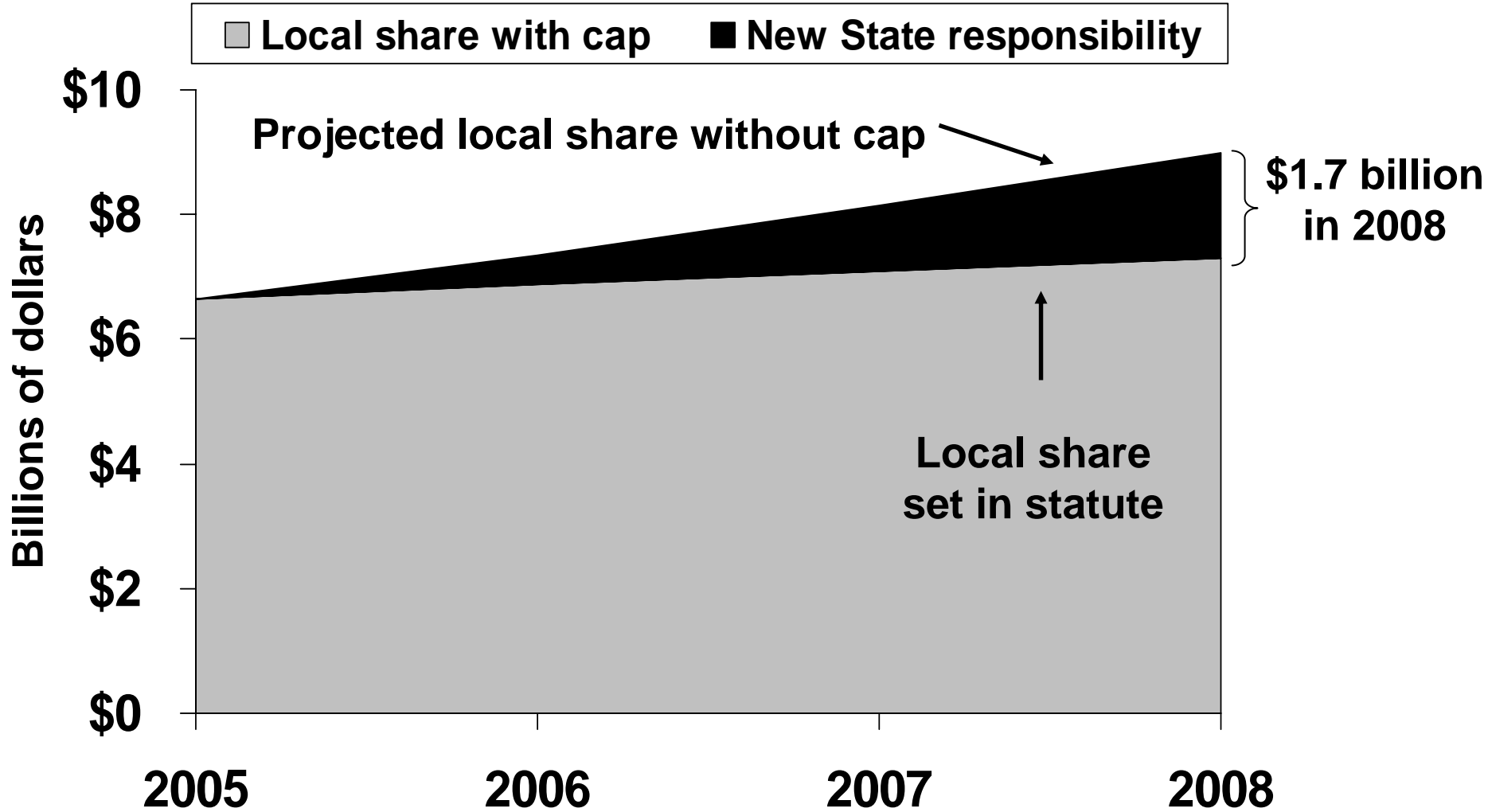
Health Care Spending

- About \$130 billion:
 - 36% hospitals
 - 24% physicians & other professionals
 - 12% prescription drugs
 - 10% nursing homes
 - 5% home health care

Medicaid Spending

- \$46 billion:
 - 24% hospitals
 - 18% mental health/developmental disabilities
 - 16 % nursing homes
- 87 percent of services delivered under FFS
- Administration accounting for 3 percent of budget
- Accountability, transparency

New York's State government is now responsible for the gap between actual Medicaid growth and the cap on local share.

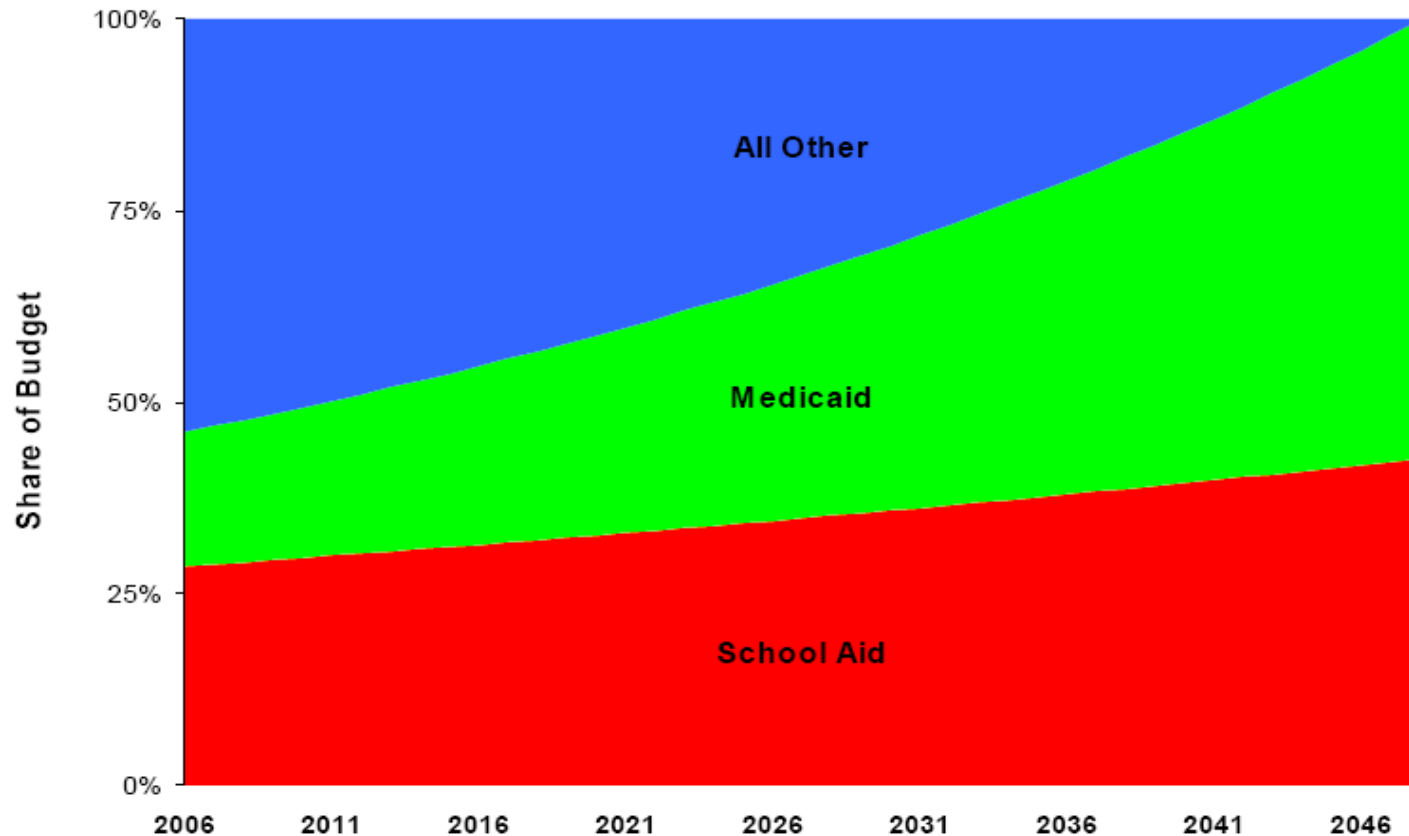


Source: New York State Association of Counties.

Note: Years shown are calendar years.

General Fund Spending Shares⁽¹⁾

Long-Term Growth Trend, 2006 to 2046



- Over the next 40 years, left unchecked, they would consume the entire budget.

⁽¹⁾ Assumes historical growth rate of roughly 8 percent for Medicaid, 6 percent for School Aid, and 5 percent for revenues.

Additional Challenges

- Racial and ethnic disparities in the delivery of care
- Two-thirds of New York's hospitals lose money, break even or have operating margins of less than 1%
- Imbalance between acute care spending and primary care needs

More Challenges

- Quality of Care
- Health Information Technology
- Threat of pandemics
- Costs of chronic disease

Opportunities or Threats ?

- F-Sharp:
 - Berger Commission
 - Managed Care
 - Fraud and Abuse
- HCRA expires in 2007